

Questions and Issues Paper on the Regional Housing Allocations Strategy for 2008 - 2011

**Regional Housing Executive
Housing Secretariat – WMRA**

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1. Introduction and process

- 1.1 Following the merger of the Regional Housing Boards (RHBs) with the Regional Planning Bodies (RPBs) earlier in 2006, the West Midlands' Regional Housing Executive (RHP) is now tasked with developing the next Regional Allocations Strategy for 2008 – 2011 (RAS0811). Whilst it is anticipated that the new Regional Allocations Strategy (RAS) will closely follow the directions set out in the existing RAS 2006 – 2008 (RAS0608), it is essential that consideration is given to any issues that may have arisen since RAS0608 was formulated during early 2005 and which need to be recognised for investment within the new Strategy.
- 1.2 The timetable for the development of RAS0811 is extremely tight and the Housing Secretariat, GOWM and the Housing Corporation will be heavily reliant upon the assistance of colleagues within the six Housing Market Areas (Central C1 HMA, Central C2 HMA, Central C3 HMA, North HMA, West HMA and the South HMA), to ensure that RAS0811 is built upon robust evidence from the local and sub-regional levels. It is expected that this will be achieved through the development of Sub-Regional Housing Investment Strategies (SRHISs), which will allow sub-regional priorities to be identified and then reflected within the context of the wider Regional priorities. Briefing Note 4 has been issued to advise HMAs on the development of Sub-Regional Housing Investment Strategies.
- 1.3 It is important to note that whilst the Region will be expected to identify priorities for investment at the earliest opportunity, the share of funds which the WM Region will receive from the National Housing Pot is not expected to be announced until September 2007, once the outcomes from the Comprehensive Spending Review 2007 are known (CSR07). This means that amounts allocated for investment by the Region may need to be adjusted at a later date. (Priorities for investment should stay the same, unless cuts are severe).

It is important to note that the Regional Allocations Strategy submitted by the Region to Ministers is advisory only and not a confirmation of the actual allocation the Region will receive.

Timetable for development of the Regional Allocations Strategy

- 1.4 The timetable for the development of RAS0811 is still draft but key dates for noting include:
- 15 January 2007 – RAS0811 Consultation Event for Officers
 - 31 January 2007 – Report on RAS0811 to be presented to the Regional Housing Executive
 - mid February 2007 – Draft Sub-Regional Housing Investment Strategies to be delivered to Housing Secretariat
 - 1st week of March 2007 – First draft of RAS0811 launched for 8-12 weeks period of consultation
 - April 2007 – RAS0811 Sub-Regional Consultation Events for Members and Stakeholders

- 1.5 To begin the process of consulting on the Regional Allocations Strategy 2008-11, this 'Questions and Issues Paper' has been produced and is in 3 key parts, namely:
1. The first part explains the process in producing the Regional Allocations Strategy, sets the context and also gives a brief overview of housing issues in the Region.
 2. A diagram to map out the decision points which need to be addressed in determining how the Single Regional Capital Housing Pot is to be used.
 3. Set around the structure of the diagram detailed above is a set of questions and issues related to the key decisions points to steer discussion and consultation to help shape the Strategy.

Please note this is the beginning of the consultation process and a draft document will be developed from this Questions and Issues Paper for consultation from March 2007 onwards.

2. Brief overview of Existing RAS0608 - context

- 2.1 The share of the National Housing Pot allocated to the WM Region for the 2006 – 2008 period was £376.6 million.
- 2.2 Within the existing RAS0608, the primary split on the allocations of the Regional Housing Pot (RHP) was made between funding for the local authorities (Housing Investment Programme) at £169.6m and funding for the Housing Corporation (National Affordable Housing Programme) at £207m.
- 2.3 This primary split was then further sub-divided; with the total Housing Investment Programme (HIP) stream of providing funding for:
- Decent Homes in the Public Sector
 - Decent Homes in the Private Sector (Vulnerable Households only)
 - Housing Market Renewal and Growth:
 - Two National Pathfinder programmes – Urban Living (Birmingham / Sandwell) and RENEW (North Staffordshire)
 - Two Regional Areas of Market Restructuring – Evolve (North Black Country / Telford) and East Birmingham / North Solihull
 - Ex Coalfield areas and Coventry
 - Local Authorities with exceptional levels of unfitness in Private Sector dwellings
 - Kick-Start Consortium – for 7 local authorities involved in pilot project
 - Regional Housing research programme

- A 30% Safety Net - for all Local Authorities, as a way of ensuring all local authorities received funding

And the National Affordable Housing Programme (NAHP) Stream directing funding towards the Thematic areas of;

- Rural Housing
- Homelessness and Local Need
- BME Communities
- Supported Housing
- Asylum Seekers and Refugees
- Housing for those with disabilities and Wheelchair housing
- Gypsies and Travellers

