

new housing provision
and the strategic housing role



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new housing: the challenge

ambitious growth targets

The importance of delivering sufficient new housing provision, and especially affordable housing, has returned to the top of our national political priorities. This is not surprising given that house prices have doubled in real terms over the past decade and the average price nationally recently topped £200,000: eight times the average salary. Despite current short-term economic conditions, the underlying long-term real growth in house prices remains a serious challenge¹.

This long-term trend probably reflects that over decades there has been a mismatch between housing supply and demand, with a fall in house building rates against a backdrop of increasing demand. The underlying drivers of demand for housing remain strong, with the number of households projected to grow by 223,000 per year on average to 2026, according to CLG household projections.

In response to this, Government has established challenging new targets. The Housing Green Paper², published in July 2007, set out plans to increase housing supply to 240,000 homes a year by 2016, delivering 3 million new homes by 2020. It also set out a central role for local authorities in delivering these aims:

'Local authorities have a critical role to play in achieving a major increase in new homes and their strategic housing role is at the heart of achieving our ambitions for housing supply. We want to see local authorities step up to play a stronger role in addressing the housing needs of all their residents, as part of their strategic housing role.'³

In its response to the Green Paper, the National Housing and Planning Advice Unit estimated in 2007 that, over the period up to 2016, an average 270,000 new homes per year could be needed to stabilise housing affordability⁴. This response also underlined their assessment that improving affordability is not simply about building the right number of new homes; just as important is to ensure the right type, in the right place and at the right time.

Kate Barker in her Review of Housing Supply⁵ set out a series of recommendations for increasing supply and these have strongly influenced government policy. The linkages between an adequate housing supply and economic performance was underlined in the Review of Sub-National economic development and regeneration⁶. This looks to Regions to set out plans for housing growth that will match the

¹ The analysis of house price movements in the Callcutt Review (Annex B) showed average real house price growth trend of 2.5% over 1974-2006.

² Homes for the future: more affordable, more sustainable. CLG July 2007.

³ As above p12.

⁴ NHPAU "Developing a target range for the supply of new homes across England" 2007.

⁵ Review of Housing Supply-final report. Kate Barker March 2004. www.barkerreview.org.uk

economic growth objective and tackle affordability problems.

A high priority is given to new affordable housing with a target in the Green Paper of 70,000 new affordable homes per year by 2010/11, of which 45,000 are to be social rented homes. These targets will double the level of new social rented provision since 2004/5.

We cannot ignore the difficulties arising from the short-term economic conditions but need to be aware that these are not expected to change fundamentally the underlying need for a step-change increase in housing supply. Planning for housing growth by strategic housing authorities needs to continue, whilst you also explore ways to use the public sector's ability to help sustain housing outputs and meet housing needs of all residents including vulnerable people, in the short-term. The government's objective is to put together a package of the best proposals, working with housebuilders, RSLs, local authorities and others to minimise the current problems and create the conditions for a rapid recovery⁷. Local authorities will also need to be thinking about how to make maximum use of their existing assets including school buildings, land owned or refurbishment of existing homes.

delivering housing growth

The governments' plans for increasing housing supply are set out in detail in the Green Paper. There is a focus on the planning process, in which Regional Spatial Strategies (RSS) have a key role in setting housing output targets for each Local Authority. RSS's are currently expected to deliver around 200,000 dwellings per year and government aims to increase this figure by early reviews of RSS proposals, in the period up to 2011.

The Government has announced that local authorities will be incentivised to raise housing delivery through a new Housing and Planning Delivery Grant. Under the proposals, authorities would receive financial rewards for each net additional home delivered above a threshold equivalent to 0.75% of existing housing stock. Additional incentives apply on land supply, delivery of plan documents for housing as well as joint delivery across authority boundaries.

⁶ Review of sub-national economic development and regeneration. July 2007. HM Treasury with BERR and CLG.

⁷ Facing the housing challenge: Action today, innovation for tomorrow. CLG July 2008

A step increase in affordable housing output is to be delivered partly through a bigger budget and greater efficiency in the National Affordable Housing Programme, managed by The Housing Corporation (and in future by the new Homes & Communities Agency, following the proposed merger with English Partnerships and parts of CLG). This will be complemented by new affordable homes delivered through planning gain, using the strengthened policy in PPS3: Housing. There are also opportunities to use new delivery vehicles that draw mainly on using Council assets, especially land, to establish Local Housing Companies, ALMO development programmes and direct Council building.

housing growth and the LA strategic housing role

The scope of this agenda shows how the LA role is essential for delivering a growth in housing supply. The Green Paper emphasises that delivery is a shared endeavour, and through their strategic housing role, local authorities have a vital role in addressing the housing needs of all local residents across all tenures. By working effectively with partners to deliver new market and affordable housing, creatively using your assets and making best use of existing housing stock, the local authority strategic housing role is at the heart of the place-shaping agenda.

A key success factor for this role is leadership at political and officer levels. An Audit Commission and NAO report⁸ commented in 2005 that the task of LAs 'is increasingly to provide the clear leadership required to create the right set of conditions to increase the supply of affordable housing'. The same applies to the overall provision of additional housing. The first guide in this series highlighted the importance of leadership and the case studies consistently underline its importance for achieving change and improvement.

The Government's focus on leadership is, of course, partly reflecting a political concern that local leaders should support appropriate new development rather than conceding to local opposition. But it is also

⁸ "Building more affordable homes: Improving the delivery of affordable housing in areas of high demand." NAO and Audit Commission. Dec 2005.

about Council leadership ensuring that all housing requirements including, for example, Gypsy and Traveller needs⁹ are properly identified and addressed in local strategies, especially the Sustainable Community Strategy, Local Development Framework and Local Area Agreement.

The overall strategic housing role encompasses a very broad set of activities, with Planning and Housing at the core. The importance of strong working relationships here has been underlined in previous guides. In June 2008, CLG published Planning Policy Statement 12 (PPS12). PPS12 sets out what spatial planning is and should be taken into account by local planning authorities in preparing development plan documents and other local development documents.

This Guide now focuses on the activities that need to be part of the overall strategic housing role to help you deliver the right quantity and mix of new housing. Other wider aspects of the role, in relation to community leadership, access, and place shaping have been covered in earlier guides¹⁰. The strategic housing work may be carried out through a variety of structures, but however it is done, this role is at the heart of successful delivery of the right quantity and quality of new housing in your area.

The guide demonstrates elements of good practice by reference to case studies. We aim to draw out key success factors in how strategic housing should operate as:

- a champion for appropriate new housing provision
- an active facilitator – or enabler – of this provision
- an innovator, seeking new solutions and overcoming barriers.

⁹ The Road Ahead: The Final Report of the Independent Task Group on Site Provision and Enforcement for Gypsies and Travellers” CLG 2007

¹⁰ Previous IDeA guides in this series are “Community Leadership and the strategic housing role in local government”; “Access to Housing and Good Housing Services”; and thirdly “A strategic approach to place shaping”

All available at www.idea.gov.uk/idk/core/page.do?pageld=6514324

2. strategic housing as champion

the champion role

Being an effective champion is about making the case for housing in your area. It is built on an agreed vision and aims for the area and how both new and existing housing can enable you to meet the agreed vision as well as the current needs of your communities. This has to be supported by a robust, well-evidenced strategy, setting out how this will be done. Housing strategies can be local to your area or, as is increasingly the case, be sub-regional taking into account natural housing market areas which are not bounded by administrative boundaries. The central role for the strategic housing function is about providing the robust evidence and the analysis needed to support the case for housing.

The Housing Green Paper¹¹ describes the role:

‘Through their strategic housing role and by aligning housing plans with the planning framework, Local Authorities can bring considerable influence to bear on the delivery of affordable housing’.

This key role is underlined in the Callcutt report¹² on the private house-building industry. In describing the issues in bringing forward previously developed land for new housing, it says ‘the leading role must be played by the local authority’. This is seen as part of its role as local housing authority and its general duty to promote the well being of the area.

The champion role for the strategic housing function involves structured work that will ultimately result in a vision for housing, supported by a well-evidenced strategy for housing, within the Sustainable Community Strategy. The key stages can be seen as:

- stage 1 – making the case for housing through preparation of the robust evidence base
- stage 2 – using the evidence base as part of a strategy which will address the needs and deliver balanced housing markets
- stage 3 – communicating the vision widely to all stakeholders, within the Authority, key partners and to the wider public.

¹¹ Homes for the future: more affordable, more sustainable. CLG July 2007. Chapter 8, para 23

¹² “The Callcutt review of house building delivery”, CLG Nov 2007.

stage 1 – making the case

The development of new housing, or major programmes to make better use of existing stock, requires substantial commitment and resources. In some instances, the proposals may be controversial. Successful delivery depends on being clear about what is needed and a well-evidenced case for the specific proposals. This section focuses on the evidence-gathering stage of this policy development planning process.

The major recent development in guidance about the evidence base for housing strategy has been the introduction, in 2007, of Strategic Housing Market Assessments (SHMAs). These replaced and largely incorporated earlier guidance about assessing local housing needs and requirements.

Fundamentally, the preparation of an SHMA is a shared process between local authorities' strategic housing and planning functions, and a wider stakeholder group. The SHMA provides essential evidence, which underpins housing proposals in both the Core Strategy of the LDF and the Sustainable Community Strategy.

One of the major changes introduced by the SHMA guidance is that you should take account of actual housing market areas rather than limiting the assessments to the administrative boundaries of the local authority. So you are encouraged to work with neighbouring local authorities, in similar housing market areas or where there are shared LAA or MAAs. This is not always easy and straight forward as often housing market areas and LA boundaries do not overlap. The guidance requires much more cross-boundary and sub-regional working. This is shown in the case studies in earlier Guides, for example the Plymouth Region in the first guide; Tees Valley and the Cambridge area in the third guide (where one of the main tasks of the partnerships was to commission SHMAs).

