

Minutes of the meeting of the Connected Communities Scrutiny Committee held in Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Tuesday 15 October 2024 at 2.00 pm

Committee members present in person and voting: Councillors: Frank Cornthwaite (Vice-Chairperson), David Hitchiner, Ed O'Driscoll (Chairperson), Richard Thomas (substitute) and Diana Toynbee

Committee members participating via remote attendance: Councillors: Bruce Baker

[Note: Committee members participating via remote attendance, i.e. through video conferencing facilities, may not vote on any decisions taken.]

Others in attendance:

R Allonby	Service Director Economy and Growth	Herefordshire Council
E Bradford	Head of Highways and Traffic	
L Cousins		Three Dragons
H Crane	Head of Service Housing	Herefordshire Council
A Deans	Interim Programme Director – Major Contracts	
B Durkin	Cabinet Member Roads and Regulatory Services	
L Easton		Three Dragons
S Holland	Interim Head of Housing Development	Herefordshire Council
H Merricks-Murgatroyd	Democratic Services Officer	
P Price	Cabinet Member Transport and Infrastructure	
A Rees-Glinos	Democratic Services Support Officer	
D Webb	Statutory Scrutiny Officer	

11. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Roger Phillips, and Cllr Robert Owens.

12. NAMED SUBSTITUTES

Cllr Richard Thomas was present as the named substitute for Cllr Roger Phillips.

13. DECLARATIONS OF INTEREST

No declarations of interest were made.

14. MINUTES

The minutes of the previous meeting were received.

Resolved: That the minutes of the meeting held on 10 July 2024 be confirmed as a correct record and be signed by the Chairperson.

15. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received from members of the public.

16. QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions had been received from councillors.

17. LOCAL AUTHORITY HOUSING DELIVERY MODELS

The committee considered a report on the background of the challenges faced by Herefordshire in meeting the demand for affordable housing by council officers and; an update on commissioned research into housing delivery models in other local authorities by Three Dragons.

The Chairperson introduced the officers to present the council's report before the update by Three Dragons.

The principal points of the discussion are summarised below:

1. The Service Director, Economy & Growth noted that the report provides additional context and sets out to a certain extent what the social housing requirement is and where there are gaps and what the affordable challenges are.
2. In response to a question about how the 16,500 homes in the current calculations in the Local Plan is calculated, the Service Director, Economy & Growth said that there is a national calculation set by government through the National Planning Policy Framework (NPPF) which looks at the future housing need over the following 20 years. It was noted that the NPPF is currently going through a consultation following the national elections and the target will potentially increase to 27,000 new homes over the next 20 years across the county. The council's response to that is that 27,000 is a bit too high for the county to sustain, particularly with infrastructure challenges to support that housing target.
3. In response to a question about the split between affordable and social housing, the Head of Service Housing noted that there is the Housing Market Area Needs Assessment which is the council's local needs document that looks at trends and housing needs and from that information, the affordable housing threshold is calculated. The threshold depends on the market town and can differ from one place to another. In strategic housing, it is worked out what the breakdown of accommodation should be and social rent is the greatest need and therefore it is encouraged for more housing to be delivered in social rent. It is down to the officer to determine what the tenure should look like on site.
4. The Head of Service Housing clarified the situation in a number of points, including providing some figures on the finances involved in sourcing accommodation:
 - a. There are those who are referred to as 'street homeless' in which the council does not always have a power to them but does have a duty to them whereby the council will accommodate to get everyone off the street.
 - b. The council has several properties in its housing pipeline, including a Homeless Hub, which provides essential support services to help

- homeless individuals become tenancy-ready and progress through the council's housing pipeline.
- c. The council also assists homeless individuals who are not living on the streets by helping them get registered for housing support.
 - d. For those on the waiting list, around 2,000 people, the council provides temporary accommodation. Currently, 144 households are residing in temporary accommodation.
 - e. A shortage of available housing exists due to limited new properties in the pipeline and required upgrades by registered providers, which has led to delays as providers hold back properties for necessary repairs and maintenance. Many are leaving properties void due to insufficient funds for these upgrades.
 - f. In 2023/24, £3.5 million was spent on temporary accommodation, with an overspend of £1.3 million.
5. In response to a question about the 1,957 households on the general needs affordable housing waiting list, the Head of Service Housing clarified that they are just the households renting a home. There is no register for those who require an affordable home ownership product.
 6. In response to a question about the breakdown of the affordable homes being built, the Head of Service Housing noted that there is a mixture between rental and home ownership with about 60-65% rental with the remainder home ownership.
 7. In response to a question about homeless people in Herefordshire that are originally from outside of the county, the Head of Service Housing clarified that the council works with those people and tries to send them back to the county they came from. This includes paying for clothing, food and transport to take them back to the local authority that they came from. The Winter Shelter is an example of a temporary homeless accommodation scheme which operates from December to May and ensures that everyone is off the street.

The committee then considered the slides produced by Three Dragons, housing and planning consultants who specialise in the delivery of housing and in particular, affordable housing.

