OFFICE OF THE
DEPUTY PRIME MINISTER

Sustainable communities: building for the future

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Foreword by the Deputy Prime Minister

We are transforming our communities and reversing the legacy of decades of neglect and under-investment.

This Government's year-on-year investment in housing and regeneration is tackling the root causes of deprivation, and in towns and cities across England, the urban renaissance is taking hold.

We have achieved a great deal, but building on our achievements alone is not enough. We need a step change in our approach.

A step change is essential to tackle the challenges of a rapidly changing population, the needs of the economy, serious housing shortages in London and the South East and the impact of housing abandonment in places in the North and Midlands.

This Action Programme sets out the policies, resources and partnerships that will achieve this step change.

It will take us towards successful, thriving and inclusive communities, urban and rural, across England. Communities that will stand the test of time and in which people want to live.

Our ambition is to work with the public, private and voluntary sectors to quicken the pace of change. Our agenda is comprehensive and wide-ranging.

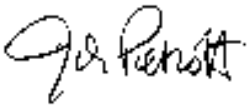
We are putting people first. We are determined to put an end to poor housing and bad landlords, to deliver more affordable housing, especially for key workers and young families, and to develop new sustainable communities in regions of high demand, such as the Thames Gateway.

In doing so, we must raise the quality of how we build and what we build, protecting and enhancing the countryside and green spaces for all to enjoy.

For more than 30 years this country lost its way. All governments failed to meet housing need. We built housing in a way that failed to put the needs of communities first. We did not invest for the long-term.

We now have an opportunity to do things differently and to break from the past. It is an opportunity we cannot shy away from, and which we will all be judged on in years to come.

John Prescott, MP
Deputy Prime Minister



An overview

This action programme marks a step change in our policies for delivering sustainable communities for all. The main elements are:

Sustainable communities

© *£22bn to improve housing and communities including over £5bn to regenerate deprived areas.*

© *A new regional approach to housing policy.*

© *£350m to speed up planning.*

Step change in housing supply

© *£5bn for more affordable homes, including:*

© *At least £1bn for key worker housing.*

© *Support for people who wish to move into home ownership.*

© *Action on empty properties.*

© *New focus on helping people into home ownership.*

New growth areas

© *£446m for Thames Gateway with new development agencies.*

© *Cabinet Committee chaired by Prime Minister to plan for development of the Gateway.*

© *£170m for three other growth areas.*

Decent homes

© *£2.8bn to bring council homes up to a decent standard.*

© *£500m to tackle low demand and abandonment.*

© *£260m to tackle homelessness.*

© *Action to tackle bad landlords.*

Countryside and local environment

© *Guarantee to protect green belt.*

© *£201m to improve local environment – parks and public spaces.*

© *Over 5,000 affordable homes in villages.*

All figures are totals for 2003-04 to 2005-06.

What is this document?

This is a programme of action to tackle pressing problems in our communities in England: homes are unaffordable in some areas, but are being abandoned in others. We need decent homes and a good quality local environment in all regions.

This document marks a step change in our approach; a strengthened determination by government to reverse, over the next 15-20 years, some damaging, deep-seated trends.

It is part of the Government's wider drive to raise the quality of life in our communities through increasing prosperity, reducing inequalities, more employment, better public services, better health and education, tackling crime and anti-social behaviour, and much more. It reflects our key principles for public service reform: raising standards, devolving and delegating decision-making, providing greater flexibility over use of resources and choice for customers.

It sets out a long-term vision. But over the next three years we will take immediate action to increase and refocus investment, to accelerate change and address the most acute needs.

It builds on the policies and actions we have already embarked upon, notably those in our Urban and Rural White Papers, (*Our Towns and Cities: the Future* and *Our Countryside: the Future – November 2000*), our policies for devolving power to regions, and our modernisation of local government.

Why "sustainable communities"?

Housing and the local environment are vitally important. But communities are more than just housing. They have many requirements. Investing in housing alone, paying no attention to the other needs of communities, risks wasting money – as past experience has shown.

A wider vision of strong and sustainable communities is needed to underpin this plan, flowing from the Government's strong commitment to sustainable development. The way our communities develop, economically, socially and environmentally, must respect the needs of future generations as well as succeeding now. This is the key to lasting, rather than temporary, solutions; to creating communities that can stand on their own feet and adapt to the changing demands of modern life. Places where people want to live and will continue to want to live.

Set out below are some of the most important requirements of sustainable communities. This text was the product of discussions in a sub-group of the Central Local Partnership between the LGA and Central Government.

What makes a sustainable community?
Some of the key requirements of sustainable communities are:

© *A flourishing local economy to provide jobs and wealth;*

© *Strong leadership to respond positively to change;*

© *Effective engagement and participation by local people, groups and businesses, especially in the planning, design and long-term stewardship of their community, and an active voluntary and community sector;*

© *A safe and healthy local environment with well-designed public and green space;*

© *Sufficient size, scale and density, and the right layout to support basic amenities in the neighbourhood and minimise use of resources (including land);*

© *Good public transport and other transport infrastructure both within the community and linking it to urban, rural and regional centres;*

© *Buildings – both individually and collectively – that can meet different needs over time, and that minimise the use of resources;*

© *A well-integrated mix of decent homes of different types and tenures to support a range of household sizes, ages and incomes;*

© *Good quality local public services, including education and training opportunities, health care and community facilities, especially for leisure;*

© *A diverse, vibrant and creative local culture, encouraging pride in the community and cohesion within it;*

© *A "sense of place";*

© *The right links with the wider regional, national and international community.*

What are the problems we must tackle?

Too many people do not have access to decent affordable housing in decent surroundings. Across the country there are still homes in poor condition occupied by vulnerable people.

In parts of the country there is a shortage of housing. Homes are unaffordable for people on moderate incomes, including many of the key workers on whom our public services depend. Yet new house building has been in decline for decades. In particular private house building has not responded to increased demand for home ownership. Successive governments have failed to tackle the issues and the gap between the need for new housing and what is being provided is widening.

In other parts of the country there are areas suffering the opposite problem of housing market collapse, leading to homes or even whole streets being abandoned. The problem has grown rapidly in recent years; without determined action it will get worse.

Over many years we have been too wasteful of precious greenfield land. New developments have often taken far more land than they need, and the full potential of previously developed land has not been exploited. The way land is used needs to be adapted to constantly changing demands. Yet our planning system is unresponsive and slow.

People have moved out of our cities to seek a better life in suburbs, creating urban sprawl. There has been inadequate long-term planning of communities. Too much of what we have built has been poorly designed. The regeneration of our cities needs sustained effort to make them again preferred places to live.

These are the challenges to which this action programme presents our response.

If the actions in this document are to succeed, they must be placed firmly in the context of sustainable communities, and integrated with the wider public services and sustainability agenda that is being pursued right across government. We are applying these lessons in our approach to the most deprived communities. We must ensure we apply them to all communities.

Who are the main partners?

This action programme will be taken forward with a range of partners from private house builders through to regional planning bodies. Local Government will play, and is already playing, a crucial role, for instance in the special partnerships that are already being formed to tackle low demand and abandonment and take forward growth areas. Many of the actions take forward the shared central and local government priorities agreed in July 2002.

Local Strategic Partnerships are at the heart of our strategy, especially for deprived areas. Our long-term commitment to revitalising our most deprived neighbourhoods, is an integral part of our effort to promote sustainable communities.

Is this document the end of the story?

This document sets the framework for the action we are taking. Together with the accompanying regional documents, it spells out our priorities for investment over the next three years. But the time horizon is longer. Action over 15-20 years will be required to cement real change.

We cannot detail here every policy and action in hand. Some we will be spelling out in more detail separately. In other cases further work with partners is necessary before plans are finalised. We will continue to encourage debate and listen to views on how best to make faster progress – as we did at last year's Urban Summit. We need to share and build on our collective knowledge and experience.

Resources

The table below shows how we will allocate some £22bn of resources, reflecting the new challenges we now face.

In 1997, our top priority was investment to tackle the £19bn backlog in social housing repairs. With the additional resources we are now making available we will be on track to eliminate that backlog by 2010.

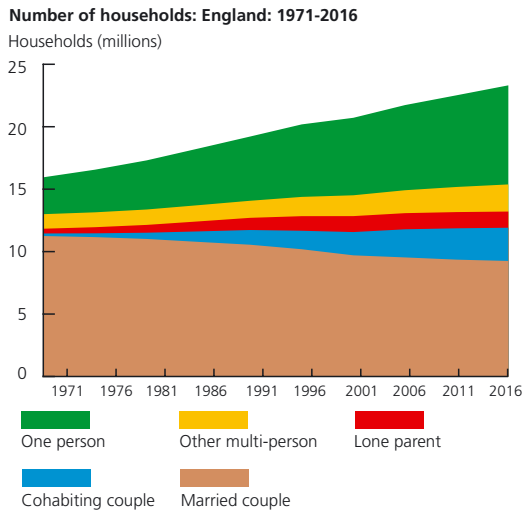
The growing severity of housing shortage and low demand now require a step change in our approach. So we are increasing resources to tackle low demand and abondment, to address the shortage of affordable housing, and to promote more private house building through reform of the planning system and investment in growth areas.

£m **Resources**	2002-03	2003-04	2004-05	2005-06	Total 2003-04 to 2005-06
Housing investment for affordable housing and improving housing conditions	1,714	2,425	2,450	2,519	7,394
Arms Length Housing Management Organisations (ALMOs)	59	323	851	820	1,994
Housing Finance Reform – transitional funding	500	175	140	65	380
Homelessness	90	93	83	83	259
Other housing programmes	598	565	493	454	1,512
Market Renewal Pathfinders	25	60	150	290	500
Growth areas	0	80	256	274	610
Planning	27	73	153	194	420
Local environment/"Liveability" (inc skills)	13	41	79	81	201
English Partnerships	145	163	179	179	521
Other related programmes (see Annex A for details)	2,280	2,549	2,646	2,782	7,977
Total	**5,451**	**6,547**	**7,480**	**7,741**	**21,768**

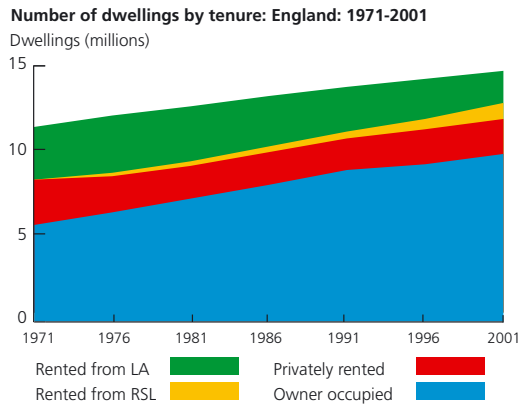
The background in charts and figures

Supply and demand of housing

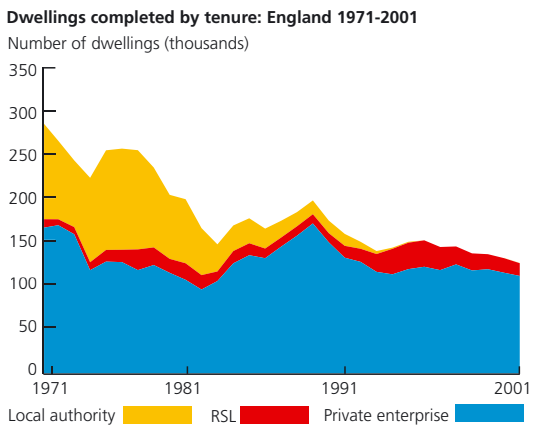
Demand for housing continues to grow. Published projections for household growth suggest there will be 155,000 additional households each year. Many of these will be single person households reflecting changing social trends – especially the changing pattern of relationships – rising wealth and people living longer.



More people own their own homes, some 70% now compared with about 50% some 30 years ago. In surveys, up to 90% of people say that home ownership is their preferred choice.



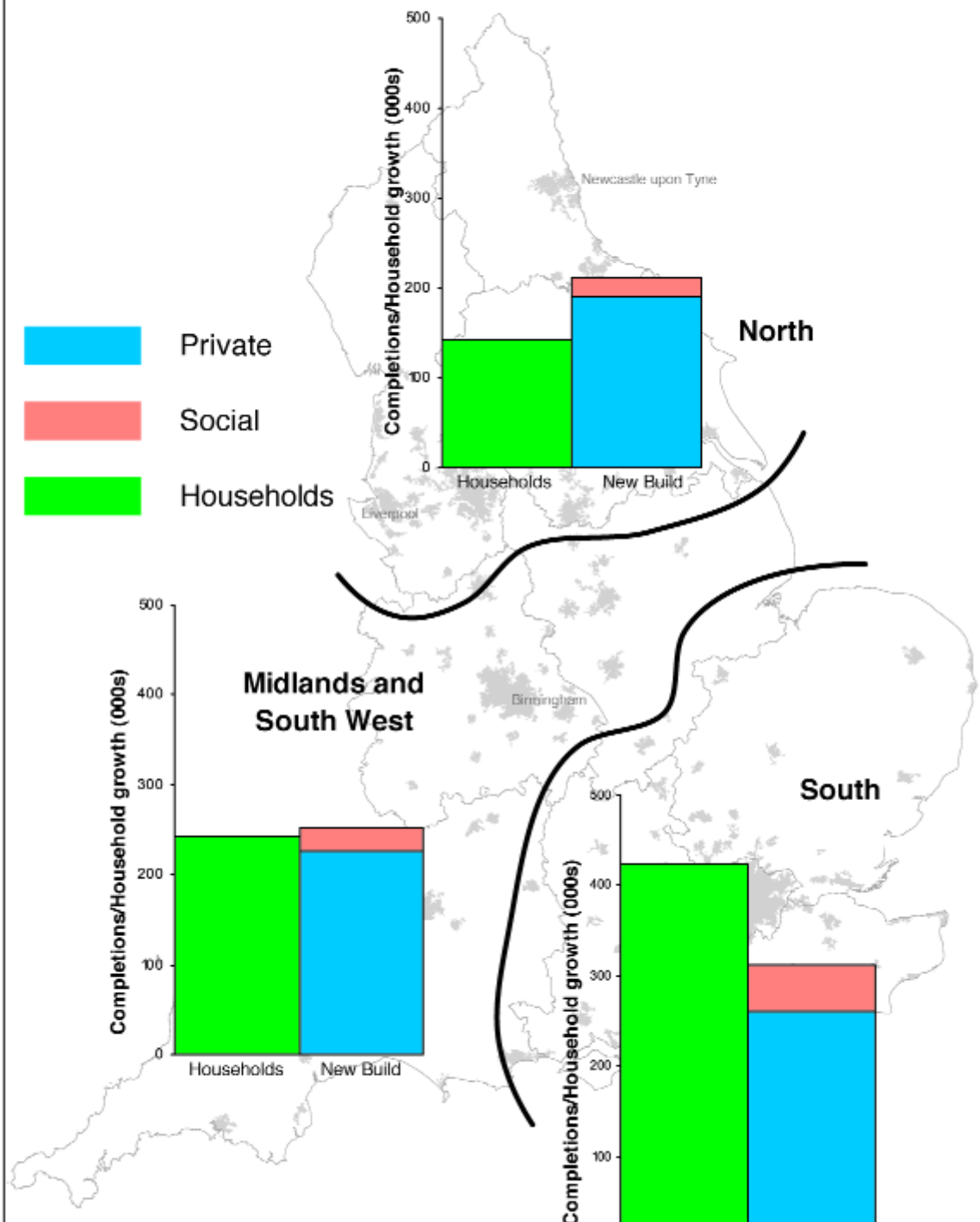
Yet new house building has fallen steadily from a peak of 350,000 annually in the late 1960s to below 140,000 now. The net figure, taking account of demolitions and conversions, is nearer 120,000. This is insufficient to meet new need, let alone replace our ageing housing stock.



