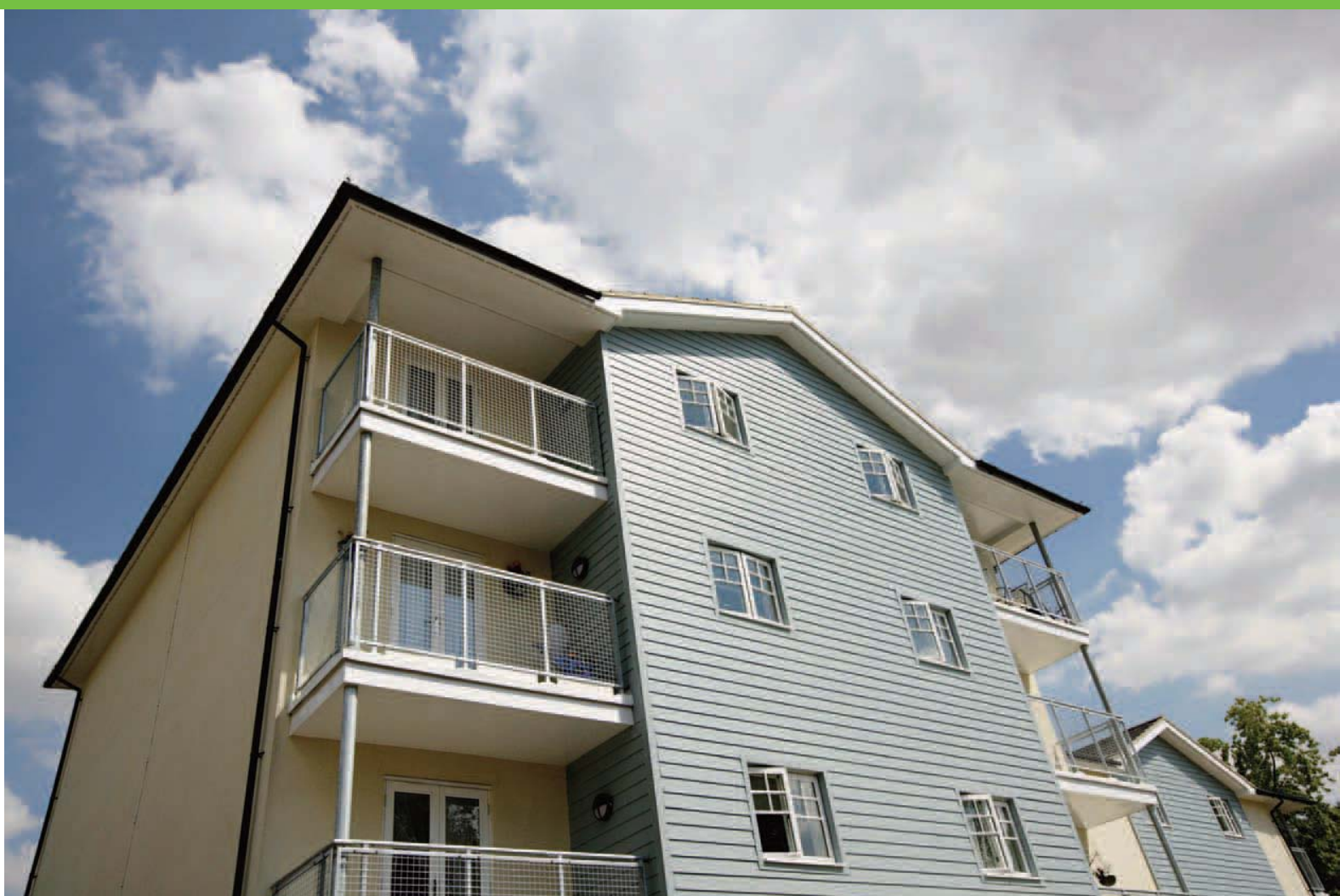


Affordable Housing Strategy 2007



Affordable Housing Strategy

2007

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Executive Summary

Providing quality, affordable housing is one of our priorities as a council and community leader. This strategy sets out our vision for affordable housing and demonstrates our commitment for more affordable homes in Stevenage.

It outlines three key areas for our work:

- Meeting housing needs and dealing with homelessness
- Understanding local housing markets and maximising resources to meet housing need
- Encouraging a fair and inclusive community.

The town is set to grow through a number of major developments. By making sure we provide a mix of different housing types we will help to create balanced, sustainable communities where people want to be.

We are dedicated to working with other housing providers to achieve the best for local people. We will explore opportunities to bid for housing grants in partnership with Stevenage Homes.

The strategy includes an action plan and arrangements for monitoring and reporting progress. We will make sure we keep local people up to date with the town's housing situation and plans for the future.

If you have any questions about this strategy

Email:
strategichousing@stevenage.gov.uk

Textphone (for textphone users):
01438 242555

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01438 242242

Purpose of the strategy

We have defined 'affordable housing' as:

"Housing provided with financial support, both for rent and low cost market housing. It's for people who are unable to get a home in the local private sector housing market because of housing costs and income."

This document supports our housing strategy and it:

- Demonstrates our commitment to providing quality, affordable homes
- Sets out our priorities for affordable housing
- Responds to recommendations in the housing needs survey
- Supports joint working with our partners
- Provides a better understanding of housing markets
- Helps to address the investment priorities in the Government's Green Paper in bringing forward sustainable developments in the town.
- It sets out the current position in Stevenage, our vision for local people, our priorities and action plan.

Our vision

We've adopted the Government's vision in its Sustainable Communities Plan that says:

'Everyone should have the opportunity for a decent home, which they can afford in a community where they want to live.'

We are also working towards Stevenage Partnership's vision of:

'A town that's good to live in, by providing good quality, affordable homes in clean, green, safe and well-maintained neighbourhoods with excellent transport links.'

Our housing strategy also expands our vision for housing for the next five years to:

- Increase the number of affordable homes in the town
- Reduce the number of people on the waiting list.

This is only possible by working in partnership with Stevenage Homes, the Housing Corporation, registered social landlords, private developers and town planners. We have consulted with these organisations on our affordable housing strategy.



Standards for affordable housing

We aim to produce good quality and sustainable affordable homes that meet with Housing Corporation requirements.

We will work with our registered social landlord partners to make sure the following happens:

1. Affordable housing is not visually different from market housing on the site in terms of build quality, materials, details, amenity space and privacy.
2. Affordable housing is integrated with market housing. It is distributed evenly across the site or in the case of flats, in small clusters throughout the development. Affordable and private housing integration is considered at early design and layout stage.
3. All social housing and intermediate housing using Housing Corporation Social Housing Grant meets the relevant Housing Corporation standards.
4. Longer term management arrangements are in place to make sure services and facilities are maintained at a high level.

The latest standards can be downloaded from the Housing Corporation's website:
www.housingcorp.gov.uk

Current position

We are not in a position where we can do nothing, or even continue with our current course. If we did:

- Stevenage would have little to offer developers and others contributing to meeting demand for affordable homes in the town
- We would risk becoming increasingly marginalised for funding
- It would leave the funding position for the affordable housing programme uncertain
- It would result in increasing levels of homelessness and using more temporary accommodation would have social and financial impacts
- There would be increased overcrowding and requests for transfers from existing residents
- The long-term future of Stevenage Homes could be jeopardised.

The town has the potential to win support for its “growth aligned regeneration” activities and the opportunities provided by Stevenage West and the town centre regeneration project. However, current funding is unlikely to deliver sufficient affordable housing to meet needs. Our share of the National Affordable Housing Programme funding going into the London Commuter Belt sub region was just 5.6%. To maximise growth potential and develop a range of innovative solutions, we will need to consider how our links with sub regional partners can increase affordable housing.

The existing housing stock in the town may provide some limited options to further increase the supply of affordable housing, for example through estate regeneration or scheme remodelling.



Affordable housing need

The housing market

In 2003, we commissioned David Couttie Associates (DCA) to carry out a town-wide housing needs assessment.

DCA have been appointed to carry out a housing market assessment (HMA) for us and North Hertfordshire District Council. This will include an update of the primary data identified in the housing needs survey.

The 2003 study found that the largest volume of sales in the town was for terraced houses (34.9%) selling at an average price of £137,800. This is not surprising given their predominance in the total stock.



Property type	Volume of sales %	Average price £
Detached	17.8	285,385
Semi detached	24.9	176,120
Terraced	34.9	137,800
Flats/ maisonettes	22.4	94,028

Housing market sales - Source DCA Housing Needs Survey 2003

Prices vary across the town depending on location. Although house prices in Stevenage are among the lowest in Hertfordshire, the lowest quartile house price of £120,000 indicates that an income requirement of £38,000 would still be needed to access the market through owner-occupation.

The DCA analysis showed that the housing market excludes many families and single person households who are seeking access to local housing. This concealed demand is mainly in addition to waiting list numbers.

Based on conservative assumptions access to home ownership is beyond the reach of 90% of the concealed households identified in the DCA survey on any realistic assessment of the availability of properties.

The DCA study has concluded that there is an annual affordable housing shortfall of 467 units after taking all demand and supply variables into account. In addition the study states that 614 existing and 189 concealed households intend to leave the Borough over the next five years because of a lack of affordable housing.



