

# Local Government North Yorkshire and York

7 July 2017

## 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 York, North Yorkshire and East Riding ESI Funds Sub-Committee – Report of Dave Atkinson (City of York Council) on behalf of Councillors Ian Gilles and Linda Cowling

2.1 On Friday March 17<sup>th</sup> 2017:-

- (a) The Sub-Committee were presented with updates from the three Managing Authorities ((Department for Communities & Local Government – EDRF; Department for Work & Pensions - ESF; Department for the Environment Food & Rural Affairs – EAFRD). An item of clarity was an instruction that applications would need to demonstrate their “value for money” as a priority.
- (b) The Sub-Committee noted that there had been no substantive changes to the managing authority position since the meeting on 17 February and that there were no YNYER ERDF calls in March.
- (c) It was reported that approximately 48% of the programme allocation had been legally committed, with 388 projects contracted, and £500 million of projects in the pipeline.
- (d) Sub-Committee Members heard updates on ERDF and ESF Programme Implementation.
- (e) The Sub-Committee were presented with ERDF outline applications (on PA4, Low Carbon, and PA6, Environment) and ESF proposals under PA” (Skills for Growth) and were asked to provide advice on whether proposals contributed to the YNYER ESIF Strategy. The ESF proposals highlighted the need to recruit disadvantaged groups and career planning.
- (f) Update presentations were given on the Northern Powerhouse and Industrial Strategy and were noted by Sub-Committee Members.

2.2 On Friday May 19<sup>th</sup> 2017:-

- (a) 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).

- (b) Sub-Committee Members heard updates on ERDF and ESF Programme Implementation.
- (c) Following an update on the Education and Skills Funding Agency opt ins, it was considered that the initial figures were slightly disappointing, and some unrealistic, due to the late start of the programme. The ESFA agreed to take on board the concerns expressed by the Sub-Committee and would work with the sub-contracted providers to resolve these as a matter of priority.

### 2.3 On Friday 16<sup>th</sup> June 2017:-

- (a) It was acknowledged by the sub-committee that, as more of the funding is assigned, the group will take on more of a role supporting the monitoring and performance management of the outputs and spend.
- (b) The Sub-Committee considered multiple ERDF Outline Assessments. In terms of some of assessments it was raised that the percentage of transitional funding the projects (i.e. coastal, Humber flood schemes) would require was not proportional to the percentage of outputs that they would likely deliver. Also, due to nature of the projects it was unlikely that any replacement project, if found, would improve the performance in terms of outputs.

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

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

### 3.1 Progress to date/update:

- (a) The Housing Board held on the 22nd May noted that emerging key areas of housing policy have not changed significantly since previously reported:
  - There is a softening of approach regarding the focus on low cost home ownership products whereby grant funding for new homes for rent is to be made available – more details are awaited.
  - The requirements around starter homes are very likely to be significantly relaxed.
  - 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. A joint response to the consultation on this issue has been submitted by the Districts / Boroughs and the County Council.
  - Details and intentions around the sell-off of high value Council properties are still awaited but this will not commence until 1<sup>st</sup> April 2018 at the earliest.

- 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 which will impact on the point above. The pilot area is not likely to be in York, North Yorkshire or the East Riding.
  - In the autumn statement there is an emphasis being placed on Housing nationally. A key change is the HCA and the drive for accelerated construction. Selby and York are the only two authorities that submitted bids for the accelerated construction deadline of 28/2/17.
  - The homeless reduction bill has now been published (this is a Private Members Bill that has all party support). The greater emphasis is on prevention and what the local authorities need to do to gear up for this.
  - The Government published its Housing White Paper “Fixing our broken housing market” on 07/02/17. It is divided into four themes: planning for the right homes in the right places, building homes faster, diversifying the market and helping people now.
- (b) The Housing Board received a report on the Community Housing Fund allocations and approved the next steps in moving the project forward on a partnership basis. The following key actions were approved in this respect:
- Each Local Authority has agreed its specific contribution to establish a central specialist Partnership Hub to support community led housing schemes. The services to be provided by the Hub were agreed, ranging from community development work through to planning advice and funding / finance advice.
  - An officer project group has been established to move the project forward and a Lead Coordinator will be appointed by the end of July. Work will then start on procuring the specialist service providers which will form the Partnership Hub.
- (c) The Housing Board also received a report on an approach from the Home Office to extend the Asylum Seeker Dispersal programme into North Yorkshire. The Board’s initial view is not to participate in the programme but officers were instructed to meet with the Home Office to establish basic ground rules around additional funding, local control of dispersals and managing community cohesion issues. A further report will be submitted to the Board based on this meeting. City of York and East Riding will establish their own positions in this respect.
- (d) A SME Builders engagement event has been held in Hambleton and reported to be a success with very good attendance. Lessons learned will be picked up by the other Local Authority partners. A further similar event is to be held in Richmondshire.
- (e) A “challenge day” has been held with Development Control Officers to explore how some perceived obstacles within the planning application process could be removed / simplified with particular reference to SME builders. The day was facilitated by an external consultant and this work will be on-going.

- (f) Full year housing delivery figures for 2016/17 are almost finalised which show significant improvements in performance across the partnership area – 5076 new homes were delivered against an annual target of 5,400 as set out in the Housing Partnership’s 5 Year Strategy. More work is also being undertaken to help understand how outstanding outline and full planning permissions are not being converted into new supply in a timely fashion. It is acknowledged that reasons may be many and varied across the partnership area but some common themes may emerge which will inform further engagement with landowners and builders.

### 3.2 Barriers to progressing the project over the next period:

- (a) 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.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) The vast raft of new / proposed housing legislation is also becoming 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.

### 4.0 Sub-Regional Spatial Planning and Transport Board (Secretariat: City of York Council)

#### 4.1 *Report awaited*

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| <b>5.0 Recommendation</b> |
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| 5.1 That the report be noted. |
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**Richard Flinton**

Honorary Secretary to Local Government North Yorkshire and York