

ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 8 March 2012

Present: Councillor M Johnston (Chair)

Councillors A Cox S Kelly
G Ellis S Niblock
P Hackett D Realey
A Hodson S Whittingham
P Kearney

45 NEW DIRECTOR OF REGENERATION, HOUSING AND PLANNING

The Chair informed the meeting that Kevin Adderley, had, that afternoon, been appointed to the post of Director of Regeneration, Housing and Planning, and the Committee offered its warmest congratulations to Kevin on his appointment.

46 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP

Members were asked to consider whether they had a personal or prejudicial interest in connection with any item on the agenda and, if so, to declare it and to state the nature of such interest.

Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were subject to a party whip in connection with the item to be considered and, if so, to declare it and state the nature of the whipping arrangement.

Councillor Whittingham declared a personal interest in the item, 'Responding to Under Occupation in Wirral' by virtue of his membership of the Wirral Partnership Homes Board (see minute 49 post).

Councillor Niblock declared a prejudicial interest in the item, 'Minutes' as he was aware that a Committee member would be asking a question in respect of minute 40, 'Outcome of Wirral's Housing Market Renewal Transitional Funding Bid Including Proposed Exit Plan and Suggested Amended Housing Investment Programme for 2011/12' by virtue of him living in one of the affected areas (see minute 47 post).

47 MINUTES

Members were requested to receive the minutes of the meeting of the Economy and Regeneration Overview and Scrutiny Committee held on 16 January, 2012.

(Councillor Niblock, having declared a prejudicial interest, left the meeting when a Committee member asked a question in respect of minute 40).

In respect of minute 40, 'Outcome of Wirral's Housing Market Renewal Transitional Funding Bid Including Proposed Exit Plan and Suggested Amended Housing Investment Programme for 2011/12', a Member referred to press reports on possible legal challenges to HMRI transitional bid funding being used for demolition.

In response, the Director of Regeneration, Housing and Planning stated that the Council had been quite clear in its bid proposal as to what the transitional funding would be used for and there had been no indication from central Government that the Council needed to stop doing anything with regard to its clearance commitments in the former HMRI area.

Resolved - That the minutes be approved as a correct record.

48 **CHILD POVERTY STRATEGY AND ACTION PLAN - PROGRESS REPORT**

The Chief Executive submitted a progress report on the work that had been undertaken to develop a Wirral child poverty strategy and action plan in partnership with local organisations and agencies, including the voluntary, community and faith sector. As set out in the previous report to the Committee, the local authority established a local advisory group to review the evidence and make recommendations to the Council and its partners about local action to tackle child poverty. Representation on this group (the Wirral Child and Family Poverty Working Group) was drawn from the voluntary, community and faith, housing, health, and education, employment and skills sectors. It was chaired by a representative from the voluntary, community and faith sector and had Elected Member representatives from all parties.

The final version of the strategy and action plan would be discussed by the Wirral Child and Family Poverty Working Group at its next meeting on 21 March, 2012 and would subsequently be referred to Cabinet for further consideration. The Wirral Child and Family Poverty Working Group had agreed to continue meeting to oversee the implementation of the strategy and action plan once this was finalised; and a revised terms of reference was being produced to reflect this ongoing role.

The Director of Regeneration, Housing and Planning, reported that Council had agreed £400,000 in its budget for 2012/13 which would enable officers to accelerate the actions required to help achieve the goal of eliminating child poverty in the borough.

Resolved – That this Committee notes the progress made to date.

49 **RESPONDING TO UNDER OCCUPATION IN WIRRAL**

The Director of Regeneration, Housing and Planning submitted a report which updated the Committee on the potential impact of Welfare Reform across both the social and private sector and highlighted the current position in Wirral with regards to under occupation in the social rented sector.

For the private sector the focus was to prevent financial hardship and potential homelessness arising from Welfare Reform through early intervention, payment of Discretionary Housing Payments and working with tenants to find affordable and sustainable accommodation.

