



## CABINET REPORT

<b>Report Title</b>	<b>Homes for the Future: More Affordable More Sustainable – The Housing Green Paper</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	1 <sup>st</sup> October 2007
<b>Key Decision:</b>	No
<b>Listed on Forward Plan:</b>	Yes
<b>Within Policy:</b>	N/A
<b>Policy Document:</b>	N/A
<b>Directorate:</b>	People, Planning and Regeneration
<b>Accountable Cabinet Member:</b>	Cllr Richard Church
<b>Ward(s)</b>	All

### 1. Purpose

1.1 The Housing Green Paper was published on 23<sup>rd</sup> July 2007. It covers new housing targets and how these will be achieved and new initiatives to deliver more affordable homes. It also considers the quality of new homes and their environmental impact. Responses are sought by the Communities and Local Government (CLG) Department on the Green Paper by 15<sup>th</sup> October 2007.

### 2. Recommendations

2.1 That Cabinet note and agree the proposed consultation response set out in Appendix A.

2.2 Agree a paper be submitted to Cabinet in November for consideration, with a view that approval is given to proceed with developing a firm work plan for Sustainable Communities for Northampton proposals. This would be subject to Cabinet approving the Medium Term Planning proposal that has been submitted.

2.3 Cabinet to delegate the authority to make final amendments to the consultation response if necessary, to Corporate Manager (R & G), in consultation with Portfolio Holder (Regeneration), prior to submission..

### **3. Issues and Choices**

#### **3.1 Report Background**

3.1.1 The Housing Green Paper was published on 23<sup>rd</sup> July 2007, it addresses the need for proposed higher levels of new housing (including affordable housing) and how these will be delivered. It also considers the quality of new homes and their environmental impact.

3.1.2 The main proposals are:-

- Current revisions to Regional Spatial Strategy (RSS) will be signed off by the end of 2007 and new revisions which will include 8 new targets to be delivered commencing in 2011.
- A new Housing and Planning Delivery Grant will reward authorities that deliver to meet their agreed development timetables for new housing.
- Councils will be required to identify land needed for the next 15 years.
- The target for homes to be built on public sector land will be increased from 130,000 to 200,000 by 2016.
- It will be possible for Local Authorities to establish local housing companies to redevelop council sites to create new sustainable communities.
- Councils will be encouraged to reduce the number of long term empty private sector homes
- Planning Gain Supplement will be introduced or a more effective alternative will be devised to help provide the infrastructure for new communities.
- In the Governments growth areas increased investment will be made to support infrastructure costs
- Improved sustainability standards with all new homes to be built to zero carbon standards by 2016
- Good housing design and appropriate mix (size, type and tenure) to meet the needs of the whole community to be delivered through Planning Policy Statement (PPS3)
- The Government will increase investment to £8 billion to help achieve a major increase in the number of affordable homes between 2008 and 2011
- Private sector developers will be encouraged to play a greater role in developing affordable homes

3.1.3 The Northampton Housing GMB Sub-group have raised the question of how the Government's Sustainable Communities Plan is being delivered in Northampton. Papers were submitted to the GMB Sub-group in June and July to propose a way forward which would address the Sustainable Communities Plan and the Green Paper. This would include not only housing but also other factors such as employment, economic well being, transport, crime and safety, health, culture and leisure. The initiative would be led by Regeneration and Growth with input from Housing, Repairs, Legal, Community Development and Asset Management.

### 3.1.4 The outcomes expected to be delivered would be:-

- An improved quality of life for existing and new residents
- Reduced deprivation
- Promotion and provision of low carbon efficient buildings
- Potential income generation for the Council depending upon negotiations with developers
- Improved security and a safer environment
- The opportunity for residents to be involved and to build a sense of community
- More affordable homes
- Neighbourhood facilities which meet present and future local needs

### 3.2 Issues

- The proposed response to the Green Paper is attached at appendix 1.
- There are positive messages for Councils in the Green Paper that the Government recognises the strategic role of local authorities and that Councils are best placed to catalyse, lead and deliver sustainable communities.
- The proposal to address the Sustainable Communities Plan and the Green Paper is to assess our existing neighbourhood centres and to bring forward options for improvement. By focussing on selected neighbourhoods a regeneration plan can be proposed to tackle the issues jointly and effectively. Many of these centres are in the Council's ownership which will assist delivery.

