

Safer & Stronger Communities Scrutiny

Policy Update

SEPT/OCT 2012

1. Plans for thousands of homes unlocked by historic deal

- a) New agreement will get work started on thousands of new properties
- b) Plans for thousands of new homes that have been stuck on the drawing board for a decade are to finally get the go-ahead thanks to an historic deal reached between ministers, councillors and developers
- c) The deal will unlock around 22,600 much needed homes over the next 20 years – delivering as many as 60,000 jobs – and brings a brownfield site back into use. The first phase at Eastern Quarry, Ebbsfleet, in Kent will deliver 1,500 homes as part of wider plans for Kent Thameside
- d) Developers Land Securities have invested over £100 million in developing the site. However, plans have been delayed amid concerns over the cost and the need for further investment in transport improvements
- e) But now, after work by Housing Minister Grant Shapps and Transport Minister Mike Penning with Kent councils and the developers, builders could be on site as early as next summer with the first homes set to be completed by December 2013
- f) Kent County Council and Dartford and Gravesham Borough Councils worked closely with the Department for Transport and the Highways Agency to reduce costs of the transport programme and to agree how funding could be unlocked. Under the arrangements agreed, the Department for Transport and Highways Agency will begin development work on 2 major junction improvements and will work with Kent County Council and the Kent Thameside partners in managing the transport investment programme necessary to deliver the new developments
- g) Dartford and Gravesham Borough Councils will ensure that contributions from Land Securities and other sites are provided to support the transport improvement programme, and that they and Kent County Council use a proportion of their New Homes Bonus payments to contribute to the programme
- h) The deal reached between these 3 councils and land Securities on the specific planning obligations – known as a Section 106 agreement – will enable work to start. Land Securities will contribute nearly £25 million towards the Homes and Roads Programme, through to completion of 4,500 homes on the site by 2020
- i) Mr Shapps said that this illustrated the benefits of Government, local authorities and developers working together to unlock progress on stalled larger sites and signalled that he was keen to build on this approach in the future
- j) The first phase of 1,500 homes at Eastern Quarry are expected to be completed by 2020, with a further 3,000 homes expected to be completed by 2030-31. Eastern Quarry forms part of longer term plans which are expected to unlock the development of 22,600 homes and around 1 million m² of commercial development across the Kent Thameside region over the next 20 years

- k) The Homes and Communities Agency has already invested £13 million in the supporting transport investment (the Homes and Roads Programme), and is committed to working with all parties to identify other future funding sources as work progresses on the development
- l) The Kent Thameside Strategic Transport (Homes and Roads) Programme is a £116 million investment in transport improvements covering both the Strategic and Local Road Network aim at enabling the planned level of development to be realised
- m) The Homes and Roads Programme is a package of the following 7 schemes:
 - A2 Ebbsfleet Junction
 - A2 Bean Junction
 - A226 London Road/St Clements Way Junction
 - Dartford Town Centre Improvements
 - Rathmore Road Link, Gravesend
 - A226 Thames Way Dualling, Ebbsfleet
 - Urban Traffic Management and Control Measures
- n) Key partners involved in the development, management and delivery of the Homes and Roads Programme include:
 - Dartford Borough Council
 - Department for Transport
 - Gravesend Borough Council
 - Highways Agency
 - Homes and Communities Agency
 - Kent County Council
- o) Land Securities is the UK's largest commercial property company and a member of the FTSE 100. The company owns and manages more than 29 million sq ft of property, from shopping centres to offices

2. Safety net against homelessness continues to 2015

- a) Funding to help those facing the real and frightening prospect of homelessness will continue to the end of this Parliament, Housing Minister Grant Shapps has recently said
- b) Councils across the country are set to receive a share of £160 million over the next 2 years
- c) The Minister also confirmed that a new website and telephone line, where anyone looking to get help for someone sleeping on the streets can go to, is on track to be available by Christmas
- d) He also offered a first-look at a new campaign aimed at encouraging people to seek help for rough sleepers in their area
- e) Mr Shapps announced that councils across the country would receive £160 million over the next 2 years in Homelessness Prevention Grants – offering certainty that homelessness services will be funded to the end of this Parliament
- f) This is on top of the £160 million that has been allocated to councils over this and last year, which has been used to offer support to those facing the threat of homelessness, including:
 - Providing rent deposit schemes to enable homeless people to get accommodation in the private rented sector

