

Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting

BIRMINGHAM CITY COUNCIL

HOUSING AND HOMES OVERVIEW AND SCRUTINY COMMITTEE

TUESDAY, 14 NOVEMBER 2017 AT 14:00 HOURS
IN COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary interests and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

3 - 6

4 HOUSING AND HOMES ACTION NOTES - 17 OCTOBER 2017

To confirm the action notes of the meeting held on 17 October 2017.

7 - 12

5 AFFORDABLE HOUSING

Ian MacLeod, Assistant Director Planning, and Clive Skidmore, Head of Housing Development

6 **HOUSING AND HOMES O&S COMMITTEE WORK PROGRAMME 2017-18**

For discussion.

7 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

8 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

9 **DATE OF NEXT MEETING**

The Date of the Next Meeting is scheduled for Tuesday, 12 December 2017 at 1400 hours in Committee Rooms 3 & 4, Council House.

10 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

BIRMINGHAM CITY COUNCIL

HOUSING AND HOMES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Tuesday 17 October 2017, Committee Rooms 3&4

Present:

Councillor Victoria Quinn

Councillors Gurdial Singh Atwal, Andy Cartwright, Matthew Gregson, Roger Harmer, Des Hughes, Mohammed Idrees, Mary Locke, Gary Sambrook and Ron Storer

Also Present:

Matt Green, Director of Skylight Birmingham and Coventry, Crisis

Rob James, Service Director, Housing

Sukvinder Kalsi, AD, Finance, Place

Kalvinder Kohli, Service Lead, Commissioning Centre of Excellence

Michael Walsh, Service Lead, Commissioning Centre of Excellence

Jayne Power, Research & Policy Officer, Scrutiny Office

Emma Williamson, Head of Scrutiny Services

1. NOTICE OF RECORDING/WEBCAST

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2. APOLOGIES

Apologies were received from Councillors Penny Holbrook and Margaret Waddington.

3. ACTION NOTES – 20 SEPTEMBER 2017

(See document No 1)

Members requested that the following issues with regard to waste collections be followed up with Jacqui Kennedy, Corporate Director, Place:

- The quality of information being given to residents;
- The return to normal collections did not appear to have gone smoothly.

RESOLVED:-

- Responses to the above issues to be requested from Jacqui Kennedy and a deadline of one week to be given for these to be provided.

4. HOUSING REVENUE ACCOUNT

(See document No 2)

Rob James, Service Director, Housing and Sukvinder Kalsi, AD, Finance, attended for this item.

The following were among the main points raised:

- The briefing note provided an overview and introduction to the key principles around the HRA;
- The business plan is updated annually to take into account new risks and will have to be adjusted to accommodate other pressures;
- The business plan had to be re-modelled to save £42m over the next 4 years due to the 1% rent reduction policy but from 2021 the rent policy will revert back to CPI plus 1%;
- There will need to be further amendment to the business plan to meet the £31m cost for the retro-fit of sprinkler systems in tower blocks, although the Cabinet Member and Leader are still lobbying for Government funding;
- With regard to the accuracy of the £31m figure for sprinklers, early indications are that this figure is fairly accurate, although as demand goes up this may increase;
- In terms of other works which might be identified, the priority is fire safety. Any refurbishment works will be done from money set aside in the capital programme but the intention is if possible to carry out these works at the same time as the fitting of sprinkler systems, so it will be a lengthy programme of works;
- In terms of numbers of different housing types across the city, there are currently 62,000 council houses, 40,000 housing association properties, 78,000 private rented and the rest privately owned.
- That provision is insufficient to meet demand and it is estimated that there could be up to 20,000 people at risk of becoming homeless at any one time. It is therefore important to get prevention right and get the building rate right and the Housing Birmingham Partnership was set up to address this.

RESOLVED:-

- Clarification to be sought from the Cabinet Member, either in writing or in person, on the position with regard to the retro fit of sprinklers in tower blocks.