The report also highlighted work being undertaken by the Council in responding to under occupation across both sectors, focusing in particular on the work being undertaken in the social sector to develop a pilot scheme which would aim to tackle and reduce under occupation in Wirral. The scheme developed would target those residents registered on the Wirralhomes housing register and awarded an Urgent Need Status for under occupation, which under the current allocations policy meant that they had two or more spare bedrooms. By targeting these residents, it was anticipated this would free up some larger social properties for families in need and who might be overcrowded, and also reduce the threat of financial hardship when the Welfare Reforms were introduced.

Addressing under occupation would promote the Council's Corporate Priorities in terms of support for vulnerable people to maintain their independence in the community, prevent and alleviate homelessness and to make best use of existing housing stock across all sectors.

Responding to comments from Members, the Director, Lisa Newman, Housing Strategy Manager and Catherine Green, Rehousing Services Manager, elaborated on some of the detail of the impact in Wirral and explained the system for prioritising those in most need. Individual circumstances would be different and until the Welfare Reform Bill was finalised it was difficult to take account of its implications. Out of 15,434 units of the social housing stock (which the Council had been provided information about to date), 5% would be affected by the Welfare Reform reduction in benefit of up to 25% due to occupying a property that had two or more spare bedrooms, and 15% would be affected in benefit of up to 14% due to occupying a property that had one spare bedroom. They explained the use of Discretionary Housing Payment and the development of a pilot scheme to assist those households that wanted to move into smaller accommodation which met their needs.

The Chair commented that the myth that the elderly would be affected could be put to rest as the legislation only applied to those of working age. He suggested that a summary of the report / crib sheet should be circulated to all members to assist them with their casework and that it would be an ideal piece of work for a scrutiny review in the forthcoming municipal year.

It was then moved as an addition to the recommendation in the report by Councillor Whittingham and seconded by Councillor Hackett –

“That Committee notes the report and welcomes the work being done to assist tenants affected by the ‘bedroom tax’.

However, Committee shared the National Housing Federation's concern about the impact the ‘bedroom tax’ will have on tenants and vulnerable people deemed to be under occupying, some of whom may already be struggling to make ends meet.

Committee also shares the National Housing Federation's concern about the impact of the ‘bedroom tax’ on the tax payer, because if a tenant moves to a smaller property it may be that the rent for the smaller property is more expensive, which, if that's the case could well place additional pressure on the Housing Benefit Bill.

Committee also agrees with the Deputy Leader of the Liberal Democrats, Simon Hughes MP, on tenants who are deemed to be under occupying that 'it is not practical to insist that they move when there is nowhere smaller to move to'."

The addition to the recommendation was put and lost (4:6).

Resolved –

(1) That Committee notes the current situation with regards to the potential impact of Welfare Reforms and under occupation in the social sector and the work being undertaken to mitigate this.

(2) That a summary of the report / crib sheet should be circulated to all members to assist them with their casework and that it be added to the work programme as a scrutiny review in the forthcoming municipal year.

50 AFFORDABILITY AND MORTGAGES INCLUDING FIRST TIME BUYERS

The Director of Regeneration, Housing and Planning submitted a report which updated the Committee on the current situation regarding housing market support, the availability of mortgages and which gave an analysis of how these issues were affecting Wirral. It also set out an overview of Government programmes and the Local Authority Mortgage Scheme which were available to support and enable sustainable home ownership.

Responding to comments from Members, the Director and Lisa Newman, Housing Strategy Manager, gave further details on how the Local Authority Mortgage Scheme would work. 22 local authorities had launched the scheme so far and there had been no defaults. There was a risk as with all such schemes but some members expressed the view that the risk would only be if house prices went down and the risk was minimal although the benefits could be high.

Resolved –

(1) That Committee notes the contribution of the range of programmes / packages to assist home buyers, including first time buyers and the Affordable Homes Programme Framework, to support home ownership in Wirral.

(2) That Committee notes the issues relating to the housing and mortgage markets and the potential value and risks identified with operating a Local Authority Mortgage Scheme.

(3) That Committee asks Cabinet to consider the establishment of a Local Authority Mortgage Scheme to assist first time buyers in Wirral.