Housing affordability

Average incomes in Stevenage are well above the national average. Gross annual household incomes are as follows:

Annual income	%	Cumulative %	UK 1999 - 2000
Below £10,000	19.6	19.6	28.3
£10,001 - £20,000	25.5	45.3	26.1
£20,001 - £30,000	20.2	65.5	21.1
£30,001 - £40,000	14.7	80.2	24.5
£40,001 - £50,000	8.8	89.0	
£50,001 - £60,000	5.4	94.4	
£60,001 - £75,000	3.5	97.9	
£75,001 - £100,000	1.6	99.5	
Above £100,000	0.5	100.0	

Figure 4: Source – DCA housing needs survey 2003 Table 4-27

*** Household income levels per DSS Family Resources Survey 1999-2000.**

34.5% of households in Stevenage had annual incomes above £30,000, well above the UK average (24.5%). The housing needs survey also looked at the income ranges needed to enter the market in the main areas of Stevenage.



Purchase income thresholds

Area	Income Thresholds (£)		
	1 bed flat	2 bed flat	2 bed terrace
Woodfield			53,500
Old Town		37,525	45,300
Symonds Green	30,200	37,400	46,700
Roebuck / Longmeadow / Shephall / Bandle Hill	29,300	29,800	38,475
Manor			45,300
Chells / Bedwell	24,500	39,000	42,275
Pin Green / St Nicholas / Martins Wood	28,400		43,300

Figure 5: Source – DCA housing needs survey 2003 Table 3-6

Rental income thresholds

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed terrace
Woodfield	25,200	28,560	30,000
Old Town	22,800	27,600	30,000
Symonds Green	22,800	30,000	28,800
Roebuck / Longmeadow / Shephall / Bandle Hill	19,200	26,400	27,840
Manor	23,760		28,500
Chells / Bedwell	24,000	28,800	13,400
Pin Green / St Nicholas / Martins Wood	19,200		30,000

Figure 6: Source – DCA housing needs survey 2003 Table 3-8



Relating these figures to the current housing market, Figure 7 shows how average property prices have increased by over 14% between 2003 and 2005:

		Apr-Jun 2003	Jul-Sep 2005	Increase
Detached	Average Price	£245,202	£317,694	29.6%
Sales		41	23	
Semi-Detached	Average Price	£165,059	£199,936	21.1%
Sales		65	48	
Terraced	Average Price	£134,404	£153,993	14.6%
Sales		217	230	
Flat/ Maisonette	Average Price	£92,018	£114,110	23.9%
Sales		63	51	
Overall	Average Price	£144,416	£165,175	14.4%
Sales		386	352	

Figure 7: Source – Land Registry quarterly reports

Overcrowding

The DCA study has highlighted the issue of homes becoming too small for growing families. The problem tends to be focused on terraced houses and flats with concern that families are in properties that are too small for their needs because of high and rising local house prices.

The research found that overall over-occupation (3.1%) was just above the average UK level indicated by the Survey of English Housing (3%). But the over-occupation rate in Council rented accommodation at 6.3% was well above both the town and UK average. Rates for housing association rented and private rented were also above at 5.9%.

At a local level this supports the findings of regional research and the proposal that a proportion of newly built social rented dwellings should be larger than 3 bedrooms to facilitate transfers within the stock.

The housing needs of specific groups

Key workers

The DCA analysis considered the needs of both existing household key workers and concealed household key workers.

‘Concealed household key workers’ describes people who are living with friends or family because they have no other option. This type of housing may be overcrowded.

Looking at the access levels to the owner-occupied market in the town requiring an income of £30,000, the percentage of existing household key workers who could not afford to owner occupy in Stevenage were:

65% of local authority staff

59% of health staff

54% of police

48% of fire staff

40% of education staff.

Of the concealed household key workers, 91% could not afford to owner occupy in the town.

Older people

The DCA study suggests a requirement for sheltered housing amounting to 889 affordable units, comprising the requirement from people already living in the Borough (525 households) and those who may in-migrate to be near their family. DCA comments that the forecast of older people moving into Stevenage is generally being made by their children; older people themselves may prefer to remain in their existing homes.

Some of the requirement will be met from existing stock. However, the current stock may fall below modern standards and aspirations, and is part of the sheltered housing review.

The ageing of the population as a whole is a highly significant factor in planning for housing provision. The largest projected growth for all households over the next 15 years is those headed by people aged 55 or over. The Housing and Older People Development Group (HOPDEV) has produced guidance for housing and planning departments to plan homes and services.

It cannot be assumed that what was an acceptable standard of housing in the past will be so in the future as aspirations have changed. This should again be taken into account within the sheltered housing review. People needing supported housing



People needing supported housing

The housing needs study identified a need for 135 units of independent supported accommodation, 127 units with a visiting support worker and 8 with a live-in carer up to 2008.

Hertfordshire County Council's Supporting People Strategy recognised that sheltered housing is a key player in meeting the needs of older people. It also considered that current models were becoming outdated and did not meet the expectations of the future older population. The implications for this in Stevenage highlight the over-supply of general needs sheltered accommodation. We are working with Stevenage Homes to address this, which may result in more decommissioning of existing homes and development of more care accommodation.

As with all forms of supported housing provision, the importance of coordinating capital and revenue funding is critical for such schemes.

Black and Minority Ethnic (BME) needs

The DCA study found that 74% of BME households, who wished to move but cannot, said they could not afford to move compared to 63% for the whole population.

There appears to be a higher incidence of BME respondents with a disability or limiting long term illness (26%) than for the whole population. (22%) 70% of those BME households who said their home was inadequate said that “too small” was the reason for inadequacy, compared with 72% in the population as a whole.

Gypsies and travellers

A study carried out by Opinion Research Services (ORS) into the housing needs of gypsy and traveller communities in North East Hertfordshire was completed in 2005.

Local authorities in the west of Hertfordshire (including Stevenage) subsequently commissioned consultants Scott Wilson to identify and appraise potential areas for Gypsy and Traveller sites, and to recommend preferred options.

Their report identifies 21 potential areas of search for Gypsy and Traveller sites across the 5 authorities. It suggested one site (ST1) close to junction 8 of the A1(M) as particularly suitable for transit use and one Green Belt area in north Stevenage where a new site could be located if no alternative sites are available. It further considered that the existing Dyes Lane Gypsy and Traveller site to the west of the A1(M) could be expanded.

Final consultation is to take place on these plans in 2008, following which EERA will reach agreement on pitch numbers for individual local authorities.

Type and tenure of affordable housing

The housing needs study showed that 52.1% of all new households earn below £15,000 per year, and cumulatively 81.4% below £20,000 per year.

These households are expressing a need for social housing at 75.2% and that is much higher than the level of existing stock. They are not at the margin of owner-occupation and require rented housing.

The report also showed that there is a specific expressed need for around 36 shared ownership units each year. Units provided at a net cost of £85,000 (70% of the market cost of £120,000) could meet the needs of around 100 households each year earning between £22,500 and £30,000.

Around 80 existing and 44 new households each year express an interest in private rental, thus discounted market rent could also assist households who are unable to afford full market costs.

There is both a preference and a need for flats reflecting the impact of changing household formation.

In summary the overwhelming need is for rented housing but there is scope to provide other forms of tenure for people with higher incomes but who still cannot afford the full cost of owner occupation under local market conditions. There is a need both for flats but also larger dwellings would relieve some of the overcrowded conditions, particularly in Council owned stock.



Mixed tenure

The polarisation of tenure types and subsequent social problems led to calls for more balanced and mixed communities. A recent Joseph Rowntree Foundation study has found that whilst claims made in support of mixed tenure may be exaggerated...there is a clear case to be made for mixed tenure: that areas with a limited social range of residents, housing design similarities and a comprehensively planned environment help to produce civilised communities and a relative absence of tenure prejudice.

Housing is increasingly provided on mixed tenure schemes and a growing wealth of knowledge is available within the region. Examples include the design brief for the new settlement at Elstow, Bedfordshire and work being done on tenure mix by Cambridgeshire Horizons, the delivery vehicle for new housing in the Cambridge sub region.

Existing affordable housing

The provision comprises the existing affordable rented and other tenure stock, along with stock that could be affordable with the input of some subsidy. This would, for example, include private sector leased stock.

Within Stevenage around 30% of the stock is social rented. In 2001 we owned 9,533 homes and registered social landlords had 1,222 self contained units. At the end of 2003 - 2004 these figures were 8,637 and 1,463 respectively. 17 registered social landlords have stock in Stevenage.

During April 2004 to March 2005 registered social landlords made a total of 86 lettings in Stevenage of which 54 were to nominations, and 6 were statutorily homeless nominations. Our nominations policy is for 100% lettings on new schemes with 75% of future re-lets. The National Housing Federation considers registered social landlords lettings and nominations could be used more effectively to develop sustainable communities. It has published "Contracts for sustainable communities: how might lettings policies deliver a better future?" as part of it's iN business for neighbourhoods agenda.

Our Choice-Based Lettings scheme and the LCB sub region are investigating the potential for creating a sub regional approach to CBL.

This approach has been significantly developed in London where the Housing Corporation has been allocating funding on a sub regional basis since 2004 and also expects nominations, both for new housing and re-lets, to be made on a sub regional basis. The Housing Corporation allocates grant to a site in a particular borough for homes to be built by registered social landlords, and other boroughs in the sub region may have nomination rights to the completed homes. This enables new housing to be built where the best development opportunities are available.

The approach is also being considered regionally-pan London, where as may be



expected the process has not been without its difficulties, both perceptual and practical. However, partners (including the Association of London Government) developed a protocol that was subject to extensive consultation in the spring of 2004. The final protocol has achieved consensus and exists as an endorsed “Sub Regional Allocations and Lettings Protocol” for use by the London sub regions. Accompanying the protocol is a research report and practice notes available from the Housing Corporation.

In addition to the housing stock, we own and manage garages and garage compounds. As part of the Asset Management Strategy we plan to review garage compounds and undertake a programme of redevelopment for redundant sites.