- 2.4 This split between HIP and NAHP reflects the prioritisation of investment given towards affordable housing within the Regional Housing Strategy (RHS) and recognises the continuing high-level of need for the increased delivery of affordable housing within HMAs across the Region.
- 2.5 Experiences from RAS0608 suggest that the new Regional Allocations Strategy 2008-11 should continue to follow the direction it set out and pursue the short-term investment priorities as set out in Regional Housing Strategy, to maximise the delivery of rural affordable housing and meet the Government's targets for the Decent Homes Standard. Whilst both these remain very important, it is apparent that other issues are emerging which the new Regional Allocations Strategy 2008-11 needs to address and the purpose of this Issues Paper is to ensure there is an opportunity to raise and consult on these issues.
- 2.6 Consultation on the new Regional Housing Allocations Strategy 0811 also needs to consider and learn from the successes and failings of the 2006/08 Allocations Strategy to ensure the new Strategy continues the successes and tackles issues which undermined the previous RAS, for example, are there barriers to delivery in parts of the Region? Other broad issues which need to be considered are:

Is the profile of needs still as acute?

What prospect is there for improvement in the barriers to delivery?

4. Setting the current regional housing scene

- 4.1 A great deal of research was undertaken to support the development of the Regional Housing Strategy 2005 and much of this research was a substantial move forward in developing a robust shared evidence base for joint housing and planning activity at the regional level.
- 4.2 This work has been further developed in the recently published '2005 Regional Housing Market Summary' and its purpose is twofold:

1. It replaces the “Plan, Monitor and Manage” report in respect of housing provision in the West Midlands as published in previous years; and
 2. It is a further step in bringing together the monitoring activity for the Regional Spatial Strategy and Regional Housing Strategy
- 4.3 Without reiterating too much of the detail from the Regional Housing Market Summary Report, this paper will now highlight some of the key regional housing trends from the last few years as extracted from the report:

4.4 Affordable Housing

In 2005/06 there was a total of 3,901 social/affordable housing completions across the Region, which is an increase of approximately 35% on the previous year. This increase is largely due to the numbers of social housing completions funded by the Housing Corporation’s National Affordable Housing Programme. It is important to note, however, that the delivery of affordable housing, whilst increasing, is still significantly below the current Regional Spatial Strategy target of 6-6,500 per annum.

4.5 Affordability

Affordability ratios (house price to income ratios) have worsened significantly over the last decade, partly a product of low nominal interest rates. It would seem relatively unaffordable areas have relatively small proportions of housing of a type afforded by first time buyers.

- 4.6 The latest net figure for overseas migration into the West Midlands Region is an increase of 24,300. Birmingham is still a major destination, with a net inflow of about 6,500 in 2004.

4.6.1 Net inter-regional migration data for 2004/05 between the West Midlands and other English regions showed that 1,600 people moved out from the West Midlands Region. However, this is the lowest recorded net loss for many years. Net migration from Greater London and the South East was again more than 3,000 in the year, moving primarily into the South and West areas of the West Midlands Region.

4.6.2 A loss of 12,400 (net) from the West Midlands Metropolitan area to the rest of the region in 2003/04 was a particularly high figure, partly offset by international migration into Birmingham. This loss is consistent with the previous couple of years but is significantly higher than in 1999/2000 and 2000/2001.

4.7 Socio-Economic and Demographic Background

The West Midlands Region's population increased by over 50,000 or 1% between 2001 and 2004 with much of this growth taking place in the South-East of the Region. Birmingham, Sandwell and Walsall have experienced a rise in population since 2001, in contrast to the trend from 1991 to 2001

4.7.1 The largest increase in population was in Warwick, which grew by 8% in the three years up to 2004. Housing completions in the district during the period 2001-2005 have been nearly 40% above the expected provision and there continues to be significant future supply in the pipeline.

4.7.2 Within the West Midlands Region, just over 12% of the population are from Black and Minority Ethnic (BME) Groups. The largest BME group comprises of Asians and Asian Britons.

4.8 Residential Property Prices

The average house price during October – December 2005 in the West Midlands Region was £160,340. This represents an increase of about 64% from the same period in 2001. The comparable figure for 2005 for England and Wales was £191,293, an increase of 59% since 2001.

4.8.1 Within the Region, the highest percentage increases since 2001 have been in northern areas such as Stoke, Newcastle-under-Lyme and Staffordshire Moorlands. However, Sandwell, North Warwickshire and Shrewsbury and Atcham have also experienced large increases in property prices. Generally, increases have been larger in areas where prices are lower. In percentage terms, the greatest increase has been in the price of terraced houses, with the smallest increase in the price of detached dwellings.

4.9 Housing Demand

The regional level household projections by the former ODPM show an increase in households of 448,000 from 2001 to 2026, with the average household size declining from 2.41 to 2.13.

4.9.1 The latest household projections show an increase of £372,000 for the period 2001 to 2021. This compares with 245,000 proposed in the Regional Spatial Strategy. The largest growth is in elderly, mainly one-person households.

