

Annual Report **2004/05**



www.newheartlands.co.uk

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Chairman's Comments

Chairman's Comments

I have enjoyed working with colleagues throughout a testing, interesting and ultimately satisfying year leading one of the highest profile pathfinders in the HMR programme. From the outset we knew that restructuring the housing market on Merseyside would test our creativity, capacity and commitment and this has proven to be the case on a number of occasions in the last twelve months.

We have encountered a host of new issues and challenges and have been asked to find different, and at times innovative, ways of working. Our response has been to expand our research programme and build our knowledge and evidence base; to strengthen our delivery and governance structures; to find new ways of engaging with stakeholders; and most importantly, to listen to local communities so that what is delivered on the ground reflects their needs and aspirations.

Over the last two years we have made a good start and there is hard evidence of this in the new homes being built in Liverpool, Sefton and Wirral and the implementation of vital programmes to assist people affected by the transformational change that is required. These include 'Living Through Change' and Financial Support For Homeowners. But this really is only the beginning. As we move increasingly from the planning to the delivery phase of HMR, we know that we will meet further challenges and the abilities, skills and determination of everyone involved will need to be maintained and performance improved.



Chairman's Comments

The high profile I referred to earlier is an inevitable consequence of working in a cityregion with a rich and varied history and a very promising future. Profile however carries a price. This year we have seen commentators and critics from all corners of the country having an opinion on our programme, what we should do and when we should do it.

The good news is that as an open, inclusive organisation we welcome advice, feedback and constructive criticism, particularly from those who share our aim of building sustainable communities. I will confess however to occasionally experiencing some exasperation when faced with biased, uninformed and wilfully destructive misreporting of a regeneration programme that means so much to the future quality of life of Merseysiders.

We have made significant progress in this last year and that is a testament to the people involved in HMR. I would like to offer my personal thanks for all that they have done so far. We are determined to learn the valuable lessons, both positive and negative, from previous regeneration programmes, and will continue to work with our delivery partners and local communities to deliver sustainable communities on Merseyside.



Chairman's Comments

In June 2005 we hosted a stakeholders conference titled "HMR: No-one Said It would Be Easy". The feedback from delegates to the conference, and our own experience to date, demonstrates how true this is and the challenges of working in uncharted territory. But this is a long term programme and I am confident that with the continued support of the Government, our partners and local communities we can move forward and deliver our promise to create neighbourhoods for the future.



John Glester.





