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The Regional Employment Strategy recognises the rural economy as a key growth asset and the Northwest Development Agency intends to implement plans to ensure ongoing growth in the rural economy

Rural Evidence and Policy – Northwest Priorities

The Northwest Regional Development Agency, in common with all the Regional Development Agencies in England, is in the process of preparing a Regional Strategy. These regional strategies will become operational in 2010 and will replace the existing Regional Employment Strategies, Regional Spatial Strategies and Regional Housing Strategies.

The Northwest Regional Development Agency has published a Rural Policy Statement entitled 'Building on Potential in our Rural Areas'. The Northwest Development Agency has identified the following challenges:

- Maintaining effort on achieving a sustainable future for farming and food production in rural areas
- Achieving a balanced approach to sustainable land use in Northwest England
- Reaching a clear understanding of the Northwest Development Agency's role in strengthening rural communities – in particular services and infrastructure
- Whether once successful market towns are able to withstand the impact of recession. There is some evidence that they are not with Appleby in Westmorland, for example, having suffered significant job losses during the past six months due to the closure of locally based businesses and larger businesses closing local branches
- It appears to be imperative to move market towns on to a position that sees them looking at Regional Development Agency funding as only one part of a programme rather than the keystone. However, it is not clear how this can be achieved
- Bringing rural investment in line with sub-regional priorities

The Regional Employment Strategy recognises the rural economy as a key growth asset and the Northwest Development Agency intends to implement plans to ensure ongoing growth in the rural economy as part of the Regional Rural Delivery Framework. The three rural policy priorities of the Development Agency are therefore:

- Ensuring Ongoing Sustainable Growth in the Rural Economy
- Creating a Skilled Workforce within Sustainable Rural Communities
- Sustainable Diversification of the Economic Base of Rural Areas

There are 'twin track' economies in rural Northwest England giving rise to challenging questions and implications for policy. There is a particular contrast between the prosperity of rural areas that are accessible to urban areas such as Cheshire and those that are not such as Cumbria

It is expected that the Development Agency will concentrate on its first and third priorities. Analysis, however, demonstrates that there is a significant difference in the economic situation of rural areas that are easily accessible to major population centres and those that are not with most of the economic opportunities arising in the former. The more remote areas are suffering decline because of poor access to services and a lack of diversification in the economic base.

In May 2008 the Northwest Regional Development Agency commissioned consultants to prepare a report on the state of the rural Northwest. The report was completed in October 2008 and is informing the Development Agency's policies on the development of rural areas.

The study concluded that there are 'twin track' economies in rural Northwest England giving rise to challenging questions and implications for policy. There is a particular contrast between the prosperity of rural areas that are accessible to urban areas such as Cheshire and those that are not such as Cumbria.

The implications of the 'twin track' economies are:

- How economic growth can be managed sustainably in rural areas with strong city linkages.
- How to improve the quality of employment to tackle low workplace earnings and 'working poverty'.
- The implications for housing affordability of the high earnings differentials between resident and workplace earnings in accessible rural areas

The study concluded with the following key messages:

- Rural areas account for about 20% of Northwest England's population, employment and gross value added.
- 25% of businesses in Northwest England are in rural areas.
- Rural and urban economies are strongly integrated and interdependent.
- Issues, challenges and opportunities vary across different types of rural area.

The Northwest Regional Development Agency has issued a 'Principles and Issues Paper' for consultation. It was published in February 2009 and consultation is open until 30th April 2009. The paper is not, however, a Regional Development Agency paper as it has been produced in partnership with all stakeholders in Northwest England. It is possible to respond to the consultation online at www.nwregionalstrategy.com.

The Northwest Regional Strategy 2010 is a single regional strategy that integrates strategies that existed previously:

- It is the joint responsibility of the Northwest Regional Development Agency and For Northwest (the Leaders' Forum)
- It will ultimately replace the Regional Employment Strategy (RES), Regional Spatial Strategy (RSS) and Regional Housing Strategy (RHS)
- Legislation and policy guidance is expected throughout

However, some consider that the timescale for preparation of the Regional Strategy 2010 is too tight to allow any significant changes to be made to the strategies that are already in place.

