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CLÉS bulletin is a topical summary of articles which have appeared in the professional press. Its aim is to provide a pithy précis of a subject area, drawing out the specific and common issues raised in the individual articles.

CLÉS Bulletin No. 2

The Comprehensive Spending Review 2002

The Comprehensive Spending Review 2002 has provoked responses from a number of disciplines in the recent press, including housing, planning, regeneration, public finance and the urban environment. This **cles bulletin** looks at those responses, showing how the Spending Review has affected each of these areas.

New Start¹ looks at the regeneration plans announced in the wake of the spending review, covering housing, planning and urban regeneration. It outlines the proposals in the spending review and discusses how they are likely to affect the Government's plans to build sustainable communities, particularly through housing and affordable homes, suggesting that it is more about alleviating the effects of the overheating of the south-east than about creating jobs and wealth in the regions. Concerns are raised over the increased pressures on the already strained public transport system.

New Start also features responses from a number of people involved in regeneration and similar fields, including the director of Room, who is

pleased with the recognition of the problem of affordable housing but still fears that the review will not deliver. The Chair of the Institution of Economic Development, and the Secretary for the Campaign for English Regions are mostly happy with the spending review but again, maintain uncertainties about the delivery of renewal in these areas.

Planning² magazine expresses the views from the planning community, welcoming the £350 million committed to the planning authorities through the spending review in the form of the planning incentive grant. However, *Planning* raises concerns that the grant may lead to some unfairness, as the rewarding of the money will be linked to an improvement in performance.

Planning asks whether or not the new money is enough, but conveys the overall favourable attitude in the sector that the money given will allow planning authorities to now be able to process applications more quickly, than has hitherto been the case.

Inside Housing³ suggests that generally, the spending review may not have delivered as much as had been anticipated and approaches the subject from a regional angle, with counterbalancing responses from housing officers in the north and from a housing professional in the south.

The North

The housing officers in the north express their approval of the Government backing for the nine market renewal pathfinder projects, and they set out their hopes that the spending review's proposals will allow sufficient flexibility with funding to cope with the extremes of housing markets in the north, from the hotspots wrestling with affordability to the failing urban neighbourhoods.

The South

The focus in the south, however, is on concerns over delivery, suggesting that the improved prioritising of housing is excellent but that it may take longer than hoped for any promises to be realised. It is argued that, although the statement made by the Chancellor was timely and welcome, making the proposals a reality is a much harder task.

1 Downer, Susan et al Bricks and mortar *New Start* 26 July 2002 pp.12-13

2 Dewar, David Increased funding at a price *Planning* 26 July 2002 p.8

3 Fyfe, Stephen; Watkinson, Judi and Irvine, Michael Both sides of the coin *Inside Housing* 26 July 2002 pp.18-19

Housing Today⁴ looks at the implications of the spending review on the current housing crisis and focuses on the Deputy Prime Minister's figure of 200,000 new homes as a target for the Spending Review monies. *Housing Today* highlights, however, that he did not promise all those homes would actually get built, or that they would be affordable.

Housing Today looks at the issues by asking six key questions:

1 Where will the 200,000 homes go?

In answering it looks at areas mentioned which might support the new housing including the Thames gateway, Milton Keynes, Stansted in Essex and Ashford in Kent.

2 Can those areas cope?

Here it looks at the planning system and improving infrastructure.

3 How far the extra money will stretch?

Housing Today raises concerns that the money will only be available in the four growth areas, and suggests that the allocation of the review money will determine its success.

4 Will developers play ball?

The fourth question addresses the skills shortages in relation to developers, pointing out that the review can do nothing to change this.

5 Who will manage the homes?

The penultimate question reveals that many housing associations are sceptical about how much money they will get.

6 Which agency is likely to be in charge?

Finally *Housing Today* looks at the possibilities with regards to which agency might take charge.

Public Finance⁵ considers the spending review in relation to its effect on social services. Although social services are now getting a major boost in spending, *Public Finance* suggests that it will not be enough to meet the sheer scale of the

demand and the growing expectations of the public.

Public Finance also looks at the long history of serious funding deficiencies in this area, arguing that, although the additional provision through the spending review is to be welcomed, it will not fundamentally alter the long-standing dilemma facing social services authorities of chronic under funding and staff shortages. It suggests that new thinking is needed to break through the funding problems and goes on to look at a new report, which suggests that collaboration and joined up thinking is the key to using Government resources effectively and addressing the problems faced by the sector.

Urban Environment Today⁶ (*UET*) reports on the major expansion in programmes aimed at improving the quality of the urban environment and the measures to facilitate their delivery as set out in the Spending Review.

UET provides us with a descriptive article, detailing the funding amounts allocated to each of the areas covered in the spending review, specifically neighbourhood renewal, housing and regional development, acknowledging the fact that they are the major winners in the Comprehensive Spending Review.

UET also provides us with some positive reactions from Yorkshire Forward, the London Development Agency and the Empty Homes Agency who are pleased with the Government's recognition of the housing problem and the new responsibilities for RDAs, which will allow them to deliver a joined up approach to delivering improvements.

The extra investment committed to each area in the 2002 Comprehensive Spending Review has been universally welcomed and each of the fields seem happy that they have received the desired recognition and subsequent allocation of funding, however, there is still some scepticism about the work that still needs to be done to ensure successful delivery, and it is clear that each sector believes that it will take more than extra money from the Government to make any significantly effective changes.

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4 Beveridge, Mark Question time *Housing Today* 25 July 2002 pp.16-17

5 Baker, Michael Care to Connect *Public Finance* 2-8 August 2002 pp.24-25

6 Prescott given new cash and powers for urban renewal *Urban Environment Today* 25 July 2002 p.8