The SHMA guidance also underlines the importance of understanding the housing market as a whole, and how current market trends are likely to affect future housing requirements. This needs to involve a wide range of partners across the private, social and public sectors, which will help to achieve this cross-sectoral understanding.

For an SHMA to be robust¹³, the following set of assessments must be prepared:

- estimates of current dwellings in terms of size, type, condition and tenure
- analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market
- estimate of total future number of households, broken down by age and type where possible
- estimate of current number of households in housing need
- estimate of future households that will require affordable housing
- estimate of future households requiring market housing
- estimate of the size / nature of affordable housing required
- estimate of household groups who have particular housing requirements e.g. families, older people, key workers, black and minority ethnic groups, (including Gypsies & Travellers¹⁴), disabled people, care leavers, offenders, those with learning difficulties and mental health problems, young people, etc.

By its very nature, an SHMA is a substantial exercise and will relate to the time it was prepared. A key role of strategic housing is to keep abreast of the ever-changing housing market and to identify emerging trends, which may merit changes to the strategy or implementation programmes. This is not to suggest that housing strategy should constantly change in response to market cycles – it should have a robust long-term perspective. However changing conditions will result in both new opportunities for delivery and will introduce new perspectives. The strategic role should be sufficiently flexible to respond.

In keeping up to date, it is equally important to gather the experience of housing providers as well as collecting statistical data. This consultation is a key role for the wider housing partnership.

A word of caution is appropriate: an SHMA is not a 'black box' which single-handedly provides all of the answers about housing requirements. It is a structured approach to assembling and interpreting the best-available evidence on future housing needs and market characteristics. To be robust, the findings need to meet all the core outputs and process criteria set out in CLG's SHMA Practice Guidance¹⁵ and be tested against the qualitative evidence, experience and interpretation of partners through the Housing

¹³ Strategic Housing Market Assessment guidance, DCLG, April 2007

¹⁴ Final guidance concerning the proper conduct of Gypsy and Traveller Accommodation Needs Assessments (GTANAs) has also been published. This is "Gypsy and Traveller Accommodation Needs Assessments guidance" CLG, October 2007

Market Partnership set up. It is appropriate that the findings are also scrutinised by the Council as part of the process of establishing credibility and confidence in this evidence base for its community, planning and housing strategies.

A recent case between Persimmon Homes (North East) Limited, Barratt Homes Limited and Millhouse Developments Limited against Blyth Valley Borough Council highlighted that local authorities will need to conduct Economic Viability assessments on their evidence base in connection with any affordable housing policies within their LDF's. This decision confirms that local authorities not only have to conform to CLG SHMA guidance, but also have to have compliant PPS3 SHMA's in relation to testing the economic viability of any affordable housing requirements they adopt.

Local authorities also have a vital role in monitoring and assessing the viability and suitability of their current housing stock. In some cases, strategically planning the long term use of the existing stock will need to be a key consideration for local authorities. This is particularly the case where there are large numbers of unsuitable or outdated homes. It is vital that renewal and regeneration are given the same high level emphasis as new build. Local authorities are having, in some cases, to make difficult decisions about demolishing unsuitable homes. Ensuring that both existing and new stock is dealt with appropriately as part of the sustainable communities strategy, will ensure the long-term focus needed for housing in an area.

stage 2 – planning for balanced housing markets

In understanding the potential impact of housing proposals, the aim of ‘balancing housing markets’ is a key concept. It has gained prominence by its inclusion in the Audit Commission CPA system as part of the housing service block, which enables the assessment of the activities of a local authorities strategic housing function, as part of the overall corporate assessment. Designed to test whether local authorities have a good understanding of the local market, it encompasses situations of high and low demand. Beyond this, it looks for joint working between housing and planning, and wider collaboration that encompasses all housing tenures and sections of the market.

As there is no single definition for a balanced market, it’s easier to consider what outcomes a balanced housing market can achieve. These outcomes will vary across local authorities, depending on the local housing need and strategic priorities, but include:

- supply and demand equilibrium, looking for example at vacancy rates and comparative affordability of house-prices
- stability in areas of market weakness, looking at the right balance between new-build and improvement of existing homes to avoid over-provision and abandonment
- provision of appropriate accommodation to satisfy specific physical and cultural requirements (e.g. Lifetime Homes standards, Gypsy and Traveller pitches¹⁶ and vulnerable adults including offenders, care leavers, people with learning disabilities and people with mental health problems)
- provision of both market and affordable housing to address aspirations and housing need, taking account of evidence about requirements
- provision of appropriate housing to support the overall aims of the Sustainable Community Strategy such as economic development, neighbourhood regeneration, environmental performance/sustainability and supporting independent living, Community Safety Strategies
- assisting all sections of communities, across urban and rural areas, to have access to good quality accommodation, including key worker living in areas of chronic housing shortage.

¹⁶ODPM Circular 01/06: Provision for Gypsy and Traveller Sites

Housing markets exist within a context of continual change as the current 2008 economic climate has reminded us all. As a result, housing policy and practice responses need to adapt and change accordingly. The strategic housing role should be at the heart of this process, driving forward policy and programmes; delivering change.

A robust strategic approach will show that realistic options have been considered, particularly where controversial or costly proposals are presented. The strategy, as for the evidence base, should be developed and tested with a wide range of partners and through the Council's own scrutiny processes. Key issues in relation to new housing are frequently about:

- affordable housing provision
- securing the right mix of housing size, type and tenure.

affordable housing

The Housing Green Paper sets out the challenges to deliver more affordable housing and targets have been set for the Housing Corporation (and subsequently for the Homes and Communities Agency) during 2008-11. The use of SHMA's, Housing Need studies and Gypsy and Traveller Accommodation Needs Assessments (GTANAs) will be critical to local authorities helping to meet local needs within this national target. As outlined in PPS3, local authorities are required as part of their SHMA process to specify the amount of affordable housing required, then further break this down to percentage of tenure split between social rented and intermediate tenure, and then the actual types and sizes of affordable housing required. Affordable housing targets and any thresholds proposed also need to be supported by a robust assessment of the economic viability of land for housing. This is all vital to ensure there is a firm evidence base to ensure affordable housing targets can be delivered through the planning system.

the right size and type of housing

Housing development across tenures should be of the right types, an appropriate mix of sizes and achieve the quality needed to create a truly sustainable community. These aims are about creating successful places – and this is integral to the place-shaping role covered in the previous Guide. The right mix and quality is also about providing the products that will meet housing needs, and will complement existing housing stock and integrate new with established communities. This applies equally to site accommodation provided for Gypsy and Traveller communities where care will be needed to transpose the outcomes of GTANAs to reflect identified need¹⁷.

This is also an area where the strategic housing team has to work very closely with planning to achieve good results. The main contributions which housing expertise should bring to this policy area include:

- a firm basis of information about the priority housing requirements. Beyond evidence about affordability and tenure, there should be knowledge about the size of dwellings required, about needs for groups with specific requirements (such as limited mobility), needs for older people, minority communities, offenders, care leavers, people with learning difficulties and people with mental health problems
- the different requirements should be clearly defined for particular areas, such as rural areas
- advice about integrating with existing housing, such as making provision for needs which are poorly provided
- feedback from consultation and from residents of recently completed developments, to inform decisions about the new
- and not least, the role is about being a champion for achieving a mix of housing that will meet community needs.

This role is increasingly important, and difficult, as development pressures mount. The right mix and quality of housing does not necessarily fit comfortably with commercial disciplines or those of the planning system. There have been great pressures to increase densities, which can prejudice the delivery of family sized housing.

¹⁷Designing Gypsy and Traveller Sites good practice guide, CLG May 2008

The current economic climate and housing market slowdown has indicated areas of weakness in some housing markets, especially within major provincial city centres. Not least, the number of flats being built has caused a problem of over-supply in certain areas. Developers selling off flats to RSLs at discount prices have highlighted this problem.

The main concern here is matching supply of the right type, size and tenure with demand. High house prices and tightening credit have impacted on the ability of most first time buyers to purchase a property on the open market, and many now are seeking accommodation in the private rented sector. This tenure plays an important role in balancing the housing market, and the strategic housing function needs to continue to maximise the role of the private sector in providing affordable and well-maintained accommodation.

According to PPS3, local authorities should specify size for both market and affordable housing requirements. This provides stronger guidance than before, requiring that proposals for market housing should 'reflect the demand and the profile of households requiring market housing, in order to sustain mixed communities'. For affordable housing, it is specific that proposals 'should reflect the size and type of affordable housing required'.

This mix should be specified in the LDF's for particular locations and, where appropriate, on specific sites.

The need to tackle overcrowding is one of the main drivers of the need for larger homes, highlighted in the CLG action plan on this topic in 2007¹⁸. Using the bedroom standard, it is estimated that some 526,000 households are overcrowded, with particularly acute problems in London and pockets in other urban areas. This is a problem that disproportionately affects black and ethnic minority households.

New provision of housing is one solution to improving access to larger homes for households experiencing overcrowding. Local authorities will also be using their powers under the Housing Act 2004, to manage overcrowding by:

- managing houses in multiple occupation (HMO's) through licensing and registers
- effective allocations policies.

¹⁸Tackling overcrowding in England: An action plan. CLG Dec 2007. www.communities.gov.uk/publications/housing/Overcrowdingactionplan

A good example of using effective housing allocations policies with existing property is that of Gallions Housing Association. The housing association, as part of a pilot, co-ordinates a database of under occupying tenants from 12 housing associations operating in the London Boroughs of Bexley, Bromley, Greenwich, Lewisham and Southwark. All associations are asked to contribute five properties a year into a pool for under-occupying tenants looking to downsize. Tenants are matched to the properties available and given a 'hand holding' service to help them with financial incentives to facilitate the moves.

