

Yvette Cooper MP
Minister for Housing and Planning
Department for Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU

28th June 2007

Dear Minister,

Housing Investment in the Regions: Spending Priorities 2008-2011

Thank you for giving us the opportunity to respond and submit our advice on capital housing spending priorities in the West Midlands for the next three years.

We have enclosed the pro forma, completed as requested, and as agreed with your officials, will submit the supporting evidence shortly.

In order to produce the pro forma and supporting evidence, we have consulted widely across the Region with all our partners and key stakeholders. This has included hosting roundtable discussions on policy themes and supporting consultation events held by both regional partners and the Sub Regional Housing Market Area Partnerships.

The information presented on the pro forma and the background work to substantiate this has been developed through the West Midlands Regional Housing structures. It has been considered at the Assembly's Officer and Stakeholder advisory group the Regional Housing Advisory Forum, and the Regional Housing Partnership. The submission has been approved by the Regional Housing Executive as the Executive's advice to you.

Throughout the process the Assembly's Housing Secretariat has worked closely with senior colleagues from the Housing Corporation Central Region and Government Office for the West Midlands who have supported the process with information and advice. Central to the development of the work done so far on preparing the Regional Housing Allocations Strategy has been the contributions made by the Sub-regional Housing Market Area Partnerships. These contributions have enabled the process of developing the Allocations Strategy to be genuinely devolved and we would like to take this opportunity to record our appreciation for their very helpful efforts.

There are some particular points to which I would wish to draw your attention. Firstly on the National Affordable Housing Programme please note we have;

- Focused upon increasing the supply of social rented housing and emphasised the significance of addressing the affordable housing shortage especially in rural areas. The investment proposals take up all the opportunities for development that can genuinely be identified and supported, particularly in the South and West Housing Market sub regions where so much of the affordability pressures exist;
- Supported the key vehicles for housing market intervention through the Pathfinders in North Staffordshire (Renew) and Birmingham – Sandwell (Urban Living), as well as the two very significant Regional areas for housing market intervention, namely Black Country and Telford (known as ‘evo/ve’) and the East Birmingham - North Solihull area;
- Supported the RSS Urban Renaissance strategy confirmed by Government in 2004 and now showing signs of working. The housing investment programme is formulated to complement and reinforce this success. This investment should in turn contribute beneficial effects for the rural areas as the migration pressures they have faced from the Region’s conurbation start to diminish;
- Identified an extensive list of Strategic Sites, attached to this letter to highlight by Sub Regional Housing Market Area, those suitable for longer term funding, and
- Consulted with our Sub-Regional Housing Market Area Partnerships to establish the priorities attaching to key groups of people in housing need. Given the scale and location of the proposed capital investment programme over the three years the benefit experienced by BME communities in those areas should be substantial.

The pro forma seeks a specific percentage of funding to promote mixed and balanced communities. Please be assured the Regional Assembly fully supports this policy which is at the heart of the Regional Housing Strategy 2005. This objective is therefore the primary focus for the use of the National Affordable Housing Programme.

With regard to the Capital Housing Funds for Local Authorities I would like to draw to your attention;

- the commitment to complete the achievement of the Decent Homes Standard for the housing stock still held by local authorities by 2010/11,
- the response to calls from across the Region to support vulnerable people which we have in the priorities we now attach to,
 - Decent Homes in the private sector,
 - promotion of the Kickstart equity loan initiative, administered on behalf of seven authorities at present by Birmingham City Council and
 - making a contribution to the funding for Disabled Facilities Grants.

In addition you will see we have acknowledged the need to offer modest but essential support to other uses for capital housing funds which assist in delivering aspects of the Regional Housing Strategy. These include;

- Empty Homes / Properties work,
- Tenants Incentive Schemes,
- Conversions and De-conversions,
- Acquisitions and CPOs.

We have distinguished the levels of expenditure between private sector housing Decent Homes Standard activity and regeneration as requested.

The West Midlands Regional Housing Allocations Strategy continues to support the Government's policy to promote home ownership and supports the use of the Housing Corporation's HomeBuy initiative, and incidentally the First Time Buyer Initiative of English Partnerships. Please note that as part of the consultation process for this Allocations Strategy the Local Housing Authorities were asked, through their sub-regional Housing Market Area Partnerships, to identify distinct Key Worker groups if they saw these as being priorities for rented or low cost home ownership housing. So far the Sub Regional Housing Market Area Partnerships have not confirmed a wish to identify distinct Key Worker groups as a priority for housing investment, though the general concern about low paid workers in high demand / high price housing market areas remains. This will be kept under review with the Sub Regional Housing Market Areas.

You will see that our ambitions are substantial. This reflects what I trust is a shared priority to achieve more affordable housing, growth, renewal and housing market restructuring. In part our ability to realise these ambitions is dependant upon a positive response in the Comprehensive Spending Review 2007 for housing in the West Midlands Region.

I trust the information supplied is helpful. Should you require further information please contact the housing team at the West Midlands Regional Assembly on tel: 0121 678 1064 or email: s.forrest@wmra.gov.uk.

Yours sincerely



Cllr John Lines

Chairman Regional Housing Executive