

**SOUTH EAST ENGLAND
REGIONAL HOUSING BOARD**

Date: 3 September 2008

Subject: **Barriers to Affordable Housing Delivery: Update**

Report of: Regional Planner
South East England Regional Assembly

Recommendations:

It is recommended that the Regional Housing Board:

1. Note the position in respect of the programme of work to address barriers to affordable housing delivery;
2. Receive a report at its next meeting that reviews the current programme with a view to identifying how it needs to evolve in order to respond to current market conditions.

Purpose of the Report:

To update the Board on the current position with regards the programme of work agreed at its meeting in May 2008.

1. Programme Update

- 1.1 A summary of the current state of play with each element is set out in Annex I.
- 1.2 The Housing Corporation and SEEDA are developing a series of events that will focus on engaging with elected Members and senior planning officers designed to spread good practice on measures to secure affordable housing. SEEDA will give a verbal update to the Board on progress with dates and event content.
- 1.3 Government has recently published details of its proposals for the Community Infrastructure Fund (CIL). It will be for a Local Authority to determine whether or not it wishes to introduce CIL. However, if it chooses to do so then the proposal is that it will be calculated according to a prescribed formula and charged at a flat rate on all development.
- 1.4 The Government does not propose to exempt affordable housing from having to pay CIL. It also proposes that S106 should remain as the means of securing affordable housing contributions on relevant sites. Further work is required to understand in greater detail the potential implications of the Government's proposals if they are taken forward into regulations. A further report on this will be presented at a future meeting of the Board.
- 1.5 Advice has been received from housing associations and Affordable Housing Task Group regarding difficulties associated with financing the provision of larger homes. Difficulties that have been identified include the extent to which the size of home is taken into account when assessing bids for grant purposes, constraints on the level of rent that can be charged for a larger home and the cost of servicing borrowing from the financial markets. Additional advice has been requested to ascertain whether the position is the same across the region and what options and solutions could be considered.

2. Additional Activity

- 2.1 An initial discussion with English Partnerships regarding the possibility of improving access to advice and technical support for local planning authorities has highlighted the extent to which there is a substantial amount of advice and best practice already available. The next step is for ATLAS/English Partnerships to provide a short digest of advice and best practice available, and signpost the existing advisory service available for large scale planning applications through ATLAS.
- 2.2 Work is in hand to explore the implications of the Assembly website hosting best practice information on S106.

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Regional Housing Board programme: Tackling barriers to affordable housing delivery

	Actions agreed by RHB 17 January 2008	Lead organisation	Progress as at 14 August 2008	Timescale
1	Work with the Housing Corporation to arrange further seminars on effective use of the EAT model and to identify and disseminate lessons that can be learned from local authorities successful in delivering higher proportions of affordable housing and minimising the need for grant	Housing Corporation	Current circumstances indicate that the emphasis should be on effective s106 practice.	Joint Housing Corporation/ SEEDA events planned for October/ November 2008 SEEDA to give verbal update to RHB 3 September
2	Work with SEEDA to arrange training for local authority officers on negotiation skills and development economics	SEEDA	Scope has been widened to include councillors. Workshop programme under development. Facilitators with suitable expertise being contacted.	
3	Contribute to developing the regulations governing the operation of the Community Infrastructure Levy	Regional Assembly	Awaiting publication of consultation document.	Consultation on draft regulations expected in autumn 2008

	Actions agreed by RHB 17 January 2008	Lead organisation	Progress as at 14 August 2008	Timescale
4	Work in partnership with bodies such as the National Housing Federation to dispel misconceptions surrounding the image and management of affordable housing	Regional Assembly	Case studies and examples received from NHF, Shelter, CIH and other sources. Outline guide for councillors under development.	Provisional publication date late October 2008.
5	Seek further advice on the financial constraints on housing associations in providing larger homes	Regional Assembly	Advice received from housing providers; input requested from National Housing Federation and Housing Corporation	Options and recommendations to be brought to RHB 20 November 2008.
Additional actions				
6	Investigate the potential for a regional, ATLAS-style resource to support local authorities in developing affordable housing policies and negotiating s106 agreements	English Partnerships	ATLAS can make available or signpost to good practice material but is unable to offer a responsive advice service	N/a
7	Investigate potential for a single web-based source of good practice information on s106	Regional Assembly	Assembly website can host material and links in a single location – details under development	October 2008 (provisional)