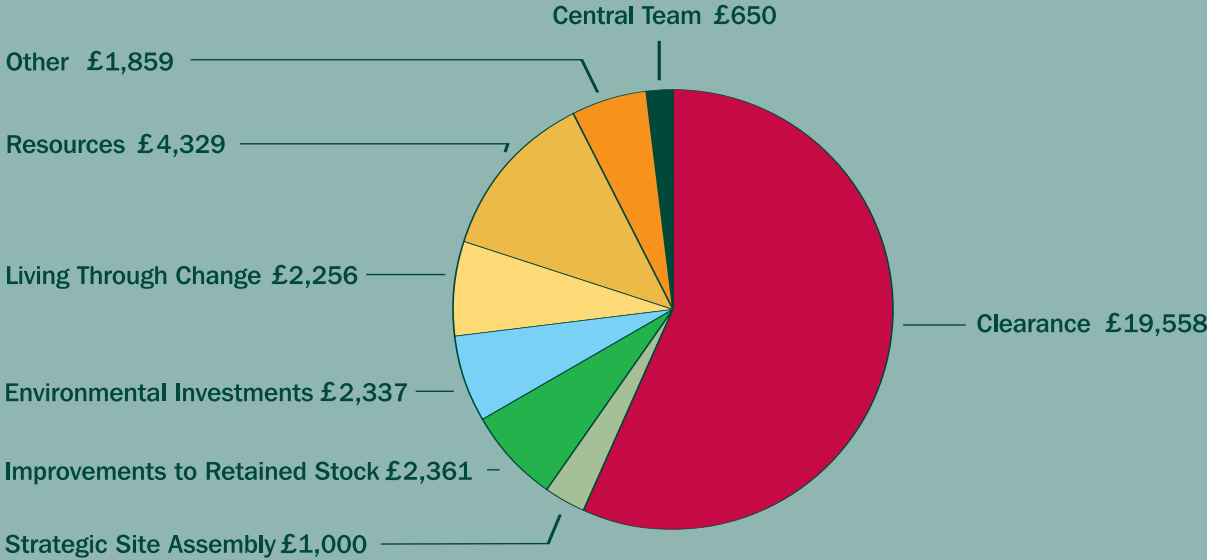
Section 1

Progress

Progress

Investment & Outputs

In the year to 31 March 2005 NewHeartlands invested £34.35 million to support major projects across Merseyside. Although the majority of output targets were achieved (see section 2), property inflation above the estimated rate meant that fewer units than forecast were acquired in the calendar year.



No's in 000's

NewHeartlands Total £34,350,000



Progress

Planning For the Future

Working closely with a variety of stakeholders including local communities, housing associations and developer partners, the HMR delivery teams have completed Neighbourhood Renewal Assessments/Masterplans for:

Liverpool

- Anfield/Breckfield
- Kensington
- Lodge Lane*
- Picton
- Princes Park

Sefton

- Klondyke
- Queens/Bedford

Wirral

- Birkenhead
- Rock Ferry
- Tranmere

These documents are based on extensive consultation with our stakeholders and are the investment template for the neighbourhoods over the next five to ten years.

* NRA scheduled for completion late Summer 2005.



Progress

Stakeholder Engagement

Extensive consultation is the cornerstone of HMR on Merseyside. This is illustrated at a community level by the range of techniques employed to engage and involve local people in the delivery of HMR. Typically these include:

- Public meetings
- Postal & door to door surveys
- Workshops & feedback events
- Newsletters
- One to one briefings

Equal attention is paid to enlisting the support and commitment of other stakeholders. We have Board level representation for strategic partners including, LSP's English Partnerships, NWDA and the Housing Corporation and our housing association and developer partners each have their own forum through which they can contribute to the development of strategy and planning and raise issues of concern.

Governance

NewHeartlands has made significant progress with regard to corporate governance in the last year. New Board members have been recruited to extend the collective experience and expertise and targeted training programmes have been delivered to support them. Other changes include improvements to options and project appraisal and better risk management to enhance the strategic engagement of Board members.



Section 2

Core Data

Core Data

The ODPM uses the table of core indicators below, comprising inputs, outputs and outcomes, to assess the progress of the Pathfinders. In addition NewHeartlands has determined a set of strategically significant local outputs and outcomes, which it will report on in future years.

Inputs

ID	Description	NewHeartlands
ODPM A10	HMR funds drawn down by the Pathfinder.	£34.35 million
ODPM A20	The number and total cost of staff involved in the management or administration of the MR programme, financed by HMRF grant.	50 staff £1,909,255
ODPM A30	Total additional costs of projects and activities financed by HMRF grant which are directly related to the management or administration of the MR programme.	£4,329,681
ODPM A41	Total public sector finance directly levered into HMRF projects and activities.	£22,627,473
ODPM A42	Total public sector housing finance within the pathfinder intervention area, but which is not levered into HMRF projects.	£38,184,419
ODPM A43	Complementary regeneration (but non-housing) public sector finance within the pathfinder intervention area, but which is not levered into HMRF projects.	£71,287,594
ODPM A44	Total private sector finance directly levered into HMRF projects and activities per year.	£10,136,357



Core Data

Inputs

ID	Description	NewHeartlands
ODPM A45	Total private sector housing finance within the pathfinder intervention area, but which is not levered into HMRF projects.	Not available
ODPM A46	Complementary regeneration (but non-housing) private sector finance within the pathfinder intervention area, but which is not levered into HMRF projects.	Not available
ODPM A50	The average construction cost (per home) for construction contracts completed during the year by tenure.	RSL £62,605
ODPM A60	The average demolition cost (per home), for demolition contracts completed during the year by tenure.	Private £2,628 RSL £2,628
ODPM A70	The average cost (per home) of refurbishment, reparation or improvement for contracts completed during the year by tenure (for homes included in B30 below).	Private £456 RSL £741 Council £436