The issues of overall shortage and a need to balance the mix of housing were experienced in Peterborough, case study A. There was clear evidence about the general requirements for affordable housing but also to ensure the needs of an ageing population were addressed. The use of two former education sites to provide low cost family sized accommodation and a mix tenured retirement village has enabled the authority to go some way to meeting the needs of the communities.

case study a: delivering affordable housing solutions in a growth area – Peterborough Council

organisational context	Peterborough has a population of 163,300. It was included as part of the London Stansted Cambridge growth corridor in 2004, involving a big increase in building rates to meet growth targets. The Regional Spatial Strategy set a target of 25,000 net additional homes for 2001 to 2021. As part of the growth agenda, the Council is committed to increasing the supply of affordable housing, with strong support from elected members and championed by the Housing, Regeneration and Economic Development portfolio holder.
challenges	Population increase from 163,300 to over 200,000 by 2016. Big affordable housing needs with high land values exacerbating the problem further.
achievements and learning	Corporate backing and approach to provision of affordable housing. The use of 2 school sites illustrates a genuine joined up working approach to the council's land assets. In learning from such development schemes, it is essential to have early engagement with all council departments and shared aims.
strategic housing	The Council transferred their housing stock to Cross Key Homes in 2004. The Strategic housing core function consists of 1 full time manager and 2 part time officers with access to an additional planning obligations officer.

A key issue for Peterborough council, as one of the major growth areas, is to ensure that those who cannot afford to buy on the open market, have a reasonable choice of affordable housing. In addition to an increasing affordable housing issue, the population of Peterborough is ageing and traditional sheltered accommodation is no longer in demand.

Ensuring the right mix, type and quality of housing is extremely important in Peterborough. The commissioning of a strategic housing market assessment and housing needs analysis in 2007 was an important part of the process, to learn and understand the current market and the needs of the future market.

The study was commissioned through Strategic Growth & Development and driven forward by Strategic Housing. It highlighted that 808 affordable dwellings per year will be required to ensure housing need is satisfied. The strategic housing team are using this information to ensure that the council will achieve 35 per cent of affordable housing on all qualifying sites. Within the affordable housing element, 70 per cent should be for affordable rent and 30 per cent for intermediate tenure based on the study findings.

The study also illustrated that there were over 17,000 older person households in the local authority area. A third of these were social rented households but the majority lived in the owner occupied sector.

In addition, elderly people occupy half of the 3 and 4 bed accommodation in the local authority.

As part of the Housing Strategy development, the strategic housing team consulted with a wide range of stakeholders to establish options and solutions for the delivery of more affordable housing and for solutions that meet the needs of an ageing population. One of the options considered was to make use of the Private Finance Initiative model.

Following the consultation period, stakeholders agreed that a PFI scheme approach was one of the best solutions to providing more affordable homes for Peterborough and providing increased choices for older people.

The scheme at Bretton Woods is providing 150 low cost home ownership dwellings. These units will be a mixture of one and two bedroom and family sized homes. At Hereward retirement village, in response to the ageing population, over 250 dwellings are being built: 50 of these will be for social rent, 100 for shared ownership and 100-110 for sale on the open market. This reflects the demand for owner occupation.

The purpose of the retirement village is twofold. First, the development will allow elderly households to have a choice of tenure and type of dwelling on offer as opposed to the sheltered housing option

usually available. Secondly, it should free up larger accommodation as an affordable option for other households.

Essential to the overall success of the two developments so far has been;

- corporate high level commitment from senior officers, but more importantly elected members and the Housing, Regeneration and Economic Development portfolio holder
- early engagement with internal colleagues from all disciplines to ensure a shared understanding on what the outcomes from the developments should be
- early commissioning of housing needs research to help inform policy approach and delivery.

quality and location of development

Those responsible for the provision of new housing and those that oversee the renovation of existing stock both face the challenge of achieving the right quality for the needs of the occupants and the community, both now and in the future. This is sustainability in its widest sense, and will take account, in particular, of the guidance and requirements from the Housing Corporation¹⁹ and English Partnerships²⁰.

Regeneration and development of brownfield sites will continue to be an important aspect of new housing output, and achieving the vision of sustainable communities with mixed tenures. Case Study B from Basingstoke and Deane illustrates how the effective use of re-developing a brownfield site has created a quality scheme, which promotes mixed tenure, and provides a mix of dwelling sizes and types. This is a good example of planning for sustainable communities and was rewarded with a 'Building for Life Gold Standard'. The key contributions of Strategic Housing were securing community support for this radical project, and creating a partnership of all the key stakeholders. This was fundamental to delivering the project.

A very different Case Study, C from Richmondshire shows energetic community leadership from a council that has been one of the leading participants in the Rural Excellence programme. The case study shows the importance of understanding the breadth of rural housing needs and having the capacity to negotiate solutions. It also demonstrates excellent co-operation between District and County including a County LAA and improvement targets for the delivery of affordable housing – a device that has been applied elsewhere.

¹⁹Housing Corporation Design and Quality Standards, including the Housing Quality Index.

See www.housingcorp.gov.uk/upload/pdf/Design_quality_standards.pdf

²⁰English Partnerships Quality Standards, "Places, homes, people". Nov 2007

case study b: Oakridge Regeneration Scheme – Basingstoke and Deane Borough Council

organisational context	Basingstoke and Deane Borough Council is a District Council in Hampshire with a population of 157,000
challenges	High demand area with a shortage of affordable housing. Pockets of deprivation associated with specific areas/estates.
achievements and learning	Good partnership working between the Council and all other key stakeholders. Community consultation throughout the entire process engendered a sense of ownership for the local community. Lessons to be learnt from the scheme, include the fact that a central co-ordinating role can reduce delays.
strategic housing	Stock transferred to two LSVT associations. The Strategic Housing team consists of two members of staff.

Delivering affordable housing within the context of creating sustainable communities is a key priority for the Council, with officers from corporate policy, regeneration and design, housing services, property services, planning and legal, pooling resources to achieve this common goal.

The Oakridge estate is located within the Borough's most deprived ward of Norden. The estate was built in the 1960s and consisted of four and five storey walk-up maisonettes and flats with deck access, open stairwells, no lifts and minimal private garden space. The accommodation was predominantly three-bedroom, however, due to access problems and lack

of secure outside space it provided inappropriate family housing. Due to the inappropriate accommodation and poor design of the environment social problems were associated with the estate.

The Oakridge Central Regeneration Group was formed to appraise options for the estate and a decision was taken to demolish and rebuild the area as a sustainable community delivering decent homes, an improved infrastructure and enhanced community facilities.

The resultant scheme has secured a 'Building for Life Gold Standard' recognition of its design quality, and has delivered:

- better use of the land and an increase from 144 to 299 homes
- mixed tenure with 152 homes for affordable rent, 37 for market sale and 110 for shared ownership, with a greater diversity of property types: there are one and two bed flats, two bed bungalows, and two, three and four bed houses
- new community facilities, including a community centre with nursery facilities, a shop and a pub
- a reduction in public disorder, violent crime, domestic burglary and vehicle crime across the area
- improved opportunities for education and learning.

essential to the success of the overall project were:

- high-level strategic and political backing and support for the project from Councillors and the Local Strategic Partnership
- partnership working between the Council, Sentinel Housing Group, Housing Corporation, community groups, Police, PCT, Social Services and residents
- community involvement throughout the process, in particular at the design stage to engender a sense of ownership
- the use of extensive and innovative consultation methods, including: a Design Panel, open days, exhibitions, walkabouts, newsletters, drama and a web-based toolkit

- a comprehensive approach to project management, including a project plan and implementation timeline agreed by all partners
- comprehensive pre-application discussions with planners, which established the Section 106 requirements
- a choice based lettings approach to allocation of new properties.

key lessons emerging from the scheme include the importance of:

- a co-ordinated approach: at the start of the project a lack of co-ordination between the enabling and regulatory arms of the Council caused confusion for partners and delays in the project
- flexibility: an unwillingness to consider innovative solutions to highways issues instead of relying on standard approaches caused difficulties
- consistent communication: all partners and agencies need to communicate consistent messages. In future a central co-ordinator will be tasked with ensuring that all stakeholders are kept informed. This should help prevent delays, facilitate delivery and ensure that expectations are managed
- realistic cost appraisals: more realistic costs at the outset would have enabled the precise nature of the scheme's stages to be confirmed and delivered earlier.

case study c: rural affordable housing – Richmondshire District Council

organisational context	A rural district council in North Yorkshire with a population of 51,000. Affordable Housing is high on the corporate agenda and members are committed to increasing the supply of affordable homes.
challenges	Predominantly rural authority, most of which is part of the Yorkshire Dales National Park. A high value housing market. Chronic shortage of affordable housing, with limited supply-side opportunities.
achievements and learning	Good consultation with residents and key stakeholders from the beginning was critical to the success of the delivery of affordable housing. In the Middleham scheme, more advice should have been given to the developer regarding supporting evidence, and in the Bainbridge scheme negotiations on the 106 agreement should have started earlier due to the scheme being within a National Park.
strategic housing	The Council owns and manages its own stock. The small strategic housing Team works closely with Planning. There is a Rural Housing Enabler.

Pressing affordability problems demonstrate how:

- despite significant pressure to dispose of land on the open market, it is possible to turn public sector land assets in rural communities into affordable homes, and not lose the land to private development
- working closely with, listening and responding to the local community does facilitate delivery and integration
- investment in partnerships with other public sector agencies works.

