

# The North West Regional Housing Strategy

January 2009



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# Foreword

I am delighted to be able to provide the foreword for the 2009 North West Regional Housing Strategy. Its publication marks the culmination of a lengthy and intensive period of consultation and research at a time of extraordinary change for housing in our region.

Over the last few years, housing has risen further up the political agenda as issues of affordability, property conditions, social inclusion and now the impact of the credit crunch have affected the daily lives of our communities. This presents us with both the challenges and opportunities that this Strategy looks to rise to.

We need to make sure that housing plays a full role in supporting the economic well-being of the North West that the benefits this brings are available to all our residents, that we are able to shape our housing offer to meet the aspirations and needs of current and future generations. We must also use the development of the single Regional Strategy to bring together and integrate a wide range of services with one clear common set of aims and objectives.

There is now a great opportunity to achieve these ambitions: the Sub-National Economic Review has brought with it a strengthened role for the region and its sub-regions, the creation of the Homes and Communities Agency provides us with new potential to deliver in ways that most suit our housing markets; and at a district level, Local Authorities now have clear and distinct strategic leadership roles that will allow them to ensure delivery of their Sustainable Community Strategies.

Since the formation of the Regional Housing Board we have seen some remarkable achievements in the North West. We remain at the forefront of delivering the Decent Homes programme, the 5 Housing Market Renewal

partnerships have helped transform some of our most deprived neighbourhoods, 6 recently established Growth Point initiatives, real progress has been made in preventing homelessness and we are now seeing the strengthening of our sub-regional housing partnerships.

Ours is a very diverse region covering urban, rural and coastal areas alike. One of our real strengths has been to celebrate this diversity and to ensure that the lessons learned in different markets and environments are able to be shared and used across the North West. This strategy looks to build on this collaborative approach and to help districts and sub-regions achieve their potential by providing them with guidance and support that will ensure that collectively they are stronger and more effective than on their own.

This collective approach will be more important than ever in the coming months as the impact of the credit crunch and the recession grows. Housing has an absolutely central role to play in keeping the economy going and protecting livelihoods but this must be achieved in line with our long term vision and objectives. This Strategy provides a clear framework to help us ensure we are able to do this.

*Sir Richard Leese,*

Chair of North West Regional Housing Group.

January 2009

# Executive Summary

## Executive Summary *cont*

- 1 This Regional Housing Strategy for the North West has been produced against a backdrop of significant structural change that has called for new approaches to advance and develop the 2005 Strategy. The following are the key issues that have arisen throughout the consultation period that the revised Strategy needs to address:
- The impact of the credit crunch on housing markets that were already extraordinarily dynamic;
  - A changing demography;
  - Identifying routes to establish or strengthen links between housing and economic agendas;
  - Ways of improving access to affordable homes whilst continuing to restructure vulnerable markets;
  - Spatially prioritising market intervention to ensure that limited public resources are used in the most effective way;
  - Ensuring greater spatial prioritisation of market intervention; and
  - Optimising the role of housing in tackling climate change and addressing fuel poverty.
- 2 At the same time the North West has been developing responses to a series of major legislative and national policy changes including the Sub-national Economic Review, the Local Government White Paper, the Housing and Regeneration Act and the Housing Green Paper. These are helping shape a new broader framework for housing in the North West through, for example, the emergence of the Regional Strategy and have created
- opportunities to strengthen delivery through the establishment of the Homes and Communities Agency.
- 3 During the development and consultation for this Strategy, the scale and impact of the credit crunch, and subsequent UK recession, on the Region's housing markets became apparent. The tightening of credit has created uncertainty in our markets by restricting people's ability and confidence to access homeownership. Consumer confidence has been further undermined by falling house prices and uncertainties surrounding rising unemployment. In turn, falling demand has, through the price mechanism, affected the delivery of new homes. Yet at the same time the underlying growing demand for housing has not abated, the need to address poor quality housing has not lessened and the importance of housing's role in tackling exclusion is, if anything, heightened. These issues call for a long term strategic vision and clarity of direction of travel that allow flexible short and medium term policy responses to be developed that will ensure we still deliver the Region's housing ambitions.
- 4 These factors have led to the development of a new and quite different direction for this Strategy. The primary role of the previous RHS had been to steer the regional allocation of public investment in housing; this is no longer the case. At a regional level, this Strategy looks to align housing with our other key strategies on the economy, planning, health, environment and transport. This will pave the way for an integrated role in
- the emerging Regional Strategy and help ensure the totality of public resources is most effectively used to attract and complement private investment. At a sub-regional and local level, this Strategy provides direction and a framework to ensure consistency of purpose and clarity of expected roles.
- 5 The overarching driver behind the Strategy is to ensure the Region's housing offer supports sustained long term economic growth, inclusion and regeneration, while playing a central role in delivering the benefits of this to all communities. By strengthening and focussing interventions to ensure that housing markets operate effectively, we will be able to address the tension that can exist between creating a long term housing offer that looks to people's aspirations and reacting to short term pressures to meet immediate housing needs.
- 6 In striving to meet this ambition, the overall vision of the Regional Housing Strategy is: *"to create balanced housing markets across the North West that support economic growth, strengthen economic and social inclusion and ensure that everyone has access to appropriate, well-designed high quality, affordable housing in sustainable, mixed and vibrant communities."*
- 7 To achieve this there are three equally important and connected objectives for the Strategy:
- Achieving the right quantity of housing**
- The Regional Spatial Strategy and local authority Local Development Frameworks identify the responses needed by 2021
- to meet the numeric shortfall created by household growth outstripping housing supply. Through sub-regional and district housing strategies, the RHS complements this work by requiring new supply to fully complement the neighbourhood in which it sits. This means making it appropriate to local markets and environments and to be sustainable by getting the location, type, design, size and tenure right. The RHS also emphasises the importance of optimising the use of the existing stock and, in particular, of bringing empty properties into use.
- Continuing to raise the quality of the existing housing stock**
- Over 90% of the region's housing supply for 2021 is already built - this must continue to be or made to be fit for purpose and of a standard that current and future generations now demand. The RHS emphasises the critical importance of progressing work to ensure that our existing homes are of a high standard and made sustainable to play a full role in raising the quality of place of our neighbourhoods. The RHS also recognises the major role housing plays in creating a sense of place for communities and its contribution towards the North West's identity, character and heritage.
- Connecting people to the improved housing offer**
- The economic success of recent years and the improved quality of housing have led to important increases in the quality of life for many residents across the North West. Ensuring these benefits extend to

Executive Summary cont

# 1. Introduction

all requires structured intervention that can be tailored to local circumstances. The RHS looks to ensure policy develops opportunities to access good housing and housing support choices to meet people's housing demands, needs and aspirations through a wide range of effective tools and products.

8 The Strategy provides a framework for the 5 sub-regions to shape their housing strategies and work with their districts in establishing market interventions that will create balance across their housing markets. Using intelligence gathered from Strategic Housing Market Assessments these interventions will address the core three objectives through locally determined solutions and tie housing into a wider policy environment.

9 One of the outcomes of the Sub-national Economic Review was to bring about significant changes in the roles of the agencies with responsibility for overseeing housing strategy and delivering against this. Chapter 7 provides details of the new roles and responsibilities of all of the key national, regional, sub-regional and local bodies in achieving the North West's housing ambitions.

10 It is critical that we are able to measure the impact of the intervention and investment shaped by RHS to measure our progress, inform regional funding discussions, promote the region's case for the efficient and effective use of resources and to help local housing delivery plans focus on key strategic issues. To do this Chapter 8 establishes a new **Impact Assessment**

**Framework** through a set of high level Strategic Housing Indicators that will be collated and monitored annually by the Regional Housing Board. These have been selected by reference to revised regional housing objectives and informed by the housing indicators being adopted by local authorities within their emerging LAAs and MAAs.

11 To meet and deliver the challenges the RHS presents, it is recognised that we will need to build on the wealth of skills, expertise and good practice already existing in the region. This requires the resourcing and strengthening of greater capacity and practical cross boundary working relationships. Some mechanisms are already in place, for example, through Housing NW we are already starting to raise the quality of support available to housing practitioners in the region. Chapter 9 shows how this work needs to accelerate and be aligned with opportunities arising from the development of the Homes and Communities Agency.

1.1 This revised Regional Housing Strategy builds on the one published by the Regional Housing Board in 2005. It has been prepared during a time of significant changes in our regional housing markets and developments in national and regional policy.

1.2 This approach was needed to ensure that housing plays a full and integrated role in achieving the Region's economic, environmental and social ambitions. The Strategy has been developed and supported by extensive consultation and debate. This involved preparation of two consultation papers and a series of regional and sub-regional events. It was also supported by extensive new research and evaluation and an iterative sustainability appraisal.

1.3 Underpinning the extensive review process has been the input from stakeholders. They provided rich and diverse responses for the Strategy Steering Group and Regional Housing Board to digest. A summary of the consultation process and written responses, as well as the independent sustainability appraisal is available separately<sup>1</sup>.

1.4 As we have seen with earlier Regional Housing Strategies, in a region as diverse as the North West where we face many competing challenges and finite resources we did not expect, nor find, consensus during consultation. In addressing this, the Board's role is to establish a direction of travel for housing strategy in the region that is as inclusive as possible but remains focussed on its primary goals. This enables

the Board to take difficult decisions taking into account the views of stakeholders, the Regional Spatial and Economic Strategies, the emerging Regional Strategy – RS2010, the policy environment and the lessons learned from what has been achieved so far.

1.5 The Strategy is intended to be a primarily web-based resource. The will help to ensure that the Strategy remains a valuable, practical tool for those involved in housing strategy and policy development in the North West. It will allow the Board to keep information and data sources as up to date as possible and to encourage strong links with wider policy areas. The main body of text has been kept deliberately concise with greater detail also provided on specific key Detailed Policy areas. Detailed Technical Annexes have been developed to support the Strategy and good practice work can be found at [www.housingnorthwest.org.uk/rhsgp](http://www.housingnorthwest.org.uk/rhsgp)

1.6 The Strategy should play a leading role in the development of policy and local delivery; and provides a clear platform for the integration of housing into the emerging Regional Strategy.