Core Data

Outputs

ID	Description	NewHeartlands
ODPM B10	The total number of homes constructed or converted by tenure.	All homes Private 1476 # RSL 484 Council 0 Total 1960
	# 50% of the private homes constructed are estimated to be in Liverpool City Centre.	HMRP financed Private 0 RSL 6 Council 0 Total 6
ODPM B11	The total number of new homes/conversions that are occupied for the first time by tenure.	All homes Private 1035 RSL 455 Council 0 Total 1490
		HMRP financed Private 0 RSL 6 Council 0 Total 6



Core Data

Outputs

ID	Description	NewHeartlands
ODPM B20	The total number of homes refurbished or repaired to the Decent Homes Standard by tenure.	Private 107 RSL 7 Council 0 Total 114
ODPM B30	The total number of homes refurbished, repaired or otherwise improved but not to the Decent Homes Standard by tenure.	Private 2007 RSL 179 Council 146 Total 2332
ODPM B40	The total number of properties demolished, by tenure.	All properties including homes 542
		All homes Private 110 RSL 100 Council 304 Total 514
		HMRI financed Private 99 RSL 33 Council 0 Total 132



Core Data

Outputs

ID	Description	NewHeartlands
ODPM B50	The total number of properties acquired, by tenure, for Pathfinder purposes.	All properties including homes 683
		All homes Private 386 RSL 293 Council 4 Total 683
ODPM B51	The total number of properties owned by any party for Pathfinder purposes, awaiting demolition on 31 March 2005.	All properties including homes 1015
		All homes 1015
ODPM B60	The total number of households receiving an additional management intervention during the year.	5730



Core Data

Outputs

ID	Description	NewHeartlands
ODPM B70	The total number of homes directly benefiting from each type of physical (but non-housing) works on land and built environment during the year.	50,049
ODPM B80	A count (in hectares) of the land acquired during the year and the land which remains in the possession of the pathfinder at the end of the year.	Land acquired 8.782 ha Land remaining 8.782 ha
ODPM B81	A count (in hectares) of land made available for final use (all types) during the year.	None

