

WIRRAL'S HOUSING INVESTMENT PROGRAMME 2010-11

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to seek Cabinet's approval to:

- (1) Wirral's Housing Investment Programme for 2010-11
- (2) Officers exploring the potential that a Community Housing Trust may offer Wirral.

2.0 BACKGROUND

2.1 A report was brought to Cabinet on 27th May 2010 detailing the proposed Wirral Housing Investment Programme for 2010/11. Government had recently announced a £50 million reduction to the National Housing Market Renewal Programme and it was not known how this reduction would be made and the implications for Wirral's Housing Investment Programme. Therefore, members requested a further report based on final known allocations.

2.2 The original and revised allocations to NewHeartlands (the Merseyside Housing Market Renewal Pathfinder) for 2010-11 are shown in the following table alongside Wirral's allocation.

	2010-11 Original	2010-11 Revised
HMRI Allocation to NewHeartlands	£47 million	£38.874million
Allocation to Wirral	£9.11 million	£7.437 million

2.3 The reduced funding for 2010-11 will still allow Wirral to continue its successful Housing Investment Programme and achieve its principal objectives:

- completion of further new homes on the Sevenoaks Scheme in Rock Ferry
- commencement of new retail development in Church Road, Tranmere
- completion of new homes at Whitford Road, Tranmere
- completion of new homes at Holt Hill, Tranmere
- completion of new homes at Woodhall/Royston Avenues, Wallasey
- completion of Extra Care housing scheme at Gorsey Lane, Wallasey
- progression of large scale refurbishment projects in Birkenhead.
- progression of large scale clearance projects in Birkenhead including assembly of sites for new build and development of major new build proposals.
- a Living Through Change Programme supporting communities through services such as the Live Wirral Wardens.

2.4 Cabinet is advised that the total allocation to NewHeartlands will be paid as a single sum to Liverpool City Council as the accountable body. Liverpool City Council will then have to transfer Wirral's allocation to the Council. Housing Market Renewal funds will be unringfenced and output targets will not be specified as part of the Pathfinder's budget

allocation, nor will the Pathfinder's performance be judged on the revised output figures based on the reduced budget. However, Pathfinders will still have to report quarterly to Homes and Communities Agency (HCA) on progress with outputs for the remainder of 2010/11.

3.0 THE HOUSING INVESTMENT PROGRAMME 2010-11

3.1 The Housing Investment Programme 2010-11 which builds upon priorities and initiatives in previous reports consists of the following initiatives, for which Cabinet's approval is sought:

- Birkenhead Clearance
- Rock Ferry (Fiveways) Clearance
- Tranmere (Church Road) Clearance
- Tranmere (Borough Road) Clearance
- Wallasey (Royston/Woodhall Avenues) Clearance
- Strategic site assembly
- Facelift Improvements
- Private Sector Home Improvements
- Private Rented Sector Home Improvements
- Living Through Change
- New Build

3.2 The Group Repair scheme listed on the May Cabinet report has been delayed until 2011/12.

3.3 Appendix 1 contains a spreadsheet showing the Housing Investment Programme for Wirral for 2010-11, including the funding sources and the outputs which will be achieved.

3.4 The following sections of the report set out the revised funding for each of the above initiatives and any changes to the original programme. Original funding allocations are shown in italics.

4.0 BIRKENHEAD CLEARANCE

4.1 HMRI funds of £2,638,979 (*£2,275,000*), Regional Housing Pot Funds of £1,351,935 (*£825,368*), Growth Point funding of £1,200,000 and recycled capital receipts of £955,765 (*£534,000*) will allow for acquisitions and demolition in two declared clearance areas at Milner/Carrington Streets and in the Bray/Brassey/Laird Street area. and other strategic areas. Increased funding for this area has been necessary to meet the demand from residents in strategic acquisition areas.

5.0 ROCK FERRY (FIVEWAYS) CLEARANCE

5.1 HMRI funding of £430,000 remains allocated to complete a programme of acquisition and clearance of 300 properties spanning five years. 45 homes for rent and 15 for shared ownership being developed for Riverside Housing Association, in Phase 1, have been completed. 12 units for outright sale have been completed by end of September 2010. A further 42 open market units will be built in Phase 1 but the rate of completion is dependent on market conditions. The completion of the clearance scheme as part of the 2010-11 programme makes land available for a further 169 units to be developed.

