

## Planning for housing delivery – 2009 update

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## Planning for housing delivery – 2009 update

### Summary

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- The Cambridge Sub-Region is planning for a step-change in housing delivery, but this will need to be accompanied by significant and continued infrastructure investments if this development is to be sustainable.
- The development strategy for the sub-region remains primarily as established by the Cambridgeshire & Peterborough Structure Plan 2003 which plans for significant growth in and close to Cambridge before 2016 and including a major new town at Northstowe. The East of England Plan (RSS) replaces the Structure Plan and maintains its strategy for accommodating growth whilst increasing the dwelling target significantly and making it a minimum target, but subject to environmental limits and infrastructure constraints.
- In setting targets for the delivery of affordable housing regard must be had to the outcome of Strategic Housing Market Assessments. The expectation already expressed is that across the region, 35% of all housing completions will be affordable over the plan period.
- Housing trajectory information is collected which shows when development will take place and where. This will need to be updated and projected further into the future as appropriate, and in agreements with County and District Authorities. More detail is provided in Chapter 23, *Past and future housing delivery*.
- EERA takes a strategic lead on housing delivery across the region, currently expressed through the regional housing strategy and regional housing investment plan. These are key documents which enable housing authorities and sub regions to understand the broader context and the direction of travel for the whole region around housing. They are continually evolving and a new Housing Statement is being commissioned in late 2009, alongside a new model for regional governance and an Integrated Regional Strategy which will be included in the SHMA as and when it becomes available.

## Chapter 22. Planning for housing delivery – 2009 update

### 22.1 Introduction

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Having assessed various aspects of the housing market, including overall demand and need, it is vital that any assessment of the market includes the recent and future supply of homes.

In this way, the assessment can lead us to a sub regional view about the balance of demand and supply, and the likely scale of the difference between the two.

### 22.2 Cambridgeshire as a growth area

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The economic success of the Cambridge sub region has made it one of the most attractive places to live and work in the UK. It offers a vibrant commercial network, world-famous research and academic institutions, and a high quality environment.

However, economic growth cannot take place without significant new housing and infrastructure development.

The pressure on housing and infrastructure is already acute. Housing shortages have led to high prices and increased commuting distances. First time buyers struggle to get on the housing ladder and the level of affordable and key worker housing must double to meet the local need. Employers face recruitment difficulties as the number of jobs in the private and public sector grow and local unemployment levels in Cambridgeshire remain at just over 1%.

Strategic infrastructure must be developed and improved to support existing communities and to unlock employment and housing growth. Traffic on our roads has grown by 30% over the last ten years compared with the national average of 19%, meaning that investment in public transport and trunk roads – the A14 in particular – is desperately needed.

We have a strong track record of delivery, from innovative transport initiatives like the Cambridgeshire Guided Busway, to new ways of structuring affordable housing delivery such as the Cambridge Challenge. We have developed close (and in some cases unique) partnership working and governance arrangements that are designed to enhance our ability to deliver, and which bind the growth arrangements closely into the wider Local Area Agreement targets and structures.

Our targets for housing growth are set out in our housing trajectory (see Chapter 23, *Past and future housing delivery*). Our key targets are to build on our housing delivery achievements to date (some 18,971 homes completed between 2001 and 2007 across Cambridgeshire), and to meet our Regional Spatial Strategy (RSS) target of 73,300 homes by 2021 and aim to exceed it by delivering at least an additional 2,745 homes over that period (across Cambridgeshire).

Equally importantly, new housing must be supported by local infrastructure to ensure its viability and sustainability. This includes local transport infrastructure as well as the comprehensive provision of health, education, leisure, green spaces and other community facilities.

Our Long Term Delivery Plan gives us a solid evidential basis for our infrastructure needs. It estimates that for 2008/09 to 2010/11 we require £830m to deliver against our targets. We have since re-assessed the Plan to assess the carbon impact.

Our Housing Growth Fund bid in 2007 for 2008-11 was for just under £130m, and we were awarded £14.2m for 2008/09 which was the largest single area award. Our second POD therefore requested an increase in award, and achieved £29m for 2009/10 and 2010/11. In July 2009 some of the capital funding for 2010/11 was re-allocated to the Housing Pledge to be spent specifically on housing.

**Table 1: Total Expenditure by infrastructure type**

Infrastructure type	Expenditure
Education	£166m
Health	£377m
Community	£73m
Transport	£1.109m
Utilities	£106m
Affordable housing	£351m
<b>Total</b>	<b>£2.182m</b>

*Source: Long Term Delivery Plan, Roger Tym, 2007*

At a national level, the area has been prioritised as a key location for sustainable development and is recognised by Government in the Sustainable Communities Plan as part of one of the four national Growth Areas requiring additional investment to tackle the housing shortages.