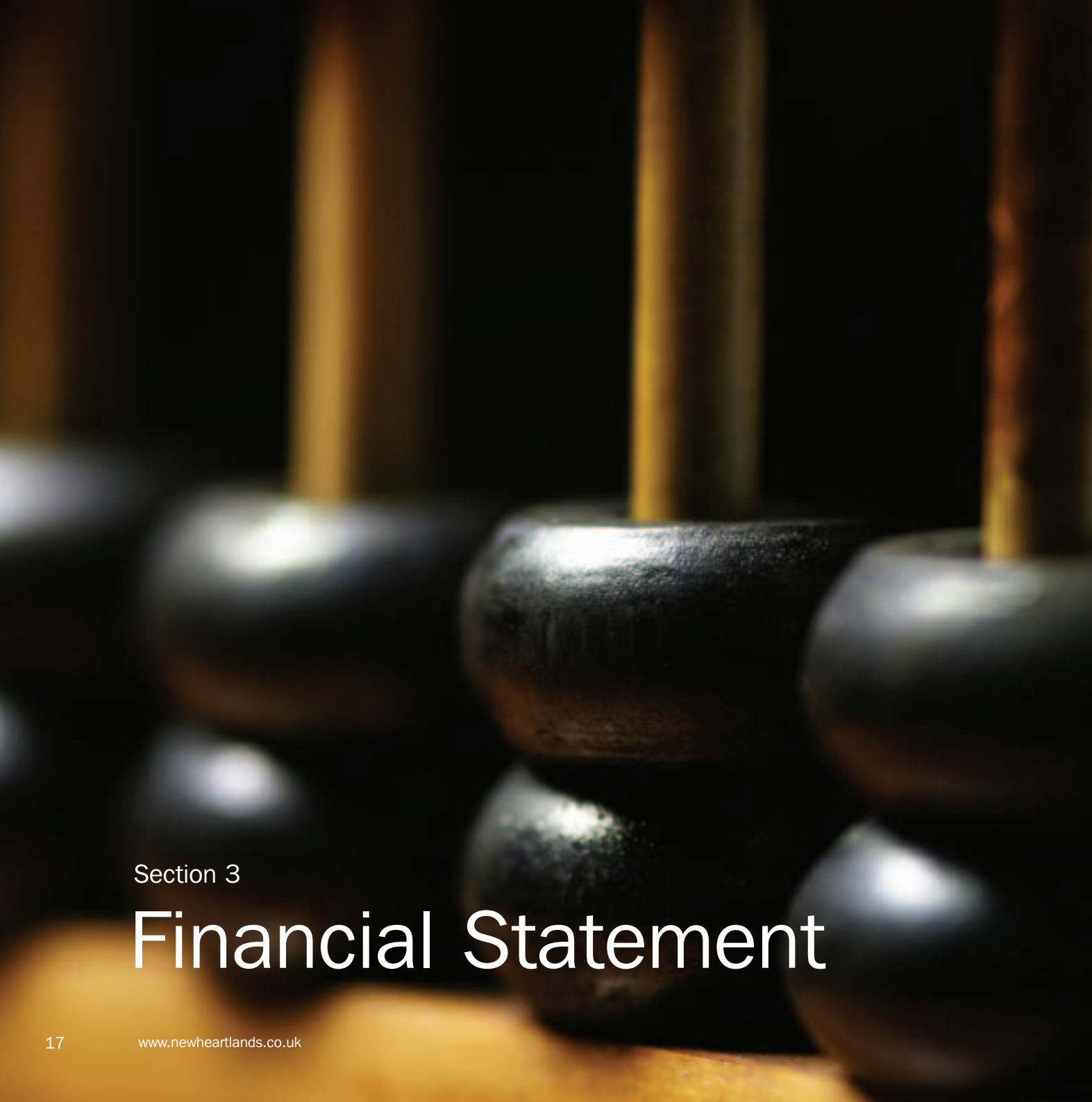


Core Data

Outcomes

ID	Description	NewHeartlands		
ODPM C10	The number and percent of homes in the intervention area vacant for more than 6 months, by tenure, on 31 March.	Private	6128	7.9%
		RSL	1568	5.1%
		Council	593	4.2%
		All	8289	6.8%
ODPM C20	The number and percentage of homes in the intervention area subject to low demand, by tenure, on 31 March.	Private	26,618	34.3%
		RSL	7,157	23.3%
		Council	3,624	25.4%
		All	37,399	30.5%
ODPM C30	The number and percentage of low value house price sales in the intervention area in comparison to regional house prices in the 25th, 15th and 5th percentiles per quarter.	ODPM to provide updates to all Pathfinders		
ODPM C40	Area popularity.	ODPM to propose approach		
ODPM C50	The net change in housing dwelling stock in the pathfinder intervention area by tenure, during the year. # 50% of the private homes constructed are estimated to be in Liverpool City Centre.	Private	1752 #	
		RSL	88	
		Council	222	





Section 3

Financial Statement

Financial Statement

Financial Statements 04/05

	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04
Claimed	£619,380	£206,990	£569,501	£2,585,669	£2,793,902	£3,118,001
Cumulative	£619,380	£826,370	£1,395,871	£3,981,540	£6,775,442	£9,893,443
% of Budget Claimed	1.8%	2.4%	4.1%	11.6%	19.7%	28.8%

	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05
Claimed	£4,174,715	£3,639,045	£2,899,145	£4,323,494	£4,098,840	£5,321,317
Cumulative	£14,068,158	£17,707,203	£20,606,349	£24,929,843	£29,028,683	£34,350,000
% of Budget Claimed	41.0%	51.5%	60.0%	72.6%	84.5%	100.0%





Section 4

Challenges

Challenges

The task of restructuring the housing market across Merseyside inevitably brings with it a variety of challenges. Since its inception in 2003 NewHeartlands has developed an effective mix of strategic, tactical and operational responses to these challenges enabling the Pathfinder to make substantial progress towards achieving its vision of creating neighbourhoods for the future.

However, we exist in a dynamic environment with a range of factors influencing our ability and capacity to achieve our goals. These factors change over time and we have to adapt and evolve, developing appropriate models and tools to maintain and extend our progress. Over the next three to five years we expect the following issues to be high on our agenda as we move forward the programme to restructure the housing market on Merseyside.

