

# WEST MIDLANDS REGIONAL HOUSING STRATEGY

## PROGRAMME AREA RESPONSIBILITY: SOCIAL CARE ADULTS AND HEALTH

CABINET

17TH NOVEMBER, 2005

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### Wards Affected

County-wide

### Purpose

To receive a report on the West Midlands Regional Housing Strategy 2005 and Strategy for Allocating the Regional Housing Pot for 2006-08 which form the basis of regional housing policy and investment priorities across the West Midlands Region.

### Key Decision

This is not a Key Decision.

### Recommendations

- THAT (a) the contents of the West Midlands Regional Housing Strategy 2005 and the Strategy for Allocating the Regional Housing Pot for 2006-08 be noted;**
- and**
- (b) the development of increased partnership working between Herefordshire Council and the Shropshire local housing authorities identified within the West Housing Market Area (HMA), as proposed by the Regional Housing Strategy, be endorsed;**
- and**
- (c) it be noted that there may be additional revenue and staffing costs associated with supporting the development of co-operative working across the West Housing Market Area and a further report for consideration identifying such costs, once these have been evaluated, be submitted to a future meeting of Cabinet.**

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Further information on the subject of this report is available from  
Richard Gabb, Head of Strategic Housing, on 01432 261902

## Reasons

The West Midlands Regional Housing Strategy (RHS) provides the framework for setting directions and priorities for action to address identified housing issues within the West Midlands Region up to 2021. The Regional Allocations Strategy (RAS) describes the public investment from the Regional Housing Pot (RHP) which will be invested during 2006-08 against the priorities set by the RHS. Taken together, the strategies directly impact on the resources available to the Council and its partners, in future years.

## Considerations

1. The Sustainable Communities Plan, published in 2003, proposed the establishment of Regional Housing Boards who would be specifically responsible for the preparation of a Regional Housing Strategy.
2. Within the West Midlands, the Regional Housing Board created a Regional Housing Partnership comprising officers and representatives from local authorities, voluntary and statutory agencies to steer the creation of the RHS.
3. The first West Midlands Regional Housing Strategy entitled 'Putting Our House in Order' was issued in July 2003 and identified a need to undertake a comprehensive process of funded research and consultation in contributing to the development of a more robust and evidence-based Housing Strategy for the region in 2005. Cabinet considered and noted the first Regional Housing Strategy at its meeting on 25th September 2003.
4. The West Midlands Regional Housing Strategy 2005, entitled 'Delivering a Housing Vision for the West Midlands in the 21st Century: Pathways of Choice', has now been completed and has been endorsed by the Regional Housing Board for submission to the Minister. Covering the period 2005 – 2021, the strategy has been developed with the benefit of a wide range of technical research into housing issues and trends within the West Midlands region. A comprehensive programme of consultation has been undertaken in the course of developing the Regional Housing Strategy within which the Council has been actively engaged. Most specifically, the challenges faced within rural areas have been championed by the West Midlands Rural Housing Network, which is currently Chaired by the Head of Strategic Housing Services.
5. An Executive Summary of the West Midlands Regional Housing Strategy 2005 has been prepared to support this report and is attached at Appendix A for information. A copy of the full Strategy, as approved by the Regional Housing Board, is available in the Members' Room.
6. The Strategy for Allocating the Regional Housing Pot for 2006-08 (the Allocations Strategy) represents a further departure from the formulaic approach to the allocation of resources to Local Authorities and Registered Housing Associations as had existed in previous years. The strategy sets out the amounts of Single Regional Housing Pot (RHP) funding to be provided for investment under the Housing Investment Programme (HIP) and Annual Development Programme (ADP), within the region, against the key priorities. By way of background, HIP allocations fund local authorities investment in activities such as investment in renewal activity in private and public sector stock and the funding of discretionary elements of the Disabled Facilities Grant. The ADP funds affordable housing development activity by Registered Social Landlords within the region.

