

Meeting: Environment, Economy, Housing and Transport Board

Date: 21 March 2023



Environment, Economy, Housing and Transport Board Updates

Purpose of report

For information

Summary

This paper provides updates on a range of issues within the remit of the Board that have not already been covered in other Board agenda items.

Recommendation

That the Environment, Economy, Housing and Transport Board note the update

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Environment, Economy, Housing and Transport Update Paper



Housing, planning and homelessness

Supported Housing

1. The Supported Housing (Regulatory Oversight) Bill made it through final stages in the Commons on the 3rd March with the amendments we made around local authorities being included as statutory consultees being accepted. DLUHC have now set up a series of roundtables to look at the different aspects of the bill to improve their understanding. So far there has been an introductory meeting and a meeting to look at potential licensing implications. There are some concerns about how a licensing scheme could work in terms of whether it would be national or set out in pre-defined areas and how providers who work across multiple areas could be affected. There are also still some discussions around the scope of the bill and what the definition of supported accommodation is.

Local Housing Allowance Freeze

2. Frozen LHA rates have been identified as a huge driver of homelessness across the sector as they have not been reviewed since 2020 despite evidence of significant increases in rent amounts. Despite this, government have said LHA rates will not be reviewed as part of the spring budget. However, there was a debate in the House of Lords on the 22nd February and debate in the House of Commons scheduled for the 15th March which we will be providing evidence for.

Kerslake Commission

3. We have submitted information on the LGA's progress and the progress of local authorities on the recommendations from the Kerslake progress report published in September 2022.

Government consultation on the Building Safety Levy

4. We have [responded](#) to the technical consultation on the implementation of the Building Safety Levy in relation to the scope of the levy; exemptions; the basis for calculating the levy and the proposal for local authorities to be the collection agency. We have also written to both the [Secretary of State](#) at the Department of Levelling Up, Housing and Communities and the [Chief Secretary to the Treasury](#) to urge them against requiring 309 local authorities to set up individual processes to act as a collection agency for the levy. Instead, we have suggested that a more streamlined, cost-efficient approach to raising the additional funds for building safety remediation, which would benefit both central and local government, would be to expand the scope of the current Residential Property Developer Tax (RPDT).

Levelling Up and Regeneration Bill

5. The Bill is now at Committee Stage in the House of Lords and we are continuing to [brief](#) peers. We continue to meet with peers to talk through LGA lines and our proposed amendments – a number of which have been tabled including those relating to: locally-set planning fees; removal of clauses relating to the sale of vacant higher value local authority housing in the Housing and Planning Act 2016 and ensuring that the Infrastructure Levy delivers at least much affordable housing as is currently required in Local Plans.

Consultation on the National Planning Policy Framework (NPPF)

6. We have [responded](#) to the government's consultation on reforms to national planning policy. We welcomed a number of the proposals including removal of the requirement to maintain a rolling 5-year housing land supply and that housing targets will be a starting point with greater flexibility to consider local circumstances. However, we have been clear that advisory housing targets need to be aligned with the latest ONS data; that there needs to be a stronger emphasis on the role climate change plays in future development and that the government's proposed planning skills strategy needs to be brought forward swiftly. We have also raised concern that the absence of any detail on the type and scope of new National Development Management Policies, makes it impossible to comment on the impact they will have on the ability of councils to plan effectively at a local level and that clarity is urgently needed.

Right to Buy report

7. We published a report by Savills on Right to Buy. This was jointly commissioned with the Association of Retained Council Housing (ARCH) and the National Federation of ALMOs (NFA). This showed that councils are predicted to lose a further 57,000 homes available for social rent through the Right to Buy scheme by 2030, as councils struggle to replace sold properties. In the associated [press release](#) we urged the government to use the Spring Budget to allow councils to set discounts locally and retain 100 per cent of sales receipts to avoid such a loss of desperately needed social housing stock. We also made clear that councils also need to be able to combine receipts with government grant funding, such as the Affordable Homes Programme, and transfer funding from sales to ALMOs or housing companies to give them greater flexibility over how new council housing is delivered.

