

Local Government North Yorkshire and York**16 December 2016****General Updates****Report of the Honorary Secretary****1.0 Purpose of the Report**

- 1.1 To provide a brief update on issues which do not require a full paper.

2.0 Sub-Regional Housing Board – Report of Mary Weastell, Chief Executive, City of York Council

Progress report as at 5 December 2016

Enhanced two tier project title: Affordable Housing

Project Description: Working Together to Increase the Number of Affordable Housing Units

Project Lead: Colin Dales, Corporate Director (Operations), Richmondshire District Council, Tel: 01748 901002 email: colin.dales@richmondshire.gov.uk

2.1 Progress to date/update:

- (a) The Housing Board held on the 12 December received a performance update for quarters 1 and 2 of the current financial year. This presentation was not available at the time of writing but will be included in the next update.
- (b) The Housing Board continues to monitor national policy developments, particularly around the extension of the Right to Buy to Housing Associations, annual rent changes for social landlords (being set at -1% each year for the next 4 years), the sell off of high value Council housing and starter home proposals which may have an impact on Council's approach to Section 106 housing supply. Some key policy changes are starting to emerge :
- The proposed "pay to stay" initiative whereby social housing tenants on higher incomes pay higher rents will no longer be implemented
 - There appears to be a softening of approach regarding the focus on low cost home ownership products whereby grant funding for new homes for rent is likely to be made available in the near future – more details are awaited
 - Despite some well publicised time extensions, the intention to cap housing benefit levels for supported housing is creating further anxiety within the housing sector with the uncertainty around future funding undermining future provision
 - Details and intentions around the sell-off of high value Council properties are still awaited
 - The roll out of further pilots to test the voluntary right to buy scheme in the Housing Association sector rather than a full national roll-out suggests further changes / concessions may be made in this area of policy.

- (c) The proposed capping of housing benefit for supported housing schemes as mentioned above will lead to significant further dialogue between local authorities in two tier arrangements. This is due to an announcement that the Government will allocate funding to upper tier authorities to protect supported housing schemes where the benefit cap will create funding / operating difficulties. Contact will be made between district and county colleagues in order to start work on how this funding will be allocated as well as sizing the scale of the issue.
- (d) The Syrian Refugee Resettlement Programme continues to be rolled out in the City of York, East Riding and the Harrogate/Craven/Selby part of North Yorkshire. Some local difficulties continue to be experienced but the partnership remains on target to fulfil its commitment.
- (e) There has been further dialogue with SME builders to find out how the partnership can assist them in increasing their contribution to housing supply targets. The first step will be to challenge development management colleagues to assist in finding solutions to some of the actual or perceived barriers.
- (f) The partnership is assisting LEP colleagues in submitting a bid to the Large Sites Capacity Fund. The bid will make reference to a small number of high profile sites within North Yorkshire and the associated need for additional staffing resource to speed up the process of bringing these sites to market. Additional staffing resource will include that associated with highways issues, planning application issues, site viability and master planning.
- (g) The partnership is also in the process of developing a policy to respond to the Rural and Coastal Fund – funding announced by Government to promote community led housing schemes (£60 million nationally) where second home ownership is high. Further details are awaited but allocations are likely to be significant.

2.2 Barriers to progressing the project over the next period:

- (a) The main barrier continues to relate to current housing market conditions which are hindering the contribution that the planning system can make to affordable homes delivery. However, housing market conditions and associated confidence are continuing to improve and this barrier continues to lower as housing market confidence grows.
- (b) Lack of suitable land continues to be a barrier to the delivery of affordable housing although Local Authority planning frameworks are continuing to develop with a growing number receiving or anticipating Planning Inspectorate approval. This progress should ease housing land supply in the medium term. The Growth Deal makes specific reference to the need to have up to date local plans and associated land supply.
- (c) Private sector housing improvement funding ceased from 1 April 2011 as a direct result of CSR. Local Authorities still have the freedom to fund private sector housing renewal from their own funds, but current feedback from Local Authority colleagues is that this area of activity has reduced significantly with Disabled Facilities Grants being the core business.