It is particularly noticeable that private housebuilding has failed to rise to meet demand for owner-occupied property, and too many large homes are being built when the new demand is mainly for small households. In recent years more than one in three homes built in the South East have been larger, four-bedroom homes.

The national picture masks a more varied picture in the regions. We now have regional arrangements in place to plan for housing, then monitor and manage supply. The monitoring shows that in some regions, especially London and the wider South East, demand is outstripping supply. Prices have risen. Many on modest incomes, including key public sector workers and others essential to the local economy, cannot afford to buy – and renting can be very expensive.

House building and new household numbers during 1997 to 2001: private and social



Source: ODPM, with housing completions based on information from local authorities and the National House-Building Council (NHBC)

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Increasing numbers of people find themselves without a home to call their own. In September 2002 there were 85,000 homeless households who had been placed in temporary accommodation under homelessness legislation. Two-thirds of these were families with children; minority ethnic groups are disproportionately affected. Since 1997 we have significantly increased investment in social housing to address these needs; yet rising land and construction costs mean that each new social home costs much more now than before.

Whatever fluctuations we may see in the housing market in the short-term, the underlying housing shortage is getting worse and must be tackled.

Low demand and abandonment

While in some regions there is high demand for housing, in others monitoring is showing an oversupply. There are market hotspots in these regions but also areas where the housing market is declining. Here the foundations of sustainable communities have failed, and they have become places where fewer people want to live.

The causes are complex. In the more extreme cases, in parts of the North and Midlands, homes and even whole streets are abandoned as people leave the area.

These movements are not part of a general migration to the South, rather from conurbations to suburbs and rural areas that are considered more attractive. This has been accompanied by large scale housebuilding on greenfield sites, often on the edges of conurbations. Between 1997 and 2000, 54% of new dwellings were built on greenfield land in the North East, and nearly 50% in Yorkshire and the Humber.

Empty homes

In spite of pressures on the housing stock, some remains unused. There are around 730,000 vacant dwellings – 3.4% of the stock. 80% of vacant dwellings are privately owned.

It is normal for some properties to be empty for a short period, for instance between sale and purchase, or before reletting. Figures for empty properties in England are lower than in some other European countries including France and Germany. Over 300,000 privately owned properties have been empty for over six months – 1.8% of private housing.

The reasons for empty properties vary. For example in the North West, of the 135,000 empty properties (all tenures) some will be concentrated in areas of market failure. These cannot be brought back into use until wider issues have been addressed (see Part 2). But outside low demand areas there is real potential to bring properties back into use. There are some 40,000 privately owned long-term vacant properties in London and 30,000 in the South East.

Land

Additional housing will require a significant amount of land. Previously developed land offers significant opportunities. The National Land Use Database already identifies 66,000 hectares of previously developed land that could be re-developed. But some regions have not used these opportunities in recent years and have fallen well behind their target for the percentage of homes to be built on previously used land.

Where greenfield land has been needed for housing, it has not always been used efficiently. Currently the average density for new build on greenfield land in the South East is 22 dwellings per hectare. If all future development planned for the South East were built at 30 dwellings per hectare, this would save an area the size of Peterborough over the next 15 years.

Liveability

The 2001 English House Condition Survey suggests that over two million households suffer significant litter and rubbish in the areas where they live. Around 1.5 million households are troubled by graffiti and vandalism.

There is a clear demand from the public for higher quality homes and neighbourhoods. In a recent survey, 85% of the population stated that they were interested in or very interested in the state of the local environment, and recognised the relationship with their overall quality of life. By contrast, a large majority did not consider that current housing developments were well designed. As a result, according to the New Homes Marketing Board, only 36% of the population will even consider new housing as an option.

Housing conditions

A decent home is at the heart of a sustainable community.
A third of all housing falls below the decent homes standard (see Part 1 for explanation of the decent home standard).
Over one-and-a-half million households live in social homes that are not decent. And over one million vulnerable households, especially those comprising older people, live in privately owned homes that are not decent, putting their health at risk.

Homes that are not decent are unevenly distributed through different communities. Over 40% of homes in the 10% most deprived wards are below the decent homes standard. And in neighbourhoods that suffer significant environmental problems (e.g. neglect, vandalism, vacancy) over half of the dwellings are not decent.

Ethnic minorities are disproportionately affected. 40% of households from ethnic minorities live in non-decent dwellings, and are more likely to be situated in those neighbourhoods, wards and districts where the poorest housing stock is most concentrated.

part one

Decent homes, decent places

Key facts

- Homes in poor condition damage the health of those who live in them and can undermine the sustainability of neighbourhoods.
- Since 1997 we have reduced by about half a million the number of non-decent social homes. We have also helped around 120,000 households in the private sector to make their homes decent.
- We are on track to help 600,000 vulnerable households keep their homes warm through the "Warm Front" energy efficiency scheme between 2001-04.
- Liveability issues – cleaner streets, improved parks, etc – came in the top four of all responses in a survey (MORI April 2000) as to "what would most improve the quality of life in your area".

Continued opposite

The challenge

To ensure that all social tenants have a decent home by 2010 (a target established in 2000).

To improve conditions for vulnerable people in private accommodation.

To ensure all tenants, social and private, get an excellent service from their landlord.

To ensure all communities have a clean, safe and attractive environment in which people can take pride.

The response

We are providing for additional investment and reforming the way we deliver our target to make all social housing decent by 2010. Investment to improve social housing will be properly planned and part of the wider neighbourhood renewal strategy. Tenants will be put first.

We are establishing a new Single Inspectorate for housing to help ensure social landlords offer improving standards of service to tenants. And we are providing increased protection for private tenants.

There will be additional resources to improve conditions for vulnerable people in private sector accommodation, both rented and owner occupied.

We will support local authorities in effective use of their resources to improve the quality of the local environment. We are taking forward a range of programmes, many spelt out in *Living Places, Cleaner, Safer, Greener*. We are refocusing central government resources to back these initiatives at the national and local levels. This action is in the context of policies across Government to tackle the whole range of issues that affect quality of life, including anti-social behaviour.

We are raising the profile of good design, which gives form and quality to public spaces, housing and other buildings.

sustainable communities

The difference

By 2005

© Between 2003-04 and 2005-06, 400,000 fewer households in social homes below the decent homes standard, and 80,000 vulnerable households in the private sector helped to make their homes decent.

© High quality local authority service delivery on local environment, public spaces and parks – every authority should have green spaces that achieve the Green Flag standard for care of parks.

© Neighbourhood wardens in over 500 communities, improving the local environment and reducing crime and fear of crime.

The longer term

© By 2010, all social housing will have been made decent and a further 130,000 vulnerable households in the private sector will have had their homes made decent.

© Improved design quality of public buildings and places integrated into all communities, especially new and revitalised communities in growth areas and market renewal pathfinder areas.

© During the last five years 245 new parks and Millennium Greens have been created. More than 600 derelict or underused sites have been transformed into community spaces and play areas in partnership with the private sector.

© 1,100 Neighbourhood Wardens have been funded by Government in over 200 deprived communities to improve the local environment and reduce crime and fear

The resources

© We are providing a total of around £2.8bn over the next three years to improve council housing.

© For 2003-04, £842m has already been allocated to local authorities to fund improvements to both council housing and privately owned homes, as well as new social housing. From 2004-05 onwards allocations will be made following advice from the new Regional Housing Boards (see Part 6).

© £685m new PFI credits are being made available for improvement of local authority housing in addition to the £760m already allocated.

© Our new rates of funding improvements in the management and maintenance of the council stock will mean support will be £500m higher in 2005-06 than would have been the case.

© £201m over the next three years for schemes to improve liveability. This funding complements the increased resources available to local authorities.

Photo: Courtesy of Moat Housing Group

The decent homes standard

In 2000 we set a standard for decent housing whereby housing should:

- *Be above the statutory minimum standard (i.e. the fitness standard)*
- *Be in a reasonable state of repair*
- *Provide reasonably modern facilities and services*
- *Provide a reasonable degree of thermal comfort.*

The key actions

Decent Homes

1.1 *We have recently reviewed how we will deliver the decent homes target. The review team included representation from local government and other external contributors. We will publish the report setting out how we need to adjust policies to ensure all social tenants have decent housing by 2010. The key points are below.*

Getting the basics right for decent social housing

1.2 *Plans to improve social housing will be required to form part of a wider strategy for neighbourhood renewal and sustainable communities. Housing providers will work closely with Local Strategic Partnerships and New Deal for Communities/Neighbourhood Management Partnerships.*

1.3 *Tenants must be at the heart of plans at all stages in the process, starting with drawing up options for investment. We will strengthen independent support for tenants.*

Getting the framework right for social housing

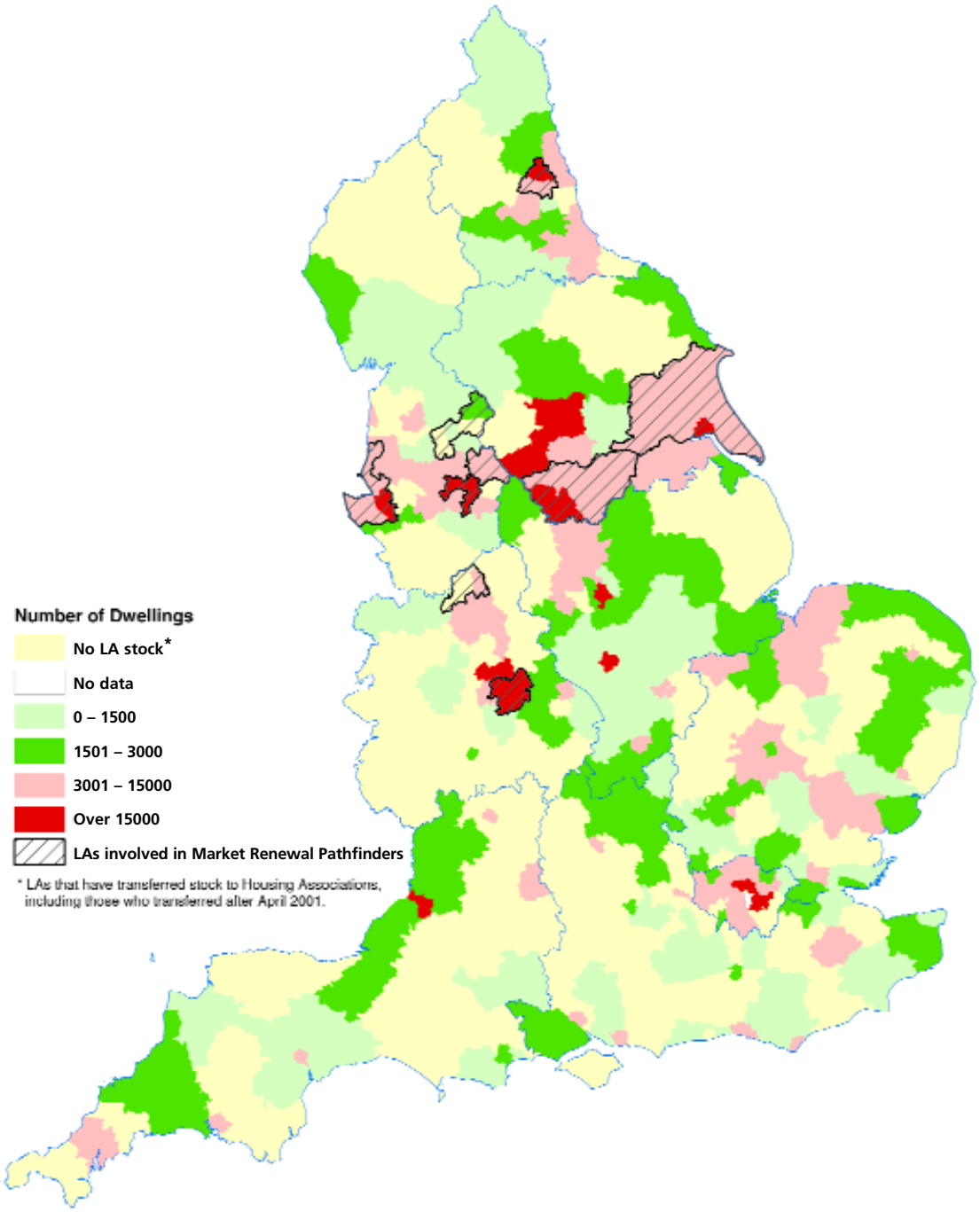
1.4 *Local authorities should separate their landlord function from their strategic housing responsibilities. Best Value reports show that landlords' concerns often dominate Local Authorities' thinking on housing when they should be considering strategies for whole local housing markets. Separation helps ensure that proper attention is given to both the strategic and landlord functions.*

1.5 *Local authorities will be able to choose the right approach for additional investment in housing stock which they own from the three existing options: stock transfer; the Private Finance Initiative (PFI); and, for high performing authorities, Arms Length Housing Management Organisations (ALMOs). Authorities that do not use these options cannot expect increased investment in their stock above that from the Housing Investment Programme. Authorities can use different options from this list for different parts of their stock, as part of an overarching strategy.*

1.6 *We will remove any unnecessary barriers to stock transfer, including meeting the cost of early redemption of Public Works Loan Board debt, extending arrangements for repaying overhanging debt to partial stock transfers, and exploring options for gap funding of negative value housing stock.*

1.7 *We will consult by April 2003 on additional models for funding future housing stock transfers that both secure the extra investment needed and improve the service to tenants.*

Non-Decent Local Authority Dwellings by Local Authority as at April 2001



Source: ODPM based on Housing Investment Programme Business Plan Statistical Appendices

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1.8 *We will strive to make it easier for local authorities to refurbish homes through the PFI, for instance through resolving outstanding technical and legal issues, standardising documentation and providing more support. We will develop proposals to enable Local Authorities to build new social housing under PFI as part of a refurbishment scheme.*

1.9 *Following the recent consultation on local authority housing finance, we will set out details of possible further freedoms and flexibilities for high performing (3*) ALMOs to borrow prudentially within public expenditure control totals.*

Making the improvements happen for social housing

1.10 *We expect every local authority with stock to produce an objective and rigorous appraisal of investment options for Government sign-off by July 2005. We will provide support to authorities to do this, and to put viable plans in place, through the Community Housing Task Force.*

1.11 *The Government will intervene where authorities fail to act, consistent with its approach to intervention following completion of Comprehensive Performance Assessments (CPAs) and with the Joint Protocol agreed with the Local Government Association under the Central Local Partnership.*

1.12 *From April 2003 the new Single Inspectorate for housing will seek to ensure that all housing association and local authority tenants receive a consistently good and improving standard of service, and will pursue the drive for excellence in housing management.*

1.13 *We will work with landlords to increase the skills and capacity of those responsible for delivery of decent homes.*

Many council tenants will see their homes improved through stock transfer.

