

**SOUTH EAST ENGLAND
REGIONAL HOUSING BOARD**

Date: 2 March 2007

Subject: **Housing Market Assessments**

Report of: Planning Implementation Director
South East England Regional Assembly

Recommendations:

It is recommend that the Regional Housing Board:

1. Note the outcome of the pilot sub-regional housing assessments.
2. Consider the need for further guidance to be issued to local authorities undertaking strategic housing market assessments.
3. Seek a meeting with Communities and Local Government in order to resolve the outstanding issues arising from the pilot assessments.
4. Continue to monitor progress with strategic housing market assessments in the region.

Purpose of Report:

To update the Regional Housing Board on the work undertaken as part of the four pilot sub-regional housing assessments and to seek the Board's views on issues arising from the pilots that need to be addressed in taking the concept of strategic housing market assessments forward.

Key Issues:

PPS3 places a great deal of emphasis on strategic housing market areas. The Regional Housing Board has sponsored a programme of four pilot sub-regional housing assessments. Although the partnerships involved have found that housing assessments can be a valuable part of the evidence base, they have also identified a number of other issues that require further consideration.

I. Context

- I.1 In September 2005, the Board approved a three-phase approach to supporting the development of sub-regional housing market assessments (now known as strategic housing market assessments). The first phase involved the identification of a group of pilot partnerships. The expectation was that the experience from the pilots would in turn inform the roll out of the approach across the region thereby enabling a picture of housing need and priorities to be established on a consistent, sub-regional basis. At the time it was anticipated that the outputs from the sub-regional housing market assessments would form part of the evidence base that would be used in the allocation of regional housing funds from 2008/09 onwards.
- I.2 The Board identified and made a financial contribution to the four pilot partnerships. The area covered by the pilots accounted for five of the 21 potential housing markets identified in research carried out for the Board by DTZ.
- I.3 The Board's objectives in working with the pilots were to:
- Test the draft Housing Market Assessment guidance issued by (then) ODPM in December 2005.
 - Improve understanding of issues in relation to housing market area boundaries.
 - Test the effectiveness and benefits of cross-boundary collaboration.
 - Explore whether regional priorities for housing investment could be identified using the output from housing market assessments.
 - Encourage local authorities to make progress with their housing market assessments using a consistent approach to data collection.
 - Identify a set of core indicators which would enable housing market assessment partnerships to monitor changes in their housing market and the impact of policy interventions in the market.
- I.4 In July 2006 a summary of the pilots' experience to date formed the basis of an update from the Board to local authorities including advice on preparing for and undertaking an assessment and the benefits of the process.
- I.5 Two of the pilot partnerships have been invited to make presentations to the Board. These will provide the opportunity to share their experience in relation to the original objectives for the pilots identified by the Board.
- I.6 Annex I shows the current position with regards to the work underway in the region in the preparation of housing market assessments. The picture is somewhat confused with sub-regional housing market assessments being undertaken on the basis of existing local authority boundaries or historic partnerships.

In some instances local authorities have opted to carry out a traditional housing needs survey, in others there are currently no plans to undertake a housing market assessment.

2. Outstanding Issues

2.1 It is disappointing but not necessarily unsurprising that in many cases the work currently underway fails to properly reflect the housing market areas that currently exist. This can be attributed to firstly the lack of definitive guidance on the preparation of strategic housing market assessments. It also reflects the reality that it will take time to develop and establish the new partnerships and ways of working that are required in order to undertake strategic housing market assessments.

2.2 The Board will wish to discuss at greater length the outstanding issues arising from the pilot sub-regional housing market assessments following the presentations. However issues that may be worth discussing in detail include:

- The extent to which the information used in the assessments provides a robust basis for identifying future housing needs in a way that would enable the identification of planning policies and requirements.
- The capacity of local authority partnerships to undertake the data analysis associated with strategic housing market assessments.
- The extent to which there has been sufficient exploration of the nature of the relationship between strategic housing markets and the sub-regional strategy areas identified in the draft South East Plan.
- The robustness and durability of existing strategic housing market areas as a basis for feeding into longer term spatial planning, particularly where the spatial planning framework proposes investment that fundamentally changes the nature of the strategic housing market.
- The extent to which strategic housing market areas are a suitable basis for other aspects of policy and delivery such as choice-based lettings, Local Area Agreements, regional funding for private sector housing improvements.

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Sub-regional Strategic Housing Market Assessment Snapshot - Feb 07

HMA Completed	
PUSH	Eastleigh Fareham Gosport Havant Portsmouth Southampton
Hastings/Rother	Hastings Rother
	Isle of Wight
	Lewes

Almost Complete, due to Finish HMA March 07	
Berkshire	<u>Bracknell Forest</u> Reading Slough West Berkshire Windsor and Maidenhead Wokingham
Oxon	<u>Cherwell</u> Oxford South Oxfordshire Vale of White Horse West Oxfordshire

HMA in Preparation: SHP Formation / Out to Tender	
Bucks	Aylesbury Vale Chiltern <u>South Bucks</u> Wycombe
Central Hants	<u>Basingstoke & Deane</u> East Hampshire New Forest Test Valley Winchester
E Surrey	Epsom and Ewell Mole Valley <u>Reigate and Banstead</u> Tandridge
	<u>Eastbourne</u> Wealden
W Surrey	<u>Guildford</u> Waverley Woking

Uncertain about Carrying out an HMA	
W Sussex	Adur Arun Chichester Crawley Horsham Mid Sussex Worthing

Housing Need Survey Completed	
W Kent	Tonbridge and Malling Tunbridge Wells Sevenoaks

Housing Need Survey in Preparation	
E Kent	Canterbury Dover Shepway Thanet