### **22.3 The Structure Plan 2001-2016**

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In response to these development challenges, the local authorities adopted the Cambridgeshire and Peterborough Structure Plan in October 2003. The Plan was based upon a study of options for accommodating growth for the period 2001-2016.

It planned for 47,500 new homes in the Cambridge Sub-region, 50,000 new jobs and more than £2.2bn of infrastructure and improvements needed to create sustainable communities where people enjoy a high quality of life. Some of these homes are already in the pipeline or planned and approximately 10,000 have already been built between 1999 and 2004.

The plan's overall approach to development in the Cambridge Sub-region made sequential provision for housing and related development at locations in the following order of preference:

- Within the built up area of Cambridge, 8,900 dwellings.
- As extensions to Cambridge on land to be removed from the Green Belt, 8,000 dwellings.
- In the new town of Northstowe, 6,000 dwellings.
- Within or as an extension of the surrounding market towns, 24,600 dwellings.

It aimed to redress the imbalance between job opportunities, earnings and affordable housing. Development was planned where good public transport services exist or where they can be provided in order to minimise the need for use of the private car.

The strategy sought to increase the proportion of affordable, including key-worker, housing to 40% or more, to protect and enhance the historic character and setting of Cambridge, and to improve access to the countryside. The strategy also identifies the necessary transport

infrastructure improvements to support this development and states that developments dependent on these cannot go ahead until such improvements are in place.

Under the Government's new planning legislation the Structure Plan will be superseded by the Regional Spatial Strategy when it is adopted in 2008. However certain policies of the plan have been 'saved' and will remain in force until replaced incrementally by the local Core Strategies of each District. The saved policies include those setting out the development strategy for the Cambridge Sub-Region.

## **22.4 The East of England Plan 2001 to 2021**

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The East of England Plan or 'RSS' (regional spatial strategy) sets out the regional strategy for planning and development in the East of England to the year 2021. It covers economic development, housing, the environment, transport, waste management, culture, sport and recreation and mineral extraction.

The RSS has a key role in contributing to the sustainable development of the region. It sets out policies which address the needs of the region and key sub-regions. These policies provide a development framework for the next 15 to 20 years that will influence the quality of life, the character of places and how they function, and inform other strategies and plans.

A major feature of RSS is that it identifies the significant investment that will be needed in social, environmental, economic and transport facilities ('infrastructure') if it is to achieve its desired results. That investment will come from a variety of sources, including central and local government funding and private developer funding.

The East of England Plan was first drafted in 2004, followed by complex consultations, examinations and amendments. In May 2009 the Plan was formally adopted.

*“By 2021 the East of England will be realising its economic potential and providing a high quality of life for its people, including by meeting their housing needs in sustainable inclusive communities. At the same time it will reduce its impact on climate change and the environment, including through savings in energy and water use and by strengthening its stock of environmental assets.”*

The statutory process for regional planning is set out in the Government's Planning Policy Statement 11 (PPS11) and associated legislation.

## **22.5 Regional Housing Provision 2001 to 2021**

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Local planning authorities are to facilitate delivery of at least 508,000 net additional dwellings between 2001 and 2021 across the Region. Taking account of completions of 105,550 homes between 2001 and 2006, some 402,540 homes still need to be built across the Region between 2006 and 2021.

District allocations (see Table 2) are minimum targets to be achieved, rather than ceilings which should not be exceeded. Local planning authorities must plan housing delivery for at least 15 years from the date their development plan documents are adopted.

## **22.6 Policy H1: Regional housing provision 2001 to 2021**

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*In the East of England as a whole provision will be made for at least 508,000 additional dwellings over the period 2001 to 2021. District allocations in this policy should be regarded*

*as minimum targets to be achieved, rather than ceilings which should not be exceeded. Local planning authorities should seek as soon as possible to*

- (a) Achieve at least the annual average development rates for the period 2006 to 2021.*
- (b) Make up any accumulated shortfall.*

*The tabulated figures include a split between net additions 2001 - 2006 and residual figures for 2006 - 2021. The split shown relies on draft completions data for monitoring year from 2001 onwards. They should aim to exceed the annual average rates for 2006 - 2021 if more housing can be delivered without breaching environmental limits and infrastructure constraints, by:*