The slide pack was published as part of agenda: [Link to 'Three Dragons Interim report October 2024'](#). The slides presented by Three Dragons are outlined below (in italics), with summaries of the responses provided to the key lines of questioning by the committee.

A. Lin Cousins (Three Dragons) introduced the presentation and presented:

Scene setting

Affordable housing delivery – next three years

Local perspectives

a.1 Laura Easton (Three Dragons) noted that after the upcoming Budget, Registered Providers (RP) will be more able to comment as to going forward and what funding will be available from the next Affordable Homes Programme.

Alternative delivery models

a.2 Laura Easton went through the alternative delivery models that exist and are available to the council.

In response to a question about the potential for government funding, the Interim Head of Housing Development noted that Homes England have no new funding until March 2026 and they will wait until after the Budget for clarity over government funding.

National picture

Where authorities choose not to get involved

a.3 In response to a question on access to the land that the council currently owns, Laura Easton noted that it would be useful to comment on.

The Chairperson noted that there was a request for the property portfolio which would be useful for Three Dragons to see.

The Service Director Economy and Growth responded that the spreadsheet of current council land holdings could be circulated more widely. It was added that the council does not own a lot that is viable for development for housing and the ones that are being progressed. Council owned land holdings therefore will only be a small part of the answer to the housing need of the county.

Delivery models use of HRA and General Fund – further examples

Delivery models – setting up and key considerations

a.4 In response to a question about the compulsory purchase of long-term empty properties with no known owner, the Head of Service Housing noted that there is an empty property officer in strategic housing whose role is to identify empty properties in the county and to work with landlords to bring those properties back into use. There are a number of properties that have not been registered with Land Registry and the owners cannot be tracked down easily. Work is ongoing with tracing agents who are finding relatives who own those properties.

The Head of Service Housing noted that a number of private landlords are used to get the bulk of the council's temporary accommodation. The council can only pay local housing allowance rates and on the private market, private landlords can get a lot more money for their properties. The council has recently taken over the running of three bed and breakfast properties and are used for temporary accommodation for some households which is a cheaper solution than using chain hotels.

Delivery models case studies – to explore further

Local potential for increasing delivery of AH

a.5 In response to a question about any potential suggestions that Three Dragons may make in relation to meeting the demand for affordable housing, Lin Cousins noted that Three Dragons will seek to suggest both a longer-term set of options and some short-term things that the council can do to help meet its demand for affordable housing.

Next Steps

a.6 Lin Cousins finished the presentation by clarifying that Three Dragons after receiving feedback from the committee regarding the interim report will finish its feedback and prepare a final report in November.

The Chairperson confirmed that if the final report is received by the committee at November's meeting, it could have a brief review of the final report so the committee could make final considerations for recommendations to Cabinet.

In response to a question about what the council's position is as a Registered Provider, the Head of Service Housing noted that about four years ago, the council was registered with Homes England to become a Registered Provider within its own right which would allow the council to build and develop its own housing.

Following a short adjournment, the Chairperson restated the importance of the committee receiving the final report at its next meeting before final recommendations are made to Cabinet.

The Chairperson added that the committee should feed back to Three Dragons a number of things including:

1. How the journey with RPs is developed to achieve the shared goal of meeting demand for affordable housing;
2. To explore four of the case studies in greater depth, including Eastleigh, Telford, Shropshire, and Wolverhampton.
3. Recommendations as to how it is ensured that a suitable structure is implemented within the local authority to ensure that the relationship between the council and the developer is balanced and fair.

18. PUBLIC REALM FUTURE OPERATING MODEL TASK AND FINISH GROUP RECOMMENDATIONS

The Chairperson noted that the committee had a productive working group meeting prior to the committee meeting on the Public Realm Future Operating Model. The recommendations as proposed in the report were read out by the Chairperson and agreed by the committee.

Resolved: That

- 1. The committee note the report and**
- 2. Endorse the findings of the working group's report.**

19. WORK PROGRAMME

The Statutory Scrutiny Officer presented the draft work programme for scrutiny committees for the municipal year 2024/25. In particular, it was recommended that Local Authority Housing Delivery Models item be brought back to the next committee meeting on 13 November 2024 with the final report from Three Dragons.

It was noted that dates were added for 2025 including in May, July, and September. Currently, no items are down for each of those meetings and it is for the committee to have an informal meeting to discuss how it uses the time it is granted for each of the committee meetings listed above and how it might/might not incorporate any suggestions made into its work programme.

The Chairperson requested that an informal work programme discussion be arranged for committee members in the first week of November.

Resolved:

- a) That the work programme, as amended and subject to periodical reviews, be agreed as the basis of the primary focus for the committee for the remainder of the municipal year 2024/25.**

- b) **The committee note the work programme for the other scrutiny committees, and identify any opportunities for collaboration or alignment of work.**

20. DATE OF THE NEXT MEETING

The next scheduled meeting in public was confirmed as Wednesday 13 November 2024 at 10.00 am.

The meeting ended at 4.03 pm

Chairperson