<sup>1</sup> The Sustainability Appraisal included equality and health impact assessments and rural proofing. [www.nwrpb.org.uk/regionalhousingstrategy09](http://www.nwrpb.org.uk/regionalhousingstrategy09)

## 2. Background

- 2.1 Up until the summer of 2008, the North West experienced a period of remarkable and sustained economic growth that with successful management created many thousands of new jobs and brought a new found confidence to the region. This growth was reflected in our housing markets that now provide a stronger and more diverse range of choice for those living or looking to live in the North West.
- 2.2 We said in our 2005 Strategy that “in much of the North West, the housing market operates effectively as a means of delivering the right homes in the right mix, quantity, location and at the right cost to meet the needs of most local households”. Our subsequent work has driven the push to move from “much” and “most” to “all”.
- 2.3 The role of this Strategy is to inform and influence interventions where market conditions mean this push is still required or where the credit crunch is impacting most severely and to concentrate efforts where the housing offer does not support economic growth, inclusion and regeneration.
- 2.4 There is now an understanding of the interdependence of housing and economic growth; get the housing offer right and it is an important economic driver, fail to address weaknesses and housing will act as a drag on growth potential and wider economic and social inclusion. These linkages have not always been appreciated and, consequently, fractured policy frameworks developed. Across the region, a wealth of recent experience, evidence and research coupled with the principles established in the Sub-National Economic Review are helping to address this.
- 2.5 The relationship between housing and economy is spatially sensitive and the Regional Housing Board is looking to the sub-regions to use the themes in this Strategy, together with their strategic housing market assessments (SHMAs), to develop bespoke housing strategies to articulate the way they will deliver a balanced offer to support wider economic ambitions. By enabling strong markets to continue to flourish and intervening in those areas where there remain risks of exclusion, we can make sure that the benefits of economic growth open opportunities for **all** our communities.
- 2.6 The great majority of people living in the North West have been able to do this. The strengthened economy has created greater equity wealth and decent homes investment, as well as ever improving management practices and has supported the transformation of our socially rented homes, while our city centres now offer a further range of housing choice. Yet there remain many residents and some neighbourhoods in the North West excluded from these advances, with a poor and imbalanced housing offer very often one of the common underlying factors. This exclusion is evident in urban, rural and coastal settlements alike, with the credit crunch and recession providing further challenges to policy designed at redressing the situation.
- 2.7 The solutions to these challenges are not for the public sector agencies to

## 2. Background *cont*

- resolve alone, the private sector is the key player in the delivery of balanced housing markets in the region, but their leadership and co-ordination roles are vitally important especially in the current economic climate. The scale of necessary new housing means that to succeed this will be developed without significant public funding or intervention. Equally, the degree of necessary improvement to the existing stock means this will largely have to come as the result of investment by individuals. It is where this is not happening that the development of closer strategic partnership working across sectors and new investment models must evolve.
- The Sub-national Economic and Regeneration Review**
- 2.8 This Strategy has been strongly influenced by “Prosperous Places” the 2007 review of Sub-national Economic Development and Regeneration (SNR), the subsequent “Transforming Places” consultation paper and latterly by the Government response published in November 2008. These have made Government thinking clear by highlighting the importance of targeted and aligned intervention to improve desired economic outcomes.
- 2.9 The SNR has also set up a new regional strategic architecture. The Regional Economic Strategy (RES), Regional Spatial Strategy (RSS) and the RHS are in future to be combined into the Regional Strategy. This has been warmly welcomed in the North West as an opportunity to better prioritise investment and further boost the sustainable economic performance of the region.
- 2.10 Ensuring that this integrated strategy has formal status in the planning system will require legislation. This was included in the 2008 Queen’s Speech with the hope that powers would be in place before 2010 with the production of a statutory Regional Strategy likely to take 2 years beyond this date. North West partners, however, want to take this opportunity and move more quickly to bring together the priorities set out in the RES, RSS and RHS. This will enable the region to build on the work we have jointly done in recent years to integrate our strategies.
- 2.11 GONW, NWDA and 4NW have agreed to focus on the development of a North West Regional Strategy by 2010 (RS2010), which will be informed by the expectations laid out in the Government’s November 2008 “Prosperous Places” response and:
- Refresh and revise economic development actions and priorities building on the Regional Economic Strategy 2006-09;
  - Set out a vision and key principles on strategic issues;
  - Integrate the priorities in the revised RSS and this Strategy with actions to achieve sustainable economic growth; and
  - Prepare the region to work swiftly and effectively on an integrated Regional Strategy after the necessary legislative changes.
- 2.12 The Regional Strategy will integrate social, environmental, health, low-carbon and equality/diversity priorities while enabling

## 2. Background *cont*

the private sector to create wealth in the region and ensure that our communities benefit. It will be spatially focussed and, importantly, enable the region to be clear about the links and relationships between the region's places and the economic assets and challenges ahead.

- 2.13 The issue of sustainability is integral to regional policy. In striving to create sustainable communities, housing and wider regeneration initiatives should consider likely commuting patterns and ensure that developments are located so that the best use is made of existing or planned transport infrastructure, particularly that which allows for travel by public transport or other sustainable modes such as walking and cycling.
- 2.14 There have been a number of other significant policy developments that have been taken into account - the Local Government White Paper has further strengthened the strategic role of Local Authorities and the creation of the Homes and Communities Agency is opening new opportunities to strengthen delivery. Meanwhile, Local and Multiple Area Agreements are becoming increasingly important in bringing together and accentuating the value of local services and districts within our 5 sub-regions, and in continuing to develop their housing strategies, are accelerating collaborative working.
- 2.15 All of this means that we are in a very different environment to that of 2005 when the last strategy was produced. The approaches in this Strategy have

been developed to reflect these and the prevailing market conditions to ensure that housing plays a fully integrated role in the emerging Regional Strategy and to give guidance on expectations of sub-regions, districts and delivery partners.

### **The credit crunch and the long term nature of the RHS**

- 2.16 At the time of writing, the credit crunch and ensuing economic conditions are already presenting new challenges for housing in the region. The tightening of credit has created uncertainty in our markets and has impacted significantly on people's ability and willingness to access mortgages, which in turn has affected supply.
- 2.17 There have been a number of immediate impacts – much current and planned private sector new build activity has stopped or slowed down significantly, there has been a rapid drop off in the levels of sales (of new properties in particular), and prices are generally falling. The difficulties many face in accessing mortgages often because of deposit requirements have, despite low interest rates, delayed the possible benefits of lower price to income ratios for most first time buyers. The reduction in sales and associated falls in liquidity and land values have created severe problems for many of the region's developers. The changed finance markets and increasing unemployment have ensured that the level of repossessions has risen and this is forecast to become even more serious, despite the Government's welcome measures to assist some households with their mortgage costs.

## 2. Background *cont*

- 2.18 Whilst it is still too early to understand the full extent of the effects of the economic downturn on the region's housing markets, it is becoming increasingly apparent that these issues are structural, not just cyclical. This means revisiting many long held assumptions, policies and investment models to check against reality, deliverability and appropriateness in moving forward.
- 2.19 Currently, low affordability, reduced consumer confidence and difficulties in obtaining finance, mean the demand for housing is now, since the credit crunch, less often translated into an actual economic demand for purchasing property. It is important, however, for strategies in the region to reconcile this turbulence with the clear and consistent long term regional trajectories showing sustained household growth and increases in demand. Our overall outcomes and goals have to look to ensure that a positive policy framework fostering links between housing and economic inclusion is maintained so that when the housing market stabilises, the region will be in a position to respond quickly to secure appropriate infrastructure, additional homes and positive regeneration outcomes.
- 2.20 In the short to medium term, the regional agencies will consult with the districts and sub-regions to establish and co-ordinate policy responses that, whilst reflecting prevailing market conditions, are in line with the long term aims of regional and community strategies. These may include activity to:

- Track and understand local housing markets using both qualitative and quantitative data (e.g. strategic housing market assessments).
  - Ensure good quality advice and support is available to those at risk of defaulting on loans.
  - Develop option appraisal systems to identify the most appropriate means of supporting stalled developments and ensure readiness for the upturn.
  - Raise awareness of all housing opportunities open to those looking for a home.
  - Develop new equity or intermediate products to enable people to access the tenure of their choice.
  - Mitigate the impacts of stalled schemes on place and community relations.
  - Change the balance of tenure in a scheme to increase demand.
  - Review the mix of uses, sizes and tenure through planning to create more appropriate sustainable schemes.
  - Focus on retaining and improving existing stock where new-build dwellings are no longer financially viable.
- 2.21 Of particular importance is the continuation of site assembly to ensure the delivery of additional homes in the future. There are likely to be opportunities to accelerate and scale this up to help deliver a greater volume of new provision. In turn this will support the creation of more transformative developments that are able to attract sustainable and mixed income communities.

## 3. Evidence Base

3.1 This Strategy is able to draw on a comprehensive and up to date evidence base. The details of this are set out in separate Technical Annexes<sup>3</sup> and should be read alongside a summary analysis of the region's housing markets<sup>4</sup>.

3.2 The following is a summary of the key points arising from the evidence base:

- Broadly, overall housing demand in the North West is increasing, with strong population and household growth linked to the improved economy.
- This growth is driven by a series of factors; net in-migration from elsewhere in Britain and abroad, natural demographic increases, greater life expectancy - with especially significant increases in those aged 75 - and shifting household formation patterns.
- The credit crunch and recession are already affecting both overall and affordable housing supply in the region.
- After a protected period of substantial increases in house prices, in the last 2 years these have steadied and are now falling. Despite this, the problem of people unable to access affordable homes remains acute. This is due to a continued income/price imbalance now coupled with rising unemployment, job insecurity, and the increasing difficulty first time buyers have in accessing mortgage finance through tightened lending terms.
- There is concern that the fall in prices will trap many households in negative equity and particularly undermine

confidence in those neighbourhoods with fragile and imbalanced markets. In these areas, many 'affordable' dwellings are in poor condition with high repair costs and with a need for sustained investment in wider neighbourhood renewal.

- High house prices have swelled demand for social rented housing. Waiting lists across the region have almost doubled since the year 2000, to over 200,000 households.
- However, as demand has grown, the supply of social rented housing re-lets has fallen because fewer people are leaving the sector to buy their own home on the open market. As a result, waiting times for affordable housing are increasing.
- Private sector stock condition remains a continued cause of concern. A legacy of the North West's industrial past, the ageing housing stock often falls short of modern expectations. Coupled with associated quality of place issues, this can spur migration from some of the region's most vulnerable neighbourhoods to less sustainable suburban and rural areas.

3.3 We have made important progress since 2005 in understanding how housing markets differ at sub-regional and local level. To build on the initial typology work of the last RHS, research for 4NW has identified 27 distinct Housing Market Areas<sup>5</sup> in the North West and has served to show the complex, diverse nature of the region.

## 3. Evidence Base *cont*

3.4 A Regional Strategic Housing Market Assessment<sup>6</sup> (RSHMAs) has subsequently been prepared for the region and each area to give a consistent overall picture of the current housing market and scenarios for future change. This work was inclusive and extensively consulted upon to make sure that it forms a robust foundation for further refinement through sub-regional and local assessments that will provide the evidence bases for the development of sub-regional housing strategies. Details can be found in Technical Annex 2.

3.5 On the whole the areas identified align with Local Authority administrative areas or amalgamations of Local Authorities. The exceptions are in Cumbria where the geography lends itself to a finer grained pattern and in Greater Manchester where the city region forms a pattern of sectors around the central core. There are significant variations in the size of housing market areas in terms of area and population but again these simply demonstrate the diversity of the region.