- *Increasing density, consistent with criteria in PPS3.*
- *Encouraging opportunities on suitable previously developed sites.*
- *Making best use of policies on exceptions sites to provide affordable housing in rural areas<sup>1</sup>.*

*To plan for continuous delivery of housing for at least 15 years from the date of adoption, the first round of local development documents should make the assumption that the annual average rate of provision during the early years after 2021 will be the same as for 2006 to 2021 – see Table 2 below.*

**Table 2: The minimum regional housing provision will be distributed as follows:**

Area / District	Minimum Dwelling Provision, 2001 to 2021 (net increase, with annual average rates in brackets <sup>2</sup> )		
	Total to build April 2001 to March 2021	Of which already built April 2001- March 06	Minimum still to build April 2006 - March 2021
Cambridge	19,000	2,300 (460)	16,700 (1,110)
East Cambs	8,600	3,240 (650)	5,360 (360)
Fenland	11,000	3,340 (670)	7,660 (510)
Huntingdonshire	11,200	2,890 (580)	8,310 (550)
South Cambs	23,500	3,620 (700)	21,380 (1,330)
Forest Heath	6,400	810 (160)	5,590 (370)
St Edmundsbury	10,000	1,960 (400)	8,040 (540)

Source: East of England Plan, at [http://www.go-east.gov.uk/goee/docs/Planning/Regional\\_Planning/Regional\\_Spatial\\_Strategy/EE\\_Plan1.pdf](http://www.go-east.gov.uk/goee/docs/Planning/Regional_Planning/Regional_Spatial_Strategy/EE_Plan1.pdf)

## 22.7 What does the RSS say about affordable housing?

Within the overall housing requirement set out above, local Development Plan Documents should set appropriate targets for affordable housing taking into account:

- The objectives of the East of England Plan.

<sup>1</sup> Small rural settlements (also referred to in Circular 6/98 as 'settlements in rural areas with a population of 3000 or fewer') have been designated for enfranchisement and right to acquire purposes under Section 17 of the Housing Act 1996 by Statutory Instruments 1997/620 – 25 inclusive and 1999/1307. This means the rural areas that can make use of exceptions policies in LDDs are geographically designated by Statutory Instrument. The Secretary of State has discretion to amend the areas so designated.

<sup>2</sup> Due to rounding adjustments the annual average rates in brackets may not match the totals. Totals take precedence.

- Local assessments of affordable housing need, as part of strategic housing market assessments.
- The need where appropriate to set specific, separate targets for social rented and intermediate housing.
- Evidence of affordability pressures.
- The Regional Housing Strategy.

At the regional level, delivery should be monitored against the target for some 35% of housing coming forward through planning permissions granted after publication of the East of England Plan to be affordable. A review of the Plan has now started, which considers its implementation up to 2031.

## **22.8 Policy H3: affordable housing**

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*Within the overall housing requirement set by policy H1, Local Development Documents should set affordable housing targets taking into account of the objectives of the RSS, the outcome of local assessments of housing need, the need to set specific targets for social rented and intermediate housing, housing market considerations and the regional Housing Strategy. The expectation is that some 35% of all housing completions across the region will be affordable.*

## **22.9 What's next for the Plan?**

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EEDA is now working in partnership with the East of England Regional Assembly (EERA) and Government Office for the East of England (Go-East) to develop a joint implementation plan for the regional economic and spatial strategies. This implementation plan will set out how both strategies can be turned into action and will:

- Define a way forward in delivering current and agreed policy aspirations, focusing on 2021 and beyond.
- Evidence the overall scale of ambition relative to current and planned activity, and identify what is needed to fill any gap.
- Create programmes of regional-scale activity as the route map to move forward.

Housing is one of the seven themes to be developed in the implementation plan, which will focus on:

- Delivering a minimum of 508,000 net additional dwellings by 2020
- Delivering the 35% affordable housing target
- Improving the resource efficiency of new and existing housing stock

The implementation plan will be developed in partnership with a wide group of stakeholders, including the Regional Housing Board and its Advisory Group. Plans are in place to finalise the plan early in 2009, and we look to this process as a forerunner of the process to develop our future Single Integrated Regional Strategy.

## **22.10 Past, current and future delivery of home across the sub region**

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The East of England Regional Assembly (EERA) gathers and publishes regular updates on housing supply across the region, using data provided by districts in their Annual Monitoring Returns, and provided via County Councils. The figures are used by District and County

Councils to create housing trajectories, which are used to anticipate any shortfall or over-supply of housing compared to the targets set out in the East of England Plan.

