

Meeting Date: 14th July 2020

Public/Private*: Public

Title: **Economy, Enterprise & Housing Portfolio Holder's Report –
Councillor Paul Nedved**

FUTURE HIGH STREET FUND

The business case sets out a strategy to create a resilient city centre by support economic activity, improving offer and experience and widening the opportunities to have more people living and working in the centre. The business case comprises six distinct but inter-related projects:

1. Securing redevelopment for Hooper's Department Store
2. Repurposing 6-24 Castle Street
3. Preparing Central Plaza site for redevelopment
4. Reimagining Market Square as Carlisle's events space and gateway to the Historic Quarter
5. Pedestrian enhancement of Devonshire Street
6. Remediation of the Caldew Riverside site and redevelopment for city centre living

The draft business case that submitted to Ministry for Housing Communities and Local Government (MHCLG) in March for comment gained positive feedback

- Although, as expected, areas were identified that require refinement.

Due to the impact of COVID-19, the deadline for the submission of the final business case has been extended until the 31 July.

- The Regeneration team are working on strengthening the business case and ensuring that feedback from MHCLG is addressed.
- The Team also working closely with Cumbria County Council to ensure that the project is coordinated across the two authorities.

TOWN DEAL

Progress continues to be made despite the challenges of COVID-19 and the inability to convene the Town Deal Board physically since March.

- A series of virtual workshops were held during May 2020 where the vision, strategy and objectives for the Town Investment Plan were agreed and the drafting of the Plan has now commenced.
- A virtual Board meeting was held on 18 June 2020 where details of a forthcoming public consultation were agreed.

The detailed guidance for the Towns Fund was published on 15 June 2020. This sets out the timescales for submission of Town Investment Plans

- 31st July 2020 or 31st October 2020 or 31st January 2021
- Carlisle will be submitting their Town Investment Plan in October

COVID-19 AND IMPACT ON CARLISLE'S ECONOMY

The City Council have commissioned specialist support to undertake a detailed study on the short, medium and longer-term impacts of COVID-19 on the national and local economy and key employment sectors with the District – both urban and rural.

This work will be supplemented by detailed stakeholder engagement with Carlisle's major employers, industry representative groups and community stakeholders.

This piece of work would input to the Council's economic strategy as well as the Towns Fund and Future High Street Funds applications.

The Report will be produced by the end of June 2020.

ECONOMIC STRATEGY

Progress on the developing the Council's Economic Strategy continues to be made and the COVID-19 study will form an integral part of its development and finalisation.

In addition to driving growth, increasing productivity and growing our working age population the economic strategy must now – in light of COVID-19 - ensure that activity is also focussed on supporting economic recovery across future years.

Members will be engaged over the coming weeks to help influence the strategy and emerging actions.

FREEPORTS

The Government is proposing to create up to 10 freeports across the UK and formal consultation on the concept is open until 13th July 2020.

Freeports would have different customs rules than the rest of the country, they would become innovative hubs, boost global trade, attract inward investment and increase productivity.

City Council Officers are currently working with the County Council, Cumbria LEP and Stobart Group to formulate a response to the consultation and set out our interest in developing a proposal.

Discussions are underway regarding the development of a proposal document that could be submitted as part of a formal expression of interest – should the Government put out a call later in the year.

ST CUTHBERT'S GARDEN VILLAGE

The preferred final option, informed by the outcomes of consultation, is now being worked up as a full Masterplan Framework. This illustrative Masterplan will be accompanied by a Report, an Infrastructure Schedule and Strategic Design Guidance. The feedback document following last Autumn's consultation, together with an updated Frequently Asked Questions (FAQs) has been added to the dedicated St Cuthbert's website

<https://www.stcuthbertsgv.co.uk/MASTERPLAN>

Moving forward further engagement will be required on the draft Masterplan Framework in order for the programme not to slip. Given our good track record on innovation in engagement, we are giving early thought to how this can be done, looking at national examples of consultation during Covid 19, and also liaising with our Parish Councils about what is currently working for them, and how to engage with those that don't have access to technology. Initially we will consult on the preferred option with technical stakeholders. We have recently reconvened the Members' Advisory Group which includes two Parish Council representatives.

Work on the St Cuthbert's Local Plan, which will be used in tandem with the Masterplan to guide development in the area, is also continuing. A progress report has been produced which sets out feedback from the previous round of consultation, and how policies and objectives could be updated in response. The next stage of work on the Local Plan will be to fully draft the text of the strategic policies required to implement the spatial elements of the Masterplan.

We are shortly due to submit an Expression Of Interest to the MHCLG Development Corporation Fund to seek assistance with exploring different delivery models and their feasibility.

HOUSING

Cumbria Choice – Social Housing Allocations Scheme

The revised Policy, reflecting the latest good practice and updated legislation, including the Homelessness Reduction Act, is now progressing through the Committee system for approval. Cumbria Choices is a partnership of the six District Councils and seven largest Housing Associations in Cumbria. The updated Policy will ensure local people requiring social housing have a transparent and fit-for-purpose Lettings Scheme.

