

MEDIA RELEASE

Issued on behalf of the HMR pathfinders

EMBARGOED: 00.00 Tuesday 2nd October 2007

Market Renewal Still a Priority

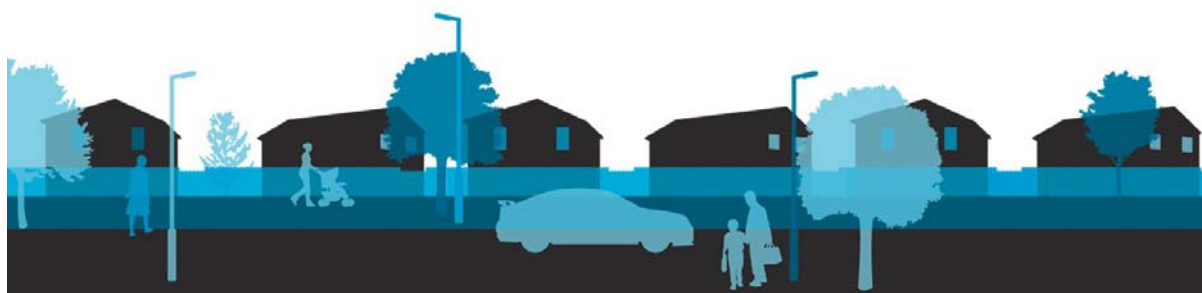
The Chairs of the Housing Market Renewal Partnerships have called on the government to sustain the priority of housing market renewal in next month's Spending Review announcement. Speaking on behalf of all the HMR Partnerships at the launch of a new report **Transition to Transformation One Year On** Jim Coulter, Chair of Bridging NewcastleGateshead said:

"Housing Market Renewal is unfinished business and in all the HMR Partnership areas we need ongoing support from government to ensure we fulfill promises made to communities. The programme so far has brought back confidence to local areas but our new report shows that population loss in the core areas remains a problem. Despite house price increases, markets are not yet stable and there are growing affordability difficulties.

Across the HMR areas, current plans will deliver major change over the next three years, so we are repeating our message to Hazel Blears that we need at least the continuation of the current funding levels in the new Spending Review settlement."

Housing Market Renewal expert Brendan Nevin, co-author of the report, said:

"Price rises in some parts of the pathfinders since 2002, driven by increased demand, are in some ways welcome, but this does not mean that markets in those areas have fully recovered. In some pathfinder neighbourhoods, demand has been driven by speculation and economic migration from abroad, but out migration of families and the more affluent continues apace. More importantly, our analysis of new data on voids shows that there are still over 150,000 dwellings in neighbourhoods within pathfinders with vacancy rates which are over twice the Core Cities average. Pathfinder investment is already focused on these neighbourhoods but there is still much to do to restructure and make them sustainable."



MEDIA RELEASE

Issued on behalf of the HMR pathfinders

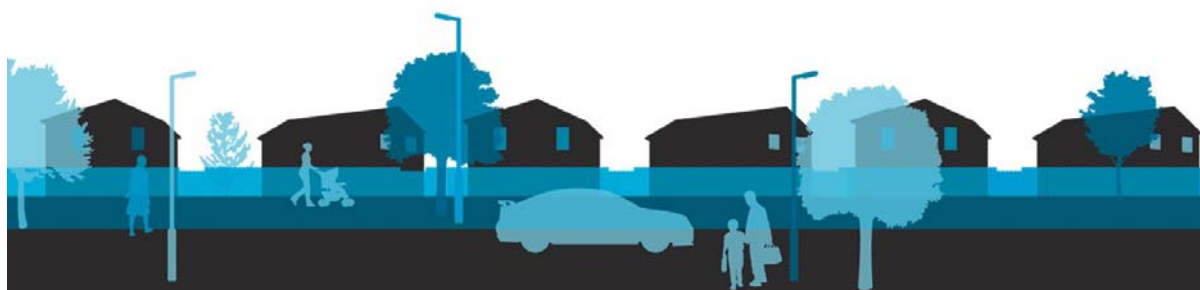
The new report **Transition to Transformation: One Year On** commissioned by the Chairs of the twelve Housing Market Renewal Partnerships (the nine formally designated Pathfinders and the three additional areas) was prepared by Professors Philip Leather and Brendan Nevin, leading experts on housing market renewal. The paper updates the substantial report **Transition to Transformation** which was published in September 2006 and sent to the then Secretary of State Ruth Kelly and other Ministers in CLG and the Treasury. The HMR Chairs had discussions with Yvette Cooper about the report and with John Healey when he was a Treasury Minister. Subsequently, at Yvette Cooper's request, **Stretching Resources** (March 2007) was published to illustrate the ways in which HMRPs were involving the private sector and securing additional investment as a result.

The update report focuses on two areas:

- First, the data on housing markets, vacancies and demographic change is updated to assess what has changed;
- second, the policy implications arising from recent government announcements are analysed.

The report draws two broad conclusions:

- first, price levels, vacancy rates and demographic data, including outmigration, show that HMR areas are changing, but the evidence is that the HMR programme is justified across all areas to reach the tipping point where success can be assured. This is particularly important to achieve long term stability as the populations in all HMR local authority districts are officially forecast to grow substantially. The report recommends more targeted and selective interventions are agreed as part of the business planning process for 2008-2011;
- second, the approach set out in the **Housing Green Paper** and the **Sub National Review** has a strong strategic fit with HMR policy with its emphasis on place-making, linkages with economic development, the importance of sub-regional partnerships and new supply to extend diversity of housing type, quality, choice and affordability. The completion of Regional Spatial Strategies by the end of 2007 will see planning policies, reinforced by the new PPS3, support new housing programmes in the core areas to add to the already substantial work on housing and environmental improvements.



MEDIA RELEASE

Issued on behalf of the HMR pathfinders

The HMR Chairs advocated in **Transition to Transformation** sustained funding support, at least at the level of the current CSR over the 2008-2011 period. This will enable the success achieved to date to be developed further with many major initiatives coming to fruition. It will also help to focus more resources over time on the most intractable problems encountered in still very vulnerable areas.

The report has been sent to Hazel Blears and Yvette Cooper as well as CLG officials. The HMR Partnership Chairs are meeting Hazel Blears on 10 October to discuss the programme and the new report.

-ends-

Brendan Nevin, co-author of the report is available for comment on 01538 369293 / 07733 305814.

The full report can be found at <http://www.bridgingng.org.uk/index.htm>

For further media information:

Bridging NewcastleGateshead
Elevate East Lancashire
Gateway (Hull & East Riding)
Manchester Salford Pathfinder
New Heartlands
Partners in Action
RENEW, North Staffordshire
Tees Valley Living
Transform South Yorkshire
Urban Living
West Lakes Renaissance

Michelle Playford, 0191 277 2665
Rachael Farricker, 01254 304568
Jacqui Gay, 01482 616287
Chris Lee, 0161 234 4821
Claire Delve, 0151 233 2661
Dawn Sexton, 0161 770 3755
Andy Tharp, 01782 232256
Jim Johnsone, 01642 264 903
Sue Paviour, 0114 273 4664
Bob Pringle, 0121 580 6740
Rob Rimmer, 01946 693241

