

Note of last Environment, Economy, Housing & Transport Board meeting

Title:	Environment, Economy, Housing & Transport Board
Date:	Wednesday 23 May 2018
Venue:	Westminster Room, 8th Floor, 18 Smith Square, London, SW1P 3HZ

Attendance

An attendance list is attached as **Appendix A** to this note

Item Decisions and actions

1 Welcome, Apologies, Declarations of Interest

Chairman Cllr Martin Tett welcomed the board members and updated them on the successful 'What next for our town centres?' event held at the LGA on the 14 May. The event was well attended and produced some interesting themes around town centre regeneration, particularly significant in the context of the decline of large retailers on the high street.

Cllr Tett offered the opportunity for members of the board to declare interests in the agenda items, but no declarations of interest were made.

2 Speeding-up the build out of sites with planning permission

Cllr Martin Tett welcomed Oliver Letwin MP to set out the early findings of his review of the build out of large sites with planning permission
Oliver Letwin MP introduced the work highlighting the scale and scope of the review, and what was not being considered.

Oliver Letwin MP provided an overview of his analysis of the issues. (This analysis has now been published and can be found [here](#))

Members asked the following questions and made the following comments
The rate of delivery of the larger sites sees councils being penalised due to the

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actions of contractors taking too long.

Will more powers be devolved to local government allow greater control over the process?

Hitting projected numbers of new houses means councils will plan for larger sites, which can cause delays.

Social housing is being affected by a range of elements, what are developers doing to ensure more are being built?

Quality of housing needs to be improved as we look to build houses quicker.

The business model of developers does not always align with council local plans and resident needs..

Oliver Letwin MP responded with

Small sites can lead to quicker build outs, as opposed to larger sites which will have more barriers to delivery.

After the analytical report in June 2018 is published, solutions will be considered, including powers for local government.

Developers are concerned about maximising profits and more sites than they can handle would not engage them to build any faster.

There should be an increase in the amount of affordable housing being built on larger sites. Houses are sold at the rate the market has demand for them and social housing is built on the back of these houses being sold.

Changing the business model of site developments will not help as much as local government having more control over sites that are being developed

Housing sites need to consider residents rather than just numbers of units

Diversity of housing within large sites could lead to faster build out as separate housing markets apply at different price points

Decision

The members thanked Oliver Letwin MP for attending and sharing his findings on speeding-up the build out of sites with planning permission And requested that Oliver Letwin meet with the Board again in the early Autumn

Action

Oliver Letwin MP agreed to come back in the Autumn to discuss solutions to faster build-out rates.

3 Viability and developer contributions

Joseph Ward, Development Viability Team Leader from London Borough of Tower

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Hamlets reported on viability from the experience of London Borough of Tower Hamlets. Joseph highlighted the importance of transparency and making information accessible for the public; land value as an issue for viability that impacts on the provision of social housing. Joseph stated that London Borough of Tower Hamlets use a range of consultants to support its engagement with developers on viability. The approach by LBTH is opposed to the appointment of a favoured single consultant who undertakes all consultancy work on behalf of the Local Planning Authority. An advantage of the framework is that it better encourages consultancies to provide thorough advice and challenge viability submissions.

Joseph noted that LBTH has adopted a [Development Viability Supplementary Planning Document](#) (SPD) which standardises approaches to viability included within viability submissions. Of particular importance in this regard is the approach to treating land value. It also allows the Council to implement a position of transparency concerning viability submissions.

Joseph also noted that the SPD allows the Council to include viability review mechanisms in S106 agreements so the Council can secure additional affordable housing where sales values increase prior to the completion of the development.

Members made the following comments

How has London Borough of Tower Hamlets developed the right skill sets for planning to be able to deal with viability matters?

How does London Borough of Tower Hamlets resource viability appropriately?

Can councils ask developers to fund the councils engagement in viability negotiations.

Joseph responded

Viability is a unique skill set, and recruiting is harder when the private sector offers higher salaries than local government can.

Tower Hamlets use a combination of funding sources, Developers will fund some viability work, but councils need to apply independent scrutiny.

Decision

Members agreed the recommendations set out in paragraph 16 of the Viability and developer contributions report.

Action

Actions to be taken forward by officers as agreed.