The amount of private sector rented housing in Stevenage is very low, at only 2.4% of the total stock. Therefore there is relatively little scope to use this sector as a source of affordable housing provision. We do work with private landlords through our Tenancy

Deposit Scheme to secure accommodation where possible. We have used some hard to let dwellings (such as property above shops) to provide a night shelter, two women’s refuges, two supported projects for young people and one for people with mental health problem

An unpopular sheltered housing scheme has also been converted into supported housing for young parents.

Because of the relatively low level of private rented housing the number of empty properties in Stevenage is also relatively low, with percentages skewed towards the social rented sector due to the stock profile. Long term empty properties are often associated with the private rented market. At the time of the 2001 Census Stevenage had just under 5% private rented stock, compared to nearly 9% nationally. However, according to figures from the Empty Homes Agency for 2004 Stevenage does have 64 private homes that have been empty for more than 6 months and 132 ‘low demand’ dwellings.

Area	Number of empty homes	% of empty homes	% of total owned by LA	% of total owned by RSL	% of total owned by other public body	% of total owned privately	Private homes as % of total empty for more than 6 months
Stevenage	539	1.6	23	8	0	69	12
East of England	59,467	2.5	7	3	2	88	43
England	689,675	3.1	8	6	1	85	43

Figure 8: Empty homes comparison - Source Empty Homes Agency

Under new powers introduced in 2006 we are looking to select a registered social landlord to manage homes that are provided by the use of Empty Dwelling Management Orders.



Types of affordable housing

PPS3 requires that local authorities should set out the type and size of housing that is required, to ensure that the right quantity is provided, with the right quality and the right mix. In terms of the types of affordable housing that are required, these have been identified from the housing needs study, our housing register and discussions with stakeholders. New affordable housing will be targeted to address the following priorities:

Affordable housing for rent

Affordable rented accommodation is the most needed form of housing in the town. This is repeatedly justified by data from housing needs studies. The Council recognises that rented accommodation requires the greatest levels of subsidy, but it will endeavour to maximise the delivery of affordable rented housing on sites where that need is the greatest.

Single person's accommodation

Providing new homes for active single people will help to revitalise the town centre. We will also aim to increase the numbers of one and two bedroom units in other areas of high demand.

Older people

An ageing population means we have to look as a whole at housing provision for people aged 55 or over. Any future requirements for affordable housing will flow out of the Council's sheltered housing review. New homes must provide easy access to shops, community facilities and public transport and all new affordable rented housing will be built to Lifetime Homes home standards to enable older people to live in their homes without having to subsequently move to alternative accommodation

People needing supported housing

We need to provide around 30 units of independent supported accommodation each year to meet the needs identified in the DCA study. The Borough Council recognises the importance of joint working with Social Services and Health Agencies to co-ordinate a range of housing and other services to meet the special needs of people with disabilities and mental health requirements.

Black and Minority Ethnic (BME) needs

The needs of Stevenage's BME community are a priority, as three quarters of BME households cannot afford to move compared to about 10% for the population as a whole.

New homes will need to cater for the higher numbers of BME people with a disability or long term illness, and to cater for larger households.

Key workers

DCA's examination of access to the owner-occupied market found that a significant number of people in the public services could not afford to buy their own home in Stevenage. Most of these households will not qualify for affordable rented housing, but many may be interested in subsidised low cost home ownership.

Housing for wheelchair users

As 75% of wheelchair users live in accommodation that has not been adapted to their needs (2001 Census). All new publicly subsidised affordable rented housing must be built to comply with the Housing Corporation's accessibility standards, but we will also ensure that up to 5% of new housing provision is designed with full accessibility and ease of manoeuvrability for wheelchair users.

Future affordable provision



Future provision depends on the availability of land and funding. For Stevenage the outcome of the examination of the East of England Plan and decisions on Stevenage West are critical.

Our planning policies (now supplemented by the guidance in PPS3) require 35% of new dwellings on sites provided 15-24 dwellings and 40% for sites over 25 dwellings to be affordable. Of these affordable units, 80% should be affordable rented and a further 8% - 20% should be other forms of affordable tenure.

Since 2000, 121 affordable homes have been delivered in this way, and a further 566 homes are expected from current District Plan sites and windfalls. Capital receipts from developers using section 106 agreements generated a further £460,000 in 2005 - 2006.

On average 40% of the sites owned by us and allocated for development in the District Plan are reserved for affordable housing and allocated at less than market value. As part more than 100 new homes.

At Stevenage West the levels of affordable housing have been agreed for the 3,600 development in advance of planning permission being granted, at 27.5%.

Housing Corporation allocations under the National Affordable Housing Programme for 2006 - 2008 will provide 119 new homes (89 affordable rented and 30 New Build Homebuy) in Stevenage, using £4.7 million Social Housing Grant. We are working with registered social landlords on bids for the 2008 - 2011 programme.

The Housing Partnership initiative has provided a further 200 homes, at no cost to the council, with about half of these for rent. In addition Growth Area Delivery Grant of £3 million from the Office of the Deputy Prime Minister has helped to develop affordable housing on two sites in the town.

Our housing strategy describes the forward supply of affordable housing as follows:

Performance/projection	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Number of affordable units built per annum	40	32	394	41	3	179

Projected supply of affordable housing - source Stevenage Borough Council housing strategy

Clearly this falls short of the identified need for affordable housing and we need to explore all the potential sources of land supply and funding, possibly increasingly on a sub-regional basis to achieve economies of scale.

Potential public funding sources include:

- Section 106 agreements (or future Planning Delivery Grant) producing on/off site contributions and commuted sums
- Reduced price / free land in council ownership
- Council capital resources
- Sub Regional Housing Pot
- Registered social landlord funds through reserves or Recycled Capital Grant
- Housing Growth funding.

Potential private funding sources these include:

- Bank / bond finance
- Private finance initiatives
- Intermediate tenures / cross subsidy
- Commercial / retail subsidy
- Investment trusts.



Monitoring and reviewing the strategy

This strategy covers the period 2007 - 2009. It will be monitored monthly alongside the housing strategy by the Affordable Housing Reference group to make sure targets are being met.

Progress on delivery will be reported to the 'Good Housing for All' Board and on a quarterly basis to the Performance Priorities and Improvement Group and the Executive Councillor for Housing and Health.

Progress will also be reviewed with registered social landlords in regular meetings.

We will review our capacity to increase our affordable housing target annually, taking into account available resources and land supply.

Appendix A.

The national context

What is shaping affordable housing in Britain?

Sustainable Communities Plan

In February 2003 the Deputy Prime Minister launched the Sustainable Communities Plan with the aims of:

- Increasing housing supply in high demand areas
- Tackling problems of low demand
- Improving the condition of housing to meet the Decent Homes Standard
- Regenerating deprived areas
- Linking housing with the sustainable communities agenda.

The Plan also heralded the establishment of four growth areas in the South-East (three of which impact the East of England); and regional housing boards with responsibility for drawing up regional housing strategies and advising ministers how housing investment should be allocated in each of the English regions.

Barker Review of housing supply

In March 2004 Kate Barker's final report, "Delivering Stability: Securing our Future

Housing Needs", was launched by the Treasury. It addressed the issues contributing to weak housing supply in the UK. The Review set out options for the Government to consider the appropriate balance between macroeconomic stability, market affordability, meeting housing need and environmental sustainability.

Among the Report's recommendations for the Government were:

- Establish a goal for affordability of market housing
- Changes to the planning system including currently negotiated Section 106 agreements
- Land allocation at local level that is more responsive to housing demand
- Changes within the house building industry.

Also in March 2004 the Government launched its Key Worker Living (KWL) programme to address the recruitment and retention problems faced by public service employers in London, the South East and East Regions.

KWL is funded by the Communities and Local Government department via the Housing Corporation and selected Zone Agents (registered social landlords) operating in the English Regions. The Zone Agent in Hertfordshire is Lea Valley Homes, part of Aldwyck Housing Association.



Early findings of an evaluation of KWL concluded that the majority of employers interviewed thought that KWL was having a positive impact on recruitment and retention. The research has also resulted in some changes to the eligibility criteria and products available from April 2006.

Key Workers eligible for help include:

- All clinical National Health Service staff
- Teachers in schools, further education and sixth form colleges
- Police officers and community support officers
- Uniformed staff in Fire and Rescue services
- Prison and probation service staff
- Social workers, occupational therapists, educational psychologists, rehabilitation officers for the visually impaired, speech and language therapists and qualified nursery nurses
- Local authority employed clinical staff
- Local authority planners.

The Government's five-year plan for housing

In January 2005 the Deputy Prime Minister published the Government's five-year housing plan, "Sustainable Communities: Homes for All." It described the next stage in delivering the "Sustainable Communities Plan", alongside a partner strategy "Sustainable Communities: People, Places and Prosperity". Among the aims of "Homes for All" were:

- Achieving a better balance between housing availability and demand in each region
- Supporting people on moderate incomes to own their own homes, especially through subsidised shared equity products
- Tackling homelessness, introducing the commitment to half the number of households in temporary accommodation by 2010.

In March 2005 the Government launched its strategy for tackling homelessness, "Sustainable Communities: settled homes, changing lives." The strategy underpins the aim to half households in temporary accommodation with a number of objectives, predominantly around prevention but also notably by increasing the supply of new social housing by 50%.



The Government's response to the Kate Barker Review of housing supply was published on 5 December 2005 with the aim to make housing more affordable for the next generation. It contained three key goals:

- A step on the housing ladder for future generations
- Quality and choice for those who rent
- Mixed, sustainable communities.

The Government has committed to:

- Increase the rate of house building and setting out the pace of change in the Spending Review
- Increase affordable housing for ownership and rent
- Reform planning to make sure that regional and local plans are more responsive to local housing needs, and provide high standards of design.