<sup>3</sup> <http://www.nwrpb.org.uk/regionalhousingstrategy09>

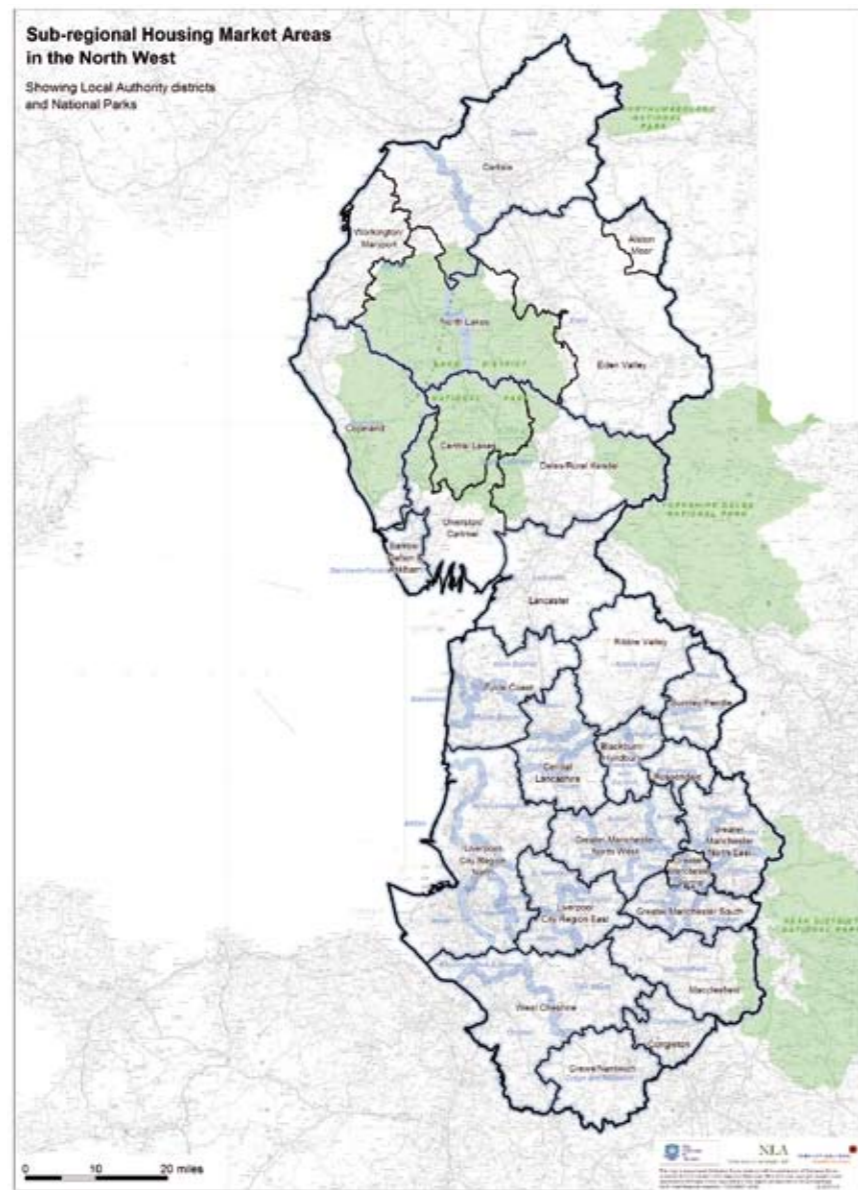
<sup>4</sup> <http://www.nwrpb.org.uk/regionalhousingstrategy09>

<sup>5</sup> [http://www.nwrpb.org.uk/downloads/documents/apr\\_08/nwra\\_1208352307\\_HMA\\_Final\\_report\\_31-03-08.pdf](http://www.nwrpb.org.uk/downloads/documents/apr_08/nwra_1208352307_HMA_Final_report_31-03-08.pdf)

<sup>6</sup> [http://www.nwrpb.org.uk/documents/?page\\_id=4&category\\_id=249](http://www.nwrpb.org.uk/documents/?page_id=4&category_id=249)



### 3. Evidence Base *cont*



Source: 4NW

### 3. Evidence Base *cont*

3.6 The subsequent Regional Strategic Housing Market Assessment then identified four main long term drivers of housing market change in the North West:

**Demography** - Net international migration, natural growth (more births than deaths), greater life expectancy and a continuing trend for more people to live alone are all contributing significantly to increased housing demand.

**Economy** - in recent years the growth of the North West's economy has led to significant population increases as people are attracted to jobs and opportunities in the region and as the level of outward economic migration has slowed. Although the recession will likely impact negatively over the forthcoming quarters, long term expectations are for the North West's economy to remain a significant driver of housing demand.

**Resourced Demand** - most households aspire to own their homes but in recent years affordability and buy to let investors have excluded many potential first time buyers from the market. This competition, fuelled by ease of access to finance, added to the demand stemming from demographic and economic growth. One of the main early impacts of the credit crunch is that access to and demand for mortgages for owners and investors alike have dropped dramatically. The first knock-on effect in areas of population growth has been to push up demand for private renting and to add further to the pressures on the social stock.

**Policy** - as the Housing Market Renewal Pathfinders have demonstrated, Government and local authority policies can have an important impact on markets. Recent Government policies have given a high priority to increased supply, and the region has responded with increased output and provision for new development, including identification of the 6 new Growth Point initiatives.

3.7 Overall, the Regional Strategic Housing Market Assessment has identified a series of long term goals needed to support the sustainability of our communities, these are to:

- Support the case for a further boost in housing output to meet the needs of the economy and of demographic change<sup>8</sup> in the future;
- Highlight the continuing seriousness of affordability problems across the region;
- Identify net annual affordable housing need of around 38,000 dwellings a year in the region as a whole that will require a combination of new social rented and intermediate affordable housing, low cost market supply, and affordable private tenancies to meet this need as an element of a comprehensive approach to provision; and,
- Show how affordable need varies across housing market areas so that different solutions can be developed.

3.8 This re-emphasises the importance of the sub-regional partnerships in interpreting these overall findings, across housing market areas, to develop bespoke and

<sup>8</sup> The Regional Framework on Ageing has been developed through 5050vision on behalf of NWDA, 4NW, GONW, Regional Public Health Team, CSIP, NHS NW, Age Concern NW and Help The Aged - details can be found at [www.5050vision.com](http://www.5050vision.com)

### 3. Evidence Base *cont*

achievable local housing policies and in using the planning system to contribute to meeting housing needs and demands.

- 3.9 The Annual Monitoring Reports (including those prepared by 4NW to measure performance of the Regional Spatial Strategy and those prepared by local authorities for Local Development Framework purposes) will provide additional and up to date sources of information on the impact of strategic responses to the assessments. As housing markets and their drivers look set to remain extremely dynamic, these will be invaluable in informing and shaping future housing policy and delivery.

## 4. Realising Regional Housing Outcomes

- 4.1 This chapter explains the purpose of the Regional Housing Strategy, what it is looking to achieve, and how in overall terms this will be done. It sets the tone for the Strategy: the detailed rationale and delivery framework is then fleshed out in subsequent chapters.

### **Vision**

- 4.2 The overall vision of the Regional Housing Strategy is:

*“to create balanced housing markets across the North West that support economic growth, strengthen economic and social inclusion and ensure that everyone has access to appropriate, well-designed high quality, affordable housing in sustainable, mixed and vibrant communities.”*

### **Objectives**

- 4.3 To achieve this there are three equally important and connected objectives that all must be addressed. These are long-term, high level housing objectives for the region against which shorter term priorities for action will need to be established at district and sub-regional level.

### **Achieving the right quantity of housing**

- 4.4 The North West of England Plan Regional Spatial Strategy to 2021 addresses the provision and distribution of new housing taking into account a number of factors including issues of demand and supply. The role of the Regional Housing Strategy is to complement this work and that

of local authority Local Development Frameworks, through establishing a framework for sub-regional and district housing strategies. This will require new supply in both rural and urban areas to be appropriate to local markets and environments and to be sustainable by getting the location, type, design, size and tenure mix right. It is also vital that the capacity of the existing stock is fully used, in particular, that empty properties are brought into use.

### **Continuing to raise the quality of the existing housing stock**

- 4.5 Great improvements to our existing stock have been made in recent years through the Decent Homes programme, Housing Market Renewal and the work of Local Authorities, ALMOs and RSLs. This Strategy emphasises the critical importance of progressing this work to ensure that our existing homes are made sustainable and play a full role in raising the quality of place as part of neighbourhoods where people choose to live, work and invest.

### **Connecting people to the improved housing offer**

- 4.6 The economic success of recent years and improved quality of housing resulting from this have led to important increases in the quality of life for many residents across the North West. Ensuring these benefits extend to all residents and communities requires structured intervention – demand,

## 4. Realising Regional Housing Outcomes *cont*

needs and aspirations are all still increasing but average incomes have not kept pace with house prices and this has restricted people's housing opportunities. This creates a growing risk of exclusion from our housing markets, polarisation, reduced social mobility and detachment from the benefits of economic growth. This Strategy looks to ensure policy develops to create greater opportunity to access wider housing choices through a wide range of effective tools and products.

### Purpose

- 4.7 The RHS is part of a suite of strategies that will come together in the future to deliver the ambitions of the North West through the Regional Strategy. The following points explain this informing and influencing role and the overall purpose of the Strategy:
- To set out a clear view of the strategic housing issues facing the North West, informed by the relationship between housing, economy and social and environmental sustainability, and to identify appropriate responses to these.
  - To establish a set of principles for the regional housing roles of the key agencies, sub-regions and districts to ensure that the outcomes of their work are steered and aggregated to support the achievement of regional ambitions.
  - To provide a framework for housing, housing support and planning and regeneration investment in the region, to support the Regional Housing Board in making investment decisions and to identify where the Board and its partners can intervene to make a

demonstrable difference in housing markets.

- To make the case to Government, through the Regional Funding Advice (RFA) process, to attract support for long term investment to meet the North West's housing priorities.

### Approach

- 4.8 There are a number of principles that underpin our approach:
- This is primarily an economically and market focussed strategy to bring about long term structural improvement and balance to our housing markets. The aim is to ensure the creation of an attractive housing offer that matches the demands, expectations and aspirations of the people of the North West.
  - Housing also has a key role to play in meeting people's needs and improving health and well-being. These are complex relationships that require the development and delivery of services to be led and coordinated at the district level through partnership working responding to local circumstances.
  - The credit crunch has already brought about structural changes to our housing markets that will require new models for intervention to be established – but this is not a quick fix. Ensuring that policy responses are appropriate for the North West in the short to medium term means developing a collective approach that is sensitive to long term demands and expectations.

## 4. Realising Regional Housing Outcomes *cont*

- That public investment in housing stock and services is an aligned component of other broader public investment that is able to collectively draw in and steer private investment towards the achievement of our economic and social objectives.

- There is a central two-way role for the 5 sub-regions in delivering and informing the region's housing agenda. Their strategies need to identify and analyse the key local challenges, including specific rural or coastal housing issues, to develop tailored policy and clarify requirements of districts and delivery partners. In turn these strategies need to be framed by the wider regional agenda and to ensure that the outcomes they are striving for deliver the objectives of the RHS.

- That over 90% of the stock for 2021 is already built – ensuring this is sustainable, fit for purpose, accessible by all, right for the aspirations of modern generations and rises to the challenge of climate change have to remain as intervention priorities for the region.

- That we will increase our overall housing supply in ways that are sustainable, right for the local market circumstances and respect local environments: both built and natural.

- That issues of housing demand and need can not

- be met by supply side improvements alone.

- That we measure our progress against a set of Strategic Housing Indicators that the Regional Housing Board will use, alongside the supporting evidence base, to performance manage investment and ensure the approaches remain valid.

- 4.9 This approach is a progressive policy shift that will not be achieved over night; the new objectives will take time to become embedded in the Regional Strategy and in housing, regeneration and community strategies at sub-regional and district levels.

# 5. Integrating Strategic Objectives

## 5. Integrating Strategic Objectives *cont*

5.1 This is the heart of the RHS that details the objectives and roles required from partners based on our evidence base to deliver the region's housing vision.