It is also used as the basis for Housing Growth Fund bids which aim to support the delivery of homes by funding programmes of work to provide the necessary infrastructure and community facilities needed in an area of such intense growth.

### **22.11 Housing trajectories**

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Any assessment of the housing market and how balances it is, including an assessment of the need for affordable and intermediate home, must be linked to an assessment of housing delivery. There is no point in conducting the kind of assessment this documents contains, if there is no hope of delivering the homes needed across our sub-region. That is why this assessment also has to link strongly to issues of land availability (see Chapter 24, *Links to strategic land availability assessments*) and to viability (see Chapter 38, *Housing viability assessments*).

And yet there are many forces, including economic, social, political, historical, environmental, political and geographical, which affect where and when new homes can and will be delivered. Factors affecting the delivery of homes are outlined in Chapter 25, *Key drivers of the housing market and building industry*.

Chapter 23, Past and future housing delivery, provides housing delivery and projected figures for each district across the housing sub-region. Go-East provides a useful tool to help districts and counties compare their delivery and their projections to Regional Spatial Strategy targets. For the seven districts in our sub-region, a simplified version of the Go-East trajectory is provided below.

### **22.12 The Go-East trajectory**

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Trajectories are used to plan, monitor and manage a programme of delivery for the RSS period (2001 to 2021). The trajectory takes into account past completion figures published by districts and future projections that have been forecast by them up to 2021 through their Annual Monitoring Returns. Information regarding commencement dates and build rates on the strategic development sites are robust, but likely to experience some variation as risks and issues are identified, met and overcome. This information is updated at frequent intervals as project managers receive updates from developers on projected completions.