This sets out a clear direction of travel, increasing housing supply across England by achieving a target of 200,000 net additional dwellings each year by 2016.

The Government announced in October 2007 its intention to introduce a planning charge to enable councils to capture greater levels of planning gain, to support new infrastructure and housing.

This Statutory Planning Charge, based on various planning tariffs that have already been implemented across the country, features in the Planning Reform Bill.

If introduced, the charge would be levied on both residential and commercial development, but it would be supplemented where necessary by a negotiated agreement to address costs related to the specific development site and importantly, to secure affordable housing.

The new Greenbelt Direction was issued through a circular to local authorities and came into force on 3 January 2006. It introduces a more rigorous scrutiny for planning applications in the Green Belt by requiring planning applications for inappropriate development of certain types and scale in the Greenbelt to be referred to CLG.

The draft Sustainable Homes Code was introduced to improve the environmental sustainability of the increased housing supply. It is a voluntary code to improve the energy and water efficiency of new homes.

The New Growth Points initiative is a package of funding and support for local communities to pursue large scale sustainable growth. An initial £40 million has been earmarked for the first round of site infrastructure projects.

National Planning Policy Framework

There have also been significant changes to the National Planning Policy Framework over the past five years.

The Government's national planning guidance is contained in the Planning Policy Statement 3 (PPS3) – Housing, published in November 2006. This replaces PPG3 and Circular 6/98 and describes the key housing objective of Government as ensuring that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live.

PPS3 states that the planning system should be used in a positive way to deliver an identified level of growth, having taken into account need and demand. It aims to ensure that high quality homes are provided, that are well designed, make the best use of land, are energy efficient, employ sustainable methods of construction and contribute to the wider goal of a more sustainable pattern of development.

PPS3 stresses the importance of ensuring that public sector investment in housing results in a mixture of properties, both in terms of size and tenure that contribute to a balanced housing market. It seeks to improve choice and requires a sufficient quantity of housing to be provided, taking into account need and demand. A five-year supply of land is to be made available, managed so that it makes efficient and effective use of land, including re-use of previously-developed land where appropriate.

The Government's Green Paper – 'Homes for the Future: more affordable, more sustainable'

Published on 23 July 2007 the Green Paper sets out the role of Local Authorities as a strategic housing enabler for affordable housing; a key influencer in decisions and having a direct role in the building of new homes where it provides value for money.

The Key Proposals are:

- Develop new homes: two million by 2016, three million by 2020 (current annual development rate does not meet annual population growth)
- The above figure to include 70,000 more affordable homes a year (to buy or rent) by 2010 – 2011

- Well-designed and greener homes
- Bids invited for five new eco towns
- To allow councils to keep rents and receipts from new homes and to bid for social housing grant
- Enable two star ALMOs to bid for grant
- Allow councils to put together partnership vehicles to bid for social housing grant – outside the Housing Revenue Account.
- Introduce a new Housing and Planning Delivery Grant (replacing current planning delivery grant) to direct resources to those councils who have developed high levels of housing and earmarked at least five years worth of sites for future development
- Give councils a more enabling and strategic role in creating a better mix of social tenure with regard to sustainable communities (reflecting Hills' report - *Ends and Means: The future roles of social housing in England* by John Hills, Feb 2007).



Appendix B. The regional context

What does this mean for Eastern England?

In the East of England two processes have been running in tandem to address the issues highlighted in the national framework - the development of the Regional Housing Strategy and the Regional Spatial Strategy (the East of England Plan). In order to underpin these two pieces of work research was commissioned from the Cambridge Centre for Housing and Planning Research.

The work was carried out over two phases in 2003 and 2004. The problem for the East of England over recent years has been the increasing “unaffordability” of home ownership, putting significant pressure on rented housing. The Region’s Annual Monitoring Report has shown that the house price to incomes ratio was as follows:

2001	2002	2003	2004
5.4:1	6.9:1	7.4:1	8.2:1

The research was to distinguish between different types of housing need and quantify it. The key recommendations from this research were:

- 7,200 new housing per annum should be social rented dwellings
- Plus 2,400 intermediate market dwellings a year
- Of which 720 units are key worker dwellings. This figure would rise in 2006/07 to 760 to take account of planned growth in the health sector
- Currently unmet housing need of families in temporary accommodation and families currently lacking separate accommodation of 13,200 households, whose needs could be met by providing 1,320 dwellings over ten years
- To deal with overcrowded households in the social rented sector, a further recommendation that a proportion of newly built social rented dwellings should be larger than 3 bedrooms to facilitate transfers within the stock.

- In total this amounts to an identified need for 10,920 affordable housing dwellings annually over the period to 2015.

Policy H1 of the December 2006 draft of the East of England Plan makes provision for at least 508,000 additional homes over the period 2001 to 2021. The Plan states that local planning authorities should aim to exceed the annual average rates for 2006 - 2021 without breaching environmental limits and infrastructure constraints. It expects this to be achieved by:

- Increasing density, consistent with criteria in PPS3;
- Encouraging opportunities on suitable previously developed sites;
- Making best use of policies on exceptions sites to provide affordable housing in rural areas.

Policy H3 of the draft Plan deals with Affordable Housing. This says that within the overall housing requirement in Policy H1, Local Development Documents should set appropriate targets for affordable housing taking into account the

objectives of the RSS, local assessments of affordable housing and the need where appropriate to set specific, separate targets for social rented and intermediate housing.

The Policy goes on to state that at the regional level, delivery should be monitored against the expectation that of the housing coming forward as a result of planning permissions granted after the adoption of the RSS, 35% should be affordable

Following the Examination in Public (EiP) of the Plan, the Secretary of State's proposed changes were published for consultation. These proposed increasing the amount of growth for Stevenage from 14,430 dwellings to 16,000, including provision for up to 9,600 outside the Borough boundary in North Herts (to include 1,600 at Great Ashby and Burleigh Park to be built after 2001). The allowance of 6,400 for development within the Borough was to be regarded as a definite minimum, which the LDF may plan to exceed.

Joint local development documents or master planning studies will need to define the limits elsewhere and ensure that the proposals can deliver sustainable development in relation to transport, social and environmental infrastructure.

The final version of the East of England Plan is expected to be published in 2008.

The first Regional Housing Strategy (RHS) was published shortly after the Sustainable Communities Plan in May 2003, in order to support the housing investment decisions of the newly formed Regional Housing Board. As a first RHS it was limited in its strategic scope, building on the previous largely descriptive Regional Housing Statement. This has been superseded by a second RHS to cover the period to 2010.

The revised RHS is conceived as an instrument to deliver the East of England Plan and recognises the very significant step change required in current rates of production and the challenge this poses to the house building industry in the region.

Furthermore it recognises that the challenge to the public sector is to create affordable housing provision without significant negative affects on the market position. Finally, the RHS is realistic in assuming resources available for public investment will be lower than the volume required to meet the overall need for affordable housing provision. In order to meet these challenges the RHS proposes a range of solutions:

- Reducing the production costs of new affordable housing without reducing quality- measures targeted at reducing land and construction costs



- Reducing the average need for subsidy to make decent housing affordable- measures to target the use of cross subsidy between tenures and longer term planning through partnering

- Increasing resources for subsidy- measures to underline the primacy of private subsidy from planning gain and the use of capital funds from the Regional Housing Pot (RHP) as “gap-funding”.

The Government’s Comprehensive Spending Review 2007 made a number of announcements that underpinned its intention to deliver 3 million new homes by 2020, including:

- £6.5bn over 3 years for new social housing, to deliver 45,000 new social homes each year between 2008-11. This represents a 50% increase compared with 2007-08, with a goal of reaching 50,000 new homes per year during the next spending review period;

- £1.7bn over 3 years targeted funding for infrastructure in growth areas, the Thames Gateway, new growth points and eco towns, including a £300 million Community Infrastructure Fund; and

- £500m over 3 years for the new Housing and Planning Delivery Grant, to incentivise local authorities to increase housing supply and help bring forward local development frameworks.

EERA submitted its Housing Investment Plan for 2008-11 to the Housing Minister in June. This set out the Assembly’s investment recommendations for the Regional Housing Pot. The proposed allocation for the National Affordable Housing Programme (NAHP) is £711.3m, while a further £38.2 is being allocated for local authority Decent Homes and £40.4m for private sector Decent Homes.

The Assembly made delivery of affordable housing as the region’s top priority. An average annual output of 7,900 homes per year is expected (based on the housing trajectory models developed by the Assembly, excluding outputs from the Growth Support (Affordable Housing) Fund), enabling the region to achieve a significant step-change in delivery.

The Regional Housing Strategy 2005-10 made recommendations for spending the Regional Housing Pot (RHP) for 2008-11, proposing a split of investment between new, affordable housing and existing stock in a ratio of 85:15.



The modelling for the Strategy assumes a rent to sale tenure split of 60% to 40% (including Open Market HomeBuy), although the Housing Investment Plan 2008-11 recommended an overall tenure split of 70% to 30%. The Assembly agreed to stick with its original advice for a 70:30 split for 2008-11, with a request that the region had the option to review this advice at annual intervals.

The Housing Corporation's set out proposed minimum output targets. The move to a three-year programme and Regular Market Engagement will feature in the NAHP 2008-11 and will enable the region to respond more flexibly to need.

In terms of subdividing the NAHP, the Assembly took advice from the nine sub-regions. These said that 75% of new investment should be earmarked to growth across the region, with 11% addressing rural needs, 11% for supported housing and 3% for BME needs.

An important process of the RHS has been to foster the development of the nine housing sub regions. The sub regions were established to reflect the different housing markets that operate across the East of England. Each of these has its own sub regional strategy, and investment allocations are developed on a sub regional basis.