5. ALLOCATIONS UPDATE

(See document No 3)

Rob James, Service Director, Housing, and Mike Walsh, Service Lead, Commissioning Centre of Excellence, attended for this item.

The following were among the main points raised:

- The Chair referred to the ward by ward breakdown of people who had not re-registered, which had previously been circulated to Members, and tabled two sheets showing these figures as percentages sorted by (i) rate and (ii) numbers;
- Members expressed concern with regard to the 46% who have not re-registered and officers agreed that some analysis needed to be done and that once completed this would be brought back to Committee;
- In response to a question around turnaround time for applications to be assessed, Members were advised that the service standard is 6 weeks. That is not being met and is currently around 7 weeks, however more applications are being assessed than are being received and it is hoped that the standard will be met by mid to end November;
- Officers told Members that they would look at the process of changing an area on an application form without having to re-start the application;
- With regard to Jim Crawshaw's secondment to DCLG, Members were advised that Julie Griffin had been appointed to replace him and would be starting on 20th November. In the meantime, Jim's email account has been kept open and is being monitored, and queries re-directed, by Andrew Brocklehurst. Jim will also be spending one day a month in Birmingham during his secondment;
- Councillor Atwal raised the issue of the omission of a category for the Sikh community in the ethnic monitoring and officers undertook to look into this and provide a response.

RESOLVED:-

- Response to be provided on the issue raised by Cllr Atwal with regard to ethnic monitoring and the omission of a category for the Sikh community;
- Results of the analysis of the 46% of people who had not re-registered to be brought back to Committee once completed;
- Note to be provided for Members on what they can do to help in their advice surgeries with regard to managing expectations.

6. HOMELESSNESS UPDATE

(See document No 4)

Kalvinder Kohli, Service Lead, Commissioning Centre of Excellence, and Matt Green, Director of Skylight Birmingham and Coventry, Crisis, attended for this item.

The following were among the main points raised:

- The development of the Homelessness Prevention Strategy is progressing and feedback from the recent consultation is currently being analysed;
- There has been good feedback on the approach being taken and Crisis are leading on some work around engaging with people with lived experience of homelessness;

- The Positive Pathway Task & Finish groups are being led by partners and will be wrapped up at the end of November, with the Strategy due to go to Cabinet in December and City Council in January;
- There was a suggestion that Andy Street be invited to a future committee meeting to talk to Members about the West Midlands Homelessness Task Force;
- With regard to the implementation of the Homelessness Reduction Act and the financial implications for local authorities, Members were advised of the recent announcement from Government with regard to £72m new burdens funding, of which Birmingham will be allocated £1.7m.

RESOLVED:-

- The update was noted.

7. WORK PROGRAMME 2017-18

(See document No 5)

- The Chair suggested inviting the Cabinet Member to attend the November meeting to give a political steer on the items covered at the last couple of sessions.

RESOLVED:-

- Cabinet Member for Housing and Homes to be invited to attend the November meeting.
- The Work Programme was noted.

8. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

9. OTHER URGENT BUSINESS

None.

10. DATE OF NEXT MEETING

Noted.

11. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

The meeting ended at 1645 hours.

Affordable Housing Note

Housing and Homes Overview & Scrutiny Committee - 14 November 2017

Birmingham's affordable housing need

The Strategic Housing Market Assessment (2012), which forms part of the evidence for the Birmingham Development Plan (BDP), established that the city's affordable housing requirement would be 38% of the city's overall housing requirement over the plan period. Applying the 38% affordable housing share to the overall BDP housing requirement for 51,100 dwellings gives an affordable housing requirement of 19,400 dwellings.

The strategy for meeting affordable housing need

Direct provision

Over the BDP period, affordable housing providers, including the Birmingham Municipal Housing Trust, registered social landlords and housing associations, are likely to provide about 9,000 new affordable dwellings net (after allowing for the demolition of around 5,000 older or unsuitable dwellings) from their own development programmes. (Source: The Council's Housing Targets 2011-31 Technical Paper, September 2013). The BDP Planning Inspector considered that this was a reasonable estimate, having regard to recent trends.

