

# CUMBRIA ECONOMIC STRATEGY 2008 – 2028

## HOUSING

### STRATEGY ACTION PLAN NO. 8

#### Purpose

The purpose of this Strategy Action Plan is to bridge the gap between the strategy as outlined in the Economic Plan and the delivery of the actions which will be outlined in the next Sub-regional Action Plan (due for release in December 2008). Each document accordingly takes a long term view when seeking to provide clarity and strategic prioritisation to an otherwise 'wish-list' of projects and programmes.

It should be noted that these Strategy Action Plans are progressive documents which look up to 20 years ahead; but which nonetheless focus on providing, where possible and evidenced, hard targets and economic impact over the next 10 years. The Strategy Action Plans thus begin to describe a future Cumbria and show, through aspiration, what the spatial impact of the Economic Plan could be across the 4 distinct delivery areas in the County: Barrow, Carlisle, West Coast, South Lakes and Eden.

Whilst these Strategy Action Plans acknowledge existing Cumbrian strategies, they try to reflect the impacts of an aspirational level of future economic growth. Each document is therefore deliberately challenging and ambitious, yet remains non-prescriptive in nature.

The plans attempt to identify the impacts and inter-relation between other closely linked priority industry sectors and assess the cumulative effects on cross-cutting themes highlighting, for example, how the spatial patterns of growth may necessitate the provision of appropriate housing, connectivity, employment land etc, and thereby examining whether current strategies could meet requirements in terms of employment, skills, infrastructure and the like, if we were to grow in accordance with our aspirations.

A significant amount of debate has already taken place to get to this point and we now open up the floor for full public discussion of the themes and actions highlighted by each Strategy Action Plan.

Whilst all comments are welcome, we would appreciate, in particular, comments which will aid in the prioritisation of the key actions. For example: "What do you think would or would not work?" "Where should we be focusing most of our attention?" "What key actions would achieve the greatest results or which would bring little benefit?"

#### The Vision

***"Our vision is that Cumbria will have balanced housing markets where both local people can afford to find a home and new key workers can relocate to support the economic changes that the County will undergo over the next twenty years."***

## Table of Contents

- 1 Executive Summary**
  - The Vision – Where are we going
  - The Current Situation
  - The Goals ... What will Cumbria Look Like in 10 – 20 years time
  - The Key Actions
  
- 2 Overview**
  - 2.1 The UK Context
  - 2.2 The North West Regional Context
  - 2.3 The Cumbrian Context
  
- 3 Strategy**
  - 3.1 Vision
  - 3.2 Priorities for next 10 – 20 years
  
- 4 Priority Actions**
  - H1 Provide Sufficient New Homes
  - H2 Provide Affordable Homes
  - H3 Create Decent Homes
  - H4 House the Homeless
  - H5 Regeneration
  
- 5 Delivering the Strategy: Action Plan**
  - H1 Provide Sufficient New Homes
  - H2 Provide Affordable Homes
  - H3 Create Decent Homes
  - H4 House the Homeless
  - H5 Regeneration

## 1 Executive Summary

### The Vision

*“Our vision is that Cumbria will have balanced housing markets where both local people can afford to find a home and new key workers can relocate to support the economic changes that the County will undergo over the next twenty years.”*

### The Current Situation

**Across the County** Cumbria needs to build at least 1,800 housing units per annum. In 2004/05 only 1,400 units were completed (77% of target). The average house price in Cumbria was £161,360 in 2006. This is about £8,000 more than the North West average. Overall house prices across Cumbria have increased by 215% between 2000 and 2006.

**Barrow's** current housing market is characterised by a high proportion of older terraced properties, which offer limited housing choice in terms of type and size. There has been an increase in the number of privately rented properties over the past few years. Affordability is not seen as a major problem.

**Copeland and Allerdale** in West Cumbria has a mixed housing stock although generally much of the stock is in a poor condition and is therefore seeing significant public sector intervention through the Housing Market Renewal programme.

**Carlisle** also has a mixed housing stock. Carlisle's house prices remain comparatively low compared to the national average, although over the past two or three years the rate of house price increase has matched the national average.

**Eden and South Lakeland** have house prices above the national average and in most areas have significant affordability issues for first time buyers and in some areas especially the Lake District National Park for low and middle income households.

### The Goals – What will Cumbria look like in 10 – 20 years time

**New housing developments are in line with new and changing demand** and the need for housing to support the social and economic development of Cumbria in line with the agreed Economic Strategy through to 2028.

**There is an adequate supply of development land**, which balances the use of Greenfield and Brownfield sites, for developers to meet needs for new housing both now and in the future.

**House price inflation is not excessive** when compared to other areas and is not out of line with income growth.

**There are no areas of collapsing house prices** and low demand for rented housing.

**Waiting lists for housing association and council homes are low**, such that people in housing need do not have to wait for an unreasonable time for a suitable home.

The housing market is not distorted by an excess proportion of holiday homes, second homes and investment properties.