- Mediation services to help prevent relationship breakdown leading to homelessness
 - Outreach services to help get rough sleepers off the streets and into accommodation
- g) Latest figures show that 199,000 households were last year given help to stay in their homes or find new places to live – stopping them from facing losing their home and, potentially, a life on the streets
 - h) Mr Shapps also confirmed that plans for a new website and national phone line are on track to be available by Christmas, so that anyone will be able to ring if they are looking for help for someone sleeping rough
 - i) StreetLink, to be run by charities Homeless Link and Broadway, will include a national telephone line, and website accessible via smart phone, so anyone anywhere can provide details of someone sleeping rough in their neighbourhood so they can be found and connected to local services
 - j) A series of posters will be released in December alongside these new tools, so residents, charities and councils can all work together to ensure as few people as possible face spending this Christmas on the streets
 - k) The Minister released the first images from a campaign due to start in the run-up to Christmas to encourage members of the public to come forward and seek help for local rough sleepers

3. Cash for communities supporting neighbourhood planning

- a) New funding to help communities bring jobs and homes to their neighbourhood using improved planning powers has been announced by Planning Minister Greg Clark
- b) Neighbourhood planning gives people a major say in shaping development in their area. It gives communities the power to help decide where development should go and the type and design of development that can be granted automatic planning permission
- c) A £10 million fund is now available to help councils ensure their communities are able to finalise people's plans for homes, businesses and facilities in their neighbourhood
- d) More than 200 communities are already using the new planning powers introduced in the Localism Act to work up plans that can, for example, decide the location of new homes and decide the green spaces communities are keen to protect
- e) Councils are invited to apply for grants of up to £30,000 for each scheme to help pay for the costs of getting plans in place. Payments will be paid to councils to help them support and advise groups taking forward neighbourhood plans and to pay towards the examination of plans and a local referendum
- f) Payments will be made in 2 payments. The first, of £5,000 will be made once a neighbourhood area has been designated. The second payment of £25,000 will be made on successful completion of the neighbourhood planning independent examination

4. Statutory homelessness: April to June Quarter 2012, England

- a) The latest National Statistics on Statutory Homelessness, for April to June 2012, were released on 6 September 2012, under arrangements approved by the UK Statistics Authority

b) The key points from the latest release are:

Household acceptances

- 12,860 applicants were accepted as owed a main homelessness duty between 1 April and 30 June 2012 – **9% higher than during the same quarter of 2011**
- On a seasonally-adjusted basis, there were 12,960 acceptances - a **decrease of 2% from 13,230 in the previous quarter**

Households in temporary accommodation

- 51,640 households were in temporary accommodation on 30 June 2012 – **7% higher than at the same date in 2011**
- On a seasonally-adjusted basis 51,540 households were in temporary accommodation on 30 June – a **2% increase from 50,480 in the previous quarter**

5. Plan to boost British house building, jobs and the economy

a) The Prime Minister and Deputy Prime Minister, alongside the Communities Secretary Eric Pickles, have set out a major housing and planning package that will help deliver:

- Up to 70,000 new homes, including affordable housing and opportunities for first-time buyers to get onto the housing ladder
- 140,000 jobs and a boost to the construction sector
- £40 billion guarantee for major infrastructure projects and £10 billion for new homes

b) This includes a series of measures aimed at supporting businesses, developers and first-time buyers, while slashing unnecessary red tape across the planning system

c) The measures include:

- Removing restrictions on house builders to help unlock 75,000 homes currently stalled due to sites being commercially unviable. Developers who can prove that council's costly affordable housing requirements make the project unviable will see them removed
- New legislation for Government guarantees of up to £40 billion worth of major infrastructure projects and up to £10 billion of new homes. The Infrastructure (Financial Assistance) Bill will include guaranteeing the debt of Housing Associations and private sector developers
- Up to 15,000 affordable homes and bring 5,000 empty homes back into use using new capital funding of £300 million and the infrastructure guarantee
- An additional 5,000 homes built for rent at market rates in line with proposals outlined in Sir Adrian Montague's report to Government on boosting the private rented sector
- Thousands of big commercial and residential applications to be directed to a major infrastructure fast track and where councils are poor at processing decisions developers can opt to have their decisions taken by the Planning Inspectorate. More applications will also go into a fast track appeal process