The full report is available for downloading at:
<http://www.wmra.gov.uk/download.asp?id=1633>

5. Broad outline of issues the Regional Allocations Strategy 2008/11 also needs to consider

- 5.1 **The Regional Spatial Strategy (RSS) Revision**, particularly the three housing options which are currently being consulted on until the 5th March 2007 need to be considered in respect of both the Regional Housing Strategy and Regional Allocations Strategy. When the RSS preferred option is confirmed affordable housing needs will be reviewed.
- 5.2 **The Regional Economic Strategy Revision** – need to consider the housing required to support economic development
- 5.3 Need to consider PPS 3 and its accompanying document 'Delivery of Affordable Housing', with particular reference to paragraphs 20-26 which highlights the roles of Regional Assemblies and the Housing Corporation.
- 5.4 The prospectuses and delivery plans of the two national pathfinders, Renew and Urban Living and Evolve – Telford & the Black Country and East Birmingham, North Solihull, the two areas of housing market restructuring need to be considered within the Regional Allocations Strategy 0811.
- 5.5 The National Housing and Planning Advisory Unit (NHPAU) may affect what is built and where and the Allocations Strategy also needs to have regard for City Region and the Growth Points.

Diagrams: Please see attachments Fig1, Fig2, Fig3.

Figure 1: Diagram of Regional Housing Capital Pot Distribution

Figure2: Issues for the Allocation of the National Affordable Housing Programme 2008-2011 (From Figure 1)

Figure 3: Issues for the Allocation of the Regional Housing Capital Pot for 34 Local Housing Authorities 2008-2011 (From Figure 1)

Appendix 1 Housing Market Area List

Strategic Housing Authorities by Housing Market Area (HMA)

| North HMA | South HMA | West HMA | Central HMA | | |
|----------------------|-------------------|---------------------|-------------|---------------------|---------------|
| | | | C1 | C2 | C3 |
| East Staffs | Bromsgrove | Bridgnorth | Birmingham | North Warwickshire | Dudley |
| Newcastle-under-Lyme | Malvern Hills | Herefordshire | Solihull | Nuneaton & Bedworth | Walsall |
| Stafford | Redditch | North Shropshire | Lichfield | Coventry | Wolverhampton |
| Staffs Moorlands | Stratford on Avon | Oswestry | Tamworth | Rugby | Sandwell |
| Stoke | Warwick | Shrewsbury & Atcham | | | Telford |
| | Worcester | South Shropshire | | | Cannock |
| | Wychavon | | | | South Staffs |
| | Wyre Forest | | | | |

Central HMA is split into 3 sub-areas; C1, C2 and C3

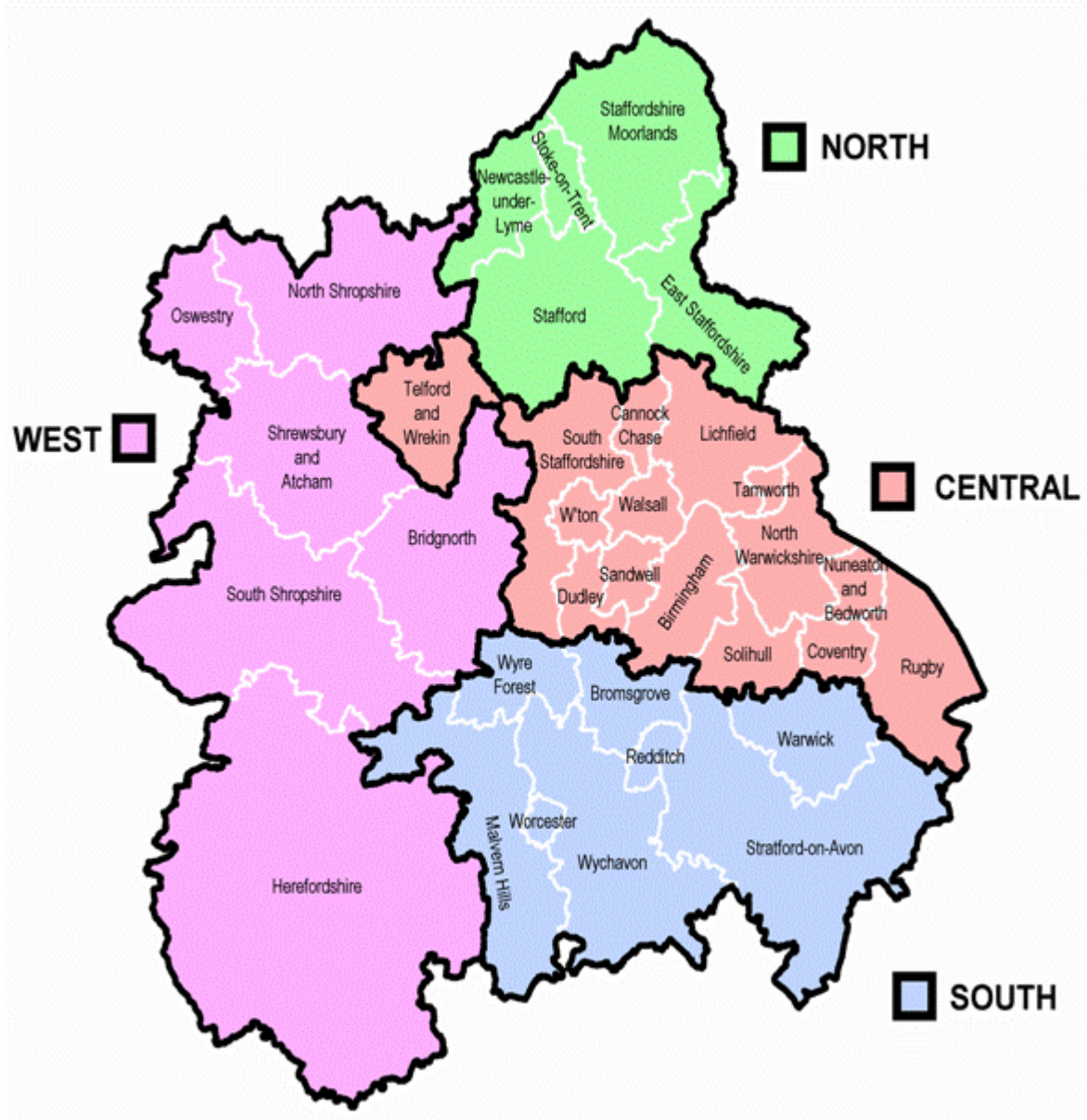
Staffordshire County Council straddles the North and Central HMA