## The Key Actions

### 1 Provide sufficient new housing development between 2008 and 2016.

Delivery Area	Current Housing Stock	New Housing required 2008 - 2016	% Increase in Housing Stock	Average new houses per year
Barrow	30,528	1,934	6.3%	241
Carlisle	46,125	6,337	13.7%	792
Eden and South Lakeland	70,837	8,145	11.5%	1,018
West Cumbria	74,012	8,123	11.0%	1,015
<b>CUMBRIA</b>	<b>221,502</b>	<b>24,781</b>	<b>11.2%</b>	<b>3,097</b>

### 2 Provide sufficient affordable housing between 2008 and 2016.

Delivery Area	New Housing required 2008 - 2016	% of affordable housing	No of affordable houses required 2008 - 2016
Barrow	1,934	20%	387
Carlisle	6,337	30%	1,901
Eden and South Lakeland	8,145	50%	4,072
West Cumbria	8,123	25%	2,031
<b>CUMBRIA</b>	<b>24,781</b>	<b>33%</b>	<b>8,178</b>

### 3 Linking new housing development with Economic Regeneration.

Taking into account 1) housing as the place where workers live (housing and labour markets) 2) housing as a key part of the place making process (housing in the community) and 3) the macro-economic role associated with housing and the construction sector. Cumbria Vision have assessed the likely growth in employment in Cumbria over the next ten years using the Experian Economic Forecasting model and assesses the need for total new housing and the different types of housing required in the different parts of Cumbria between 2008 and 2016.

#### Note:

- 1 These housing forecasts are based solely on the predicted employment growth outlined in Strategy Action Plans 1 – 6. These forecasts do not consider the need for additional housing as a result of the predicted continuing reduction in household size, any non employment related in-migration, any predicted demographic change within the current population and any changes in the predicted replenishment of the existing housing stock. As a result, these forecasts are not consistent with any current housing forecasts currently under review through the Strategic Housing Market Assessments and are solely for the period 2008 -2016 and do not run through to 2021 as currently outlined in the Regional Spatial Strategy.

- 2 **The housing forecasts shown below do include an element of new housing within the Lake District National Park. However these are not shown separately within the Table but are contained within the housing forecasts for Eden and South Lakeland as well as West Cumbria.**

## 2 Overview

### 2.1 UK context

Homes are the building blocks of our communities. They affect our health, our wealth, and our opportunities for happiness. Everyone should have access to a decent home at a price they can afford, in a place where they want to live and work. Good quality, affordable housing enables stable and secure family lives: we are all healthier, happier and wealthier when we have decent homes close to schools, healthcare and transport links.

Good housing can also improve our social, environmental and economic well-being. It helps create better communities that can attract investment and skilled workers. And getting the design right can also improve the environment and reduce our carbon footprint. Housing is critical to Britain's future – strategic decisions made today will make a crucial difference to the lives of generations to come.

#### **Housing growth since 1997**

Since 1997 housing has improved for many people. There are over one million more house owners now than in 1997. In addition through public sector investment, social housing now has over 1 million fewer non-decent homes and the number of private sector vulnerable households living in non decent homes has been reduced by over 300,000. Public sector investment has also helped improve demand for homes in some previously blighted urban areas.

#### **Housing Challenges for today**

But we face new challenges today. Demand for homes to buy or rent is growing faster than supply. And as house prices have grown faster than wages, it is becoming increasingly difficult for young people to get a step on the housing ladder. And the challenges of climate change mean we need to provide greener, better-designed housing for the future.

The Government produced a Green Paper entitled "Homes for the Future: more affordable, more sustainable" published in July 2007 and this sets out the Government's proposals to improve the housing fabric of our society. The Government will work with partners to provide:

- More homes to meet growing demand;
- Well-designed and greener homes, linked to good schools, transport and healthcare;
- More affordable homes to buy or rent.

#### **The first challenge is to provide more homes**

Housing supply has increased substantially in the last few years and is now at its highest level since the 1980s, but supply is still not keeping up with rising demand from our ageing, growing population. While the housing stock is growing by 185,000 a year, the number of households is projected to grow at 223,000 a year, many of them people living alone.

**That is why the Government is now setting a new housing target for 2016 of 240,000 additional homes a year to meet the growing demand and address affordability issues.** The level of housing supply needs to increase over time towards this target and the Government believes that a total of three million new homes are needed by 2020, two million of them by 2016. The Government's proposals assume that housing supply will rise over time towards the 240,000 per year target in 2016, delivering approximately two million new homes by 2016 and continuing at around 240,000 homes per annum over the next four years to deliver an extra million new homes by 2020.

The two million new homes that will be delivered by 2016 will include the following:

- **1.6 million homes are already in existing Regional Spatial Strategies (RSS)** and plans now in place including around 650,000 homes in Growth Areas with support from the 2003 Sustainable Communities Plan (e.g. Thames Gateway and Milton Keynes/South Midlands);
- **150,000-200,000 additional homes in the new round of RSS and plans now under consideration**, including many smaller sites and urban area schemes, together with further, partial RSS reviews where they are needed;
- **100,000 extra homes in 45 towns and cities that make up the 29 New Growth Points** which have already come forward in 2006 proposing high growth schemes. Those towns will be eligible for additional support and growth funding – comparable to support which Growth Areas receive, including access to a £300 million Community Infrastructure Fund for Growth Areas, New Growth Points and eco-towns;
- **An additional round of New Growth Points including for the first time the North.** The Government's ambition would be to deliver around 50,000 new homes. The final number will depend on the strength, costs and sustainability of bids coming forward;
- **The Government are inviting local authorities and developers to propose 5 new eco-town schemes**, with the entire community designed to be able to reach zero carbon standards. Each scheme could provide between 5,000 and 20,000 new homes giving a total of some 25-100,000 homes. Final decisions will depend on the strength, costs and sustainability of the bids received.

