

**BRIEFING NOTE****TO: Corporate Services Scrutiny Panel****Re: Regional Housing Allocation 2006/07****Purpose**

This note provides further detail in relation to discussion at the previous meeting. The note outlines Walsall Council's housing grant allocation for 2006/07 compared with other West Midlands authorities.

**Background Information**

In January 2006 the Government announced its intention to remove funding of private sector / non council owned housing from RSG and replace it with a capital grant.

Based upon the 2005/6 supported borrowing allocation, a figure of £3.4m was included in the capital programme as this seemed to be a reasonable estimate of likely grant. However, on 27 March 2006 (after the budget had been set) we received email confirmation that the allocation for Walsall would be only £1.468m. This was 60% below the allocation for 2005/6

**West Midlands Allocations**

As a comparison, the table below details the allocation for the current and preceding years for the West Midlands metropolitan authorities. It is not clear why some authorities have gained/lost out so much. The allocation was made in line with the West Midlands Regional Housing Board strategy based on the priorities identified in the 2005 Regional Housing Strategy.

<b>Authority</b>	<b>2005/06 supported borrowing allocation £m</b>	<b>2006/07 grant allocation £m</b>	<b>% change</b>
Birmingham	35.082	20.250	-42.28%
Coventry	5.131	2.575	-49.81%
Dudley	3.212	0.283	-91.19%
Sandwell	8.837	11.358	28.53%
Solihull	1.343	1.343	0%
Walsall	3.671	1.468	-60.00%
Wolverhampton	7.473	4.058	-45.70%
<b>Total</b>	<b>64,749</b>	<b>41,335</b>	<b>-36.16%</b>

The 2007/8 allocation has not been published, but GOWM have indicated that total resources available will reduce even further next year.

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