5.2 To achieve the vision, all three objectives must be addressed. These are long-term, high level housing objectives for the North West against which shorter term priorities for action will need to be established at district and sub-regional level to inform their partnerships with and expectations of the Homes and Communities Agency (HCA).

**Achieving the right quantity of housing Background**

5.3 Put simply, household growth through demographic change and economic migration has led to a position whereby the supply of housing in the North West has been unable to keep pace with demand. Projections for the region show an increase in population every year up to 2020. The level of growth varies from year to year but remains between 19,000 and 25,000 people. Growth is split between natural increase (the excess of births over deaths) and net in-migration, with the level of natural increase only declining after 2020 and net migration remaining significant throughout. This growth, together with a continuation of the well-established national trends for smaller households and people living longer healthier lives, is projected to generate an additional 26,000 new households per year in the region up to 2029.

5.4 Through the 2008 RSS the North West has signalled the importance it places on ensuring an appropriate increase in supply and meeting the significant contribution the region will make to the Housing Green Paper target of 3 million additional new homes by 2020. In addition, 6 Growth Point Initiatives have commenced in the North West where the following areas are looking to meet growing demand by making provision that exceeds RSS provision:

- Greater Manchester;
- Carlisle;
- Central Lancashire and Blackpool;
- West Cheshire;
- Halton, St Helens and Warrington; and
- Merseyside Heartlands.

5.5 As well as increasing overall supply, there is a linked issue here of the requirement for the new provision of greater numbers of affordable homes. There are some parts of the North West, in particular the rural areas, where the supply of affordable housing is now so inadequate that the sustainability of communities is threatened as workers key to local economies and people with strong local ties simply cannot find anywhere to live. For further information see figure 5 in Technical Annex 1<sup>9</sup>.

5.6 The issue of affordability has had a major impact on the demand for social rented housing. Waiting lists have risen sharply across the whole region, almost doubling since 2000, with over 200,000 households currently enrolled on housing registers or other schemes to access social rented housing. This increase has come at a time when the availability of social housing is reducing, primarily as a result of decreased turnover and of the legacy of right to buy sales<sup>10</sup>.

5.7 Up until 2008, increased demographic demand, including demand from international in-migrants, reduced the turnover of social housing while the ready availability of loan finance to investors fuelled an increase in private rented provision, sometimes at the expense of first time buyers seeking to enter the owner-occupied market. Whilst the credit crunch has stemmed the supply of this finance to investors and first time buyers alike, demand for the sector remains higher than ever and it remains to be seen how the market will reconcile these factors. Issues around the private rented sector are discussed further in Area of Detailed Policy C.

5.8 Although counter intuitive, in terms of homelessness, regional evidence clearly shows that there has been no correlation between supply/affordability and homelessness trends. In line with national objectives, the North West has been making steady progress in halving the numbers of families in temporary accommodation by 2010. This excellent achievement has been

made by improvements in prevention and addressing risks further "upstream". The experience gained in reaching these targets will be invaluable as responses develop in preparation for increased call on housing and money advice services as a result of growing levels of repossession action look inevitable over the coming months.

5.9 Much of the emphasis on increasing supply nationally has focussed on the provision of new homes. In regions such as the North West, this has to be complemented by strategies to bring the many existing but empty properties back into effective use. There are many and complex reasons why perfectly good properties can remain vacant that will require detailed knowledge of both local markets and a tool kit of possible solutions. Local authorities need to take the leading role in developing effective policies to address local circumstances through a range of measures including awareness raising, advice, support, enforcement and establishing partnerships with owners, RSLs or the private sector.

**Strategic approaches**

5.10 The shortage in supply is a long term structural weakness in our housing markets that the region has signalled its intention to address by setting a figure in RSS of 416,000 new homes to be built between 2003 and 2021 – an annual average of 23,111 homes per annum. The Growth Point area bids will look to add a minimum additional 20% to their RSS figures.

<sup>9</sup> Figure 5, Technical Annex 1

<sup>10</sup> Figure 5, Technical Annex 1

## 5. Integrating Strategic Objectives *cont*

- 5.11 It is here the RHB expects sub-regions and districts to use SHMA backed housing strategies to create robust frameworks for the delivery of these new homes. They must ensure that linked housing and planning policies support complementary growth and regeneration programmes that fine-tune stark overall numerical targets to create a housing supply that meets local needs, demands and aspirations and, critically, that are sensitive to local environments. This means delivering the right type, size and tenure of housing in the right places.
- 5.12 There are a number of factors that the RHB will expect to see addressed to support this aim:
- The promotion of good design standards, sustainability, accessibility and lifetime homes through, for example, the issuing of design guidance, masterplanning for important sites, or encouraging design competitions. Local authorities should use their development control powers to reject poor or inappropriate design proposals. Further details on design expectations can be found in Area of Detailed Policy B.
  - In present market circumstances, the reduction in new housing starts and completions and the reluctance of developers to commit new resources or their inability to secure finance are impacting adversely on affordable housing completions and the scale of contributions to affordable housing from the private sector. A reduction in affordable supply is inevitable, offset to some degree by measures to use public resources to address supply. These impacts are, however, short term and it is essential that the planning system continues to be used to maximum effect to secure affordable housing and to ensure an adequate supply of land in suitable locations once the market recovers.
  - Until recently, the planning system was encouraged not to differentiate between tenures, but PPS 3 has changed this and Local Authorities are strongly encouraged to ensure that they consider the issue of mixed income and tenure balance across neighbourhoods in developing planning frameworks.
  - Local Development Frameworks should integrate housing, infrastructure and other forms of development. By investing in the necessary infrastructure we need to maximise development of brownfield sites that are easily accessible to centres of employment partly to ensure greater integration and mixed communities but also to avoid creating unsustainable commuting patterns.
  - Housing policy needs to ensure that as far as practical the new supply meets the demand or needs it was designed to address. There are two primary issues that have come to the fore throughout consultation on this point:
    - The growing level of second home ownership in rural areas. This has become a major problem for

## 5. Integrating Strategic Objectives *cont*

- many communities where prices of new properties are excluding local purchasers, including first time buyers and key workers, and where the planning system can not easily differentiate between first and second homes to prevent incomers purchasing existing, as opposed to new, houses.
- In many parts of the region, a significant proportion of new build properties, particularly flats, have been acquired as an investment through the buy to let market. Whilst the sector plays a valuable role in meeting some housing demands and needs, it is important that local strategies and neighbourhood management policies are alive to the difficult issues that a high degree of private renting can bring – see Area of detailed policy C. Local strategies must also ensure an adequate supply of family accommodation.
  - Activity to optimise the use of the existing stock has a critical role in effectively increasing supply and needs to be reflected in wider strategies. This includes:
    - Work to bring empty properties back into use; and
    - Addressing under occupation, particularly of social housing.
- Continuing to raise the quality of the existing housing stock**
- Background**
- 5.13 Driven by growing concerns over affordability, in recent years the issue of new supply has been at the forefront of housing policy. This is understandable, however, it must not be forgotten that whilst the RSS figures form a critical part of the housing agenda, they represent an addition of just over 1% each year, and that over 90% of the housing stock in the RSS period up to 2021 is already built.
- 5.14 The existing stock base of the North West is our greatest housing asset but also one of our greatest challenges for the future and as increasing the supply of new homes inevitably lags behind demand, the importance of optimising its use is ever more crucial. This asset offers an opportunity for the region to join up economic activity with environmental, heritage and design agendas and to ensure that we do not simply react to demand but in some neighbourhoods look to create it.
- 5.15 Activity to improve the condition and sustainability of both private sector and socially rented homes both enhances their individual desirability and environmental performance whilst helping to create better places where people actively choose to live. Getting this right will create a housing product to match modern day expectations and ensure strong demand for existing stock across all neighbourhoods. In turn this will then mean the call for more new homes is kept to a minimum.

## 5. Integrating Strategic Objectives *cont*

- 5.16 Achieving this goal of ensuring that the existing stock is fit for purpose and used optimally is one of the primary ambitions of the RHS. In recent years, the North West has made great strides in addressing poor quality stock in the social sector. Through the major investment streams brought by the decent homes programme we have made a massive difference to the sustainability of the stock and the living conditions of thousands of tenants. We are the leading region in the delivery of this programme and now have work underway to tackle some of the most challenging neighbourhoods that had suffered from years of under investment to ensure that the task is completed.
- 5.17 Stock condition in parts of the private sector, however, remains a cause of considerable concern. The North West has the greatest numbers of non-decent private properties in the country with currently almost 900,000<sup>11</sup> in the region falling into this category. The total cost to make decent all the non-decent private housing in the region is estimated (with VAT and other costs) to exceed £8bn by March 2009.
- 5.18 Poor quality and lack of sustainability is not always reflected in house prices. As these have risen in recent years<sup>12</sup> they have masked neighbourhoods where the market has remained fragile. In these areas there are a diversity of drivers behind price increases, some of which may be short term, opportunistic investments that are not necessarily linked to investment in improving the quality of the stock.
- 5.19 There remain too many properties in neighbourhoods where people do not actively choose to live, where too much of the housing is obsolete, with poor environments and where tenure is often dominated by low quality private renting.
- 5.20 The work of the previous two RHSs and of the Housing Market Renewal and Decent Homes programmes in creating a sustainable supply to meet sustainable demand is not complete. This activity needs the continued long term support of Government and to be recast in line with the desired outcomes of this Strategy and the SNR.
- 5.21 Across the North West, there is a clear commitment to and recognition of the need to sustain the work started through Housing Market Renewal. This has played a core role in developing effective solutions to addressing vulnerable housing markets and we are now in the middle of transformational long term programmes which must be seen through. There remain many vulnerable housing markets adjacent to the conurbation cores where market rebalance (in terms of tenure, range, size and type) and raising quality of place are essential if the region's economic ambitions are to be realised. Strong commitments have been made to these communities to progress programmes and to develop a new housing offer for future generations.

