

Agenda Item No: 7

Report No: 12/16

Report Title: Scoping Reports for proposed Scrutiny Reviews

Report To: Scrutiny Committee

Date: 14 January 2016

Cabinet Member: Councillor Ron Maskell

Ward(s) Affected: All wards

Report By: Nazeya Hussain, Director of Business Strategy and Development / Gillian Marston, Director of Service Delivery

Contact Officer(s)-

Name(s): Jo Harper

Post Title(s): Head of Business Strategy and Performance

E-mail(s): jo.harper@lewes.gov.uk

Tel No(s): 01273 661374

Purpose of Report:

1. To consider two potential future scrutiny reviews; one relating to housing supply and demand and one relating to public consultation on the New Homes Project.

Officers Recommendations:

2. To agree the scope for a scrutiny review of Housing Supply and Demand, as set out in Appendix A,
3. To agree the scope for a scrutiny review of New Homes Public Consultation, as set out in Appendix B, and
4. If the Committee wish to proceed with a scrutiny review of either or both, to agree the appointment, including size and make up, of Scrutiny Panels to oversee the work.

Reasons for Recommendation

5. To provide a focussed programme of work which will enable the District Council to consider whether any changes to its existing policies are to be recommended.
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Information

- 1 The two topics under consideration within this report were put forward for consideration by the Chair of this Committee at its meeting on 19 November 2015. The two topics are;
 - Housing Supply and Demand

- New Homes Public Consultation
- 2 Details of the potential scope for both reviews are listed in Appendix A and B.
 - 3 The Committee is asked to consider whether the scopes , set out in Appendix A and B, adequately cover all the matters members wish to examine in any review, or whether any adjustments are required.
 - 4 If the Committee wish to proceed with either review, or both, a Scrutiny Panel will need to be appointed. It is usual for Scrutiny Panels to be made up of an odd number of Members (either 3 or 5) and maintaining political balance.
 - 5 Should a review, or reviews, be agreed, a Project Plan for the review would be prepared by officers in conjunction with the Scrutiny Panel.

Financial Appraisal

- 6 An annual budget of £1,000 is available to support the work of the Scrutiny Committee and its Scrutiny Panels. Any costs associated with the two reviews proposed are expected to be minor, given that the research work can be carried out by Council staff in both instances.

Legal Implications

- 7 In considering the recommendations of this report, the Committee should adhere to the Scrutiny Procedure Rules set out in part 4 of the Council's constitution.

Risk Management Implications

- 8 There is no requirement for an analysis of risk.

Equality Screening

- 9 An equalities impact assessment is not considered necessary at this stage. If the Committee decides to proceed with either Review, an equality analysis would be undertaken as part of the review and would be reported along with the review findings.

Background Papers

- 10 None

Appendices

- 11 Appendix A – Scoping Report for Housing Supply and Demand
Appendix B – Scoping Report for New Homes Public Consultation

Scoping Proposal: Housing Supply and Demand

Report Author: Edward Sheath, Head of Strategic Policy

Reasons for Scrutiny

The suggestion for scrutiny in this area arose from a request from Cllr Peter Gardiner, which was agreed by the Scrutiny Committee on the 19th November. The reasons given for having a review into this issue were as follows;

There is a need for an up-to-date picture of housing demand and supply in Lewes District especially as there have been and will in the short term be changes in legislation (particularly the Housing and Planning Bill) affecting what we do and how we do it. Such a piece of work will be invaluable to Town and Parish Council's, particularly those working on neighbourhood plans. Also, with housing delivery being a Council priority it is important that Councillors and Officers are fully aware of what the up to date position is regarding housing demand and supply.

All of this information should ensure that the Council makes informed and well evidenced decisions regarding housing and that there is a better public understanding on the issues of housing supply and demand in the district.

Background Information

Context

Housing delivery is a key Government priority, as well as being a priority to the District Council and the two Devolution proposals (3SC and Greater Brighton) that are currently being considered by Government. The Government see the Housing and Planning Bill, which is due to receive Royal Assent in April 2016, as a key piece of legislation in driving forward a number of housing and planning reforms that have the collective aim of increasing housing delivery across the country.

Planning for housing needs and supply

The District Council have been working in partnership with the South Downs National Park Authority to prepare the Joint Core Strategy (JCS), which will set the strategic level policies for the amount and distribution of new housing in the district up until 2030. A large amount of evidence has been collated to inform these policies, which includes assessments of housing need, housing market analysis and assessments of the capacity of the district to accommodate future housing growth.

Much of this evidence has been collated on a joint authority basis, particularly those authorities within a common housing market area to Lewes District, and the District Council are continuing to explore the common issues of housing needs, supply and delivery with these authorities. In particular this is taking place through the Coastal West Sussex and Greater Brighton Strategic Planning Board.