Middleham

Following a survey (carried out by the Rural Housing Enabler and Planning Officer) a series of preferred sites for development were identified, including two in District Council ownership. These sites were gifted to Broadacres Housing Association, which used the land asset to lever in additional land for development on a nearby private sector exception site.

A consultation event for local residents identified development options for each of the three sites, and enabled the private landowner to gauge public opinion in respect of development on the exception site. Encouraged by a positive response, the landowner agreed to proceed. A second stage survey evidenced the need for the homes and with feedback from the consultation meetings, the mix of homes across the three sites changed.

Planning permission was granted in January 2007. The sites delivered 11 homes for rent. The Section 106 agreement included local connection criteria agreed with the Town Council.

Key to the success of the scheme was:

- a joint consultation exercise with the two councils and the housing association, which used local facilities and amenities (eg local caterers)
- implementing changes to the scheme following the consultation event; this demonstrated that the community had been listened to
- having all partners involved and on-board from the start of the project
- using capacity and local connection of the Town Councillors was invaluable in facilitating communication and delivery
- the housing association partner was prepared to take risks to see the scheme delivered.

Lessons for the future included:

- council officers could have better explained to the Town Council the process for, and consequences of, establishing local connection criteria
- consultation exercises should present options; presenting one plan, no matter how flexible, feels like a fait accompli
- all supporting evidence should be submitted with the planning application (eg traffic survey).

Bainbridge

Proposals to bring forward a mixed use development in the National Park village of Bainbridge aimed to address a series of problems:

- the Yorkshire Dales National Park Authority needed to move to a new office and wanted to remain located in Bainbridge. (A move away would have had significant economic repercussions for local businesses)
- the District Council's Older Persons' Scheme in the village needed an investment in excess of £1 million to bring it up to the decent homes standard
- the County Council had an older persons' residential scheme that they wanted to close
- Affordability and housing supply in the village are a pressing issue.

As a result of partnership working between the agencies involved, a solution to these difficulties took shape. This resulted in a new office facility for the National Park Authority on land purchased from the County Council, which sustained jobs; and a 42 bed extra care facility and development providing 15 affordable homes for sale and rent.

These outputs were delivered across three separate sites with separate planning applications. The constraints and costs associated with developing sites within the National Park mean that the overall scheme costs were high.

The scheme presented many logistical challenges, not least moving the elderly residents to enable demolition and new build of the extra care scheme. There were also financial challenges, including 'best price' versus 'best value' for the County's land asset. (In the end the County reconciled the 'best price' issue with its commitments to elderly residents by providing subsidy from Council Tax Second Homes resources). In addition, flexibility from the Housing Corporation on contingencies and scheme costs enabled the scheme to go ahead.

Essential to the success of the overall project were:

- communication with residents, in particular older people. Local residents were involved in selecting the housing association partner for the scheme
- political backing and support from the Parish Council, local ward member and other partners, recognising that by working together results could be achieved. (The scheme was fully backed by the Local Strategic Partnership)
- offering support for elderly residents throughout the process. For example: using subsidy to offer protected rents for existing elderly tenants moving from the old scheme into the new one
- working with planners at the National Park Authority from the start of the process to completion.

Key lessons emerging from the scheme include the importance of:

- early negotiation of the Section 106 agreement. As the development is within the National Park, where a local connection criterion applies, an exemption to this should have been sought prior to planning
- working with other public sector agencies to persuade them to free up their land assets for affordable housing can deliver results. Following on from this scheme, the District Council are now running a 'Property Challenge', using Local Strategic Partnership resources to approach every agency to identify potential affordable housing development opportunities – although the biggest challenge remains the release of land for less than 'best price'
- raising awareness of affordable housing issues. The North Yorkshire Local Area Agreement now has an improvement target for each District Council to deliver 5% more affordable housing without grant up to March 2010.

beyond the SHMA to sustainable community strategy

The evidence of the SHMA is partly an overall policy analysis of the role of housing in your area, looking beyond traditional housing policy issues to the wider sustainable community agenda. These links are driven by questions such as:

- what housing provision is needed to sustain the current and future economic base? Is adequate provision being made for employees in key local economic sectors, are public sector key worker needs being met?
- is housing provision being tailored to help achieve the overall health and well-being of the community? For example, does provision take account of priorities in the health sector or provide sufficient opportunities for settling vulnerable people in the community?
- does housing policy recognise and help to address community cohesion issues, recognising for example, how competition for housing can be a major factor for inter-community tensions?

It is important that strategic housing is part of the Local Strategic Partnership to help develop these links, embed them in the Sustainable Communities Strategy and, where negotiations deem appropriate, reflect them as local improvement priorities in Local Area Agreement (LAA)²¹. More than two thirds of the 150 new LAAs contain targets that relate to supply and the delivery of affordable homes²². This is an important and promising sign for strategic housing in delivering the local vision. The forthcoming LAA annual review will be an opportunity to take stock of delivery arrangements and progress against targets. The earlier guides have discussed the importance of housing involvement, as set out in the Local Government White Paper 'Strong and Prosperous Communities'²³.

²¹ Negotiating new Local Area Agreements, CLG, September 2007

²² More information on which areas have agreed housing and other targets is available at: www.idea.gov.uk/idk/core/page.do?pagelId=8399555

²³ Strong and Prosperous Communities, Local Government White Paper, CLG, October 2006, p44

stage 3 - communicating the vision

The strategic housing role should ensure that the local authority's vision for the area is communicated effectively. This vision should be clearly reflected in the Sustainable Community Strategy and where applicable other related strategies or delivery documents which should be developed with a wider strategic housing partnership and be readily accessible to the partnership and the wider community. The statutory guidance, 'Creating Strong, Safe, and Prosperous Communities'²⁴ published by Government in July 2008, reaffirms that, where possible, housing strategies and homelessness strategies, should be incorporated within Sustainable Community Strategies, whilst allowing local authorities discretion about how this should be achieved.

²⁴The statutory guidance, 'Creating Strong, Safe, and Prosperous Communities' CLG July 2008

strategic housing as facilitator

making it happen

Increasingly the local authority's role is to actively enable (and sometimes even promote) new housing developments. Given that the private house building industry will remain the major driver of delivery, government has been working to ensure that the policy and regulatory context encourages sufficient capacity in the industry²⁵. But the development challenges are becoming more complex and the importance of a proactive local authority strategic housing role was underlined in the Housing Green Paper

The distinctive role of strategic housing is shaped by its emphasis on the housing outcomes required and its capacity to focus on delivery. The facilitator role covers many activities but especially involves:

- providing project leadership
- helping to establish the teams and partnerships needed for delivery
- oversight to ensure partnerships are working effectively
- commissioning new work/projects necessary to achieve the target outcomes
- directly resourcing consultation, negotiation and research work to enable timely good decisions
- working with a wide range of partners to establish

the evidence base on housing need for a range of different groups.

A key part of this strengthened role for strategic housing is the delivery of additional affordable housing. You need to engage effectively with key strategic partners and to ensure good internal co-ordination including;

- homes and community agency
- private developers
- affordable housing providers
- private rented sector
- planning teams (especially development control and planning policy)
- property services and legal teams.

The quality of these relationships with key partners will be critical for strategic housing to enable the delivery of more affordable homes by improving the planning, negotiation, implementation and monitoring stages of new housing provision.

²⁵ "The Calcutt review of house building delivery", CLG Nov 2007

housing, planning and an integrated approach

At a regional level, the merging of Housing and Planning Bodies started a new approach to joint working. The proposal in the Sub-National Review²⁶ for introduction of an Integrated Regional Strategy (IRS) prepared by the Regional Development agencies would take this further, however, in London this does not apply as the Mayor is responsible for producing a Spatial Development Strategy and a Housing strategy, both of which are statutory strategies. The creation of the new Homes and Communities Agency will bring together key funding streams for housing, land assembly and regeneration. The Chief Executive designate of the Agency promises a 'single conversation' with local authorities about its role in helping to deliver your vision and priorities. You will need to be able to respond to this with considered proposals which combine your spatial development plans, judicious use of your assets and the opportunities for new general and affordable housing development.

It is clearly no longer acceptable for housing and planning to work in isolation of each other. The first in the series of these guides²⁷ underlined the importance of the relationship between housing and planning, including good practice from Ashford in Kent and Basingstoke and Deane in Hampshire.

The Government's expectations of local authorities is clearly set out in 'Delivering Affordable Housing', Nov 2006, which explains that:

'Local authorities should ensure their housing and planning functions effectively deliver a shared vision by working to agreed objectives. This will require working closely with regional bodies to develop and reflect regional strategies, and with delivery partners (including Registered Social Landlords and private developers) to ensure quality, value for money and efficient delivery through local housing partnerships.'²⁸

²⁶ "Review of sub national economic development and regeneration". HM Treasury, DBERR and CLG July 2007,

²⁷ Community leadership and the strategic housing role in local government. IDeA, 2007 p13.

²⁸ Delivering Affordable Housing, CLG, November 2006, p5

Walsall Council has developed a good working relationship between the strategic housing and planning teams by creating a 'Development Team' approach. At the pre-application stage, the Development team offer a developer the opportunity to present proposals to all the disciplines within the Council and receive feedback in a co-ordinated manner. This has increased the speed of decisions being made, and minimised the number of departments with whom a developer has to engage. The team is made up of planning policy, planning control, strategic and affordable housing, transportation, noise pollution, urban design and legal officers.²⁹

With more emphasis being placed on value for money when using public expenditure, the Government is increasingly advocating the role authorities play in obtaining more affordable housing through the planning system. Commonly referred to as Section 106 Agreements, this tool is used by local authorities to negotiate planning obligations from a developer. Although some local authorities have used them for the last 10 years, there are still a proportion of authorities that are just beginning to adopt this route for affordable housing contributions.

