

# South East England Councils

## Policy round up: December 2011

### **Autumn statement**<sup>1</sup>

Chancellor George Osborne's autumn statement (29 November) promised £5bn infrastructure investment over three years, alongside other measures to boost the economy & employment. Key policies referenced include the National Infrastructure Plan & Housing Strategy. There has been speculation that local government may face further budget cuts to help fund these new measures. The statement confirmed the offer to provide funding for a council tax freeze in 2012-13. Several measures in the statement will not be available in the South East.

### **National Infrastructure Plan**<sup>2</sup>

An updated National Infrastructure Plan was also published on 29 November. This gives more detail on projects in the autumn statement (see below). Potential concerns include:

- Consultation in March 2012 on how to maintain UK's aviation hub status. A third runway at Heathrow has been ruled out, but there is speculation that consultation could raise the prospect of a new airport or additional runways elsewhere in the greater South East.
- Proposals for city mayors to borrow against CIL income to fund infrastructure projects would exclude South East councils from this initiative.

### **Transport**

- Five new transport projects will go ahead in the South East: A new managed motorway scheme on the M3 in Surrey; Replacement of Northern Road Bridge in Portsmouth; New M275 interchange at Tipner in Portsmouth; 130 additional carriages for Southern Rail in South London; New rail link between Oxford & Bedford.
- Commitment to a new lower Thames crossing, with consultation on 3 options.
- Extra £50m integrated transport block funding for local authorities outside London.
- £25m to help bus companies & local authorities buy new low carbon buses.
- £220m for road schemes to tackle bottlenecks, improve safety and road layout.
- The Bexhill-Hastings Link Road is still awaiting a decision, so remains in a pool of possible local authority major schemes.

### **Broadband**

- £100m to create up to 10 'super connected' cities. Edinburgh, Belfast, Cardiff and London will receive funding. A competitive process will decide up to 6 more cities to benefit.

### **Planning**

- Building on NPPF and Localism Act reforms, there will be a review of planning appeals procedures, and consultation on allowing business re-use of agricultural buildings.
- Ensuring compliance with the Habitats & Wild Birds Directive does not lead to unnecessary costs and delay to development.
- More flexibility in the major infrastructure planning process.
- New 13-week maximum timescale for most non-planning consents (ie consents other than planning permission needed to bring a development into use).

### **Employment & education**

- Public sector pay rises capped at 1% for 2 years after the current pay freeze ends.
- Review on bringing public sector pay more in line with regional labour markets.
- Rise in state pension age to 67 will be brought forward 8 years to 2026.
- £1bn to support 6-month work placements for 410,000 young people.
- Changes to employment rules including doubling the time before employees can claim unfair dismissal and introducing fees for employment tribunals.
- £1.2bn extra funding for schools in England (half to councils, half for new free schools)

<sup>1</sup> [http://www.hm-treasury.gov.uk/as2011\\_documents.htm](http://www.hm-treasury.gov.uk/as2011_documents.htm)

<sup>2</sup> [http://www.hm-treasury.gov.uk/national\\_infrastructure\\_plan2011.htm](http://www.hm-treasury.gov.uk/national_infrastructure_plan2011.htm)

## **Economy**

- Extra £1bn available for Regional Growth Fund and £500m support for science sector.
- 100% capital allowances for manufacturing businesses in selected Enterprise Zones – this does not apply to any of the SE Enterprise zones.
- Measures to improve credit available to businesses.

## **Government's Housing Strategy**<sup>3</sup>

Published on 22 November, it sets out 39 actions to get the housing market moving again.

### **Supporting delivery of new homes, including:**

- £500m 'Growing Places Fund' for infrastructure, allocated by LEP area.
- Support for local areas that want to deliver locally planned large-scale development.
- Incentives for housing growth through the New Homes Bonus, Community Infrastructure Levy and proposals for local business rates retention.
- Simplifying planning policy through the proposed NPPF.
- Proposals to allow planning obligations agreed prior to April 2010 to be reconsidered where development is stalled.
- Community Right to Build for community-led development.
- £400m 'Get Britain Building' investment fund, to support building firms in need of development finance for stalled sites.
- Enabling Build Now, Pay Later deals on large public sector sites, to support builders who are struggling to find finance upfront.

### **Supporting choice and quality for tenants, including:**

- Reinvigorating the Right to Buy by raising the discounts for purchase to 50%, and committing to build a new affordable home for every home bought.
- Reform of social housing through the Localism Act 2011.
- Local authorities with retained housing stock to gain direct financial and strategic responsibility for council homes.
- New Build to Let models for private rental market development, and support for innovation and competition in the social housing market.

### **Better quality homes, places and housing support**

- £150m funding & proposals for Council Tax changes to bring empty homes back into use.
- Funding the Design Council to support communities in shaping development, improving energy efficiency of homes, and ensuring protection of the green belt/protected areas.
- Delivering the Zero Carbon Homes standard for all new homes from 2016.
- Support for older people to live independently for longer.

## **Highways Agency Review**<sup>4</sup>

An independent review of the Highways Agency was published by the DfT on 24 November. Alan Cook, Highways Agency non executive chairman, makes 8 recommendations, including:

- A long term strategy and five year funding commitment for the strategic road network.
- A more independent Board to provide greater independence from Government.
- Greater financial efficiency.
- Working with local authorities and LEPs on a new generation of route-based strategies.

## **Ongoing consultations**

Two current consultations relevant to planning, housing & infrastructure close shortly.

Members may wish to respond directly as they cover matters primarily for local determination.

- CIL<sup>5</sup> – closes 30 December 2011
- Neighbourhood Planning Regulations<sup>6</sup> – closes 5 January 2012

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<sup>3</sup> <http://www.communities.gov.uk/publications/housing/housingstrategy2011>

<sup>4</sup> <http://www.dft.gov.uk/publications/strategic-roads-network>

<sup>5</sup> <http://www.communities.gov.uk/publications/planningandbuilding/cilreformconsultation>

<sup>6</sup> <http://www.communities.gov.uk/publications/planningandbuilding/planningregulationsconsultation>