Warwickshire County Council straddles the Central and South HMA

Worcestershire County Council is solely within the South HMA

Shropshire County Council is solely within the West HMA

Appendix 2 Housing Market Area Map



**Questions and Issues to be Debated in Shaping
the
Regional Housing Allocations Strategy
for 2008 - 2011**

15th January 2007

Introduction

The questions and issues to be debated here help to inform and shape the final Regional Allocation Strategy 2008 -2011.

The Diagrams in Part 2 of this Issues Paper set out the structure of the RAS and identifies where the key decision points are.

After the highest level decision on the split of funding between Affordable housing and capital housing funds going to Local Housing Authorities the questions follow the two branches 'H' for Housing Corporation and 'L' for Local Authority. The Questions relate to each subsequent decision point and are referenced accordingly, H2, H3 or L2, and L3 and so on.

You are asked in the workshops on 15th January to take a sub regional perspective and contribute your views on each of the questions, preferably with subsequent reliance on evidence to justify those views. The discussion will be noted and fed back to the WMRA Housing Team. Further written submissions can be received at any time through the consultation process. However in the first instance the contributions will be used to help compile the first draft RAS 2008-2011 to be issued for Regional consultation from March 2007.

H1 / L1. High Level Question - the split of funding between Affordable housing and capital housing funds going to Local Housing Authorities.

There are some key principles which the RHE will have regard to when arriving at the recommendation on the high level split between the NAHP and the Capital (Housing) Allocation to Local Authorities.

DCLG have performance targets with the Treasury which have to be delivered by 2010. For our purposes two important ones are the need to deliver,

- The Decent Homes (Municipal) target¹ and
- The 70% of the estimated Decent Homes (Private Sector Vulnerable) target.²

1 DCLG (PSA7) Decent homes PSA Target 7: By 2010, bring all social housing into a decent condition with most of this improvement taking place in deprived areas, and for vulnerable households in the private sector, including families with children, increase the proportion who live in homes that are in decent condition.

PSA Target 1 - Neighbourhood Renewal -Annex A. Floor targets – 2004. - By 2010, bring all social housing into a decent condition with most of this improvement taking place in deprived areas, and for vulnerable households in the private sector, including families with children, increase the proportion who live in homes that are in decent condition.

2 PSA Target 7: Measuring. "for vulnerable households in the private sector, including families with children, increase the proportion who live in homes that are in decent condition."

Vulnerable groups which should be targeted for assistance are those who may be particularly at risk of suffering health and safety problems as a result of poor housing conditions in situations where they do not have the resources or support to undertake remedial action themselves.

.... the target will be measured through the ... English House Condition Survey. ...We are seeking to increase the proportion of vulnerable households in decent homes to, 70% by 2010 and 75% by 2020. The proportion measured is derived from the number of private sector vulnerable households in decent homes divided by the number of all private sector vulnerable households.

In addition to the principle of having regard to these two PSA targets the RHE will also have regard to the following two:-

- Whether or not there is a need to continue with the use of a financial 'safety net',
- Delivering upon any RHB commitments entered into since the RAS 2006 -2008 was conformed.

H1/L1(1) Are there any other key principles or parameters which should guide the RHE in it's decision on the high level split ?

