

**STRUCTURE PLAN AND
REGIONAL PLANNING ISSUES PANEL
Friday, 18 July 2003**

Item No.

5

Members of Panel: M Bayes, R Clements (Sub), A Dodd, D Drake, J Metcalf (Sub), M Saunders, R J Smith, I Simpson, W Storey (Chairman), B A York.

THE EAST OF ENGLAND REGIONAL HOUSING STRATEGY, 2003-2006

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1. Purpose of Report

- 1.1 To provide a briefing to members on the Regional Housing Strategy and to highlight areas of interest to the work of the County Council.

2. About the Regional Housing Strategy

- 2.1 The Regional Housing Strategy (RHS) was launched on the 12th June at an event hosted by the Government Office. The Strategy has been produced by the Regional Housing Forum (RHF), which brings together representatives from the key national and regional agencies involved in the delivery of affordable housing in the region. A key role of the Strategy will be in shaping the focus for the work of the Regional Housing Board (RHB)¹ in determining regional investment priorities from the Single Housing Investment Pot (SHIP).
- 2.2 At the launch it was acknowledged that addressing the recent changes in housing investment with the introduction of the SHIP has been a priority for this Strategy. The SHIP was established by the Sustainable Communities Plan and brings together the Housing Investment Programme (HIP), allocated by Central Government to Local Authorities to fund repairs and maintenance on their own stock, private sector renewal and new social housing; and the Approved Development Programme (ADP), distributed by the Housing Corporation to housing associations to fund new social housing.²

¹ Membership of the Board includes representatives from GO-East, EEDA, English Partnerships, EERA, RHF and Housing Corporation.

² An additional change in the funding of social housing, is the abolition of the Local Authority Social Housing Grant (LASHG) with the aim of working towards a more strategic use of resources, where by funding is allocated on the basis of regional housing priorities. The funds that were allocated for LASHG (some £500m) are being added to the overall resources for delivering the Communities Plan.

- 2.3 The vision for the strategy is to, *“achieve the sustainability of our communities and the environment they live in.”*

This vision is built up from five Strategic Aims:

- *To ensure everyone can live in a decent home at an affordable price*
- *To contribute effectively to social inclusion within sustainable communities*
- *To enable housing to contribute fully to ensure good health and promote health equality*
- *To use housing investment to complement sustainable economic development*
- *To contribute to a sustainable environment*

- 2.4 Priorities and action plans then scope out how these Strategic Aims will be met, differentiating between short term tasks (to 2006) and medium to long term goals.

- 2.5 The Strategy is founded on a hierarchy of local, sub regional and regional strategies. Hertfordshire falls within the London Commuter Belt Sub Region, which comprises the 10 Hertfordshire district authorities and 5 Essex authorities – Uttlesford, Harlow, Epping Forest, Brentwood and Chelmsford. Although each of the sub regions have produced their own housing strategies to inform the Regional Strategy, they are regarded as dynamic documents and many are already being reviewed in response to the Communities Plan.

- 2.6 In producing the RHS, synergy has been sought with other regional strategies, including the Social, Economic and Environmental strategies, by focusing on regional priorities. The ultimate aim is to provide an integrated approach to planning in the future. However, currently missing from this collection of regional strategies is the new Regional Planning Guidance (RPG14), which should be published in draft form for consultation in February 2004, and the Affordable Housing Strategy (also due to be finalised early in 2004). It is therefore intended that the RHS will be reviewed early in the New Year in order for it to respond to these key regional ‘strategies’ and to fit in with the three year funding cycle proposed by the Comprehensive Spending Review.

3. Areas of interest to the County Council

- 3.1 The strategy touches on a number of areas, which the County Council has a particular interest in and has previously taken the opportunity to comment on during the consultation on the draft strategy:

- The RHS acknowledges the varying scope in predictions of dwelling numbers for the region – current RPG, trend based predictions in the emerging RPG14 and the draft affordable housing study. The RHS has chosen to work with the ‘top end’ figures (23,500 – 24,000

dwellings per annum), which has emerged from the draft affordable housing study, whilst acknowledging that more work needs to be done. In its response to the draft strategy, the County Council raised serious concerns over the decision to use a different (and as yet unjustified) set of figures to those that are currently being debated as part of the formulation of RPG14.

- The newly arising need for just over 7,000 affordable homes per annum is not contested. The strategy does acknowledge, however, that this figure does not include the region's historic backlog of unmet need, neither does it take into account the need for intermediate market or key worker housing. The County Council is particularly interested in the latter issue through its lead role in the Hertfordshire Key Worker Housing Strategy Group and its interest in addressing wider 'affordable' housing needs, particularly as they relate to the economic prosperity of the county.
- A further issue raised by the County Council in its response to the draft strategy related to the need to acknowledge district/town 'hotspots', particularly in terms of house price/income ratios as figures presented on a regional and sub-regional can mask acute areas of need. The strategy now acknowledges that these hotspots exist and recognises that in some areas it is leading to recruitment and retention difficulties, particularly with public sector employees, which has led to initiatives aimed at key workers.
- The role of the planning system in the delivery of sufficient land and development opportunity to meet the need for affordable homes is highlighted in strategy, but it also recognises that the planning system cannot deliver by itself. Other factors, such as the effect of the wider economy on the operation of housing markets, interest rates, employment levels and taxation policy etc. all have a major impact. The County Council made this point in its response to the consultation draft and so it is pleased to see it has been addressed in the final strategy.

3.2 As the County Council is not a housing provider, the RHS is not of particularly high importance to the authority. This is reflected by the fact that HCC was the only County Council in the region to respond to the consultation drafts of the document.

3.3 The main area of interest for the County Council is in relation to the priorities and actions that the RHS advocates to address the housing needs of key workers. Although the strategy reluctantly acknowledges that the Government, through the Sustainable Communities Plan, is clear that the focus for key worker housing should remain on the 3 key services of health, education and police, it gives a commitment to campaigning for the relaxation of the definition to meet regional needs, recognising that there are other important workers who contribute to the success of the regional economy. Actions identified in the strategy

to address this issue include the production of regional guidance on definitions and bringing forward employer land/buildings for key worker housing, which are consistent with objectives that the County Council wish to promote.

- 3.4 The County Council also has a justified interest in the prediction of dwelling numbers for the region. Although the figures that have been used in the current strategy are not supported, the County Council recognises the intention for the strategy to be reviewed in the future to ensure consistency with the new RPG14. As the County Council is plugged into the process for the preparation of RPG14, this provides the appropriate channel for influencing the debate on dwelling numbers.

4. Conclusions

- 4.1 The Panel is asked to note the contents of this report.

5. Background information used to compile this report

- *The East of England Regional Housing Strategy 2003-2006*

A copy of the Strategy has been placed in the Members Room. Copies of the Strategy can also be downloaded from the Housing Corporation website: www.housingcorp.gov.uk