Extra Care Housing

Home Group have advised the Council that they have put their proposed 65 apartment Extra Care Housing Scheme on the site of the former Petteril House, at Petteril Bank, on hold pending a national review of their Schemes, as a result of the Covid-19 crisis. This is disappointing news and Officers will continue to liaise with Home Group to seek an update.

Cumbria Housing Statement

The updated Cumbria Housing Statement was adopted at the end of March. The Statement was prepared by the Cumbria Housing Group, which is a partnership of the District Councils, Cumbria County Council, and Lake District National Park Authority, and is a Statement Of Intent for all our Authorities to work more effectively together towards delivering shared priorities. The three key themes are:-

- *Housing Growth, Affordability and Community Sustainability*
- *Improving Living Conditions and Creating Thriving Communities*
- *Supporting Independent Living and Helping People Achieve Healthier, Happier Lives.*

The Statement is available on the Housing Strategy page of the Council's Website.

CBL REVIEW UPDATE

Cumbria Choice is the Allocations Policy that is used to let most of the social housing in Cumbria. In light of recent changes to legislation it has been necessary to review / rewrite the Policy in order to make it compliant with these changes. The Policy was taken to Executive (22nd June 2020) and will be at Overview and Scrutiny Panel on the 16th July 2020 and then back to the Executive on the 17th August 2020, with the hope that it will be approved at Council on the 8th September 2020. In addition to the Allocation Policy the partnership agreement between the 13 partners (6 District Councils and 7 Housing Associations) has also been reviewed and updated to reflect the legislative changes along with information sharing agreement. In addition to this it has also been necessary to procure a new IT system which, it is anticipated, will make the customer experience more efficient, we are currently in the middle of that process at this time.

Covid-19 and the Housing Market

Although the Government has now relaxed restrictions on people moving house and an estimated 75% of residential developments are now back on site (with social distancing measures) coronavirus has had a significant impact on the housing market. It remains to be seen how quickly the housing market bounces back from the virus, but in the meantime it is acknowledged property prices have fallen (which could lead to the Council receiving more economic viability assessments) and many Lenders are requiring 15% deposits, which is creating difficulties for a number of applicants on the Council's Low Cost Housing Scheme, and could lead to sales falling through. Where people have been furloughed, mortgage companies have also been requiring a commitment from their employer regarding their continued employment.

Developers have been facing supply chain issues - accessing certain building materials, particularly mortar, have been difficult due to factories in Scotland being closed due to stricter lockdown restrictions. On a more positive note, local developers have confirmed that the number of sales enquiries received remains high (partly supported by low interest rates and pent-up demand following the 10-week lockdown) and people seem to still have an appetite for new house buying and moving. Covid-19 does however appear to be influencing the type of properties people aspire to in respect of people assessing their new needs – home / office, larger garden space etc. Anecdotally, there have also been suggestions that more rural areas, such as Cumbria, may become more popular, with people wishing to move from more densely populated Cities following the virus. If this does indeed prove to be the case this could potentially lead to accelerated demand for areas such as St Cuthbert's Garden Village.

Demonstration Project / Housing Association Update

Riverside's 50 unit 'Demonstration Project' site at Beverley Rise, Harraby, has received the prestigious award of being named 'Development Of The Week' in a June edition of the Chartered Institute of Housing's *'Inside Housing'* magazine. The site was tendered by the Council for affordable housing on the proviso that the successful applicant provided practical onsite training to construction students from Carlisle College. The scheme is due to complete in November.

Carlisle's two largest Housing Associations remain optimistic, and keen to deliver new affordable homes in Carlisle. Riverside have recently secured an additional £100m borrowing from Lloyds, while Castles and Coasts have stated their intention to double their new homes provision, supported by £55m private placement funding. This is positive news for the future development of affordable homes in Carlisle.

HOMELESS, PREVENTION AND ACCOMMODATION SERVICES

	From 1 April 2019 to 31 March 2020 (full year)	From 1 April 2020 to 17 June 2020
Households provided with Housing / homelessness advice and assistance	978	262
Households assessed / assisted under the prevention duties	291	22
Households assessed / assisted under the relief duties	281	33
Households assessed as being owed the full homeless duty	15	3
Households accommodated in emergency temporary accommodation	241	45
Households supported to move on positively %	70%	65%
Average move on time (weeks)	9 weeks	9 weeks
% of those in emergency accommodation who were rough sleepers or at risk of rough sleeping	12	18
% of those in emergency accommodation who were sofa surfing	13	22
% of those in emergency accommodation who were fleeing domestic abuse	8	13
Households supported in the community to safely remain in their homes	36	36
Households provided with personal / household security items	18	10
Number of low cost housing applications assessed	127	27
Number of low cost housing applications approved	69	6
Number of households assisted with payments to address arrears	16	7
Number of households assisted with rent in advance payments	43	18
Number of households assisted with deposits	12	6
Households supported to recover benefit gains £	£1,937,619	£556,484

COVID RESPONSE

Our key plan throughout was to minimise risks to staff and clients by reducing face to face contact where feasible; as such The Benefits Advice, Homeless Team, Domestic Abuse and Rough Sleeping Officers all work remotely and via telephone assessments/advice.

