

**WIRRAL'S REVISED HOUSING INVESTMENT PROGRAMME 2010/11**

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**1.0 EXECUTIVE SUMMARY**

1.1 The purpose of this report is to seek Cabinet's approval to Wirral's Revised Housing Investment Programme 2010/11, subject to confirmation of anticipated funding reductions to the HMRI Programme.

**2.0 BACKGROUND**

2.1 A report was submitted to Cabinet on 27<sup>th</sup> May 2010 setting out Wirral's proposed Housing Investment Programme for 2010/11. The programme presented to Cabinet is attached in Appendix I. However, on 26<sup>th</sup> May 2010, the Homes and Communities Agency (HCA) announced that it would be reducing the national HMRI Programme budget by £50 million to £266 million. The HCA advised that the budget cut would be subject to a consultation exercise. This consultation period closed on 27<sup>th</sup> June 2010 and a submission from Newheartlands, endorsed by Wirral, was made which set out a case for limiting the impact of the national budget cut on the Merseyside Programme.

2.2 The outcome of the Consultation process is still to be published, but it is anticipated that a pro-rata cut will be applied across the ten pathfinders in England. For Newheartlands, this amounts to a budget reduction of £8,102,000 – the largest of any of the Pathfinders – and equal to a 17.3% in year cut. The implication of the pro-rata cut reduction for Wirral means is that the 2010/11 HMRI fund reduces by £1,567,030 from an original figure of £9,110,000 to a revised figure of £7,533,970.

**3.0 IMPLICATIONS OF THE FUNDING REDUCTION**

3.1 The finite detail of the reductions is still to be confirmed by the Government and the HCA, and requires approval of the Newheartlands Board. However, a pro-rata reduction is expected and this will have important implications for the extent of the Programme in Wirral and the pace at which it can be delivered. 85% of Wirral's HMRI Programme is legally committed through contractual obligations to acquire properties, refurbish homes and sustain revenue-based community services such as wardens. However, some of these legal commitments such as clearance are now forecast to complete in 2011/12. Therefore, reducing the programme is a challenge but the proposed programme is set out in Appendix II. The key areas where reductions could be made are:

- Tranmere Clearance – 8 fewer acquisitions and subsequent deferral of their demolition
- Environmental Improvements – no further commitment to be made for any new projects
- Landlord Accreditation Scheme – vacancy control
- Live Wirral Wardens – vacancy control
- Community Schemes – no further commitment to be made to any new projects
- Construct Wirral – no further commitment to be made to any new projects
- Resources – vacancy control, reduction to marketing and research budgets and no further commitment to be made for the use of consultants

- 3.2 The final figure for the carry forward of Regional Housing Pot funding from 2009/10 has now been confirmed and this has meant that funding available for Birkenhead Clearance is slightly more than reported in May.
- 3.3 It has been necessary to increase the budget for relocation loans from £200,000 to £400,000 to meet commitments for current loan offers to residents in Birkenhead.
- 3.4 Existing contracts have been reviewed but because of the contractual commitments it has not been possible to identify any savings.
- 3.5 As the detail of the reductions is yet to be confirmed, Cabinet is asked to consider the attached programme subject to confirmation of the reduction. If a further revision to the programme is required then a further report will be submitted to Cabinet when appropriate.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Homes and Communities Agency funding, RSL investment and private sector funding will contribute over £20 million into the overall programme for regenerating the housing market of Wirral. This is in addition to HMRI, Regional Housing Pot, Growth Point funding and Capital Receipts shown in the programme budget. The reduction in HMRI funding for 2010/11 will impact upon future outcomes such as the leverage of HCA and private developer funding for new build, as the assembly of new sites for development will be affected.

#### **5.0 STAFFING IMPLICATIONS**

- 5.1 The programme will be delivered using the existing staffing structure which has been reduced recently through early voluntary retirement.

#### **6.0 EQUAL OPPORTUNITIES IMPLICATIONS/EQUALITY IMPACT IMPLICATIONS**

- 6.1 Equality Impact Assessments have been completed and reviewed for the Housing Market Renewal Programme, the Private Sector Housing and Regeneration Assistance Policy, the Housing Strategy Statement, Private Sector Housing Strategy and Affordable Warmth Strategy. The issues and actions within these are addressed in the initiatives and projects within the Housing Investment Programme. The programme will have a positive impact on some of the most socially and economically deprived areas of Wirral. Improvement and Living Through Change projects will improve quality of housing and access to help and support for all residents. Redevelopment of sites for new build housing will help promote greater choice, increase quality and choice of housing for all local people.

#### **7.0 COMMUNITY SAFETY IMPLICATIONS**

- 7.1 HMRI will result in some clearance of poorly designed, unsafe or obsolescent areas and the creation of safer, more secure living environments.

#### **8.0 LOCAL AGENDA 21 IMPLICATIONS**

- 8.1 Housing Market Renewal will improve the quality of living environments and environmental standards throughout many parts of Wirral. New high quality, decent homes with enhanced energy efficiency standards and better use of renewable building materials will contribute towards Local Agenda 21 priorities.

## 9.0 PLANNING IMPLICATIONS

9.1 HMRI aims to bring about a fundamental change in the character of some of the most deprived areas of the Borough. Proposals for new development will be brought forward with the assistance of the preferred private developer and Registered Social Landlords and will be integrated with the Council's Local Development Framework, as either Supplementary Planning Documents or Development Plan Documents. Residential redevelopment is in conformity with Policy HS4 of the Unitary Development Plan, while mixed use development incorporating retail use will be considered against retail policy including Policy SH4 of the Unitary Development Plan. Other uses will be considered against UDP Policy HS15,

## 10.0 ANTI-POVERTY IMPLICATIONS

10.1 Construct Wirral is seeking to help disadvantaged groups access training and employment opportunities.

## 11.0 SOCIAL INCLUSION IMPLICATIONS

11.1 Construct Wirral is seeking to help disadvantaged groups access training and employment opportunities.

## 12.0 LOCAL MEMBER SUPPORT IMPLICATIONS

12.1 The HMRI areas are within the following Wards: Bidston and St. James, Birkenhead and Tranmere, Rock Ferry, Seacombe, Liscard, Claughton, Oxtan and Bromborough. Regional Housing Pot funding which is not matched funding for the HMRI programme can be used in all Wards.

## 13.0 BACKGROUND PAPERS

13.1 North Birkenhead Framework for Regeneration, Tranmere (Church Road) Masterplan, Rock Ferry (Fiveways) Masterplan, Strategy for Inner Wirral 2004-14, Wirral's Strategic Integrated Investment Framework for HMRI (2006-08).

## 14.0 RECOMMENDATION

14.1 That Cabinet agrees the revised Housing Investment Programme for 2010/11, subject to confirmation of anticipated funding reductions to the HMRI Programme. This is summarised in the table below and detailed in Appendix II:

<u>Funding to be allocated</u>	<u>£,000</u>
Birkenhead Clearance	4,357
Rock Ferry Clearance	430
Tranmere Clearance	800
Wallasey Clearance	925
Private Sector Home Improvements	4,431
Environmental Improvements	30
Living Through Change	583
Staffing and Resources	1,727
Homemovers Service	260
Relocation Loans	520
Shared Equity Schemes	600

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