

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

Date: 13 June 2008

Subject: **Regional Housing Board 15 May 2008**

Report of: Chairman of the Regional Housing Board

Recommendation:

It is recommended that the Committee notes the report.

Purpose of Report:

To update the Executive Committee on the work of the Regional Housing Board.

1. Regional Housing Strategy

- 1.1 The updated Regional Housing Strategy 2008 -11 has now been published, following Ministerial announcements on funding allocations. We are using the action plan and monitoring framework set out in the strategy to ensure that the investment programme delivers the region's priorities.

2. Board Meeting – 15 May

- 2.1 Following the recent appointment of Sir Bob Kerslake as Chief Executive of the Homes and Communities Agency (HCA), we received an update from the HCA transition team. It was encouraging to hear that the functions being brought together within the new agency offer potential for a simpler and more integrated approach to targeting the funding available to address identified needs. The proposal to bring together a number of existing funding streams within the remit of the HCA is a positive move, as is the proposal to extend the scope of the Regional Funding Allocation (RFA) process to enable the region to have an influence over a greater proportion of this funding.
- 2.2 We were pleased to learn that the Board will have early input into development of the HCA Corporate Plan and that there is a willingness to achieve alignment between that Plan and the new Regional Strategy. We agreed to maintain an ongoing dialogue with the HCA and to develop working arrangements relating to the expanded RFA. We will need to deal with the implications of the creation of the HCA in terms of the Board membership later this year.
- 2.3 The Housing Corporation presented a review of the completed affordable housing programme for 2007/08. While Government targets were met or exceeded and the number and proportion of social rented homes increased, the fact remains that the total new build completions of 7,651 and the proportion of social rented continue to fall short of South East Plan targets. Work is in progress with CLG and the Housing Corporation to identify how local authorities in the South East can benefit from additional funding available through the Growth Support (Affordable Housing) Fund. The outcome of this work will be considered at our next meeting.
- 2.4 Discussion of the housing market downturn showed that the situation offers opportunities as well as threats. In order to understand what the Board can do to maximise the delivery of affordable housing in these conditions we agreed to hold a workshop session on market pressures at our review day on 3 September. We also agreed to look at longer term performance across the region in order to advise the Housing Corporation on where to focus investment through the new quarterly bidding rounds.
- 2.5 We were concerned at the suggestion that the Government has set the Corporation a regional target to deliver 2,286 affordable homes in rural areas. This is significantly higher than the more realistic, evidence-based target recommended by the Board of 500 homes in small villages plus 500 in larger rural settlements. GOSE and the Housing Corporation are to seek clarification regarding the lack of formal announcement of this target.

- 2.6 We received an update on the programme being developed to address barriers to affordable housing delivery. The Housing Corporation is organising seminars on effective Section 106 practice in the autumn. The National Housing Federation has been most helpful in providing material presenting positive images and case studies of affordable housing. Material from this and other sources will be used to equip councillors with the information they need to address concerns that might be raised in respect of new proposals for affordable housing. Discussions with the NHF, Shelter and other stakeholders are on-going to look at how they may contribute to this programme.
- 2.7 Following up a question raised at plenary, we received advice that in 2008/09 £184.2m will be contributed to the national Housing Revenue Account (HRA) subsidy system by South East local authority landlords. The Board considers that the current system is inequitable and, in effect, operates as a tax on council tenants. Government has announced a review of the HRA which is expected to set out a way forward for rents policy across all social housing. It is vital to ensure that any new proposals are not detrimental to the provision of new affordable housing. We agreed to work with local authorities in the region to develop and put forward views to the review and identified principles that should underpin the region's submission to the review.
- 2.8 We noted the important findings and recommendations of the Assembly's Select Committee on Reducing the Ecological Footprint. We agreed to explore as part of our review day the extent to which it is possible for us to encourage faster progress to be made with retro-fitting measures to the existing housing stock.
- 2.9 Reports were also noted on Housing and Affordability, the East Midlands draft Housing Strategy, the Regional Housing Forum, Homelessness and the Taylor Review of Rural Affordable Housing.

3. Next Meeting

- 3.1 Our next meeting takes place on 3 September. It will focus on the Regional Delivery Plan, the Housing Revenue Account subsidy review, and additional proposals to address barriers to affordable housing delivery. We will also hold our annual review session looking at long term trends in the delivery of affordable housing, pressures and opportunities in the housing market, and options to improve the sustainability of the existing housing stock.
- 3.2 In order to strengthen communication between the Board and local authorities a protocol is being established that will ensure local authority housing portfolio holders are able to participate on relevant agenda items.

Cllr Elizabeth Cartwright
Chairman, Regional Housing Board

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