In terms of the Homeless Accommodation Services this was of course not possible, however essential services continued to be delivered safely with additional measures in place, health screening, PPE and limiting face to face contact where possible. Due to staffing pressures (shielding / health vulnerabilities) we took the decision early on to prioritise keeping the 24 hour staffing on site provision at Water Street in terms of safeguarding, as we were unable to safely staff the men's scheme at John Street; as such

the dispersed provision was reprofiled to accommodate males with the support of the MHCLG.

We created additional capacity via accessing additional properties and fully utilising our dispersed accommodation, retaining and profiling self-contained bed spaces should there be a need for self-isolation. Support has been delivered via outreach to the properties and all residents issued with a mobile phone who needed it in order to maintain contact in emergencies.

We have provided temporary emergency accommodation to those in need of it throughout the lockdown, by both statutory and non-statutory placements, including 18 who were at risk of rough sleeping (for example due to bail conditions or prison / hospital discharge but unable to return home due to others shielding) and rough sleepers following the mandate to 'get everyone off the streets'. In order to prioritise beds and also minimise risks, additional checks have been undertaken in advance of placements in line with PHE guidance such as health vulnerabilities, travel, self-isolation alternatives (should it be needed), and health issues / symptoms.

We have worked very closely in partnership with local housing providers (supported, social and private landlords) to access direct let / vacant properties for those who will have a priority for rehousing in order to create constant throughput; we have assisted in terms of furniture packages, payments and transport to maximise bed spaces as quickly as possible. To date we have successfully moved on 42 households into permanent rehousing options; in addition, we have move on plans for all those placed in emergency accommodation during the COVID lockdown, regardless of whether they are owed a duty or not.

We established 'safe zones' within the schemes / properties should this be required for people who have symptoms to self-isolate and increased the cleaning regimes. We have had three residents with symptoms who we have supported to self-isolate and access postal tests – all have been negative to date.

There were no evictions during the lockdown period despite the challenges of trying to engage and support very chaotic individuals with multiple support needs throughout this time.

LOCAL AUTHORITY DISCRETIONARY BUSINESS GRANTS

In line with Government guidance Carlisle City Council opened up our grant application window on Monday 1st June 2020 at 12 noon and this closed on Monday 15th June 2020 at 12 noon. We received a high number of applications for the Discretionary Business Grant, a total of 495.

We also had a fixed allocation of £1.36 million within which we needed to prioritise businesses according to the Government criteria and those with high ongoing property related costs and significant losses of income since March 2020.

All applicants have been kept informed throughout the process and received an automated email on submission of their application. This email advised them to return evidence in support of their application. All applicants were also sent reminder emails seeking evidence to complete their applications. At the close down of the application window, every applicant was sent a further email advising them (as per our policy) that we would be considering their applications during the next 10 working days and come back with an update and advise them on plans to pay out the grant.

This deadline took us to 26th June 2020 at which point we were able to transfer all eligible applications into the payment modelling exercise to ascertain the level of grant applicable in each case. We are mindful that we need to be proportionate in allocating grant support according to need and levels of grant would therefore be based on level of lost income and ongoing fixed property costs. This process has proved to be both complex and challenging. Nevertheless, Carlisle City Council was keen to make grant payments as soon as possible, therefore we made payments via special BACS runs to ensure that grant payments went out to businesses as quickly as possible.

REGULATORY SERVICES

Warm Homes Fund for First Time Central Heating

Homelife Carlisle Home Improvement Agency have contacted over 1,000 households in Carlisle and District who do not currently have gas central heating systems to invite them to apply for a Warm Homes Fund grant for first time central heating. If a mains gas connection is viable, it is likely that the gas connection and heating system will be fully grant funded. If mains gas is not viable then households are invited to check whether they are eligible for grants for either LPG, oil or air source heat pump central heating.

Local Authority Energy Company Obligation (ECO) Flexible Eligibility Scheme

Homelife are also working with companies who are promoting the Help to Heat ECO flexible eligibility scheme in our area, for various other energy efficiency improvements including insulation and renewable energy heating. In many cases the measures will be fully funded; but where there may be a contribution towards the cost households should check with the Home Improvement Agency to see if they will qualify for Energy Efficiency grants.

Private Sector Housing Enforcement Policy

The Policy was updated to enable Officers to work differently in the COVID lockdown period when home visits were significantly affected. The amendments followed the guidance offer by the MCHLG. Further amendments will be required in the coming months to include the new Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 which is now in force.