## 5. Integrating Strategic Objectives *cont*

- 5.22 The still vulnerable markets in many HMR areas have already been hit by the economic downturn, however, as the Parkinson Report<sup>13</sup> highlights, this means that what was right in good times is essential in poor ones. A weakening of support will leave these areas at high risk of slipping back into the circumstances that provoked their establishment in the first place.
- 5.23 The key leadership role in shaping and delivering transformational programmes in vulnerable markets now rests with local authorities and their sub-regional partnerships. Their approaches must develop and reinforce the integrated objectives of this Strategy in terms of housing growth, transforming the quality of the housing offer and addressing the living circumstances of some of our most vulnerable neighbourhoods.
- Strategic approaches**
- 5.24 Although linked, activity to improve individual properties and that to enhance neighbourhoods in which they sit, require distinct policy solutions that can only be addressed at sub-regional, local or even neighbourhood level. However, property improvements in themselves are not enough; they have to be made as an integral component of wider place-making and activity to enhance residents' social and economic engagement if they are to have an impact on creating sustainable communities. As with increasing supply, ensuring that this investment occurs within a neighbourhood context is a central role of local Community Strategies that
- then inform wider sub-regional housing strategies.
- 5.25 There are a number of associated issues on the quality agenda that have arisen consistently throughout consultation that the RHB expects district and sub-regional housing strategies to address, these include:
- Tackling growing numbers of North West households living in fuel poverty – domestic energy use accounts for a significant proportion of the region's carbon emissions. Enhancing the energy efficiency of poor quality private stock will make a vitally important contribution to addressing this - see Area of Detailed Policy D;
  - There are particular and widespread concerns over the extent of unsatisfactory management and conditions in the private rented sector – see Area of Detailed Policy C;
  - There are significant health gains to be made through the improvement of stock. Whilst research is to be commissioned at a regional level to help further understanding of this relationship, local authorities and their delivery partners should consider the use of health impact assessments to inform their work and to strengthen links within LSPs;
  - Optimising the use and potential of home improvement agencies
  - Identifying more effective investment models for existing homes to meet the housing needs of an increased older population;

<sup>11</sup> Establishing a Decency Baseline for the Private Sector in the Northwest, August 2008 -[http://www.nwrpb.org.uk/downloads/documents/sep\\_08/nwra\\_1220519588\\_Decency\\_Baseline\\_Final\\_-\\_28\\_Au.pdf](http://www.nwrpb.org.uk/downloads/documents/sep_08/nwra_1220519588_Decency_Baseline_Final_-_28_Au.pdf)

<sup>12</sup> Figure 1, Technical Annex 1

<sup>13</sup> The Credit Crunch and Regeneration: Impact and Implications, January 2009, Professor Michael Parkinson et al, can be found at <http://www.communities.gov.uk/publications/citiesandregions/creditchunchregeneration>

## 5. Integrating Strategic Objectives *cont*

- **Maintenance:** property improvement is an on-going process, further work is needed to ensure that decent homes and other investment is sustained. Research for the region in 2006<sup>14</sup> provides a valuable reference point.
- 5.26 The North West region has for many years been at the forefront of developing innovative equity loan products to support homeowners maintain, improve and repair their homes. There is now a wealth of expertise in delivering these complex products. The RHB is encouraging greater collaboration across the region to establish services and products on a scale and with a consistency that enables higher levels of efficiency, value for money and private sector leverage to be achieved. The credit crunch has placed increased difficulties in the path of the development of these products, but it is again important to plan for the medium and longer term when private sector mortgage finance is more readily available.
- Connecting people to the improved housing offer**
- Background**
- 5.27 As we stated in the core principles section, this must be an economically focussed strategy if we are to bring about structural long term changes in the region's housing markets. This work would be in vain, however, if it did not meet the housing needs, demands and aspirations of the communities of the North West. Whilst the services to achieve this have to be delivered at the district level through partnership working responding to local circumstances, this requires overall leadership from the region to ensure the establishment of common goals.
- 5.28 In Area of Detailed Policy A we set out the region's work to meet housing support needs within this wider context to improve supported housing. This will be achieved by developing a strategic framework and robust evidence base to inform future need and service provision of accommodation and support services for vulnerable people. This forms a key component of this Strategy as part of a holistic approach to addressing access to affordable homes. As the previous sections have shown there is a critical supply element to this, increasing the amount of housing as well as making sure it is in desirable places where people choose to live will make great inroads to addressing our affordability problems. There is, however, a further dimension that has to be considered here, that of demand. There are a number of elements to this both economic and social.
- 5.29 Whilst house prices have continually increased, income levels have risen more slowly over the last 10 years<sup>15</sup>. Measures to increase incomes are the other side of the coin that have to be considered when looking at the issue of affordability.
- 5.30 In some deprived neighbourhoods of the region we will only further weaken unsustainable tenure patterns by providing more social or affordable housing. More difficult but comprehensive and long term solutions must be found through Community Strategies that address deep rooted issues of low self-esteem, worklessness and poverty.

<sup>14</sup> Maintaining owner occupied homes: helping those on low incomes -www.nwrpb.org.uk/downloads/documents/jan\_07/nwra\_1169807611\_Maintaining\_Owner\_Occupation\_-\_pdf

<sup>15</sup> Figure 2, Technical Annex 1

## 5. Integrating Strategic Objectives *cont*

- 5.31 Following the report by Professor John Hills into the role of social housing in 2007, there has been increased government attention, not without controversy, on existing social homes and current tenants. The overall aim of policy is to create a better income-mix in areas dominated by social housing by addressing worklessness in particular, to offer a wider range of choice to those in housing need and to improve social mobility.
- 5.32 These issues are common in communities right across the North West. From neighbourhoods in Maryport, Workington and Whitehaven through to those in Chester, Macclesfield and Crewe, it is an agenda that has struck a chord with the region. Local Authorities and their delivery partners need to tackle deprivation in a comprehensive way that ensures housing is able to be used as an incentive to greater economic engagement including cross tenure approaches to access.
- 5.33 Throughout consultation, however, it has been consistently argued that social housing does not have a monopoly on concentrations of worklessness and low income and it is clear that measures in the North West to address these factors have to be cross tenure.
- Strategic approaches**
- 5.34 In some regards, this is a new policy area and one that needs time to establish a body of tested regional experience, however, there are clearly valuable opportunities to strengthen housing's role as an incentive to engage in the labour market and for it to provide clearer rewards for economic activity. A number of local authorities and RSLs are now working in close partnership with colleagues in Job Centre Plus to provide aligned services that enhance careers as well as housing prospects. The RHB are keen to see these kinds of services develop and for HCA to work with NWDA in extending their range and impact.
- 5.35 There is a central aligned and complementary role here for Supporting People in ensuring that residents are able to secure and maintain independence and maximise their potential. This work is crucial in balancing need and aspirations through promoting independent living, improving health and by raising self esteem. Our approach and work is detailed in Area of Detailed Policy A.
- 5.36 In addition, it is clear that we do not yet have a full range of policy tools and financial products to help those on lower incomes access a greater range of housing opportunities. The current economic circumstances have accelerated the development of a number of private and public products to improve access to intermediate housing; work is now needed to ascertain their true effectiveness and value for money. Again, the RHB see a role here for HCA working through the existing networks established by Housing NW<sup>16</sup>.
- 5.37 Although waiting lists and times are only partial indicators of true demand for social housing, the consistent reports of significant increases in both across the region in recent years is a clear indication that reduced turnover and declining

<sup>16</sup> Housing NW is a partnership between Government Office for the North West, North West Housing Forum, 4NW, National Housing Federation (North West) and the Chartered Institute of Housing (North West Branch).

## 5. Integrating Strategic Objectives *cont*

stock numbers coupled with worsened affordability for potential first time buyers are having an impact on ability to access social housing. It is therefore increasingly important that those looking for housing are provided with high quality advice that can cover a wide geographic area and a range of flexible tenure options, including intermediate rent. Sub-regional Choice Based Lettings schemes are rising to this challenge across the region and the Board are keen to see this work develop further.

- 5.38 This Strategy will look to address the core housing factors that lie behind homelessness – improving the supply of and access to good quality affordable homes. The majority of homelessness, however, does not occur primarily because of housing issues. Those presenting will often have complex social support needs that find their expression in a desire to move home.
- 5.39 To address homelessness, it is essential for local authorities and their LSPs to co-ordinate a wide range of services to take the requisite intervention work further ‘upstream’ to **prevent** homelessness occurring in the first place. This will involve a wide range of housing issues such as rent or mortgage arrears and tenancy advice as well as wider sets of social and health support. Ensuring that we deal as early as possible with the causes of homelessness rather than reacting to the symptoms is a key element of our strategic approach set out in the Regional Homelessness Strategy, 2008<sup>17</sup> and kept under review through its Delivery Plan.

<sup>17</sup> [http://www.nwrpb.org.uk/whatwedo/issues/housing/?page\\_id=400](http://www.nwrpb.org.uk/whatwedo/issues/housing/?page_id=400)

## 6. Key Roles for Implementation and Delivery

- 6.1 A central role of this Strategy is to clarify the expected roles of the different agencies in the way they collaborate spatially in the delivery of desired outcomes. The RHB has a key role to play here in establishing frameworks to oversee working with regional partners and local authorities to ensure that these arrangements are effective and performance management systems are in place to deliver against ambitions.
- 6.2 The core, tiered responsibilities are outlined below:
- 4NW and the RHB will oversee delivery of the Strategy and ensure democratic accountability;
  - The NWDA with 4NW will jointly lead on developing the Regional Strategy, embracing social, environmental and economic issues;
  - HCA will work with sub-regions, local authorities and their partners to support and enhance delivery;
  - The North West Housing Forum will provide expertise in developing strategic issues and in the practical delivery of strategic priorities;
  - Sub-regional housing partnerships will develop strategies informed by SHMAs that will interpret how the regional objectives are to be delivered across their areas; and
  - Local authorities and their partners will deliver housing and regeneration
- activities prioritised in their Community Strategies, LDFs and Local Area Agreements that meet local needs, demands and aspirations.
- 6.3 This work needs to be done as a package and it will therefore be important to get the sequencing and relationships right.
- 6.4 4NW and Regional Housing Board will:
- Monitor, review and manage the strategic implementation of the RHS;
  - Communicate, promote and co-ordinate the work of the Board and of the sub-regional partnerships;
  - Provide democratic accountability;
  - Take joint responsibility for the development of the Regional Strategy
  - Provide advice on the public investment needs of the RHS, by for example, steering input in to the Regional Funding Advice process;
  - Continuously guide strategy to ensure long terms goals and ambitions are achieved as markets change and the credit crunch impacts, informed by up to date evidence bases and analysis;
  - Provide a lead role in addressing the needs of vulnerable people through the development and promotion of homelessness and housing support services across the region;
  - Commission research as appropriate to ensure maintenance of an accurate and relevant evidence base;



6. Key Roles for Implementation and Delivery *cont*

- Ensure the RHS and RSS remain aligned and complementary;
  - Ensure that Sustainability Appraisals are appropriately reflected;
  - Co-ordinate the running of expert practitioner groups; and,
  - Establish working relationships with the TSA to ensure a continued strong role for housing providers in delivering community well being.
- 6.5 The North West Regional Development Agency will:
- Work with regional partners to develop coordinated funding packages to address economic development, regeneration and housing issues; and
  - Develop a strategic view on housing and regeneration set within the context of the RES and emerging Regional Strategy.
- 6.6 The Homes and Communities Agency will:
- Ensure their regional approach to meeting national targets is informed by this Strategy and to prioritise regeneration investment in line with the geographic priorities outlined in the Regional Funding Advice;
  - Work closely with the RHB to consider the impact their investment has on target outcomes;
  - Through single conversations, develop a range of integrated housing and regeneration programmes in partnership with local areas that consider access to jobs and impact on worklessness;
- Continue to develop special delivery vehicles, such as local asset backed vehicles (LABVs), and new financial products to enhance efficient delivery of scale;
  - Work with regional partnerships, including Housing NW to build the capacity of local authorities and sub regional partnerships, to deliver sustainable housing, economic development and regeneration activity;
  - Provide support to local agencies to put communities at the heart of the design and delivery of regeneration, including through the Academy for Sustainable Communities and the administration of the New Communities Fund; and
  - Promote good design and sustainability through a range of quality standards.
- 6.7 As the voice of central government in the region, Government Office for the North West will:
- Work with local authorities to develop effective Local Area Agreements that deliver the housing and regeneration outcomes sought in this Strategy;
  - Work with groups of local authorities to develop Multi-Area Agreements that deliver robust, sustainable and ambitious economic growth, housing and regeneration outcomes;
  - Work through LSPs and with other local partners to ensure the alignment of policy and funding that maximises the impact of this Strategy on wider regeneration goals and ambitions;

