

REPORT TO: Executive Board
DATE: 29th March 2007
REPORTING OFFICER: Strategic Director (Health and Community)
SUBJECT: Liverpool City Region Housing Strategy
WARDS: All wards

1. PURPOSE OF THE REPORT

The purpose of this report is to inform Executive Board of the development and draft findings of a Housing Strategy for the Liverpool City Region, attached as Appendix 1 to this report.

2. RECOMMENDATION:

- i) That the Executive Board note the report and support the thrust of the comments identified within Section 6 within the Conclusions section.**

3. SUPPORTING INFORMATION

The Liverpool City Region Housing Strategy is a major piece of work, funded by Government Office NW but commissioned by the Merseyside Housing Forum, which will provide an investment framework for future housing development across the City Region. It is a key element of the Sustainable Communities workstream of the Liverpool City Region Development Programme in response to the Northern Way challenge.

The first phase of the work, carried out in 2005/06 by Ecotec, defined three housing markets within the City Region on the basis of travel to work patterns, demographic information and housing market conditions. There is some overlap between the three areas, known as "Zones of Flexibility", for example, Halton is contained within both the Northern (Liverpool focused) and Eastern (Warrington focused) Housing Market Areas.

The second stage of the work has been prepared by a consortium of consultants led by GVA Grimley and includes Housing Market Assessments for each of the three areas, an Identification of Vulnerable Housing Markets report, and a report on BME and Gypsy/Traveller Households in the City Region. The findings from these reports, summarised below, and existing plans such as the Liverpool CRDP and the draft Regional Spatial Strategy have been fed into the development of the draft City Region Housing Strategy.

It is expected that the current draft of the Strategy will be signed off by members of the Merseyside Housing Forum at their meeting on 2nd April 2007 and endorsement of the Strategy will be sought at the Chief Executives and Leaders Group at the end of April. Unfortunately the requirement to complete and pay for the commission by the end of March has led to challenging turn round times for consultation and feedback.

4. THE EVIDENCE BASE

Housing Market Assessments

The Housing Market Assessments consisted of an assessment of the existing housing stock in each Housing Market Area (HMA) and its ability to meet future demands based on demographic and economic forecasts. The key findings arising from the assessments are:

Northern HMA (Halton, Knowsley, Liverpool, St Helens, Sefton, West Lancashire and Wirral)

The area has the greatest potential for economic growth but faces the most acute stock imbalance, environmental and multiple deprivation issues. Without intervention to address these issues, the full benefits of expected economic growth will not be captured in the area.

Southern HMA (Chester, Ellesmere Port and Neston, Flintshire, Vale Royal and Wrexham)

The area offers unrivalled quality in its neighbourhoods and quality of life. However, there are extreme issues of affordability and lack of housing choice, compounded by constraints on housing development due to a shortage of brownfield sites and location of services and infrastructure.

Eastern HMA (Halton, St Helens, Vale Royal and Warrington)

The area is the most diverse and as a whole offers the most balanced housing market. There are, however, emerging issues of affordability in the Southern part of the area, coupled with regeneration challenges and a need to build balanced housing markets within Halton and St Helens.

Vulnerable Housing Markets

This research builds upon earlier work on low demand undertaken by the Centre for Urban and Regional Studies and uses an index of housing, quality of place, quality of life and socio economic factors based on 2001 Census and 2004 Index of Multiple Deprivation indicators to map the 15% most vulnerable housing markets in the City Region. Although the data used is already out of date, these are the

most current sources of data to enable consistent comparison between local authorities.

The areas identified correlate precisely with the existing New Heartlands intervention areas, but also include smaller concentrations of underlying market vulnerability in areas of Knowsley, Halton, St Helens, West Lancashire, Warrington and Ellesmere Port.

Within Halton the areas specifically identified are around the Widnes waterfront from West Bank to Crow Wood, Central Widnes around Kingsway and the social estates around Ditton and Hough Green. It is felt that market vulnerability in these areas stems from multiple deprivation and low quality of life and the Strategy recommends that housing interventions in these areas should be part of wider, comprehensive programmes of neighbourhood change.

In Runcorn, the vulnerable markets identified are listed as “the Runcorn social estates around Castlefields and Brookvale¹.” Vulnerability in these areas is thought to be more attributable to poor access to services combined with structural weaknesses in the choice of housing, implying that housing led intervention is more appropriate.

BME/Gypsy and Traveller Households

This research consisted of a review of the challenges and responses to BME and Gypsy and Traveller communities at City Region level. The findings show a link between concentrations of multiple deprivation and areas with significant BME populations, particularly in localised areas of Liverpool. The research also recognises the recent growth in migrant workers entering the Northern HMA, particularly in Liverpool and Sefton and identifies a shortfall in provision of authorised caravan pitches across the City Region.

5. STRATEGY RECOMMENDATIONS

The draft Strategy identifies 7 Strategic Enablers as the building blocks to meet the Strategy’s vision to create sustainable communities. The Strategic Enablers and the appropriate policy responses required to deliver them are summarised below.

Strategic Enabler 1 – Planning for a sustainable level of growth

This recognises that due to a series of forthcoming major projects, economic growth is predicted in all HMAs centred around the core areas of Liverpool, Warrington and Chester leading to newly arising housing demand. The Strategy recommends the level of housing growth to 2021 in each HMA to meet this demand with an emphasis on

¹ Brookvale has not previously been considered to be an estate in significant risk of market decline. We have asked the consultants to amend this reference to “The Runcorn New Town estates”

joint working and co-operation between authorities to deal with potential undersupply relative to the level of economic growth.

