

## **TEES VALLEY GROWTH POINT FUNDING** **ANNOUNCEMENT 10-12-08**

Ambitious plans for improving housing across the Tees Valley have been given a £6million-plus shot in the arm today.

The Housing Minister Margaret Beckett has announced that the Tees Valley will receive £6.18million over the next two years as part of a national £605million programme to increase house building and meet the needs of local communities.

The announcement was warmly welcomed Neil Etherington, Chairman of the housing renewal organisation Tees Valley Living who stressed that, despite the current economic difficulties—especially in the housing sector—the area had to maintain its long-term objective of improving both the supply and quality of housing in the sub-region.

He explained “The award of £6.18million is one of the biggest in the country—again demonstrating of how effective the Tees Valley has become in getting our act together and winning the support we need.

“Today’s announcement is a direct result of the success of our bid, co-ordinated on behalf of Tees Valley Unlimited, for ‘Growth Point’ status, a Government initiative which aims to help areas provide the kind of housing which is vital in driving forward economic regeneration and attracting investment and jobs.

“Through Tees Valley Living we already have developed major renewal programmes in a number of our urban centres in Middlesbrough, Stockton, Hartlepool and the South Bank area, but gaining the support available through Growth Point status means we can work on initiatives to open other sites—for instance in Darlington.

“Of course, this a tough time for all parts of the housing industry but that doesn’t mean we should be standing still. The funding available over the next two years will enable us to take action now which can encourage developments for the future—such as the infrastructure improvements needed to open up new housing areas.”

Added Tees Valley Unlimited Chairman Hugh Lang “If we are to deliver our ambitions for regenerating our area we need to significantly boost our housing programme—providing the right mix of homes to meet the needs of all sectors of the community and looking at ways in which we can ensure that people have access to homes they can afford.

“We do face a considerable task—the evidence shows that there are major concentrations of houses which no longer meet the requirements of the local

community or people potentially moving into the area. Transforming our housing supply has to go hand-in-hand with all our other regeneration work and thanks to bringing all the key partners together through organisations such as Tees Valley Unlimited and Tees Valley Living we are in a good position to make that happen.”

For further information, see below Communities and Local Government announcement.

For further enquiries, please contact Tees Valley Living.

## £605m for Local Authorities with plans for housing growth

**Published** 10 December 2008

Housing Minister Margaret Beckett has today announced a £605 million allocation to 163 local authorities with long-term plans to increase house building to meet the needs of their communities.

Despite the current condition of the housing market, the long-term need to build more homes remains - the population is continuing to grow, people are living longer, and there are more single households.

Over the next two years this money will enable local authorities with ambitious plans for growth to invest in the essential services that need to accompany the building of new homes, from transport links and schools to the regeneration of town centres and the provision of parks and other green spaces.

Housing Minister Margaret Beckett said:

"In these difficult economic times we must not lose sight of the long-term need to build more homes. Yet if the support for these new homes is not in place, their construction will be delayed when we need them most, hampering the economy's recovery. This means we need to be investing today in tomorrow's infrastructure, while allowing local authorities to decide their own local priorities for spending this money. Today's announcement delivers on both fronts.

"This money is targeted at those local authorities with the most ambitious growth plans. As well as helping to build the new homes we need, it will ensure we have the support and infrastructure in place so that these homes become part of the existing community, not a burden on their resources."

Sir Bob Kerslake, chief executive of the Homes and Communities Agency said:

"This funding will play a significant part in helping growth areas deliver not only more homes, but the vital infrastructure that is needed to underpin new communities. Through our Single Conversation model we will be working closely with these local authorities to support them, not only in the delivery of growth, but to create a single investment plan that will successfully bring forward local goals in a more integrated way.

"As part of that Single Conversation we will be looking at how the economic downturn might impact on the timing and delivery of growth proposals and how the HCA can assist in maintaining and, where possible, increasing the momentum of growth and renewal programmes locally."

The £605m Growth Fund will be one of the funding streams managed on behalf of Government by the new Homes and Communities Agency. It is in addition to the £227m already paid out for the current year, and completes an overall investment package of £832m for these local authorities.

£12m of this will be made available specifically to help some of the growth authorities develop exemplar schemes in response to climate change, specifically supporting the delivery of government targets on carbon reduction, waste reduction and flood mitigation. Such solutions may take the form of site or area-wide proposals that deliver new communities with innovative approaches to providing low carbon energy supply and other environmental technologies that may serve a single site or number of potential development sites. The HCA will support local authorities in bringing forward costed proposals that draw on best practice, and to encourage sharing of expertise and will also advise Communities and Local Government on the viability and deliverability of successful proposals coming forward. Details for this scheme will be announced next year.

In addition to the investment announced today, we will also soon be announcing which of these local authorities will get a share of £200m to pay for transport improvements through the Community Infrastructure Fund, also managed by the Homes and Communities Agency.

Nationally the Homes and Communities Agency will be working with local authorities to maximise the alignment of funding to area-wide objectives that serve existing and emerging local and regional strategies; and to ensure that projects create the capacity for strategic growth as well as also meeting local needs.

## Notes to editors

1. The 163 local authorities with Growth Point or Growth Area status have signed up to deliver 1.3m new homes by 2016, 30 per cent more than previously planned. A full list of awards by local authority is available at annex A:

- [Annex A - Growth Fund allocations for 09-10 and 10-11](#)  
MS Word, 864 kb, 9 pages

2. The £832m Growth Fund allocations are part of the Growth Areas and Growth Points programmes. More information can be found here: [www.communities.gov.uk/housing/housingsupply/growthareas](http://www.communities.gov.uk/housing/housingsupply/growthareas).

3. This announcement follows the December 2007 announcement of £224m allocated in 2008/9 with indicative awards of £336m for 2009/10/11. Today's announcement confirms the 2009/10 and makes provisional awards for 2010/11. It includes the £172m which was held back to be distributed following the Growth Fund consultation and the £100m announced in July for the second round Growth Points. Government's response to the consultation can be found at: [www.communities.gov.uk/publications/housing/growthfundresponse](http://www.communities.gov.uk/publications/housing/growthfundresponse).

4. This funding comes with increased flexibility for local authorities. Instead of funding individual projects, the Growth Fund provides non-ringfenced block funding to local authorities and partnerships based on an assessment of their Programmes of Development. As a non-ringfenced grant, with the exception of reflecting the split between capital and revenue there will be no grant conditions about how or when it is spent. It is for local authorities to prioritise how the funding is used in their area.

5. The Government and the HCA will also shortly be announcing the results of the bids for funding from the Community Infrastructure Fund, run jointly with Department for Transport, for £200m for transport schemes to support housing growth projects. Taken together this makes a total of over £1bn for housing growth over the next three years. Since 2003, Communities and Local Government has provided over £1.5bn to support delivery to the Growth Areas and Growth Points complemented by £2.2bn of transport spending from DfT.

## **Media enquiries**

Visit our [newsroom contacts page](#) for media enquiry contact details.