

# South East First



The Newsletter of South East England Councils

August 2017

## *Reform LHA to make housing more affordable*

[Writing in Local Government Chronicle](#) online, SEEC Chairman, Cllr Nicolas Heslop has argued that councils in high cost areas need the ability to target increases in Local Housing Allowance (LHA) to those most at risk of homelessness. He also made the case for Government changes to enable local authorities to deliver more affordable homes.

Cllr Heslop explained that homelessness is a rising problem in the South East due to a combination of a freeze on LHA rates, high costs, rising rents and a shortage of affordable properties. He drew attention to recent LGA research that estimated the cost of temporary accommodation to councils nationally is £2m per day. This money, he argued could be much better spent by using it to help keep people in their homes.

LHA sets a maximum level of housing benefit at the cost of renting a home in the lowest 30% of the private rented market for a given area. However, since 2016 LHA rates have been frozen and rapidly rising rents in many parts of the South East can make it almost impossible to find a home within this budget. Those on the lowest incomes often struggle to bridge the gap between LHA and their market rent. Cllr Heslop argued that targeted increases in LHA could help prevent them from falling into homelessness.

There is also a risk of further increases in homelessness if proposals to apply LHA rates to social tenants go ahead as planned in 2019. Social rents can be as high as 80% of the market rate – a level that is still unaffordable for many in high cost areas like the South East. Again, targeted increases in LHA could help those most at risk.

Cllr Heslop maintained that a long term solution to homelessness will also require Government changes to enable councils to increase the supply of affordable housing. He called on Government to relax the HRA borrowing cap; review Right to Buy to ensure 1 for 1 replacement; and encourage council building through new models such as local housing companies and joint ventures.

## *Key South East concerns post-Brexit: skills and infrastructure*

Delegates at the SEEC-SESPM [Brexit, migration and skills workshop](#) have highlighted key concerns over how Brexit might impact on local authorities and damage the economy in the South East.

During table discussions, members raised serious concerns about the threat posed to the South East economy by potential skills gaps post-Brexit. Some LEPs are currently making the case for higher skills, but lower skilled workers in sectors such as social care and agriculture are also

important for the South East economy. Along with construction and nursing, these sectors have historically depended on migrant workers.

Much of the delegates' input focussed on the ways in which local authorities could help to mitigate skills shortages. Council control of Further Education funding could enable them to target skills gaps and to develop a more integrated skills system with strong links to local business. Members raised examples of where there is significant local support for new sector-based Skills Academies or University Technical Colleges – but insufficient Government funding to take them forward. Greater local authority oversight of schools could also help target skills gaps and prioritise overcoming digital deprivation.

Attendees called for more local control of careers advice services, arguing that the current model is not working well in schools and does not cater for adults. Workers will increasingly require career advice and re-training opportunities as the nature of work changes throughout their lifetimes.

Delegates stressed the importance of infrastructure investment to underpin the South East economy. Transport improvements would help reduce congestion and improve productivity and better fibre/ broadband connections would help support the digital economy. Infrastructure investment is also required to unlock sites for new market and affordable homes to accommodate the workers that growing South East businesses need.

Members also raised the concern that any downturn in economic growth or contraction in the financial sector post-Brexit could increase the demographic pressures on local authorities in the South East. For example, if younger workers move away to seek employment opportunities elsewhere, the South East population would have an even greater proportion of older residents – putting more strain on services and funding.

A full account of all issues raised during table discussions is [available here](#).

## ***Last few free places for 8 September Commercialisation event***

**There is still time to sign up for the last few remaining places at a free joint SEEC and SESL workshop for member councils on the strategy and options underpinning commercialisation. The event on 8 September will provide an opportunity for councillors and officers to learn and share good practice. RSVP to [admin@secouncils.gov.uk](mailto:admin@secouncils.gov.uk) by 1 September to reserve a place.**

It has become essential for local authorities to take a more commercial approach to their activities to protect valuable frontline services and ensure positive outcomes for local communities. As funding pressures continue, councils are increasingly exploring new ways to maximise their income or deliver more cost effectively.

The workshop will include a variety of sessions, from the strategy, leadership & philosophy of commercialising – including the necessary legal and political considerations – to practical aspects of identifying potential new income streams, different trading approaches and service redesign. Sessions will also include tips on avoiding pitfalls, case studies of successful ventures and Q & A opportunities to discuss key issues.

Attendance is limited to councillors and senior officers from SEEC and SESL member authorities. Please contact [admin@secouncils.gov.uk](mailto:admin@secouncils.gov.uk) for further information or to request a place. For any non SEEC or SESL organisations wanting to attend, there would be a charge of £200 per person.

## *SEEC 2018 meeting dates*

The [full programme](#) of SEEC All-Member and Executive meeting dates for 2018 has now been finalised. Members are requested to add them to their diaries.

2018 Meeting dates are:

### **SEEC All-Member Meeting**

Thursday 8 February 2018

### **SEEC All-Member and AGM**

Thursday 28 June 2018

### **SEEC Executive Meetings**

Friday 23 March 2018 1.30pm

Friday 28 September 2018 1.30pm

Friday 30 November 2018 1.30pm

All 2018 meetings will be held at EEF, Broadway House, Tothill Street, London SW1H 9NQ. Contact [admin@secouncils.gov.uk](mailto:admin@secouncils.gov.uk) to RSVP or for further information.

### **Note: Wider South East Summit date change**

The Wider South East Summit originally scheduled for 24 November 2017 has been moved to 26 January 2018. This is to enable discussion on the draft London Plan to take place during formal consultation.

## *News Roundup*

### **Housing network for officers to meet in November**

In response to high levels of interest from member councils, SEEC has helped to set up the South East Housing Company & Delivery Vehicle Network. A first meeting in May 2017 gave a good understanding of councils' areas of interest and a second meeting has been scheduled for 1 November. SEEC member councils not already participating are invited to contact [admin@secouncils.gov.uk](mailto:admin@secouncils.gov.uk) for more information, or to join the network.

### **Reminder: 12 September deadline for LGA Housing Advisors Programme**

Local authorities have until 12 September to apply to LGA's Housing Advisors Programme for support to help with a project to deliver homes, reduce homelessness or generate revenue or savings. The Housing Advisors Programme prospectus and further details on how to apply are [available here](#).

### **£12.9m funding for South East scheme**

Highways England has announced £12.9m funding to improve the M27 Junction 9 at Whitley Way in Hampshire. The improvements are expected to help support 3,500 new homes and create up to 250 jobs. Highways England has committed £9.9m from the Growth and Housing Fund and £3m from the Congestion Relief Fund. The remaining £6.6m funding will be provided by Hampshire County Council who made the case for the scheme. SEEC's [Missing Links](#) report includes the A27/M27/A259 corridor as one of the South East's top five strategic transport investment priorities. While investment in the M27 section is welcome, a strategic approach to improving the whole route is needed to deliver better links between major south coast ports, economic and regeneration centres.