### **The second challenge is to speed up the planning approval processes**

The Planning White Paper "Planning for a Sustainable Future" issued in May 2007 made clear that increasing the supply of housing is a key outcome. The Government are committed to ensuring that the planning system supports the goal of 240,000 new homes every year. It is at the local level that planning choices have to be made on where new housing should be located; the quality and mix of housing needed and how and when it will be delivered.

### **Planning Policy Statement 3 (PPS3) Housing**

The planning system has undergone significant recent reform. Central to developments has been the drive to increase flexibility, responsiveness and process efficiency. Planning Policy Statement 3 (PPS3) on Housing, which took effect in April 2007, sets out the national planning policy framework for delivering the Government's housing objectives. Four strategic objectives are identified:

- To improve affordability across the housing market, including by increasing the supply of housing.

- To achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community.
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need.
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural.

The Regional Spatial Strategy (RSS), introduced in 2004, sets out the broad development strategy for 15 – 20 years, identifying the need for additional housing and how they should be distributed. This is the basis for local planning authorities when preparing the Local Development Frameworks (LDFs) for their areas. The current round of RSSs prepared by Regional Assemblies and local councils identify broad locations for around 190,000 additional homes a year – 30,000 more a year than in previous plans. All RSSs have been through the Examination in Public stage, and should be finally approved by the Secretary of State by the end of next year. These provide the strategic planning framework for Growth Areas such as the Thames Gateway and Milton Keynes/South Midlands, which are currently working to provide around 650,000 new homes in London and the wider South East over the next ten years.

Regional plans need to be sufficiently flexible to respond to changing demand. The current round of RSS's are likely to fall short of meeting expectations in household growth and housing need. The Government will therefore encourage the early review of housing provision in RSS's, especially in areas of high demand and locations in sub-regions where appropriate. Such mini reviews will also enable the proposals for new eco-towns and additional Growth Points to be properly assessed within the planning system. The Government expect that all such reviews of RSS's should be completed by 2011 to reflect plans for 240,000 homes a year by 2016. The Government propose to strengthen the evidence base for those early reviews by issuing formal Government guidance at the beginning of RSS preparations (and subsequently, where appropriate, on the ranges of housing provision required over a 15 to 20 year time period). This guidance will be based on the independent advice of the National Housing and Planning Advice Unit (NHPAU). The Government will expect Regional Planning Bodies and Examination in Public panels to test these options so that the Secretary of State can be fully informed when taking the final decisions about appropriate levels of housing provision in approving the RSS.

### **The National Housing and Planning Advice Unit's Response**

The National Housing and Planning Advice Unit (NHPAU) response to the Housing Green Paper "Developing a target range for the supply of new homes across England" was published in November 2007. The Unit was established by the Government to advise on housing and planning issues.

The report states that since 2001, new build completions have increased by 26% from a low of 130,000 in 2001 to 167,000 in 2006. However while welcoming the Government's new target for the delivery of 240,000 net additional homes a year by 2016 as representing an important movement towards stabilising housing affordability over the next decade, the NHPAU believes that in the long run about 270,000 new homes a year by 2016 will be required to completely stabilise housing affordability.

As stated above the starting point for an analysis of housing completion targets are the Regional Spatial Strategies and the various housing targets against the different spatial strategy scenarios are shown in Table 1 below.

**Table 1: Average Annual Net Housing Additions (average annual net additions to 2016)**

<b>Region</b>	<b>Existing RPG Plans</b>	<b>Current RSS Plans</b>	<b>Green Paper Annual Supply by 2016</b>	<b>NHPAU Higher Annual Supply by 2016</b>
North East	6,000	6,988	8,600	9,000
<b>North West</b>	<b>12,790</b>	<b>23,111</b>	<b>28,400</b>	<b>32,000</b>
Yorkshire and Humber	14,765	21,442	26,100	30,000
West Midlands	14,902	16,167	20,400	23,000
East Midlands	13,700	20,418	22,400	27,000
East England	20,850	26,830	28,200	38,000
London	19,048	30,500	40,900	41,000
South East	28,050	32,000	36,200	46,000
South West	20,200	23,612	28,700	34,000
<b>ENGLAND</b>	<b>150,305</b>	<b>201,068</b>	<b>240,000</b>	<b>280,000</b>

The targets for the North West compares with a completion figure for 2003-04 of 17,116.



## 2.2 The North West Regional Context

### Identifying suitable locations for housing development

In support of its objective of creating mixed and sustainable communities, the Government's policy is to ensure that housing is developed in suitable locations which offer a range of community facilities and with good access to jobs, key services and infrastructure. This should be achieved by making effective use of land, existing infrastructure and available public and private investment, and include consideration of the opportunity for housing provision on surplus public sector land (including land owned by Central Government and its bodies or Local Authorities) to create mixed use developments. The priority for development should be previously developed land, in particular vacant and derelict sites and buildings.