7. A copy of the Allocations Strategy is attached at Appendix B.
8. Summarised below, is a range of key issues and headlines taken from the Regional Housing Strategy and Regional Allocations Strategy which are of specific note as they affect Herefordshire.
  - The identification of four sub-regional Housing Market Areas within the West Midlands region (North, Central, South and West) following an analysis of the way the housing market operates on a sub-regional basis. Herefordshire is located within the West Housing Market Area alongside South Shropshire, Bridgnorth, Oswestry, North Shropshire, Shrewsbury and Atcham.
  - The strategy recognises issues of high demand within the West HMA where income to house prices ratios are high and identifies the West HMA as the homelessness 'hotspot' of the West Midlands Region, outside the core of the conurbation.
  - The strategy proposes that local authorities within each Housing Market Area (HMA) will work in partnership on the identification and addressing of priorities as they affect each HMA. This is expected to include the shared exploration of housing needs and housing market assessments with closer working between neighbouring local housing and planning authorities to secure the balanced housing market outcomes required by the RHS.
  - The Regional Housing Board expects to see Local Authorities working with the Housing Corporation and Registered Social Landlords to see where additional pitches may be needed and how they might be delivered. ADP has not been available previously to fund the provision of sites for caravans. The RHB will be prepared to support new sites and refurbishments where suitable evidence of need is supplied with £4m available over two years.
  - The Allocations Strategy identifies an increase in ADP funding for the West Housing Market Area and South Housing Market Area in supporting the development of affordable housing. However, the Allocations Strategy proposes the overall level of HIP available to the West HMA will be less as a result.
  - ADP investment will not be considered in schemes providing exclusively for homeless families or individuals.
  - The focus of development will follow the principles of sustainability, leading to the majority of housing development in the West HMA being focussed on Shrewsbury and Hereford and rurally on market towns and larger rural settlements. Development in smaller settlements will be considered for ADP funding only where it can be shown to contribute to regeneration and community sustainability.
  - The RHB expects Local Housing Authorities to maximise the gain in affordable housing when writing Local Development Framework (LDF) policy.
  - The Strategy refers positively to the role of Rural Housing Enablers in driving affordable housing development in rural communities and encourages the extension of the Rural Housing Enabler programme within the region.
  - The RHB will enhance, as appropriate, the resources to local authorities for renewal activities where good evidence is presented of the needs to be addressed. This emphasises the importance of the current Private Sector House

Condition Survey for Herefordshire in identifying the extent to which vulnerable households are occupying non-decent housing.

- In their disposals of land, local authorities are encouraged by the RHB to do so with the presumption that it will be used to address affordable housing needs.

## **Alternative Options**

There are no alternative options

## **Risk Management**

The Regional Housing Board has not received or identified the provision of any additional revenue funding to resource the demands implicit in increased sub-regional co-operation between authorities within each Housing Market Area. An appraisal will therefore have to be undertaken to assess the associated budgetary and staffing implications of this approach for Herefordshire Council and its sub-regional partner authorities within the West HMA. Furthermore, consideration will have to be given to what form any partnership approach should take, whether through, for example, building on existing cross authority groups at officer level, with appropriate engagement of members and stakeholders, or through arrangements involving increased co-operation between Local Strategic Partnerships.

The increase in ADP for the West HMA from £12.5m for 2004/06 to £18.3m for 2006/08 has been balanced by a reduction in the HIP allocation from £10.0m for 2004/06 to £4.3m for 2006/08. The Allocations Strategy recognises that the change in funding approaches and levels may lead to some local authorities experiencing 'changes' in their funding. Whilst a 'safety net' for HIP of 40% of the 05/06 allocation in the first year and 30% in the second year is designed to reduce the impact on local authorities, this represents a risk to the funding of HIP related private sector renewal activities in Herefordshire. The implications will only be fully understood when allocations to local authorities are announced.

## **Consultees**

The development of the West Midlands Regional Housing Strategy and Allocations Strategy have been developed through an extensive process of research and consultation.

## **Background Papers**

None identified.