- (d) Local opposition to housing (including affordable housing) is also hindering progress in boosting housing supply. The Housing Board has written to the Housing Minister to request that more supportive key messages come out of Government, supporting new housing and the key role it plays in boosting local economies and sustaining communities. The Chair of the Board has also met with the Housing Minister when he visited the region in July in order to reinforce this message.
- (e) Funding the infrastructure needed to bring housing sites forward is also a barrier which has, at least in part, been resolved via the allocation of Local Growth Funding. However, this is likely to be an on-going pressure as further key sites come forward.
- (f) The vast raft of new / proposed housing legislation is also proving to become a barrier as housing providers take stock and come to terms with all the new policies and proposals and the impact on business plans. This barrier is likely to reduce as time moves on and updates will continue to be provided in this respect.

3.0 Sub-Regional Spatial Planning and Transport Board – Report of Ian Stokes (Development Officer (Transport Strategy), City of York Council)

- 3.1 The Spatial Planning and Transport Board last met on 9 December 2015 and a subsequent meeting has not been arranged at the time of writing this report. The Board, on 9 December 2015, agreed that the Directors of Development should look at streamlining reporting structures where possible. A new structure was agreed by the Directors of Development in April 2016. Under the new structure, the Directors of Development Group (which reports to the Chief Executives' Group) has agreed to establish a new Heads of Planning Group, which in turn will determine any sub-ordinate officer groups necessary. Discussions are on-going amongst members of the former North Yorkshire Planning Officer Group around the transition to the new Heads of Planning group. At the time of writing this report, information is awaited from the new Heads of Planning group in relation to the sub-ordinate officer groups, including the Technical Officers' Group.
- 3.2 It is envisaged that the Secretariat to the Board (currently City of York Council, until such time as otherwise directed by DoD / HoP) will arrange a meeting of the Board to take place in December 2016.

4.0 York, North Yorkshire and East Riding ESI Funds Sub-Committee – Report of David Walmsley (City of York Council's Programme Director Business Consolidation) (Substitute for Councillor Ian Gillies)

- 4.1 On 16 September 2016, the Sub-Committee considered updates on progress from representatives of the Managing Authority (Department for Communities & Local Government – EDRF; Department for Work & Pensions - ESF; Department for the Environment Food & Rural Affairs – EAFRD). This included confirmation, that following the referendum result in favour of exiting the European Union, the Government will ensure that all European Structural and Investment Funded projects currently executed will be fully funded, irrespective of the date of the UK's exit from the EU, and any contracts due to be executed in the normal course of business before the Autumn Statement will also be guaranteed. This also includes Financial Instruments which will ensure a full 5-year investment period where Funding Agreements are executed prior to the Autumn Statement. Any further Applications that are not contracted by the Autumn Statement will be subject to the arrangements put in place following the Autumn Statement. ESIF Sub-Committees will continue to provide advice on Calls, Applications and ongoing implementation for the ERDF and ESF programmes and for

the Growth Programme elements of EAFRD. The Sub-Committee also discussed the Community Led Local Development bid, confirming strategic fit with local priorities ahead of formal submission to the Managing Authorities.

- 4.2 On 28 October 2016, the Sub-Committee considered updates on progress from representatives of the Managing Authority (Department for Communities & Local Government – EDRF; Department for Work & Pensions - ESF; Department for the Environment Food & Rural Affairs – EAFRD) and from local partners. These confirmed the information provided in the previous meeting in respect of honouring of contracts made by Autumn Statement. The Sub-Committee also provided advice to the Managing Authority in relation to strategic fit in respect of two applications for ERDF funding.

5.0 Recommendations

- 5.1 That the report be noted.

Richard Flinton

Honorary Secretary to Local Government North Yorkshire and York