



increasing at higher rate to housing benefit leading to restrictions. The HCA are due to release further guidance in January, which is hoped to cover rent increase and review basis. The group also noted the link to negotiation by HA's with the HCA on affordable rented re-lets to deliver a new-build programme.

MA outlined the modelling undertaken for the HCA by Flagship around reduced grant levels and requirement of re-lets. Based on existing schemes:

- 50% grant rates and affordable rent (80% market) still works but is very tight
- 25% grant rates and affordable rent (80% market) required 1.25 re-lets at affordable rent

(further details to be circulated with minutes)

The reduced capacity for HA's as a result of higher net cost was noted.

MA noted headline figures of £4.4bn HCA capital funding, will be less of existing commitments (e.g. completions after March 2011 from current programme) bringing it to £2.2bn. Unsure if next CSR will carry over again. Grant likely to be withheld from S106 units going forward, to subsidise headline delivery figure of 150,000 homes within budget available.

The group discussed the potential for LA's to want receipts from re-lets to be ringfenced for new-build in their area, however the monitoring of income receipts will be more difficult than with sales receipts.

MA noted the proposal for closed waiting lists being more in line with CBL, with Gt Yarmouth only accepting those onto the waiting list if they are able to be housed within 100 days. TL noted positive use of Havegateway CBL in reducing lists.

The group discussed fixed term tenancies, with concern over administrative burden of assessment of households and issue of incentive not to improve position.

The group discussed the impact of the proposals for rural exceptions sites and local lettings, with ideal position to retain at social rent, as a recent study states it is 20% more expensive to live in rural areas across the board (e.g. transport and heating) and market rents high, leaving affordable rents at comparable to market rent in more urban areas. However financial model to fund new-build (on new exceptions sites, or re-lets) will require affordable rents.

The group agreed that a response to the consultation focusing on rural issues should be made, MA to draft and circulate.

#### Town & Village Green applications

The group noted two ongoing examples of this issue, one with Orwell (2 units) and one with Hastoe (10 units) where applications have been made after the homes have been completed.

**LH**

**MA**

The planned review has been lost during the change in Government, however the Nat Fed is still pursuing and BA will raise issue with the HCA again.

**BA**

#### Regulation

The group noted the need for a rural representative on HA's Scrutiny Panel. TL noted the LA's role in regulation would be limited as resources reduce and shared management services across districts arise, moving to a complaints-led system only.

#### Shared Ownership

The group noted continued limitation to mortgage availability with higher interest rates and low loan-to-value ratios on 80% staircasing restricted homes. The FSA are reviewing mortgage lending, S/O is still seen as a risk, potentially reducing availability by half, or even entirely.

The group noted the limited consultation and wide impact of the restrictions enforced by the Designated Protected Areas, which guarantees HA's will buy back S/O properties (where will funding for this come from?). Some HA's, including Flagship, are placing 80% restriction on all S/O in the areas regardless of S106 requirements. BA noted the maps will be available on the HCA's web-site soon.

#### LEP's

Announcement to finalise Norfolk and Suffolk LEP bid due shortly, with King's Lynn, Forest Heath and St Edmundsbury included in Peterborough and Cambridge and Braintree, Colchester and Tendering in Kent, Greater Essex and east Sussex.

<http://www.communities.gov.uk/documents/localgovernment/pdf/1781820.pdf>

#### Planning

Home on the Farm – no detail as yet, positive principle but will only succeed if it enables more opportunities to be realised.

Local Housing Trusts – local support of 75% needed (reduced to 50% subsequent to meeting). The group noted that parishes are unlikely want the long-term responsibility and will lack in the capacity, resource and ability to deliver. Housing Associations are well placed to play a role in LHT's in providing this resource whilst still enabling the community to engage in the design, location etc.

TL noted their system which allows Parish Councils to check individuals are registered correctly and to "vet" the shortlist of nominations regarding local connection, enabling the LA to source further evidence if needed and removed queries once households have moved in.

#### Gypsy & Traveller funding

Funding is still available, however localism agenda likely to reduce delivery due to contentiousness of the topic, requiring the LA's to drive through planning, increasing desirability for RP's to take on thereafter.

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| <b>4.</b> | <b>EERF Steering Group Update</b>   |           |
|           | <p>No update from steering group.</p> <p><u>Publications</u><br/>LH to provide links to “Keeping our Village Alive” and “Guide to Exceptions Sites” in minutes.</p> <p>The latter document was launched at the House of Commons, however the number of MP’s in attendance was disappointing. MG noted similar experiences at other events.</p>  | <b>LH</b> |
| <b>5.</b> | <b>HCA Update</b>   |           |
|           | <p>BA gave an update:<br/>Expenditure on rural completions is low, although likely to be due to position in programme.</p> <p>HCA Rural Forum – likely to set up task and finish group around under occupation and needs of older people in rural areas.</p> <p>HCA local office – 50% reduction in cost required. Directors to cover larger areas, 4 in total, with Terry Fuller to cover S.East, E.Anglia, Herts, Kent and Sussex.</p>  |           |
| <b>6.</b> | <b>RHE Update</b>   |           |
|           | <p>MG advised the group that the RHE’s are still very busy despite uncertainty and piecemeal nature of funding. Concern was noted for the on-cost funding model given tighter financial budgets and smaller development programmes.</p> <p>The future of RCC’s was also noted as a concern, which are part funded by County Councils. The localism agenda should drive such organisations to support parishes but potential for these to be lost in between cuts and localism taking shape.</p>   |           |
| <b>7.</b> | <b>Any Other Business</b>   |           |
|           | <p><u>New Homes Bonus</u><br/>The group noted the new homes bonus, where LA’s would receive an annual payment for 6 years, equivalent to the council tax for all new homes delivered. MA noted potential flaw in limited size of national budget may see funds run out in 2 to 3 years. RB noted the funding was in lieu of the Planning Delivery Grant which had been removed. The bonus will not be ringfenced and could be spend anywhere within the council.</p> <p>The group noted renewed interest by housebuilders to start on site, however many are struggling with securing planning approvals.</p> |           |
| <b>8.</b> | <b>Date for Next Meeting</b>  |           |
|           | LH to set date in Feb/early March and programme for 2011.   |           |