### **22.13 Using the trajectory**

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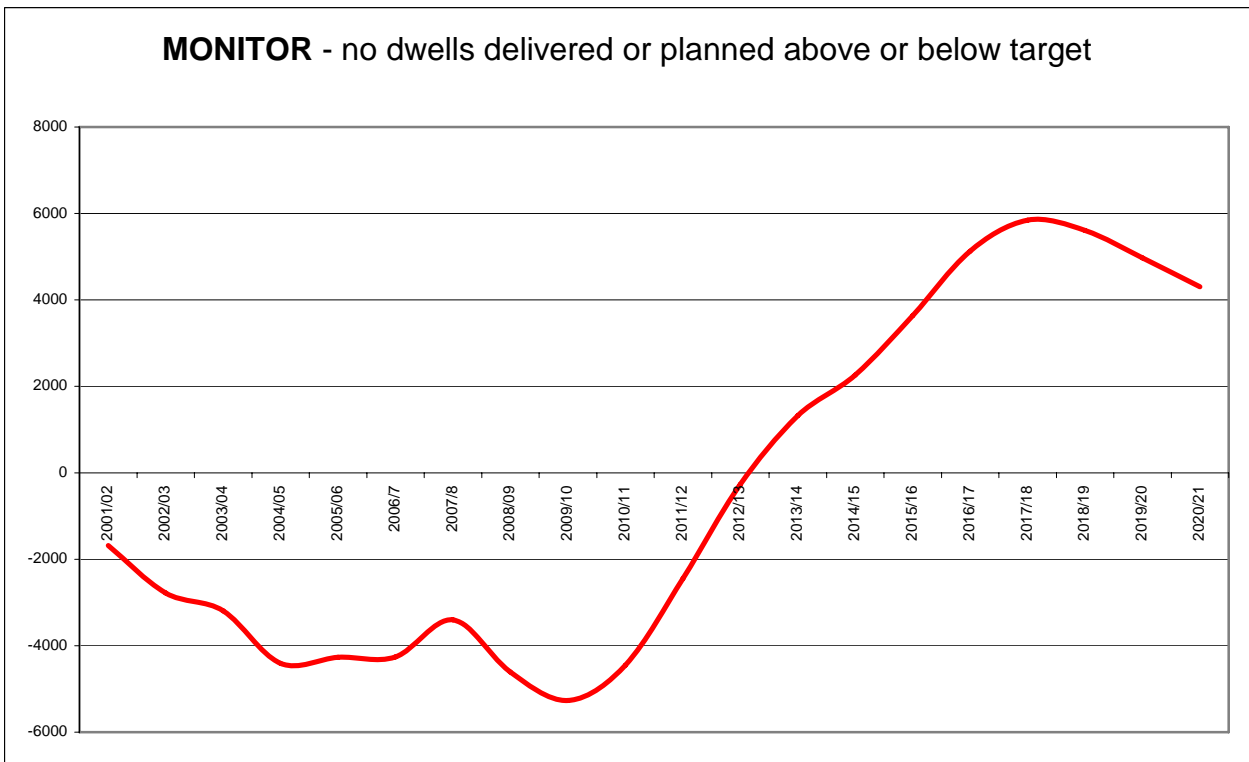
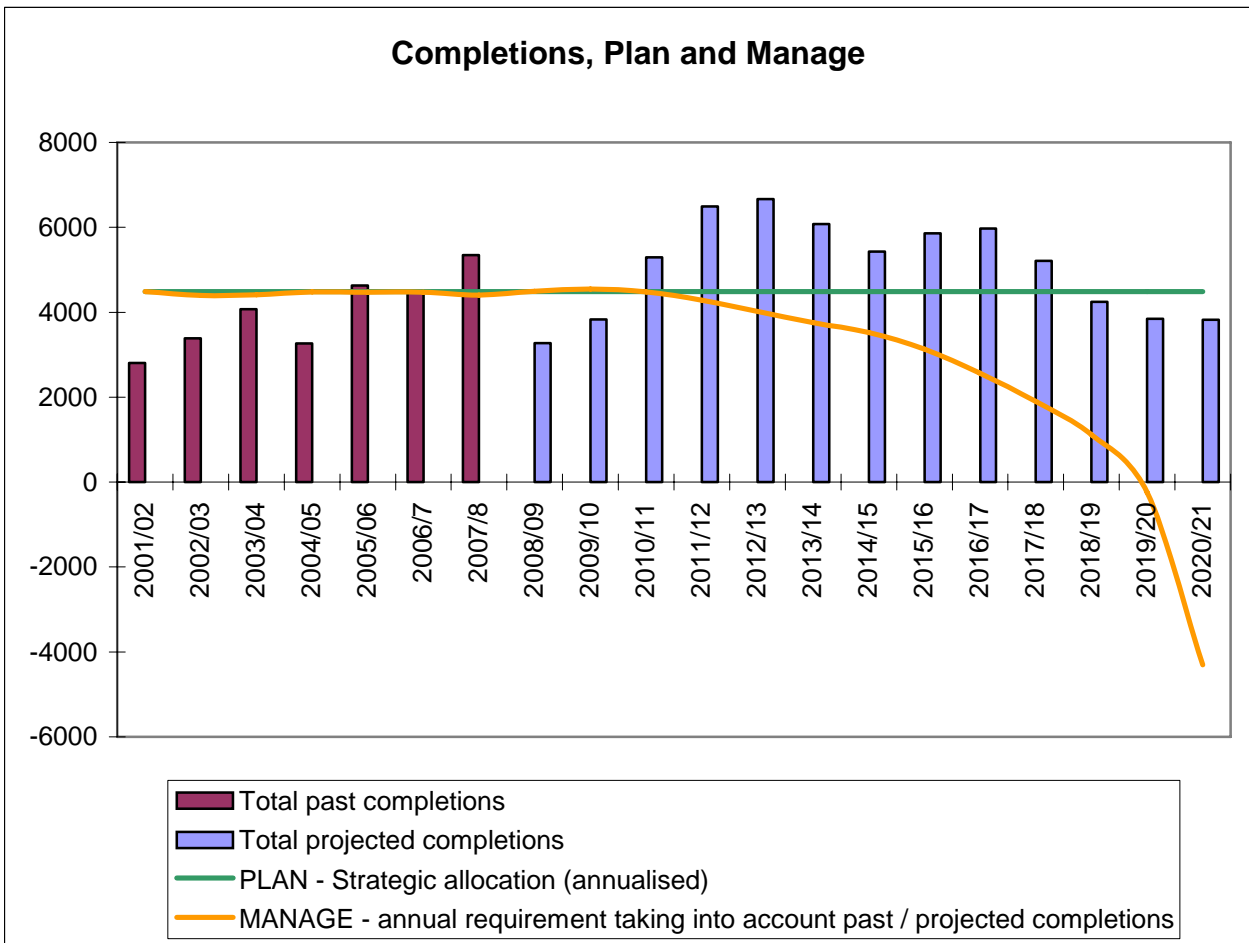
**PLAN** (green line): The planned strategic allocation is set out in the current RSS. This gives an overall target of 89,700 homes to be delivered between 2001 and 2021.

**MANAGE** (orange line): This line represents the numbers of homes still to be delivered up to 2021 taking into account past and projected completions. The line divides the number of homes “still to build” to fulfill the plan, by the number of years left i.e. to 2021.