Helping vulnerable occupants of private housing

1.14 *We want to help more people in private housing have the opportunity of a decent home. Following the recent regulatory reform order, local authorities will be able to offer a wider range of financial help for the improvement of privately-owned housing including loans. We have made available an extra £30m in both 2004/5 and 2005/6 to help local authorities support new ways to fund repairs and improvements to the homes of low income/vulnerable homeowners/tenants, especially older people. This will form part of the single regional housing pot.*

1.15 *We have announced more funding for Home Improvement Agencies (HIAs) to help vulnerable home owners and tenants, especially older people and the disabled, apply for grants and loans and arrange for work to be carried out. HIAs will become part of the wider Supporting People programme that draws together a range of programmes to ensure vulnerable people are helped to live as independently as possible. Other Government initiatives such as the "Warm Front" programme and the "Keep Warm, Keep Well" campaign make a major contribution to decent housing conditions in the private sector, especially for older people.*

1.16 *We will continue to encourage schemes such as the "Houseproud Partnership" which offers support and loan finance to homeowners to repair their properties or carry out adaptations.*

1.17 *Tenants of private landlords will receive more statutory protection. Our Housing Bill, due to be published shortly, will contain provisions on mandatory licensing for Houses in Multiple Occupation (HMOs) and provisions to allow local authorities to license private landlords in low demand areas.*

We are providing £2.8bn to improve council housing.

Better places

1.18 *Liveability is essentially about quality local environments. It is therefore right that local authorities take the prime responsibility. We will work closely with local government through the shared priorities programme under the Central Local Partnership to sustain momentum. In particular central and local government are working together to develop a programme of pathfinder projects to drive a step change in performance across a range of issues including improving the local environment.*

1.19 *The role of national government is to provide support and the right frameworks to ensure local authorities can and do deliver. We have already increased, by £1bn over the next three years, the budget from which local authorities fund improvements to the local environment. In addition we are providing £201m over the next three years for schemes to improve liveability.*

Urban Renaissance – making it happen

Much of our liveability agenda was set out in the Urban White Paper – *Our Towns and Cities: the future* – published in November 2000.

Good progress is being made towards achieving the urban renaissance described in the White Paper. For example we have:

- *Achieved target of 60% of all new homes to be built on brownfield land.*
- *Set out our vision and five-year improvement programme for parks and public spaces.*
- *Launched eight new Urban Regeneration Companies, making 11 in total, to redevelop and bring back investment to some of the worst areas of our cities.*
- *Identified seven Millennium Communities.*
- *Introduced comprehensive package of fiscal measures, worth £1bn over five years, to encourage investment in urban areas.*
- *Worked closely with 24 towns and cities in England to identify best practice and to examine ways of overcoming barriers to progress.*

In addition:

- *Regional Centres of Excellence are being set up in all English regions to improve skills and training in urban design.*
- *English Partnerships and Regional Development Agencies are promoting a wide range of sustainable regeneration projects across the country.*

(Continued opposite)

At a national level

1.20 *We will help local authorities deliver greater improvements to their local environment by making better use of available powers. We are consulting on options for reforming the legislative framework of powers and responsibilities and will announce our intentions after consultation closes in February 2003.*

1.21 *We are introducing a new "Liveability" Fund totalling £89m over the next three years. This will support significant local authority led projects to improve parks and public spaces. We will announce details of the fund in April 2003. We will consider linking this funding with local public service agreements.*

1.22 *Existing performance systems such as Best Value (BV) and the Comprehensive Performance Assessment (CPA) will be developed further to embrace liveability issues. From April 2003, local authorities will measure local environmental quality, in respect of litter and rubbish, through a new "cleanliness" BV Performance Indicator. The Audit Commission is piloting the form that CPAs will take for district councils when they are carried out later this year. Liveability features prominently in their proposals and the Government will discuss with the Commission the lessons arising from the pilot work.*

1.23 *We will improve the safety, cleanliness and attractiveness of commercial areas through legislative proposals currently in Parliament to enable the setting up of Business Improvement Districts. We have just published guidance on this.*

1.24 *In addition to the £201m liveability funding, there will be over £50m for Neighbourhood Warden Schemes, which play an important role in improving liveability.*

1.25 *We will implement Planning Policy Guidance to provide a clearer framework for the provision, protection and enhancement of open spaces and playing fields.*

1.26 *We will provide a total of £41m over the next three years to:*

- *support the Commission for Architecture and the Built Environment (CABE) to drive up design standards, including skills. We want to see a step change in the quality of design, especially in growth areas and revitalised areas of low demand. Proper masterplanning should be integral to the design of major new developments, especially in growth areas and market renewal pathfinders;*

- *launch a new Unit – CABE Space – in April 2003. This unit will champion high quality planning, design, and the management and care of parks and public spaces, and will provide hands-on support to local authorities and others to apply best practice to improve the local environment and reduce crime and fear of crime;*
- *develop national quality standards and measurable targets for urban parks and green spaces, and expand the new Green Flags Partnership that acknowledges and rewards good practice in management of parks. We will also continue to support innovation in regeneration through our special grants programme;*
- *promote regional Centres of Excellence whose role will include best practice in regeneration, design and management of urban environments.*

At a local and neighbourhood level

1.27 *In recognition of the solid track record of Groundwork (an environmental regeneration charity) in facilitating community-led improvements to the local environment, we are increasing their funding from £10m this year to reach £14m in 2005-06, a total of £40m over the next three years.*

1.28 *Groundwork's total allocation will fund 4,500 major projects each year, in partnership with local authorities and communities, transforming over 6,000 hectares of local spaces and engaging over 50,000 local people.*

1.29 *Groundwork will also act as the conduit for a total of £30m over the next three years to support the new 'Community Enablers Scheme'. This is an increase of £27m on previous plans and will fund projects where local groups wish to take action to improve their local spaces and play areas. We will promote "World Environment Day", 5 June, to stimulate local communities into action to improve their local environment.*

Green Flag Award Scheme

The Green Flag Award Scheme recognises the good management and care of parks and green spaces. It is managed by the Civic Trust.

The Government has announced its plans to create a new Green Flag Award Partnership and to transform the scheme so that it is a more nationally accepted quality standard.

Winners of the Green Flag Award are judged against a number of criteria, including whether the site is:

- a welcoming place;
- clean and well-maintained;
- sustainable; and
- community involvement is actively pursued.

Urban Renaissance continued

Last November the Deputy Prime Minister and more than a dozen Ministers hosted a two-day Urban Summit in Birmingham to take stock of developments since the White Paper and to listen to views on how we can make faster progress. 150 speakers and 1,500 delegates from all sectors came together at the Summit and many of the issues debated there are taken forward in this Plan.
The Summit was a key milestone towards the preparation of a major report on the state of our towns and cities to be published in 2005.

1.30 *Our Home Zones pilot programme has been successful in creating quieter and safer residential streets. We will encourage local authorities to develop Home Zones as a model for their residential streets, both in existing communities and when planning new developments. And we will work with partners to improve standards of design and care for our streets more generally.*

1.31 *We will continue to support innovative new community-based schemes – such as the "Idea Stores" – that offer community leisure services with library and adult education services, 'Healthy Living' Centres, community sports clubs and local leisure centres.*

1.32 *We will build on the successful Neighbourhood Management (NM) scheme – a way to join up the delivery of public services to a neighbourhood, in a partnership between communities and service providers. We will shortly launch a limited second round of NM pathfinders to explore the potential of this approach further.*

Tackling crime and anti-social behaviour

1.33 *We will continue to tackle the symptoms and causes of anti-social behaviour such as noisy neighbours, littering, graffiti, and vandalism that undermine the quality of life in our communities and especially in our most deprived neighbourhoods.*

1.34 *A new cross-cutting unit in the Home Office is preparing proposals for tackling anti-social behaviour. Our strategy and the necessary reforms to achieve it will be set out in a White Paper and Bill planned for this year.*

1.35 *We will put 'planning out crime' at the heart of the planning process through updating our headline Planning Policy Guidance (PPG1). This will be supported by good practice guidance containing practical examples and suggestions.*

1.36 *We will pursue plans for neighbourhood and street wardens to be a personal presence to take care of neighbourhoods, targeting crime, anti-social behaviour and local environmental problems, such as litter, fly-tipping and abandoned cars.*

Deprived communities and social exclusion

Communities will be sustainable only if they are fully inclusive and basic minimum standards of public services are delivered. This is true everywhere, but especially so in the most deprived neighbourhoods and for the most vulnerable groups in society.

The Neighbourhood Renewal Unit will continue to work to narrow the gap between deprived communities and the rest, through implementation of its national strategy action plan. At the centre of this is a drive to ensure that these communities benefit from effective public services.

The Social Exclusion Unit will continue to underpin the vision of sustainable communities through its work to understand and tackle social exclusion. An announcement about the Unit's forward work programme will be made shortly.

part two

Low demand and abandonment

Key facts

- Around one million homes are affected by low demand and abandonment, spread across over 120 local authorities in the North and Midlands.
- Low demand affects social and private sector housing.
- Affected areas contain some of the most socially excluded people, living in some of the most deprived areas of the country with the worst health and life expectancy.
- Our nine market renewal pathfinder areas cover about half the homes affected by low demand and abandonment.
- Nearly a fifth of non-decent social housing is in market renewal pathfinder local authority areas.

The challenge

Most of our cities are thriving. But we need to:

- bring life back to those areas, most notably in the North and the Midlands, where there is low demand for housing, and where – in the worst cases – homes have been abandoned;
- recreate sustainable communities;
- ensure we prevent the repetition of such serious problems in the the longer term;
- support the National Strategy for Neighbourhood Renewal by tackling the deprivation prevalent in low demand areas.

The response

We are promoting a new approach to tackling low demand and abandonment. Partnerships of local authorities and other key stakeholders, will develop strategic plans for whole housing markets, to ensure problems are tackled permanently and not just displaced or deferred.

Nine pathfinders have been identified, covering areas among the most deprived in the country and with the most acute low demand problems.

Pathfinder strategic plans will entail radical and sustained action to replace obsolete housing with modern sustainable accommodation, through demolition and new building or refurbishment. This will mean a better mix of homes, and sometimes fewer homes. There will be no blueprint. The problems differ in the nine pathfinder areas; the solutions will too.

The partnerships will ensure the other essential requirements of sustainable communities, especially good quality, customer-focused public services, pride in the community and cohesion within it are addressed, in line with the wider National Strategy for Neighbourhood Renewal. They will also ensure clean, safe, healthy and attractive environments in which people can take pride

Market renewal resources will be concentrated on the pathfinders. Funding will be subject to the quality of plans and to subsequent performance.

Across the affected regions we are promoting re-use of brownfield land, developing and applying regional housing strategies, and bringing these together with regional spatial and economic strategies to ensure better balanced housing markets.

We are developing a range of tools and measures to tackle low demand everywhere.

The difference

By 2005

- Strategic action plans in place for all market renewal pathfinder projects. Large scale clearance, refurbishment and new build work underway across all pathfinders, complemented by improvements in local services.
- First areas seeing derelict and obsolete housing replaced where appropriate with the beginnings of properly planned, high quality new developments.

The longer term

- Restructuring of priority areas. Clearance, refurbishment and new build work complete in pathfinder areas.
- A turn round in declining demand across the country by 2010 – thereby meeting the commitment in the National Strategy for Neighbourhood Renewal.

The resources

Turning around these areas will require a long-term commitment from the pathfinders and Government. We are creating a new £500m market renewal fund for investment over the next three years in pathfinder areas, with future funding to be decided in the 2004 and subsequent spending reviews.

Other funding to tackle decent homes and provide affordable housing will benefit low demand areas both in and outside the pathfinders. This will be supported by funding from a range of other existing regeneration programmes including the Neighbourhood Renewal Fund (NRF) and New Deal for Communities (NDC).

Market renewal Pathfinder areas

- **Birmingham and Sandwell**
- **East Lancashire** *(Blackburn, Hyndburn, Burnley, Pendle, Rossendale)*
- **Humberside** *(Hull and East Riding of Yorkshire)*
- **Manchester and Salford**
- **Merseyside** *(Liverpool, Sefton and Wirral)*
- **Newcastle and Gateshead**
- **North Staffordshire** *(Stoke and Newcastle under Lyme)*
- **Oldham and Rochdale**
- **South Yorkshire** *(Sheffield, Barnsley, Rotherham and Doncaster)*

The key actions

Pathfinder projects

2.1 *Areas most acutely affected by low demand and abandonment will be tackled through pathfinder projects, tailoring solutions to the needs of the area. These pathfinders cover about half of the stock affected by low demand.*

2.2 *We have already made £25m available to help partnerships develop strategic pathfinder plans and start to implement them.*

2.3 *We are creating a new Market Renewal Fund totalling £500m over the next three years. This will provide the main funding to execute pathfinder plans.*

2.4 *We will assess and monitor the pathfinder projects, making funding dependent on the quality of strategic plans and performance against them.*

2.5 *Government and its agencies, including the Housing Corporation, English Partnerships and the RDAs, will support the pathfinders.*

Tools and actions to tackle low demand more widely

2.6 *We will use the lessons learned from the pathfinders, from New Deal for Communities schemes and neighbourhood management schemes to help all areas with declining demand to tackle the problems better. We will share and use learning from www.renewal.net, Neighbourhood Renewal Advisers (NRAs) and the evaluation of the New Deal for Communities programme on "what works".*

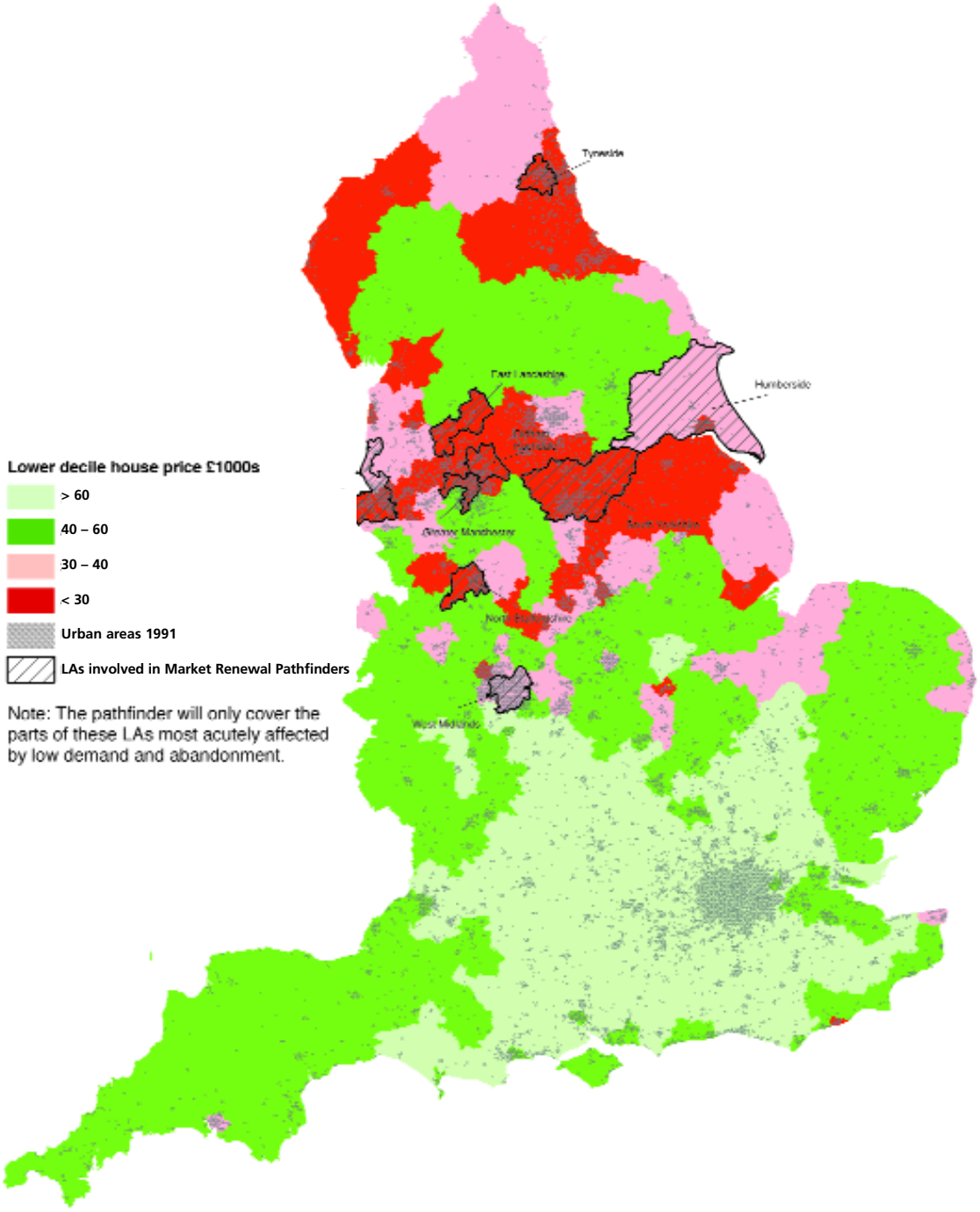
2.7 *We will improve the system of compulsory acquisition of land and property through new powers and a wider system of loss payments in the Planning and Compulsory Purchase Bill. We are separately increasing thresholds for home loss payments to benefit people whose homes are compulsorily purchased or redeveloped.*

