

Cambridge Sub-Regional Housing Board

6th June 2008

National Affordable Housing Programme 2006/08

Report by John O'Mahony (Housing Corporation)

Purpose of report:

To inform the CRHB on outturn of the Housing Corporation's East of England Affordable Housing Programme 2006/08

Recommendation:

That the report be noted

1. Background

- 1.1 Further to approval in January 2006 from the former Regional Housing Board, the Housing Corporation committed approx. £325 million to deliver a minimum of 10,200 new homes in the East of England over the next 5 years. This is the 2006/08 NAHP Programme of allocations.
- 1.2 In 2006/08 the Housing Corporation has an expenditure programme of approx £347 million (net of reduction to Regional Gypsies & Travellers Programme) in the East of England Region. This is forecast to provide an additional 10,450 new homes before 31st March 2008. These housing completions arise from allocations made in 2006/08 and previous Programmes in 2004/06 & 2003/04 and form the 2006/08 NAHP Programme of expenditure & completions.
- 1.3 This report updates members of CRHB on outturn performance of the 2006/08 programme setting out the regional picture and paying particular attention to the performance of the sub-region.

2. Baseline National Targets for the East of England & Outturn Report for 2006/08

- 2.1 Table 1 below sets out the framework of the 2006/08 East of England Programme. It profiles the targets agreed for the region by the HC & CLG which form the 3 key drivers for delivering the regional programme as follows:
 - to meet expenditure targets
 - to deliver an agreed number of new homes for rent
 - to provide an agreed number of new homesTable 1 also sets out outturn for 2007/08 which is further analysed at 2.2 below.

Table 1: Regional 2006/08 targets & headline out turn performance

	Resource £m NAHP	Completions New Homes for Rent	Completions New Homes for Sale	Completions Total No. New Homes
2006/08 target	347.1	6,769	3,681	10,450
2007/08 target	196.1	4,314	2,185	6,499
2006/07 target	151.0	2,455	1,496	3,951
2006/07 Outturn	154.85	2,811	1,558	4,369
2007/08 Outturn	192.74	3,986	2,387	6,373
2006/08 Outturn	347.59	6,797	3,945	10,742

2.2 The final outturn position shows that the region has exceeded targets for completions on both rent and sale over the 2006/08 programme by nearly 300 homes.

2.3 At the same time the region was able to achieve the expenditure target for 06/08 delivering more completions for the same spend. This is due in part to the number of nil-grant homes that were able to be brought into the programme.

3. Cambridge Sub-Regional Outturn

3.1 The East of England's Regional Investment Plan 2006/08 recommended a spatial distribution of resources for the 2006/08 programme of allocations for the first time. Performance of expenditure & completions in 2006/08 is reported at Table 2 below. While the Programme is made up of schemes allocated under different Programmes, reporting is still valid on an annual basis as resource requirement & outturns are not affected by year of allocation.

Table 2: Cambridge 2006/08 targets & headline out turn performance

	Resource £m NAHP	Completions New Homes for Rent	Completions New Homes for Sale	Completions Total No. New Homes
2006/08 target	62.09	1,534	893	2,427
2007/08 target	31.09	857	567	1,424
2006/07 target	31.00	677	326	1,003
2006/07 Outturn	36.14	792	357	1,149
2007/08 Outturn	33.76	719	500	1,219
2006/08 Outturn	69.90	1,511	857	2,368

3.2 Summary

3.2.1 The Cambridge sub-region exceeded expenditure targets over the 06/08 programme by being responsive to changing conditions and having a good

pipeline of schemes worked up. This will assist the sub-region in delivering completions over the 08/11 programme through funding start on sites.

- 3.2.2 The sub-region narrowly missed the completions target for 06/08 on both rent and sale achieving 98% of the target. This is due partly to Open Market HomeBuy and partly due to some completions slipping out of year with not enough being able to come into year to compensate. It should be noted that those scheme which slipped out of year are still in the programme and as such will deliver completions in the 08/11 programme

4. Conclusion

- 4.1 The 2006/08 East of England NAHP Programme exceeded delivery expectations for 2006/08.
- 4.2 The Cambridge sub-region contributed to this performance by exceeding expenditure targets and achieving 98% of completions targets.
- 4.3 All partners are to be congratulated for their hard work in ensuring that the East of England was once again able to achieve all targets.

Contact: *John O'Mahony, Investment Manager - East of England, Housing Corporation.*
Tel: (01223) 272588, E-mail: John.O'Mahony@housingcorp.gsx.gov.uk