The cross-team working should continue through the entire process of delivering new housing. Good practice examples tend to focus on the initial planning stages, when the evidence and results of joint working are likely to be most apparent, but it is equally important this continues. It should include:

- negotiating the detailed mix and specification of new housing so that the outcome reflects, as well as possible, the local housing needs
- overseeing delivery and ensuring that the new affordable housing is occupied by the target priority groups, and that the provisions are implemented through a planning agreement to ensure it continues to be available in perpetuity
- reviewing outcomes and progress, to identify the scope for continuous improvement in policy and process.

²⁹A Guide to the Delivery of Affordable Housing in the West Midlands, WMRA, November 2006, p21

The following two case studies demonstrate the outcomes that can be achieved through good joint working within the local authority, especially between strategic housing and the planning function. Case study D, York City Council, illustrates the importance of housing and planning working together to develop affordable housing policies that help deliver new housing through the planning system. Case study E, Stratford-on-Avon District Council, demonstrates how effective working between the housing and planning teams successfully involved the community in producing the 'local choice housing' policy. This has helped to increase the supply of affordable housing in rural areas to meet local needs.

case study d: delivering affordable homes through the planning process – City of York Council

organisational context	York City Council is a unitary authority with a population of 191,800. There is a clear corporate commitment to affordable housing through the Housing Strategy, Corporate Plan and Local Area Agreement.
challenges	High house prices and shortage of affordable housing across the City. Limited opportunities for development within the historic City Centre. Limited priority for public funding (Housing Corporation grant).
achievements and learning	The City has delivered over 600 affordable homes on private sector developments without grant since 1996 and a further 800 are negotiated for delivery between 2008-2012. A good working relationship between strategic housing and planning teams has been essential, enabling a clear policy framework to be developed.

Ensuring that residential development sites address affordable housing requirements within the City has historically been important given the need to ensure that limited public subsidy is used to best effect. The Council has a well-established record of delivering affordable housing through the planning process. This success is based on a clear policy framework and practical advice to developers on delivery mechanisms.

Whilst all other supply routes, such as Homes above Shops and bringing empty properties back into use, are actively pursued, the Council has targeted resources at developing a comprehensive approach to planning gain on private housing sites; recognising

that this represents the best opportunity for securing an on-going supply of affordable housing to meet identified needs.

In 2007, a new Strategic Housing Market Assessment highlighted a need for an additional 1,218 affordable homes p.a. for the next five years to meet current and projected affordable housing needs. This compared with the 2002 Housing Needs Survey, which showed the need as 954 affordable homes per annum.

This increase in need for affordable housing is understandable given the reduction in Council housing stock and increasing house prices. With a target of 25% affordable housing on all qualifying

sites, the Council delivered 656 homes between 1996-2007, of which 457 were for affordable rent and 199 for low cost home ownership. Across 36 sites, this averaged 23% affordable housing. Almost 800 more homes have been negotiated for delivery from 2008 onwards.

The current policy seeks to ensure that:

'On all qualifying sites, the affordable housing requirement will consist of 45% affordable rent and 5% discounted sale. Where properties offered for discounted sale are not purchased it is appropriate that these are used for affordable rent'

The Affordable Housing Advice Note provides comprehensive information covering all aspect of the affordable housing policy, including guidance for developers on the process for negotiation of affordable homes. This acts as a checklist for both developers and officers to ensure that all aspects of the affordable housing are addressed.

Discounted sale homes are for initial and subsequent purchase at a fixed discount from market value (this is usually between 50-65%). The discounted sale model represents a more affordable option than shared ownership for local people in housing need. Under the discounted sale model a housing association partner becomes the freeholder, with the leaseholder

purchasing a fixed equity share in the property, no rent is payable on the share not purchased.

The policy approach has ensured a steady supply of affordable homes across the City at a time when access to public subsidy has been limited. The approach has enabled the Council to target its grant resources at other priority schemes, such as those delivering family housing, innovative eco-homes, regeneration, and supported housing projects.

A weakness of this approach to affordable housing delivery however, remains the reactive nature of the supply, which makes it difficult for the Council to plan and manage affordable housing issues. Residential developments are frequently opportunistic and the Council has no control over when, or indeed if, the homes are developed once planning permission is granted. Far more people on the Council's waiting list seek family accommodation than is secured through planning gain. Whilst there is a need for smaller homes and apartments, these types of units can predominate, especially in particular locations. Between 2003-2007, 61% of the completions were apartments. The recently completed SHMA concluded that 64% of new homes needed to be houses and 36% flats – almost the complete reverse of building in recent years.

case study e: local choice: meeting the needs of rural communities – Stratford-on-Avon District Council

organisational context	Stratford-on-Avon is mainly a commuter-belt and rural District Council situated in the West Midlands. Stratford has a population of 116,700.
challenges	High demand for affordable housing in rural areas with a shortfall in affordable homes being provided.
achievements and learning	The development of the local choice policy has facilitated the delivery of affordable housing in rural areas. The policy enables local communities to be involved with developments in their neighbourhoods. It has been developed through an exceptionally good working relationship between planning and strategic housing.
strategic housing	The Council transferred its housing stock to South Warwickshire Housing Association in 1996. The Strategic Housing team consists of 3 people, with access to a Rural Housing Enabler in addition.

Meeting housing needs is a key objective of the Council's Corporate Strategy 2008-12 and Housing Strategy 2006-11. In particular the Council is committed to increasing the supply of affordable housing in rural areas to meet local needs. 'Local choice housing' is an essential tool in delivering this commitment.

Local choice has been a feature of planning policy in Stratford-on-Avon since 2003. In 2007 an updated Supplementary Planning Document (SPD) was adopted, which built on the original policy principles established in 2003, embedding the principle of local choice housing within the District.

The role of the policy is two-fold:

- it provides for plans prepared by local communities themselves (in the form of Parish Plans or equivalent) to play a central role in the planning process; and
- in the case of Main Rural Centres and Local Centre Villages it provides scope for planning permission to be granted for schemes that meet needs identified by the local community.

The initiative complements the Council's success in facilitating affordable housing on rural 'exception' sites, which continues to operate in smaller villages not covered by 'Local Choice'.

Parish Plans are used to gauge local housing needs and put forward proposals for potential development sites. A robust local housing needs assessment must

underpin any housing proposals, including local surveys. Most housing delivered through this route is affordable; however there is scope within the policy for local market housing .

When local choice sites are submitted for planning approval, they are assessed against the relevant parish plan, which the Council has adopted as a material consideration in determining applications. Applications on local choice sites must also demonstrate how the community has been involved—their engagement in pre-application discussions and how the application reflects community views.

The policy stipulates controls to ensure homes are provided for initial and subsequent occupancy by local people; with Section 106 agreements to control occupancy. The expectation is that one of the Council's housing association partners will develop and manage social rent or Homebuy schemes. If market sale housing is provided, initial and subsequent sales must be to purchasers satisfying the local connection criteria.

In the long-term it is hoped that the policy will 'exclude competition for residential land at unfettered open market values whilst at the same time providing scope for the sale of land that would not otherwise carry any residential development potential – or 'hope' value. In this way, there is an incentive for the creation of a local land market. This will enable land owners to sell land at values significantly lower

than open market value but higher than existing use (generally agricultural) value.'

To expedite development, the Council is currently working to produce standard model planning obligations (S.106 Agreements) covering most commonly encountered scenarios. Heads of terms will be published, to provide all parties (including local residents) with greater certainty as to the outcome of schemes. Where negotiations on local choice sites fail, the Council is prepared to consider compulsory purchase orders on behalf of the Parish Council.

The policy has developed as a result of close working between strategic housing and planning policy officers, in direct response to clear corporate policy on affordability and land supply issues within the District.

Key lessons emerging from developing the policy include the importance of:

- A positive and active approach to community engagement.
- Developing and supporting mechanisms to enable parish councils to form inclusive and credible plans.
- Giving ownership to rural communities that brings with it a responsibility to identify and find ways of meeting their needs.
- Putting rural communities at the centre of the planning process for meeting affordable housing needs; helping to create a positive response to new development.

affordable housing providers and external agencies

An effective strategic housing enabling role depends on regular and good working relationships with their affordable housing providers (i.e. RSLs) and engagement from an early stage of the development process with regional Housing Corporation representatives. The nature of these relationships has significantly shifted for many local authorities, as new housing delivery has risen up the agenda. It has changed from one often characterised by 'co-ordination' to one which is much more proactive. The local authority strategic housing role has become more high profile in finding sites, helping to resolve barriers to development, producing development briefs and facilitating the partnerships necessary for development to proceed.

The relationships with affordable housing providers reflect this change, as do the skills required in the strategic housing teams. Most authorities have wanted to develop stronger relations with a smaller number of partners, with the necessary capacity, skills and financial strength. The range of partners is now likely to extend beyond RSLs to private developers who may directly apply for HC grant, or who are key local players in promoting major schemes.

These stronger relationships are underpinned by more structured working arrangements and agreements about the roles/outputs required. Good working relationships with providers are reflected typically through a preferred partnership approach for development.

The Housing Corporation have recognised this shift in emphasis and have helpfully worked to consolidate the relationship between strategic housing authorities and local affordable housing providers. The guidance for the 2008-2011 NAHP states:

'The Corporation has been actively working with landlords on an agenda of stock rationalisation, ensuring choice for tenants in an area sits alongside an efficient distribution of stock. Within the NAHP 2008-2011 we will ensure funding for new housing is aligned with this agenda. Specifically we will not support new landlords entering an area without clear rationale for how this will improve outcomes for tenants, and the support of local stakeholders.'³¹

The relationships with providers and commissioners are often complemented by a strategic housing partnership. This brings partners together and can help make the best use of resources; the local authority does not have to do all the work. You should be able to benefit from the capacity and skills of major external partners. The role of a partnership should cover:

- contributing to the evidence base about the local market and housing needs in the area
- involvement in the development of policy, with the aim that it should be 'owned' as widely as possible
- innovation, drawing on best practice and the breadth of experience and knowledge within the partnership
- monitoring and review of progress on strategic housing objectives, identifying the needs and opportunities for change and improvement.