Economy

Identifying local authority best practice in repurposing shopping centres

8. On 22nd February Cllr David Renard Chaired a very well attended webinar presenting the initial findings of an LGA commissioned report undertaken by The Retail Group highlighting the social and economic opportunities and benefits of repurposing shopping centres to reflect the needs of the town centre, the community, the local authority, and the businesses located within their area. The report will be published in March and will be evidence based with case studies with The Retail Group suggesting measures and approaches councils can take to repurpose shopping centres or support the repurpose of shopping centres in their area.

Identifying and promoting green growth opportunities

9. The LGA has commissioned Green Economy to produce a report highlighting the social and economic benefits of having businesses located in a local authority area that provide low carbon and environmental goods and services. The report will be evidence based with case studies and suggest measures councils can take to make their area more attractive for these businesses to locate in. Focus will be on the supply of goods and services required for the Net Zero transition. [Webinar presenting findings on Friday 17 March](#)

Economy update

10. According to the [ONS](#) monthly real gross domestic product (GDP) is estimated to have grown by 0.3% in January 2023, after falling by 0.5% in December 2022. This was an unexpected rise in GDP. However, over the three months to January 2023 real gross GDP has remained flat. The increase in GDP in January 2023 was due to growing service sector output, with production output continuing to fall.
11. The [latest available labour market data](#) shows that employment has continued to grow in the three months to December 2022, but is still below the pre-pandemic level. The data suggests that the increase in employment has been driven by people moving out of economic inactivity and into part-time work.
12. The UK annual consumer price index (CPI) was [10.1% in January 2023](#) and has shown a decline each month since its recent peak in October 2022 at 11.1%. The Bank rate was increased to [4% in February 2023](#), with the next announcement due on 23 March 2023. The future direction of the Bank rate movement is uncertain and will depend on the Bank of England's (BoE) view on the economy and expected levels of inflation.

Waste

13. We have written to Defra and the Environment Agency on behalf of the Board to set out our concerns about the challenges of managing soft furnishings containing persistent organic pollutants (POPs) and will be meeting with the responsible Minister – Rebecca Pow MP – on 9 March to discuss this and other priority waste issues.
14. Further information from Defra sets out detail of the new deposit return scheme for drinks containers. The LGA's media response highlighted the need for clarity on how the deposit return scheme will work alongside other reforms, and called for measures to prevent waste in the first place to be given priority.
15. We continue to engage with Defra on the resource and waste strategy reforms, including putting forward our priorities on a new group with Defra, packaging producers, and waste industry on the roll out of the Extended Producer Responsibility (EPR), and on the new burdens and implementation concerns around weekly food waste. We are still waiting for the government's response on taking forward the

consistency in collection reforms, which includes issues such as garden waste, and dry recyclables linked to EPR.

16. Annual fly-tipping statistics were released at the end of January. The LGA's media response highlighted the need for tougher penalties from the courts and for manufacturers of frequently fly-tipped items to contribute to the cost of clear up. The Environment Agency annual waste crime survey contains new questions this year on smaller scale fly-tipping, which will help give a clearer picture of the link to organised crime.

Environment

Environmental improvement

17. On 2 March the LGA hosted a joint conference with Natural England and Berkley Homes on Biodiversity Net Gain. Over 600 people attended in person, EEHT members Cllr Pippa Heylings and Mayor Philip Glanville both spoke on the panel including the CEO of Natural England, Senior Defra officials, developers and others. Councillor Richard Clewer, the Leader of Wiltshire Council, spoke on a panel on next steps and the factors needed to make biodiversity net gain a success.
18. The Defra has released further information about the implementation of biodiversity net gain in new development from November 2023. New guidance has been published and funding of up to £16.71 million will be made available to local planning authorities between now and November 2023 to prepare for implementation. This will be followed by further new burdens funding following commencement of the requirement from November. We are making representations around concerns that councils should have flexibility to carry funding over to future years, and that spending levels should not impact future allocations.
19. Defra is expected to issue further guidance and regulations on the development of local nature recovery strategies, ahead of the appointment of responsible authorities (councils or Natural England) in April 2023. Following LGA representations, Defra has confirmed that it will run further engagement of councils that will not be responsible authorities for developing the strategies.
20. Defra's 25 year Environmental Improvement Plan sets out government goals for improving the environment and policies to support the implementation of the plan. Defra have engaged with the LGA and councils on the plan and its commitments. The communications around the launched focused on measures to challenge councils role in improving air quality.