In respect of the 2004/6 Regional Housing Pot , GOWM advises that the RHB decided to continue with the proportional split between the former 'HIP' and 'ADP' which previously prevailed. This was carried forward to 2006/08, following reference to the Housing Corporation's provisional programme.

H1/L1 (2)Should the WMRA advice to ministers be to stay with this split of funding ? On what basis could it be altered and why? What would be the additional Strategic gain in delivering the RHS in working to a different split?

The amount required in the West Midlands Region to meet the Decent Homes Municipal target to 2010 will be calculated from LHA returns to the DCLG. Taken together with the latest accessible data on vulnerable private sector households, and other capital items conformed through the RAS consultation, will be used to inform the high level split decision. For reference the 2006 – 2008 split was **HIP (48%) and NAHP (52%)**.

Single Regional Capital Pot for Housing.

The next section contains the questions which pertain to the allocation of the Single Regional Capital Pot for Housing.

L2 Kickstart.

Any commitment by the former RHB to fund the core function of the Kickstart administration will be supported, provided the factors underpinning that decision remain unchanged. (Please see also L3f below).

L3 The Division of the Capital Housing Pot by Policy Heads

The intention is to advise Ministers on the profile of spend using the Housing Capital resources to be made available to LHAs. The Heads of Policy upon which a series of percentage splits is needed between policy areas and then between individual LHAs.

The Heads set out here reflect those used for the current RAS 2006-2008 and some topics of discussion already raised by the Regional Housing Advisory Forum and the HMA Lead Officers.

L3 (1) The next key question is therefore whether these are the right Policy Heads under which to profile the allocation of funds in line with the priorities of the RHS. This needs to be viewed from both the Regional perspective and as interpreted at the Sub Regional Level.

L3 (2) Are there any Strategic Policy Heads not expressed here which should now be treated as a higher level of significance by which the allocation of resources should be made.

Taking each of the Policy Heads in turn,-

L3a Decent Homes Municipal

There is an expectation that the Regional Housing Executive will continue to prioritise meeting the Decent Homes target for council housing stock based on projections provided by those LHAs through their Options Appraisal. In 2007/2008 this amounted to just over a quarter of the total allocation to West Midlands LHAs.

Where commitments have been entered into to extend the time period for the completion of the Decent Homes (Municipal) target, the WMRA will need to be informed in order to take this into account.

L3a (1) Should the WMRA advice to ministers be to stay with this level of funding commitment to the ‘Decent Homes Municipal’ policy head?

L3a (2) Should the advice to Ministers include either-

- 1) including environmental improvements within the allocated Decent Homes Municipal funding**
- 2) additional funds allocated from with the overall Regional Housing Capital Pot for additional environmental improvements.**

L3b Decent Homes – Private Sector Vulnerable Households

In 2005/06 GOWM commissioned the Building Research Establishment to estimate the scale of need under this policy heading. (This is listed as item 11 at the WMRA Housing web page - <http://www.wmra.gov.uk/page.asp?id=66>).

L3b Do you think the share of funding for Decent Homes PSV at 30% in RAS0608 to be adequate for RAS 2008-2011?

L3b (1) If LHA have better data, (more recently researched, more accurate), should this be admitted into the overall needs assessment?

L3b (2) What priority should this topic attract bearing in mind its PSA status?

**L3b (3) Should the apportionment of Capital Allocation be in
a) proportion to estimated need, or**

b)evidence of use of previous funds allocated for this purpose. (ie delivery focused)

L3c Disabled Facilities Grant to Private Sector Households

The Regional Housing Advisory Forum has raised this as an issue of concern.

L3c What is the extent of the deliverable demand? What would be the basis of an apportionment under a heading such as this?

(L3e(2) asks similar questions on the public sector Aids & Adaptations programmes in municipal housing?

L3d Renewal & Growth

This heading covers the need for additional financial support to be directed to the LHAs where there are two national Pathfinders, the two Regional Areas of Housing Market Restructuring, the Ex- Coalfield areas of South Staffordshire and North Warwickshire plus Coventry.

L3d To what extent is the justification for these specific allocations maintained, both for

L3d (1) the Local Authorities concerned, and for

L3d(2) the specific topics included ?

L3d (3) To what use will capital allocations be put ?

L3d (4) What synergy will be achieved with other funds (eg DCLG Pathfinder funds)?

L3d (5) Should the status of the two ‘Regional Areas of Housing Market Restructuring’ be the same as the National Pathfinders in attracting capital funds to the LHAs? (Former HIP was allocated to LHAs with Pathfinders in the 2006-2008 RAS to compliment the ODPM direct funding.)

L3d(6) For how long will funding under this specific heading be needed ? Explain the medium (3yr plus) and longer term (10 yr plus) intentions and possible scale of resource requirements to deliver the particular objectives of these programmes. Not all of these will come from the Regional Capital Pot so the identification of other funding sources and private sector leverage is important.