Stevenage is part of the London Commuter Belt (LCB) Sub Region that comprises 15 local authority areas in Essex and Hertfordshire. The sub region has identified:

- The sub-region's most acute problem is that housing need / demand exceeds supply and that this discrepancy is increasing
- There is a growing problem of affordability throughout the sub-region, which is affecting middle as well as lower income groups
- London is the main economic driver in the housing market, and its impact shows no sign of lessening.

Within the sub regional analysis Stevenage has recorded by far the highest (780) amount of Right to Buy Sales between 2001 - 2004 compared with other authorities, but has a significantly higher capital development programme proposed for 2005/06.

The first two priorities of the LCB Sub Regional Strategy (2005 - 2008) are to maximise the delivery of affordable housing and develop the intermediate market. The sub region has established a costed and prioritised action plan to overcome the challenges of:

- Making land available
- Providing funding
- Securing maximum return from S106 agreements
- Making best use of the existing housing stock
- Achieving a balance in provision between key worker groups and those in traditional housing need.

As part of the RHDG, the Sub Region is leading the development of the regional affordable housing pipeline work to overcome barriers in provision.



The LCB Sub Regional Strategy set out the following key investment priorities for the Sub Region:

Investment Theme	Note	Proposed %
Growth (including homelessness & housing need)		80%
Regeneration	NDC & NRA permitted only	0%
Rural housing		5%
Key workers	CLG defined	5%
Supported housing	Capital funding only	5%
Existing housing stock	Private sector & DFG only	3%
BME	Includes general & specialist/ travellers & gypsies	2%
Total		100%

The region has been gearing up for a first step towards increased delivery of affordable housing numbers by ensuring evidence-based research underpins policies in the RSS and RHS; identifying the challenges to achieving the step change and putting measures in place to overcome them; providing strategic guidance on public investment; developing a housing market approach to provision.



Appendix C.The local context

How will this impact Stevenage?

The vast majority of properties (94%) have been built since 1945 and 50% have been constructed since 1964. It is a relatively compact area in the predominantly rural part of northern Hertfordshire. The housing stock is distinctive as it has a much higher proportion of terraced property than national average, and higher percentage of affordable housing than the national average.

	Stevenage	East of England	England and Wales
%Terraced property	52.1	23.5	26.0

Terraced housing comparison Stevenage with regional and national proportions – Source 2001 census

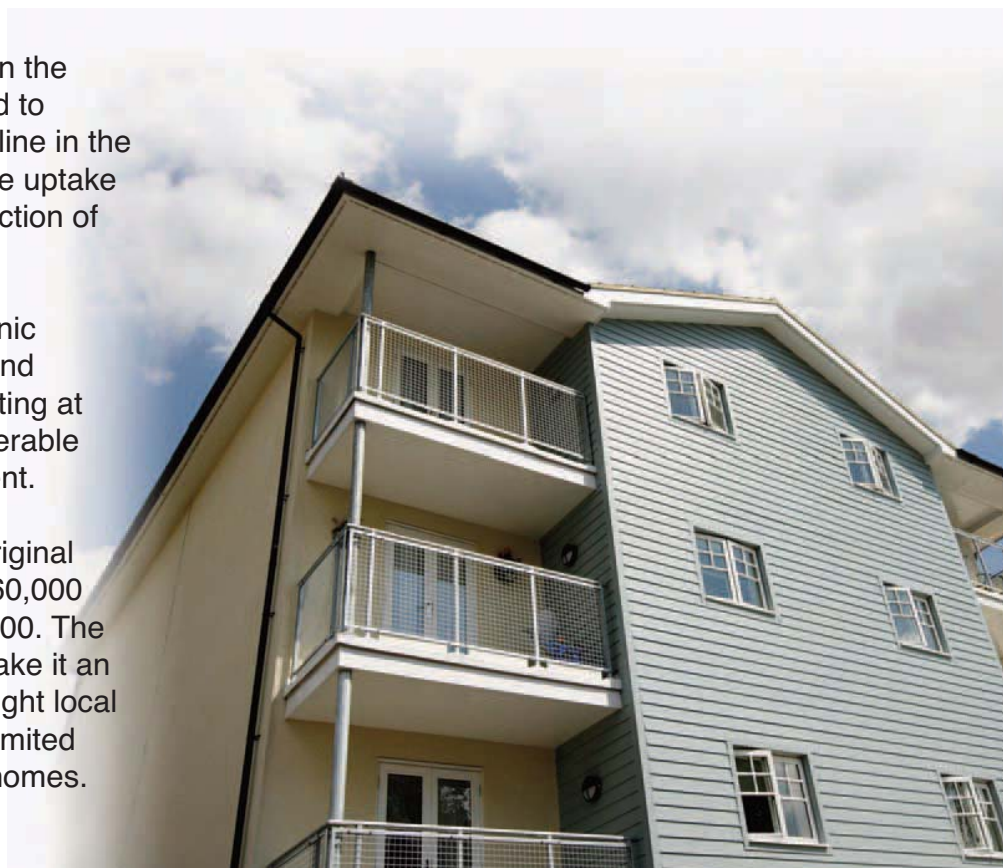
Tenure	Stevenage	East of England	England and Wales
% Rented from the Council	27.6	11.6	13.2
% Rented from a housing association	3.5	4.9	6.0

Public sector Stevenage in comparison with regional and national proportions – Source 2001 census

In 1981 only 36% of the stock was in the private sector but this had increased to almost 70% by 2002 due to the decline in the production of affordable housing; the uptake of the Right to Buy; and the construction of new homes by private developers.

Due to its dynamic rather than organic growth much of the housing stock and physical infrastructure are deteriorating at the same time, presenting a considerable challenge for logistics and investment.

The town has now outstripped its original planned size; it was developed for 60,000 people but now houses almost 80,000. The good transport links with London make it an attractive location. Because of the tight local authority boundaries the town has limited space for the development of new homes.



Town centre regeneration

A regeneration strategy was prepared by master planners, EDAW Ltd in 2002 which informed the Supplementary Planning Document (SPD) for the town centre in 2005.

Following extensive consultation, an outline planning application for a comprehensive redevelopment of the town centre, including a full range of retail uses, housing (including affordable housing), hotel, leisure, civic facilities, open space and car parking was submitted to the Council in November 2007.

These proposals include high-density town centre living and town centre residential accommodation and have been worked up closely with English Partnerships and the developers. The affordable housing proposals aim to deliver 25% new affordable housing. 50% of this will be provided on site as one and two bedroom intermediate Homebuy apartments, above the new retail units. This tenure is identified as desirable within the Town Centre SPD, which highlighted a requirement for affordable home ownership products for first time buyers and key workers in this location.

The remaining affordable housing is proposed to be provided off site, in the form of family houses. This will be facilitated through payment of a commuted sum, as a contribution to the Council for rented family homes.

Neighbourhood and estate regeneration

Stevenage was planned and built around a network of self contained neighbourhoods that were intended to be the heart of each community. We have a programme of neighbourhood action plans to revitalise and update the centres to remain at the heart of each community. This includes the redevelopment of the Austen Paths neighbourhood centre by demolishing existing garages and replacing them with 24 new residential units and a general store. Funding for this came from the CLG Growth Area Delivery Grant.

Some of the town's housing estates are in need of renovation and re-design as living patterns have changed. The Stonyhall estate consists of 119 flats and bedsits in 6 blocks with 53 garages and district heating system on the site. It was built in the early fifties. Our research revealed that a significant sum would need to be spent to bring the estate up to the Decent Homes Standard. In addition residents were concerned about estate security and environmental improvement.

Following a review of options with significant involvement from tenants on the estate including a ballot where 92% of tenants voted "yes" to voluntary transfer and regeneration proposals - it was agreed to transfer the estate to William Sutton Housing Association with effect from March 2005. The £15 million regeneration scheme will demolish the existing flats and replace them with 140 new affordable homes and a community centre. The scheme is progressing and by the end of March 2007 32 units had been demolished and replaced with 33 new build properties for social rent and shared ownership.



