



Agenda Item 8(b)

## **BRISTOL OVERVIEW AND SCRUTINY**

Report of the Scrutiny Inquiry Day

'How can Better Housing Delivery Secure the Best Outcomes for Bristol'

Conclusions of the Neighbourhoods and Place Scrutiny Commissions,  
November 2015



## 1. Executive Summary

Bristol City Council's Scrutiny function is responsible for helping to develop innovative policies by examining key issues in detail and making recommendations to the Mayor to feed into the corporate priorities.

Provision of housing was identified as a major focus for the Scrutiny Work Programme in the 15/16 Municipal Year due to the continuing trend regarding the rising unaffordability and availability of property in the West of England. The situation is particularly acute in Bristol where the market is fuelled by relatively buoyant employment and geographical restrictions limiting the options for large-scale housing development. Various measures have been put in place to attempt to address the housing issues affecting the city, but to date have not managed to overcome this complex problem. There is also rising concern from all providers about the impact of government policy on social housing, and agreement of the need to re-evaluate how the strategic priorities are delivered.

A joint piece of work was commissioned by the Overview and Scrutiny Management Board to enable the Place and Neighbourhoods Scrutiny Commissions to take an in-depth look at the issues and potential solutions. The Scrutiny Inquiry Day had the following objectives;

- Prepare recommendations that would improve the supply of affordable housing within the city; and
- Ensure that Members understood the often multifaceted and interrelated issues affecting housing including those relating to finance, economic growth, site availability, and skills shortages within the development industry; and
- Increase knowledge around what previous initiatives had secured the best results; and
- Work with leading housing experts to test the revised Housing Strategy<sup>1</sup> and ensure it was fit for purpose

All of Bristol's Councillors were invited to attend the Inquiry Day along with leading policy experts and academics. The full attendance list for the event can be found at Appendix 1. The Inquiry Day was chaired by Councillor Antony Negus and Councillor Charlie Bolton, as Chairs of the relevant Scrutiny Commissions. They were assisted by Dr Madge Dresser, Professor of History at the University of the West of England, who was invited to help with facilitation.

### Key Findings

The full recommendations from the Inquiry Day can be found in section 4 of this report, but the headlines can be summarised as follows;

- **Cross Boundary Working** – the Inquiry Day found that many of the solutions to improved housing provision lay in better partnership working both cross boundary, with other Local Authorities, but also by embracing private and public sector collaborations



- **New Delivery Arrangements** - there was broad support for the City Council to explore the options around new delivery arrangements to take more control of housing within the city, leading to a range of potential social and economic benefits.
- **Development, Planning and Land Issues** – It was agreed that there was a need to pursue creative measures to bring brownfield and stalled sites to the market, as well as continuing to work closely with the developers and local communities to secure the best outcomes.
- **Making the Best Use of the Council's Portfolio** – The Inquiry Day concluded that a fresh look should be taken at the policies in relation to the Council's own portfolio to ensure the approach was still appropriate in the current climate.
- **Private Rented Sector** – there was consensus that the cost, quality and supply of homes via the private rented sector played a pivotal role in maintaining housing provision in the city and options for introducing more large scale operators should be considered.
- **Finance** – it was agreed that further work needed to be undertaken to fully understand all of the models of housing finance that were available and how they could best be utilised.
- **Connectivity and Infrastructure** – providing appropriate digital and physical infrastructure would play a vital role in enabling more homes to be built in the right areas.

The Inquiry Day concluded that in order to bring about the required step change in housing provision the Council needed to act quickly to both consolidate the work that was already taking place but also to explore and implement new measures. Implicit in many of the discussions was agreement that the Council should increase its appetite for risk due to the benefits that could be secured through retaining more control.

The conclusions from the Inquiry Day will be used to inform a debate at a meeting of the Full Council in January 2016 before being referred to the Mayor at a Cabinet meeting later that year.

## 2. Background and Context

The 2015 change of government has resulted in a shift in the national policy framework with many changes being implemented or proposed over the coming term. The discussions around the devolution of powers from central to local government also has the potential to significantly alter the way in which housing is provided in Bristol and the surrounding area.

Locally, a new Housing Strategy for Bristol (2016 – 2020) has been produced by Homes4Bristol and is due to be adopted in late 2015. The Strategy sets out aspirations and priorities for housing over the next five years. Before this new Strategy becomes policy, Members wished to evaluate how Bristol should prepare for the changes that lay ahead.