At the regional level, the Regional Spatial Strategy should identify broad strategic locations for new housing developments so that the need and demand for housing can be addressed in a way that reflects sustainable development principles. Regional Planning Bodies should, working with stakeholders, set out the criteria to be used for selecting suitable broad locations for new housing, taking into account:

- Evidence of current and future levels of need and demand for housing, at the local, subregional, regional and national level, as well as the availability of suitable land.
- The contribution to be made to cutting carbon emissions from focusing new development in locations with good public transport accessibility and/or by means other than the private car and where it can readily and viably draw its energy supply from decentralised energy supply systems based on renewable and low-carbon forms of energy supply, or where there is clear potential for this to be realised.
- The objectives of relevant national policies and programmes that seek to support the provision of new housing developments for example, Growth Areas.
- Particular circumstances across the regional or sub-regional housing market that may influence the distribution of housing development. For example:
  - Where need and demand are high, it will be necessary to identify and explore a range of options for distributing housing including consideration of the role of growth areas, growth points, new free-standing settlements, major urban extensions and the managed growth of settlements in urban and rural areas and/or where necessary, review of any policy constraints.
  - Where need and demand are low, it may be necessary to renew or replace the existing housing stock in particular locations in both urban and rural areas.
- The availability and capacity of, and accessibility to, existing major strategic infrastructure, including public and other transport services, and/or feasibility of delivering the required level of new infrastructure to support the proposed distribution of development.
- The need to create and maintain sustainable, mixed and inclusive communities in all areas, both urban and rural.

The recommended distribution of housing provision between different parts of the North West reflecting the Regional Spatial Strategy and the Regional Housing Strategy Objectives and sub regional policies are listed in Table 2 below and these were the figures agreed at the RSS Examination in Public.

**Table 2: Distribution of Regional Housing Provision in Cumbria 2003 – 2021  
Current Structure Plan and Proposed Regional Spatial Strategy**

Local Authority	Current Annual Structure Plan Target	RSS Proposed Annual Target	RSS Indicative Total % Brownfield Target
Allerdale	250	267	At least 80%
Barrow	110	150	At least 80%
Carlisle	315	450	At least 50%
Copeland	190	230	At least 80%
Eden	170	239	At least 50%
South Lakeland	265	400	At least 50%
Lake District National Park	0	60	At least 50%
<b>CUMBRIA</b>	<b>1,300</b>	<b>1,796</b>	

### Revision of District Housing Figures

Since the North West Regional Assembly (NWRA) submitted the draft Regional Spatial Strategy to the Government in January 2006, and the Panel published their report in March 2007 the national housing agenda has changed dramatically. The Housing Green Paper published in July 2007 set out a range of challenges to be met across the country. This set out a national target for the delivery of 240,000 net additional houses a year by 2016 in order to address increasing housing affordability problems. Subsequently the National Housing and Planning Advice Unit (NHPAU) has responded to the Housing Green Paper and advised the Government that potentially up to 270,000 to 280,000 new homes are needed nationally each year by 2016, in order to keep affordability at the current situation. This could imply that potentially the region would have to significantly increase new house building in the North West to accommodate between 28,000 and 32,000 new homes each year (compared to 23,111 each year that was recommended in the Examination in Public Report of the Panel published in March 2007). The NWRA will be preparing a revised set of housing figures as part of the Partial Review of the Regional Spatial Strategy. These will need to take on board the agenda set out in the Housing Green Paper, the latest household projections produced by Government and the advice of the NHPAU. However this will need to be set within the context of a range of issues including the capacity of the environment to accommodate increased levels of house building, the supply of suitable available land, and the housing needs in each market area, and the likely impact of increased supply on affordability. The Assembly will be asking all Local Authorities to provide existing information on the amount of available land for housing in their district. This work will also include the development of affordable housing targets for the region, as recommended in the Examination in Public Report of the Panel

## Housing and Economic Growth in the North West

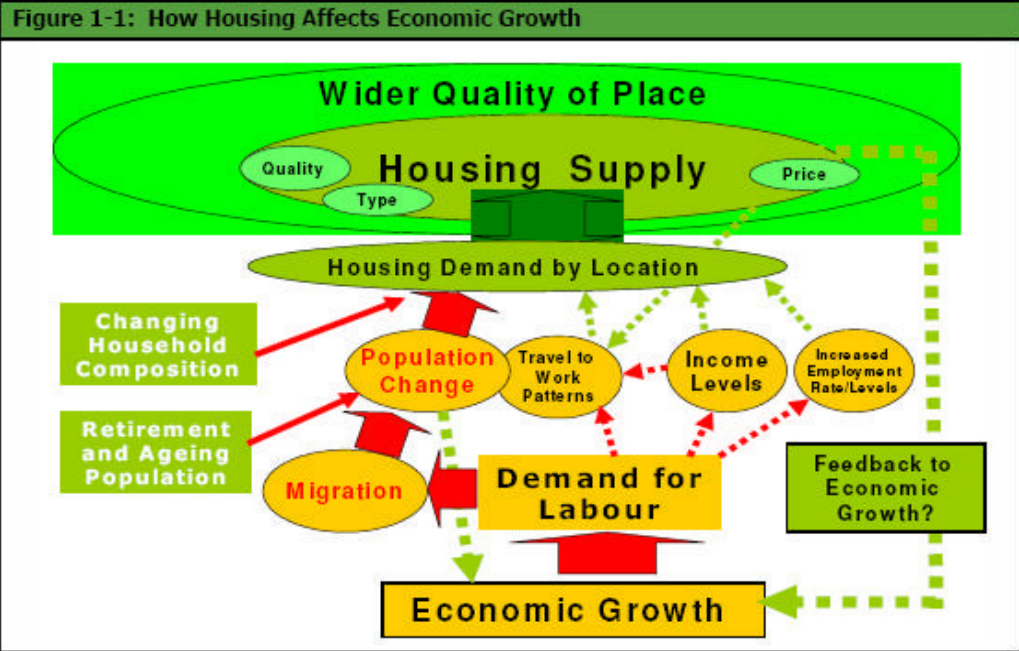
Regeneris Consulting and The Housing Consultancy Partnership were commissioned to carry out a study of the relationship between housing and economic growth in the North West. This was published in April 2008 and now forms an important part of the region's evidence base, filling one of a number of critical gaps which have been identified by partners in the region. In view of the Government's current drive to increase house building over the long term, the Barker review's call for more evidence on the housing-economy relationship and the imminent publication of a new regional housing strategy for the North West, this study serves a number of important purposes.