6.0 TRANMERE (CHURCH ROAD) CLEARANCE.

6.1 It is planned to spend HMRI funding of £800,000 (*£1,600,000*), in 2010-11 to progress the acquisition and clearance of retail, commercial and residential units in Tranmere, in line with the Church Road Masterplan. This will enable the acquisition of 3 commercial properties identified for clearance and provide gap funding to facilitate the commencement of new build retail development.

7.0 TRANMERE (BOROUGH ROAD) CLEARANCE

7.1 No funding will be spent in 2010/11 on this area. HMRI funding of *£300,000* was allocated in the original programme.

8.0 WALLASEY (ROYSTON/WOODHALL) CLEARANCE

8.1 HMRI funding of £100,000 will fund acquisition costs of the remaining property in the Royston/Woodhall Avenue (Wallasey) Statutory Clearance Area to enable final demolition to take place and allow Phase 2 of the redevelopment of the site to take place. New Build development began on the first phase site in March 2009.

9.0 STRATEGIC SITE ASSEMBLY

9.1 The sum of £1,200,00 (*£925,000*) of Regional Housing Pot funding is allocated for strategic acquisitions, in the Wallasey neighbourhood.

10.0 GROUP REPAIR IMPROVEMENTS

10.1 Phase 4 of the scheme will complete the Triangles Group Repair Scheme and encompasses retail units on Laird Street and Mallaby Street There will be minimal spend on Phase 4 in 2010/11. The scheme has yet to go to tender and will be funded from recycled contributions from Phase 1 of the Craven Street Facelift Scheme..

11.0 PRIVATE SECTOR HOME IMPROVEMENTS

11.1 It is intended to allocate a total of £1,726,034 (*£3,201,034*) of HMRI and Regional Housing Pot funding, in 2010-11, plus £905,000 of recycled contributions and Capital Receipts to enable improvements to sustainable private sector housing stock. This will be supplemented by £500,000 Government funding from the Warm Front initiative, bringing the total funding to £3,131,034.

11.2 HMRI funding of £520,000 (*£1,150,000*) and £880,000 of recycled contributions has been allocated to the Craven/Paterson Streets, Neighbourhood Facelift Scheme, Birkenhead. Total funding £1,400,000. The scheme involves renovation of the external fabric of the houses over two phases. It offers a 75% grant with a means tested household contribution of up to 25%, supported by a reducing 3 year financial charge on the property. Phase 1 of the scheme is complete and Phase 2 will start on site in November.

11.3 £280,000 of Regional Housing Pot Funding will be used for Equity Renewal Loans across Wirral. These enable low income homeowners, with sufficient equity in their property, to fund improvements/repairs which otherwise may not be possible due to financial constraints.

