

Draft Sub Regional Response to the Housing Green Paper

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Purpose of report

CRHB decided at its meeting of 17th August 2007 to prepare a sub-regional response to the Housing Green Paper, by the deadline of 15 October 2007, on the basis of a briefing note prepared for CRHB and discussions at the August meeting.

This note sets out our draft response for further comment at 7th September's CRHB, and approval at the October 2007 meeting.

Decision / Action

Does CRHB agree, or wish to add to, the draft response set out in this note?

Draft response

The Housing Green Paper focuses on increasing the level of new housing provision; increasing the output of new social rented housing and low cost home ownership schemes and taking further a range of initiatives to support effective delivery and ensure growth is sustainable and compatible with environmental constraints, not least on carbon emissions. It confirms housing as one of the Government's highest priorities. It sets out the actions to deliver more housing, achieve higher environmental standards and work across Government to support infrastructure provision and create sustainable communities.

The CRHB fully supports and welcomes all these aspirations and the new priority placed by Government on the delivery of all homes, including specifically affordable homes and setting a clear target over a specific time frame. We welcome the new political focus on housing, and the fact that it is now top of the government's agenda.

In the context of this support and enthusiasm for the Green Paper, the Cambridge Sub Regional Housing Board would like to add the following further brief comments and questions to the proposals made within it.

More Homes to Meet Growing Demand

Ch 1: Delivering homes where they are needed

- We welcome the proposed additional units of both market and affordable housing.
- However with the proposed changes to the mechanisms for funding affordable housing between our Regional Assembly and Regional Development Agency, as well as merging Regional Spatial Strategies with Regional Economic Strategies, we would like to raise concerns about the ability of partners to secure funding and for those funding decisions to remain transparent.
- There are already ongoing and lively debates about the number of homes to be built in each district through the RSS, and it is of vital importance that CLG considers the outcomes of the Callcutt Review of the building industry in implementing its plans. The development industry is a major factor in our ability to deliver both new sites and those already in the planning system, and Callcutt's review should shed light on alternative ways to drive that activity forward. We look forward to hearing the outcomes of his review, and to helping build the policy responses needed by all stakeholders to enable the growth in housing numbers targeted in the Green Paper.
- It is also, naturally, vital that the numbers when identified for each District are accepted and supported by local communities and politicians. Although this can be problematic, a strong lead from CLG and positive publicity and information-sharing about the benefits of new homes and the positive effect they have on the local economy will help gain acceptance at a local level. The Housing Corporation's regional briefing notes are a good example of this kind of information sharing which could provide a useful local tool for officers and councillors seeking local support for their development plans.
- In the Cambridge subregion we have been working hard on producing our first SHMA, which will show what's needed and what's in the supply chain, for market, intermediate and affordable housing. This kind of evidence will be crucial in showing the rationale and locations for significant development, and we would suggest SHMA outputs should form the basis for local housing delivery targets. For this reason, we would suggest Regional Agencies should be involved in some quality assurance work for SHMAs, to ensure consistency (as EERA is), and could provide regional context for SHMAs by use of systems like HomeTrack, which they could buy for all the districts in their Region, and use to share "overall" trends.
- We do however have serious reservations about the amounts of funding being pinpointed for housing. Despite being involved in the "Cambridge Challenge" and being part of a new way of securing a strategic partner for strategic sites, which will both secure efficiencies and reduce the burden to the public purse, we are concerned that resource implications in the fullest sense need to be thought through – for infrastructure and associated funding as well as for the homes themselves.

Ch 2: Delivery without needless delay – continuing planning reform

- We are interested in the timescale set out to review our RSS. As the LDF process is still being adopted at different times in different authorities across our sub region, the proposed RSS review may well serve to delay difficult decisions and lead to continuing uncertainty, which is not a good foundation for delivering new homes, and in fact may prove a barrier to delivery. As

there is a whole new raft of legislation promised, we would suggest that , although change is needed, a process to manage that change and to assist stakeholders in understanding and adopting the changes will be crucial.

- The Housing Green Paper appears to assume that a significant barrier to housing and permissions is the planning service in itself. We would like to highlight the god work undertaken across our sub region in securing good planning decisions. However making a well-informed and robust decisions can take some time, and the planning system should not necessarily be the only link in the chain which is criticised for deliver of homes at a slower pace than we would all like. There are other influences , as mentioned, the building industry and the factors affecting it; the supply of land; the individual business plans of developers and site promoters. For those districts with little or no surplus land, options are severely limited and a major change in delivery will be highly unlikely. We would like to suggest that good planning decisions ensure a quality of development in the long term which should not be overlooked, and that delays are often a function of the system which the government could look to address if it is to reduce these systematic delays. In the Cambridge Su Region we feel we do our best in a difficult situation – but that we can deliver the numbers and quality of homes the Green Paper aspires to.
- Community and other infrastructure also an issue.
- If Northstowe is not classed as an eco-town but is a prototype, it will still need sufficient funding to make that prototype work and to enable other eco-towns to learn from its lessons. Northstowe also provides an opportunity to develop an eco- town as an exemplar settlement (regardless of the label used) as a pathfinder, and earlier than other eco towns which would bid according to the prospectus released with the Green Paper.