**MONITOR** (red line): The monitor line shows the number of dwellings built so far, compared to the RSS target to date.



**Fig 1: Housing trajectory to 2021 for the housing sub-region**



## 22.14 Outputs

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- By the end of 2007/08 we had delivered some 27,997 homes across the sub-region.
- Between 2001 and 2021 we plan to deliver 94,000 homes across the sub-region. Of these, some 66,000 are planned to be built between 2008/09 and 2021.
- Our projections for the sub-region exceed the RSS target of 89,700 homes across the seven districts by some 4,300 homes.

® It is important to understand that the delivery of the housing numbers anticipated in the housing trajectory of each district and strategic site is dependent upon many factors, which can lead to a need for revisions. Accordingly, the housing trajectory will need regular updating in future editions of this Strategic Housing Market Assessment.

® Factors such as the Sub-National Review, the effects of boundary changes and adjustments to funding for homes and communities, may all affect our trajectories in future. It is essential that local authorities respond to these changes and their plans and projections are used to create future trajectories.

Please see Chapter 23: *Past and future housing delivery* for more detailed, district trajectories.

## 22.15 The East of England Regional Housing Strategy 2005-10

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In July 2005 EERA produced a new regional housing strategy, for 2005 to 2010. The Vision of the RHS is *“to ensure everyone can live in a decent home which meets their needs, at a price they can afford and in locations that are sustainable.”*

Among other aims, this means:

*More, sustainable housing provision, in high quality homes and environments, creating inclusive communities.*

To quote from the Strategy:

“The East of England is set to experience a large growth in the number of households resident in the Region. This is partly due to expansion within the existing population, and partly a result of in-migration. These pressures cannot be avoided, and indeed they are considered necessary to support the economic growth of the East of England, as set out in the RES, and to ensure the sustainability of the Region’s communities. While the East of England Plan has established the broad strategic location of where the new housing should be developed to accommodate the household growth, it is one purpose of this RHS to provide clear guidance on the type of housing to be provided.

For the foreseeable future, most of the Region’s households will be living in the present housing stock. While the provision of new housing appears to be the most pressing issue for the Region, it is therefore still the case that what happens to the existing stock is likely to be of much greater long-term importance. For this reason, another key purpose of the RHS is to set out an approach to the improvement and maintenance of the existing housing stock.

The RHS provides a framework for decision-making and other actions at sub-regional and local levels. The true test of its value will be the extent to which those operating at these levels find the framework useful in providing confidence that their actions will be complementary to others’ operating at different levels and in other geographical areas.

Sitting between national and local policies, the RHS should be able to act as a link to ensure that experience at local level can feed upwards into national decisions.

Similarly, through its ability to be linked directly to all other strategies for the East of England, the RHS also provides a means for housing to be taken fully into account in future planning of the Region's economy, transport, health services, and so on. This is an area in which potential conflicts can be readily recognised: between additional housing and protection of open countryside; in the trade-off between quality and quantity of new housing; in decisions on spending limited public resources on either housing or infrastructure; and so on. The RHS addresses these issues pragmatically, on the basis of current evidence; but these are clearly areas which will need to be kept under constant review."

## **22.16 The East of England Regional Investment Plan 2008-11**

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In June 2007 the regional housing strategy was supplemented by a new East of England Housing Investment Plan 2008-11 to provide the basis for EERA's advice to Ministers on the East of England's housing investment priorities for 2008-11. This text provides a brief summary. The full plan can be found at [www.eera.gov.uk](http://www.eera.gov.uk)

### **New, Affordable Housing**

The delivery of new, affordable housing is the region's top priority in meeting the identified need for 11,000 homes per year. The Housing Corporation (now Homes and Communities Agency) and its partners within the region have a track record of delivery with the lowest grant rate in the country. During 2006-07 the region was able to take up national slippage in resources and spent an additional £6m. This delivered 412 additional homes in the region, 10% ahead of our target. Overall, the Affordable Housing Programme (AHP) is projected to deliver over 10,450 new, affordable homes by 31st March, 2008, making significant progress towards achieving a step change in delivery and meeting the challenges of the Barker report and the growth agenda.

In spite of the region's excellent performance in terms of delivery against grant, the Affordable Housing Programme is still only meeting half the identified need for affordable homes. Supply chain data suggests that 22,037 new, affordable homes could be delivered over 3 years (7,345 p.a.) at a cost of £778m which equates to approximately 120% of the total indicative RHP. The region seeks to meet the challenge of the investment gap by maximising public subsidy through planning gain/section 106, drawing on the good practice emerging from the region's Pipeline Task Group. Yet, it is clear that under-investment is a barrier to delivery. Furthermore, inadequate investment in the supporting infrastructure seriously risks undermining the region's efforts to achieve and deliver sustainable communities.

