



Wirral Local Strategic Partnership Performance Management - Exceptions

Title:	National Indicator (NI) 154 – Net additional homes provided
Date:	12th January 2010

1 Executive Summary

- 1.1 This report presents to the LSP Executive board the current position with regard to the performance of NI 154 - Net additional homes provided - following two quarters where the target was reported as red.

2 Background

- 2.1 The LSP Executive Board agreed at its meeting of the 11th November 2009 that should an LAA improvement target underperform for a period of two or more consecutive quarters then the relevant delivery plan / progress report will be reported to a subsequent board meeting for consideration and to identify any further action to be taken.

3 Background to National Indicator (NI)154 – net additional homes provided

3.1 Current Targets

2008/9	2009/10	2010/11	3 Year Total
500	500	500	1500

The targets were based on the housing requirement for Wirral set out in Policy L4 and Table 7.1 of the North West of England Plan Regional Spatial Strategy to 2021 (issued by the Secretary of State in September 2008).

820 new dwellings had been completed in Wirral during 2007/08 (564 net).

3.2 Performance

2008/9
334 (actual)

The impact of the economic downturn had already begun to be felt during 2008/09. This has deepened during 2009/10.



3.3 Trend Data (gross)

2007/08				2008/09				2009/2010			Gross
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Quarter
150	233	167	124	128	135	102	89	95	34	83	Starts
274	103	176	267	195	113	129	162	138	49	69	Completions

Wirral needs to complete at least 750 units each year (gross) to meet the target for a net requirement of 500 units per year. The number of dwellings demolished must be taken off this number to arrive at the net figure required under the Indicator.

An assumption of 250 demolitions each year was included in the Regional Spatial Strategy statistical calculations. 230 dwellings were demolished in 2007/08 and 242 dwellings in 2008/09. This means that Wirral needs to complete an average of at least 188 (gross) new units each quarter to maintain performance against the target.

The latest figures for 2009/2010 show a continued decrease in the number of dwellings started on site and a corresponding fall in the number of registered completions. Based on these figures, the Q3 year-end forecast for 2009/10 is currently 341 (gross) – 54% below the target figure. The reducing level of starts will continue to support a lower level of completions during 2010/11 and beyond.

The number of planning applications received for new build housing development has also declined over the period, reducing the number of new dwellings that can come forward in the short term:

Planning Applications	2007/08	2008/09	2009/10
Major (10 units or above)	42	26	12*
Minor	143	100	39*

*figures for April 09 to November 2009

The capacity of land with planning permission for housing at April 2009 was nevertheless 3950 dwellings.

4 Actions to Address Under-Performance

The vast majority of the previous supply of new dwellings has been provided as open market housing by the private sector.

Public sector activity has, however, continued at a high level in an attempt to maintain starts.

For example, performance within the Housing Market Renewal Area reached an all time high of 211 gross new units in 2008/2009 compared against 50 gross new units in 2004/2005.

The Council's New Growth Point area, which includes the Housing Market Renewal Area, obtained Growth Point status in December 2008. The Council has been actively working with the major land owner within the Birkenhead dock estate to deliver an accelerated number of new dwellings in line with the



Programme of Development submitted in September 2008. The Council has recently resolved to grant planning permission for 1672 new dwellings as part of phase 1 of Wirral Waters, subject to the signing of a Section 106 legal agreement. The Programme of Development shows a gross capacity of up to 19110 units across the HMRI area.

The Council is reviewing the use of land, through the preparation of its Local Development Framework Core Strategy.

The Spatial Options for the Core Strategy will be subject to public consultation during January and February 2010. The deadline for comments is 5pm on Friday 5 March 2010. The documents can be viewed on-line at <http://wirral-consult.limehouse.co.uk/portal>

As part of the evidence base for the Local Development Framework, the Wirral Employment land and Premises Study has identified 5 areas previously used for industry that could be re-designated for residential development. Planning permission for 348 units has already been granted for housing development within these areas and has commenced on 3 sites. The Council is in discussion with another land owner over future residential development at another site within one of these 5 areas. An additional site at the industrial complex at Lever Faberge in Port Sunlight is also under construction for 192 new dwellings.

The Council has also commissioned a Strategic Housing Land Availability Assessment (SHLAA), jointly with Liverpool City Council, which is expected to report in January 2010. The Council has undertaken two “calls-for-sites” exercises to identify additional housing sites. The suitability of all these sites is being considered as part of the SHLAA.

The Council has commissioned Fordham Research to carry out a review of its 2007 Strategic Housing Market Assessment, to take into account the changes in housing markets and the impact of the recent downturn to help ensure Wirral’s housing policy is realistic and credible. An Economic Viability Assessment will determine through rigorous analysis, what affordable housing targets can be achieved without undermining site viability, preventing sites from coming forward and stifling the development of not only affordable housing but also open market housing. This work will be completed early in 2010.