## 3. Evidence Base

### Policy Briefings

Due to the complexity of some of the issues that would be considered at the Inquiry Day, a



series of policy briefings were provided to elected Members in advance of event in order to ensure everyone was equipped with the knowledge to enable them to participate in the discussions.

The topics were as follows;

- Finance – sources of funding for new housing, the relationship between borrowing and income, and details of the Housing Revenue Account
- Land economics, planning and housing development
- Welfare Reform
- Housing requirements – what the Strategic Housing Market Assessment tells us about future need/demand
- Landlords - the role of the private rented sector and social landlords
- Other models for delivery of housing e.g. co-operatives and Community Land Trusts

## Background Papers

A pack of information was provided to all attendees in advance of the event, which included a broad range of relevant background reports to help delegates to prepare. The papers detailed key facts and figures regarding the local housing situation and also Bristol City Council's relevant policies and frameworks. The full papers can be found below;



Housing Inquiry Day  
2nd October - Full Pac

## Inquiry Day

### What is a Scrutiny Inquiry Day?

Scrutiny Inquiry Days enable Councillors to acquire an understanding of complex issues by hearing from expert speakers and engaging in debate with specialists, with the objective of identifying well-informed evidence-based recommendations. Inquiry Days aim to create a balance between information sharing and discussion, thus allowing the broad range of views to be heard, and enabling participants to share their particular perspective.

The format for the event included a mixture of speakers from Bristol and national organisations, small table discussions and questions and answer sessions. The programme for the day can be found at Appendix 2.

The table groups were set the tasks of answering the following key questions;

- What more can we do sub-regionally to improve the supply of affordable housing?
- What are the pros and cons of the alternative models of delivery?
- Finance – What practical solutions are available to assist in breaking down the barriers to the provision of housing?



- What are the barriers affecting the supply of affordable housing in Bristol and how can these be overcome?

The following leading practitioners attended to share their knowledge and expertise;

- Dr Tim Brown, De Montfort University
- Kat Hart, National Housing Federation
- John Hocking, Joseph Rowntree Foundation
- Jayesh Mistry, Price Waterhouse Coopers
- Clive Skidmore, Birmingham City Council
- Andrew Walker, Local Government Information Unit

Where speakers provided slides to accompany their talks, they can be found at appendix 3.

#### 4. Recommendations

The Inquiry Day identified a number of recommendations that would help to improve the supply of housing in the short, medium and longer term. It was agreed that whilst lack of provision of new housing had long been an issue affecting Bristol, the changing context at national level meant that decisive action should be taken to stay ahead of the projected decline in affordability. The new landscape had also resulted in the Council needing to reconsider its position on its appetite for risk, [flexibility and innovation](#), as a bolder approach could bring greater economic and social benefits.

##### Cross Boundary Working Across the Sub-Region

There was a unanimous view from the Inquiry that partnership working across the West of England area needed to be improved – regardless of the outcome of the devolution discussions. There was agreement that Local Authority partners needed to define the issues and goals that united the sub-region in order to determine where mutual interests lie. The following recommendations were proposed;

- R1 – Housing allocation policies should be developed on a cross-boundary basis to reflect the needs of citizens, many of whom live/work across local authority boundaries.
- R2 - Better liaison/co-working regarding land availability and new major developments should be introduced to ensure site supply kept up with economic progress. [This should include progressing stalled sites \(whatever the reason that they were not being taken forward\).](#)
- R3 - Steps should be taken to identify areas where we can work more collaboratively across the region, including sharing resources and skillsets with other housing providers. [It was important to address the lack of housing delivery expertise within Bristol City Council.](#)
- R4 – [More efforts should be made to create opportunities for employment and apprenticeship in future house building schemes, especially those relating to factory produced systems.](#)
- R5 - [the Local Enterprise Partnership should be encouraged to raise the profile of shortages in housing provision.](#)
- R64 - It was important to acknowledge that there may be concerns about loss of local control when working at sub-regional level and introduce measures to proactively address these.