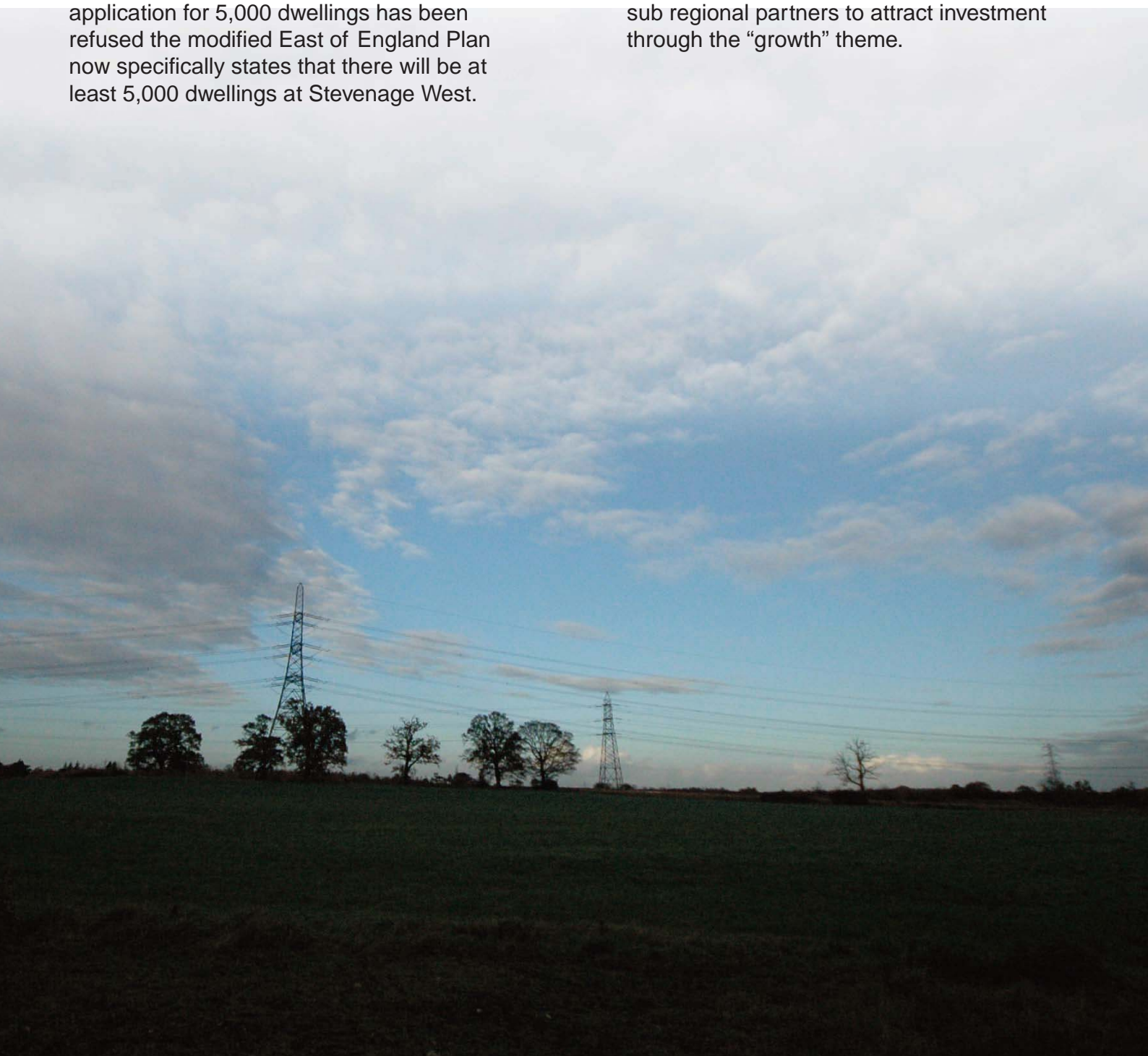
Stevenage West

The proposal to develop homes on a site west of the A1(M) at Stevenage has been the subject of long debate, now brought to a conclusion following the in-principle approval for a development of 3,600 new homes.

The site covers land in both Stevenage and North Hertfordshire. Agreement was reached between the local authorities and the developers to provide affordable housing amounting to 27.5% of the total development. Whilst the original planning application for 5,000 dwellings has been refused the modified East of England Plan now specifically states that there will be at least 5,000 dwellings at Stevenage West.

The percentage of affordable housing will be re-negotiated for any new application for anything over 3,600 dwellings, and the East of England Plan's policies requiring at least 35% affordable will take precedence.

Stevenage has potential to develop the opportunities offered by town centre regeneration and Stevenage West for regional growth. However, much will depend upon the outcome of the EiP and subsequent investment decisions. Stevenage will fulfil its potential as a growth point for affordable housing by working closely with its sub regional partners to attract investment through the "growth" theme.



Appendix D.Resources

We have agreed an annual target of a minimum 150 new homes every year should be provided every year. 80% of these (120 new homes) will be for affordable rent and the rest will be shared ownership, intermediate rent or other affordable types.

Housing Corporation funding

The Housing Corporation has indicated it is only able to fund housing projects from the Single Regional Housing Pot in accordance with the themes set by the Regional Housing Strategy, and within that, the emerging sub-regional strategies.

Although there can be no guarantee that Stevenage would be favoured over other areas within the sub-region for Housing Corporation funding, we need to anticipate regional priorities and identify schemes that match them. This means we must:

- Work with our partners to bring forward and support the supply chain of opportunities, which will be identified from a variety of sources
- Produce bids for funding that match sub-regional objectives
- Produce schemes that require levels of grant at competitive rates.

We also need to explore opportunities to work with neighbouring authorities, to increase investment and share resources. We will work towards agreeing a nominations protocol with North Herts District Council for Stevenage West, and open discussions with the Housing Corporation on out of London investment.

There is also no certainty of success with securing further Housing Growth funding but again we need to ensure we have schemes and sites worked up in advance of calls for further grant funding opportunities. Our Affordable Housing Delivery Unit will maintain close contact with the Government Office to determine when such opportunities are likely to arise.

We intend to improve our identification and assessment of housing sites and will utilise the services and experience of the Estates Division. This could involve bringing forward employment sites and other land for affordable housing, including the District Plan reserved schools sites at Hertford Road and Edmonds Drive, which are no longer need for schools purposes.

An obstacle we have identified in the delivery of individual sites concerns the availability of legal resources within the council. We will explore with our registered social landlord partners additional resources for our legal service, to improve the responsiveness of service and aid delivery.



Green paper – Home for the future: more affordable, more sustainable

The Government announced opportunities for two star Arms Length Management Organisations and council led local housing companies to access social housing grant to build new homes. Our Affordable Housing Delivery Unit will explore the proposals in more detail with its partners including Stevenage Homes.

National Affordable Housing Programme

The main source of capital funding for affordable housing provision in the future is the Housing Corporation's National Affordable Housing Programme, or NAHP.

Allocations for the last bidding round 2006 - 2008 have now been published. This shows that out of a total bid of £684 million, the region was allocated £285 million. This means that about 2 out of every 5 bids received funding, and although this figure has come down substantially over the past few years, helps to demonstrate the competition for grant within the region. In order to win more funding, Stevenage will need to significantly increase the number of bids submitted by housing providers.

NAHP Eastern Region allocations 2006 - 2008

RHS Investment Theme	RHS %		NAHP %	Units
Black & Minority Ethnic	3.00%		1.70%	100
Growth	23.00%		27.90%	2,542
Key Worker Living	17.70%		1.60%	211
Local	23.00%		33.50%	3,311
Rural	12.00%	Market towns*	4.30%	361
		Rural*	10.40%	847
Regeneration	12.00%		3.10%	1,114
Supported	9.30%		7.40%	349
TOTAL				8,829

* Market towns population 3,000–10,000 * Rural population less than 3,000

Within these figures, the London Commuter Belt received allocations to provide a total of 2,754 new homes, or about of the LCB total of 8,829. This underlines the importance of the growth areas within the LCB area.

Stevenage's share will contribute 120 new homes of these totals. 89 of these are for affordable rent, using £4.196 million of grant (or around £47,000 grant per unit), with the remainder being new build Homebuy (30 homes) and one key worker intermediate rented unit.

One notable point is that region as a whole did not receive many bids for Black and Minority Ethnic schemes to take up the target RHS 3% figure. The region is currently undertaking further research into the Housing Needs of BME Communities in the East of England, in part to inform future affordable housing investment direction.

Building the Supply Chain

We expect that Housing Corporation funding will make a significant contribution to achieving our overall target of 150 affordable homes a year and we aim to secure funding of at least £3 million of grant through the NAHP per year. If 2 out of every 5 bids received funding, this means that for the two-year 2008-10 bidding round, we need to identify schemes that will require at least £15 million of grant. We will do this by building the supply chain of sites with our registered social landlord partners and other providers.

The Housing Corporation has set out a number of new challenges for affordable housing providers through:

Its discussion paper, Future Investment Approaches, which looks at the way it allocates funding for new affordable housing. This highlighted the biggest barrier to the delivery of more affordable homes is the shortage of available land. Whilst identifying the future supply of housing land is a wider issue for the Council and in particular its

development of the LDF, we need to make sure that any changes to the Corporation's modernised investment system facilitates registered social landlords and other providers ability to access land, whether through advance purchase for landbanking, partnership with landowners or the ability to respond swiftly to land supply opportunities.

A further discussion paper, Opening the Door, which examines the financial capacity of the registered social landlord sector, and how the costs of new supply might be reduced by lower land costs. It says that local authorities could play a significant role in providing suitable land for housing development and goes on to argue that such land could be made available for a price that is 'substantially below full market value, as part of a partnership approach that ensures our local actions reflect the overall political priority of meeting England's identified affordable housing needs'.

Given the limited availability of such land holdings in Stevenage, there may few opportunities for assisting in this way, beyond the actions that are proposed elsewhere in this Strategy.

Working with unregistered providers

Affordable Housing is now delivered with a range of providers. In the East of England, grant allocations were made to 32 registered social landlords (5 of which are specialist bidders) and 4 private developers. Although no bids were received from private developers in Stevenage, this change to the national funding framework means that the Council will need to broaden its dialogue with unregistered bodies who may be proposing to provide new affordable homes in the town.

The Council is also keen to work with Stevenage Homes, who may be able to bid for grant in future as a high-performing Arm Length Management Organisation (ALMO).

Planning policy – homes provided on site without grant

Under the Stevenage District Plan (superseded by national guidance in PPS3), 35% affordable housing is now sought on all housing developments of 15 - 24 units and 40% on sites over 25 units.

As part of the negotiations on these sites, we aim to ensure that the affordable housing is provided on site without recourse to grant. However, this developer subsidy can be difficult to quantify, particularly as the number and availability of sites coming forward is limited.

Planning policy - financial contributions from developers

From time to time, the Council expects that it will receive commuted sums for off-site provision of affordable housing. These sums have to be committed on affordable housing developments during a set period, generally 5 years.