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4 Housing affordability

Nick Porter introduced the report on Housing affordability. The report explored the current affordability of housing, its impact, and the policy solutions. The report made a series of recommendations for the LGA to continue advancing the case for ensuring the provision of truly affordable housing

Members commented

Work on Housing affordability needs to be local, household income is different across the England and Wales. There can be extreme differences in household income both inside and outside of London. It is important to ensure that Government policy is not London-centric

London living rent does not mean affordable housing is accessible for everyone. Young people under 25 are significantly affected with fewer streams for access to affordable housing.

Councils as social landlords can drive up local standards. Members noted that in some places holiday accommodation is being used for emergency housing, with housing benefit being spent on poor and unsuitable placements.

The link between the housing crisis and the economy should be highlighted in future LGA housing policy.

Decision

Members agreed the recommendations set out in paragraph 16 of the Housing affordability report.

Actions

Officers to take forward actions as directed by the Board.

5 The Future of Town Centres

Kamal Panchal introduced the report on the future of town centres that highlighted the recent LGA work in this area and proposed further work to be led by this Board in support of councils' effort to revitalise their town centres.

Members made the following comments

Town centre heritage is important and highlighting cultural landmarks will bring residents to town centres.

Business rates are contentious and are not currently as flexible as needed.

High streets are seeing a reduction in retail, changing from the traditional high street trends. Out of town retail parks are also declining.

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Town centre retail decline is negatively affecting young people and their initial employment opportunities.

Town centre regeneration needs to reflect where new housing developments should be placed. Housing above shops should be also looked into again.

Children's activities can bring residents to the town centre, empty retail units can be used to create educational pop up/short term attractions.

Businesses being within a town centre can bring employees to shop on working days and local councils can bring their council officers to town centres to increase staff footfall to local businesses

Local council leadership needs to have an active involvement into what their high street looks like and what is needed for residents

Kamal highlighted the following areas of interest for the committee

Bradford City Council will be featuring in the Innovation Zone at the LGA annual conference this year, reporting on new and existing business growth and job opportunities in Bradford City Centre.

The Grimsey Review, a report into the decline of the High Street to be launched at the LGA conference (the report can be found [here](#)).

Housing, Communities and Local Government Committee inquiry into High streets and town centres in 2030

Decision

Members noted the report.

Action

Officers to progress as directed by the Board.

6 Waste and Recycling Update - impact of China's ban on imports of waste material

Sonika Sidhu introduced the Waste and Recycling Update, focusing on the impact of China's ban on imports of waste material. Sonika asked for councils to come forward to report financial implications of the China ban. Sonika also reported on the LGA's stance on plastics, mentioning strategies on how to move away from low quality plastic.

Members made the following comments

There will be a serious impact of costs to councils due to the ban.

Councils will be impacted based on what can be recycled around them.

Councils need to get better at sorting plastics and waste for curb side collection

There needs to be a long term strategy for plastics.

Nappies usage has doubled and is having an impact on collections. Other countries

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have started collections of hygienic pads and discussions of how to achieve this in the UK are underway
How councils could save money by turning plastics into fuel should be considered.

Sonika responded to members questions
We are waiting to see how National Government take the lead on plastics

Decision

For members to note the update provided

Action

Officers will continue to pursue the Board's agreed lobbying strategy.

A planned research exercise on the impact of a deposit return scheme on council collections will be widened to gather data on the impact of the China import ban.

7 Grenfell Update: Review of Building Regulations

Eamon Lally introduced a supplementary report providing an update on the final report of the Independent Review of Building Regulations and fire safety. Eamon reported on the context of the Hackett Report and the work the LGA has done since the report was published. Eamon highlighted that there will be a consultation on banning combustible cladding. Eamon reported that the government has provided £400M for cladding replacement work was billed as new money. (NB the Government has stated that this funding has been made available from the underspend in the Affordable Homes programme) . Eamon mentioned that the public enquiry had opened and that officers will update the Board on future developments

Members commented

The Hackett review report is a missed opportunity in a climate of greater sector and public interest in building safety

The private housing sector has a lot of buildings with cladding and the report needs to take this into scope so bills are not passed onto residents

Decision

Members note the review of the Hackett Report.

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Action

The comments will be fed into further LGA work on the Hackitt Review and building safety.

10 Notes of last meeting

Members **agreed** the minutes from the previous meeting as an accurate record of the discussion.