31 National Affordable Housing Programme 2008-2011 Prospectus, Housing Corporation, 2007, p28

In addition to this, local authorities will also need to engage with the new Homes and Community Agency (HCA) at the very beginning of potential developments to maximise the possibility of securing funding. This will link closely to planning land supply and knowledge of where housing will be delivered geographically through the local authority Core Strategy. The relationship with the HCA will help local authorities to reinforce the links between housing, economic regeneration, health and education at the local community level.

resources

New housing within a local authority's area will be delivered by a range of providers; therefore the strategic housing role must develop new skills to facilitate the provision of new homes in their areas. As described in the previous guide on place shaping, the skills a strategic housing function might need include:

- contributing, collaborating and creating delivery partnerships
- influencing, lobbying and speaking out
- negotiating, prioritising and making choices
- communicating, listening, understanding and involving partners and communities.

A major part of the role in achieving the delivery of new housing is to make sure that the partnership and team structures are working properly. This is the practical part of the 'facilitating' role of strategic housing. It requires the new skills in partnership working described above but it also requires sufficient capacity to carry out these roles. Your authority needs to be prepared to resource the strategic housing function according to the level of ambition (and difficulty) in its targets – always providing the case for resources is clearly made.

The next case study F in this Guide is included mainly to illustrate how a local authority has increased its activities and resources to respond to an increasing agenda for strategic housing. Stockton-on-Tees in the North East is part of the Tees Valley partnership and is one of the strongly performing housing authorities in that region.

case study f: developing intermediate housing markets – Stockton-on-Tees Borough Council

organisational context	Largest of five boroughs in the Tees Valley Sub-Region with 187,000 residents, which increased by 6.8% 1991 to 2001 (NE region declined 2.2%). It has areas of affluence alongside deprivation. The strategic housing function's strong relationship with elected members has ensured a corporate commitment to affordable housing and regenerating areas of deprivation.
challenges	Recent house price increases have made affordable housing supply an issue, in particular there is a lack of choice within the intermediate housing market.
achievements and learning	Improved understanding of affordable housing problems has led to an affordable housing register being created to raise awareness of intermediate tenure options and to resource a dedicated new post.
strategic housing	Tristar Homes ALMO was set up in 2002. The Strategic Housing and Regeneration teams form part of Development and Neighbourhood Services. The strategic housing Team is responsible for strategy, policy, affordable housing, management of the ALMO, and funding bids. The Regeneration Team is responsible for planning, implementation and delivery of regeneration initiatives.

The Council's Strategic Housing Team has identified the following key challenges for the Borough:

- an ageing population
- affordability: house prices have increased by 120% in the past six years, from £70,589 to £156,022)
- a lack of choice in the intermediate affordable housing market
- mismatch in demand and supply of local authority stock: the stock profile does not match residents' needs and aspirations.

Balancing the Borough's housing markets means developing a multifaceted approach, on the one hand areas with obsolete housing stock need regeneration, whilst on the other, new development needs to address identified housing needs.

A strong relationship has been established between strategic housing and planning teams. The housing team has used a traffic light system to prioritise the replacement of social rented stock which is no longer sustainable (working directly with Tristar Homes Limited a bespoke sustainability framework has more recently been developed), and there is an agreed approach for new affordable housing provision.

regeneration

There is a large-scale regeneration project currently underway, involving the demolition of 2,000 dwellings across three key sites. These have been a major focus for strategic housing; they will deliver new mixed tenure housing and:

- provide a mix of homes for outright sale, shared ownership/equity and social rent. The mix is approximately 80% sale and 20% rent
- the social rented homes are 'pepper potted' throughout the development; all homes look the same irrespective of tenure
- Stockton's house building partners provide equity loans, ring fenced for re-locating homeowners
- the Council has developed a 'Homeownership Toolkit', which provides a range of assistance schemes to homeowners affected by demolition. This includes in-house equity loans to enable these homeowners to purchase an alternative home at a discount.

new affordable housing

- in response to housing market change and increasing affordability pressures, the Council is strengthening its policies for delivering affordable housing through the planning process. They assessed the nature and complexity of work involved in negotiating affordable housing, promoting intermediate housing provision (which is mainly new to the area) and the need for a robust mechanism for nominations to the affordable units secured through Section 106 planning obligations. The Strategic Housing Team is consequently appointing an Affordable Team Leader post to manage this programme of work and to work on:
 - negotiating affordable housing planning obligations and the Affordable Housing Register
 - the in-house Equity Loan Scheme
 - the homeownership toolkit.

Agreement to this additional resource reflects the strong relationship between the Strategic Housing Team and elected members both at decision-making levels and through consultation processes. In addition to this, to ensure that the intermediate housing addresses the needs of those unable to afford to buy on the open market, the Council is developing an Affordable Housing Register. This will ensure that there is a fair and transparent process through which intermediate housing can be accessed.

As illustrated in Case Study F above, it is important for the strategic housing function to facilitate a number of intermediate tenure options to provide the local community with choice which is affordable. At the national level, there are two new products, in addition to new build HomeBuy, which will allow people to purchase a proportion of their home. 'Ownhome' will see buyers take up to 40% of the value of the property through an equity loan by housing association, Places for People. The second product 'My Choice Homebuy' is run by eight housing associations and buyers can get an equity loan of up to 50% with an annual interest charge of 1.75%. The remaining 50% can be financed through any lender that is regulated by the Financial Services Authority (FSA).

A further example of good practice in relation to the provision of intermediate tenure products is South Shropshire. In this example the local authority provide two options; one is called 'Cost Equity' and the other is 'Discounted Equity'. Both options are used to secure homes for outright sale to local people at prices that are above social rent, but below that of new build HomeBuy. The first option involves selling 100% freehold to a local person at a value that is based on the agreed cost of construction, which for a typical 3-bedroom house is £84,000. The second option involves selling 100% freehold to a local

person in housing need at a value that is between two-and-a-half and four times the average gross household income for South Shropshire.

delivery

The acid test of the facilitator role is the delivery of new homes, with the necessary infrastructure and meeting sustainability targets. The strongest strategic housing roles in delivering new homes have often emerged in regeneration areas, reflecting a historical focus on renewal for deprived communities and the development of new housing to provide more mixed, sustainable communities. Such projects are likely to remain some of the most challenging.

Examples in the previous guide on Place Shaping have shown the role of local authorities in delivering new housing in a regeneration context. It is worth specifically referring to the example of the EASEL project in Leeds, which in many ways is a flag bearer for the Local Housing Companies now being facilitated by English Partnerships.

In the first of the strategic housing guides 'Community Leadership and the strategic housing role in local government', we highlighted in the first case study the role of Ashford District Council in Kent, and the way they are rising to the challenge of almost doubling the size of the town and still ensuring a sustainable approach to delivery.

Throughout the country, there are excellent examples of where local authorities have delivered new and innovative schemes. It is worth keeping an eye out for those authorities awarded Gold or Silver under CABE's 'Building for Life' Awards as these local authorities are delivering new homes in a sustainable way, featuring good design and contributing to mixed communities.

4. strategic housing as innovator

Creativity and innovation should be one of the features of a successful strategic housing role.

This will involve:

- introducing new ideas and approaches to help achieve the vision
- exploring the opportunities offered by new initiatives, national programmes and ideas from elsewhere
- driving up standard of quality and sustainability.

This section will consider how local authorities are applying national initiatives, making use of best practice and how sustainability is included in the delivery of new homes.

applying national initiatives

Innovation does not need to be about something entirely new. It can be a great benefit to bring policy and approaches, developed successfully elsewhere, into your local authority. The opportunities for your area offered by Government initiatives and new programmes should be examined to see whether they offer the chance to identify new approaches and, maybe, new resources as well. A good local authority should regularly be scanning the housing world for ideas that might help delivery in its area.

The following two case studies illustrate very different examples of innovation to help deliver new housing. They are also of different scales. The first, case study G, shows how West Wilshire District Council has been using the Private Finance Initiative to secure the delivery of 400 new affordable homes, due to start in 2009.

The second case study H shows the application of a Community Land Trust model to help deliver new housing in a deep rural - but high price - area of Lancashire. This is of particular interest as Government is promoting Community Land Trust pilots for rural and urban areas.

case study g: delivering affordable housing through PFI – West Wiltshire District Council

organisational context	West Wiltshire District Council includes five market towns with a population of 128,000. Housing is one of the 6 corporate plan priorities and affordable housing is one of the priorities within the community strategy
challenges	The Council has severe shortages of affordable housing with limited resources to tackle the growing need.
achievements and learning	The strategic decision to use Council owned land to provide over 200 homes within the PFI Scheme. The value of a dedicated project manager. Identifying suitable land requires joint working with planning colleagues to minimise delays in the planning process.
strategic housing	The Council transferred its housing stock to West Wiltshire Housing Society in 2001. The Strategic Housing service is shared between Team Leaders in Enabling, Housing Needs and also the Housing Services Manager.

West Wiltshire's Local Strategic Partnership includes the development of more affordable housing as one of the main priorities in the Community Strategy. This is also reflected in the Council's Housing Strategy 2005-2010. As part of the housing strategy consultation process, one of the options considered for delivering additional affordable housing was the Private Finance Initiative (PFI).