L3e Other Housing Capital Programmes

L3e(1) Are there other specific Housing uses for Regional Capital Housing Funds not identified elsewhere? These will need to be named, the scale and duration of the programme made plain and the Strategic justification clearly argued.

This question has been prompted by LHAs where specific circumstances are felt to warrant an allocation of Capital Resources which might otherwise be missed in the allocation of funds according to the RAS 2006 – 2008 profile.

It is important to note that grants for private sector home improvement and repair are unlikely to be supported as the RHE wishes to see a strong development of the Kickstart programme across the Region.

However the growing importance of achieving carbon neutral housing and the increased significance of addressing fuel poverty and associated issues may justify a separate policy allocation heading.

Addressing the shortfall in the delivery of affordable housing and the need for Local Authorities to respond to an inadequate flow of residential land supply as required in PPS 3 would potentially justify capital expenditure to secure a supply of land for affordable housing. Serious consideration needs to be given to all the means available to increasing the supply of affordable housing especially where the planning system is evidencing an inadequate land supply. (Please note : it is envisaged here that land would be purchased for social rented housing at a value that reflected exactly and only that planning position. The land could be resold , therefore, to an RSL for the same amount.)

L3e(2) Aids and Adaptations – is this a topic requiring separate allocations? If so, why and against what measure should allocations be made? (See also DFG (L3c)).

L3f Kickstart – member LHAs

The amounts to be identified for Kickstart are within the relevant individual LHA allocations and were decided by the RHB prior to the formation of the RHE.

These decisions will not be altered by the RHE.

L3g Safety Net

In the RAS 2006- 2008 it was felt to be helpful for LHAs to adjust their spending programmes to come in line with the RHS 2005 by means of maintaining a financial safety net of 40% and then 30% of the 2005/6 allocations.

L3g (1) What justification is there to keep the safety net ? If there is an acceptable justification what level should it be set for and for how long?

L3g(2) What would be the sub regional housing market consequences of removing the safety net?

L3g(3) LHAs are asked to explain what the effects would be on their individual Housing Capital programmes and the outcomes in their LAs if the safety net were ended.

L3h Updating Evidence Base, Monitoring and Research

DCLG require an enhanced level of monitoring in order for the RHE to advise ministers on the housing outcomes of the use to which Capital Housing Allocations are put. The systems for achieving this will be developed in partnership with LHAs through 2007.

The RSS Phase 2 revision including substantial implications for housing. The DCLG expects the RHS to be kept under review in line with the RSS. The Public Examination and Secretary of State's confirmation may take until 2009 so an RHS Partial Review for 2010 may be required. To deliver this a research budget will be needed.

L3 h What topics , in addition to those in Chapter 10 of the RHS, will be required to be researched in order to deliver an updated review of the RHS?

Responding to Climate Change is an obvious one.

National Affordable Housing Programme 2008- 2011

The next section contains the questions arising from the allocation of capital for the National Affordable Housing Programme allocated via the Housing Corporation

These questions follow on from the H1/L1 question regarding the overall split of the Capital Pot between LHAs and the Housing Corporation.

RAS 2006 -2008 Intended and Actual

In the RAS 2006 -2008 funding was required, primarily in the Central and North Housing Market areas, to assist actions to address the low demand issues, coalfield communities and the worst private sector stock conditions. The former Approved Development Programme(ADP) for 2006- 2008 also gave priority to the two Pathfinder areas and the two Areas of Housing Market Restructuring. There was a need for more funding for affordable housing particularly in the South and, to a lesser extent, the West Housing Market areas than had been traditionally been provided.

The funding needed to take into account the fewer opportunities to provide additional affordable housing through s106 agreements. Funding via HIP and former -ADP were therefore been rebalanced to better meet the needs of these areas. In rural areas there needed to be a move from HIP to ADP and in MUAs there needs to be funding to reflect the relatively poor housing stock.

Because it was not possible to allocate resources according to the RAS0608, the RHB agreed to a reserve being created specifically to invite in year bids for the Pathfinder areas, and for the South HMA. An year bidding round in August and September 2007 resulted in additional allocations

From the targeting of (former ADP) NAHP investment, the funding proposed in the RAS 2006- 2008 and outputs which finally resulted were:

| | RAS 06/08 Proposed (£m) | NAHP 06/08 Actual funding (£m) | RAS 06/08 (Actual units) | RAS06/08 (projected units) |
|------------------------|--|---|---|---|
| Central HMA | 109.2 | 121.01 | 2852 | 2822 |

| | | | | |
|------------------|-------|---------------------|------|------|
| North HMA | 9.9 | 27.48 | 312 | 568 |
| South HMA | 61.3 | 38.5 | 2007 | 690 |
| West HMA | 18.3 | 20.1 | 533 | 396 |
| Totals | 198.7 | 207.09 ³ | 5704 | 4476 |

Geographic Targeting by HMA

The Sub Regional HMA groups are currently involved in drafting individual investment strategies to work through how the RHS will be implemented within the respective Sub Regions. Where possible these will be based upon an up to date sub regional Housing Market Assessment. The South and West seem likely to be this position. The Black Country, Telford, South Staffs (C3) area has a wealth of housing market analysis to support a sub regional Housing Market Assessment. The North and C1 and C2 parts of the Central HMA will draw upon existing Local Housing Strategies and recent analysis such as Pathfinder prospectuses in order to prepare their individual investment strategies.