The Government intends that the new system of Regional Strategies will lead to more 'joined-up' Planning, Economics and Housing than has been the case in the past.

This paper has looked specifically at the implications for rural Northwest England. The Northwest region is very diverse and, as well as containing the two great cities of Liverpool and Manchester and the urban areas of Greater Manchester, Merseyside and South Lancashire – also contains the rural areas of Cheshire, Lancashire and Cumbria.

The studies that have been carried out to inform the Regional Strategy confirm that there are specific rural problems and issues. However, they also confirm that rural areas share many problems with urban areas including the affordability of housing. However, they also confirm that different rural areas face different issues. In particular, rural areas that have easy access to urban areas can attract commuters and investment that raise incomes and property values to a level that 'price out' people who are employed locally. In contrast more remote rural areas suffer from low incomes, lack of services and lack of opportunities.

It is to be hoped that the Regional Strategy for the Northwest 2010 will offer some hope and deliver some benefits for people who live in rural Northwest England.

It is also to be hoped that Regional Strategies will deliver the same benefits for people who live in rural and urban areas throughout England.

There is a more detailed briefing paper on rural evidence and policy that can be downloaded from:

http://www.awics.co.uk/documents/briefing_papers/economic_development/Rural_Evidence_and_Policy_-_Northwest_Priorities__27-03-2009.pdf

Adrian Waite

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European Social Fund (ESF)

Introduction

The European Social Fund was created in 2000 in order to improve employment and living standards through out the European Union. ESF aims to support people in increasing their skills, creating better job prospects. Their funds are distributed through out the EU but are largely concentrated in regions of slow economic development; this is designed to lessen void in National wealth across the EU, improving social and economic harmony within the union.

The ESF is part of the EU's *Lisbon Strategy for Growth and Jobs*; supporting the EU's plans for reducing unemployment by improving the training and support facilities for the disadvantaged and long term unemployed.

Between 2000 and 2006, ESF helped over four million English people and has plans to invest over 4.6 billion pounds before 2013 as part of a new seven year programme.

Objectives

The seven year programme has two clear main objectives, the *Convergence Objective* and the *Regional Competitiveness and Employment Objective*.

The Convergence Objective is designed to bring all regions in the EU up to an equal economic level. Under this objective England will receive funding for the economic development of Cornwall and the Scilly Isles.

Regions receiving the different types of funding from the ESF are shown on the map found on the following page.

The Regional Competitiveness and Employment Objective deals with those regions that are not assisted in the Convergence Objective, so it is under this objective that the rest of England receives funding from the ESF. In particular South Yorkshire and Merseyside receive funding to aid them in the transition from the old ESF scheme to the new scheme.

This funding is allocated to different regions based on their employment and skills needs. The government matches any ESF funding with a similar amount of national funding.

The new 2007 to 2013 ESF program for England prioritises support for projects which improve chances of finding work for disadvantaged groups such as; people with disabilities, or health problems; single parents; ethnic minorities; over 50's; those with few qualifications and young people without qualifications, or employment experience. The ESF has approximately £1.2 billion in funding to support this. Another £670 million of ESF money is available to support projects to train people who lack basic skills or good qualifications needed in the workplace. It focuses on those who are less likely to receive training,

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but also provides help for small businesses to train their management staff and other employees in the relevant skills and qualifications needed for their career progression and for the growth of the business.

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2009 ESF Project

On the 29th of March, The Employment Minister Tony McNulty, announced another £22 million pounds of ESF funding is to be spent on increasing employment opportunities and work based skills.

The Employment Minister commented

"We want to provide real help for unemployed people. This extra money will support people on their journey back to work and make sure they have the right skills for the jobs available."

