

Homes & Communities Agency

Brief Update for 6th April 2009 West of England meetings

Single Conversation

As discussed at previous meetings, the HCA have a new business model 'The Single Conversation' which moves the HCA from a programme to a place based approach to delivery. It will allow us to help local authorities to bring their housing and regeneration priorities together under a single plan and to deliver the ambition they have for their own area. The single conversation covers strategy, investment planning, delivery and capacity.

The mechanism for achieving this approach will be the preparation of the Local Investment Plan (LIP); resources will then be allocated through Local Investment Agreements.

The process begins with a scoping meeting, which will include Council Leaders, CEOs, Directors of Housing, Planning, Regeneration and Property, GOSW, SWRDA, HCA Regional Director and HA Lead. Workshop sessions follow the scoping; these include a much wider group of stakeholders. This process has already begun in the West of England and has strong links to the MAA.

Market Conditions

The existing market is impacting on the supply of affordable housing and the HCA is continuing to work with partners to find innovative solutions for further affordable housing interventions to keep projects moving in the region. Sites across West of England include BCC's Prefab projects, Somer's estate renewal, host of conversions and new extra care provision in both South Gloucester and North Somerset. Hanham Hall continues to be a significant project for the HCA in the WoE.

Packages

The HCA is working with partners to develop tailored programmes and packages for both housing associations and developers. The intention is to deliver development aspirations and offer continued support for regional growth. As part of these discussions the HCA has agreed further flexibility on grant rates for affordable housing and in developing these bespoke solutions we are exploring:

- Conversion of some existing unsold stock into social or intermediate rent or rent to buy;
- Progressing existing schemes that are currently on hold and
- Developing a programme of new activity.

Across the West of England we have agreed packages with Sovereign, Knightstone (as part of PSW), Aster and Jephson. All of them should have spoken to you about the proposed changes to their schemes in your patch.

There may be other options partners may wish to explore with HCA including:

- Support from the HCA for whole site development of strategic sites, through an equity investment model, with support being provided for a balance of affordable rent and intermediate rent / rent to buy options.
- Support from the HCA for land purchase and
- Access to HCA sites.

Some of these options are still in the early stages of policy formation. The HCA will continue to work with partners to maximise delivery of affordable housing through market opportunities and with developers and local authorities to develop solutions for unlocking sites for development. It should be noted that the National Clearing House is also dealing with packages from some of the larger national organisations. Sometimes these packages are accepted as a greater whole rather than at a site specific level.

Housing Market Area / Sub-Region Investment (Excluding Open Market Homebuy)

The 2008-11 NAHP funding range for the West of England is £180-199m with a midpoint of £184m.

£54m has been allocated to date leaving £130m to allocate for start on sites before March 2011.

For further details of existing allocations I recommend reading the NAHP Regional Investment Statement Q3 2008 which is now up on our website, it is towards the bottom of the page.

<http://www.homesandcommunities.co.uk/southwest>

For information, the regional office is grateful to all its partners in delivering the current year programme. Full details will be made available once the final number crunching has been done but we spent our budget for 2008/9 and met the social rent homes completion target. Whilst the Homebuy target wasn't met, this is a clear reflection of the current market and switch of tenure we have agreed. The completions figure for two tenures combined was met.

As in previous years, a significant part of the programme was back loaded to March with over £40m cash being spent in the last 3 working days.

HCA Regional Offices

The change from predecessor organisations to the HCA continues to move forward. Both the location of the regional head office and the staff structures are under consultation and should be known by early summer although it may take time to fully bed in.

Other

I need to get myself up to speed on the needs for Gypsies and Travellers and a host of other funding streams that now sit with the HCA (Decent Homes, Growth Point Funding, G&T Funding).

Homebuy Agents - following recent re-tendering process the new Agent has been announced.

Thanks

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