To support the ongoing delivery of the affordable homes programme, Wirral has also actively sought opportunities made available to help support local developers via Homebuy Direct, Mortgage Rescue and through opportunities from the 2009 Budget Announcement.

With partners, the Council has been successful in securing 68 units under Homebuy Direct and have supported developer partners through offering advertising and signposting. Wirral has also been successful in securing funding for Kickstart Round 1 which will deliver 20 Homebuy direct units and in securing funding from the Challenge Fund for the delivery of 22 social rented units.



The following bids for Kickstart Round 2 are awaiting an outcome:

Initiative	Scheme Name	Units
KickStart	Kingsmead, Beechwood	52 units, comprising all Homebuy but 15 outside of Kickstart
KickStart	The Dell, Rock Ferry	67 units, comprising 19 Homebuy, 19 social rent
KickStart	Wirral Waters, Dockland Area	141 units
KickStart	Woodlands Grange, Bromborough	54 units, comprising 27 Homebuy
Total Units		314

The Council has also sought to make use of its land assets to support the delivery of affordable homes through the disposal of Council-owned land to housing providers at either nominal or discounted value. To assist the successful delivery of the current (2008 – 11) National Affordable Housing Programme, Wirral has released 9 sites, foregoing £3.4m, which once completed will provide 214 units of affordable housing.

The Council is in discussion with local RSL's to identify the viability of a number of potential Continuous Market Engagement affordable housing schemes totalling in excess of 128 units. 62 of these units are on sites which are in the ownership of the Local Authority, which the Council will, again, continue to make available to make affordable housing schemes viable, if successful in securing funding. These schemes could complete in 2010/11

The Council has also been able to progress with many affordable units which were in jeopardy due to the tenure proposed, altering tenure from shared ownership in areas where there was still a need for increasing social housing and agreeing to change schemes to intermediate rents for a period until the market recovers. This has enabled over 55 units to start on site in 2008/09; ensuring schemes remain viable and are completed.

As part of Wirral's First Time Buyers (FTBs) event we have set out all the initiatives which the Council can offer to assist FTBs accessing the housing market including access to grants and the pilot of the Council's Home Purchase Assistance Loan to help bridge the gap for FTBs in the current climate. This has meant that we have been supporting both potential buyers and our HMRI Developer partner through giving confidence to support people who are at present finding accessing deposits and mortgages difficult. The programmes we have in place will continue to operate for the foreseeable future. This event has also helped support our Developer partners who have Homebuy allocations to market and raise awareness of the opportunities available.

New dwellings can also be provided through the conversion of existing or empty property. Wirral's Empty Property Strategy acknowledges an increase in the number of vacant properties in Wirral and outlines the initiatives that are being developed to tackle this issue. These include piloting private sector leasing, continuing to develop partnership working with private landlords and delivering



'Improve for sale schemes'. These schemes focus on returning empty properties back into the market as decent affordable homes whilst improving tenure balance in fragile neighbourhoods to improve long term sustainability.

In tackling both empty homes and increasing affordable housing we have looked at the analysis of local data regarding both new developments coming forward and Long Term Empty Properties within the Borough which is supplied by Council Tax on a monthly basis (particularly in relation to new build developments). This has resulted in 19 units being taken forward and purchased by an RSL which otherwise would have resulted in the units becoming empty. A more in depth mapping exercise is being completed at present with the number of empty units by ward against Affordable Housing Net Annual Need requirements being assessed. Once this formal analysis is complete we will continue to work with local RSLs on an area basis to deliver a comprehensive programme for empty properties which will help deliver against local needs. Where possible and inline with the market recovery we will align those opportunities for grants and Equity Loans to help support home ownership routes.

5 Further Action

Wirral is proposing discussions take place with GONW as part of the refresh to consider a revision to the targets set for 2009/10 and 2010/11 in respect of NI154. The challenges which Wirral and its partners are facing in responding to the economic downturn have already been set out and submitted in a standard template.

The following amended targets were suggested, based on the analysis to **Q2**:

2008/9	2009/10	2010/11	3 Year Total
334 (actual)	350*	300*	984*

**Subject to discussions as part of the refresh.*

These targets may need to be further revised to take account of the more up-to-date information now available.

Discussions with Government Office will resume during February and March 2010.

A further report to the Board may be required before the final submission to GONW.

6 Recommendation

That LSP agree the framework for revised targets for discussion with GONW.

Name/Author	Andrew Fraser
Title	Principal Forward Planning Officer, Wirral Council
Contact Number	0151 691 8218
Email	andrewfraser@wirral.gov.uk

