

# SOUTH EAST FIRST

The Newsletter of South East England Councils

October 2018



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## News Roundup

### Autumn Budget 2018 briefing

SEEC circulated a [same-day Budget briefing](#) to members on 29 October, highlighting key points relevant to South East local authorities. In advance of the Budget, SEEC sent [representations to the Treasury](#), identifying infrastructure, housing and sustainable local service delivery as three key priorities for South East authorities and members were pleased to see the Budget offering increased funding for these areas.

### South has not avoided austerity says SEEC

SEEC has called for urgent work to fix local government funding after [misleading analysis by academics suggested the south had avoided the worst of austerity](#). The analysis misses the fact that – even after years of austerity – spending per person on local services in London and major cities is still much higher than in southern councils. This is despite higher service delivery costs in the south. Analysis in ‘*The depth of the cuts*’ from Cambridge University fails to look at how much grant each area receives and whether that amount matches a council’s needs. By ignoring this, the report misleads readers into thinking the highest cuts have led to the lowest spending on local services – but that’s far from the situation.

### UK Municipal Bonds Agency

Information is now available on borrowing options for councils available through a UK Municipal Bonds Agency, owned by the LGA and 56 local authorities. The Agency aims to offer local authorities the ability to borrow funds at rates below PWLB rates. More information is available via the LGA [here](#).

### Modern slavery panel vacancies

Applications are open until 11 November for local authority representatives interested in becoming members of new independent multi-agency assurance panels on modern slavery. The panels, being established by Government, will review all negative final decisions on slavery victims’ status. The panels aim to ensure robust, consistent decision-making processes within the Modern Slavery National Referral Mechanism to help make sure that victims get the support that they need. Candidates should have a good knowledge of modern slavery issues, experience of dealing with vulnerable people and good communication and analytical skills. For more information and how to apply to the Home Office, see [here](#).

### Windrush

The Home Office has issued [guidance](#) on supporting any local residents of the Windrush generation who may not have papers to prove residence. Local authorities who want to host events related to this can contact [WindRushSurgeries@homeoffice.gov.uk](mailto:WindRushSurgeries@homeoffice.gov.uk)

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## SEEC Dates

[30 November 2018 – SEEC Executive](#)  
18 December 2018 – South East Post-Brexit Roadshow (joint with LGA)  
11 January 2019 - Wider South East Summit  
31 January 2019 - SEEC All-Member meeting

## Contacts

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## Modular construction - is it the future of housing?

Berkeley Homes and Graven Hill Development Village have offered SEEC members the opportunity to visit some of their newly built modular homes following discussion at SEEC’s Executive meeting at the end of September.

Berkeley has homes in Kidbrooke, near Greenwich, and Graven Hill has homes near Bicester, Oxfordshire. If any councillors would like to visit one or both of these locations please email [admin@secouncils.gov.uk](mailto:admin@secouncils.gov.uk) and SEEC will co-ordinate requests.

SEEC's September Executive heard from three expert speakers on the potential for delivering more homes more quickly by using modern methods of construction. Speakers agreed that modular construction has potential to speed up delivery but added that repetition is key to maximising cost savings. High volumes, fixed manufacturing sites and standardising output would all bring costs down more than using pop up factories and offering bespoke packages.

The first speaker was Paul Kitson, General Manager, South East at Homes England (HE). [Paul's presentation](#) outlined steps to encourage modular construction and quick delivery, particularly on land that HE owns.

Members showed interest in sites owned by HE that are available for sale or housing development. These are listed in HE's Development and Disposal register, with the [latest version published in July 2018](#) – the South East and South West sections of the list each cover part of the SEEC area.

Cherwell DC and Oxfordshire CC councillor Ian Corkin talked about his role as a Board member of Graven Hill Development Village where modular options are available for self-builders. It is a council-owned company, set up in 2014 and saw its first residents move in this summer. [Ian's slides](#) also highlighted how modular construction has been used to build homes for high needs sections of the community in Banbury.

Graham Howard, Head of Technical for Berkeley Modular, [outlined](#) the housebuilder's [plans to achieve 30% of its construction value using off site assembly by 2020](#). This approach would help mitigate skills shortages and weather delays.

Berkeley is currently building a factory in Kent that will supply pre-made units to be assembled on site, with many of the elements taking just 49 minutes to manufacture. Berkeley is working with local colleges in Kent to develop local skills to fill the jobs that will be created.