Market Intelligence

The current NewHeartlands Prospectus and delivery plan are built on a programme of targeted interventions and effective investment. Extensive research was conducted to inform these documents employing primary and secondary techniques to achieve a holistic view of the housing market across the sub-region. In preparation for the Scheme Update 2005, work is underway to increase the information and knowledge bases available to the Pathfinder. We have improved the range and detail of data sources to facilitate enhanced analysis of the intelligence and inform the Scheme Update and future programmes. Specific areas under consideration include:

- Housing Market Drivers
- Population Growth Forecast
- Actual & Potential Housing Supply
- Residents' surveys
- Potential Displacement Effects



Challenges

In the longer term, our objective is to establish a market intelligence system that can draw down and use data from a variety of sources, Sources will include stakeholder partners and third party research organisations to further improve the sensitivity of the analysis and refine investment decisions.

Strategic Alignment & Commissioning

Action to achieve alignment between HMR and related strategies currently takes place with key stakeholders at both a local and sub-regional level. These relationships will be developed and cemented as the HMR programme evolves through joint working on a range of sub-regional initiatives such as the ongoing market intelligence/research project. This approach will deliver synergies in terms of project funding and outcomes and support further strategic commissioning across the Pathfinder.

Community Engagement

A failure to engage local communities in the pathfinder programme would seriously undermine the potential for delivery. Addressing this challenge demands a proactive, ongoing commitment to consultation and communication and a willingness to deliver unpalatable messages where necessary. Equally important is a determination to overcome 'initiative cynicism' by offering residents an opportunity to actively engage with the process of market renewal and turning renewal assessments and masterplans into real neighbourhoods for the future.



Challenges

Media Profile & Place Perception

NewHeartlands has been the focus of significant media attention at a local, regional and national level in recent months. This is likely to continue as the delivery programme picks up pace, placing more strain on the structures and working relationships that have been established with stakeholder colleagues. In response, work is currently underway to increase direct capacity within the Pathfinder and to extend the broader communications network. In the short to medium term, the intention is to develop the existing communications hub enabling NewHeartlands to engage the media proactively and promote the benefits of HMR to the wider audiences.

The perception of the Pathfinder area will play a major part in determining our success in building sustainable communities. This was recognised in the funding allocated to the 'Living Through Change' programme and we are now looking to the future. As HMR takes shape on Merseyside we will be actively promoting the benefits and choices available to residents who choose to remain, or move to, NewHeartlands' neighbourhoods.





Section 5

Contact Us

Contact Us

If you would like further information regarding HMR on Merseyside please contact NewHeartlands or any of the delivery teams identified below.

NewHeartlands Core Team

Pauline Davis, Managing Director
Pauline.davis@newheartlands.co.uk 0151 233 2660

Martine Corrigan, PA to the Managing Director
Martine.corrigan@newheartlands.co.uk 0151 233 2660

Dave Farley, Programme & Finance Manager
Dave.farley@newheartlands.co.uk 0151 233 2652

Danny Byrne, Finance Officer
Daniel.byrne@newheartlands.co.uk 0151 233 2663

Sarah Hebron, Programme Manager
Sarah.hebron@newheartlands.co.uk 0151 233 2653

Bill Field, Programme Manager
Bill.field@newheartlands.co.uk 0151 233 2653

Craig Bramwell, Policy & Strategy Manager
Craig.bramwell@newheartlands.co.uk 0151 233 2654

Peter Flynn, Communications Manager
Peter.flynn@newheartlands.co.uk 0151 233 2661

Jo Barlow, PA/Admin Assistant
Jo.barlow@newheartlands.co.uk 0151 233 2650

Local Delivery Teams

Liverpool
Nicky Edwards
Nicky.edwards@liverpool.gov.uk 0151 225 4035

Sefton
Debbie Meadows
Debbie.meadows@hmr.sefton.gov.uk 0151 282 5191

Wirral
Chris Bowen
Chris.bowen@wirral.gov.uk 0151 691 8198



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NewHeartlands
1st Floor North House
17 North John Street
Liverpool L2 5QY

0151 233 2661
www.newheartlands.co.uk