2.8 *We will publish updated guidance on compulsory purchase procedures for acquiring authorities in February 2003.*

2.9 *Proposals in the Bill will prevent automatic renewal of planning consents. Old greenfield consents will disappear and new applications will have to be justified against current policy guidance.*

2.10 *Gap-funding offers a new tool to pump-prime development where the costs of private development are likely to exceed developers' estimates of sale values. Gap-funding will enable new housing to be provided in deprived areas, especially low demand areas, and combine the efforts of the public and private sectors.*

Lower Decile House Price by Local Authority 2001



Source: Land Registry House Price data

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2.11 *We will tackle private sector landlords who fail to manage and maintain their properties and contribute to neighbourhood decline. The Housing Bill to be published this Spring will allow local authorities in low demand areas to license landlords.*

2.12 *In advance of legislation, we will introduce pilot projects from June 2003 to help local authorities assemble teams to tackle the problems as effectively as possible by joining up existing powers to deal with housing, environmental health, anti-social behaviour and other relevant issues.*

2.13 *We will work with key players such as the Regional Development Agencies and Business Links to encourage businesses and jobs into run-down areas through the establishment of Enterprise Areas, as set out in the 2002 pre-budget report.*

2.14 *We will work with private developers to maximise their contribution to redevelopment, and with lenders to develop new mortgage products for existing and new homeowners in low demand areas.*

2.15 *We will ensure, through local strategic partnerships, that local stakeholders work together to tackle declining demand across neighbourhoods.*

Coalfields

2.16 *We will tackle low demand and abandonment in former coalfield communities through continued funding and support for the work of English Partnerships on the National Coalfield Programme; the Coalfield Regeneration Trust and (when launched in 2003) the Coalfield Enterprise Fund. This will amount to over £500m investment in coalfield communities over some 10 years.*

A few abandoned houses can often be the first visible sign of low demand…

Longer-term prevention

2.17 *We will review planning policies in the regions affected to ensure that they support the objective of tackling low demand. We have already reduced the amount of urban fringe greenfield housing planned for the North West and North East and set stretching targets for re-using brownfield land.*

2.18 *Through new regional arrangements, building on 'Your Region, Your Choice' (see Part 6 for details) we will ensure that strategic decisions on housing, planning and economic development are better co-ordinated to tackle some of the underlying causes of low demand and abandonment more effectively.*

2.19 *We will develop a better understanding of housing markets through improved data and by producing a housing demand assessment guidance tool by Autumn 2003 that can be used on a sub-regional basis across which housing markets operate.*

Illustrative timetable for pathfinder projects
(Individual pathfinders will vary as they are at different stages of development.)

2002/03 – Governance arrangements in place; strategic plan (including community engagement approach) being developed.

2003/04 – Strategic plan completed and submitted to ODPM. Independent appraisal. Approval if plan demonstrates all key elements for lasting cure. Commencement of large-scale clearance, refurbishment and new build work by the more advanced pathfinders in accordance with strategic plans.

2004/05 – Large-scale clearance, refurbishment and new build work in progress, prioritised in accordance with strategic plans, and alongside public service improvements. Independent appraisal of progress against plan.

2005/10 – Further large-scale work across all pathfinders as above and with the goal of significantly improving conditions across all pathfinders by 2010.

2010/15 – Pathfinder area exhibits all the features of a successful and sustainable community – including a healthy housing market with balanced supply and demand.

… in extreme cases, whole streets can be abandoned.

part three A step change in housing supply

Key facts

- In England 155,000 new households are projected to form each year, while the net housing stock is currently growing by 120,000 annually.
- Since 1997 almost one million more people have become owner-occupiers.
- For every social home added to the stock in the last few years, at least two have been sold under the Right to Buy.
- Rough sleeping has fallen by two-thirds since 1998, but the number of people eligible for homelessness assistance has risen – especially in London.
- Over 300,000 privately owned homes have been vacant for over six months, with nearly a quarter in London and the South East.

The challenge

To tackle the housing shortage, especially in London and the wider South East, by:

- creating conditions in which private house builders will build more homes of the right type in the right places;
- addressing immediate and urgent needs for more affordable housing, both for key workers and those who would otherwise be homeless;
- making best use of the existing housing stock.

To work towards a better balance in the housing market in the longer term.

To do all this in a way that ensures communities are sustainable, enhances the overall environment and protects the countryside.

The response

We will work with local authorities to ensure that the new homes already planned are built in London and the wider South East. Additional new housing will be concentrated in the four growth areas (see Part 5).

A more efficient and pro-active planning system will help the right number of homes to be built with minimum impact on the countryside. We will promote modern construction methods to get homes built more quickly, more safely, and to a higher standard.

There will be more, better-targeted resources for affordable housing, including for key workers, combined with measures to tackle homelessness and make better use of existing housing, especially empty homes.

We will encourage home ownership, especially for social tenants who can sustain the commitments of home ownership, while modernising the Right to Buy.

The difference

By 2005

© A major programme of affordable homes for low cost rent or home ownership, both for key public sector workers and for those in priority housing need. Precise numbers will depend on advice from regions on allocation of resources.

© A sustained reduction in rough sleeping, so that it remains at or below one third of 1998 levels.

© An end to the use of B&B hotels for homeless families with children, except in emergencies, by March 2004.

The longer term

© Ensuring a better balance between housing supply and demand through continuing to plan, monitor and manage housing provision. We will continue to ensure that planned levels of housing provision are delivered in all regions.

© Exit and employer surveys suggest that one in five key workers who leave their jobs do so for housing-related reasons.

© 2,000 key workers have already been helped to purchase their own home under the Starter Home Initiative.

© Some 1,800 homes will be built using modern construction methods through the Housing Corporation challenge fund

The resources

Most house building is carried out by private developers without public subsidy. Government's role is to create the conditions in which this can increase at the required rate.

We are increasing investment in affordable housing. We have already announced £1,286m for the provision of affordable housing by the Housing Corporation in 2003-04. We are now allocating an additional £197m for 2003-04. £100m of this is extra money for the Housing Corporation's Challenge Fund for fast track and innovative new-build affordable housing. This takes the fund to £300m. The remaining £97m will be allocated through the Approved Development Programme across all regions in the normal way.

We expect to provide over £1.1bn in each of 2004-05 and 2005-06 to be shared between London, the South East and the East of England, to boost the supply of affordable housing especially in growth areas.

The resources provided to other regions will grow in line with inflation in 2004-05 and 2005-06.

A total of £521m for English Partnerships (EP) over the next three years will support EP's new role in identifying and assembling sites for housing development.

The key actions

Better planning for housing

3.1 *At current rates of building there will be some 40-50,000 fewer homes by 2016 than envisaged in Regional Planning Guidance for the South East. We will work with local authorities to make up this shortfall, helped by a reformed planning system and a new £350m Planning Delivery Grant.*

3.2 *Local Authorities will take a pro-active role in identifying and responding to housing needs. They should see it as their business not just to operate the planning system but also to ensure that the necessary levels of quality development happen.*

3.3 *Our planning reforms will require all local authorities to put a new style development plan in place promptly and to produce an annual monitoring report that will cover both their progress in getting their plans in place and the extent to which their policies are being achieved. Failure to comply could be grounds for intervention under Best Value.*

3.4 *We are also discussing with the Audit Commission how best to assess the overall performance of planning authorities, including their responsibilities for delivering planned levels of new housing. Such assessments are expected to form part of the Comprehensive Performance Assessments (CPAs) for district councils beginning later this year and to be completed by the end of 2004. The Commission will consult on the details shortly. It will also seek to reflect housing market issues in the annual refresh of CPA scores for unitary and county councils in 2003/04.*

3.5 *Where an assessment finds an authority is failing to tackle housing needs satisfactorily, the Commission will consider an urgent and more detailed inspection or – in the more serious cases – refer the authority to the Secretary of State for statutory intervention. Any such intervention will be consistent with the protocol agreed with local government.*

3.6 *Developers have every right to expect prompt planning decisions on good quality brownfield schemes that are fully compliant with national and local policies. There is a right of appeal if they believe that they are being unreasonably obstructed by planning authorities. We will be closely monitoring local authority performance in deciding applications and will intervene if need be.*

Some housing, such as this, meets planning and highway standards, but fails to create a sense of place or identity. We need to set our sights higher.

3.7 *Reform of the planning system is the key to proper use of land and enabling well designed housing developments to happen. We have moved away from a predict and provide approach to a system of "plan, monitor and manage". The Planning Bill will introduce a simplified and streamlined planning system and bring greater focus to regional planning through the introduction of Regional Spatial Strategies.*

3.8 *The planning delivery grant will help ensure that planning decisions are taken more quickly and that new-style local plans are produced promptly and kept up to date, so that the land needed for housing is made available.*

3.9 *Our proposals to reduce the life of planning consents from five years to three should help ensure that housing is delivered more quickly.*

3.10 *We will protect our countryside and take action to make best use of land, especially previously developed land (see Part 4).*

3.11 *It will be essential for all development, especially new housing developments, to respect the principles of sustainable development and address potential impacts on the environment alongside social and economic goals. We will ensure that plans are environmentally sustainable by working closely with partners such as the Environment Agency to address environmental impacts.*

3.12 *In developing new communities and regenerating existing ones we shall take care not to place development in unsustainable locations in terms of flood risk. No development will take place on functional flood plains where water must be held and flow freely in times of flood. Development proposals elsewhere will be subject to flood-risk assessment in consultation with the Environment Agency.*

The rise in the number of small, especially one-person households, is a major factor in demand for housing. Yet over one in three new homes in the South East have been larger, four-bedroom homes.

Affordable housing and planning

3.13 *We will improve the contribution made by good planning to securing affordable homes in our communities. We will update the existing guidance and support this with practical advice about what works well and where.*

3.14 *We are also concerned at the number of larger houses being built at a time when there is a pressing need for new affordable homes for people on more modest incomes. We will work with local authorities, house builders and other housing providers to ensure that the size and type of housing better matches the need, especially by providing more homes for the increasing number of smaller households.*

3.15 *We will consult about allowing local authorities to seek affordable housing on smaller sites where this is justified. This could be particularly helpful in the South East where almost 80% of housing sites are less than half a hectare in size.*

3.16 *We will seek to reduce the time taken for negotiations over planning obligations and to optimise outcomes for both local authorities and developers. One possibility is to encourage an "open book" approach which works well where developers and local authorities find this in their mutual interest.*

Investment in affordable housing

3.17 *We are making available increased funding for investment, through the Housing Corporation, in housing for key workers and those in priority housing need.*

3.18 *The Housing Corporation and English Partnerships (EP) have established a joint unit to bring together EP's land holdings and expertise with the Corporation's affordable housing programmes. This will allow affordable housing to be provided more quickly and effectively, for instance through converting surplus office space into housing, making use of space above shops and forging a new relationship with the volume house builders and institutional investors.*

3.19 *We are considering whether to extend the Housing Corporation's power to fund bodies other than housing associations, with a view to widening the opportunities for encouraging new housing development.*

Key workers

3.20 *Our Starter Home Initiative runs from 2001-02 to 2003-04 and will have helped 10,000 key workers into home ownership. We are increasing our support for next year through the Housing Corporation's £300m Challenge Fund, much of which will fund accommodation for key workers to buy and rent.*

3.21 *From 2004-05, our support for key worker housing will be integrated into the Housing Corporation's main affordable housing programme. We will allocate funding for this in the light of advice from the Regional Housing Boards (see Part 6). But we expect investment in key-worker housing to total at least £1bn over the next three years compared with planned spend of £100m this year.*

3.22 *We will also ensure support for key workers is better targeted. Employers/sponsor departments will be fully involved in designing schemes to ensure the type of provision is better tailored to the recruitment and retention needs of different public services. And employers and/or sponsor departments will contribute to the cost of key worker housing programmes, building on existing successful arrangements to use public sector land and resources to provide affordable housing.*

Homelessness

3.23 *Action on homelessness forms a central part of our agenda to tackle social exclusion and create more sustainable communities.*

3.24 *During 2002, we introduced the Homelessness Act, set up a new Homelessness Directorate in ODPM, and will invest £260m over the next three years in helping tackle both the structural causes of homelessness and the significant underlying personal causes.*

3.25 *We will take forward our commitment (in our report 'More than a Roof') to prevent homelessness and work with local authorities, public bodies and voluntary sector organisations to support a range of initiatives to help people avoid or overcome their homelessness problem.*

Sound stewardship of housing assets

- *A wide range of actions contribute to wise use of the housing stock.*
- *Disabled facilities grants are provided to allow disabled people, and families with a disabled child, to live independently in their homes.*
- *Other financial support to poor and vulnerable occupants of private housing, especially the elderly, help reduce the need for expensive institutional care and meet their desire to continue to live in their own homes.*
- *Our programmes to bring all social housing up to a decent standard by 2010 will ensure that well over one million homes that would have*

Empty properties often represent a wasted resource. We are taking action to bring more empty properties back into use.