- 16,500 first-time buyers helped with a £280m extension of the successful 'FirstBuy' scheme, which offers aspiring homeowners a much-needed deposit and a crucial first step on the housing ladder
- For a time limited period, slashing planning red tape, including sweeping away the rules and bureaucracy that prevent families and businesses from making improvements to their properties, helping tens of thousands of home owners and companies

6. Public and the police will benefit from reforms

- a) The public and the police will benefit from a reformed police service which places greater emphasis on trust and accountability, the Home Secretary has said
- b) Addressing the annual Police Superintendents' Association conference, Home Secretary Theresa May said radical changes, including the introduction of Police and Crime Commissioners and the new College of Policing, will empower the public and reward talented officers

Vision of the future

- Addressing officers at the conference in Kenilworth, Warwickshire, the Home Secretary said, 'Our reforms are not complete, but with your help and your leadership we are moving closer to realising a vision of the future with greater trust and accountability, where both the police and the public are winners'
- The college, to be established before the end of the year, will recognise talent and experience already in policing and ensure forces have the right tools to protect the public. The Home Secretary said the college will provide greater transparency to the public about what they can expect from their force and the standards that it should meet

Cutting crime

- Speaking at the conference, the Home Secretary praised the leadership and self-sacrifice shown by officers during the Olympic and Paralympic Games and welcomed a call from Derek Barnett, the outgoing President of the Association, for closer links between officers and the Government
- She reiterated her call for the police to focus on cutting crime but said it was down to individual officers to decide how best to do it
- Newly appointed Police and Criminal Justice Minister Damian Green also addressed the conference

7. £1 billion to improve council homes set to boost economy

- a) Housing Minister Mark Prisk recently confirmed nearly £1 billion to bring sub-standard council homes up to scratch – while at the same time offering a boost to local businesses up and down the country
- b) The Minister said that the funding, to be allocated to 41 councils over the next 2 years – would bring over 86,000 homes up to a decent living standard
- c) And with reports in some areas that every pound spent on Decent Homes improvements creates £1.46 in local spend through orders to tradesmen

and suppliers in the area, he said the cash would also help kickstart the economy, supporting local tradesmen and creating new jobs

- d) The recent investment secures the future until the end of this Parliament of the Decent Homes Programme, confirming the indicative allocations made in 2011. The cash will help councils bring their homes up to a decent standard, from fitting new roofs and windows to updating kitchens or heating systems
- e) Mr Prisk said that this new construction and skilled work would provide a shot in the arm for thousands of local businesses and tradesmen, supporting the Government's measures to boost British jobs and the economy
- f) He is also keen to explore bringing forward some of this funding to councils to help boost their economies through local investment in decent homes. Officials will shortly be in touch with councils to see what may be done to achieve this
- g) The Minister said that spending money earlier would help boost local employment as early as possible, as well as delivering home improvements for tenants ahead of schedule
- h) The Government is keen to ensure that councils do everything they can to boost their economies through local investment with Decent Homes funding
- i) Almost £1.6 billion was allocated in this Spending Review to deal with Decent Homes backlog. Councils were allocated £612 million for years 2011/12 and 12/13, and this announcement confirms the £982.7 million indicative allocations for years 2013/14 and 2014/15