Affordable housing policy

In addition to this direct provision, the City Council has adopted an affordable housing policy which is consistent with the current National Planning Policy Framework. The Framework requires that policies are sufficiently flexible to take account of changing market conditions over time and that Plans are deliverable.

Policy TP30 of the BDP seeks a 35% affordable housing share from all other developments of 15 or more dwellings, subject to viability. Where the applicant considers that a development proposal cannot provide affordable housing in accordance with the policy, for example due to abnormal costs or changing economic conditions, the viability of the proposal will be assessed using a viability assessment tool as specified by the City Council.

The City Council requires viability assessments to follow RICS guidance using a standard assessment tool so that they are assessed in a transparent and consistent way. The Council undertakes an independent assessment of the developer's financial appraisal, paid for by the applicant. In the last two years, the City has negotiated in excess of £4million of extra s106 contributions from that which was initially offered by applicants.

Evidence submitted at the BDP examination showed that the policy would deliver about 10,500 affordable homes over the Plan period, based on the proportion of sites over the 15-dwelling threshold identified in the then-current 2012 Strategic Housing Land Availability Assessment. In addition, it is reasonable to assume that affordable housing would be provided on most windfall sites above the threshold.

The City Council has a long term planning and regeneration strategy which aims to improve housing environments and neighbourhoods, which will ultimately have a positive impact on local housing markets, making areas more attractive to invest and improve the viability of development.

Current delivery

The current rate of delivery of new homes from 2011-2017 is shown in the Table 1. This shows completions for all homes and for affordable homes against the annual requirement.

Table 1: Completions against requirement

Year	Annual housing requirement	Annual affordable requirement (38%)	All dwellings completed	Affordable dwellings completed	% of requirement met	% of completions affordable
2011/12	1,650	627	1,187	597	95.2	50.3
2012/13	1,650	627	1,372	445	71.0	32.4
2013/14	1,650	627	1,598	346	55.2	21.7
2014/15	1,650	627	1,809	545	86.9	30.1
2015/16	2,500	950	2,977	427	45.0	14.3
2016/17	2,500	950	1,944	397	41.8	20.4
Total	11,600	4,408	10,887	2,757	62.5	25.3

Table 2: Completions by Tenure and Delivery Mechanism

Year	BMHT	Section 106				RSL/Other	Total
		Rent	Discounted Market	Shared	Other		
2011/12	170	70	31	9	0	317	597
2012/13	117	168	25	27	0	108	445
2013/14	207	42	31	60	0	6	346
2014/15	336	94	34	65	0	16	545
2015/16	253	65	0	0	10	99	427
2016/17	202	45	12	37	41	60	397
Total	1,285	484	133	198	51	606	2,757

We have delivered 62.5% of our affordable housing requirement for 2011-2017.

Of the total number of new homes completed in 2011-2017, 25.3% have been affordable.

Key issues

1. **Developer Contributions** - Affordable housing is one of many potential s106 obligations that a developer would have to provide to support new development e.g. open space, education, community facilities. Prioritising affordable housing above all other developer contributions may not be acceptable in all cases and the planning obligations sought will need to be related to the form of development and its potential impact on the site and surrounding area.

2. **Viability Assessments** – A recent Shelter report criticises national planning policy which they say has allowed the widespread use and abuse of viability assessments to slash affordable housing numbers using viability assessments.

Birmingham City Council has adopted an affordable housing policy which is consistent with the current National Planning Policy Framework. This requires that policies are flexible to take account of changing market conditions over time and that Plans are deliverable.

Financial viability assessment plays an important role in housing delivery and the Council has a rigorous and robust process in place. Where a proposal does not provide affordable housing in accordance with our policy, a viability assessment is required to be submitted following RICS guidance and a standard viability assessment tool. The calculations use appropriate land values, not the price paid for the land as stated in the Shelter Report. If it is determined that any other assumptions are not reasonable, this will be challenged with the developer and, increased contributions are subsequently secured.