6. Key Roles for Implementation and Delivery *cont*

- Feedback to Whitehall Departments about good practice and barriers to the implementation of regeneration policy including activity associated with improving standards in the private rented sector; and,
  - Increase understanding of the aims of the RHS in its work with local authorities, housing providers, developers and other stakeholders.
- 6.8 The North West Housing Forum will support the effective delivery of the Strategy by:
- Providing practical advice and support to Strategic Authorities and delivery partners across the region;
  - Providing housing expertise to inform and influence the work of the key regional agencies;
  - Informing and influencing policy development at a national and regional level;
  - Providing evidence and sharing good practice to maximise resources coming into the Region; and,
  - Providing a leading role in the development of HousingNorthWest.
- 6.9 Sub-regional strategic housing partnerships will:
- Develop strategies to interpret how the regional housing vision and objectives are to be achieved in sub-regional areas based on functional HMAs and robust SHMAs;
  - Steer prioritised district intervention that create balanced markets;
- Ensure that housing strategies are aligned with sub-regional economic and transport strategies;
  - Develop comprehensive local housing and regeneration investment plans, where appropriate through MAAs or cross boundary LAAs, which will form the basis of single conversations with HCA and NWDA;
  - Ensure strategies reflect the diverse needs of both rural and urban settlements;
  - Ensure housing growth is pursued in a compatible manner within the local authorities/ growth point areas making up the sub-region ;
  - Develop a common understanding of the priorities within the sub-region to influence the future development of the Regional Strategy;
  - Co-ordinate the collection and review of Strategic Housing Indicators; and
  - Work with the regional agencies to strengthen capacity and skills.
- 6.10 As local community leaders and place-shapers Local Authorities have key roles to:
- Set out in their Housing Strategies and Local Development Frameworks a vision of how they will create mixed sustainable communities by ensuring that the right quantity and quality of environmentally sensitive housing with the necessary infrastructure;
  - Using Community and Housing Strategies and the planning system,

## 6. Key Roles for Implementation and Delivery *cont*

- lead the commissioned delivery of housing intervention, economic development, and other physical and social regeneration in their areas to create places where people choose to live;
- Influence and inform the development and delivery of regional strategies;
- Ensure that connections are made with housing investment to secure employment opportunities;
- Prioritise housing market intervention explicitly within the local area, both spatially and thematically, within the context of the Community Strategy, Local Area Agreement and the Local Development Frameworks;
- Plan and commission services which link homes and housing support services;
- Ensure that housing and regeneration policies are mutually reinforcing, working closely with HMRPs, URCs, social and private landlords and other providers in their area where appropriate to harness their contribution to enhancing economic development and addressing deprivation;
- Use their Local Area Agreements and Sustainable Communities Strategies to drive positive housing outcomes, using the LAA review and refresh process to revisit priorities in line with this Strategy;
- Develop appropriate structures and processes to put communities at the heart of the design and delivery of housing strategy;
- Develop inclusive Strategic Housing Partnerships to maximise the use of the skills and experience of housing providers and communities;
- Ensure the availability of up to date information on local markets, delivery, demand, aspirations and needs - including the commissioning of Strategic Housing Market Assessments;
- Identify opportunities and partnerships to progress development opportunities on publicly-owned land; and
- Where appropriate, make provision to meet rural housing needs and sustain rural communities, using the rural exception policy where necessary to allow affordable housing on sites that would not otherwise be developed.

## 7. Performance Management and Assessment of Impact

- 7.1 This Strategy has repeatedly emphasised the central role of housing in supporting economic growth and inclusion, consequently, it is essential that we can demonstrate the effective role of housing by providing a robust basis for housing intervention and investment, and by assessing its strategic impact.
- 7.2 We have therefore developed an impact assessment framework that will:
- Measure progress in achieving the strategic outcomes identified in chapter 4;
  - Inform regional funding discussions and support the allocation of funds within the region;
  - Promote the region's case for the efficient and effective use of resources; and,
  - Help local housing delivery plans focus on key strategic issues.
- The Impact Assessment Framework**
- 7.3 At the heart of this approach to achieving strategic impact is a set of high level Strategic Housing Indicators (SHIs). These have been selected by reference to revised regional housing objectives and informed by the housing indicators being adopted by local authorities within their emerging LAAs and MAAs.
- 7.4 A purely data led, regional approach will not, however, do justice to the changes in housing being delivered through the RHS and investment programmes. We therefore intend to produce an annual report that combines data and narrative which is aligned with the RSS Annual Monitoring Report so that improvements in housing conditions as well as market issues can be adequately reported.
- 7.5 The impact assessment framework has been developed in parallel with this Strategy and the proposed SHIs are set out as a table below with the aim of giving balanced coverage of the three strategic objectives.

## 7. Performance Management and Assessment of Impact *cont*

### Summary of Strategic Housing Indicators

Ref	Strategic Theme: Strategic Goal	Strategic Housing Indicator	Data Source
SHI 1	Quantity: all housing requirements met	NI 154: Net additional homes provided	from Housing Flows Reconciliation return
SHI 2	Quantity: all affordable housing needs met	NI 155: Number of affordable homes delivered (gross)	from HSSA return, HC reports
SHI 3	Quality: all social stock made decent	NI 158: % non-decent social homes	from BPSA return
SHI 4	Quality: standard of private housing stock exceeds the national average	% private sector stock having a Cat 1 hazard under HSSRS	from survey, updated annually with private sector activity data and EHS; HSSA return.
SHI 5	Quality: domestic carbon emissions reduced to meet national targets	Av SAP rating of private sector stock in LA area	from survey, updated annually with private sector activity data and EHS; HSSA return.
SHI 6	Quality: all neighbourhoods sustainable	% of private sector homes empty for more than 6 months	from Council Tax records; HSSA return.
SHI 7	People: all housing support needs met	Net additional housing support services provided	NW Supported Housing Services Needs Assessment Model annual update
SHI 8	People: homelessness reduced year on year	NI 156: number of households living in temporary accommodation	from LA Homeless records; P1E and HSSA returns.
SHI 9	People: worklessness in social housing reduced year on year	% of social rented tenants of working age in work, education or training	from social landlords biennial customer surveys (STATUS)

## 7. Performance Management and Assessment of Impact *cont*

7.6 We recognise that these indicators do not cover all housing activity in the region. This is because we wanted to give a simple and clear picture of strategic progress in the region as well as limiting the amount of data being gathered.

7.7 We do, however, expect sub-regional partnerships to be collecting other local data with which to assess delivery of their sub-regional strategies and to provide a contribution to the annual impact assessment report on issues of particular relevance to them.

### **Making Performance Management Work**

7.8 To be most useful, an Annual Impact Assessment Report should be available every September to inform the region's preparation of investment plans and advice to Government. Ideally, we would use the centrally collected statistics, however, these are not usually validated and published until January of the year following the year end to which they relate. We will therefore collect the data from local authorities in July at the time that they are preparing their annual statistical returns, and re-validate the results when the official data is made available.

7.9 This approach marks a new departure for housing in the North West region as a whole, building upon the evidence based, strategy led approach to investment adopted by many individual local authorities and partnerships. For this to be effective, sub-regions are expected to work together collaboratively and help provide reliable data that will give an accurate

picture of housing delivery in the region.

7.10 A baseline report on the Strategic Housing Indicators is available, see Technical Annex 3 .

## 8. Sharing Good Practice and Capacity Building

- 8.1 To meet and deliver the challenges this Strategy presents, we will build on the wealth of skills, expertise and good practice already existing in the region and ensure that working relationships are strengthened at a national, regional and local level.
- 8.2 Some mechanisms are already in place, for example, through Housing NW to raise the quality of support available to housing practitioners in the region, by ensuring that they have the best possible access to the means of continuously developing their skills and knowledge. This work includes online<sup>19</sup> examples of good practice, which are constantly updated, ensuring access to the most up to date information available.
- 8.3 To meet the challenging national and regional objectives and fulfil local ambitions, we will adopt a clear and co-ordinated approach to capacity building using the opportunities now presented through the:
- Creation of the HCA and the new role of the Academy for Sustainable Communities;
  - Skills, expertise and networks of the North West Housing Forum – including those of service users and providers;
  - North West Improvement Efficiency Partnership;
  - Links established through the sustainability appraisal process; and
  - Co-ordinated use of expert groups such as those established for affordable and private sector housing.
- 8.4 This will create a focal point that will:
- Enable the identification of expertise, skills and good practice held within the region;
  - Be able to draw from a wide range of expertise including that from outside the North West;
  - Avoid duplication of effort;
  - Identify current and future skills gaps; and,
  - Ensure we learn from when things have not gone to plan.
- 8.5 Local Authority performance will be scrutinised through the new capital allocations monitoring framework developed by the Regional Housing Board. This, and the SHIs, will give the Board clear indications of where resources are being spent, and the impact that this is having at a local level. It will also clearly identify where there is underperformance, which puts these targets at risk.
- 8.6 In addition, information on the delivery of RSS targets, LAAs, Audit Commission inspections and the activity of the Regional Efficiency and Improvement Partnerships, will all help provide a picture on where additional support is needed. The Board will look to work with HCA, in partnership with the NWDA and the Audit Commission, to address areas of underperformance and take steps to support any capacity deficits, whether this be at a local or sub regional level.

<sup>19</sup> This interactive service is available on the Housing NW website at [www.housingnorthwest.co.uk](http://www.housingnorthwest.co.uk).

# Areas of Detailed Policy

## A. Vulnerable People

### Strategic framework for housing support

Alongside the development of this Strategy, the Board is supporting a co-ordinated approach that promotes connectivity across services to meet the needs of our diverse and vulnerable communities.

As a starting point in achieving this ambition, we set out to provide a clear view of the future need for housing support. To do this we are developing a 'Regional Strategic Framework for Housing Support in the North West'. Work began on this Framework in July 2007 with all local authorities. When completed in early 2009 this will sit directly under the Regional Housing Strategy, alongside the North West Regional Homelessness Strategy, and will:

- Inform and direct future investment in housing support (capital and revenue) in the North West;
- Influence national, regional and local policy; and
- Underpin and support local and sub-regional/cross-authority priorities, as defined in local area and multi-area agreements.

The initial focus has been on establishing the baseline from which the region can develop plans and developing working arrangements. Through the 'North West Needs Assessment Model' we have established a regional 'common currency' to identify existing supply and to project current and future needs for all accommodation and non-accommodation support services for all our vulnerable client groups over the next 10 years and beyond.

The model, initially reliant upon regional pre-set data and default assumptions, is being developed with the commitment from local authorities and

their partners to ensure it is populated by robust local evidence on an annual basis.

The findings from the full research report and supporting documents associated with developing the model is available and provides regional and local data analysis and findings which will in turn support the Framework once complete<sup>20</sup>.