At an early stage in the study the consultants revisited the first principles of the economic role of housing to provide the building blocks of a framework for analysis. This approach centred on what they described as the three primary functions of housing that is 1) housing as the place where workers live (housing and labour markets) 2) housing as a key part of the place making process (housing in the community) and 3) the macro-economic role associated with housing and the construction sector.

The analysis focused on the principal functions of housing:

- **The labour market.** The report considered what evidence was available to explore the two way relationship between housing and the labour market. We argued that well functioning labour markets required an appropriate range of housing, but that the characteristics of the labour force in an area (principally income levels) were an important determinant of the operation of housing markets. An initial review of material in the North West found the housing-labour market relationship to be strongly reflected in strategies and studies in the region.
- **Place making.** Our analysis considered three elements of place making: The communities who live there (collections of people in households), physical characteristics (including housing, infrastructure, public spaces) and the services and other amenities which form part of what an area offers to its residents. Housing is seen as having an important part to play in creating and sustaining communities and, although the evidence appears to be limited, in economic and social regeneration. A review of strategies and studies for the North West suggested that considerable importance is now attached to housing in effective place making.
- **The macro economy.** With the exception of the pressing problem of affordability, the macro-economic role of housing is a comparatively under-researched area of the housing-economy relationship. We briefly considered the role of housing as a consumption good, as an asset and the economic contribution of the construction industry. In the review of strategies and studies in the North West we found particularly strong emphasis on affordability, which has become a policy priority across the region.

The material on each of these issues was used to develop a framework for the analysis of the complex relationships between housing and the economy. The analysis enabled the unpacking of some of the main components of the framework and understanding the way the components influence each other. Of particular interest was the need to extend the framework beyond the typically uni-directional approach to the employment/economy housing relationship to a bi-directional approach. This involves identifying how feedback mechanisms from housing and the population influence economic performance. The framework for analysis is set out in the figure below:



## 2.3 Cumbrian context

### The Cumbria Housing Strategy 2006 – 2011

The Cumbria Housing Strategy 2006 – 2011 was produced by the Cumbria local authorities and their partners and issued in July 2006. It identified five important housing issues across Cumbria in line with the Regional Housing Strategy to inform this Strategy:

- Shortage of affordable housing
- Creating decent homes and environments
- Housing the homeless
- Regeneration
- Homes with support or additional facilities

Some of these issues have a spatial dimension, for example, affordable housing is more of an issue in the rural areas, whilst regeneration is an issue in the West Coast, Furness and Carlisle areas, Housing the homeless, creating decent homes and environments and homes with support or additional facilities are relevant throughout the County.

### Balancing Housing Markets

The simple definition of a balanced housing market is one where local people can afford to find a home and a place where people want to stay. In Cumbria we have agreed a series of indicators which together measure the balance within any given housing market. Our chosen measures are focused on those things that go towards creating a balanced market.

- House prices and rents are affordable to the vast majority of households
- House price inflation is not excessive when compared to other areas and is not out of line with income growth.
- There are no areas of collapsing house prices and low demand for rented housing.
- Waiting lists for housing association and council homes are such that people in housing need do not have to wait for an unreasonable time for a suitable home.
- There is no problem of high numbers of long- term empty properties.
- The housing market is not distorted by an excess proportion of holiday homes, second homes and investment properties.
- New developments are in line with new and changing demand and need for housing and support the social and economic development of the area.
- There is an adequate supply of available land, which balances the use of Greenfield and Brownfield sites, for developers to meet needs for new housing both now and in the future.
- The condition of housing is decent.
- Specialised housing services are available to prevent people having to move away from their home and community if they have special housing or life skill needs.

### Increasing House Prices

The average house price in Cumbria was £161,360 in 2006. This is about £8,000 more than the North West average.

- Overall house prices across Cumbria have increased by 215.6% between 2000 and 2006. This compares with an average overall increase of 215.8% across the North West for the same period.
- However, only the increases in the price of terraced housing in Cumbria (238.5%) have failed to outpace the North West average (256.4%). Prices of detached and semi

detached houses as well as flats/maisonettes have risen more steeply in Cumbria than the North West.

- South Lakeland is the most expensive district in which to buy a house in Cumbria. The average house price in 2006 was £222,731
- By comparison, Barrow-in-Furness is the cheapest district with the average house price for 2006 less than half that found in South Lakeland at £109,685
- The greatest increase in house price of any house type in any district has been in Eden where flat/maisonette prices have almost trebled from £41,944 in 2000 to £125,325 in 2006.
- In terms of sales volumes, the number of house sales across Cumbria has increased from 2,723 in 2000 to 2,848 in 2006. Generally speaking there was a peak in sales volumes between 2001 and 2003, whereas in recent years the sales volumes have been relatively constant.
- The greatest increase in sales between 2000 and 2006 was in Barrow-in-Furness where the number of sales has grown by 128.8%. By comparison, in Eden and South Lakeland the number of sales in 2006 has fallen to 75.3% and 97.3% of the 2000 sales volume respectively.

