

Report to: Community Protection Panel

Date: 17 September 2007

Subject: Government Green Paper "Homes for the Future: More Affordable, More Sustainable"

Report of: Director of Environmental Services

Contact officer: Peter Layland Telephone: 01942 404135

Purpose/summary: To outline the contents of the recent Housing Green Paper and to seek views to help inform a formal Council response.

Alternative options considered and reason for selecting the one recommended:

Recommendation/decision: To accept the report and put forward views on the Green Paper.

Key Decision: This report does not involve a key decision.

Risks/Implications:

Financial:	None
Staffing:	None
Policy:	Housing Strategy
Equal Opportunities - has a Diversity Impact Assessment been conducted?	N/A
Wards affected:	All

Property – Does the proposal involve a reduction, addition or change to the Council's asset base or its occupation?

No

Does this proposal have significant implications for the Council and the local population?

At this stage the Government are seeking views on future housing and regeneration issues.

Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?

No.

Has the Director of Legal and Property Services confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? **N/A**

Has the Director of Finance and IT confirmed that any expenditure referred to within this report is consistent with the Council's budget? **N/A**

Are any of the recommendations within this report contrary to the Policy Framework of the Council? **N/A**

For Cabinet reports only:

Categorisation of the report:	X		
Discussion leading to a decision		Discussion	
Monitoring		Decision	
Sharing for corporate understanding		Information	

Tracking/Process:

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
CPP - 17.9.07			

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer M. Kimber

Date 28th August 2007

1. Introduction

- 1.1 Over the Summer the Government published its Housing Green Paper, Homes for the Future: More Affordable, More Sustainable. It is a consultative document requiring comment by the 15 October and it is likely to be the basis of an early White Paper in the late Autumn.
- 1.2 The Green Paper is a long document that covers a whole range of housing and planning issues. Besides this document further statements from government are also expected shortly on the Hills review of the future of social housing and the Cave review of housing regulation.

2. Key Headlines

- 2.1 A summary of the paper is attached to this report along with some particular issues for Wigan. However the key headlines are:

- Major increases in the overall supply of housing (240,000 per annum) to overcome current housing shortages
- An increase in the numbers of affordable and social housing
- For these increases to be achieved via a combination of unblocking development constraints (both housing and planning), allowing a wider range of agencies to become involved in housing provision and by increasing public resources.
- These increases in production to be matched by improvements to quality / eco-friendly standards.

Further detail is provided within the appendix to the report.

3. Effect on the Borough

- 3.1 In terms of the effect of these proposals on the Borough, the following preliminary comments are made.
 - The opportunities to increase housing provision is to be welcomed and this will over time reduce housing shortages within the borough.
 - The greater public investment in affordable housing and in socially rented homes is also welcomed, as is the opportunities to bid for further growth and supporting infrastructure funding.
 - The creation of a new Homes Agency to provide funding and development expertise is also a welcome move.
 - The decision to allow the Council / ALMO to develop housing and compete for government grant from next year is also warmly received.
 - Proposals that widen the range of partnership options to develop additional affordable housing including an increased role from English Partnerships and Councils is also positive.
- 3.2 However the Council has concerns or seeks further clarification on a number of issues including:

- Lack of detailed comments within the Green Paper over existing housing standards and about regeneration issues.
- Concern over the relative priority for affordable housing resources within the NW region, given the apparent greater affordability issues in the South. Continued recognition of the wider regeneration needs of the North are needed.
- Concern that the NW Development Agency are to be tasked with developing an overall Regional Strategy when the Regional Assembly are charged with developing key component parts such as the Regional Spatial Strategy.
- Concern over how a Planning Gain Supplement would operate in a local context.

4. **Conclusion**

4.1 In broad terms this Green Paper is welcomed as it seeks to tackle the key issue of housing shortage which is the root cause of high prices and the current difficulty in accessing affordable housing. However there are potential concerns over how this policy will be implemented and therefore the Council needs to put together a detailed response to this consultative paper.

4.2 It is the intention to develop these initial views into a proper response to the Government consultation and which will also feed into key sub regional and regional responses. The views of the Panel are therefore sought to help inform this response to these Government proposals.

Briefing Note:- Housing Green Paper

Homes for the Future More Affordable, More Sustainable

Introduction:

The Housing Green Paper, Homes for the Future: more affordable more sustainable, sets out the latest Government ideas on how to tackle housing issues. Some of the planned approaches have already been announced, others are new. Consultation on the paper will run until mid October. Further statements are expected on important topics such as the Hills review of social housing.

The Green Paper covers a considerable number of issues and contains a significant number of proposals. However in essence the key messages are:

- The shifting of the whole housing agenda to one of increasing the overall housing supply.
- This to be achieved via unblocking constraints on growth (housing, planning skills etc.) and via a mixed economy where a wide range of providers will develop a wide variety of solutions.
- Increase in public resources matched by a 'what works best' practice.

This briefing now sets out the key messages from each chapter of the Green Paper.

Chapter 1: Delivering Homes Where They Are Needed

Government is responding to the growing shortages of all types of housing in England caused by growing population and household numbers.

- Setting a target of developing 240,000 homes per year including increases in the north and in rural areas.
- Establishing a new round of Growth Points (north eligible to apply).
- Scaling back of Housing Market Renewal Pathfinders.
- Inviting bids for five new eco towns (5 - 20,000 homes).
- Access to Community Infrastructure Fund for Growth Points / Eco Towns.
- Releasing more public sector land.
- Piloting Community Land Trusts.