### 3.3 Choices (options)

The available options are as follows:-

- 1 To respond to the Green Paper by 15<sup>th</sup> October and then to proceed with proposals to improve the Neighbourhood Centres. This will show that the Council is aware and proactively pursuing the opportunities for grant and improvements it would require.
- 2 Not to respond to the Green Paper which would give the impression that the Council is not addressing the issues.
- 3 Not to proceed with the improvements to the Neighbourhood Centres. This would mean that the opportunities detailed above would be lost and the Council would fail to address the issues in the Green Paper and the Sustainable Communities Plan.

## **4. Implications (including Financial Implications)**

### 4.1 Policy

To respond proactively would be fully in line with the Council's Housing Strategy and Corporate Plan and demonstrate leadership.

#### 4.2 Resources and Risk

- The response to the Green Paper would be implemented within current budgets by utilising the existing Housing Strategy Team.
- MTP bids have been submitted for Cabinet to consider whether or not it wishes to pursue these initiatives

#### 4.3 Legal

The legal section has no particular comments to make on the report.

#### 4.4 Equality

Submitting comments on the Housing Green Paper to CLG Department does not have any direct equality and diversity implications.

#### 4.5 Consultees (Internal and External)

Housing Services, Governance

#### 4.6 How proposals deliver Priority Outcomes

By responding, helps to enhance the Council's reputation. By pursuing initiative, will help to deliver the following Council Corporate Priorities :-

- To improve the quality of the environment in which we live
- To deliver an excellent housing service and provide affordable housing for those in need
- To promote equality, social inclusion and improve health

To deliver sustainable growth that meets the aspirations of current and future generations.

### 5. Background Papers

#### 5.1

Government's Housing Green Paper July 2007  
Medium Term Planning 2008-12 Option Appraisal  
Reports to June and July 07 Government Monitoring Sub Panel for Housing

**Chris Cavanagh, Corporate Manager - Regeneration and Growth, T:8461**

## **Northampton Borough Council proposed Response to the Housing Green Paper**

### **Homes for the Future: more affordable, more sustainable General/ Vision/ Delivery**

The Housing Green Paper “Homes for the future; more affordable, more sustainable” was published on 23<sup>rd</sup> July 2007. It sets out to address the shortage of affordable housing and the requirement for an increase in the supply of new homes to rent or buy. This paper sets out Northampton Borough Council’s general comments on the Green Paper and responses to the specific questions set out in Annex A:

- Northampton Borough Council are generally in support of the Housing Green Paper and of the Government’s Vision that:-

“We want everyone to have access to a decent home at a price they can afford, in a place where they want to live and work. Good quality affordable housing enables stable and secure family lives”

- We believe that the right balance of public and private sector investment needs to be made to provide strategic infrastructure services in support of the housing growth. The government should lead by pump priming this. In view of the successful investments made in Northampton over the last 8 years with successful partnership working with English Partnerships and the Environment Agency, the government needs to consider providing wider support against flooding, particularly in view of the extensive flooding experienced nationally in July 07.
- As Northampton is a growth area we are supportive of the proposed national target of 240,000 units per year by 2016 and the assumption that many of these will be in the growth areas including the 650,000 already planned. We welcome the proposal for a £300 million Community Infrastructure Fund to support the growth areas and the intention to co-ordinate the contribution of Government Departments to support infrastructure. We note that, historically, a large proportion of the Community Infrastructure Fund has been spent on new and improved roads. We would support a greater investment in sustainable public transport networks, particularly in urban areas, to reduce reliance on the private car. Together, with Public Sector investment we acknowledge that private developers need to contribute towards the cost of providing new schools, health centres and transport links as well as affordable housing.
- The joining up of housing, job creation and improved social regeneration benefits needs to be strengthened through co-ordinated policies.
- The Green Paper should be strengthened by giving further support and guidance on social regenerative aspects in particular the support for vulnerable groups.