Ch 3: Public sector land use

- The Green Paper outlines Local Housing Companies and their new role in delivery, however we would welcome some more detail on this and how they might operate in future.

Ch 4: Recycling homes and land

- The cost of using brownfield sites can be significant, depending on how sites are designated. On some previously- used sites the cost of preparing them for housing delivery is not significant, however on others e.g. Cambridge Northern Fringe and the Railway Sidings, it can prove a real barrier to delivery as there is genuine and significant decontamination to be undertaken. We would question whether an ongoing target of 60% is realistic, given the high percentage achieved over recent years and the declining “flow” of brownfield sites. These sites need public sector intervention, but we would suggest there is a viability gap on some new settlement and fringe sites if homes are to be delivered within anticipated timescales.

How we create places and homes that people want to live in

Ch 5: Infrastructure

Announcements on levels of infrastructure funding to be made in the Autumn. Proposing a Planning Gain Supplement Bill (as previously announced) but are prepared to drop this approach if it can be shown there is a better alternative – sets out possible approaches for discussion.

Cambridge made strong representation on PGS.

Ch 6: Well designed homes and places

We feel that in the Cambridge Sub Region we have used greenbelt land for homes without harming the countryside.

New strategy for housing and ageing will be launched in the Autumn.

We look forward to the new guidance to emerge in the Autumn 2007 on housing and ageing, but would like to point out that with the increased numbers of homes being targeted and the constraints on the public sector purse, it is vital that we can secure the funding needed to create balance and mixed communities, which will include housing for people with specific needs, with support need, with specific physical requirements all of which cause a draw on funding from, for example Supporting People, a cost for extra care schemes, and specific additional capital investment.

Ch 7: Greener homes

We refer to our previous comments about Northstowe, and would link this to our ambitions to create environmentally-sustainable communities across our sub-regional, whether in new towns, major urban extension sites, by growing our market towns or through smaller rural sites. However the increased standards for all homes will have an impact on development costs and infrastructure requirements. For example we are developing a water cycle strategy for major development sites, which it would help to bring all interest groups together to resolve.

Making housing more affordable

Ch 8: More social housing

As a sub regional which covers urban, rural and market town areas, we strongly support the delivery of homes, particularly affordable homes, in rural areas. We will be interested to comment on the targets to be set “later this year” and how the targets link to our existing planning policies and our assessment for the housing market.

We support the outcomes of the decent homes programme, but wish to highlight that the programme is, by its nature an ongoing one and that further expenditure will be needed to keep homes up to the standard after 2010. There will be a continuing need for funding to maintain standards and especially to improve energy ratings and reduce carbon emissions of these existing homes, all of which contribute to our aspirations to create and maintain environmentally sustainable communities.

Ch 9: Helping first time buyers

Our response to this area is that the variety of products to support people into home ownership are complex and need a radical review to ensure they deliver the intended objectives. Our early SHMA outcomes reflect a very low take-up of low cost homes by social housing tenants, which was intended to be a prime target for the tenure in order to free up council housing. However we are strongly supportive of assistance for first time and low income buyers, especially within new homes rather than from within the existing housing stock.

Ch 10: Improving the way the mortgage market works

This appears to be a very specific initiative, we would be interested to find out about this in more detail. We are interested in the effect such long term mortgages could have on the stability of the economy, and on the “Buying for investment” market. We suspect this needs to be examined in context of the national housing market.

Delivery: How we make it happen

Ch 11: Skills and construction

Our sub regional continues to need to recruit and retain staff in the key professions. We need more places on training schemes for all skills. Construction skills are vital, and we have benefited from the support and initiatives taken by the SmartLife Centre across the county, particularly around eco-pilots in Fenland, and promotion of modern methods of construction.

Ch 12: Implementation: a shared endeavour

We feel that land ownership is often as much of an issue as developers, in terms of housing delivery. There is a gap in viability of sites as the operation of the market does not force land prices down at the outset of a development. It is important that the policy initiatives taken as a result of the Green Paper have thought through the process from land release to price to planning requirements.