The Council recognises that there are several ways in which this money could be spent. It could purchase existing homes on the market. This would achieve a quick release of rented housing, which can be tailored to particular needs in the town. But such an approach would not enable it to go very far. It could also be used to subsidise existing affordable housing schemes that don't have grant, or it could help to secure

sites for subsequent development through a registered social landlord that might otherwise be lost to affordable housing.

The Council is committed to use such income in more innovative ways. We will explore the potential to match fund registered social landlord's investment in bringing forward sites for housing development. This could lever in additional funding, as well as secure land or property that might otherwise not be developed for affordable housing.

The Council will develop its policy on the calculation and treatment of using commuted sums and will consult with registered social landlords before it is agreed by the Council

Although the extent of such contributions is very difficult to predict, we expect that such funding might contribute 20 homes a year towards the overall target.

Using capital funding from the Council

Local Authorities are able to provide funding from their own capital programmes (although this is no longer reimbursed by grant from the Housing Corporation). Generally, this comes from right-to-buy receipts and other asset sales, 25% of which is usable for this purpose.

As mentioned above, we are aiming to provide direct funding to 'top up' commuted sum payments to a value of £1m a year. This has to be subject to the constraints on the rest of the capital budget, but we aim to give high priority to affordable housing.



SBC land sales for affordable housing

Local Authorities can also provide land for affordable housing at nil consideration or a discount from the full market value, but the value of such discounts is deducted from any public grant that is made available. Although this is a valuable contribution towards making the available grant go further, it compromises the ability of the Council to generate income for other purposes.

Nevertheless, the Council has made a significant contribution by disposing of 40% of its sites in the Local Plan at less than market value for affordable housing. The AHDU will work with the Council's Estates team to replicate this target for future land sales, but only as long as we can be sure it unlocks the equivalent additional value in grant funding from the Housing Corporation.

Recycled Capital Grant Fund (RCGF)

When a housing association sells a property, the receipt from the sale is available to be reinvested into housing and related activities. The resources from RCGF and the Disposals Proceeds Funds are considerable, amounting to £300m per year.

The use of these recycled resources is subject to controls and historically there has been a presumption that receipts will be re-invested in the local authority area where they were generated. The Housing Corporation generally expects that funds will be spent in accordance with the investment priorities set by the Regional Housing Strategy.

Again, it is very difficult to predict what RCGF funding will be available in Stevenage for new provision, and we will work with registered social landlords to maximise any expenditure in the town. We hope this could produce a further 5 homes a year through this route.

Other sources of funding

Other sources that will be explored by the AHDU include land or funding from English Partnerships or the Regional Development Agency, the Private Finance Initiative (PFI), Health Authority funding (principally for housing for older people), equity-sharing models and Empty Homes Grant.



Appendix E. The affordable housing delivery unit

Setting up the affordable housing delivery unit shows our commitment to supporting the development of more affordable housing.

This Unit centres on the strategic housing enabling function and will draw upon and coordinate the contributions of planning and regeneration, estates and legal functions within the council.

We can bring together resources, expertise and an understanding of affordable housing issues. The Unit will provide opportunities to develop new initiatives, overcome issues and deliver a growing affordable housing programme. It will be tasked with achieving yearly improvements in affordable housing and will be monitored by councillors.

During the unit's first year it will address the following:

- Meeting housing needs and combating homelessness
- Working more strategically
- Understanding local housing markets
- Maximising resources to meet housing need
- Encouraging a fair and inclusive community
- Regenerating Stevenage.

The remit for the AHDU will be as follows:

- Preparing a Housing Strategy that promotes joint working between the housing and planning departments and RSL partners;
- Ensuring this Strategy relates to other Council policies and strategies that contribute towards achieving the

building of sustainable communities, such as the LDF and the Economic Development and Community Development Plans

- Researching and enabling the development of 'Balancing Housing Markets' (required as part of the Council's submission for its CPA)
- Facilitating negotiations for S106 agreements by having a nominated RSL involved at the earliest stages and making the developers aware of the likely amounts of grant available and the Council's preference on mix and tenure of units;
- Promoting the Council's interests at a regional and sub-regional level, and contributing to the debate and development of joint policy;
- Establishing housing standards and determining the tenure and size mix for individual sites;
- Leading on consultation exercises to obtain feedback from stakeholders on the content and implementation of Housing Strategies;
- Sourcing and bidding for grant from whatever sources can be identified;
- Supporting housing associations in their bids for direct grant funding from the Housing Corporation, and assisting with the prioritisation of schemes;
- Identifying and co-ordinating the release of assets owned by the Council to enable more affordable housing to be provided;
- With planning policy colleagues, negotiating with developers on individual sites, as well as disseminating information about the Council's policies;

- Helping residents and tenants that are interested in purchasing their own home;
- Liaising with Zone Agents on the Key Worker Living and HomeBuy programmes;
- Undertaking research and surveys to ensure that the right type of housing is provided to meet existing and future needs;
- Monitoring progress and disseminating information to stakeholders.

Appendix F. Relationship with other plans

Housing Strategy (2005 - 2010)

Our housing strategy - 'Good Housing For All' was published in 2005. This set out our priorities for the next five years to:

- Improve our homes
- Improve the customer experience of our service
- Ensure the development of affordable homes
- Improve support for homeless and vulnerable people
- Develop communities people are proud of.

Community Strategy (2007 - 2009)

Stevenage Partnership's community strategy includes the following actions:

- Negotiate the provision of affordable homes through planning gain agreements with property developers
- Make sure that at least 20% of newly built properties are social rented homes for local people and 5% are for other priority need groups such as key workers

- New housing developments at Ridgemonk Park and Austen Paths sites funded through a grant from the Sustainable Communities Fund

- Build new homes in partnership with housing associations

- Regenerate the Stonyhall Estate

- Implement a homelessness strategy in line with the Homelessness Act (2002) and increase the level of choice available to people in housing need

- Strengthen regeneration bids that include housing by including proposals for play and other facilities to meet new government guidelines on liveability.

Corporate Business Strategy (2008 - 2013)

In our corporate business strategy under the ambition of 'Create Sustainable Communities' is the following priority:

'Provide quality, affordable housing.'

We want Stevenage to be a place where people want to live and work and creating affordable homes is key to this.



Core Strategy

The emerging Core Strategy of our Local Development Framework (LDF), (which will direct and steer development to 2021 in conformity with the East of England Plan) is being prepared. Following consultation we may be in a position to enhance our existing policies that deal with such areas like the site threshold for affordable housing.

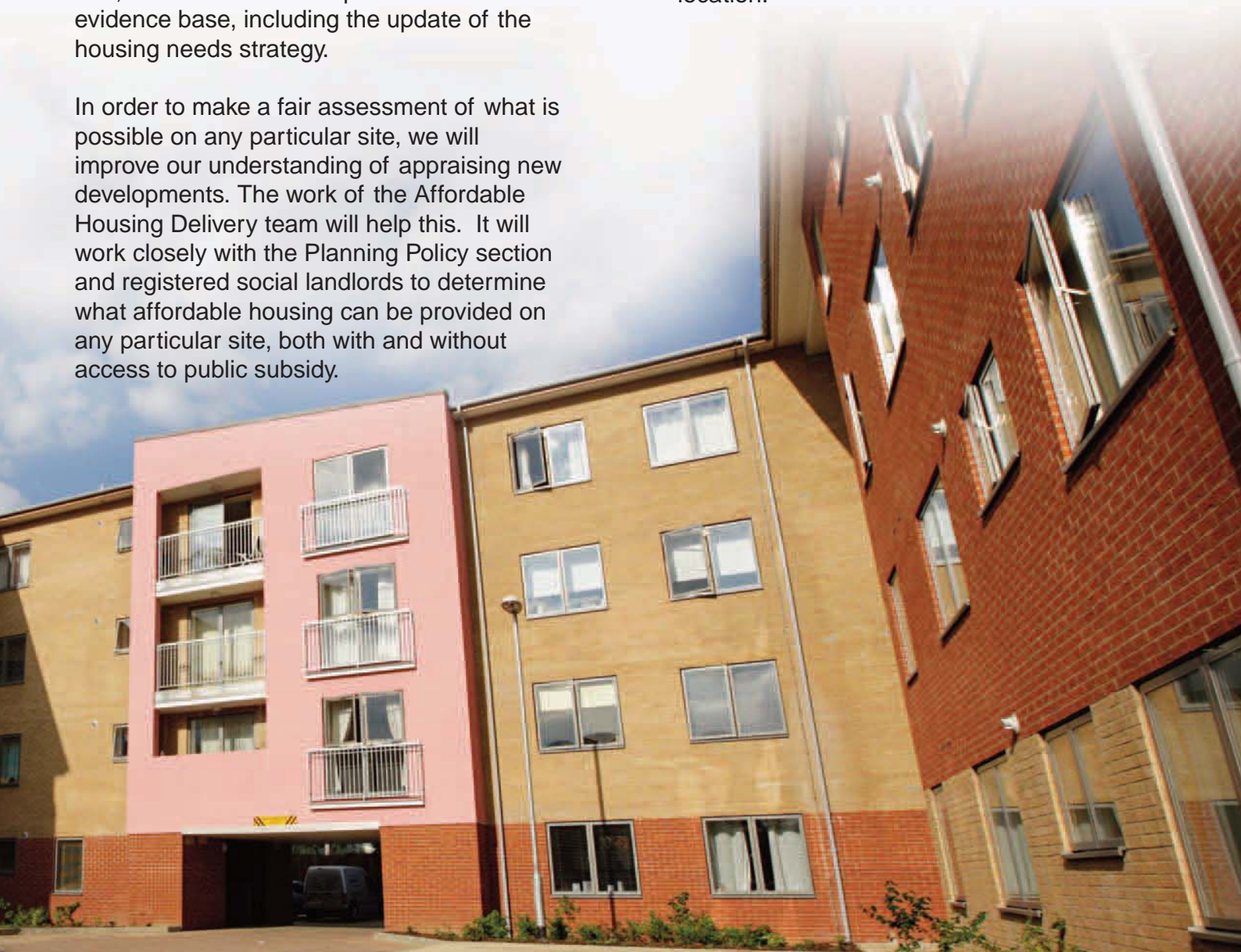
From 1 April 2007 we have been using the new national minimum site threshold of 15 dwellings (set in PPS3) as the baseline for when to seek affordable housing, rather than the threshold set in the adopted (2004) Stevenage District Plan Second Review. The appropriate threshold(s) and percentage(s) for all new development will be reviewed comprehensively in the preparation of the LDF, on the basis of an updated and revised evidence base, including the update of the housing needs strategy.