- 11.4 Implementation of a course of action to deal with the major disrepair and dereliction in the terrace 11-41 Trafalgar Road, in Wallasey, will be in 2011-12 and no allocation will be made in 2010-11.
- 11.5 £25,000 (£250,000) of recycled capital receipts from HOUSED (Home Ownership Using Sustainable Empty Dwellings) sales will be used to fund HOUSED in the HMRI area during 2010/11. The scheme purchases long term empty properties, improves them and sells them to support owner occupation. The properties are refurbished to Secured by Design standards and a 10% discount is offered to help first time buyers.
- 11.6 £100,000 Regional Housing Pot Funding will be used for Empty Property Loans of up to £10,000 to bring back into use long term empty properties.
- 11.7 Empty Property Grants of up to £2,000 will be piloted in 2010-11. These will be available to support the renovation of strategically located long term vacant properties. Assistance is conditional upon the property being brought back into use. £20,000 Regional Housing Pot Funding will be used for this scheme.
- 11.8 £33,000 of Regional Housing Pot funding will be used for the First Homes scheme. First Homes encourages and supports primarily first time buyers (subject to eligibility criteria) into home ownership in the Housing Market Renewal area. The scheme provides support and guidance, a financial incentive up to £2,000 towards purchasing and moving costs, and referral to an Independent Financial Adviser for mortgage advice and access to other support services.
- 11.9 The Energy Efficiency Scheme will receive HMRI funding of £165,000, Regional Housing Pot funding of £150,000 and Warm Front funding of £500,000 to provide for private sector properties.
- Central heating and heating improvements to vulnerable households so they reach the thermal comfort criterion of Decent Homes Standard
 - Free loft and cavity wall insulation
 - Solid wall insulation to properties being renovated by the Empty Property Team
 - Interest free loans for replacement boilers, solar water heating and for facilitating the installation of loft and cavity wall insulation
- 11.10 Capital receipts of £187,000 have been set aside for energy efficiency work on Quarry Bank, Tranmere. However, the use of this is subject to the outcome of a bid to Homes and Communities Agency for funding for redevelopment.
- 11.11 Regional Housing Pot funding of £300,000 (£400,000) has been allocated for Home Repair Assistance. This is discretionary assistance in the form of a loan designed to provide help with small scale emergency works of repair.
- 11.12 Regional Housing Pot funding of £158,034 has been allocated for additional Disabled Facilities Grants in the HMRI area carried forward from 2009/10.

12.0 PRIVATE RENTED SECTOR IMPROVEMENTS

- 12.1 Regional Housing Pot funding of £100,000 will be used for Fire Safety Loans up to the value of £10,000 each and works in default as required, as part of the Healthy Homes Initiative. Healthy Homes is a new project focusing on improvements in the private rented sector and initially targeting a small area in New Brighton which has the highest concentration of HMOs (Houses in Multiple Occupation) in the Borough.

12.2 Recycled income of £20,000 has been allocated to HMO Licensing to support licensing and enforcement activity.

13.0 **LIVING THROUGH CHANGE**

13.1 It is planned to use a total of £888,000 (£1,190,000) for the initiatives that make up the Living Through Change Programme allocated as follows:

- Live Wirral Wardens £275,000 (£375,000)
- HMR Anti-Social Behaviour £50,000 (£60,000)
- Handyperson Scheme £60,000
- Landlord Accreditation £150,000 (£200,000)
- Community Schemes £3,000 (£15,000)
- Build Wirral Employment Project £60,000 (£85,000)
- Homemovers Service £260,000
- Environmental Improvements £30,000 (£135,000)

13.2 The programme of initiatives is a continuation of the successful schemes implemented in 2004-10.

14.0 **RELOCATION SUPPORT**

14.1 Relocation loans and support (subject to eligibility criteria) will be made available to both householders and businesses. £400,000 (£200,000) of HMRI funding and £120,000 of Regional Housing Pot funding will be used for this purpose. The allocation has been increased to meet the demand from residents in strategic acquisition areas.

15.0 **NEW BUILD**

15.1 The new build programme is most advanced in Sevenoaks, Rock Ferry where 72 homes have been completed in Phase 1 to date. The retail development in Church Road, Tranmere is now on site. Work started on the site in Whitford Road, Tranmere in January, following a successful bid under the Government's Kickstart programme. 55 homes will be completed by end of March 2011. The remaining residential new build for Sevenoaks and Church Road will be brought forward when the housing market recovers. Overall, there are 257 new dwellings under construction throughout the HMRI area. The key supported new build schemes are on site at:

- Royston/Woodhall, Wallasey (36 units)
- Gorse Lane (Extra Care), Wallasey (70 units)
- Holt Hill, Tranmere (9 units)
- Falkland Road, Wallasey (6 units)

15.2 The scheme at Fox Street, Birkenhead (14 units) was completed in May 2010.

15.3 Discussions are continuing with Keepmoat Homes, the Council's private sector developer partner for Birkenhead, and local residents about plans for the future redevelopment of the declared clearance areas.

15.4 Work is underway on the proposed structure for engagement of a Registered Social Landlord partner for redevelopment of cleared sites in Birkenhead and will be the subject of a further report for Members' consideration

15.5 Future new build will be determined by site availability, market conditions and access to funds to increase the attractiveness of new build homes. These will be reported to Cabinet as required.