3.26 *In the short term, the number of homelessness acceptances is likely to increase as the new legislation extends the vulnerable groups who have priority need for re-housing. In the longer term, improved housing supply and increased investment in prevention should lead to reductions.*

Better use of the existing housing stock, especially empty properties

3.27 *We have introduced a range of fiscal incentives, particularly VAT reduction, to encourage renovation of long-term empty homes. We have increased funding for the Empty Homes Agency. We are giving councils freedom to divulge information on empty dwellings, and providing new guidance for local authorities, property owners and Government departments to unlock the potential of empty properties.*

3.28 *We plan to do more to make better use of long-term empty properties in high demand areas. We will consult during the Spring on giving local authorities powers to lease long-term empty properties to improve them and bring them back into use.*

3.29 *Through legislation before Parliament, we are proposing to allow local authorities the choice to charge up to 90% of the full Council Tax for second homes and use additional proceeds to improve local public services, such as more affordable housing. Councils will also be able to end discounts for long-term empty property completely.*

3.30 *To promote better use of the social stock, we will help tenants, where it is beneficial to them, to relocate from high demand areas through the new Housing and Employment Mobility Scheme and schemes such as that run by LAWN (London Authorities West and North). We will also continue to encourage choice-based lettings schemes that help tenants find a property suited to their needs.*

3.31 *We are actively working across Government to ensure that older people have decent and appropriate housing. This includes creating partnerships between health, housing and the independent sector, expanding the housing choices available for older people and making best use of existing stock.*

3.32 *To make best use of existing sheltered housing we will encourage partnerships with local health and social care agencies and the independent sector to meet the needs of an ageing population.*

Home ownership

3.33 *Over the past five years owner occupation in England has risen from 68% to 70% of the total stock. And even more people wish to own their home. We want to continue to help people realise this aspiration where they can sustain the commitment of home ownership. Owning a home gives people a bigger stake in their community, as well as promoting self-reliance.*

3.34 *We are taking action to secure a better supply of privately built homes, most of which will be homes to own. And we are encouraging a better mix of housing in new developments, including more homes that are affordable for those on modest incomes especially key workers.*

3.35 *We also want to encourage social tenants to move into home ownership where they can afford to do so, while minimising unnecessary loss of social housing. We are adjusting our policies to ensure we achieve this balance.*

3.36 *We are committed to maintaining the Right to Buy, helping those in Council properties buy their own home, thus promoting mixed communities. But we need to modernise the scheme to discourage profiteering and help local authorities keep up the supply of affordable housing in the longer term. As a start, we have been consulting local authorities on lowering the maximum discount available to purchasers in those areas where the housing market is most under pressure.*

3.37 *Alongside this we are promoting other schemes that help tenants into home ownership.*

3.38 *We are lifting restrictions on the Cash Incentive Scheme so that local authorities are free to assist their tenants to move out of their rented accommodation and buy their own home where this is a good value-for-money way to free up a council home.*

3.39 *We will continue to provide for shared ownership schemes, especially Homebuy, whereby social tenants or those on the waiting list can buy a home. Under Homebuy the purchaser buys a property with the help of an equity loan from a housing association.*

3.40 *We are maintaining the Right to Acquire scheme offering housing association tenants the chance to buy their homes at a discount. This scheme is available for an increasing number of properties each year.*

3.41 *Our proposals in the Housing Bill to modernise the home buying and selling process will reduce the risks associated with house purchase, especially for first time buyers.*

3.42 *The Housing Corporation will head a task force to examine all programmes to support sustainable home ownership.*

Construction

3.43 *Housing construction has suffered from poor quality and skills shortages. We want to encourage quicker, better quality house building through the principles set out in 'Rethinking Construction', the report of the Construction Industry Task Force chaired by Sir John Egan in 2000. This means, for example, better procurement, good value rather than lowest cost, better design and modern methods of construction. This applies to new build and refurbishment.*

3.44 *As a start, the Housing Corporation's 2003-04 £300m Challenge Fund will deliver at least 6,000 new homes in London and the South East for key workers and others in housing need. At least 1,800 of these homes will be built using modern, off-site construction techniques. This will help deliver a step change in modern techniques, encouraging the private sector to invest in the factories and technology to bring the increase in quality and cost savings that are possible.*

3.45 *We will be producing reports that disseminate lessons learnt and research findings of the Housing Forum's off-site working group, and producing material and networks to link potential clients and component manufacturers/suppliers by end 2003.*

3.46 *We want new housing to be more sustainable in its use of resources. From next year the Housing Corporation will require, as a condition for grant, that the new homes they fund achieve the Buildings Research Establishment's EcoHomes "Pass" standard for sustainable residential development. Our objective is to raise the stsandard over time, and to build new housing to the "Good" standard.*

3.47 *We will work with a range of partners to encourage all house builders to aim for higher standards of sustainability. We will keep building regulations under review with this in mind. We also continue to support Building for Life, an industry led initiative to raise the quality of design in new housing.*

3.48 *Our forthcoming Housing Bill will propose a requirement for home sellers to produce a home information pack. This will promote energy efficiency by ensuring all homebuyers have access to information on energy performance of the homes they are considering buying.*

3.49 *As announced in the Pre-Budget Report, we will consult further on detailed fiscal proposals to encourage greater energy efficiency, and take further action following the Energy White Paper to achieve a step change in levels of energy efficiency.*

3.50 *We will promote sustainable forms of developments through our Millennium Communities programme.*

The Millennium Communities programme aims to show what can be achieved to reduce construction waste, use new construction techniques, reduce accidents, increase energy efficiency, re-use water and demonstrate re-cycling of waste. The challenge is to aim for these standards in all developments.

Seven communities have now been identified. In chronological order these are: Greenwich (London), Allerton Bywater (near Leeds), New Islington (East Manchester), Nar Ouse (King's Lynn), East Ketley (Telford), Oakgrove (Milton Keynes) and Hastings.

part four

Land, countryside and rural communities

The challenge

To ensure that in tackling housing shortages we protect the countryside and enhance its quality rather than create urban sprawl.

To address the housing needs of rural communities who are often the guardians of the countryside.

The response

We will make best use of land by ensuring the majority of additional housing is on previously developed land. We are giving English Partnerships a new strategic role to find and assemble land, especially brownfield and publicly owned land, for sustainable development. EP will also be ensuring that the strategic sites they already own in high demand areas are effectively used.

We will ensure that where greenfield land must be used, where housing pressures are greatest, that it is not used wastefully.

We will protect the countryside for the benefit of all.

We will increase the supply of affordable housing in small rural settlements.

The difference

By 2005

© 1,500 hectares of brownfield land restored and managed as public green space through the Land Restoration Trust.

© Over 5,000 affordable homes provided in small settlements between 2003-04 and 2005-06.

The longer term

© Maintain and increase the amount of green belt land in the region.

© By 2016, the application of the density direction should save over 4,000 hectares of land from development – an area the size of Peterborough.

The resources

© £521m over the next three years for English Partnerships, most of which is to fund land acquisition including site assembly for housing in communities.

© Regional Development Agencies will also fund remediation of brownfield land from their single pot.

Key facts

© In 2001, 61% of new housing development was on brownfield land.

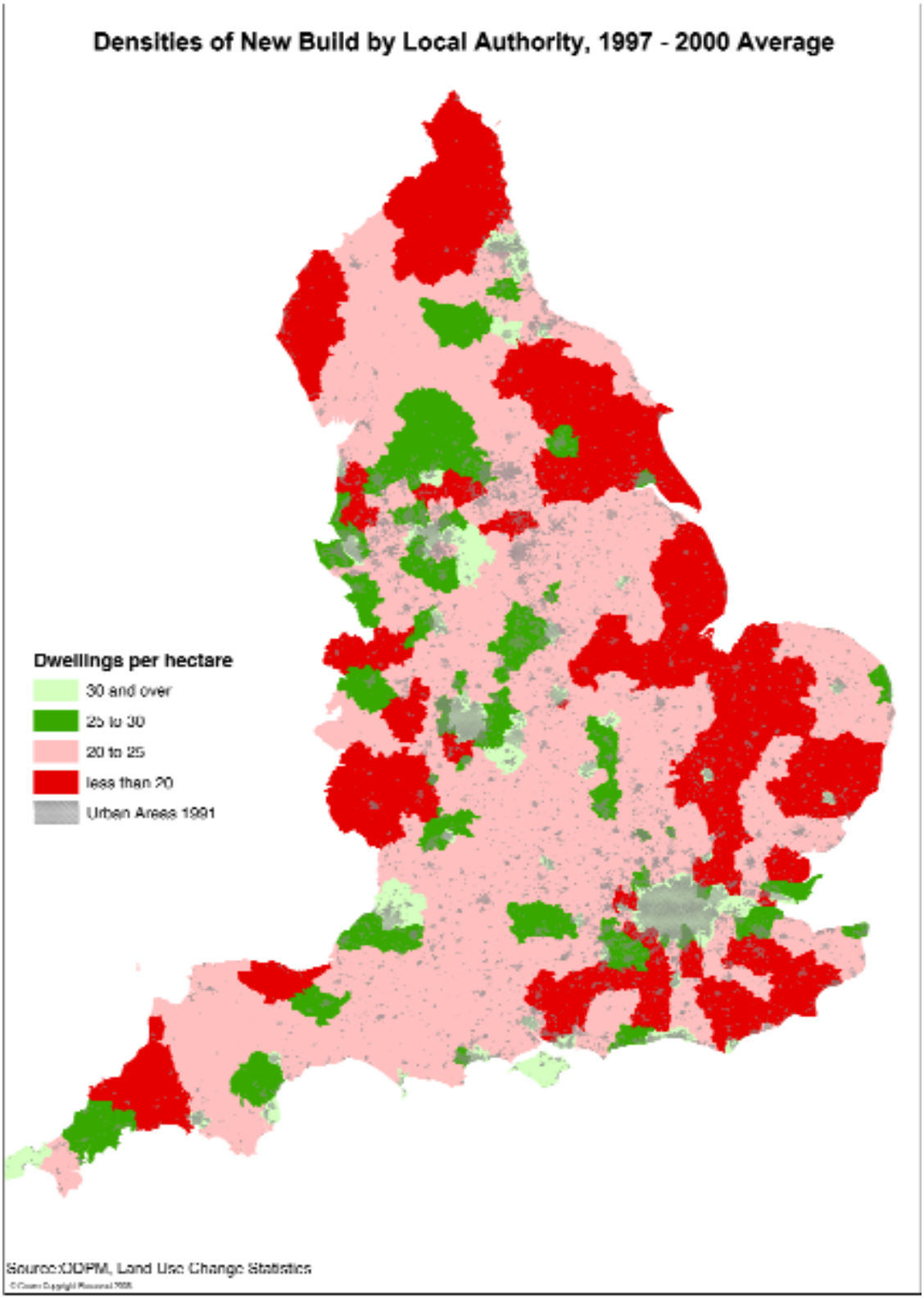
© In 2000 new in-town shopping floorspace exceeded out-of-town floorspace for the first time since the early 1990s.

© If a new home were built on greenfield land for each projected new household, at current densities this would take an area about half the size of Buckinghamshire or Warwickshire by 2016.

© An estimated 66,000 hectares of previously developed land are now unused or available for redevelopment. This is an area approaching half the size of urban Greater London.

© We are reclaiming around 1,100 hectares of brownfield land each year to be ready for development.

© Since 1997, an additional 30,000 hectares of greenbelt land has been designated or proposed, an area about three times the size of the city of Sheffield.


Densities of New Build by Local Authority, 1997 - 2000 Average
Dwellings per hectare
30 and over
25 to 30
20 to 25
less than 20
Urban Areas 1991
Source:ODPM, Land Use Change Statistics

The key actions

Using previously developed land

4.1 *We will maintain the target that 60% of additional homes should be on previously developed land.*

4.2 *Through the Regional Development Agencies and English Partnerships, we will remediate brownfield land at a rate of over 1,400 hectares per year for economic, commercial, residential and leisure use. This is an area the size of the London Borough of Islington.*

4.3 *We will ensure every local authority has undertaken an urban capacity study (as set out in PPG3) to identify the full potential for using previously developed land and conversions.*

4.4 *English Partnerships, Groundwork, the Forestry Commission and the Environment Agency will create the Land Restoration Trust to restore and manage brownfield land that is suitable only for use as public green space. The Trust will work in partnership with local communities.*

We are remediating brownfield land at a rate of over 1,400 hectares per year.

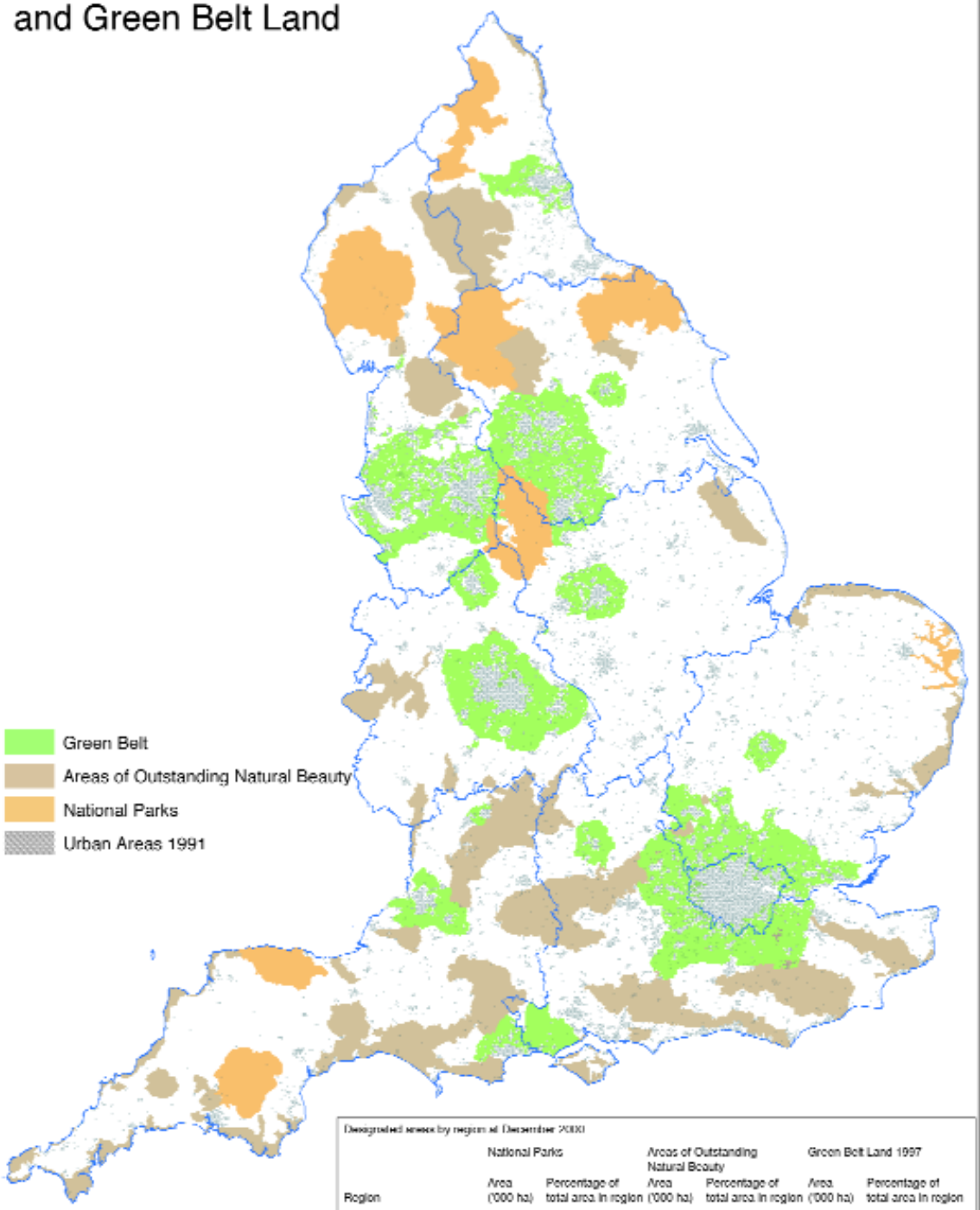
Finding and using land

4.5 *English Partnerships are developing a comprehensive national strategy for brownfield land. This will start from a detailed understanding of what brownfield land is available, making full use of the National Land Use Database (NLUD), which identifies 66,000 hectares of previously used land capable of redevelopment. A quarter of this has lain dormant or derelict for 10 or more years. The strategy will cover how best to bring sites back into use, especially in the growth areas.*