Climate Change

Advancing local and central government collaboration in climate change adaptation

21. We commissioned Local Partnerships to undertake a project to investigate, capture, understand and present what local government needs from the update to the National

Adaptation Programme. The project has now completed and a [webinar to present findings is booked in for 28 March](#).

Ministerial Local Net Zero Forum

22. On 9 February the first Ministerial Local Net Zero Forum took place with members of the Climate Change Task Group, joined by senior councillors from the groups, met with Lord Callanan. Agenda was mostly taken up with a discussion on the Skidmore review but it was agreed the meeting would take place twice a year with the LGA co-chairing

Smith Square debate on Climate Change

23. On Thursday 16 March there is a [Smith Square Debate on Climate Change](#) with panellist including Lord Deben, Terri Wills, Jack Richardson (Onward) and Luke Murphy (IPPR). The debate is free to attend and will be fully online due to the planned rail strike that day.

Energy Efficiency Taskforce

24. Government have announced that the Energy Efficiency Taskforce will be jointly chaired by Lord Callanan and the Nat West CEO. Early indication is that there will be a place for local government, and we are engaging with politicians and officials to make the case that this be the LGA as the political representative of councils, linked to the work of the Local Net Zero Forum.

Climate Change Task Force

25. On 13 March the Climate Change Task Group is meeting with Lee Rowley MP, Parliamentary Under Secretary of State (Local Government and Building Safety). His responsibilities include, amongst other things; Climate change, net zero and energy efficiency (building regs) and Planning casework. Items to be discussed at this meeting include;

- Advocating for local government's role in achieving net zero
- Opportunities for net zero funding consolidation
- Net zero homes and buildings

Energy

ECO4 Flex webinar

26. On 1 March we ran a webinar with DESNZ, Ofgem, OVO, EDF and Walsall Borough Council on accessing ECO4 Flex funding. [Presentations are available online](#). The webinar was well attended with around 160 attendees

Ofgem Local institutions consultation

27. Ofgem has published its proposals for the [future of local energy institutions and governance](#) arrangements on grid issues. The LGA is currently reviewing and plans to respond ahead of the 10 May deadline.

Transport

Lambeth Kerbside Strategy

28. Lambeth Council launched its pioneering [kerbside strategy](#) recently, a strategy that aims to deliver the transition to electric vehicles, the uptake of wheeling and walking, building climate resilience through interventions such as Sustainable Urban Drainage Systems, to reduce floods or trees to provide shade reducing heat. The LGA has organised a free [webinar](#) on 30th March for LGA member councils to hear from Lambeth Council about its new strategy that aims to reclaim at least 25 percent of this space from vehicle parking and introduce sustainability measures to fulfil climate, social and public health ambitions.

EV chargepoints funding

29. OZEV has [announced](#) the expansion of the LEVI pilot scheme to 16 new areas, and the launch of an £8 million LEVI Capability Fund which to help equip councils with capacity and skills to scale up their plans for developing their charging strategy. The Government also brought forward a further £7 million funding for the existing On-Street Residential Chargepoint Scheme, bringing the total funding this year to £37 million.

Bus funding

30. Following extensive lobbying from the LGA and bus groups the Government [have extended](#) funding by 3 months for the Bus Recovery Grant and the £2 bus fares gap until the end of June 2023. Whilst this additional funding will help [we said](#) that bus services cannot survive on a hand to mouth existence and the Government must use the time this funding buys to work with councils and operators to develop a long-term, reformed bus funding model with significant new money. Cllr Renard raised the issue of bus funding at his recent meeting with the local transport minister, Richard Holden MP.