The Council undertakes an independent assessment of the developer's financial appraisal, paid for by the applicant. In the last two years, the City has negotiated in excess of £4million of extra s106 contributions from what was initially offered by applicants.

Refusing planning applications which do not provide 35% affordable housing would risk the Council losing planning appeals and potentially being charged costs, if decisions made were not consistent with the adopted plan. This approach would also impact on overall housing delivery, putting the Council in a potentially weak position when Government introduces the Housing Delivery Test in 2018, which would see penalties for under-delivery.

3. **Funding** - The undersupply of affordable housing is an issue across the country, not just in Birmingham, which go back decades, due in a large part to the reductions in public grant available and financial restrictions placed on local authorities. The ability of the affordable housing sector to fund development has been further constrained by the introduction of 1% rent reductions for a four year period. This has an impact on the ability of providers to service debts for development investment.
4. **Housing mix** - While it is important to provide sufficient numbers of additional homes it is also important to ensure that the homes provided are of the types, sizes and tenures that are required to meet identified needs. The city's affordable housing policy allows the level of developer subsidy to take account of the types and sizes of dwellings proposed. The City Council may seek to negotiate with the developer in order to revise the mix of affordable dwellings (for instance to secure additional larger dwellings) or to adjust the level of subsidy on individual dwellings (a higher subsidy may be required in high value areas). Where such negotiations impact on the number of affordable dwellings secured the level of developer subsidy should be unchanged.

Increasing affordable housing delivery

1. **Increase City Council house building.** BMHT makes an important contribution to affordable housing delivery building over 2,500 new homes since 2009 and will undertake an ambitious programme to build a further 2,500 over the next 5 years.
2. **Increase housing delivery.** As the required annual rates of provision increase, continuing to meet the BDP delivery trajectory will require all developers, including the City Council and private sector house builders, to increase provision even further. Increasing overall housing provision will help to increase the number of affordable housing delivered. Key to this is maintaining a healthy pipeline of housing supply with a portfolio of sites attractive to a wide range of developers such as the Langley Sustainable Urban Extension, which will include a major injection of affordable homes.
3. **Change market conditions.** The City Council has a long term planning and regeneration strategy which aims to improve housing environments and neighbourhoods, which will ultimately have a positive impact on local housing markets, making areas more attractive to invest and improving the viability of development.

Other Questions from the Committee

QUESTION 1: How are Housing and Planning & Regeneration working together to ensure houses are being built in the right areas – i.e. where people want to live and where communities can be fostered?

Housing and Planning & Regeneration work closely to carry out their functions in relation to planning, housing, development and regeneration. There is a wide range of existing and emerging policies/ strategies and projects/ programmes which demonstrate the effectiveness of this close working relationship. These include, but are not limited to:

Policy/ Strategy

- **The Birmingham Development Plan** is a city wide document that has been prepared over a number of years in collaboration with the whole range of council departments. The provision of a sufficient quality and quantity of housing to meet the City's growing population is a central part of the strategy of the BDP. It sets out a clear spatial strategy for growth which focuses development in sustainable locations supported by infrastructure, re-using existing urban land, and promotes the development of sustainable neighbourhoods characterised by a strong sense of place, high standards of design and environmental sustainability. To put it simply, the Plan provides clear guidance on where new housing should be located and the type of housing and environments that should be created to support sustainable neighbourhoods.
- **Other Development Plan Documents and Supplementary Planning Documents/ Frameworks** have been developed with Housing colleagues where relevant. Notably these includes the Affordable Housing SPG and area-specific frameworks e.g. Greater Icknield Masterplan, Bordesely Area Action Plan, Langley SPD etc.