16.0 **COMMUNITY HOUSING TRUSTS**

16.1 The Coalition Government's housing priorities are aligned with its commitment to localism and placing communities at the centre of decision making. It is keen to see the concept of Community Housing Trusts developed as a vehicle for increasing housing supply. Community Housing Trusts, also known as Local Housing Trusts, have been used successfully in rural areas to create affordable new housing and offer a model that could be transferred to urban development in viable markets. Their primary focus is on increasing affordable housing supply but can take a role in market renewal. As a property owner, a Community Housing Trust is able to offer homes for rent or shared equity and is able to derive income from its housing role to fund initiatives sought by communities, such as empty homes investment or worklessness prevention.

16.2 A viable Community Housing Trust (CHT) requires a partnership involving organisations such as the Council (as provider of land at nil cost), the Homes and Communities Agency (as provider of funding to acquire sites and subsidise affordable housing), a private developer (as provider of homes for sale and source of revenue generation) and Registered Social Landlords (as providers of land, development expertise, neighbourhood management and possible "incubator" for a fledgling CHT). A CHT also requires an accountable community role, which could build on existing arrangements such as Community Development Trusts, along with a route for wider involvement and membership from individuals.

16.3 Negotiations with Keepmoat Homes (see 15.2 above) have led to indicative designs being drawn up and shared with residents. However, alongside this process, the concept of Community Housing Trusts has become a government ambition. Land assets and partnerships exist that could be adapted to suit a new model. These exist primarily in Birkenhead, but it is envisaged that a Community Housing Trust could have a wider geographical focus, particularly in Wallasey, where land for development is being assembled using HMRI funding.

16.4 A principal test for a CHT is the viability of housing development to sustain an organisation and provide an income stream to fund locally agreed priorities. A larger scale of development may be required than can be made available currently using HMRI assembled sites. Therefore, a good case exists for sustaining HMRI investment to assist the viability of a CHT and the inclusion of other council land assets would help create a land base to sustain long term development to allow a CHT to prosper.

16.5 In the medium term, Communities and Local Government guidance advises that Community Housing Trusts can take a role in planning matters. They will have to show support from the local community for planned housing developments and meet some basic planning criteria, but would not need to lodge specific planning applications.

16.6 Cabinet approval is sought for officers to explore the potential that a Community Housing Trust may offer for Wirral. Wirral would be at the forefront of implementing government housing policy if a Community Housing Trust can be made to work in an urban housing market. Through embarking on a development programme such as this Wirral may benefit from a further government initiative – "New homes bonus".

17.0 FINANCIAL IMPLICATIONS

17.1 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.

18.0 STAFFING IMPLICATIONS

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

19.0 EQUAL OPPORTUNITIES/EQUALITY IMPACT IMPLICATIONS

19.1 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.

20.0 COMMUNITY SAFETY IMPLICATIONS

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

21.0 LOCAL AGENDA 21 IMPLICATIONS

21.1 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.

22.0 PLANNING IMPLICATIONS

22.1 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.

23.0 ANTI-POVERTY IMPLICATIONS

23.1 Build Wirral is seeking to help disadvantaged groups access training and employment opportunities.

24.0 SOCIAL INCLUSION IMPLICATIONS

24.1 Build Wirral is seeking to help disadvantaged groups access training and employment opportunities.

25.0 LOCAL MEMBER SUPPORT IMPLICATIONS

25.1 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.

26.0 BACKGROUND PAPERS

26.1 Wirral's Housing Investment Programme 2010/11 reported to Cabinet 27th May 2010.

27.0 RECOMMENDATIONS

27.1 That:

- (1) the Housing Investment Programme 2010-11 for Wirral, which is summarised in the table below and in Appendix 1, is agreed.

<u>Funding be allocated</u>	<u>£,000</u>
Birkenhead Clearance	6,147
Rock Ferry Clearance	430
Tranmere Clearance	800
Wallasey Clearance	1,300
Private Sector Home Improvements	3,251
Living Through Change	888
Staffing and Resources	1,727
Relocation Loans	520

- (2) Approval is given for officers to explore the potential that a Community Housing Trust may offer for Wirral.

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