

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

Title: Environment, Economy, Housing & Transport Board
Date: Wednesday 2 December 2015
Venue: Smith Square 1&2, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ

Attendance

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

Item	Decisions and actions	Action
1	Declarations of Interest No declarations of interest were made.	
2	Housing and Planning Update The Chairman introduced the report which updated the Board on the implications of the recent Spending Review announcements and asked for a steer on current lobbying work on the Housing and Planning Bill and the Welfare Reform and Work Bill. Neal Hudson, Executive Director of Research at Savills, addressed members on research the Board had commissioned on the impacts of housing reforms on housing supply and tenure of stock. The research presented a wide range of housing data including homeownership, average value of a first mortgage deposit, and the difference in income between social and private renters. The report on stage 1 work had recently been released and focussed on those excluded from market housing, pay to stay, and starter homes. Stage 2 work would consider housing price growth over the forthcoming five years, and create a model for government policy implications based on construction of new homes and housing market transactions. In the discussion which followed members made a number of comments including: <ul style="list-style-type: none">• Local government was being pressured on both private and shared ownership, and strong cross-party lobbying on the Housing and Planning Bill should continue so that local authorities were in a stronger position in future.• It was unclear how the government would implement the sale of high value council housing, and ministers should be asked to provide further clarity on this area.• The absence of public sector house building had led to the housing gap, and it would be vital to collate as much evidence as possible	

to influence government policy to close the gap.

- Local government's ability to provide and maintain infrastructure should be considered alongside house-building.
- Current government housing policy, including sale of high value housing, would have unintended negative consequences on local authority business plans and Local Plans.
- The LGA should publicise that local authorities were not obstructive in granting planning permissions.
- The shortage of materials and skilled workers had impacted on the housing gap in recent years, and the LGA should continue its lobbying on the skills agenda to influence the importance of this to the housing agenda. The Board was working with the Construction Industry Training Board to further evidence the need to adapt to the increasing demand for construction skills.
- Local government would have to work closely with housing associations to address the increased need for housing.
- The Lead Members of the Board would collectively issue a statement on planning consents, specifically on the issue of availability. This would articulate and further publicise the role of local government in housing. Representations on the Housing and Planning Bill by of the Leadership Board to Ministers were continuing and the Board agreed that the notes of these meetings should be circulated to the EEHT Board so that they could continue to be updated on all lobbying work.

Decision

- The EEHT Board agreed that a joint statement by Lead Members of the Board be released on planning consents, specifically on the issue of availability.
- Ongoing lobbying work which was highlighted in the report was noted.

Action

- Joint statement to be drafted and circulated to lead Members for approval.
- Notes of meetings between members of the Leadership Board and government ministers to be circulated to the EEHT Board for information.

3 Councils and Housing Associations - Future Collaboration Around Meeting Local Housing Need (CONFIDENTIAL)

The Chair introduced the report and welcomed David Orr, Chief Executive of the National Housing Federation (NHF), who would address the Board on the NHF's agreement with government to voluntarily deliver the extended Right to Buy scheme, as well as on how housing associations and local authorities could work together effectively to meet housing needs.

David Orr highlighted that in 2014 housing associations had built 50,000 new homes, which was 40% of all new homes in the economy. The NHF's submission to the Spending Review had stated that in the right circumstances, and through working with local authorities, they would be able to build up to 70,000.

Members noted that the NHF wanted to continue strong working relationships with local government and wanted to make common cause on rent cuts, as a 1% per annum cut set by the government was unhelpful, opportunistic and not strategic. If rents continued to be cut there would be less money for investment in future housing stock. Local government and housing associations were accountable to the public and should be setting rents in their areas.

In the discussion which followed, members raised the following points:

- Members welcomed David Orr's comments on joint working and locally set rents. It was agreed that decisions on rents should be made by local authorities and housing associations who were locally accountable.
- There was concern that if housing associations sold high value property, replacement housing could be built a long way away from the area, leading to a decrease in housing. Replacement houses should be built in the same local area where houses had been sold. David Orr stated that housing associations had the ability to trade and sell under the voluntary Right to Buy scheme, and in some cases may sell in one area and invest in another.
- The government should be aware that the best value housing was not the same as the highest priced housing. Best value should relate to what delivered most effectively in the long term. The NHF would continue to sell high value assets and use the money for internal cross subsidy.
- There was a challenge for housing associations and local authorities as funding for housing support from the government came with a requirement that it be used for affordable rents or shared ownerships. This made it difficult to continue to bring forward affordable housing. Both housing associations and local authorities should have the freedom to set their own rents.

Decision

- The EEHT Board thanked David Orr for attending and addressing the Board, and agreed that there should continue to be regular dialogue between the Board and the NHF through meetings with Lead Members.

Action

- Regular meetings between Lead Members and the NHF to continue, as well as regular collaboration between LGA and NHF officers.

4 Maintaining Momentum on Local Growth

The Chair introduced the report and invited David Marlow, independent consultant and expert on local growth policy, and Cllr Paul Watson, Leader of Sunderland City Council, to address the Board on growth and what was required to maintain momentum on progress following Spending Review announcements and devolution deals.