In order to make a fair assessment of what is possible on any particular site, we will improve our understanding of appraising new developments. The work of the Affordable Housing Delivery team will help this. It will work closely with the Planning Policy section and registered social landlords to determine what affordable housing can be provided on any particular site, both with and without access to public subsidy.

Homelessness Strategy (2003 – 2008)

Our homelessness strategy seeks to balance the needs of homeless people with the needs of the wider town 'to ensure the well-being of all'. It also states that any new homes that are developed must be provided so they are a part of communities that are sustainable.

Successful delivery of the homelessness strategy will also depend on increasing the supply of homes to affordable households. It sets a target of 160 new homes for homeless households for the five year period to 2008. We will make sure that these homes match the requirement arising from homeless households in priority need, by working with registered social landlords to provide family homes of the right size and in the right location.



Affordable Housing Strategy for Stevenage: Action Plan for 2007 / 2008

Priority	Action in 2007/8	Measures/ Targets	Lead Officer	Resources	Other links to wider objectives
MEETING HOUSING NEED & COMBATING HOMELESSNESS					
Maximise delivery of new affordable housing	Update Housing Needs Study	Revised HNS published	AHDU/PP	Budget agreed for 2007/8	
	Secure 35% affordable housing on sites of 15-24 dwellings and 40% on sites over 25 dwellings	150 new affordable homes per year	AHDU/PP/DC	£1m pa SBC capital funding	
	Develop database of information on new housing schemes, including unit mixes, dwelling sizes for different tenures, scheme costs and grant requirements	Data available for analysis, to provide quick response to enquiries	AHDU/PP		Enhancing the image of Stevenage
	Review Preferred Development Partner List Develop Affordable Housing Development Protocol	RSLs sign up to Affordable Housing Development Protocol	AHDU		Enhancing the image of Stevenage
	Develop Supply Chain of new sites	Supply Chain information meets HC expectations	AHDU/PP		
	Work with partners to ensure opportunities and windfall sites are maximised by:	Land identified for 50 affordable units in 2007/8 (PTO)	AHDU		

Affordable Housing Strategy for Stevenage: Action Plan for 2007 / 2008

	<ul style="list-style-type: none"> ● responding quickly to enquiries with indicative mixes and tenures ● identifying potential obstacles early ● liaising with other departments ● engaging pro-actively with RSLs and developers 		AHDU AHDU/PP AHDU AHDU		
Maximise funding for new affordable housing	Bring forward sites for affordable schemes	NAHP 2008-10 bid: identify schemes amounting to £15m grant	PP/AHDU		Enhancing the image of Stevenage
	Take forward boundary issues with adjacent local authorities, in consultation with GO East, and explore the potential for providing some affordable housing outside of current	When mutually acceptable approach is agreed	PP/AHDU		
	Developing a ways of best utilising commuted sum payments and other s106 contributions	Methodology and policy agreed	AHDU		
	Explore potential for Joint Venture with an RSL to maximise land banking opportunities	Report to Reference Group setting out potential options	AHDU		

Affordable Housing Strategy for Stevenage: Action Plan for 2007 / 2008

Land: SBC – owned sites	Work with Estates to determine the potential of SBC-owned sites (including garage sites) for affordable housing, carrying out cost benefit analysis to identify additional affordable units directly or funded from market sale	Direct provision or funding for 25 affordable units in 2007/8		ADHU/E/DC	
	Establishing an officer/member Reference Group, to build a common understanding, develop ideas and proposals and monitor performance	Completed 2006 to meet 3 times in 2007	AHDU	A+	
WORKING STRATEGICALLY					
Contribute to sub-regional research on housing supply and demand	Attendance at London Commuter Belt Officers' Group	Ongoing attendance	Strategy & Enabling Manager	Within existing resources	Enhancing the image of Stevenage
Undertake regular analysis of housing cost data and related market information	Utilise Hometrack's RealDemand Interactive Housing Analysis System to analyse and report on house prices, affordability, private sector rents and local area demand profiling	Ongoing (subject to funding)	AHDU	Funding Agreed	
Promote understanding of affordable housing delivery across SBC departments	Develop corporate understanding by seminars and training events	1 joint seminar held in 2007	Strategy & Enabling Manager		

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Land: bringing forward post-2021 sites	Consider bid for I&GP-funded research into land supply in Stevenage and North Herts, and how long term sites can be brought forward	Bid made for 2008/9	AHDU		Enhancing the image of Stevenage
Working with housing providers	Arrange briefing events with housing providers, dealing with policy issues and implementation (to include SBC Legal Department)	2 for RSLs; 1 for unregistered bodies	Strategy & Enabling Manager		Enhancing the image of Stevenage
Preparation of the action plans for strategic sites	Develop development appraisal methodology & nominations protocol with North Herts DC	Nominations Protocol agreed & approved	Strategy & Enabling Manager		
	Working with the Planning Policy team to prepare site development briefs on larger sites (50+ units) and regeneration schemes (subject to resources)	Ongoing programme – as large sites come forward	AHDU		
	Undertaking a cost benefit analysis of Stevenage and HCC-owned sites to identify housing and social benefits	Method agreed by October 2007	AHDU		
	Exploring opportunities to use public land with other bodies including the HCC and NHS including subsidising housing provision	Opportunities identified by April 2008	AHDU		

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	Determining the appropriate mix for potential new sites, taking account of the existing local stock mix, such that the housing in the area becomes more balanced and sustainable	As part of site appraisal and development process	AHDU		
	Prioritising sites within Stevenage and develop a risk/decisions matrix to highlight issues that need to be overcome	Matrix agreed by Dec 2007	AHDU		
	Making best use of stock: possible decommissioning sheltered accommodation	By April 2008	Work with Stevenage		
Support development of LDF	Draft affordable housing guidance / information pack for developers to inform negotiations; to include standards 106 agreements, policy on commuted sum payments, off-site contributions, grant availability and scheme viability assessment	Guidance agreed by Dec 2007	AHDU		
ENCOURAGE A FAIR & INCLUSIVE COMMUNITY					
Analyse housing needs and expectations of BME community in Stevenage	Review feedback from satisfaction surveys. Identify housing needs and how they could be better met	Report by April 2008	AHDU		

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	Consider the use of s106 agreements to include standards of management and a requirement for RSLs and other providers to attend Joint Local Committees and develop the Respect agenda with partners	s106 agreements drafted by Dec 2007	AHDU		
	Utilise key social indicators when planning new developments	As part of briefing process	AHDU		
	Assess the long-term impact of choice based letting in Stevenage	By October 2008	AHDU		
	Explore whether RSLs have broader experience of good community management and how it can contribute to the Decent Communities agenda and be applied in Stevenage	Report by April 2008	AHDU		
	Clarify the role that local authorities and statutory agencies have in nomination rights, particularly for those who may be vulnerable or who are Care in the Community clients	Report by April 2008	AHDU		
REGENERATING STEVENAGE					
Town Centre regeneration	Finalise and agree affordable housing strategy with developers Establish funding routes with EP/HC	Strategy & funding position clarified	AHDU		Develop a vibrant town centre
Maximise the use of existing stock	Instigate action to return empty properties into occupation	10 properties in 2007/8	AHDU		

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MONITORING AND FEEDBACK

Monitor Action Plan for effectiveness of outcomes	Regular monitoring of plan	Quarterly report to Executive Management Team	Strategy & Enabling Manager		
	Produce annual report to Members' Steering Group on effectiveness and outcomes of Action Plan, to include recommendations for improvements	Annual Report to EMT/ Steering Group by January 2008	Strategy & Enabling Manager		

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Site	Developing RSL	Number unit	S106 site	SBC site	Challenge Fund	HC Funding	Growth Area funding	Developer Funding
2006-7								
Brittan Way	Affinity Sutton	35	✓	✓		✓		
Ridgemonnd Park	Genesis	41		✓			✓	
Fairview Road playing fields	Genesis	66			✓			
2007-8								
Hertford Road	Aldwyck	8	✓			✓		
Walkern Road allotments	Moat	14	✓	✓				RSL
Fairview Road Playing fields	Genesis	132			✓			
Austen Paths	Hightown	24		✓			✓	
Six Hills Cottages	Genesis	10			✓			
Larkinson & Fairview Rd	Hightown	15	✓	✓		✓		
Sishes	Circle Anglia	20				✓		
2008-9								
Nokeside Garages	Affinity Sutton	29		✓		✓		
Woolners Way	Affinity Sutton	43	✓			✓		
Wayside Garages	Aldwyck	17	✓			✓		
B&Q	Network HA	46	✓			✓		
Shephall View		23	✓					RSL
2010-11								
Ferrier Road	?	10		✓				
Vincent Court	?	10	✓					
Dixons/Mastercare	?	97	✓					
Snooker club	?	3	✓					
2009-12								
Town Centre		approx 300	✓	✓(part)				✓(part)