The quality of these contributions to the production of the RAS for 2008-2011 is very important if the advice the RHE is to give to Ministers is to be soundly based first on the RHS and then on the more detailed understanding of it's outworking in each housing market sub region.

As referred to in Briefing Note 4, the intention is for each sub regional investment strategy to demonstrate how a programme of housing development supported by NHAP investment and utilising the policy basis of PPS 3 will ,

- 1) Deliver mixed and balanced communities
- 2) Improve the housing offer to meet the current needs of communities and the requirements of the demographic and economic future, and
- 3) Address the serious shortfall in the delivery of affordable housing across the Region.

The important factors in determining the strength of this part of the RAS 2008-2011 will be the

- 1) clarity of the analysis emerging from the Housing Market Assessments or their equivalents.
- 2) clarity of the schemes required to redress current imbalance in the housing stock
- 3) clarity over how housing investment of the preferred configuration will fit the sub region for future economic competitiveness
- 4) degree to which the planning system in all its facets (RSS and local; forward planning, DC and land assembly) is lined up and committed to deliver these objectives including the maximisation of affordable housing provision,
- 5) extent to which all other aspects of scheme delivery are addressed , especially the priority given to securing land supply and

³ The Out turn total shown exceeds the total shown in the RAS 06-08. The total Out turn represents the total value of schemes approved. The balance between the RAS 06-08 and the Out turn total will be drawn as a commitment from the 2008-2009 budget.

- 6) development partners accepted in their local communities, able to deliver quality, well designed homes to the environmental standards required.

The level of resources which will actually be targeted through the NAHP will in part depend upon the bids put forward on schemes and sites during the bidding round each year. However, an indication of how much resource should be made available to each HMA was a feature of RAS 2006- 2008 as detailed in the Table above.

H 2 (1) Should the indicative resources be split along these lines for 2008/11 ?

If not, what proportions between each HMA are suggested, and why ?

H3 a South HMA

H3 a (1) What specific sub regional housing market characteristics are the HMA Partnership seeking to address as priority and where.

H3a (2) What should be the split between Social Housing for rent and other forms of Intermediate tenure. Relate the delivery of affordable housing via the planning system (sec 106) and via use of Housing Corporation NHAP. Is the trend towards improved delivery? Have past lessons on barriers to development been addressed and overcome?

H3a (3) what issues need to be addressed in relation to the influence of the South East Regional housing market and the MKSM growth area?

H3 b West HMA

H3 b (1) What specific sub regional housing market characteristics are the HMA Partnership seeking to address as priority and where.

H3b (2) What should be the split between Social Housing for rent and other forms of Intermediate tenure. Relate the delivery of affordable housing via the planning system (sec 106) and via use of Housing Corporation NHAP. Is the trend towards improved delivery? Have past lessons on barriers to development been addressed and overcome?

H3b(3) What implications does the Hereford Growth Point have for future affordable housing investment?

H3b (4) What issues need to be addressed in relation to the influence of the South West Regional housing market (Gloucestershire especially) and the interaction of the West Midlands with the mid - Wales area?

H3 c North HMA

H3 c (1) What specific sub regional housing market characteristics are the HMA Partnership seeking to address as priority and where. How is the balance of activity between Renew and the adjoining areas to be addressed ?

H3c (2) What should be the split between Social Housing for rent and other forms of Intermediate tenure. Relate the delivery of affordable housing via the planning system (sec 106) and via use of Housing Corporation NHAP. Is the trend towards improved delivery? Have past lessons on barriers to development been addressed and overcome?

H3c (3) is the sequencing of housing redevelopment within and adjoining Renew balanced and properly sequenced to secure lasting Urban Renaissance committed to by all involved and how will NHAP investment facilitate that process.

H3c (4) What is the overall balance of affordable housing need between the MUAs / Renew and the other Districts, such as meeting affordability needs in Staffordshire Moorlands and delivering the Burton Growth Point.

H3 d Central HMA

H3 d (1) What specific sub regional housing market characteristics are the HMA Partnership seeking to address as priority and where.

H3d (2) What should be the split between Social Housing for rent and other forms of Intermediate tenure. Relate the delivery of affordable housing via the planning system (sec 106) and via use of Housing Corporation NHAP. Is the trend towards improved delivery? Have past lessons on barriers to development been addressed and overcome?

H3d(3) is the sequencing of housing redevelopment between RHS priority areas (Urban Living , evolve, and the East Birmingham – North Solihull Area of Housing Market Restructuring) and their adjoining neighbourhoods balanced to secure lasting Urban Renaissance . Is this committed to by all involved and how will NHAP investment facilitate that process.