## Development/Planning/Land Issues

A number of recommendations were identified that related to the approach to development and land use;

- R75 - Steps should be taken where possible to speed up and simplify the planning process. Officers should carry out an analysis of the planning process with a view to identifying ways to speed it up. This should be done in conjunction with relevant stakeholders, and the quality of planning decisions should not be compromised as a result. It may require an increase in resources to specific areas.
- R86 - Further work was required to investigate how best to unlock the potential for brownfield sites that remained undeveloped.
- R97 - When the Council disposed of land, it should de-risk options by assessing whether providing Planning Permission (ie prior outline permission granted via the Council applying to Development Control) -and/or pooling land resources to cluster sites would act as an additional incentive-
- R108 – Stalled sites, and those that were underused or permitted, should be collated and -investigated across the sub-region and Compulsory Purchase Orders used more readily where needed. The use of powers similar to those adopted for empty private homes, such as empty site tax concessions or penalties, should also be considered.
- R119 - Additional work needed to take place to ensure best use of vacant office blocks. The Council should proactively investigate options for bringing these into use for housing, especially social housing.
- R12 - All empty buildings owned by Bristol City Council should be considered for immediate conversion into short or medium term accommodation.
- R130 - Providing additional support to small/medium sized developers could secure flexible approaches that responded to local needs and issues.
- R141 - Localism should remain at the heart of planning processes, with communities having significant input into new schemes.
- R152 - If development of green space cannot be avoided, the Inquiry Day expressed its preference that protection of urban green space be the highest priority.
- R163 – If, as seems likely, development of out-of-town green space is deemed unavoidable, then development should be steered towards being done in the most sustainable way. -This may mean urban extensions into the greenbelt, or it may mean extensions around areas with good public transport links.
- R174 – Any greenbelt development should be seen as a last resort, not the first.
- R18 – Section 106 contributions to increase the supply of affordable housing should be sought by offering higher density sites and schemes in collaboration with Bristol City Council.
- R19 – Section 106 processes should be reviewed at significant stages along the project so that evaluation could take place at any juncture to ensure developers were delivering to agreed standards.
- R20 – The feasibility of working with an eco-building company for use of new materials, such as housing kits and straw bales, should be evaluated.



## New Delivery Arrangements

There was universal support for the proposal that the City Council should fully consider the options for securing more strategic control over housing standards and rent levels;

- [R2142](#) – A review of the options for introducing new delivery arrangements for housing (~~eg a Housing Company~~) be conducted to establish what type of intervention could bring the best outcomes.
- [R2243](#) Particular interest was expressed in having a housing company – which could act as a mechanism for delivering house building and low cost house building. It could also be a way to offer- ‘ethical lettings’ ie. participate in the private rented sector. [The model used by Birmingham City Council was thought to be an example of good practice.](#)
- [R2344](#) It was agreed that housing co-ops, self-build projects and the like have a role to play in any housing solution. Therefore these should be included. [Specifically, some authorities already reserve a ‘corner’ of a major site for alternative housing \(eg Teignmouth\).](#)
- [R24](#) – [The City Council should review its own housing delivery frameworks to ensure they are fit for purpose.](#)
- [R25](#) – [The Local Plan should be revisited in order to reconsider densities in defined areas.](#)
- [R26](#) – [If not already done, performance criteria should be established to enable Bristol City Council to review progress regarding housing provision.](#)

## Making the Best Use of the City Council’s Portfolio

The Inquiry Day identified several recommendations in relation to the Council's own portfolio, [which amounted to around £1b in land and building assets;](#)

- [R2743](#) - Consideration should be given to the option of concentrating resources on increasing supply of affordable housing rather than maintaining existing stock, [including a review of the business case for raising standards in the context of Right to Buy.](#) [\(Although there was not unanimous support for this\).](#)
- [R2844](#) - Where sites had poor quality or limited life social housing, options for redevelopment should be explored. [This could mean rebuilding housing at a higher density or at a higher quality.](#)
- [R29](#) – [Attempts should be made to address the loss of Affordable Housing due to Right to Buy, such as introducing five year renewable tenancies \(although there was not unanimous support for this\).](#)
- [R30](#) - [A review of Bristol City Council land and building assets should be conducted and a programme for release be prepared \(in line with government guidelines\).](#)

## Private Rented Sector

There was agreement that the Private Rented Sector was an important growth sector in Bristol and could have a significant impact on housing within the city. Whilst the ACORN Ethical Lettings Charter could help to improve standards within the industry, the following measures could further improve the quality and supply of rental homes;