- **The Housing Strategy** sets out Birmingham’s housing vision, priorities and direction of travel to create great places to live. The document has been led by Housing Strategy with input from Planning and Development.

Housing Regeneration

- The regeneration and renewal of existing housing estates is a good example of how Housing and Planning and Development actively work together to transform environments and improve the housing offer. For example at **Bromford Estate, Newtown, Kings Norton Three Estates and the Meadway**.
- In each of these cases, dedicated project teams including planning and housing officers have worked together to undertake masterplanning, public consultation, and supported each other at Planning or Housing CPO Inquiries to acquire and assemble land to enable comprehensive redevelopment.

Housing Development

- **Birmingham Municipal Housing Trust.** Housing Development sits within the Economy Directorate and new build housing is delivered through a multi-disciplinary team of a planner, urban designer, housing development and transport officers to develop a detailed planning application. By securing planning detailed planning permission upfront, and using an innovative financial model which allows the developer to ‘build now and pay later’, cuts risks and upfront costs of development. The integrated design, planning and delivery process has also ensured that the council can make a robust and timely contribution to provision of new affordable homes. The BMHT Housing Delivery Plan and Programme is developed and approved by the Economy Directorate Management Team.

Self and Custom Build Housing

- **Self and Custom Build Housing.** Housing and Planning have worked together to identify individuals and groups interested in Self and Custom Build (SCB) housing through maintaining and monitoring a SCB Register. We have proactively sought to meet demand on the register, and working with Property, secured Cabinet approval in July 2017 to sell land suitable for SCB developments to applicants who are on the register. A further report is scheduled to be reported to Cabinet in November to approve the marketing and negotiating of terms for the disposal of several sites for SCB.

QUESTION 2: Building standards/procurement – how are decisions made on construction/materials etc. and how are robust safety standards ensured?

Building standards are set out through Government legislation in the form of Building Regulations. New homes built by the Council through BMHT exceed Government requirements in terms of space and quality standards.

QUESTION 3: £2 billion boost for affordable and social housing - members may ask about Theresa May’s announcement promising an extra £2bn a year for social housing.

On 4 October 2017 Government announced that funding for affordable homes will be increased by a further £2 billion to more than £9 billion. With a typical £80,000 subsidy, this £2 billion investment could supply around 25,000 more homes at rents affordable for local people.

We have no further information on this programme, but our ambition would be to draw down as much grant as possible to support the BMHT programme.



Housing and Homes O&S Committee: Work Programme 2017/18

Chair: Councillor Victoria Quinn

Committee Members: Councillors Gurdial Singh Atwal, Andy Cartwright, Matthew Gregson, Roger Harmer, Penny Holbrook, Des Hughes, Mohammed Idrees, Mary Locke, Gary Sambrook, Ron Storer, Margaret Waddington

Officer Support: Scrutiny Team: Emma Williamson (464 6870) and Jayne Power (303 4810)
Committee Manager: Marie Reynolds (464 4104)

1 Meeting Schedule

Date	Item	Officer Contact / Attendees
20 June 2017	Informal Meeting: <ul style="list-style-type: none"> Work Programme Discussion Briefing on Housing Strategy 	Emma Williamson/Jayne Power Rob James/Mike Walsh
25 July 2017	Cabinet Member for Housing and Homes <ul style="list-style-type: none"> To set out key priorities, including key performance indicators 	Marcia Wynter, Cabinet Support Officer
	Responding to Housing Need and Demand	Mike Walsh
	Waste Update	Jacqui Kennedy
20 September 2017	Selective Licensing	Pete Hobbs
	Tenant Engagement	Tracey Radford
	Waste Update	Jacqui Kennedy
17 October 2017	Housing Revenue Account	Rob James/Sukvinder Kalsi
	Allocations Update	Mike Walsh
	Homelessness Update	John Hardy
14 November 2017	Affordable and Social Housing	Waheed Nazir/Ian MacLeod/Uyen-Phan Han
12 December 2017	Cabinet Member for Housing and Homes	Marcia Wynter, Cabinet Support Officer
	Tracking: Rough Sleeping & Prevention	Kalvinder Kohli
23 January 2018	Repairs and Maintenance Contracts	Rob James