With the backing of elected members and strategic partners, the strategic housing team submitted a bid to the then Office of the Deputy Prime Minister, now CLG, to develop over 400 new homes through the PFI. When the bid was approved, West Wiltshire

became the smallest Council in the Country to embark on a Housing PFI Scheme.

As part of the proposals to build at least 400 new affordable homes, the Council will be providing approximately 10 sites for around 200 homes. Unusually for a PFI contract, the land for at least half of the homes will have to be found by the successful contractor.

The affordable homes will be let as housing association tenancies at target rents over a 30-year contract, exclusively to people registered on the Council's waiting list. The PFI Scheme will help support the regeneration of Trowbridge town centre and rural

sustainability and where possible homes will be built to Lifetime Homes standard. The scheme also includes a foyer.

The cost of the PFI scheme to the Council is £1m to set up the project, £4m of land assets and then £195k annual revenue costs for the 30-year contract. The annual revenue cost will be more than offset by the savings on costly alternative temporary accommodation.

The strategic housing team have been very active in leading on the PFI bid by establishing the need for such a scheme through the housing strategy analysis; the appointment of a project manager to lead on the PFI Scheme; and accessing the time of a shared Rural Housing Enabler to allow for the building of approximately 80 homes in rural sites. To ensure a strong internal partnership approach to affordable housing requirements, an away day was held in 2005 between strategic housing, planning and legal services. This helped the three departments to improve their joint working arrangements.

Essential to the success of the PFI Scheme so far has been:

- the structure of the internal partnership between the Strategic Housing role and the Project Management. Once the PFI was approved, a project structure was set up along scaled down Prince II lines, and a dedicated Project Manager was appointed

- the Project Manager reports to a project Board of two Cabinet members, a corporate director and external representation from the 4ps. This has ensured direct accountability to Cabinet, has an external check and balance, and a single point of focus. The Strategic Housing role is then able to engage with the project as an internal client, specifying the service and outcomes
- risk management has been taken very seriously due to the high value of the Council's investment in proportion to the Council's overall budget. A stand-alone Risk Panel reports to the Project Board on a quarterly basis. The project does not proceed unless the risks are demonstrated to be managed effectively and are brought within the permitted tolerances.

The biggest challenge has been the identification of sufficient land to deliver the 400 new homes. The Council's strategic housing team in partnership with other council departments began the process of identifying land in 2005 and initially produced a shortlist of 18 sites. However because of technical investigations and planning permission, 8 sites had to be discounted and now 10 sites remain.

Construction of the PFI Scheme is scheduled to start in 2009, with all homes being occupied by the end of 2011.

case study h: Ribble Valley Borough Council - Chipping Community Land Trust

organisational context	A District Council in rural North East Lancashire, over 70% in the Forest of Bowland Area Of Natural Beauty. There is a key commitment to affordable housing needs from the Local Strategic Partnership.
challenges	The Council faces huge rural affordability problems, and has relatively small social rented stock. Therefore engaging with the private sector is the biggest challenge.
achievements and learning	Development of the Community Land Trust and willingness to take calculated risks in development opportunities with external stakeholders. Without a Rural Housing Enabler the project would have slowed and lacked co-ordination amongst the Council and key stakeholders.
strategic housing	Current stock options appraisal to transfer 1,200 stock to Registered Social Landlord. The Strategic Housing Team consists of 2 officers, plus a dedicated Rural Housing Enabler

Although Ribble Valley is often described as an affluent area, there are within the district pockets of disadvantage that are frequently hidden by the affluence of their neighbours. Affordable Housing is a major issue for the District and the provision of more affordable housing is the number one priority for the Borough Council.

Ribble Valley Borough Council alongside the Chairman of the Local Strategic Partnership have been active in taking forward the housing thematic section of the Lancashire Rural Pathfinder. This facilitation and enabling work has led to the innovative development of the first Community Land Trust in the North West, focussed on the rural parish of Chipping.

In order to develop this scheme, Ribble Valley Borough Council's Strategic Housing team through their Rural Housing Enabler facilitated a partnership between Brabin's Charitable Trust and Great Places Housing Group. This resulted in the project being selected as part of a national demonstration research project being undertaken by Community Finance Solutions (Salford University) on behalf of the Housing Corporation.

Brabin's Trust, established since 1684, administers two charitable funds. Through their Almshouse Association, the Trust currently own Club Row; four cottages with very large gardens (that are rented out at an affordable rate to local people), adjacent to the Old Village Hall.

The average house price for Chipping at the beginning of 2007 was £251,233. This is 18% higher than the rest of Ribble Valley, and 72% higher than the County average. The average parish income is £24,170. First time buyers in Chipping require a mortgage 10 times their salary in order to buy in the village.

In response to the increasing affordable housing problem, the Strategic Housing Team's Rural Housing Enabler undertook a Parish Housing Needs Survey. This illustrated that 66 affordable housing units were required over the next five years.

Following the Housing Needs Survey and local community consultation, Brabin's Trust decided to establish a Community Land Trust using identified land to deliver an affordable housing scheme for Chipping and the adjoining parishes.

Brabin's trust already own half the land and they plan to purchase the other half through use of their reserves. The building costs are to be funded through shared equity and rental charges. The shared equity ranges from 40-80%.

Planning permission for Brabin's Community Land Trust was granted in April 2007 for 11 units of affordable housing comprising six two-bedroom flats, one one-bedroom flat and four three-bedroom houses. The Brabin's Community Land Trust will operate their own allocation's policy for the properties, which will be agreed with local stakeholders and the Local Authority.

The main principle of the Community Land Trust model is that it allows properties to be retained as affordable homes in perpetuity. The scheme will deliver homes on a Shared Equity purchase model.

Key success factors were:

- the wide range of stakeholders involved in working up the scheme
- the Rural Housing Enabler role in enabling and co-ordinating the scheme
- high-level support from the Local Strategic Partnership and elected members
- early engagement with the planning team, as a result of which a joint working protocol is being established to facilitate future affordable housing development proposals.

sustainability

The housing sector has a huge task to respond to the challenge of reducing the impact of our dwellings on climate change. Housing accounts for 27% of UK carbon dioxide emissions³² and government has set a target for all new homes to be zero carbon by 2016: a target described by Callcutt as ‘one of the most challenging aspects of the review’.

Strategic housing has a key role in supporting this national endeavour by seeking out, promoting and enabling local initiatives and policies for more sustainable housing. These will encompass wider aspects of sustainability beyond the carbon target – Lifetime Homes, Specification of Materials, Noise, Flood Risk, Water usage, re-use of resource. Fundamentally, it also has to tackle the overhaul of existing homes if housing is to deliver its part of reducing carbon dioxide emissions to 60% of 1990 levels by 2050.

New provision is not the only answer to creating more sustainable housing development and mixed communities. Strategic Housing authorities also have a duty to bring empty private sector homes back into use. Wirral Council are included in the NewHeartlands Pathfinder in Merseyside. As part of their approach to regeneration and sustainable development they developed the ‘Housed Scheme’

(Home Ownership using Sustainable Empty Properties). The scheme is aimed at people who wish to own their own home and who either currently reside in an area earmarked for demolition, are Housing Association tenants or are on the housing waiting list for a Housing Association property. The scheme is run by the Empty Properties team and involves buying long term empty properties and then refurbishing them to the EcoHomes Standard.

The experience from pioneering local authorities is that there is no magic ingredient for success in improving sustainability. The ‘place shaping’ guide³³ includes a case study from Woking, which highlights the importance of strong civic leadership, widespread public engagement, a ‘can do’ corporate attitude and a willingness to do things differently. This message is repeated in the example of South Shropshire District Council³⁴, which has been working as part of the Low Carbon Communities project. Housing initiatives include:

- a new scheme of 91 homes with a biomass district heating scheme
- working in partnership with South Shropshire Housing Association on a rammed earth dwelling
- enforcing the EcoHomes ‘very good’ standard policy for new housing.

³³The third guide in the series “Good practice in place shaping and the strategic housing role”. IDeA 2008

³⁴An IDeA beacon, see www.idea.gov.uk/idk/core/page.do?pagelid=6764196

An energy audit and annual carbon reduction targets will inform ongoing work.

There is bound to be fast moving innovation as the housing sector works towards the zero carbon target. It will be important for strategic housing to keep abreast of good practice: one of the key drivers is likely to be English Partnerships' Carbon Challenge competition for zero carbon homes. The first successful proposal is for 188 homes at Hanham Hall in South Gloucestershire to be developed by Barratt Homes. This scheme begins to show the extent to which new technology is required and how it can integrate to existing communities.

The 'tough challenge' of improving sustainability will inevitably need to be amongst the top priorities for the strategic housing role over the next years.

adopting best practice

A particularly important aspect of new housing provision is to make the most effective use of the National Affordable Housing Programme (NAHP). Changes to the NAHP bidding process for 2008-2011 ensures that local authorities and their strategic partners no longer have to rush to submit bids to the Housing Corporation for fear of missing out on a bidding round. New regular market engagement opportunities³⁵, will provide flexibility to match opportunities, such as those emerging from the planning process. Local authorities will however need to submit schemes that are 'oven-ready' if Social Housing Grant is required.

Another useful guidance is the Housing Corporations Regular Market Engagement guidance³⁶. This guidance:

- sets out some additional flexibilities within the Corporation's bidding framework to allow our Partners to respond to changes in the housing market: and
- summarises the Corporation's key priorities for regular market engagement for the 2008-11 National Affordable Housing Programme (NAHP).