- [R3145](#) –There was a need to examine how to introduce additional larger scale, professional landlords to prevent overreliance on small private operators, [and find new ways to improve rental standards.](#)
- [R3246 \(See R31\) This could mean the Council creating its own company as a vehicle for working in the private rented sector to help implement the ACORN charter.](#)

## Finance

The Inquiry Day concluded that the options in relation to creative housing finance needed further exploration, [particularly around Community Land Trusts](#), but the following ideas had potential for progression;

- [R3346](#) - Consider using the General Fund to support the Private Rented Sector, and use the associated income for provision of additional social housing
- ~~[R17 - Rethink the use of the Housing Revenue Account and the relationship with the General Fund](#)~~
- [R3418 Lobby central government to relax the limitations on borrowing against the Housing Revenue account \(with a view to building more council housing\).](#)
- [R35 – Deploy Council funding to provide good quality, high density rented housing schemes which would attract private/ethical investment.](#)

## Connectivity/Infrastructure

The Inquiry Day found that the role of connectivity and infrastructure – both physical and digital - were vital to transforming areas and making them appealing to a wider population;

- [R3648](#) - Tailored solutions to improve physical and digital connectivity should be provided for new sites, as well as existing ones that would benefit from regeneration.
- [R3749](#) - Promotion of the benefits of enhanced infrastructure should be conducted with local communities to highlight the advantages that development can bring.
- [R3820 An integral part of any new large scale development should be to build in the appropriate public transport, cycling and walking infrastructure](#)

## 5. Next Steps

The draft report will be considered by a joint meeting of the Neighbourhoods and Place Scrutiny Commissions on 18<sup>th</sup> December 2015. The final version of the report will then be debated at a meeting of the Full Council on 19<sup>th</sup> January 2015, before being referred to the Mayor at a Cabinet meeting in spring 16. Where recommendations are accepted by the Mayor, an action plan for implementation will be produced and progress monitored by the relevant Scrutiny Commissions.

## 5. Appendices

Appendix 1 – Attendance List

Appendix 2 – Inquiry Day Programme

Appendix 3 – Speakers' Presentations



## Attendance List

Scrutiny Inquiry Day 2<sup>nd</sup> October 2015

'How can Better Housing Delivery Secure the Best Outcomes for Bristol?'

## Councillors

	<b>Name</b>	<b>Job Title/Organisation</b>
1	Lesley Alexander	Councillor, BCC
2	Charlie Bolton	Councillor, BCC
3	Craig Cheyney	Councillor, BCC
4	Stephen Clarke	Councillor, BCC
5	Simon Cook	Councillor, BCC
6	Rhian Greaves	Councillor, BCC
7	Fi Hance	Councillor, BCC
8	Gus Hoyt	Councillor, BCC
9	Gill Kirk	Councillor, BCC
10	Tim Malnick	Councillor, BCC
11	Brenda Massey	Councillor, BCC
12	Anna McCullen	Councillor, BCC
13	Olly Mead	Councillor, BCC
14	Eileen Means	Councillor, BCC
15	Glenise Morgan	Councillor, BCC
16	Anthony Negus	Councillor, BCC
17	Steve Pearce	Councillor, BCC
18	Daniella Radice	Councillor, BCC
19	Jenny Smith	Councillor, BCC
20	Mhairi Threlfall	Councillor, BCC
21	Estella Tincknell	Councillor, BCC
22	<b>Claire Hiscott</b>	<b>Councillor, BCC</b>

## Other Attendees

	<b>Name</b>	<b>Job Title/Organisation</b>
1	Alistair Allender	Elim Housing
2	Steve Barratt	Service Director – Housing Delivery, BCC
3	Karen Blong	Policy Advisor – Scrutiny, BCC
4	Judith Brown	Older People's Forum
5	Dr Tim Brown	De Montfort University
6	Alison Comely	Strategic Director, Neighbourhoods, BCC
7	Nicky Debbage	Service Manager, Strategy, Planning and Governance, BCC
8	Dr Madge Dresser	University of the West of England
9	Romayne de Fonseca	Policy Advisor – Scrutiny, BCC
10	Lucy Fleming	Scrutiny Co-ordinator, BCC
11	Kat Hart	National Housing Federation
12	John Hocking	Joseph Rowntree Foundation
13	Johanna Holmes	Policy Advisor – Scrutiny, BCC