#### **Housing Affordability:**

- 34 wards in Cumbria are in the top range of affordability and have an affordability ratio of 2.76 – 3.95. These wards are generally located in the West of Cumbria along with urban areas such as Barrow-in-Furness and Carlisle.
- 34 wards in Cumbria are in the bottom range of affordability and have an affordability ratio of 8.2 – 12.43. These wards are generally rural in nature and found in Eden and South Lakeland or within the Lake District National Park.

#### **Housing Completions**

Cumbria needs to build at least 1,800 housing units per annum to meet the Regional Spatial Strategy targets. In 2004/05 only 1,400 units were completed (77% of target). In fact only in Carlisle and Copeland where the annual completion targets exceeded while in Allerdale only 41% of the housing units annual target was completed in 2004/05 and in Eden only 35% of the housing units annual target was completed in 2005/06.

- Allerdale has an annual completion target of 267 housing units and in 2004/05 only 111 units were completed (41% of target). In 2005/06 only 189 units were completed (70% of target)
- Barrow has an annual completion target of 150 housing units and in 2004/05 only 85 units were completed (56% of target). In 2005/06 only 111 units were completed (74% of target)
- Carlisle has an annual completion target of 450 housing units and in 2004/05 493 units were completed (109% of target). In 2005/06 482 units were completed (107% of target)
- Copeland has an annual completion target of 230 housing units and in 2004/05 280 units were completed (122% of target). In 2005/06 226 units were completed (98% of target)
- Eden has an annual completion target of 239 housing units and in 2004/05 only 183 units were completed (77% of target). In 2005/06 only 84 units were completed (35% of target)



- South Lakeland has an annual completion target of 400 housing units and in 2004/05 only 247 units were completed (61% of target). In 2005/06 only 300 units were completed (75% of target)

**Table 3: Permissions and completions for housing in Cumbria, 2002-2005**

Area	2002-2003		2003-2004		2004-2005	
	Permissions	Completions	Permissions	Completions	Permissions	Completions
<b>Cumbria</b>	1743	1558	1886	933	2065	1399
<b>Allerdale</b>	237	280	333	N/A	503	111
<b>Barrow-in-Furness</b>	220	165	230	114	183	85
<b>Carlisle</b>	286	499	189	462	785	493
<b>Copeland</b>	210	195	560	143	290	280
<b>Eden</b>	345	N/A	205	N/A	43	183
<b>South Lakeland</b>	445	419	369	214	261	247

### Shortage of Affordable Housing

It was recognised some years ago that there was a growing affordable housing problem in Cumbria, brought on by increasing rates of house price inflation arising from in-migration and a relatively low wage economy. The Districts most affected by the lack of affordability are those with high quality, rural environments, and good accessibility to the motorway and west coast rail network. These areas are especially, although not exclusively, attractive to incomers from outside the County seeking a particular life-style (i.e. especially Eden, South Lakeland and the LDNP). Local people have increasingly been out-priced as a result.

The draft replacement RSS contains an affordable housing policy, which leaves the matter for Local Authority discretion to determine the location, size and types of development required. It requires local authorities to set out a range of delivery mechanisms to secure the provision of affordable housing, including:

- seeking a proportion of affordable housing on all development sites which are above relevant thresholds;
- allocating sites solely for affordable housing ;
- using local occupancy criteria to support provision for local housing need so long as this exists, to be implemented through the use of planning conditions and obligations;
- actively promoting the rural exception site policy;
- for all sites containing housing in rural settlements with populations of under 3,000 promote onsite affordable housing provision and where on site affordable housing provision is not possible, seeking developer contributions towards affordable housing;
- maintaining the most of publicly owned land;
- making the most of existing housing stock;
- permitting the conversion of buildings in sustainable locations to residential use, particularly where they are vacant or under-used;
- encouraging employers to provide housing for their key workers; and
- ensuring that wherever possible that property remains affordable and available in perpetuity.

## 3 Strategy

### 3.1 Vision Statement

The vision is that Cumbria will have balanced housing markets supporting the economic and social transformation that will occur over the next twenty years

### 3.2 Priorities for next 10 to 20 years

To balance the housing markets for all Cumbria's communities, we need to provide:

- **Sufficient new housing** - the Regional Spatial Strategy requires 33,340 new dwellings (net replacement clearance to be built in Cumbria between 2003 and 2021).
- **Affordable housing** – to tackle the shortage of affordable housing in areas of Cumbria where need and demand for additional housing is high, where this impacts adversely on social inclusion and balanced communities.
- **Create decent homes** – to work towards ensuring that all residents have a home which meets the statutory minimum standard for housing.
- **Regeneration** – to work towards improving the way housing supports economic opportunities and regeneration.