The JCS is planning for a significant increase in house building rates in Lewes District, in comparison to the rates experienced over the past 20 years. The Council will closely monitor the rates of delivery and is already doing so to ensure that the strategic plans for housing are being delivered. However, what is planned for, in terms of new housing, and

what is actually delivered on the ground can often be two very different things.

Delivering Housing

Continued changes to housing and planning legislation is having an impact upon how and when housing development sites come forward. This particularly impacts upon affordable housing delivery, with developers seeking to change the proposed mix of housing from what was originally agreed with the local authority.

How developments are financed and how the major house builders operate (and where they operate) are also impacting upon housing delivery.

Planning and Housing Bill

Significant reform is being proposed to the planning and housing systems to facilitate an acceleration of housing delivery in the country. These reforms are likely to include, changes to the definition of affordable housing, promotion of Starter Homes, implementing the Right to Buy for Housing Association properties and implementing measures to accelerate the delivery of Local Plans and ensuring that housing sites are deliverable.

Reducing budgets

Within the context of the issues highlighted above, there is likely to be an increasing number of households that are being declared homeless. This places a significant pressure on authorities such as Lewes District, who have a duty to find suitable accommodation for such households. With wider financial pressures and reduced budgets being a common factor with all local authorities, this is likely to lead to this issues being exacerbated.

Link to Strategic Objectives

Objectives of the Review

One of the main objectives of the review will be to understand the future deliverability of housing and affordable housing in the district and what actions can be undertaken. To do this, there will need to be a collective understanding of the following;

- the housing market dynamics in Lewes District, including what are the main drivers behind the housing need in the district.
- what the level of housing need is in Lewes District and the wider housing market area and how this could change in the context of recent and emerging legislative changes and budget reductions.
- in planning policy terms, what the District Council and National Park Authority are doing to try and meet the housing need in the District. To also understand what other authorities within the common housing market areas are doing to address housing need.

Another objective will be to explore and understand the position on housing delivery in Lewes District. This will include; establishing whether planned housing growth is being delivered, or not; if there are delays in housing delivery, what are the causes; how the current and future economic climate may impact upon housing delivery; the ability of the private sector to meet this need; the likely activity of housing associations in delivering

affordable housing (particularly within the context of legislative changes) and; what can be done to help accelerate housing delivery.

The final objective of the review will be to explore the implications of the Housing and Planning Bill, which should be enacted by the time this objective is addressed, particularly in terms of market and affordable housing delivery. As part of meeting this objective, consideration will be given as to how the Bill could impact upon housing delivery and supply in Lewes District, in both a positive and negative manner, and what the District Council can do to ensure the Bill/Act is implemented in a way to best address the issue of housing need in the district. All of this will need to be undertaken within the context of changing and reduced budgets for local authorities and partner organisations.

Not in Scope of Review

The following items will not be considered as part of the review:

- Any reconsideration of the housing delivery target and the policies that distribute planned new housing and strategic sites, as contained within the Joint Core Strategy.
- The Council's planning position on housing led development proposals.

Timeframe	
<p>A potential timeframe for this is suggested below:</p> <p>January 2016: Consideration and agreement of the scope for the review.</p> <p>April 2015: Presentation of evidence on housing market dynamics, housing need and demand, current housing supply and delivery.</p> <p>July 2016: Consider the aspects of the Housing and Planning Act that impact upon housing delivery in Lewes District</p> <p>September 2016: Engage with key organisations (e.g. Registered Social Landlords, market housing developers, TOLD, SDNPA, Town and Parish Council's) to gain their views on housing supply and demand and the local implications from the Housing and Planning Bill/Act.</p> <p>November 2016: Identification of recommended actions to address housing supply and delivery in Lewes District and ensure that the district is best placed to take advantage of the Bill/Act.</p>	
Outlining the stakeholders and evidence required	
<p>The majority of the stakeholders will be engaged with in September 2016 – see timeframe above for who these will be.</p> <p>Much of the evidence that is likely to be required already exists and has been prepared for the Joint Core Strategy.</p>	
Resources	
<p>Officer time from the Strategic Policy team. No financial resources are considered likely at this stage.</p>	
Approval of Scope	
(a) Head of Service	Approved by Ed Sheath, Head of Strategic Policy 14 December 2014
(b) CMT	Approved by CMT 16 December 2015
(c) Scrutiny Committee	

Scoping Proposal: New Homes Project Consultation**Report Author: Bryn Mabey, Engagement Manager****Reasons for Scrutiny**

This scrutiny review proposal was put forward by the Chair of the Scrutiny Committee on 19 November 2015. His view was that it would be timely and beneficial to undertake a review of Wave 1 of the New Homes Project consultation with a view to making recommendations which may assist the planning of consultation associated with Wave 2.