In taking this work forward we have an agreed vision: *'to enable people to access services to meet their individual needs wherever they choose to live, providing the most vulnerable and excluded with an opportunity to successfully live independently'*. To achieve this we are developing the strategic framework that will direct activity in the following areas:

- Shift to more non-accommodation based, and personalised services;
- Provision of specialist supported accommodation to meet the needs of socially excluded households;
- Maximising current assets, investing to improve quality or replace, or remodelling and reconfiguring to meet changing needs;
- Increasing access to:
  - Support services to all households, regardless of tenure;
  - General needs properties, to the lifetime homes plus standard, that are located in the right environment to support independence e.g. close to amenities; and
  - Holistic service provision that will enable sustainable independence e.g. education and employment and other meaningful activity.

## Areas of Detailed Policy - A. Vulnerable People

- Increasing our understanding of the needs of particular household groups, particularly single homeless, black and minority ethnic households, new and emerging communities and offenders;
- Supporting a stable, high quality and responsive provider market that offers value for money but, most importantly, positive outcomes for people;
- Share practice and understand interdependencies through alignment of housing support with other agendas such as health, education and employment priorities, for instance working closely with strategic commissioners and social care partners to link Joint Strategic Needs Assessments (JSNAs) at local level;
- Developing a better understanding of the supply of supported housing (including non-Supporting People funded services), investment requirements of existing supported housing and how we influence and direct revenue funding;
- Develop and support a regional provider forum and service user involvement building on existing local best practice to improve our approach to involvement and to inform the development and delivery of regional and sub-regional activity; and
- Further work to address inequality and social exclusion within the region and to ensure that our work delivers plans that will achieve sustainable outcomes overall.

The Framework is also being developed within the context of the 21 vulnerable people categories, which are consolidated on the basis of three 'super-groups' for vulnerable people recognised by the Department for Communities and Local Government (CLG). As summarised in the table below, these are people seeking to maintain independence with support; people requiring support with care and people who are socially excluded. These groupings are also used within the needs assessment model and will be incorporated into the emerging strategic framework, however we need to recognise that some vulnerable people have multiple and complex needs and housing support services at all levels need to be tailored to meet these needs accordingly and where appropriate.

Independence with support	Older people with support needs, frail elderly people and older people with mental health problems
Support with care	People with learning disabilities and people with physical or sensory disabilities
Socially excluded	Single homeless people with support needs, homeless people with support needs, rough sleepers, people with mental health problems, refugees, people who misuse alcohol or drugs, travellers, teenage parents, young people leaving care and young people at risk, people with HIV/AIDS, women fleeing domestic violence, offenders and those at risk of offending, mentally-disordered offenders and generic.

<sup>20</sup> North West Needs Assessment Model - [http://www.nwrpb.org.uk/whatwedo/issues/housing/?page\\_id=412](http://www.nwrpb.org.uk/whatwedo/issues/housing/?page_id=412)

## Areas of Detailed Policy - A. Vulnerable People

Within the forever changing policy environment the context of the new Comprehensive Area Assessment (CAA) performance framework – Local Area and Multi Area Agreements (LAAs and MAAs) - sets out the priorities and performance targets for a local and/or sub-regional area which have been agreed between central government, local authorities and their key partners in order to meet the objectives as set out in the Sustainable Community Strategy.

The new CAA and LAA/MAA arrangements aim to join up public services more effectively and allow greater flexibility for local solutions to local circumstances and are intended to devolve decision making and reduce bureaucracy and are based on a stronger role for local authorities to lead their communities, shape their areas, innovate and respond to local needs.

The inclusion of Supporting People funding within the Area Based Grant (ABG - which will pool a number of grants into a single non-ring fenced grant intended to be more conducive to joint commissioning from 2009/10) and the CAA implies that the programme will increasingly be directed on the basis of local strategic priorities that reflect the 'place shaping' agendas of councils and their Local Strategic Partnerships (LSPs). Therefore the needs of vulnerable people will need to be identified and met through existing capacity and/or new arrangements which will in turn improve our approach to involve and inform the development and delivery of regional and sub-regional activity within the housing support agenda.

### Preventing homelessness

Through the North West Regional Homelessness Strategy 2008, we have actively been working towards the Government's homelessness

objectives in delivering sustainable communities through providing a regional platform to develop links and mechanisms which support the work of local authorities and their partners. This has been achieved by building on the success of local homelessness strategies and supporting complementary activity, good practice and innovation.

As part of implementing the strategy, we have set out a vision for *'organisations in the North West to work together to actively tackle the underlying causes of homelessness, to prevent homelessness, and provide excellent services to support people to access warm, secure, and affordable homes'* with three key priorities focused on:

- Preventing homelessness;
- Increasing access to a choice of settled homes; and
- Developing plans and activity based on a robust understanding of homelessness and housing need.

The strategy intends to make a difference to anyone who is a risk of becoming homeless or is homeless and the region is committed to making a difference to the lives of people in the severest form of housing need.

While the Regional Housing Strategy seeks to address the core housing factors that lie behind homelessness – improving the supply of and access to good quality affordable homes - homelessness does not occur primarily because of housing issues. Those presenting will often have complex social support needs that find their expression in a desire to move home.

To address it is essential for local authorities and their LSPs to co-ordinate a wide range of services to take intervention work needed further

## Areas of Detailed Policy - A. Vulnerable People

'upstream' to prevent homelessness occurring in the first place. Some of this will involve housing, such as debt and tenancy advice, but much is around wider sets of social support. Ensuring that we deal as early as possible with the causes of homelessness rather than reacting to the symptoms is a key element of our strategic approach which is highlighted within the Delivery Plan.

# Areas of Detailed Policy

## B. Design

Through the planning process, policies in planning and housing strategies and the promotion of best practice we need to achieve high standards of design quality in both new build and in the refurbishment of the existing stock.

National planning policy in PPS3 places considerable emphasis on the importance of good design in making places better whilst the RSS contains important policies on design which will now have to be taken into account as this is part of the statutory development plan. Policy DP 7 seeks to promote environmental quality by understanding and respecting the character and distinctiveness of places and landscapes, protecting the historic environment and promoting good quality design in new development.

Local authorities should encourage developers to bring forward sustainable and environmentally friendly housing developments through the promotion and the use of design codes and guidance, masterplans, site briefs and village design statements. Well designed housing needs to be integrated into local landscapes or townscapes, maintaining or enhancing character and local distinctiveness through appropriate architectural style, materials used and layout of buildings. Consideration needs to be given to access to green space for existing communities and new residents by the creation of green infrastructure and the enhancement of existing green space. Design which is inappropriate should not be accepted.

Research by Commission for Architecture and the Built Environment (CABE) published in 2005<sup>22</sup> (Housing Audit: Assessing the design quality of new homes in the North East, North West and Yorkshire & Humber) showed that the majority of new housing was of poor design quality, with

ill defined streets and public space, illogical site layouts and failure to create a distinct sense of place. In the North West only 7% of schemes were judged to be very good, 7% good, 62% average and 24% poor.

The North West Best Practice Design Guide published in May 2006<sup>23</sup> has been prepared to provide an introduction to the range of design issues that need to be considered by all involved in the provision of new development. It is illustrated by case studies and contains references to additional sources of general information and detailed, specialist advice.

Building for Life is the national benchmark for housing developments in England, developed by the CABE. The guidance was released in September 2008 and promotes design excellence and celebrates best practice in the house building industry<sup>24</sup>. The design of housing, whether through regeneration or new build, underpins the success or failure of a community. Good quality housing design can improve social wellbeing and quality of life by:

- Making places better to live in;
- Reducing crime;
- Improving public health;
- Easing transport problems; and
- Increasing property values.

## Areas of Detailed Policy - B. Design

To meet the Building for Life design standard there is a 20 point criteria checklist that ensures future developments are functional, attractive, and provide sustainable housing. The criterion<sup>25</sup> cover issues such as the:

- Character of the development;
- Integration of existing and new infrastructure (roads, pedestrians and parking);
- Design and construction; and
- Environment and community.

In addition, the Regional Housing Board strongly supports the delivery of housing that meets the Lifetime Homes criteria<sup>26</sup>, as is endorsed by the Regional Spatial Strategy (policy L4).

<sup>22</sup> <http://www.cabe.org.uk/AssetLibrary/173.pdf>

<sup>23</sup> [http://www.nwrpb.org.uk/documents/?page\\_id=4&category\\_id=105](http://www.nwrpb.org.uk/documents/?page_id=4&category_id=105)

<sup>24</sup> <http://www.buildingforlife.org/buildingforlife.aspx?contentitemid=388&aspectid=15>

<sup>25</sup> <http://www.buildingforlife.org/buildingforlife.aspx?contentitemid=384&aspectid=15>

<sup>26</sup> [http://www.lifetimehomes.org.uk/lifetime\\_docs/LTH%20Booklet.pdf](http://www.lifetimehomes.org.uk/lifetime_docs/LTH%20Booklet.pdf)

# Areas of Detailed Policy

## C. Private Rented Sector

In parts of the North West, growing demand is now being increasingly met by the private rented sector. The RHB recognise that the sector plays an invaluable role in widening housing choice and there are many groups seeking rented accommodation for which it is the first choice, especially mobile young people and students. In recent years the region has seen an expansion of the range of housing provided by the sector, in our city centres in particular, where a high quality product is helping to attract and retain a workforce key to our changing economy. In addition, private renting can help in meeting housing needs, which may otherwise fall on social rented housing.

For the private rented sector to play a positive and integrated role in meeting the housing demands, needs and aspirations of residents of the North West, it is essential that the stock is well managed and well maintained. Unfortunately this is not always the case and throughout consultation, concerns over the management and impact of concentrations of private renting have been raised.

A lack of long term resident stakeholding and the relatively high levels of turnover associated with this, can threaten to undermine community stability and sustainability. In addition there remain fears over some property and management standards - across the region tenants of privately rented accommodation are more likely to live in a non decent than in a decent home. In the Greater Manchester sub region alone there are over 40,000 non-decent private rented homes with only slightly fewer in Lancashire.

There are a particular set of problems facing coastal towns - Blackpool especially - arising from a rapid growth in private renting and in Houses in Multiple Occupation (HMOs). Much of this is driven by the sector stepping in while the bed & breakfast

and hotel markets rebalance and is exacerbated by unsustainable housing benefit policy. Some socio-economic problems associated with cheap private lets and HMOs are impacting negatively on the sustainability of communities in these coastal towns and tackling the underlying causes of this market weakness is a key area of interest for the Regional Housing Board.

It will be important for sub-regional and district housing strategies to identify areas where an over supply of private rented properties is causing wider market imbalance. In some circumstances, intervention will be necessary to ensure that those looking to become owner occupiers, especially first time buyers, are not priced out or excluded from the market.

In other areas, the quality of the stock will be the key issue. Here local authorities should develop effective interventions to enable private renting to provide a positive addition to housing choices. There has been much good work to improve conditions in the North West by local authorities who have established comprehensive policies to raise awareness of rights and responsibilities as well as increasingly effective enforcement activity.

There are now welcome and valuable tools to help with this, such as accreditation, discretionary licensing and Empty Dwelling Management Orders.

## Areas of Detailed Policy - C. Private Rented Sector

There are a number of recent issues that look set to impact on the scale and nature of the region's private rented sector:

- The credit crunch has stemmed the supply of buy to let mortgages at the same time as causing an increase in demand for private renting;
- There are concerns that some smaller buy to let investors will be unable to sustain mortgage payments or find affordable alternative finance when current fixed rate deals run out – this leaves any tenants in a very vulnerable position;
- The introduction of the Local Housing Allowance is in its infancy but there are reports in some parts of the region of unintended consequences which are already exacerbating imbalanced markets; and
- The potential reduction in demand from A8 economic migrants.