## 4 Priority Actions

### H1 Provide sufficient new homes

The current annualised housing requirement figures for Cumbria (1,796 new dwellings per year) contained in the draft Regional Spatial Strategy October 2006 have arisen following broad agreement between the Districts, Metropolitan Boroughs and County Councils and the Government Office for the North West (GONW) and the North West Regional Assembly (NWRA)

Importantly, the results of the housing needs surveys will further help to inform the distribution and the overall numbers of new housing that will have to be provided in the County over the next 15 years to meet the needs of people in Cumbria (32,320 new homes by 2021). The Cumbria Housing Strategy 2006 – 2011 and the 20 distinct housing markets are important, in so far as they will also help to define the likely type, size and tenure of new housing according to defined local needs. Planning Authorities need to consider possible ‘front-loading’ of their annualised housing provision to tackle affordable housing shortages. The housing targets may also be increased as a result of the Government’s recent Green Paper requiring house building rates to increase to 240,000 new units per year by 2016. The impact of these increase targets are shown in the table below (Table 4) and show an increase of approximately 350 new houses built per year from 1,800 to 2,150.

**Table 4: Annual Housing Building Rates Required 2003 - 2021**

Local Authority	RSS Proposed Annual Target	RSS Total Maximum Provision 2003 - 2021	Green Paper Possible Annual Target	Green Paper Potential Maximum Provision 2003 - 2021
Allerdale	267	4,800	320	5,760
Barrow	150	2,700	180	3,240
Carlisle	450	8,100	540	9,720
Copeland	230	4,140	275	4,970
Eden	239	4,300	285	5,130
South Lakeland	400	7,200	480	8,640
Lake District National Park	60	1,080	72	1,300
<b>CUMBRIA</b>	<b>1,796</b>	<b>32,320</b>	<b>2,152</b>	<b>38,760</b>

All this information will help to inform the more detailed land-use planning policies and the distribution of all new housing at a local District, Borough and City level, which will be brought forward and delivered through the new generation of Local Development Documents (LDDs), which will replace current generation of Local Plans.

Underpinning the housing market assessments and the housing needs surveys is a further layer of information relating to levels of affordability in the County, based on house price data and incomes in Cumbria generated down to ward level. This information will also help to inform the overall level of need, as well the type, size and tenure of new housing, which should equally inform the Local Development Framework process.

However it is clear that different types of housing provision will be required in different parts of Cumbria. The current breakdown of tenure type by District is given in Table 5 below. This shows starkly the low level of provision of detached and executive homes in particular in

Barrow in Furness, but also to some extent in Carlisle and Copeland. On the other hand although there is a balanced spread of housing types in South Lakeland and Eden the problem here is as discussed below affordability.

**Table 5: House Tenure by District Council Area**

Local Authority	Flats/Apartments	Terraced	Semi Detached	Detached
Allerdale	9.5%	32.2%	32.2%	26.1%
Barrow	10.4%	48.8%	29.2%	11.6%
Carlisle	11.9%	29.5%	35.4%	23.2%
Copeland	8.8%	32.1%	37.6%	21.6%
Eden	9.6%	21.4%	29.6%	39.3%
South Lakeland	14.5%	25.0%	28.5%	32.0%
<b>CUMBRIA</b>	<b>10.3%</b>	<b>31.2%</b>	<b>33.0%</b>	<b>25.5%</b>

Source: Cumbria Housing Strategy

## H2 Provide Affordable Housing

The priorities for affordable housing are:

- Provision of new affordable housing in areas of evidenced need, such as low cost home ownership or sub market rented housing and
- Provision of new local occupancy housing (additional to affordable housing) to meet proven local needs such as housing with local occupancy restrictions.

The draft Regional Spatial Strategy contains an affordable housing policy, which leaves the matter for Local Authority discretion to determine the location, size and types of development required. It requires Local Authorities to set out a range of delivery mechanisms to secure the provision of affordable housing, including:

- seeking a proportion of affordable housing on all development sites which are above relevant thresholds
- allocating sites solely for affordable housing
- using local occupancy criteria to support provision for local housing need so long as this exists, to be implemented through the use of planning conditions and obligations
- actively promoting the rural exception site policy
- for all sites containing housing in rural settlements with populations of under 3,000 promote onsite affordable housing provision and where on site affordable housing provision is not possible, seeking developer contributions towards affordable housing
- maintaining the most of publicly owned land
- making the most of existing housing stock
- permitting the conversion of buildings in sustainable locations to residential use, particularly where they are vacant or under-used
- encouraging employers to provide housing for their key workers and
- ensuring that wherever possible that property remains affordable and available in perpetuity.

It is considered that a number of measures need to be tackled if the County is to deliver more affordable homes. A number of these are being addressed through emerging Local Development Frameworks and through the Cumbria Sub Regional Housing Group, but in general there is a need to:

- identify a sufficient number of new sites as allocations in the new LDF's, either to cross subsidise with open market housing, or as specific affordable housing allocations;
- undertake a Strategic Housing Market Assessment (SHMA), to better define the overall housing requirement to include aspirational economic change and market demand, as per the guidance in PPS3 ;
- have greater flexibility in planning policies to deliver increased levels of affordable housing, particularly in rural areas to sustain local communities – the example of the SLDC IPATH has been drafted with the agreement of the development industry;
- encourage increased funding arrangements through the Housing Corporation and ensure there are simplified procedures to securing funding for Housing Associations;
- have further dialogue with regional (NWRA & GONW) and national Government on improving the means to deliver affordable housing;
- carry out further work and give direct statutory support to investigate alternative approaches to local delivery, such as Community Land Trusts;
- take forward proposals identified in the Government's Housing Green Paper, which enables Local Authorities to create local development companies, and to build their own housing products;
- have a County-wide approach to the sale of Local Authority owned land to ensure that we have a comprehensive data base of sites overlaid by identified needs so that a coherent approach is taken forward;
- have increased dialogue with public sector bodies and major landowners, such as the Forestry Commission and United Utilities, as potential contributors of land for affordable housing;
- create a common standardised S106 template across the County, which would allow for local circumstances;
- have greater dialogue with the development industry; and
- recognise the inter-linkage with economic regeneration and increase GVA.