David Marlow stated that, following the Spending Review, councils should

focus on building more interest and engagement of longer term leadership. There should be an evolution of the status quo, with areas acquiring more land assets and taking advantage of national regimes for drivers of growth and radical local authority fiscal and devolution revolutions. There were many risk factors, including the forthcoming EU referendum and the context of continuing limits on local government finances.

He highlighted the example of Kettering, which was an area of rapid population growth and would have to balance that with economic growth. They were in the process of building the ninth biggest housing development in the country and a carbon neutral business park, and were looking for government investment to advance this. He also highlighted that Sunderland and Wakefield had restructured as areas of economic growth, and each had purposeful city partnership boards.

Cllr Watson highlighted examples of how the 'Make it Sunderland' scheme had attracted over 200 investments in the city since 2012 and created 6,850 new jobs in the area. The project had required a great deal of capital expenditure, but was required to make sure the economy grew and jobs were created. Local authority and business leaders had met with companies to convince them that investing in the area was sustainable and would be successful. He highlighted that it had been beneficial to have independent people from the local business community to communicate the message. Sunderland had enabled first tier suppliers, particularly in the car industry, to build in the area, as it was more economically viable than shipping products from elsewhere in the world.

In the discussion which followed, members discussed the following points:

- Councils should ensure that devolution deals empowered places to grow. Deals should focus on long term sustainability and not just quick wins.
- Local and economic success was built on cities and regions having much greater fiscal responsibility through growth deals and devolution deals.
- Councils should focus on where they were involved in structuring business rate retention or devolution deals. There should be a process on how individual deals impacted upon the national system.
- Despite financial difficulties, councils had been at the forefront of economic growth over the previous five years.
- The Board should have more engagement with the devolution work being undertaken by the City Regions and People and Places Boards. The Chairman suggested that feedback from other Boards be included in the Chair's report or update paper.

Decision

The Board **noted** the report and **agreed** to continue to oversee work on local economic growth, with more cross-working with the City Regions and People and Places Boards.

Action

Officers to include feedback from City Regions and People and Places Boards as part of the EEHT Board agenda.

5 EEHT Update Report

The Chair introduced the report which provided updates on a number of other areas of work within the EEHT work programme.

In the discussion which followed the following points were raised by members:

- It was highlighted that the introduction of statutory sub-regional transport bodies, and the creation of the National Infrastructure Commission were significant developments in local government transport policy. The LGA should consider how the aims of these supported the wider devolution agenda and the work of the Board in the future.
- In response to a question on winter weather preparedness, the Chair confirmed he had already been approached to give interviews on the subject, and that local government was in a good position to support communities.
- It was highlighted that the LGA had responded to the government's draft plans on 'tackling nitrogen dioxide in our towns and cities'. The response included a call for the government to do more to address air quality, including industry-wide changes to influence changes to ultra-low emission vehicles, and by giving local authorities powers and funding to manage traffic and provide alternatives to cars.
- Members agreed that the next Board meeting should focus on topics from the Board's work programme other than housing. The next meeting would have a particular focus on transport and infrastructure.

Decision

The Board **noted** the report.

Action

Officers to include items on transport and infrastructure to the agenda for consideration at the next meeting.

6 Chair's Report

The Chair presented the Chair's report, which was for information.

Decision

The Board **noted** the report.

7 Minutes of the previous meeting

Decision

The minutes of the meeting held on 1 October 2015 were **agreed**, subject to the addition of Cllrs Rob Blackman and Stephen Parker to the attendance list.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Cllr Peter Box CBE	Wakefield Metropolitan District Council
Vice-Chairman	Cllr Martin Tett	Buckinghamshire County Council
Deputy-chairman	Cllr Keith House	Eastleigh Borough Council
Members	Cllr Adele Morris	Southwark Council
	Cllr Timothy Moore	Liverpool City Council
	Cllr Tony Newman	Croydon Council
	Cllr Simon Cooke	Bradford Metropolitan District Council
	Cllr Peter Fleming OBE	Sevenoaks District Council
	Cllr David Westley	West Lancashire Borough Council
	Cllr Alyson Barnes	Rosendale Borough Council
	Cllr Gillian Campbell	Blackpool Council
	Cllr Simon Greaves	Bassetlaw District Council
	Cllr Rob Blackman	Lewes District Council
	Cllr Stephen Parker	Hart District Council
	Cllr Andy Hull	Islington Council
	Cllr Catherine Rankin	Tunbridge Wells Borough Council
	Cllr Graham Whitham	London Borough of Sutton
Apologies	Cllr John Northcott	Mole Valley District Council
	Cllr Ed Turner	Oxford City Council
	Cllr Steve Count	Cambridgeshire County Council
	Cllr Jim Harker OBE	Northamptonshire County Council
	Cllr Julian German	Cornwall Council
	Cllr Jason Ablewhite	Huntingdonshire District Council