8. Mark Prisk: Multi-million pound boost will help buyers onto the housing ladder

- a) First time buyers have benefited from a multi-million pound boost to help them onto the housing ladder, Housing Minister Mark Prisk has announced
- b) The Minister announced the first allocations from a £280 million pot to help a further 16,500 first time buyers benefit from the FirstBuy scheme
- c) Mr Prisk confirmed that £40 million will go to 41 developers to help 2,500 first-time buyers this year, and called on them to go further, and bid for a share of £240 million to help deliver thousands more new homes under the scheme next year
- d) The hugely popular FirstBuy scheme reduces the amount of deposit first-time buyers have to find by offering an equity loan of up to 20% provided by the Government and developers
- e) The Minister said that the extension of FirstBuy would provide help to thousands more first time buyers across the country, offering an alternative to the Bank of Mum and Dad
- f) The scheme has already helped thousands of buyers across the country, with 3,000 sales made by March this year and developers reporting more than 8,000 FirstBuy reservations by the end of August
- g) The £280 million boost to FirstBuy forms part of the Housing and Growth Package announced by the Prime Minister and Deputy Prime Minister in September, one of a range of measures designed to get Britain building and kickstart the economy

- h) This package builds on the suite of options available for aspiring homeowners who want to get onto and up the housing ladder. This includes the NewBuy guarantee and the reinvigorated Right to Buy, which will give thousands of council tenants the opportunity to buy their home
- i) FirstBuy provides first time buyers with an equity loan of up to 20% of a new build property from a participating developer. The loan, which is jointly funded by Government and housebuilder, can reduce the deposit requirement to just 5%
- j) In Budget 2011 the Chancellor announced the FirstBuy scheme which will see Government and housebuilders providing £400 million to help around 10,500 first time buyers purchase a home
- k) The Homes & Communities Agency published official statistics on 12 June that showed there had been 2,994 sales by the end of March 2012-10-15 on 6 September the Prime Minister announced a further £280 million for the scheme
- l) The Homes & Communities Agency has announced initial allocations of £40 million and published a prospectus inviting housebuilders to submit proposals for the remaining £240 million

9. Mark Prisk: First self-build projects to benefit from multi-million fund

- a) Housing Minister Mark Prisk said he was delighted that the first applications for a slice of a new £30 million self-build investment fund have been earmarked for approval
- b) Speaking at a special self-build workshop for local authority leaders in London, Mr Prisk said that the first projects would benefit from over £1.1 million to start work on up to 20 self-build plots
- c) Following final checks and approvals, the applications in North East Derbyshire and Peterborough will be the first to receive the funding, which provides short-term finance to help unlock projects where groups of self-build homes are built at the same time
- d) The Minister, along with self-build industry champion, architecture specialist and presenter of Channel 4's Grand Designs Kevin McCloud, hosted the workshop for local authority leaders in association with the Local Government Association, to discuss how they could support prospective self builders in their area
- e) A specialist team from Almere in the Netherlands also attended to share their expertise. Almere, near Amsterdam, is the largest low-cost self-build experiment in Europe, which has grown rapidly in recent years
- f) Earlier this year the former Housing Minister travelled to Almere with a delegation from the UK self-build industry, and hosted an event with Dutch Government officials and business leaders at the British Embassy to boost trade and links between Dutch and British businesses
- g) Mr Prisk said that there has been a great surge of interest in recent years for self-build, and it was now important that local authorities learnt from abroad and local projects to identify opportunities for self-build development in their plans, and to give people in their area the opportunity to build their own home
- h) Approval for the first custom build homes funding application with a value of £450,000 has been given to a developer in North East Derbyshire on a site at Morton for 9 self-build plots. A second application for 11 self-build

plots with a loan value of approximately £725,000 for a site in Peterborough has also been approved. Both approvals are subject to final due diligence and contract. Details will be available once final due diligence checks have been finalised and contracts agreed

- i) A further application for funding has been received for a multi-unit self-build development on a site in Derbyshire and the Homes & Communities Agency is in discussion with several other project promoters who are seeking to apply for funding with more applications expected before the end of the year
- j) The £30 million fund will be available over the next 3 years (2012-15). Funding is available to cover the cost of building, land acquisition or other costs associated with a proposed development of 5 or more custom build homes with planning permission. The funding is available to eligible applicants bringing forward projects in England with the exception of London
- k) Separate funding arrangements are available for London
- l) *Laying the Foundations: A Housing Strategy for England* sets out the Government's plans to support social mobility and get the housing market – and in particular new house building – moving again, including a Custom Build Homes programme to support and encourage more individuals and communities to build their own homes