It is recommended that 87.83% of the indicative RHP is allocated to the provision of new, affordable housing and new and refurbished Gypsy & Traveller sites.

### **Spatial Distribution of Resources**

The spatial distribution of resources has been guided by the Sub Regional Allocation Model developed within the region by the (then) Housing Corporation. This balances projected housing need and national and regional spatial priorities for new housing with the cost and deliverability of potential housing supply. The methodology distributes resources to where housing growth is planned reflecting the Government Growth Areas, Growth Points and Key Centres for Development and Change (KCDCs) identified in the East of England Plan.

## **Thematic targeting of resources**

The thematic targeting of resources has been guided by the Regional Housing Strategy and advice received from the housing sub-regions. More information on each of the investment themes – Growth, Rural Needs, Supported Housing, BME – is contained within the Investment Plan.

### **Growth**

It is recommended that 71% of the AHP is allocated to Growth. Strategic Sites are included within the Growth theme and have been identified by regional stakeholders and the housing sub-regions. Key criteria in identifying the sites included: size, location, infrastructure provision, impact within a community, strategic partnerships and, most importantly, timeframe for delivery.

### **Rural Needs**

It is recommended that 10.25% of the AHP is allocated to delivery in rural communities to achieve delivery of a minimum of 1,000 new homes – a 10% increase on the minimum target during 2006-08. Delivery will be targeted 75% in settlements with a population of less than 3,000 and 25% in market towns with a population between 3,000 and 10,000. The region's excellent track record on delivery – the 2006-08 Programme is projected to deliver over 1,200 rural homes in the region – places it in a strong position to contribute to the recently announced DEFRA funded feasibility study to consider the case for a new time limited funding programme for the provision of affordable homes in rural areas.

### **Supported Housing**

It is recommended that 10.25% of the AHP is allocated to Supported Housing. In 2006 the then Housing Corporation and Supporting People East Regional Group (SPERG) undertook a joint commissioning pilot to test whether a strategic process synchronising capital and revenue funding streams achieves better outcomes for vulnerable people. Following the successful outcome of the pilot, stakeholders have agreed that to use the same methodology for the evaluation of projects in 2008-11 to improve consistency.

### **BME**

To support more socially cohesive communities and the priorities set out in the report of the recent Commission on Integration and Cohesion, *Our Shared Futures*, it is proposed that part of the BME allocation is targeted at housing sub-regions that can demonstrate a culturally sensitive approach to new housing provision. The standards of evidence will be based on the Commission for Racial Equality's statutory code of practice on racial equality in housing (2006).

The indicative allocation for provision of new and refurbished sites for Gypsies and Travellers has been included within the BME theme of the NAHP. The CLG research identified a regional requirement of 240 new pitches per year up to 2011 but at present the proportion of that number requiring a level of public subsidy and/or contributions from s.106 planning agreements (the equivalent of affordable housing) is unknown. Options for the delivery of new pitches form part of the Single Issue Review consultation currently underway which includes consultation with the Gypsy and Traveller community. It is expected that responses to the consultation, due to conclude on 31st July, will provide a firmer foundation on which to gauge the required level of public subsidy for pitches than is possible at present.

It is also recommended that the investment is phased across the three years, weighted to reflect the anticipated slower delivery during the first two years of the investment period owing to planning delays.

### **Tenure Split**

New affordable housing in the region will aim to provide a tenure ratio of 70% homes for rent and 30% for intermediate sale (net of Open Market HomeBuy). This distribution is underpinned by the region's Affordable Housing Studies (2003, 2004).

### **Larger Family Homes**

Delivering family homes that meet the changing needs of the region's diverse communities is a key priority for the region. It is recommended that 23% of social rent and 10% of intermediate sale homes allocated with 2008-11 funding should have 3 bedrooms or more. However, we would stress the importance of fully considering local housing need in allocating resources to deliver this target.