#### **Affordable Homes**

- We support the proposal for 70,000 affordable units and the announcement of at least £8 billion of investment in affordable homes. Northampton has an acute need for social rented homes and in particular family housing and we therefore

welcome the proposals. We note that of the 70,000 affordable homes proposed 25,000 will be for shared ownership, which is broadly in line with our targets for affordable housing which are 70% rented and 30% shared ownership. However we believe that these should not solely be targeted at Key Workers but at anyone on a modest income who cannot afford to buy a property near to where they work. We agree with proposals to introduce a product that will enable purchasers to buy a 50% share of a property for sale on the open market. Current Open Market Homebuy products require purchasers to buy a 75% share and this is not affordable to many applicants.

- We note the proposals to encourage RSLs to increasingly use their reserves for further borrowing to deliver new homes, however it should be acknowledged that RSLs may have other priorities such as achieving Decent Homes Standard and investing in regeneration of local communities.
- We welcome the proposals for Local Authorities to play a greater role in facilitating the supply of affordable housing and addressing the housing needs of all residents through:-
  - Enabling new affordable supply to be delivered on the ground
  - Influencing the decisions that are made
  - Having a direct role in the building of new homes where it provides value for money
  - Coordination of planning and housing policy both nationally and locally.
- We agree that the primary role of local authorities is to act as strategic enablers and use their housing and planning powers to the full to ensure that new housing is of a high standard and located in sustainable communities. We welcome further improved joint working with English Partnerships and the Housing Corporation based on recent initiatives and the successful delivery being made here with Northampton Borough Council.
- We note the requirement for 60% of new homes to be built on brownfield land and feel future emphasis on encouragement of brownfield development must be made to help reduce the potential impact of the green countryside. Northampton Borough Council is currently exceeding the 60% target. However, in Northampton, current housing growth targets will require increased use of Greenfield sites. We have a particular challenge to deliver the government's growth targets within sustainable communities without either unacceptable town cramming or urban sprawl while delivering the mix of housing required by local people. We consider that, in order to deliver the numbers of new units required, local determination of the optimum balance between brown and Greenfield development will yield the best results.
- We welcome the proposals to release public sector land for housing to deliver 200,000 homes by 2016. This should be with agreement of Local Authorities. We would hope that units built on these sites will not be restricted to shared ownership but will also contain an element of social rent. We suggest that this could be effected by incorporating some Housing Corporation funding in addition to the land input.

- We are particularly interested in the setting up of Local Housing Companies and for Local Authorities to become pro-active in the delivery of new and affordable homes on their own land. We support the regeneration of our neighbourhood centres but would encourage at least 25% of the homes produced to be for social rent. We agree that these and all new developments should be attractive places with good quality neighbourhoods and green public space. They should provide local infrastructure – transport, schools, healthcare, community facilities and links to employment opportunities. We note the intention to produce practical technical guidance for Local Authorities and believe that this would be helpful. The emphasis should clearly be on the broad outputs and not just housing provision.

## **Sustainability**

- We support the proposals for all new homes to be zero carbon from 2016, however we feel that more should be done to address the problem of carbon emissions from existing homes. We also support the provisions for reducing the effects of climate change.

## **Response to the specific questions in Annex A:-**

### **Chapter 6**

5. In order to improve quality and design, existing standards need to be raised and further guidelines introduced. These should be achievable though and not become a barrier to construction. Effective Government support should be considered to help encourage improvements, for example, tax initiatives.
6. We agree - in addition to raising minimum standards, further work is required to develop a more imaginative and dynamic approach.

### **Chapter 8**

7. If properties are financed from local resources councils should be allowed to retain full rental income and capital receipts on disposal. This approach would encourage Local Authorities to use their assets for this purpose. We believe every encouragement should be made to local authority to release or improve the use of their assets to provide better places and homes.
8. As above this approach would also encourage Local Authorities to better use their assets for this purpose.
9. We would support measures which would encourage stronger partnerships, in particular the introduction of Local Housing Companies which include local authorities.
10. There needs to be more comprehensive guidance and support to creating enhanced neighbourhoods and places, joining up policy for new homes with economic initiatives, job creation and wider social regenerative improvements. The sustainable communities approach should be strengthened further and new housing policies fully connected with planning policies.