

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY  
PLENARY MEETING**

Date: 5 March 2008

Subject: **Regional Housing Board**

Report of: Chairman of the Regional Housing Board

**Recommendation:**

That the Regional Assembly notes the report.

**Purpose of Report:**

To report to the plenary on the activities of the Regional Housing Board.

**Key Issues:**

Since the last plenary meeting the Board has met twice. Our main areas of activity have been:

- To initiate a programme to tackle barriers to affordable housing delivery.
- Allocation of funding for Gypsy and Traveller accommodation and improvements to private sector homes.

We have also received Ministers' final decisions on the regional funding allocations for housing 2008-2011.

The focus for the coming months will include implementation of the programme to tackle barriers to affordable housing delivery and further consideration of investment in innovative forms of delivery.

## **I. Regional Funding Allocation for Housing 2008-11**

- I.1 Ministers' final decisions on the regional funding allocations for housing for 2008-2011 were announced on 12 December 2007. The headline figures (£m) for the South East are as follows:

	<b>Affordable Housing</b>	<b>LA Decent Homes</b>	<b>Private Sector Renewal</b>	<b>Gypsy &amp; Traveller Site Grant</b>	<b>Total</b>
<b>2008/09</b>	376	11	20	6	413
<b>2009/10</b>	417	11	30	5.5	463.5
<b>2010/11</b>	466	11	30	5.5	512.5

All allocations are firm for 2008/09, but provisional for 2009/10 and 2010/11.

- I.2 The overall level of funding for affordable housing is disappointing. The evidence we used – which has been tested by an independent Panel of inspectors and found to be sound – provides a clear justification of the case for the region requiring more funding to deliver affordable housing. The Government has ignored the evidence base and set its own targets (6,300 social rented and 4,300 intermediate homes per year). These reflect neither the overall scale of need, nor the mix in terms of tenure and housing type that is required to address those needs. Announcement of the National Affordable Housing Programme, which allocates funding to individual schemes, is expected in March.
- I.3 Ministers have not yet been able to agree that funding intended for new affordable housing can be used for other activities. This means that the funding we recommended for the Regional Infrastructure Fund (RIF) and Brownfield Land Assembly Company (BLAC) has been re-directed into affordable housing provision for 2008/09. However, Ministers have indicated that they would welcome suggestions as to how alternative approaches to delivery (such as RIF and BLAC) might have the effect of delivering greater outputs within overall regional allocations for 2010/11 onwards. We will be developing our proposals with a view to making recommendations later this year.
- I.4 Ministers' decisions about the target for rural affordable housing are still awaited at the time of writing this report. An announcement is expected at the end of February.
- I.5 The allocations for Local Authority Decent Homes and Private Sector Renewal reflect the sums recommended by the Regional Housing Board. Gypsy and Traveller grant is £1m below the recommended level.
- I.6 A number of questions arising from the final allocation, including the impact of the national housing subsidy system on the South East, are being raised with CLG.

## **2. Barriers to Affordable Housing Delivery**

- 2.1 Progress to date within the Housing Corporation's programme during 2007/08 and new Regional Assembly monitoring data on housing completions for 2006/07 were reported in December. The Assembly's monitoring data shows real cause for concern, with a significant shortfall against the total level of affordable housing provision and tenure splits required to meet the housing needs identified and reflected in the South East Plan.
- 2.2 We will, of course, continue to press the case on the 'big picture' issues such as funding and infrastructure provision. We will play our part in making sure that local authorities make the most of the opportunities offered in PPS 3 and the draft South East Plan in terms of planning for affordable housing. But Board partners have also identified a number of relatively short-term projects on which we will work together to help improve delivery.
- 2.3 Activity will focus on:
- Arranging seminars on effective use of the Housing Corporation's financial viability model and success in delivering higher proportions of affordable housing and minimising the need for grant.
  - Arranging workshops on negotiation skills and development economics.
  - Working in partnership with bodies such as the National Housing Federation to dispel misconceptions surrounding the image and management of affordable housing.
- 2.4 We will review progress at our next meeting in May.

## **3. Gypsies and Travellers**

- 3.1 In December we considered bids for the final tranche of funding to provide and improve Gypsy and Traveller accommodation. The value of bids received fell within budget, enabling us to approve all 11 bids to provide 24 new pitches and to refurbish 10 sites with 89 pitches.
- 3.2 In common with previous rounds, bids were primarily for the refurbishment and expansion of existing sites rather than new provision. This is, at least in part, due to the time required to bring forward proposals for new sites and means that the distribution of funds may not reflect need as identified through Gypsy and Traveller Accommodation Assessments. The Board anticipates that new provision will figure more significantly in future bid rounds.

## **4. Private Sector Housing**

- 4.1 We were pleased with the positive response to our invitation to bid for funding for 2008 - 11 to improve the energy efficiency and physical condition of private sector homes. High quality bids exceeded the value of the funding

available. Although we were not able to allocate the full value of each bid, virtually every local authority area in the region will share in the allocation to the benefit of vulnerable and lower income households. We expect the detailed allocations to local authorities for 2008/09 to be confirmed during March.

**Cllr Elizabeth Cartwright**  
**Chairman of the Regional Housing Board**

15 February 2008