Thirty two bidders have been awarded funding under the scheme based on the following six themes; Active inclusion, ITC and the digital divide, Engaging with employers, Social enterprise, Meeting new challenges – Demographic change and Meeting new challenges – Skills for climate change and sustainable development. These projects will focus on helping older workers in to employment, or to continue their employment and supporting disadvantage groups and the unemployed back in to work. They aim to provide 66,000 job seekers with specialised help toward finding work, particularly for those who face significant hurdles getting back in to employment, also in the current economic climate ESF funding has been used to help thousands of people who have been made redundant to retrain and get back in to work.

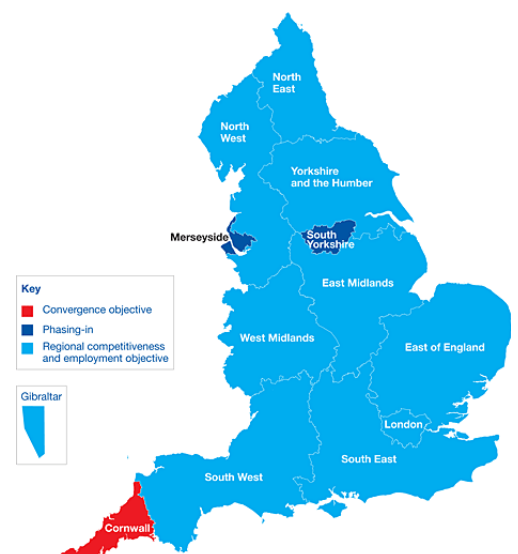
Further Information can be found on the ESF website www.esf.gov.uk while briefing papers on economic development matters can be downloaded from :

http://www.awics.co.uk/BriefingPapers/ViewCategory/economic_development/.

Amy Elliott

We want to provide real help for unemployed people. This extra money will support people on their journey back to work and make sure they have the right skills for the jobs available

European Social Fund 2007 to 2013



Regional Funding from ESF - www.esf.gov.uk

Click on the image to see a full size copy

The Government is investing record amounts in affordable housing, more than £1.5billion over three years, despite the tightest settlement from Westminster since devolution

Extra Investment in Scottish Council Housing

The Scottish Government has announced an additional £25million for the Scottish council house building programme to support the construction of local authority homes. This takes investment up to £50million that is the most spent in thirty years. This extra funding should help support 3,000 jobs. Additional funding is expected to follow the April 2009 budget.

The Scottish Government recently announced the first fourteen councils to benefit from the fund. The first round funding is nearly £17million and work is currently underway to allocate the remainder of the cash as quickly as possible.

Cabinet Secretary for Health and Wellbeing, Nicola Sturgeon MSP, said:

"The Government is investing record amounts in affordable housing, more than £1.5billion over three years, despite the tightest settlement from Westminster since devolution."

"These are hard times for businesses and families across Scotland and this government is working hard to meet this challenge, safeguard jobs, support the construction industry and keep the economy moving."

"In the Government's first year in office, more public sector homes were started than at any time since the early 90s."

"The announcement of additional funding today will help local authorities to continue to reverse the decades of decline in council house building, providing people and their families with access to good quality homes that they can afford."

Shelter Scotland has urged the Government to build on its expanded council house programme with a serious cash injection for housing in this year's Scottish Budget.

Graeme Brown, Director of Shelter Scotland, said:

"Nicola's Sturgeon's announcement will mean more homes more quickly. The Government have acted to accelerate the construction of new homes and we must go further."

"With hundreds of thousands already in need of a house, and the recession likely to cost many more their homes, the Scottish Government must go further. Building more council houses is only part of

the solution. To house Scotland's people and meet our internationally acclaimed homelessness legislation there must be a significant hike in cash for housing in next Scottish Budget.

"The UK Government has a real chance to invest in the economy and housing through next week's Budget. Shelter has submitted a fiscal stimulus package to the Treasury that could mean a Barnett formula spin-off of £600m extra for housing in Scotland. This would build 6,000 homes, get dormant sites working again and sustain over 10,000 jobs.

"The Scottish Government has given a clear indication that additional money from the UK Budget would be spent on housing here, which we welcome."