Date	Item	Officer Contact / Attendees
	Investment in Refurbishment of Existing Council Homes	Rob James
	Selective Licensing	Rob James/Pete Hobbs
20 February 2018	Cabinet Member for Housing and Homes <ul style="list-style-type: none"> • To provide an update on key priorities 	Marcia Wynter, Cabinet Support Officer
	Implementation of Homelessness Reduction Act - tbc	Rob James/Jim Crawshaw
28 March 2018	Annual Report of the Community Safety Partnership (a statutory responsibility)	Jacqui Kennedy, Corporate Director, Place
	Cabinet Member for Transparency, Openness and Equality	Marcia Wynter, Cabinet Support Officer
17 April 2018		

2 Items to be programmed

- 2.1 Tenant Engagement Review
- 2.2 Neighbourhood Management/New Devolution Model
- 2.3 Waste – Street Cleansing/Collection – New Operating Model
- 2.4 Report of analysis of those not re-registered on the housing list (Housing Allocations)

3 Summary of Work Programme Discussion

3.1 Members of the committee met in June to discuss potential items for the work programme, and a summary is set out below. Following July's meeting (where the Cabinet Member will outline his priorities), a schedule will be agreed.

1. **Responding to housing need and demand:** to get a better understanding of housing need and demand in Birmingham and then to identify areas of Housing Strategy based on that; likely to include
 - Homelessness
 - Alternative housing models
 - Focusing on the local level (ie how ensure right housing in right areas)
 - Links to HRA business plan



- Land use: prioritise surplus / use of poor quality / New Homes Bonus
- Strategic Tenancy Policy
- Young Persons Policy
- Supported housing

2. Neighbourhood Management and Tenant Engagement: to include matters arising following the Grenfell Tower tragedy to provide assurance on safety levels and the robustness of neighbourhood management

- What is the Council's overall responsibility; what is the scope of our due diligence and assessing where we might want higher standards (including the role of our contractors; Council Emergency response; how should future capital programmes be influenced?)
- Information for tenants and tenant routes to feed in issues to Council and be listened to;
- Neighbourhood management and links to work of Assistant Leaders.

4 Outstanding Tracking

Inquiry	Outstanding Recommendations
Working With Communities to Prevent Relationship Violence	R02 - That the City Council strengthens its leadership role for the city by reviewing the domestic violence strategy and enabling: <ul style="list-style-type: none">a) coherent pathways for victims and children, across sectors, to access the support and protection they need;b) strengthening the engagement of schools and other educational establishments, including academies, committing to participating;c) integrated working between Birmingham Youth Services and Think Family Team and Children's Services and homelessness;d) youth service providers from both statutory and third sector involvement in the delivery of informal education programmes with young people.

5 Other Meetings

Call in Meetings

None scheduled

Petitions

None scheduled

Councillor Call for Action requests



None scheduled

It is suggested that the Committee approves Tuesday at 2.00pm as a suitable day and time each week for any additional meetings required to consider 'requests for call in' which may be lodged in respect of Executive decisions.

6 Forward Plan for Cabinet Decisions

The following decisions, extracted from the Cabinet Office Forward Plan of Decisions, are likely to be relevant to the Housing and Homes O&S Committee's remit.

Reference	Title	Portfolio	Proposed Date of Decision
001895/2016	Yardley Brook Full Business Case (FBC) for Remediation and Development	Housing and Homes	12 Dec 2017
003259/2017	Birmingham Domestic Abuse Prevention Strategy 2017-2020	Health and Social Care	12 Dec 2017
004342/2017	Birmingham Homelessness Prevention Strategy 2017+	Health and Social Care	12 Dec 2017
001429/2016	Disposal of Surplus Properties	Leader	24 Jan 2018