H3d (4); should the indicative level available for the Central HMA be split to show three notional sums for the sub areas (C1 C2 C3) ? If so, what should these be?

H3d (5) How should the needs of the non – MUA authorities be balanced against the Urban Renaissance objectives of the MUA? What trends in demography, migration and economy should be addressed as a priority in housing development and affordable housing provision.

Thematic Approaches to NHAP Allocation

T 1 Other than the themes listed below are there any other themes which should be used to describe needs against which capital housing resources should be utilised.

Urban Renaissance

Achieving Urban Renaissance remains at the core of the RSS and is fully supported in the RHS 2005. The need to revitalise the urban areas, stem out migration and create a market demand for sustainable living in the MUAs remains at the core of the long term Strategy for the Region. As such Urban Renaissance will be a priority theme against which the Housing Corporation will assess scheme bids. The importance of this theme particularly affects the MUAs in the North and Central HMAs.

H 4 Supported Housing

This heading covers all designated supported housing that conforms to the Housing Corporation definitions. As outlined below, it should include designated provision to meet homeless needs where support is also provided.

H4 (1) Should this theme be maintained? If so, what proportion of the resources available should be reserved to meet supported housing needs?

Following discussions in the Region, it has been suggested that resources should be reserved to help fund housing for "hard to reach" needs groups that might not otherwise become a key priority for individual SP strategies.

H4(2) Should this become a feature of the 2008/11 programme? If so, what proportion of the supported housing theme should be reserved for this element?

H4(3) Are there any other themes which should be included as priorities for 2008/11?

H 5 Homelessness and Local Need

This heading currently blurs two distinct activities; investment to meet the needs of homeless families, couples and individuals, which is perhaps better grouped under supported housing, and investment designed to meet purely local needs (and thus not contribute to outflow from conurbations)

H5 (1) Should this theme be maintained, or split into separate themes?

H5 (2) If so, how should it be split, and what percentages of indicative resource should be reserved for any sub divisions or new definitions?

H6 Asylum Seekers and Refugees

As international migration is taken into account in the revision to the RSS especially in the first instance in the Regional MUAs so too the longer term housing requirements need to be taken into account.

H6 As Refugees move on into permanent accommodation what response to this growing sector of the population is required of the RAS 2008- 2011?

This is one of the social changes impacting on housing policy that needs to be understood swiftly so that the planning response (using PPS 3 requirements) for the mix and type of housing to be clarified can be brought into being to accommodate this sector , where necessary with NHAP assistance.

H7 Housing for those with Disabilities and Wheel Chair Housing

H7(1) If not covered by H4, what scale of need for specialist provision is there by sub region and what priority should it have over other housing investment?

H7(2) Should such housing only be built to specific family or household requirements or should some degree of speculative investment be encouraged , especially in MUAs?

H8 Meeting Needs among BME communities

This heading covers investment designed to meet the needs of B&ME communities, and creating pathways of choice especially within the main conurbations of the Region. The Housing Corporation has clear expectations that bidders need to demonstrate the manner in which the targeted communities have been identified, involved in project planning and given opportunities for involvement in long term management and control.

H8(1); Should this theme be maintained? If so, what level of programme should be targeted to meet this need?

H8(2) To what extent are HMA Partnerships actively tracking the housing career dynamics and aspirations of different BME groups in order to address those who may be in housing stress, masked by the prosperity of others? How sensitive is the understanding of disaggregated BME housing needs and therefore the role required to be played by NHAP investment?

H 9 Rural Housing

Targeting funding for rural housing provision implies investment in villages and settlements of under 3000 population, as identified in the HC Rural Gazetteer. The RHS also identifies Market towns as potential areas to meet rural needs in certain circumstances.

H9(1) : Do you think this theme should remain for 2008/11?

H9 (2) If planning policy allows a degree of choice should the need for rural homes be included in allocations in market towns and in what circumstances?

H9 (3)What percentage of the available resource should be used to meet rural needs ?

H 9(4) Should there be any other high level targeting (ie above that specified in individual sub regional housing market investment strategies ?) If so, what?

H10 Gypsies and Travellers

At the time of writing this paper, there is no indication of any changes being made to the way in which resources to meet the needs of Gypsies and Travellers are allocated.

H10 On the anticipation that resources will be ring fenced from within the Regional Capital Pot , what portion of the resources should be reserved for this theme ?(At this stage it is unclear whether the funding of Gypsies and Travellers pitches will be within or separate from the Regional Capital Housing pot.)

Products

The Housing Corporation's NAHP is able to invest in schemes which provide affordable housing for social rent, intermediate rent and for low cost home ownership products (including open market Homebuy and Newbuild Homebuy)

Proposals for determining the balance between investing in the different products is expected to be provided by the HMA groups within their draft investment strategies

P 1 Should there be targets for investing in specific products . Is it appropriate for HMAs to determine the balance?