Strategic Enabler 2 – Sustainable Growth Locations

The Strategy recommends prioritisation of housing growth within the New Heartlands Pathfinder area and other inner urban areas of Liverpool. Outside these areas, housing policies should prioritise growth in identified Priority Regeneration Areas (selected from the 15% most vulnerable neighbourhoods using the criteria below), then in areas proximate and accessible to employment growth areas as identified by the CRDP.

This represents an opportunity to capitalise on the Mersey Gateway crossing as a catalyst for area based regeneration in the identified vulnerable neighbourhoods of South Widnes and the New Town estates.

Also recommended is the development of joint planning policies between Halton, Warrington and St Helens to distribute housing growth in view of Warrington's land availability constraints.

Strategic Enabler 3 – Priority Regeneration Areas

Again, the emphasis is on New Heartlands as the primary regeneration focus for the City Region with a recommendation for authorities within the Northern HMA to explore developing a Multi Agency Agreement to support delivery of the programme.

Outside this area, the Strategy recommends cross boundary working within each HMA to prioritise regeneration of the 15% most vulnerable neighbourhoods using criteria such as potential contribution to economic growth, diversification of housing choice, ability to lever private sector investment and co-existence of other regeneration programmes.

Based on these criteria there is potential to make a strong case for additional funding from the Regional Housing Pot to regenerate areas of South Widnes, given its proximity to the Mersey Crossing and EDZ and some of the New Town estates in view of the constituent monolithic social housing provision. It also supports the continued regeneration of Castlefields through the National Affordable Housing Programme.

Strategic Enabler 4 – Creating Balanced Markets

The Strategy recommends increased provision of larger “aspirational” house types in the Northern and Eastern HMAs to compensate for an historical undersupply of this type of provision and to capture a high proportion of growth associated with managerial and professional

occupations to meet the demand generated by economic growth, a policy which has been adopted by Halton for some years.

It also advocates the diversification of mono tenure estates within vulnerable areas through the introduction of intermediate housing and new market housing for sale.

Strategic Enabler 5 – Delivering a Better Choice of Affordable Housing

The Strategy recommends affordable housing (both social housing and intermediate provision) figures for each of the HMAs but with higher rates in areas with more acute affordability issues i.e. Southern HMA authorities, South Warrington, West Wirral, Sefton and West Lancashire. Halton has the lowest average income to house price ratio (1:4.3) of all the City Region authorities.

Strategic Enabler 6 – Delivering Quality Neighbourhoods

A range of policy responses are recommended to improve environmental quality in the Regeneration Priority Areas, specifically working with service delivery agencies and establishing neighbourhood management initiatives to complement and support housing investment. This perhaps strengthens the case for additional funding in Halton's most vulnerable areas due to the congruous location of the existing neighbourhood management pilots.

Strategic Enabler 7 – Equality and Diversity

Recommended policy responses focus on the need to increase understanding of the future needs of BME communities at City Region and local level and to jointly review provision for Gypsies and Travellers as required by the Housing Act 2004. A cross Cheshire Gypsy and Traveller needs assessment has recently been undertaken with the final report expected in April.

6. CONCLUSIONS

The Liverpool City Region Housing Strategy undoubtedly has a New Heartlands/Liverpool focus. Informal discussions with colleagues in St Helens and Knowsley have revealed concerns about the degree of emphasis based on the Pathfinder area.

Nevertheless, the findings and recommendations of the Strategy may present opportunities to increase investment in some of Halton's poorest neighbourhoods. The Strategy also supports continued investment in Castlefields through the National Affordable Housing Programme as the area is identified as one of the top 15% vulnerable housing markets.

The authors of the Strategy have recognised that given the deadline for completing the commission it is unlikely that agreement could be reached between partners on the relative merits of each vulnerable area. The report, therefore, restricts itself to suggesting a broad framework for partners to use to determine priority areas for investment. Failure to include specific priorities may reduce the value of the document as a tool for bidding for resources.

It is important that the Strategy is not viewed in isolation and that delivery plans take account of interlinked policies and strategies dealing with issues such as social inclusion, transport and education.

Whilst the document is called a Housing Strategy, many of the policy recommendations focus on high level strategic planning issues rather than the detailed mix of house types and size required in local authority areas. There is a particular focus on the development of joint planning policies which planners feel may prove problematic to deliver within Local Development Frameworks.

Some concerns have been received that the Strategy fails to deal with specific housing issues such as the impact of changing demographics, particularly the housing needs of the increasing elderly population across the City Region and the issue of homelessness. It is likely that the authors of the Strategy would contend that the purpose of the document is to recommend policies to support economic growth and regeneration and that such issues are best addressed through local authorities' individual Housing Strategies.

At the time of writing the report there are a number of comments being received as a result of wider distribution of the Strategy which require further clarification from the consultants about their data sources and interpretation. We intend to invite the consultants to meet with relevant Council Officers to ensure a speedy resolution to some of the issues being raised.

7. POLICY IMPLICATIONS

The findings of the Strategy will feed into Regional, Sub Regional and local policy development, specifically Halton's Housing Strategy, Local Development Framework and Economic Development Strategy.

8. FINANCIAL IMPLICATIONS

The North West Regional Housing Board has earmarked £9 million for investment in areas of vulnerable housing markets outside of the Pathfinder areas. The vulnerable housing markets identified in the Strategy, including the areas identified in Halton, may benefit from this investment.

9. RISK ANALYSIS

Not applicable

10. EQUALITY AND DIVERSITY ISSUES

Regeneration of the most vulnerable areas of the City Region and the creation of sustainable communities will have a positive effect on social inclusion. The Strategy also contains recommendations to respond to the needs of diverse groups within the City Region including Black and Ethnic Minorities and Gypsies and Travellers.