The Chair's proposal stated that "There appears to be public misunderstanding of Wave 1 which LDC should learn from"

The purpose of a review would be to carry out a retrospective evaluation of the public consultation events held as part of Wave 1 consultation so that lessons can be learned in advance of Wave 2.

Background Information

The New Homes project has been developed in recognition that the Council can help address the housing crisis in the District and make the best use of its assets and build high quality Council homes funded through additional borrowing and sales of other assets.

The Council has undertaken the project in order to be able to build affordable homes for local people, to deliver market and affordable housing with a high standard of design, and to prioritise wider community and economic benefits to the towns and the District as a whole.

The Council is undertaking a programme of proactive community consultation prior to the submission of any planning applications. Before the Council proposes to submit a planning application, it will have conducted three consultation events in each town where a major site is located.

Wave 1 of the project covers the sites for which Lewes District Council is the planning authority and includes sites in Seaford (The Buckle), Newhaven (Meeching Down and Robinson Road) and Peacehaven (a number of car park sites). Wave 2 will cover the sites that fall within the South Downs National Park planning authority area, including those in East Chiltington, Lewes and one site in Seaford (Alfriston Road).

In addition to the public consultation events prior to the submission of the planning applications, all sites will be subject to the statutory and usual planning process which will include opportunities for residents and businesses to comment on the proposals.

Local Context

Residents within Lewes District have vastly different experiences of finding decent, affordable and secure homes. The Council is committed to increasing affordable housing alongside looking at its current asset base to deliver value for money for residents.

There are approximately 1,700 people on the Housing Register and this number is forecast to grow by 549 per year at the same time as only 244 homes become available. The Council's current mix of housing stock does not meet the demand for one and two bedroom homes and the lack of availability means that the Council cannot offer housing within the short term to anyone but those in the most difficult circumstances. The Council currently also has 53 families placed in temporary accommodation waiting to be permanently housed.

National Context

We are missing the national shortage of homes, the costs to buy and rent, the impact on how people live and other impacts, the commitments cross party – that is the context of the Bill below is seeking to address. Previous Cabinet reports have this and Phoebe may have data

On the 13 October, the Government published the Housing and Planning Bill. It is expected to receive Royal Assent in April 2016. Proposals in the Bill include:

- Introducing starter homes (homes sold at a discount of at least 20% of market value with a cap of £250,000, with a requirement for the homes to remain affordable for 5 years) as part of the definition of affordable housing, and creating a legal duty on local planning authorities to promote the supply of starter homes.
- Creating Permissions in Principle (PiPs) for brownfield sites deemed suitable for housing development where they are identified within a Strategic Housing Land Availability Assessment (SHLAA).
- Introducing a requirement for all local authorities to identify their high-value vacant housing and make a payment to the Department for Communities and Local Government based on the market value of the property, incentivising the local authority to sell these properties. These funds will be distributed by the Government to housing associations to fund the construction of new affordable housing

Link to Strategic Objectives

Place: Delivering sustainable new housing and infrastructure (as expressed in the draft Council Plan, to be found elsewhere on this agenda)

Objectives of the Review

The purpose of a review would be to carry out a retrospective evaluation of the public consultation events held as part of Wave 1 consultation so that lessons can be learned in advance of the consultation events held for Wave 2.

Included in the scope of the review would be:

- How the events were publicised
- The format of the events and materials presented
- Clarity of roles and responsibilities
- How residents' feedback was captured and fed into the project development process

Not in Scope of Review

The following areas will not be considered as part of the review:

- Activities prior to May 2015 when the list of sites was announced
- The process for how the long-list of sites was selected
- The tender process for the chosen developer

Timeframe

Scrutiny Panel to report back to Scrutiny Committee in March 2016, with a view to making any relevant recommendations to Cabinet in April 2016.

Outlining the stakeholders and evidence required

Stakeholders the Panel may wish to involve in this review:

- LDC staff involved in planning and delivering the consultation activity.
- Colleagues at partner organisations involved in planning and delivering the consultation activity; Karis, Southern Housing Group, Conran and Partners, Cobb PR.
- Representatives of Town and Parish Councils, through the Lewes District Association of Town and Parish Councils.
- Consideration will need to be given by the Scrutiny Panel as to how they may wish to ascertain feedback from those being consulted.

Evidence required

- Consultation and associated promotional materials
- Accounts from the key officers and partners of the consultation planning, delivery and outcomes
- Views of other stakeholders
- Evidence of how views expressed through the consultations have influenced the project's development

Resources

Review Panel to be supported by Head of Business Strategy and Performance

Approval of Scope

(a) Head of Service	Approved by Jo Harper, Head of Business Strategy and Performance, 14 December 2015
(b) CMT	Approved by CMT 16 December 2015
(c) Scrutiny Committee	