### **Priority Groups for HomeBuy**

EERA welcomes the opportunity to revise the priority groups for HomeBuy in the region. In order to meet this request, during the summer we will undertake a small study drawing on data held by the HomeBuy agents and data emerging from the Strategic Housing Market Assessments (SHMAs). The advice of the housing sub-regions reflects the region's growing problems of affordability, with many stressing the need for a much broader definition as illustrated by the following extract:

*"The priority groups are people in housing need who are unable to access homes to buy on the open market, but who have some ability to acquire house purchase finance, including key workers"*

Pending the outcome of the study, suggested priority groups include:

- buyers unable to purchase without assistance;
- those already assisted into Low Cost Home Ownership (LCHO) who are in need of larger or smaller accommodation or require a transfer for other reasons and would make available a LCHO property for re-sale to another household in one of the priority groups;
- statutorily homeless households.

### **Decent Homes (Local Authority Stock)**

The region is on track to meet the 2010 Decent Homes Standard for public sector housing. At 13 June, 2007 there were 40,954 non-decent homes in the public sector. Current projections suggest a required level of investment of £38.2m up to 31 December, 2010. However, we would stress that the uncertainty over ALMO funding may jeopardise the region's efforts to achieve the target, necessitating negotiation to extend the deadline. The region will continue to monitor the position.

### **Private Sector Decent Homes**

Recent work undertaken by EERA and GO-East suggests that between 60% and 76% of vulnerable households in the region are living in decent homes; the level of investment

required to achieve the target equates to 7% of the indicative RHP. Given that not all vulnerable households are without equity, EERA recommends that 5.17% of the indicative RHP is allocated to achieve the 70% PSA7 target and that the region seeks to maximise the resource by drawing on models of national and regional good practice. It is proposed to establish a regional fund to support regional interventions such as loan/equity release schemes that enable the recycling of funds. A proportion of the fund will also be used to support sub-regional bids with a strong emphasis on the prevention of non-decency and the wider Decent Homes Plus agenda. The new programme will be launched in April 2009. In terms of 2008-09, allocations to local authorities will be in proportion to the number of non-decent homes occupied by vulnerable households within the authority. EERA is also minded to provide an element of match funding to those authorities demonstrating commitment of resources to achieving the PSA7 target. The proportion of funding available in 2008-09 will be no more than one-third of the overall allocation for 2008-11.

### **Neighbourhood Regeneration**

Given the overlaps between this activity and the objectives of the Innovative Projects programme (see below), it is proposed to focus the investment on Innovative Projects to promote mixed communities.

### **Leaseholders in Hardship**

Advice received from the housing sub-regions suggests that this is not a priority for the region.

### **Innovative Projects to Promote Mixed Communities & Research**

It is proposed to allocate 1.09% of the RHP to Innovative Projects and Research. The Innovative Projects will focus on the promotion of mixed communities, drawing on the learning and good practice emerging from the Mixed Communities demonstration projects in other regions. The design and launch of the Innovative Projects programme will take place during 2008-09, with funding available from April 2009.

In terms of research, the planned programme will enable the region to better support the revision and alignment of the East of England Plan and RHS. Proposed studies include: revision of the Affordable Housing Studies, research into the housing implications of the region's ageing population, a review of private sector decent homes data collection and monitoring systems and a review of Gypsy & Traveller pitch procurement to improve cost effectiveness. It is estimated that approximately 0.09% of the SRHP will be allocated to research projects, a small portion of which will be used to support the work of the Task Groups in the implementation and delivery of the Regional Housing Strategy. It is proposed that any under-spend is allocated to the NAHP.

### **Assessment of the Relative Impact of EERA's Advice on Black & Minority Ethnic Groups**

Overall, the recommendations are likely to have a positive impact on BME groups, which account for 5% of the population in the East of England. This will be achieved in particular through the investment targeted at new, affordable housing and provision of new and refurbished pitches for Gypsies and Travellers. BME groups will also benefit from the region's proposal to use a proportion of the BME allocation within the NAHP to reward sub-regions that can demonstrate a culturally sensitive approach to new housing provision.

It is acknowledged that an effect of focusing investment on new, affordable housing is to reduce the resources available to tackle other priorities such as achieving the PSA7 target. This may have an adverse and disproportionate impact on those groups living in non-decent private sector accommodation, commonly low income and vulnerable households very often from BME communities (regional research shows<sup>10</sup> that there is a greater tendency for mixed ethnicity households to live in private rented accommodation). However, the recent work undertaken by EERA and GO-East suggests that between 60% and 76% of vulnerable households are living in decent homes. The estimated level of investment required to achieve the PSA7 target is 7% of the total indicative RHP compared to EERA's recommended level of 5.17% given that not all vulnerable households are without equity.

At August 2009, EERA is planning an updated housing statement for the Region. This will be included in the SHMA as and when it becomes available.