The council house building fund is just one part of a wider package supporting affordable housing in the economic downturn. Already the Scottish Government has:

- announced its intention to legislate to end the right to buy on all new build social housing
- extended the open market shared equity pilot to cover the whole of Scotland, backed by £60million
- announced a record £644million for the affordable housing investment programme this year
- launched the £35million Homeowners Support Fund which helps households in financial difficulty

Dundee City Council is one Council that is pressing ahead with new build. Around 1,000 new homes for rent could be built in Dundee over the next five years under a housing investment plan approved by Dundee City Council.

The programme, which will involve the council and partner agencies, will be dependent on the level of grants made available by central government, the housing committee heard.

Housing director, Elaine Zwirlein, in a report, said the Strategic Housing Investment Plan (SHIP) outlined the affordable housing investment priorities for Dundee until 2014. She said:

"The SHIP sets out the scope for development of approximately 200 affordable units per year aggregated over the life of the plan. The availability of grants from the Scottish Government through the affordable housing

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investment programme will be the main deciding factor in the number of affordable houses that can be built.

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The plan has identified sufficient sites to meet the need for affordable housing in the city, including housing for people with particular needs.

Despite agreeing to the plan, the opposition SNP housing spokesman, Jimmy Black described it as 'extremely unambitious' in light of the demand for affordable social rented housing in Dundee. He said the plan was a very important document that would inform the housing investment in the city for the next five years.

Administration leader Kevin Keenan agreed that he would like to see more than the 200 houses a year identified in the plan, but it was a case of the resources that were available and that depended to a large extent on the SNP Scottish Government.

'AWICS' is holding a seminar on 'All You Want to Know about Local Authority Housing Finance in Scotland' in Falkirk on Tuesday 12th May 2009. Further information is available from

http://www.awics.co.uk/RegionalSeminars/ViewCourse/local_authority_housing_finance_scotland_09

Adrian Waite

Conservative Party announces Housing Policy

Grant Shapps, Shadow Housing Minister, has set out a series of radical new housing policies that he says will promote social opportunity and neighbourhood pride, provide England's four million social tenants with genuine social mobility, and will restore pride to rundown housing estates by helping to encourage social responsibility.

The paper, entitled 'Strong Foundations', also proposes that local homes are built for local people, with the community – not bureaucrats in Whitehall – having the final say on the homes they want.

The proposals include:

- Rewards for good behaviour - tenants with a record of five years' good tenant behaviour will be offered a 10% equity share in their social rented property, giving them a direct financial stake in the state of their neighbourhood
- A 'Right to Move' - a comprehensive national mobility scheme that will allow good tenants to move to other social sector properties
- Supporting the low-cost housing sector – measures will include strengthening shared ownership schemes so that those on intermediate incomes can part-own their home
- Local Housing Trusts - villages and towns will be able to create entirely new community-led bodies with planning powers to develop local homes for local people, provided there is strong community backing
- Breaking the monopoly on empty government property - local people will have new powers to demand the selling of empty or under-used government property
- Stopping the Whitehall imposition of unwanted development - regional planning will be scrapped, enabling councils to revise their plans to protect Green Belt land and prevent the unwanted imposition of so-called eco-towns

Grant Shapps said:

“In the 1980s, the Conservative ‘Right to Buy’ gave the opportunity for millions of families to get onto the housing ladder and transformed housing estates by creating mixed communities. Thirty years on, we will build on this.”

Stopping the Whitehall imposition of unwanted development - regional planning will be scrapped, enabling councils to revise their plans to protect Green Belt land and prevent the unwanted imposition of so-called eco-towns

“We need social housing that promotes opportunity and social mobility, rather than reinforcing welfare dependency. And we need a compassionate housing policy that recognises the need to house the vulnerable and tackle the soaring waiting lists under Labour.”

David Cameron added:

“Houses are not really like every other investment. While houses may have a price, homes have a value. We need to kick our addiction to house price volatility and concentrate on making sure we build enough homes so that every community can meet its housing needs.”