14	Nick Hooper	Service Director – Housing Solutions, BCC
15	Lucy Hudd	Little Hayes and Hillfields EYFC, BCC
16	Stephen Hynd	Head of Mayor's Office, BCC
17	Peter Jay	Policy Advisor, BCC
18	Sue Long	Planning and Development Advisor, BCC
19	Barra Mac Ruari	Strategic Director - Place, BCC
20	Sarah O'Driscoll	Strategic Planning Service Manager, BCC
21	Alistair Reid	Service Director – Economy, BCC
22	Clive Skidmore	Birmingham City Council
23	Sarah Spicer	Planning and Development Manager, BCC
24	Kirsty Stillwell	Public Relations Officer, BCC
25	Louise Swain	Homes for Bristol
26	Ed Rowberry	Chief Executive, GWR Capital CIC
27	Mary Ryan	Service Director – Housing Delivery, BCC
28	Andrew Walker	Local Government Information Unit
29	Anya Whiteside	Political Assistant, BCC
30	Zoe Wilcox	Service Director – Planning, BCC



Bristol City Council Overview and Scrutiny – Scrutiny Inquiry Day

# ‘How can Better Housing Delivery Secure the Best Outcomes for Bristol?’

Date: 2 October 2015

Venue: OpenSpace, West One, St. George’s Road, Bristol BS1 5BE

Time: 9.30am to 3.30pm

## Programme

9.00 am **Registration and refreshments**

9.30 am **Welcome and Introduction**

◆ Councillor Anthony Negus, Chair of the Neighbourhoods Scrutiny Commission and Councillor Charlie Bolton, Chair of the Place Scrutiny Commission – *Inquiry Day Chairs*

9.45 am **Overview of the Day**

◆ Dr Madge Dresser – Associate Professor of History at the University of the West of England – *Inquiry Day Facilitator*

9.50 am **Setting the Scene**

◆ Dr Tim Brown - De Montfort University

10.05 am **Government Policy and what this means for Council Housing**

◆ Andrew Walker - Local Government Information Unit (LGIU)

10.20 am **Devolution - what this means for local housing**

◆ Andrea Dell – Service Manager, Policy, Research and Executive Support, Bristol City Council

10.35 am **New models of delivery**

◆ Jayesh Mistry – PricewaterhouseCoopers (PWC)

10.50 am **Question and Answers Session**

◆ Facilitated by Dr Madge Dresser

----- **11.10 – 11.25 am - 15 minute break** -----

11.25 am

### **Group Workshops**

Delegates are asked to consider one of the following questions;

◆ Question 1- What more can we do sub-regionally to improve the supply of affordable housing?

◆ Question 2 - What are the pros and cons of the alternative models of delivery?

----- **12.05 – 12.45pm - Lunch** -----

12.45 pm **The perspective from Housing Associations**

◆ Kat Hart – National Housing Federation

1.00pm **Innovative Housing Finance**

◆ John Hocking - Joseph Rowntree Foundation

1.15 pm **Case Study - Birmingham Municipal Housing Trust**

◆ Clive Skidmore - Birmingham City Council



1.30 pm **Local Context, the draft Housing Strategy Consultation outcomes & the Peer Review Challenge headline findings**

◆Nick Hooper – Strategic Housing Service Director, Bristol City Council

1.45 pm **Question and Answers Session**

◆Facilitated by Dr Madge Dresser

----- **2.05 pm – 2.10 am - 5 minute comfort break** -----

2.10 pm **Group Workshops**

Delegates are asked to consider one of the following questions;

◆Question 3 - Finance – What practical solutions are available to assist in breaking down the barriers to the provision of housing?

◆Question 4 - What are the barriers affecting the supply of affordable housing in Bristol and how can these be overcome?

2.50 pm **Plenary feedback from Group Workshops & summary of ideas**

◆Facilitated by Dr Madge Dresser

3.15 pm **Chairs Closing statement**

◆Councillor Negus

3.30 pm **End**



## **SPEAKERS' PRESENTATIONS**

### A. Tim Brown, De Montfort University



Tim Brown - De  
Montfort University.ppt

### B. Andrea Dell, Bristol City Council



Andrea Dell -  
Devolution - BCC.ppt

### C. Jayesh Mistry, PriceWaterhouseCoopers



Jayesh Mistry -  
PWC.pdf

### D. Clive Skidmore, Birmingham City Council



Clive Skidmore -  
Birmingham City Coun

### E. Kat Hart, National Housing Federation



Kat Hart - NHF.pptx