51 BUSINESS SUPPORT

The Director of Regeneration, Housing and Planning submitted a report which set out proposals to expand Invest Wirral's services to compliment the New Enterprise Allowance (NEA) and to expand current business support to pre-start businesses. The matter would be referred to Cabinet for consideration / approval.

The NEA scheme and Enterprise Clubs provided essential help to unemployed people in becoming self employed however, it did not include certain individuals and mentoring support was not provided past the early stages of trading. The current eligibility criterion excluded people who had not been claiming JSA for a minimum of 6 months. This could include individuals in the following circumstances:

- Out of work less than 6 months
- Part-time workers
- Individuals in temporary jobs
- Unemployed people not claiming JSA
- Individuals in full time employment with a potential business idea

Individuals with a robust business idea that fell into any of the above categories could not currently access business start support. Invest Wirral provided a range of business support services which currently included the Micro Business Support programme. This programme supported companies with less than 3 staff and/or a turnover less than £100,000. It was suggested that this programme could be expanded to include help for pre start businesses that were not eligible for NEA support. In such cases, Invest Wirral Micro Business Support Managers would work with individuals to develop a sustainable business plan and guide them through the stages of business start up.

Members, in expressing support for the proposal, commented that the best time to get people back into work was when they had been just been made redundant.

Resolved –

(1) That this Committee supports the expansion of the current Invest Wirral services, to include access to business support for pre start businesses that are not eligible for NEA.

(2) That the matter be referred to Cabinet for consideration.

52 GREEN GROWTH SCRUTINY REVIEW

The Chair introduced the final report of the Green Growth Scrutiny Review. The panel, consisting of Councillors Mark Johnston, Peter Kearney, Steve Niblock and Stuart Whittingham had focused on seven main issues for the review and had been supported by the Scrutiny Support Officer, Alan Veitch. Details were given of the variety of methods which the Panel had employed to gather evidence and thanks were expressed to all those who had assisted the review by so readily giving their time, experience and suggestions.

The report contained 19 recommendations and assuming that the Committee agreed with these it was recommended that the report be presented to the next appropriate Cabinet meeting.

The Chair expressed his thanks to all those involved, especially to Ben Lavell, Business Engagement Officer, at Invest Wirral and to Alan Veitch, Scrutiny Support Officer. He would be more than happy if Members were also involved with the Working Group, which it was proposed be set up to oversee the implementation of the recommendations.

The Director thanked the review panel for all their work and commented that the staff involved in the review had found the process very beneficial.

Resolved –

(1) That this Committee supports the contents and recommendations of the Green Growth Scrutiny Review.

(2) That the Green Growth Scrutiny Report be presented to the next appropriate Cabinet meeting.

(3) That further reports be presented to the Economy and Regeneration Overview and Scrutiny Committee to update members regarding the progress being made towards the implementation of the recommendations.

(4) That this Committee welcomes this example of cross-party working which sees scrutiny at its best.

53 PERFORMANCE MONITORING REPORT - QUARTER THREE

The Director of Regeneration, Housing and Planning reported upon the performance of the Council's Corporate Plan 2011-2014 for July to September 2011 in relation to economy and regeneration. He provided an overview of performance, resource and risk monitoring and highlighted what was working well, future challenges and risks.

In respect of the key project, 'Implement proposals to reduce under occupation in social housing by August 2012', he reported that this was now on track and was no longer 'amber' status but 'green'.

Resolved – That the report be noted.

54 SCRUTINY WORK PROGRAMME

The Committee received an update report on its work programme.

The Chair suggested that a regular slot could be added to the agenda for a 10 minute presentation from a key member of the business community and that in June, the Committee could have a tour of key sites within the borough.

Resolved – That the work programme and above additions be noted.

55 FORWARD PLAN

The Committee had been invited to review the Forward Plan prior to the meeting in order for it to consider, having regard to the Committee's work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

Resolved – That the forward plan be noted.

56 **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

Resolved – That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

57 **REGENERATION UPDATE**

The Director of Regeneration, Housing and Planning provided an update on major development schemes within the Borough.

Resolved – That the report be noted.

58 **THANKS**

As this was the last meeting of the municipal year, the Chair thanked all the officers for the work with the Committee in the past year.