4.6 *The RDAs will develop EP's national strategy in more detail to produce Brownfield Land Action Plans, in co-operation with local authorities, and other relevant agencies and statutory bodies. These plans will fit closely with the Regional Economic Strategies and Regional Housing Strategies.*

4.7 *EP will also adopt a strategic role for surplus public sector land. Their portfolio already includes 42 strategic sites, many in growth areas. EP will now draw up a register of surplus public sector land across Government. Working in collaboration with the RDAs, EP's involvement will help ensure that wider government objectives, including housing need and regional economic strategies, are factored into disposal decisions.*

National Parks, Areas of Outstanding Natural Beauty and Green Belt Land



Source:
National Parks and Areas of Outstanding Natural Beauty designated by Countryside Agency, Green Belts by Local Plan

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Designated areas by region at December 2000

Region	National Parks Area ('000 ha)	National Parks Percentage of total area in region	Areas of Outstanding Natural Beauty Area ('000 ha)	Areas of Outstanding Natural Beauty Percentage of total area in region	Green Belt Land 1997 Area ('000 ha)	Green Belt Land 1997 Percentage of total area in region
North West	261	18	157	11	262	18
North East	111	13	147	17	53	6
Yorkshire and Humberside	315	21	97	6	264	17
East Midlands	87	6	57	3	80	5
West Midlands	20	2	127	10	267	21
East	30	2	112	6	287	12
London	0	0	..	..	38	22
South East	0	0	641	31	398	19
South West	165	7	712	30	105	4
England	994	7	2,040	16	1,650	13

Stopping wasteful use of land

4.8 *We will ensure land is not used in a profligate way. In future, planning applications to develop larger sites for new housing at below 30 dwellings per hectare in areas of high demand will be liable to be called in and will have to be justified following public enquiry.*

4.9 *We will ensure that development extends into the countryside only where other sustainability considerations make that the best option. We recognise that previously developed land is not always available in rural areas facing genuine development needs, and this can lead to hard choices being made.*

Protecting the countryside

4.10 *We will protect the countryside through a target for each region to maintain or increase the current area of land designated as green belt land in local plans. We will use green belt and countryside protection tools to maintain the openness of the countryside around areas of growth and prevent urban sprawl. Designated areas such as National Parks and Areas of Outstanding Natural Beauty will continue to enjoy the greatest level of protection afforded by the planning system.*

4.11 *We will enhance greenbelt land by encouraging local authorities to identify ways to raise its quality and utility, for example by improving its accessibility, biodiversity and amenity value.*

4.12 *We will promote more and better publicly accessible green space in and around our communities, for example through the creation of new country parks and networks of green spaces within towns and cities. 'Green wedges' and 'green corridors' will be given further protection through the planning system.*

4.13 *We will encourage regional and local partners, especially in the growth areas and low demand pathfinders, to replicate the success of the 12 Community Forests around our major towns and cities. These forests give communities access to green spaces and woodlands right on the urban doorstep, and help protect and improve the countryside. They also help boost economic confidence and investment.*

Sustainable rural communities

4.14 *Under the new regional arrangements (see Part 6) each region will ensure that their strategic approach to investment is rural proofed to ensure the sustainability of rural communities.*

4.15 *We will increase the Housing Corporation's rural target to provide a total of 3,500 affordable homes over the years 2004-05 and 2005-06 in settlements below 3,000 people, in addition to the 1,600 in 2003/04.*

4.16 *Updated planning guidance will help improve the contribution made by good planning to securing affordable homes in our communites. This will be of benefit to rural communities.*

4.17 *We are making it easier for local authorities to limit the resale of ex-council housing in rural areas, so that it is reserved for local people.*

4.18 *We will ask CABE and the Countryside Agency to take steps to improve the quality of new developments in sensitive rural environments, particularly village extension schemes.*

part five

Sustainable growth

The challenge

To accommodate the economic success of London and the wider South East and ensure that the international competitiveness of the region is sustained, for the benefit of the region and the whole country.

To alleviate pressures on services and housing caused by economic success where these pressures cannot readily be dealt with within existing towns and cities.

Where new and expanded communities are needed, to ensure that these are sustainable, well-designed, high quality and attractive places in which people will positively choose to live and work.

The response

In partnership with local authorities and other stakeholders, to provide for major growth in the four growth areas identified in regional planning guidance for London and the rest of the South East in 2000 (RPG9):

- Thames Gateway
- Milton Keynes/South Midlands
- Ashford
- London – Stansted – Cambridge

An immediate review, chaired by the Prime Minister, which will lead to a statement in May 2003 on the level of development the Government is prepared to support in the Gateway.

To bring together the best of design and planning to ensure that the built environment in new and expanded communities is of a high quality, and the surrounding countryside is protected and enhanced.

To address public services and infrastructure needs to enable the new communities to function.

The difference

By 2005

© Visible progress with new and expanded sustainable communities in the Thames Gateway and with some early developments and agreed plans for the other growth areas.

The longer term

© Quality new development providing greater prosperity for the region and the country as a whole, that enhances overall quality of life.

© Delivery of a step change in the supply of new housing in London and the South East by 2016. London and the growth areas have the potential to accommodate an additional 200,000 homes above levels currently planned in regional planning guidance. In London, the Mayor's draft plan, the Spatial Development Strategy (SDS), proposes treating current housing targets as a minimum and will review provision by 2006, informed by a new capacity study. Realising this additional growth potential will depend on the provision of infrastructure and a sustainable approach to growth, tested through the RPG and SDS review and plan process. The Government will work in partnership with regional and local authorities and other stakeholders to help achieve this.

The resources

Over the next three years, we will make available up to:

© £446m for Thames Gateway, and

© £164m for Milton Keynes/South Midlands, Ashford, London-Stansted-Cambridge.

for site assembly and remediation of brownfield land, delivery mechanisms, additional affordable housing and essential local infrastructure.

Delivery mechanisms

If we are to deliver national, regional and local aspirations for the Thames Gateway and the other growth areas, new delivery mechanisms will be required to co-ordinate, focus and drive forward major new developments, maximising funding resources.

It will be important that any new arrangements are transparent and agreed locally. Too often in the past, delivery vehicles have been imposed on local communities, rather than harnessing their expertise and knowledge.

There are various mechanisms available. No single approach will be suitable in all circumstances:

© non-statutory implementation partnership bringing together key stakeholders;

© Urban Regeneration Companies (URCs) bringing together the powers and funding of English Partnership, the RDA and the relevant local authorities;

© new style local development bodies that use the powers of the UDCs. These will operate with the full involvement of local partners.

Within these models there are different possible approaches. Government will be considering the best approach for each locality, in consultation with local partners.

The key actions

For all growth areas

5.1 *We will agree with local authorities and other partners appropriate delivery mechanisms to promote development. The precise arrangements will vary from place to place. The box sets out the main options.*

5.2 *Together with regional planning bodies and local authorities we will translate the development proposals for the growth areas into revisions of regional planning guidance so that they set out agreed levels of housing provision in the growth areas (see timetable in Annex B). Part 6 sets out arrangements that will help ensure consistency between the regional spatial, housing and economic strategies.*

5.3 *We have given English Partnerships a new role to support development and regeneration across the growth areas, reflecting the priority that the Government attaches to accelerating their development. They will work with the Regional Development Agencies in this.*

5.4 *The Department for Transport (DfT) will review the system for appraising new transport schemes – the New Approach to Appraisal (NATA) – to ensure that the regeneration benefits and growth opportunities that result from new schemes are better reflected.*

5.5 *DfT is undertaking a full review of the impact of the 10-Year Transport Plan and its policies, which will roll the plan forward until 2015. As part of that review, alongside other priorities, DfT will consider:*

© *the longer-term transport infrastructure needs of the four growth areas as identified through existing regional and local planning processes and further reviews carried out in 2003-04;*

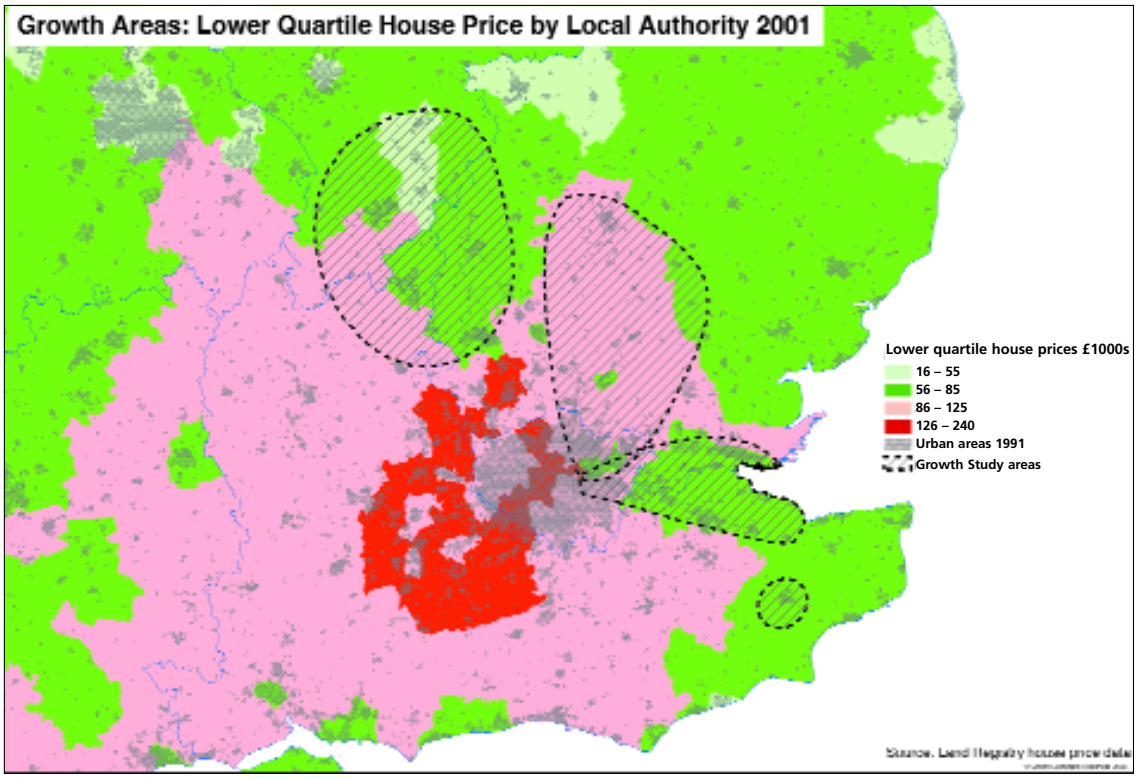
© *the DfT and Strategic Rail Authority's strategic transport planning functions can take account of the potential role of transport infrastructure in promoting land use change as well as other Government objectives; and*

© *how strategic transport planning functions can be integrated more effectively with the regional and local level planning functions.*

5.6 *In the context of the 10-year Transport Plan review, the Government will consider, by Summer 2003, the Highways Agency's role in development control and consultation on development plans, with the aim of setting in place new arrangements to unlock existing growth potential.*

5.7 *The review will be published as part of the Spending Review in 2004. It will not delay the decision making process for schemes already under consideration.*

5.8 *The Environment Agency is already committed to assist in the creation of sustainable communities in the Thames Gateway over the next 20 years, particularly with regard to addressing flood risk. This approach could be extended to the other growth areas. We will work with the Environment Agency on developing a practical approach to the strategic position of flood defence infrastructure.*



For the Thames Gateway

5.9 *A new Cabinet Committee, chaired by the Prime Minister, will consider how far and to what timescale we should seek to develop the Thames Gateway. The remit includes looking at the funding implications of the infrastructure required, including how those who benefit from new development can contribute to the cost of this infrastructure. This work has implications wider than Thames Gateway.*

5.10 *We will set out in May 2003 the level of development the Government would like to see in the Gateway and is prepared to support.*

5.11 *The Thames Gateway Strategic Partnership's broad strategy for the Gateway now needs to be supplemented with delivery vehicles focussing on particular areas.*

5.12 *We will set up bodies with a clear remit and the necessary powers to drive forward development. These new delivery mechanisms offer a framework for co-ordinating land assembly, development and local infrastructure to secure comprehensive regeneration. In particular, we are working with partners towards the establishment of new mechanisms which will use Urban Development Corporation powers in the London Thames Gateway and in Thurrock.*

5.13 *The arrangements will operate with the full engagement of key local players and partners including the private sector, and will offer locally-tailored means to deal with land assembly, master planning and local infrastructure to help secure comprehensive regeneration.*

5.14 *In London a strategic level London Gateway Board will also operate to co-ordinate efforts within and beyond the areas covered by the new style area-based regeneration partnerships.*

5.15 *We will invest in land assembly, site preparation, affordable and keyworker housing, neighbourhood renewal and urban renaissance. We will make available up to £446m for these purposes over the next three years.*

5.16 *We will improve accessibility. The Government recognises that transport links are critical to the development of the Gateway. A range of transport improvements have already been approved. These include:*

- *the extension of the Docklands Light Railway (DLR) to serve City Airport;*
- *phase one of new transit systems in East London, Greenwich and Kent Thameside;*
- *selected road improvements including upgrading the A2; and*
- *a new crossing of the Swale.*

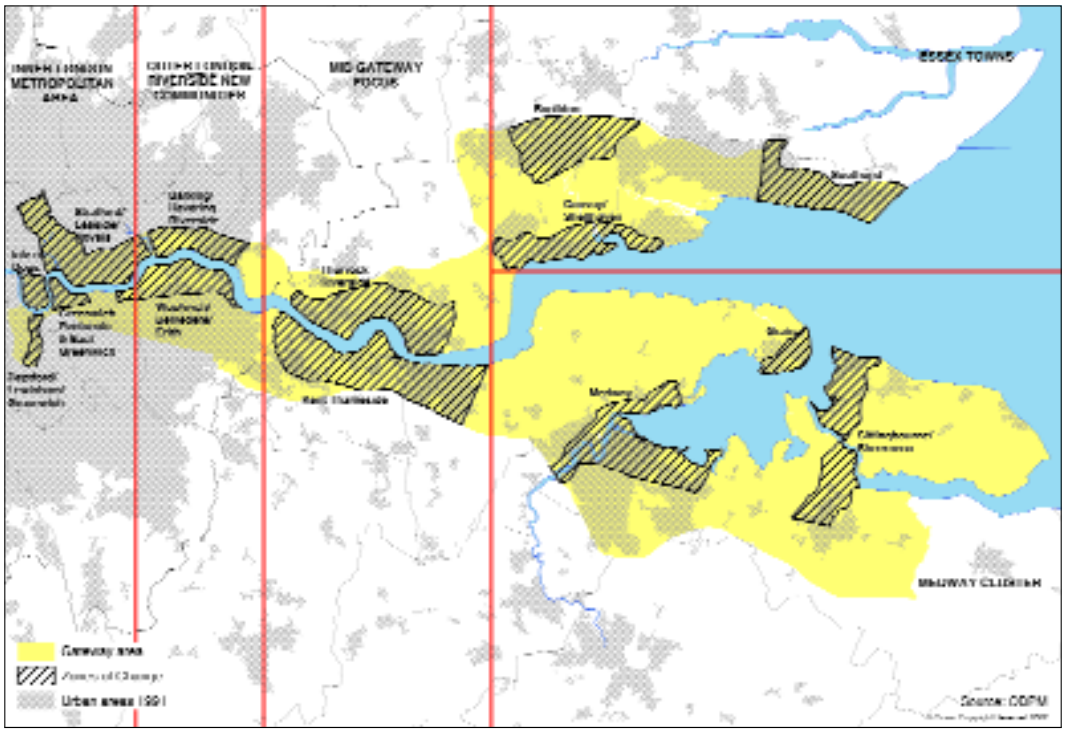
5.17 *The Thames Gateway Strategic Partnership has also developed a provisional package of transport measures to improve accessibility to sites that they have identified as having good potential for early development. This includes:*

- *the extension of the Docklands Light Railway to Barking;*
- *an enhancement of the London Tilbury and Southend Line (currently franchised to C2C) with new stations to serve new or expanded communities;*
- *the Thames Gateway Bridge;*
- *the provision of domestic passenger services on the Channel Tunnel Rail Link to improve access to existing regional centres.*

5.18 *These schemes are at different stages of appraisal and consideration and no final decision has been taken on them.*

5.19 *Improving access to the Gateway will be considered as part of the review of the 10-Year Transport Plan, alongside other priorities.*

Thames Gateway



The Thames Gateway presents a huge opportunity.