³⁵National Affordable Housing Programme Prospectus 2008-2011, Housing Corporation, 2007, p43

³⁶Housing Corporations Regular Market Engagement guidance at www.housingcorp.gov.uk/upload/doc/RME_guidance_July_2008.doc

Recent publications by English Partnerships and the Housing Corporation²⁷, alongside an additional paper by the RICS³⁸, illustrate how affordable housing can be delivered through the planning system. In particular, the opportunities to combine grant from the Housing Corporation or English Partnerships with the contribution of planning gain are highlighted. The 'cascades' approach provides a tool for negotiating affordable housing provision in addition to that from planning gain, tailored to the funding mechanism and timetable of the Housing Corporation.

For local authorities to take full advantage of the new regular market engagement opportunities, good planning and relationship with providers continue to be essential, including

- early engagement with key delivery partners
- a clear policy framework to guide developers
- the use of a cascades approach in section 106 agreements to provide flexibility in the delivery of affordable housing.

Case study i, about Worcester City Council, demonstrates how early engagement with affordable housing providers, planning colleagues, the Housing Corporation and developers can be very effective in delivering the right type, size and quantity of affordable housing.

³⁷ Cascades: Improving certainty in the delivery of affordable housing for large-scale development? Housing Corporation, ATLAS and English Partnerships, October 2007

³⁸ The provision of Affordable Housing through Section 106: the situation in 2007, RICS Research paper series, Volume 7, number 14, October 2007

case study i: delivering affordable housing with a cascade approach – Worcester City Council

organisational context	A district authority in Worcestershire in the West Midlands with a population of 93,353. Affordable Housing is a corporate commitment and development control have a strong relationship with the Strategic Housing Team..
challenges	Increasing prices, low household incomes and decreasing social housing stock impacted heavily on affordable housing in Worcester. The delivery of new affordable housing through agreements with developers and RSL partners is the biggest focus for priorities.
achievements and learning	The Strategic Housing Team developed a cascade mechanism that provides flexibility to the negotiation process. Early engagement with the Housing Corporation, Berkeley Homes and the affordable housing provider ensured all were fully involved throughout.
strategic housing	The Council transferred their housing stock to Worcester Community Housing in 2004. The Strategic Housing team consists of 6 officers within the Urban Environment department alongside the Planning function.

Worcester City Council consists mainly of urban areas with adjoining rural issues. In 2005 the strategic housing team commissioned consultants to carry out a Housing Needs Survey to help improve the evidence base.

This was the foundation for implementing new policies and mechanisms for affordable housing. The Housing Needs Survey highlighted that the Council had a shortfall of 335 affordable homes per annum. It recommended a tenure split of 80% affordable rent and 20% intermediate tenure. The overall requirement for affordable housing provided evidence to support that a target of 100% on all qualifying developments was required to meet the affordable

housing need. This target was clearly neither possible nor desirable but an approach that carefully considered the sites coming forward and their suitability for mixed, sustainable developments was required as the Council needed to seek a considerably higher proportion of affordable housing than the existing target.

In 2006, Berkeley Homes submitted a planning application on the Royal Worcester Porcelain site for 350 dwellings consisting of apartments and houses. After initial negotiations, the Strategic Housing team accepted that 30% affordable housing, with an 80/20 split on Affordable Rent and Intermediate Tenure was not financially viable for the developer.

An economic appraisal of the site suggested an overall provision of 20%, with a 20/80 affordable tenure split. The Strategic Housing and Planning teams wanted to increase this, as it did not meet the needs for more affordable rented housing.

The Housing Corporations NAHP funding for 2006-2008 had already been allocated. Therefore the Strategic Housing team set about developing a mechanism that would maximise the amount of affordable housing on site without impacting on the viability of the scheme but would allow for housing needs to be met.

Working closely with planning colleagues, the Strategic Housing team developed a cascade mechanism to be implemented through the section 106 agreement for the site. After negotiations with Berkeley Homes, the Council managed to secure affordable housing on site with two potential outcomes.

The first outcome, without using Housing Corporation funding allowed for 20% affordable housing; the alternative outcome with Housing Corporation funding increased the provision to 30%. Both outcomes have an 80/20 split in tenure.

As the Strategic Housing team had fully involved the Housing Corporation throughout the entire negotiation process, this helped them understand the

specific details of the site and the strategic position of the Council. The additional criteria were achieved and the Housing Corporation provided extra funding to help deliver an element of the affordable rented units.

Out of the 350 units delivered on site, the Council secured 106 affordable homes consisting of apartments and houses. The additional funding from the Housing Corporation allowed more affordable housing.

Key aspects to achieving this level of affordable housing have been:-

- strong relationship between housing and planning colleagues, built up over several years
- holding monthly meetings between Strategic Housing and Planning teams to discuss in more detail planning applications that require an element of affordable housing
- developing a cascade approach allowed for flexibility and certainty within the 106 agreement for the Council and Berkeley Homes
- strong relationships and corporate commitment through Development Control committee and lead member for housing
- early negotiations with planning colleagues, Berkeley Homes and the Housing Corporation ensured that all parties were fully informed throughout the process. This made decision making easier.

5. conclusions

This Guide has explored how the strategic housing role is evolving to respond to the challenge of delivering an increased output of housing, with more affordable housing, and an appropriate mix for local housing markets. There are key themes emerging which lead to a number of conclusions about how you can be successful in this role.

collecting and understanding the evidence

A foundation of the strategic housing role is the need for a thorough understanding of the housing requirements in the area and, equally important, of the housing markets and the strategic context for delivery. The case studies underline the central role of a good evidence base – now Strategic Housing Market Assessments supplemented by on-going market intelligence and research. This provides the basis for the local authority to:

- evaluate options
- establish approaches and mechanisms for delivery of appropriate housing provision
- adopt, and withstand challenges to, planning policies to achieve the appropriate housing provision
- monitor and review policy in response to changes in the housing market and housing requirements.

high level strategic and political support

A shared understanding and priority for housing issues within a local authority and its Sub-regional Housing Market Area is essential – amongst members, the corporate team, at a departmental level and amongst partners. Those authorities performing well in the strategic housing role will have the housing market areas' key housing issues embedded within their housing strategy, corporate plans, Sustainable Community Strategies and, where specific improvement targets have been agreed, their Local Area Agreements (LAAs).

Leadership in the strategic housing role is also a central theme of these Guides. The aims and vision need to be strongly communicated and good leadership will build the broadest possible consensus to support these aims. An equally important role of good leadership is to ensure you don't stumble when there are difficult choices to be made in the course of delivering the strategy.

communication and partnership

Strong relationships between strategic housing and internal and external partners are vital to the delivery of strategic housing objectives and striking the right balance within local housing markets. As illustrated in several of the case studies, an effective relationship, at strategy and working levels, between the strategic housing and planning functions is a key element of success. These functions can no longer work in isolation.

Alongside internal partnership relationships, strategic housing has a key role in developing external strategic relationships to help deliver on the wider housing agenda. The Basingstoke and Deane case study illustrates how effective engagement with many external agencies and partners allowed the Council to achieve the 'Building for life gold standard'. A key aspect of strategic housing's success in the delivery of new housing will be its effectiveness in engaging with the new Homes and Community Agency and the clarity of the policy framework for partnership with developers.

flexibility and lateral thinking

Housing markets are dynamic and constantly changing. This is why policy responses and delivery mechanisms have to change to meet demand and respond to opportunities. The willingness to adapt policy approaches to local circumstances is shown within the Stockton-on-Tees case study where a new affordable housing policy has been developed to respond to changing demand.

The financial packages needed to maximise housing outputs are becoming increasingly complex, bringing together the Council's assets, planning obligations, Housing Corporation grant and other public funding. The example of cascades in Section 106 negotiations addresses the uncertainty of development funding and helps authorities to flexibly manage the affordable housing outcome. Worcester City Council used this mechanism to good effect. Similarly, Leeds City Council thought creatively to utilise land assets as leverage to address both affordable housing needs and regeneration requirements. Examples from rural districts show great creativity in tackling rural housing needs.

Such flexibility and innovation will become more important given the uncertainty in the housing market amongst private developers and the impact the 'credit crunch' is having on households wanting to borrow money.

For many strategic housing authorities, especially smaller districts, resources are real issues and can be a barrier to being able to meet the needs of the local communities. Making the best of what you have and targeting limited resources for maximum impact through well evidenced strategies and policies has been a key characteristic of many of the case studies in this Paper. York City Council has developed an affordable housing policy to help deliver extra affordable housing numbers on top of the limited Housing Corporation funding for RSL developments. West Wiltshire has developed a PFI Scheme where Housing Corporation funding, RSL development and 'Section 106 contributions' fell way short of needs.

the strategic housing role – capacity

This guide presents a mixture of large and small strategic housing teams in the case studies. Small teams can achieve good results. For many two-tier authorities, there are only two officers. However in the rural authorities, the case studies show objectives and targets can be achieved if relationships are effective and resources are well targeted – in some cases shared between authorities, as in the case of the Rural Housing Enabler. This has certainly been the case for Ribble Valley and West Wiltshire.

For local authorities with greater capacity the strategic housing role may lead on many aspects of new housing provision, but for some smaller local authorities' it will have a more targeted role. Capacity will be important and, ultimately the scale of ambition and activity has to take account of the resources available for assessment, planning and enabling.

further IDeA Strategic Housing guidance

The IDeA has also published a member's guide to strategic housing 'Foundations for the Future'. All the IDeA guidance and good practice strategic housing information is available at **www.idea.gov.uk/housing**

From March 2009, CLG will be awarding Beacon Status to authorities under the theme of 'Homes for the Future'. These authorities will be disseminating their good practice on the strategic housing function from March 2009.

If you have views about the strategic housing role of local authorities and how you think it could be improved, both by changes in policy and in practice please send them to:

strategic.housing@idea.gov.uk



The Local Government Association is the national voice for more than 450 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.



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