This latter issue has been raised during consultation although currently little clear evidence exists of impact. There are reports from some areas where demand from A8 migrants has underpinned rapid rises in both the levels of private rented sector properties and seemingly house prices; any sudden reversal of this influx could be significant.

These are very current and 'live' issues for the RHB and for the HCA. As patterns emerge, there is an important role for sharing information, good practice and developing understanding of markets through Housing NW and the region's Private Sector Housing Expert Group.



# Areas of Detailed Policy

## D. Climate Change and Energy

### Carbon emissions from households

The Government accepts that climate change is happening and man-made green house gas emissions are the main cause<sup>27</sup>. Carbon dioxide is the main greenhouse gas contributing around 77 per cent of total UK green house gas emissions in 1990. In 2006, 29 per cent of end-user carbon emissions assigned to the North West was attributed to the domestic sector<sup>28</sup>. More than two thirds of carbon emissions come from the way energy is produced and used, so domestic energy and housing policy have to play a major part in tackling climate change.

### Government policy to reduce household carbon emissions

The Government has a package of policies designed to reduce carbon emissions from households, these include:

- Obligations on energy suppliers to achieve targets for reductions in carbon emissions in the household sector through the Carbon Emissions Reduction Target (CERT);
- Raising building standards;
- Improved product standards;
- Fiscal instruments including reduced VAT rates on energy efficiency materials and technologies;
- The Warm Front programme – bringing warmer, healthier homes to people living in fuel poverty. Defra is also responsible for developing the UK Fuel Poverty Strategy;
- Local government energy efficiency activity (including the Home Energy Conservation Act 1995);

- Individual and community action to tackle climate change<sup>29</sup>; and
- Promotion of microgeneration technologies.

### Fuel poverty

Out of the nine English regions, the North West has the largest number of households living in fuel poverty<sup>30</sup> and performs poorly on social indicators such as health inequalities, being, for example, ranked eighth for life expectancy.

Regionally, there were approximately 452,000 households in fuel poverty in 2006 (compared to approximately 178,000 in 2003), representing 15.8 per cent of households. Poor quality housing is a major factor in fuel poverty – cold, damp homes, which are inadequately heated and ventilated, have repeatedly been linked to both increased morbidity and mortality particularly amongst more vulnerable households such as those containing older people, young children and/or those living with chronic illness or disability, including mental health.

### Existing regional activity on low carbon housing and fuel poverty

To help address these issues, there are now a number of regional, sub-regional and local strategies working towards delivering low carbon homes and alleviating fuel poverty in the North West:

- Regional Spatial Strategy: the strategy sets out policies on energy efficiency, renewable energy and a framework for sustainable energy, regional housing provision and affordable housing in accordance with the Sustainable Energy Strategy principles and Regional Housing Strategy objectives.

## Areas of Detailed Policy - D. Climate Change and Energy

- Regional Economic Strategy: a transformational activity under the strategy is the development and implementation of a Climate Change Action Plan. The Plan identifies a priority action to encourage the installation of microgeneration and energy efficient technologies and maximise regional access to financial mechanisms to reduce upfront costs for householders (including the fuel poor).
- Low Carbon Housing and Fuel Poverty Activity Plan: the plan aims to deliver action(s) relating to domestic energy and fuel poverty identified in the Climate Change Action Plan, whilst supporting other relevant strategies and sub-regional and local activities.
- County, sub-regional or local Affordable Warmth Strategies: the main aim is the eradication of fuel poverty requiring the involvement of a broad range of partners.
- Local Authority Renewable Energy Strategies: some local authorities have developed their own strategies.
- Community action: there are hundreds of examples of community led projects which aim to reduce carbon emissions from homes and alleviate fuel poverty.

### Creating low carbon housing and eradicating fuel poverty

It is recognised that more detailed work on the environment and sustainability with an emphasis on the Climate Change Action Plan and the Code of Sustainable Homes is needed. The following actions will be or need to be taken at a regional

level to reverse the impact and work towards creating low carbon and decent homes across the North West:

- Develop a better understanding of the impact of addressing poor quality housing on fuel poverty through the ongoing work of the Regional Housing Board on quality of the existing stock.
- Create a North West Homes Insulation Partnership: through the work of Energy Saving Trust advice centres and North West Domestic Energy Alliance create a regional industry partnership to address barriers and capacity issues and to more effectively promote insulation to the households. The aim of the partnership will be to increase the quality, capacity and demand for insulation measures and inform the work of the Regional Housing Board, particularly in identifying physical and financial solutions for hard to treat properties.
- Continue to raise awareness amongst strategic stakeholders in the region of the Low Carbon Housing and Fuel Poverty Activity Plan, including its review and development.
- Develop and support multi-agency Affordable Warmth partnerships including referral mechanisms from the social care and health sector to enable vulnerable households to access grants and advice for heating and low carbon technologies.

<sup>27</sup> <http://www.defra.gov.uk/environment/climatechange/uk/ukccp/pdf/ukccp06-all.pdf>

<sup>28</sup> <http://www.defra.gov.uk/environment/statistics/globalatmos/download/regionalrpt/local-regionalco2-ni186indicator.xls>

<sup>29</sup> The ACT ON CO2 advice line provides people with comprehensive advice on how to reduce their carbon footprint. It provides tailored, free, impartial advice from the Energy Saving Trust, covering energy efficiency, microgeneration and renewable energy, water efficiency and waste reduction.

<sup>30</sup> <http://www.gos.gov.uk/facts/factgonw/Northwest/>

<sup>31</sup> <https://www.nwdea.org.uk+acrivity-plan.htm>

<sup>32</sup> <http://www.nea.org.uk/fuel-poverty-and-health-improving-policy-and-practice-in-health-and-social-care/>

## Areas of Detailed Policy - D. Climate Change and Energy

- Increase awareness of and support for the Climate Change Action Plan – through the ongoing work of the Regional Housing Board provide support to the Climate Change Partnership and incentives to developers, landlords and local authorities to create low carbon and decent homes. The work should focus on the following steps identified by the Energy Saving Trust which can be taken now to<sup>34</sup>:
  - make new homes zero carbon with technologies that exist now to achieve the government's goal for all new homes to be zero carbon by 2016<sup>35</sup>;
  - Work with the private rented sector so all landlords take action on Energy Performance Certificate recommendations when letting a property;
  - make good energy performance a prerequisite for sale to ensure a quicker roll out of retrofitting measures through the housing stock;
  - reduce council tax in return for improving a house's energy performance would provide further incentives for energy saving measures.

<sup>34</sup> [http://www.energysavingtrust.org.uk/your\\_impact\\_on\\_climate\\_change/emission\\_impossible](http://www.energysavingtrust.org.uk/your_impact_on_climate_change/emission_impossible)

<sup>35</sup> [http://www.energysavingtrust.org.uk/your\\_impact\\_on\\_climate\\_change/emission\\_impossible](http://www.energysavingtrust.org.uk/your_impact_on_climate_change/emission_impossible)

# Areas of Detailed Policy

## E. Disabled Facilities Grants

Effective adaptations can change people's lives dramatically for the better. Even minor ones like handrails can prevent expensive and painful accidents in the home; well-designed ground floor extensions can provide much needed space and essential facilities for bathing and sleeping. Overall, adaptations represent good value for money and are crucial to the achievement of many disabled and older people's aspirations for independent living.

Over the seventeen years since its introduction, the demand for DFG has dramatically increased. In the 10 years 1997 to 2007, central government support for DFG alone has increased from £57m to £126m nationally. Local authorities and individuals also make important contributions to adaptations spending. In 2006-07, a total capital expenditure of around £230 million helped about 40,000 disabled and/or older people. Out of a total regional allocation of £40m for 2007-08, local authorities allocated an additional £24m support for DFG schemes.

An ever-increasing financial requirement is unavoidable – a 'snap shot' figure<sup>36</sup> for the North West to meet current need is over £130m. There are a number of key factors behind this conclusion:

- Districts are providing a growing emphasis on independent living rather than institutional care as people's preference to remain in their own homes for longer, with support becomes clearer. This support includes the provision of equipment and adaptations, as well as care and social support.
- Higher building and adaptation costs. In many areas there is a shortage of appropriate contractors, leading to an increase in costs.

- Expectations are rising, encouraged by, for example, the ready availability of products such as motorised wheelchairs. Although this is to be welcomed, there can be significant financial implications for housing provision.

This work has reinforced the need for Local Authorities in their strategic housing role to engage closely with LSPs to ensure strengthened partnership working across housing, social services and health within LAAs.

# Sources of useful further information

### Useful Websites:

4NW: [http://www.nwrpb.org.uk/whatwedo/issues/housing/?page\\_id=164](http://www.nwrpb.org.uk/whatwedo/issues/housing/?page_id=164)  
 Homes and Communities Agency - <http://www.homesandcommunities.co.uk/northwest>  
 North West Development Agency - <http://www.nwda.co.uk/>  
 Government Office for the North West - <http://www.gonw.gov.uk/>  
 Communities and Local Government - <http://www.communities.gov.uk/corporate/>  
 BERR (SNR + Response) - <http://berr.ecgroup.net/Publications/RegionalEconomicDevelopment/Sub-NationalReview.aspx>  
 Audit Commission - <http://www.audit-commission.gov.uk/>  
 Urban Design Compendium - <http://www.urbandesigncompendium.co.uk/>  
 Accreditation Network UK - <http://www.anuk.org.uk/>  
 National Housing and Planning Advice Unit - <http://www.communities.gov.uk/housing/housingsupply/nhpau/>  
 Housing Northwest - <http://www.housingnorthwest.co.uk/>  
 NW Regional Intelligence Unit - <http://www.nwriu.co.uk/>  
 Local Area Agreements - <http://www.localpriorities.communities.gov.uk/>  
 Environment Agency - <http://www.environment-agency.gov.uk/>  
 English Heritage - <http://www.english-heritage.org.uk/>  
 Empty Homes Agency - <http://www.emptyhomes.com/>

### Useful Documents:

National Trust case study on sustainable design - <http://www.nationaltrust.org.uk/main/w-stamford-brook.pdf>  
 Delivering Sustainable Housing in the North West - [http://www.nwrpb.org.uk/downloads/documents/jan\\_08/nwra\\_1199985146\\_07\\_0647\\_Sustainable\\_Housing\\_Re.pdf](http://www.nwrpb.org.uk/downloads/documents/jan_08/nwra_1199985146_07_0647_Sustainable_Housing_Re.pdf)  
 RHS evidence base - [www.nwrpb.org.uk/regionalhousingstrategy09](http://www.nwrpb.org.uk/regionalhousingstrategy09)  
 Response to SA - [www.nwrpb.org.uk/regionalhousingstrategy09](http://www.nwrpb.org.uk/regionalhousingstrategy09)

<sup>36</sup> Review of demand for Disabled Facilities Grant In the North West:  
[http://www.nwrpb.org.uk/downloads/documents/jan\\_08/nwra\\_1199984538\\_A\\_Review\\_of\\_Demand\\_for\\_Disable.pdf](http://www.nwrpb.org.uk/downloads/documents/jan_08/nwra_1199984538_A_Review_of_Demand_for_Disable.pdf)



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