Its growth potential was recognised over 10 years ago. It covers an area 43 miles long by 20 miles across and:

© Is close to London.

© Is in a strategic location on major transport links to the continent.

© Has one of the largest concentrations of brownfield sites in the country.

© Offers the opportunity to regenerate existing deprived communities through access to 300,000 new jobs that could be accommodated by 2031.

The regeneration of the Gateway is a broad-based project that needs to tackle brownfield development, economic growth, environmental improvement and urban renewal in an integrated way. The Government is keen to realise the potential of the Gateway, working in partnership with local authorities, the GLA, the Regional Development Agencies and other stakeholders in the region. The Housing Corporation and English Partnerships as key national delivery agencies also have important roles.

The Thames Gateway Partnership, which has been in existence for over two years, provides strategic direction for the project. It is chaired by a Government Minister and includes key Government departments and other key stakeholders. The Partnership has developed a series of initiatives covering, for example, education, health, innovation, transport and environment programmes, to take forward key strategic issues. It has identified the xones of change which will be the focus for development planning and regeneration.

These form the framework for the local delivery arrangements which are now being put in place.

Ebbsfleet and Eastern Quarry

At the heart of Kent Thameside, Ebbsfleet and Eastern Quarry will be a model of mixed-use urban development, centred on a new international passenger station on the Channel Tunnel Rail Link.

The two schemes together should provide some 10,000 new homes and 5.5 million sq ft of commercial space, with a new commercial centre at Ebbsfleet. In addition, over two million sq ft of retail, leisure, community and supporting space will be provided. The new developments could create over 20,000 new jobs.

The projects are underpinned by a series of economic, social and environmental initiatives designed to ensure the sustainability of the new communities and enhance the quality of life for both existing and new residents:

- *They are built around a new public transport infrastructure including local, national and international connections, all within easy reach.*
- *They are built upon previously used land.*
- *They will offer a broad range of lifelong learning opportunities to all.*
- *They will offer the opportunity to live and work within close proximity, reducing travel and improving quality of life.*
- *They provide for extensive open space and parkland to support recreation, leisure and sport, while conserving and enhancing the ecology of the sites.*
- *Social and community facilities will be provided throughout the site.*
- *There will be a high quality civic environment for the enjoyment of all.*

In addition, the inward flow of investment to the area – generated by such extensive re-development – will benefit the region as a whole and go a long way towards delivering the Government's objectives for stimulating the regeneration of the Thames Gateway.

Photo: Courtesy of Land Securities

The other growth areas

As part of the process of establishing regional planning guidance for the wider South East in 2001, three areas for potential growth were identified, and studies undertaken.

Milton Keynes – South Midlands

The study covers an area for growth joining the South East with central England. The area is already demonstrating dramatic capacity for economic success. In Milton Keynes and Northampton employment growth was over three times the national average between 1991-2000.

The study identified opportunities to achieve more with the right East-West links, a cross-boundary approach, a raising of skills levels and significant regeneration.

The area's potential has been assessed in a study jointly commissioned by regional, local and national partners to develop growth options. The preferred option concentrates growth on five major urban areas:

© *Milton Keynes*

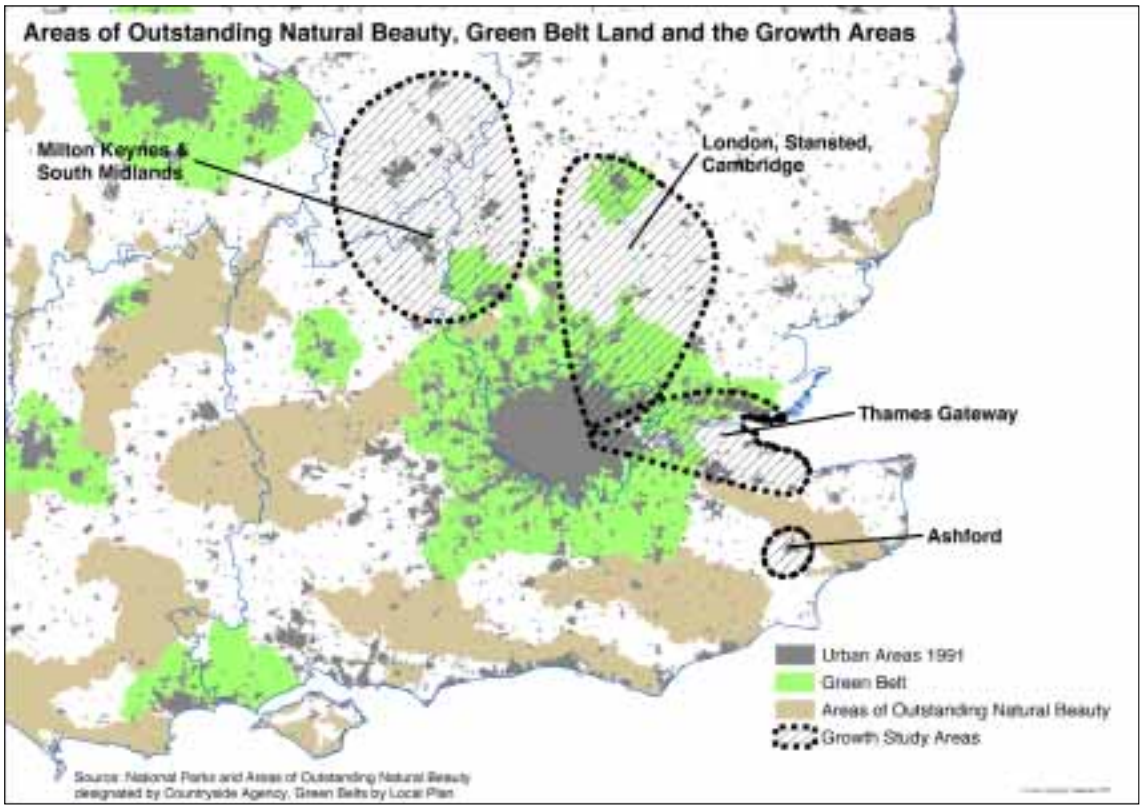
© *Luton/Dunstable/Houghton Regis*

© *Bedford*

© *Northampton*

© *Wellingborough/Kettering/Corby*

The potential for growth to 2031 is for up to 300,000 jobs and 370,000 homes.



Ashford
Ashford's strategic location and role as a gateway to Europe will be strengthened with completion of the high speed rail link to London in 2007.

The growth area study indicates substantial scope for further growth through diversifying its employment base, redeveloping its town centre and increasing the annual rate of new housing to provide at least 31,000 new homes and 28,000 new jobs by 2031.

Ashford Borough Council and its partners believe that at least this level of growth is achievable with effective local delivery arrangements provided that the following are addressed:

© *a new junction on the M20;*

© *a funding package for town centre redevelopment and regeneration;*

© *water supply and flood management;*

© *education provision;*

© *new social and community infrastructure.*

London-Stansted-Cambridge (LSC)
There has been substantial economic growth in the London-Stansted-Cambridge corridor over the last decade. This is underpinned by clusters of some of the UK's most successful businesses in biotechnology, life sciences and ICT/software; and a rapid increase in the use of Stansted airport. The issue is not whether growth will continue, but at what level and how that growth is handled.

The study is broad-brush and has developed a range of spatial patterns and scenarios generating growth options in four broad areas:

© *Upper Lea Valley*

© *Harlow*

© *Cambridge*

© *In the longer term new settlements in North Essex or South of Cambridge.*

The potential for growth in housing provision to 2031 under these options could range from around a quarter-of-a-million under existing policy to half-a-million. According to the study, achieving this growth would, over time, require significant improvements to transport infrastructure – on the M11, around Harlow, and – in the longer-term – better rail connections East-West and to London.

Housing pressures along the corridor are already intense with Cambridge experiencing significant shortages of affordable housing.

Planning for this growth area is at an earlier state than for the other growth areas.
And the Government's recent consultation on airport capacity in the South East (SERAS) inevitably affects the work necessary to develop the broad options into more detailed spatial and local plans.

part six

Reforming for delivery

The challenge

To ensure the right framework of laws, structures and decision making processes, and the right skills, to support the agenda in this action programme.

The response

Legislation to reform the planning system, to allow devolution of power to the regions, to provide more freedoms for local government and to improve the experiences of home buyers and tenants.

Strengthened arrangements at the regional level, with regional housing boards, to ensure regional housing strategies are co-ordinated with economic and planning strategies, and allowing sub-regional approaches to housing problems extending beyond individual local authority boundaries.

A further major step in the reform of local authority housing finance.

Action to ensure we have the right people with the right skills and knowledge to deliver. By July 2003, we will develop a comprehensive skills strategy for sustainable communities, building on existing strategies.

The difference

By 2005

- New form of regional plans (Regional Spatial Strategies) in place to realise the visions for both growth and low demand areas. And regional housing strategies produced to inform housing investment decisions.
- All local planning authorities will have put in place their programmes for preparing and updating their local plans, with the first new plans being produced.
- By March 2004 at least 80% of Secretary of State planning decisions will be decided within 16 weeks, an improvement of 50% in two years.

- Better resourced local authorities with more planners to manage the development process better.
- Regional housing strategies in place setting out priorities in each region with systems to ensure that resources are spent in support of the strategies.
- All involved in creating sustainable communities will be clear about their skills and knowledge needs, will develop and implement evidence-based plans for change, and will feed back emerging lessons to local, regional and national government.

The longer term

- In 2006-07, all local planning authorities will be meeting our planning application handling targets, including decisions on 60% of major planning applications within 13 weeks.
- Where the region so chooses, Elected Regional Assemblies taking strategic action to ensure communities thrive and remain successful.

The resources

We are providing:

- £350m over the next three years in Planning Delivery Grant for local authorities.
- Direct funding (over £6m) of Regional Chambers to undertake improved regional planning.
- £17m (from the £201m for liveability) to improve urban design skills, and widen access to design knowledge across the sector.
- £28m over the next three years for the Neighbourhood Renewal Skills and Knowledge Programme (including £18m for Community Learning Chests).

In addition, we are reviewing the planning fees regime.

The key actions

Legislation

6.1 *We are making major changes to legislation to allow key partners, especially local authorities, to deliver this action programme effectively. We have three major Bills already in Parliament and will be publishing a fourth shortly.*

6.2 *The Regional Assemblies (Preparations) Bill will enable those regions that so wish to invite voters to decide, through a referendum, whether to have an elected regional assembly.*

6.3 *Once at least one region has voted for an elected assembly the Government intends to introduce a further Bill enabling assemblies to be set up. Our White Paper, 'Your Region, Your Choice', sets out the Government's intention to devolve many responsibilities covered by this action programme to elected regional assemblies.*

6.4 *The Local Government Bill is part of a wider package of measures to allow more decisions to be taken locally, reducing bureaucracy and allowing greater focus on improving people's quality of life. Key provisions of the Bill include:*

- *Empowering Councils to fund major improvements through borrowing without central government consent, under a new prudential borrowing system;*
- *Enabling councils and businesses to work together to solve local problems. Provisions allowing Business Improvement Districts will pave the way for a new type of regeneration initiative to make town centres safer, more attractive and easier to use;*
- *The choice for councils to reduce the 50% council tax discount on second homes to 10%, and reduce or remove the 50% discount on long-term empty properties.*

6.5 *The Planning Bill, currently before Parliament, proposes reform of the planning system through:*

- *Strengthened regional planning arrangements to give better strategic direction and better sub-regional planning;*
- *A more flexible system for preparing local plans;*
- *Ensuring local authorities set out how they are going to involve the local community in preparing local plans;*

- *Bringing in improved procedures to enable quicker decisions on planning applications, enabling local authorities to agree special arrangements for local development, and tackling abuses of the system;*
- *Allowing local authorities to acquire land for regeneration to achieve the social, environmental or economic well-being of their area;*
- *Extending the "loss payments" regime to compensate for the inconvenience of being displaced.*

6.6 *The Housing Bill will be published shortly. It will propose:*

- *A licensing scheme for Houses in Multiple Occupation (HMOs).*
- *Allowing local authorities to license private landlords where negligent behaviour is dragging down the neighbourhood.*
- *Overhauling the regime under which local authorities take action against housing that is unsafe or a danger to health.*
- *Improving the home buying and selling process by requiring key information on properties for sale to be prepared in advance.*
- *Modernising the Right to Buy scheme to discourage profiteering and help local authorities to maintain the availability of social housing in the longer term.*

6.7 *In addition to major new legislation, we are ensuring other regulations support the agenda in this action programme.*

- *Our Building Regulations are kept under review to ensure they promote health, safety, welfare, convenience, energy efficiency and help for disabled people. Important changes were made to requirements on energy efficiency in 2001, and improvements to standards on fire safety and sound insulation are being made now.*
- *We are updating the regulatory framework for planning. Over the next three years we will have reviewed all planning policy guidance notes covering a range of issues from urban design through to countryside policy.*

Sustainable development

Regional Sustainable Development Frameworks (RSDFs)
Objectives and priorities for sustainable development in each region are set through Regional Sustainable Development Frameworks (RSDFs). These are developed by key partners, including Regional Chambers, Government Offices, Regional Development Agencies, business, local authorities, charities and voluntary groups.

RSDFs inform other regional strategies. We will work with stakeholders to ensure that the implementation of this action programme and the objectives in the RSDF are coherent.

Community strategies
The community strategy is the overarching framework for the activities of local authorities and all other local public, private, voluntary and community sector bodies. It contributes to sustainable development. Much of the implementation of this action programme will be reflected in community strategies.

Sustainable development indicators
The UK Sustainable Development Strategy includes a set of the 147 indicators of sustainable development, including 15 key 'headline' indicators. Indicators are integral to RSDFs and community strategies, providing regional and local versions of the national indicators and others tailored to local priorities. This programme of action will contribute to progress against national, regional and local indicators of sustainable development.