## SEEC to give evidence at London Plan examination

SEEC will be giving evidence at the forthcoming London Plan Examination in Public (EiP), ensuring views of South East councils are heard on the Mayor's ambitious growth plans and how to manage potential implications for the South East.

Following consultation on the draft London Plan earlier this year, the Plan's EiP is [expected](#) to run from 15 January until mid May 2019. A panel of inspectors will invite written submissions before then. Draft EiP 'matters' and invited participants have now been published, offering SEEC the opportunity to participate. SEEC will be responding, emphasising key points from our [consultation response](#) and has offered to take part in some EiP hearings, along with South East Strategic Leaders.

SEEC members discussed key issues with London Deputy Mayor Jules Pipe at this month's Wider South East Political Steering Group (WSE PSG). Over the summer GLA published [minor suggested changes](#) to the London Plan, clarifying certain points following consultation. There are no major changes to policies affecting the South East, but changes in supporting wording now specify that the Mayor will aim to meet the '*vast majority*' rather than '*all*' of London's housing need in his boundaries, leaving a gap of 1,065 homes per annum that he cannot provide in London. The Mayor is still inviting councils outside London to come forward to work with him as 'willing partners for growth' to help accommodate London's housing and economic growth needs for mutual benefits.

SEEC members emphasised it must not be *assumed* the gap can be met by the South East, given its own existing high growth levels and constraints. They also highlighted the Mayor still needs to be clearer on what he could offer to any South East councils that *might* be interested as 'willing partners' in taking additional growth such as extra homes or jobs - for example help with infrastructure investment.

Other PSG discussions included future engagement with the emerging Sub-national Transport Bodies who are developing transport priorities; tackling housing delivery barriers - including options for land value uplift capture to help fund infrastructure; and preparation for the next Wider South East Summit on 11 January 2019.

## Housing flexibilities welcome but councils could do more

SEEC members have welcomed Government's decision to relax rules on borrowing to build new council homes but also [called for more flexibility on using receipts from Right to Buy](#) (RtB) sales.

The rule change offers councils who own council homes the opportunity to borrow against their Housing Revenue Account to fund delivery of new council housing. This is a change that SEEC has called for over a number of years.

SEEC has welcomed renewed Government interest in social housing as high costs in the South East make buying a home out of reach for many residents.

SEEC members also see Ministers' consultation proposals for some RtB flexibilities as a move in the right direction but are calling for even greater flexibility. More freedom on using receipts from RtB sales would release councils' ability to deliver replacements when social housing is sold to tenants.

Responding to Government consultation on using RtB receipts SEEC has called for:

- Councils to be able to keep 100% of receipts to help them replace RtB sales with an equivalent number of properties. Rules should also allow more flexible 5-year, rather than 3-year, time limits for spending existing and future receipts.
- Councils to have full freedom to use RtB receipts to replace stock as appropriate locally – eg. not only building new homes but also for conversions or purchases.

New proposals to allow councils to combine RtB receipts and affordable housing grant are welcome, as is the ability to transfer RtB receipts into an Arms-Length Management Organisation as it will allow different models of delivery.

## Action needed to address South East care funding challenge

SEEC [responded](#) to the LGA's social care green paper, welcoming a focused debate on addressing the challenges of funding South East adult social care in a sustainable way.

The South East has particular care pressures eg. we have more residents aged 75+ than any other area of the UK (820,000 in 2018) and this age group is growing more quickly than elsewhere, expected to nearly double to 1.5 million by 2041. Numbers of South East residents aged 85+ are also the UK's highest and set to increase dramatically from 254,000 in 2018 to 524,000 by 2041. October's Government announcement of an extra £240m nationally for social care and an additional £410m announced in the Budget is helpful but clearly is not intended to provide a long term fix.

SEEC's response to the LGA focused on 3 key issues, points also reiterated in a [response](#) to the Lords Economic Affairs Committee inquiry:

- Local role in adult social care – a system is needed that provides stable, adequate, long-term funding recognising that all tiers of councils have an important role to play in care and wellbeing.
  - Opportunities to improve structures - there is potential to redesign adult care systems to create locally-responsive structures and services that bring together health and care to provide a seamless service.
  - Addressing the need for additional funding - funding social care through local Council Tax is unsustainable, and is not keeping pace with the growing demand. As a national problem, it should not fall to local tax payers to be the main funders of social care.
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