The Chartered Institute of Housing consider that the paper indicates an encouraging approach to many aspects of future housing policy and will provide some much needed debate to help develop some long-term solutions to the UK’s housing sector.

The Chartered Institute of Housing is particularly pleased that its call for a fundamental rethink of housing policy is starting to be embedded into political thinking and that policy-makers are now beginning to recognise that whole market or holistic solutions are the only way to provide answers to issues such as under-supply, lack of affordability, growing waiting lists and carbon emissions.

Conservative Party proposals around equity stakes to make home ownership a viable option for more people, retro-fitting to reduce carbon emissions, reviewing policies on who can benefit from social housing, social mobility, developments in shared ownership and incentivising house building programmes are all current Chartered Institute of Housing proposals and their inclusion is welcomed by the professional body for housing. Other proposals in the paper are not necessarily endorsed by the Chartered Institute of Housing, but it is very important the debates are heard and used to define a constructive way forward for a sector which is socially and economically key to the United Kingdom.

However, the Chartered Institute of Housing remains concerned that no political party has yet to recognise the importance of whole market reform, or to commit to comprehensive reform of home ownership, social rented housing and the private rented sector in a complementary and coordinated way. In particular, the Chartered Institute of Housing would encourage the Conservative Party to develop policies urgently on their approach to the important private rented sector.

Houses are not really like every other investment. While houses may have a price, homes have a value. We need to kick our addiction to house price volatility and concentrate on making sure we build enough homes

Sarah Webb, CIH Chief Executive said:

“There is much in the Policy Paper to welcome. However, no party has yet articulated robust plans to tackle the chronic shortage of affordable housing across the UK. Unfortunately we are still only building one home for every two households that are being formed. I would urge David Cameron to develop his Party’s thinking further by taking a more holistic approach to housing reform and we look forward to debating this with him.”

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‘AWICS’ is holding a series of seminars on ‘All You Want to Know about Local Authority Housing Finance’ and another on ‘All You Want to Know about Housing Association Finance’ at various venues around England. More information is available on our website. Click below for more information:

http://www.awics.co.uk/RegionalSeminars/ViewCourse/local_authority_housing_finance_england_09

http://www.awics.co.uk/RegionalSeminars/ViewCourse/housing_association_finance_england_09

Adrian Waite

Associate Opportunities

We are looking for an Associate Consultant to support us in our Public Sector Finance work. This is an area in which we are currently experiencing significant growth especially in local government and housing work. We are especially interested in hearing from qualified accountants with experience in local government and/or housing. Remuneration is negotiable. For an informal discussion please telephone Adrian Waite on 017683 52165 or 52347. To submit an application please send your Curriculum Vitae to Adrian Waite at adrian.waite@awics.co.uk or 'AWICS' Limited, Appleby Business Centre, Bridge Street, Appleby in Westmorland, Cumbria. CA16 6QH.

Upcoming Regional Seminars

We will be holding a number of our Regional Events around the UK over the upcoming months.

- All You Want to Know about LA Housing Finance in England - February to June
- All You Want to Know about Housing Association Finance - March to July
- All You Want to Know about Budgets & Financial Management – May
- All You Want to Know about Housing Finance in Scotland – May
- All You Want to Know about Housing Finance in Wales – June

You can find more information about all of these regional courses on our website : <http://awics.co.uk/RegionalSeminars/Overview/>.

We have also just published our In House Training Courses guide for 2009 which includes information on all the courses we can provide. These are available specifically for England, Wales and Scotland from our website:

http://awics.co.uk/View/Page/in_house_training_courses/

Other Services

In addition to our in house and regional seminars AWICS also provide a range of other services including:

- Management Consultancy including:
 - Business and Best Value Reviews
 - Advice on Procurement
 - Housing Finance
 - Housing Stock Options Appraisals
 - Housing Association Finance
 - Public Authority Accounting
 - Advice to Voluntary Bodies
 - Performance Management
- Independent Tenants' Advice
- Publications

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