

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
PLENARY MEETING**

Date: 7 March 2007

Subject: **Regional Housing Strategy**

Report of: Chairman of the Regional Housing Board

Recommendation:

That Assembly members debate the issues raised in the draft Regional Housing Strategy.

Purpose of Report:

To inform Assembly members about the rationale, scope and arrangements for the current review of the Regional Housing Strategy and to invite their input as part of the current consultation process.

Key Issues:

- The South East Regional Housing Board is due to submit its advice on the allocation of the housing element of the Regional Funding Allocation in summer 2007. The recommendations will cover the three year period 2008/09 to 2010/11.
- The current version of the Regional Housing Strategy was published in July 2005. The way forward set out in it remains the foundation for the preparation of the region's forthcoming advice on funding priorities. However, there is a need to ensure that the advice takes into account the outcome of more recent research and information, changes in the national and regional policy context, and builds upon the region's submission on Regional Funding Allocations. The draft Regional Housing Strategy sets out options for the future and invites stakeholders to comment on the proposals.
- The consultation period runs from 5 February to 27 April 2007. The results of the consultation will inform the Board's discussion in June on the allocation of funds.

I. Introduction

- 1.1 The South East Regional Housing Board (RHB) is due to submit its advice on the housing element of the Regional Funding Allocation in summer 2007. The recommendations will cover the three year period 2008/09 to 2010/11. As in previous years, the Board's recommendations to Government will address the allocation of funds between different areas of housing investment and its spatial distribution across the region.
- 1.2 The current version of the Regional Housing Strategy was published in July 2005. Much of the evidence base underpinning that document remains valid, and the principles and way forward that it established continue to form the foundation for the preparation of the region's advice on funding priorities for the three years from 2008/09. However, it is important that the advice also takes into account the changing national and regional policy context (not least the South East Plan and the Regional Economic Strategy) and recent research and other information, as well as building upon the region's submission on Regional Funding Allocations submitted in January 2006.
- 1.3 The draft Regional Housing Strategy Review was published for consultation on 5 February 2005. It sets out options for new strategic approaches to investment and adjustments to the balance of funding.

2. Key Issues for the Consultation

- 2.1 While the Board's advice to Government is focused on allocating the level of funding available through the Regional Funding Allocation, it is clear from the evidence base that it is insufficient to deliver the level of affordable housing required in the region. The Board will continue to use the evidence base to present the strongest possible argument in support of additional funding for the region.
- 2.2 Nevertheless, choices need to be made about the share of funding to go to the affordable housing programme, private sector renewal and measures that enable development to take place through investment in infrastructure. Consideration must also be given to the balance of funding within the affordable housing programme, ensuring continued progress in increasing the supply of affordable housing, while meeting the challenge of providing the larger homes so badly needed. Achieving economies of scale through a brownfield land portfolio and allocating funding to large sites offer a means of meeting the challenge.
- 2.3 The following questions address the key issues that the Board has identified for the consultation:
 - (i) What is the most appropriate geographical basis for allocating investment?
 - (ii) What is the right balance of funding between affordable housing and decent homes?

- (iii) What should be the Board's minimum target for rural affordable housing?
- (iv) How much affordable housing funding should the Board invest in large strategic sites?
- (v) Where should the balance lie between social rented and intermediate housing?
- (vi) How can the right type and size of affordable housing be delivered?
- (vii) How can the best use be made of funding for decent private sector housing?
- (viii) How much of its budget should the Board spend on providing and refurbishing Gypsy and Traveller sites?
- (ix) Is there potential to develop innovative funding mechanisms that will unlock housing potential?

2.4 The figures used in the consultation document are those published by the Government in its guidance on Regional Funding Allocations published in July 2005. This is because the timing of the Comprehensive Spending Review (CSR) means that the level of funding for the period covered by the RHS will not be confirmed until late summer 2007. The Board will take into account the results of the consultation exercise in finalising the allocation of funds should the level of funding change as a result of the CSR.

3. Consultation Arrangements

- 3.1 A key objective for the Board is to ensure that the consultation on the current review is more comprehensive and far-reaching than those that it has previously undertaken. With this in mind, the Board has embarked on an extensive programme of stakeholder and public consultation.
- 3.2 Central to the consultation is a pack of documents setting out the Board's proposals. It comprises the RHS review document, including options for proposed financial allocations 2008-2011, a response questionnaire and a covering letter from the RHB Chairman. The pack is available on-line (www.southeast-ra.gov.uk/rhb) and hard copies have been sent to over 2,000 stakeholders. A number of events are being held, including four briefings across the region for local authorities and housing associations and two briefings for voluntary sector representatives in association with RAISE. Approaches have also been made to groups whose voices might not come through clearly in general stakeholder workshops. In addition, the Assembly has issued press releases and is using 'Voice' and email news alerts. The RHB partner organisations are also extending the reach of the consultation by cascading information to their own networks.

- 3.3 Although the consultation pack is available on the Assembly web site and local media coverage will help raise public awareness, it can be difficult to engage the public in strategic consultations. The Assembly has therefore commissioned Mori to carry out opinion polling to provide representative public views. This will provide the Board with views on priorities for investment in affordable and private sector housing, as well as views from tenants on their expectations of future housing need.
- 3.4 It should be noted that the consultation period ends during purdah affecting local authority elections in May 2007. The rules governing publicity during purdah allow consultation to continue, although there are restrictions on public sector organisations publicising the consultation during its final two weeks.

4. Next Steps

- 4.1 Stakeholders in the region have been invited to submit their comments by 27 April. Plenary members are invited to provide input to the review by debating the issues raised in the consultation document. The results of the consultation will feed into the Board's discussion in June on the allocation of funds prior to the submission of advice to Government on the allocation of the housing element of the Regional Funding Allocation in summer 2007.

Cllr Elizabeth Cartwright
Chairman of the Regional Housing Board

23 February 2007