© *We are also removing unnecessary regulation. We have recently simplified the rules that govern how local authorities give financial help to home owners and tenants to improve their homes. This was achieved through a Regulatory Reform Order (RRO). Another RRO currently before Parliament will make it easier for local authorities to operate the Cash Incentive Scheme to help tenants into home ownership and free up social homes for those in housing need.*

Regional arrangements

6.8 *The housing challenges addressed through this programme of action vary across the regions. Our Regional Assemblies (Preparation) Bill will allow devolution of responsibility for housing to regions that opt for Elected Regional Assemblies. But we are taking steps now to ensure that housing policies can be better integrated with planning and economic strategies at a regional level, to ensure sustainable communities.*

6.9 *We will set up a Regional Housing Board in each region to ensure delivery of policies set out in this document. Each Board will be brought together by the Government's Regional Director and include representatives of the Government Office, the Housing Corporation, the Regional Chamber, the Regional Development Agency, English Partnerships and other relevant bodies in the region.*

6.10 *Each Board will work to ensure that the high level strategies in the region are consistent and support the development of sustainable communities and the wider objectives of sustainable development (see box).*

6.11 *Each Board will take specific responsibility for preparation of a Regional Housing Strategy as the basis for advice to Ministers on strategic housing investment priorities in the region. The precise arrangements may vary from region to region. Some may choose to develop the strategy in the full group, while others may wish to set up a sub-group for this purpose. The involvement of the Countryside Agency will be needed to ensure rural-proofing of strategies where appropriate.*

6.12 *For London, South East and East of England Regions it is particularly important that the Regional Housing Strategies are properly co-ordinated. Housing markets operate across regional boundaries with, for example, the influence of London being felt well beyond its boundaries. To facilitate this the ODPM will from time to time call together representatives of the three regions to discuss cross-boundary issues.*

6.13 *With effect from April 2004, we are changing the system of allocating funds for investment in housing at the regional level so that it supports the new Regional Housing Strategies.*

6.14 *In each region there will be a new single pot for housing investment. This will take the place of the resources currently allocated to each region through the Housing Corporation's Approved Development Programme (ADP) and the local authority Housing Investment Programme (HIP). The Regional Housing Board will advise Ministers on the allocation of the single pot to meet the priorities identified in the Regional Housing Strategy.*

6.15 *Resources earmarked for major new housing developments will then be allocated to the Housing Corporation for action. Resources for improving stock, for support of renewal of privately owned housing, or for smaller scale new build will be allocated to local authorities or, where appropriate, other agencies. Commitments will be given initially for two years and subsequently for the three year spending review periods.*

6.16 *Funding for the Housing Market Renewal Pathfinders and the Growth Areas will be allocated centrally, at least until pathfinder projects are established.*

6.17 *For regions outside the wider South East, the single housing pot for 2004-05 and 2005-06 will be at least equal to the total of the ADP and HIP allocation for 2003-04 uplifted for inflation.*

6.18 *The allocation of funding between HIP and ADP in London, South East and East of England regions will, as in other regions, be decided by Ministers on the advice of the three Regional Housing Boards. However, in view of the need for a strategic approach to key worker and social housing across these regions, the Housing Corporation, with English Partnerships, will manage its allocation for affordable housing from the three regional pots as a single pot, in accordance with the Regional Strategies.*

6.19 *We are asking each region, by July 2003, to have a Regional Housing Strategy at least in outline form and be in a position to make recommendations on the allocation of resources for 2004-05 and 2005-06.*

6.20 *To avoid excessive fluctuations in funding, we will expect 70% of HIP funding to be allocated to local authorities according to the existing formulaic measure of need for the first two years of the new arrangements, unless the Regional Housing Strategy makes a strong case to do otherwise. There will be additional transitional arrangements for debt-free authorities most affected by the proposed pooling of capital receipts.*

Reform of local authority housing finance

6.21 *We are continuing our reform of the local authority housing finance system to make it clearer, to ensure it gives the right incentives, and to encourage best use of resources.*

Much has already been done:

- *All local authorities that own stock now produce business plans for their stock.*
- *The use of resource accounting in the Housing Revenue Account (HRA) helps make clear the true costs of owning and maintaining local authority housing.*
- *The Major Repairs Allowance (MRA) provides authorities with the resources needed to maintain the condition of their stock, and allows them to plan their major repairs programmes with greater confidence.*
- *The Arms Length Management option is already allowing significant additional investment to bring council homes up to the decent standard alongside high levels of service.*
- *Restructuring of social rents and related changes to the way local authority housing is subsidised will mean that, by 2012, rents across the whole of the social rented sector will clearly and consistently reflect what tenants value, whilst still remaining affordable for all.*
- *The Local Authority Single Capital Pot frees authorities from artificial constraints on their investment decisions.*
- *Removal of the Receipts Taken into Account (RTIAs) mechanism in capital allocations has taken away a complicated and unpopular system that acted as a disincentive for authorities to dispose of unwanted or under-utilised assets.*
- *The current set-aside rules have been freed up to allow authorities to take advantage of the opportunities to realise capital receipts to meet the demand for affordable homes.*

6.22 *Subject to Parliamentary approval, by 2004/05:*

- *The Housing Revenue Account (HRA) will no longer confuse spending on the stock with housing benefit support to tenants. The HRA will become a pure landlord account, allowing better-informed investment decisions through HRA Business Plans, and making clear that tenants are not supporting those on housing benefit.*

- *Pooling of HRA surpluses and capital receipts from all will ensure that housing resources can be distributed more fairly between authorities.*
- *Authorities will be using a proportion of poolable capital receipts for regeneration schemes and affordable homes.*
- *Authorities will be borrowing prudentially to meet their housing investment need, thus providing them with flexibility to make the best investment decisions.*
- *There will be a statutory framework for authorities' housing strategies and HRA Business Plans, reflecting the importance of these issues.*

6.23 We shall:

- *Shortly invite bids and announce arrangements for ALMO Round 3.*
- *Consult further on the detailed operation of capital receipts pooling.*
- *Consult further on the option of a self-financing approach for highest performing (3*) ALMOs. This would take them out of the Housing Revenue Account subsidy system and encourage self-sufficiency.*
- *Consult authorities in the summer on new proposals for distributing management and maintenance resources, taking account of the results of current research.*
- *Introduce new arrangements for dealing with the funding of breakage costs on transfer, and early debt redemption and breakage costs.*
- *Introduce separate funding arrangements for Supporting People from 2003/04, improving transparency and accountability.*
- *Reform Local Authority Social Housing Grant, to allow a more strategic use of resources and remove the anomaly whereby debt-free authorities could spend the money twice. Transitional arrangements will ease the impact of this change.*

Action to ensure the right skills

6.24 *Our action programme requires the right people with commitment and, crucially, the right skills and knowledge. The current shortages of skilled people in some professions and trades will seriously hamper achievement of our objectives to develop sustainable communities.*

6.25 *We will therefore work across government and with key stakeholders including the private sector to develop the skills base, building on current initiatives.*

6.26 *We have made a start by publishing 'The Learning Curve' in October 2002. This will improve the skills and knowledge of professionals, practitioners, policy makers and residents involved in neighbourhood renewal.*

6.27 *We will implement the Neighbourhood Renewal Skills and Knowledge programme through the actions in 'The Learning Curve', including advice and support from over 100 Neighbourhood Renewal Advisers to help partnerships deliver real change. We will develop and promote renewal.net, our on-line guide to good practice in all aspects of creating sustainable communities.*

6.28 *We now need to take a wider strategic view, to ensure we cover the whole range of skills required to deliver the agenda in this action programme. We will develop, by July 2003, a comprehensive skills strategy for sustainable communities. As part of this agenda we will:*

© *promote Regional Centres of Excellence (RCEs) which will bring together key agencies and learning providers to drive forward the skills and knowledge agenda for everyone involved in creating sustainable communities. The first Centre is due to be launched in 2003;*

© *boost capacity and skills in planning, especially in local authorities. Local planning quthorities will be able to use some of the additional £350m for planning to train existing and new professionals, and local politicians who oversee the system;*

- *grant Planning Aid (nearly £4m over the next three years) to help communities become more involved in the planning process;*
- *provide £17m to support action at a regional level to improve urban design skills, raise standards, widen access and knowledge across the built environment interests;*
- *continue to help build capacity in the housing construction industry through "Making Connections", a joint initiative between government and industry which aims to ensure that people have the right skills to meet the future needs of the industry. The step change in investment and outputs that flow from this plan will provide the construction industry with the certainty it needs to increase its capacity to meet demand.*

Whitefriars Housing Group

6.29 *Major programmes to improve housing and the local environment offer opportunities to raise skills levels in local communities. We will encourage schemes such as that developed through the Whitefriars Housing Group (a Coventry based Registered Social Landlord). Here, through positive provision of opportunities, local tradespeople and other building workers, especially from black and minority ethnic communities, have been trained and employed, and are playing their part in improving housing.*

6.30 *The Learning and Skills Councils, with the RDAs and NRU, will work to maximise the contribution of post-16 learning and skills to neighbourhood renewal and regeneration.*

Annex A: Resources

Summary of resources

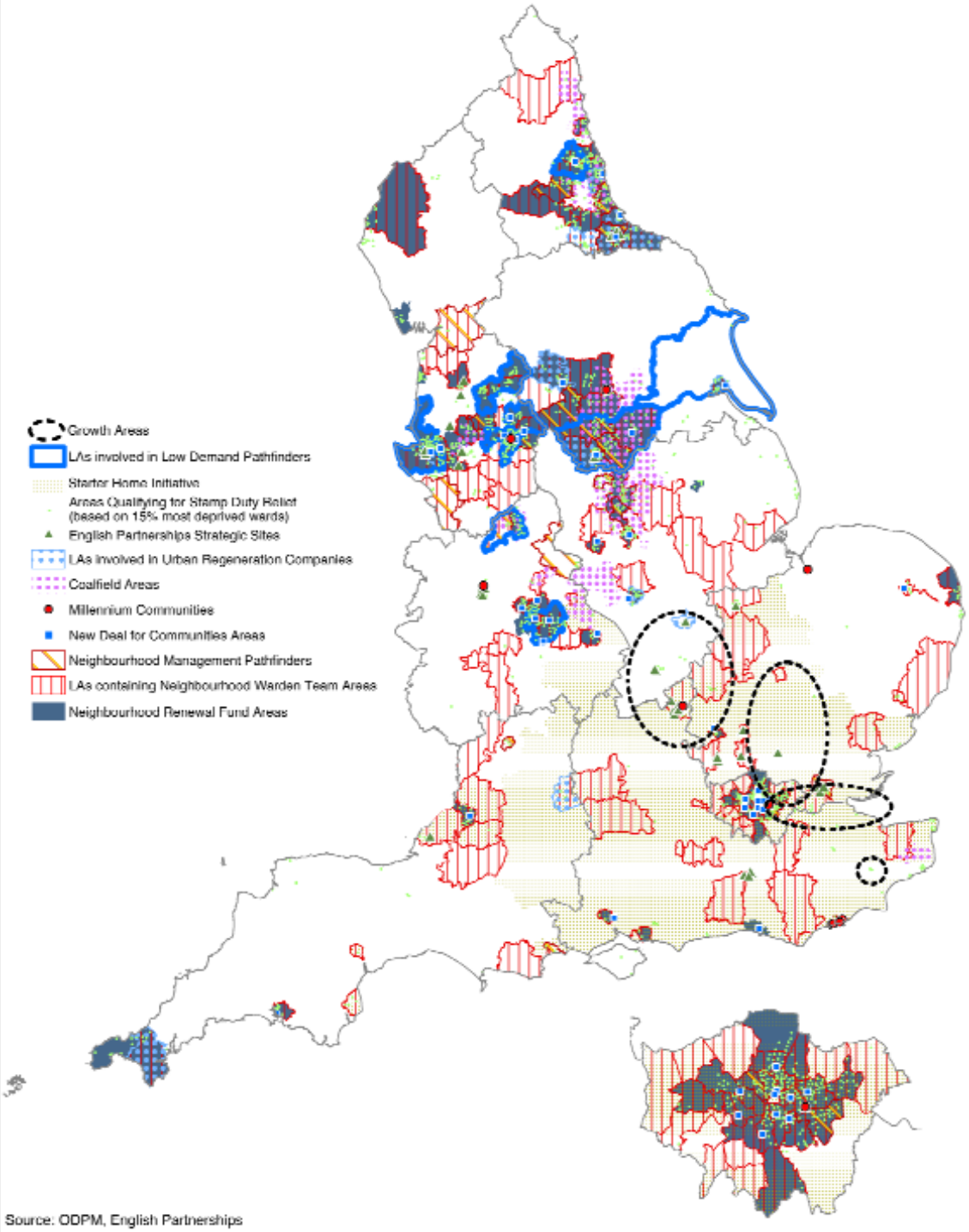
In July, following the Spending Review, the Government announced overall funding for the programmes covered by this action programme.

The table below shows how these resources will be allocated. In some cases announcements have already been made, for instance funding for the Housing Corporation's Approved Development Programme for 2003-04 was announced in September 2002.

The resources shown below are just a part of major investment right across government in a range of programmes to support sustainable communities.

£m	02/03	03/04	04/05	05/06	Total 2003/04 to 2005/06
Housing – London, East and South East	995	1,573	1,558	1,605	4,736
Housing – other regions	719	852	892	914	2,658
Arms Length Housing Management Organisations (ALMOs)	59	323	851	820	1,994
Transitional Funding for Housing Finance Reforms	500	175	140	65	380
Disabled Facilities Grants	97	99	99	99	297
Homelessness/B&B	90	93	83	83	259
Other housing programmes	501	466	394	355	1,215
Market Renewal Pathfinders	25	60	150	290	500
Thames Gateway	0	40	198	208	446
Other growth areas	0	40	58	66	164
Local environment/liveability (incl skills)	13	41	79	81	201
Regional Development Agencies	1,322	1,521	1,551	1,607	4,679
European Regional Development Fund	210	229	229	229	687
English Partnerships	145	163	179	179	521
Other urban programmes	21	35	30	29	94
Planning (including Planning Delivery Grant)	27	73	153	194	420
Neighbourhood Renewal Fund	300	400	450	525	1,375
New Deal for Communities	350	265	287	298	850
New Ventures Fund	77	99	99	94	292
Grand Total	**5,451**	**6,547**	**7,480**	**7,741**	**21,768**

Actions to Achieve and Maintain Sustainability



Source: ODPM, English Partnerships

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Annex B: Growth areas – RPG Review timetable

Target timetable for reviews of Regional Planning Guidance (RPG)

Growth area	Regional Planning Guidance/SDS	Publication of draft	Public examination	Secretary of State proposed changes	Final RPG/RSS
Ashford	RPG9 – South East (partial review)	Spring 2003	Autumn 2003	Early 2004	Summer 2004
Milton Keynes & South Midlands	Co-ordinated partial reviews of: RPG8 – East Midlands RPG9 – South East RPG14 – East of England (part of general review)	Spring/Summer 2003	Late 2003/ early 2004	Spring/Summer 2004	By end 2004
London-Stansted-Cambridge	London Spatial Development Strategy	Completed	March/ April 2003	N/A	End 2003
	RPG14 – East of England (part of general review)	Spring 2003	Early 2004	Summer 2004	End 2004
Thames Gateway	London Spatial Development Strategy RPG 9 – South East RPG14 – East of England	The London SDS and the reviews of RPG 14 (as above) and RPG 9 (as below) will incorporate policies for the future developement of the area. A document will be produced by the regional partners to provide a co-ordinated framework for these reviews.			
	RPG9 – South East (general review)	End 2004	Summer 2005	Early 2006	Summer/Autumn 2006

Notes:

(i) target timetable dependent on discussions with Regional Planning Bodies and other stakeholders;

(ii) subject to Royal Assent to the Planning and Compulsory Purchase Bill, RPGs will become Regional Spatial Strategies from early 2004.

HM Government

Building for the future

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