Key Issues for Wigan -

- Concern over comments about the priority of housing renewal / little emphasis on current housing stock.
- Opportunities for greater housing led development to help solve local housing shortages.
- Consideration of opportunities for bidding for Growth / Eco Town status.

Chapter 2: Continuing Planning Reform

Programme of revisions to Regional Spatial Strategies to incorporate additional homes, growth points and eco towns.

- Financial rewards for authorities who allocate sufficient sites and deliver high levels of housing.
- Increased scrutiny from Planning Inspectorate.
- Regional Strategies to integrate development more effectively in the future.
- Regional Development Agencies to be responsible for its development.

Key Issues for Wigan -

- The overarching Regional Strategy to be developed via the NWDA and not the Regional Assembly who are developing key component parts eg RSS
- Importance of having sufficient housing sites within the LDF to fulfil development plans and financial rewards will be available to encourage this.

Chapter 3: Public Sector Land Use

Government is proposing new increased targets for the delivery of housing on public sector land (including LA land).

- Key role of English Partnership in bringing forward sites and ensuring minimum standards are achieved (50% affordable homes, better environmental standards).
- Local housing companies proposed which would be joint ventures between LA and EP to help develop LA land.

Key Issues for Wigan –

- Note the priority from government to the release of public sector land and the increased role by EP in this process
- Importance government place on LA's being proactive in making available land and in the new options available to utilize this for affordable housing

Chapter 4: Recycling Homes and Land

- Priority to continue to develop brownfield land (60%).
- Local Authorities to pursue the need to reduce the number of empty homes.

Key Issues for Wigan –

- Key importance of continuing to target development on brownfield sites and to utilize opportunities to link this with wider regeneration objectives
- Level of vacant homes historically low in the borough and we have an active empty homes strategy. However numbers over the last 12months have increased largely due to new homes being vacant.

Chapter 5: Infrastructure

Government recognise the key importance of housing being supported by infrastructure investment.

- Better cross Government co-operation promised.
- Key importance of co-ordination between LAs and Regional Bodies on growth and infrastructure.
- £300m Community Infrastructure Fund available to Growth and Eco towns.
- Proposal to move forward on the Planning Gain Supplement with reduced s106 obligations. Detailed discussions on the form of implementation still needed.

Key Issues for Wigan –

- Explore any opportunities for infrastructure funding with government agencies
- To take account of the importance of regional / sub regional arrangements in deciding growth and infrastructure priorities.
- To look at the various options for planning gain supplement and to formally inform government on our preferred option.

Chapter 6: Well Designed Homes and Places

This chapter discusses the importance of good design and sets out a series of initiatives to encourage this.

Chapter 7: Greener Homes

Government reiterates the role housing can play in reducing carbon emissions.

- Sets out the gradual increase in energy performance required in the building regulations.
- Also discusses zero carbon homes and the aim to reach this standard by 2016.

Key Issues for Wigan -

- How can we build on the carbon challenge at Bickershaw
- Is there any scope for using the development process to offset emissions from neighbouring communities

Chapter 8: More Social Housing

Government wants to increase the supply of affordable housing and social housing.

- Plans to increase resources for affordable housing by 50% over the next three years.
- ALMOs and LA companies will be able to bid for social housing grant (2 stars from next year), with new development held outside the Housing Revenue Account (HRA).
- Councils only to undertake direct development if better value than others.
- LAs also expected to work with a range of partners to deliver more mixed communities and secure change in deprived areas.

- Mention of HRA reform.

Key Issues for Wigan –

- Look to take advantage of increased resources to develop more affordable / social housing in combination with the affordable housing policy
- To fully explore the option of WALH being able to bid for resources to build housing from next year
- To undertake work with consultants on the most appropriate structures to both maximise the levels of affordable housing being built in the borough and the extent it can be captured as a community asset

Chapter 9: Helping First Time Buyers

Government aim to widen opportunities for first time buyers to ensure they can meet their aspirations for home ownership.

- Increase the numbers of low cost home ownership properties per year.
- Increase supply of affordable homes to 50% on surplus public sector land and to link with local housing companies.
- To promote the concept of deferred capital receipt for land via shared equity housing provision.
- Development of further shared equity products.

Key Issues for Wigan –

- See notes on chapter 8
- To explore the potential of deferred capital receipts on public sector land

Chapter 10: Improving the Way the Mortgage Market Works

Government is proposing to try to make mortgages more affordable and stable over the long term. This will include the promotion of fixed rate mortgages and increasing the levels of information to consumers.

Chapter 11: Skills and Construction

This discusses the skill and capacity base needed to deliver this construction programme. It includes education and vocation frameworks and the link with current worklessness.

Chapter 12: Implementation

Government recognises that to increase housing supply will need massive commitment from a range of public and private organisations.

- Key importance of local leadership in delivering new development.
- Better consultation.
- Key contribution of the LA Housing Strategy role in place making.
- Key role of sub regional working.
- The formation of the new Homes Agency (Housing Corporation, EP).
- Range of local delivery vehicles to support development including LA companies

to provide social housing, Community Land Trusts, Joint Venture organisations, Single Estate Companies and Strategic housing and wider regeneration partnerships.

- Greater mix of development with RSL providing market housing and private sector social housing.
- Key role of housing in the RSS.

Key Issues for Wigan -

- To take forward the government emphasis of local leadership on housing, emphasising both the planning and strategic housing roles
- Key linkages needed with the rest of the Sub region / new GM arrangements
- Need to ensure the strategic opportunities presented by increased housing production are used to help provide increased numbers of affordable housing and are targeted at wider regeneration objectives
- Need to evaluate these new opportunities and to decide on the appropriate structures to deliver desired outcomes
- To take account of the Hills and Cave reviews in social housing