**Table 6: Cumbria Housing Strategy – Affordable Housing Needs 2006 - 2011**

Local Authority	Affordable housing per annum	Five Year affordable housing requirement
Allerdale [includes LDNP]	124	620
Barrow	20	100
Carlisle	221	1,105
Copeland [includes LDNP]	-262	-1,310
Eden [includes LDNP]	265	1,325
South Lakeland [includes LNDP]	669	3,345
<b>CUMBRIA</b>	<b>1,300</b>	<b>6,500</b>

Source: Cumbria Housing Strategy: District Affordable Housing Needs Survey

It is interesting to note that in both South Lakeland and Eden the affordable housing needs requirement per annum is actually greater than the annual housing building targets, meaning that even if all new houses built in Eden and South Lakeland are classified as affordable they will still not be able to meet demand over the next five years, while in Copeland the problem is oversupply of affordable housing much of which is substandard as part of the West Cumbria Housing Market Renewal much of this stock will be demolished and rebuilt to modern day standards.

The current South Lakeland Local Development Framework – Core Strategy Preferred Options which is currently out for consultation is recommending that all new housing

developments should contain a 50% affordable housing content – that is housing which meets the needs of households that are unable to secure adequate housing at prices to be determined by the market. However during Cumbria Vision’s consultation process private sector housebuilders told us that it was difficult if not impossible to deliver a level of 50% of affordable housing on all new housing developments as a result of the high cost of scarce residential development land in these two districts. A more realistic target would be 40% in Eden and South Lakeland, 30% in Allerdale and Carlisle and 20% in Barrow and Copeland.

### **H3 Create Decent Homes**

The priorities for creating decent homes are as specified in the Cumbria Housing Strategy 2006 – 2011 namely:

- Targeting resources to achieving the Decent Homes Standard for those in Social Housing and those classed as vulnerable in private housing focusing on areas identified as those having the highest numbers of non decent homes.
- Achieving compliance with legislative requirements for those in privately rented accommodation in particular Houses in Multiple Occupation (HMO) licensing.
- To reduce the number of empty properties in Cumbria which are vacant for more than six months ( there are currently over 4,000 empty homes)

### **H4 House the Homeless**

The priorities for housing the homeless are as specified in the Cumbria Housing Strategy 2006 – 2011 namely:

- The development and improvement of services that help prevent people from becoming homeless.
- The development of higher standards of temporary accommodation offered to homeless people.
- The expansion of housing and resettlement options for all households especially in high cost/demand areas.

### **H5 Regeneration**

The Housing and Economic Growth in the North West study undertaken by Regeneris took an approach centred on what they described as the three primary functions of housing that is (1) housing as the place where workers live (housing and labour markets) (2) housing as a key part of the place making process (housing in the community) and (3) the macro-economic role associated with housing and the construction sector. This can be done in Cumbria by looking at the future economic scenarios for Cumbria up to 2016 and assessing the likely number and type of jobs likely to be created in the six Districts and then predict the number and type of houses that will be required to support this level of growth. This assessment is shown in the Table below:

**Table 7: New Housing Requirement by Delivery Body area 2008 -2016**

	<b>Barrow</b>	<b>Carlisle</b>	<b>Eden and South Lakeland</b>	<b>West Cumbria</b>	<b>CUMBRIA</b>
<b>Jobs created</b>	5,520	11,550	13,300	14,880	45,250
<b>No of jobs taken by % of current workless population</b>	2,652 (30%)	2,163 (25%)	1,528 (20%)	4,170 (28%)	10,203 (25%)
<b>Jobs to be filled through in migration</b>	2,868	9,388	11,772	10,710	35,047
<b>Total Additional Population</b>	4,255	13,941	17,919	17,870	54,518
<b>Average Household size</b>	2.2	2.2	2.2	2.2	2.2
<b>New Housing requirement</b>	<b>1,934</b>	<b>6,337</b>	<b>8,145</b>	<b>8,123</b>	<b>24,781</b>

**Table 7: New Housing Requirement by House type by District Council area 2008 -2016**

<b>Delivery Area</b>	<b>% of affordable housing</b>	<b>Flats</b>	<b>Terraced</b>	<b>Semi Detached</b>	<b>Detached</b>	<b>TOTAL</b>
<b>Barrow</b>	387 (20%)	290 (15%)	387 (20%)	484 (25%)	774 (40%)	1,934
<b>Carlisle</b>	1,901 (30%)	951 (15%)	1,584 (25%)	1,901 (30%)	1,901 (30%)	6,337
<b>Eden and South Lakeland</b>	4,072 (50%)	814 (10%)	2,443 (30%)	2,443 (30%)	2,443 (30%)	8,145
<b>West Cumbria</b>	2,031 (25%)	1,015 (13%)	2,031 (25%)	2,031 (25%)	3,046 (38%)	8,123
<b>CUMBRIA</b>	<b>8,178 (33%)</b>	<b>3,345 (14%)</b>	<b>6,443 (26%)</b>	<b>6,691 (27%)</b>	<b>8,302 (34%)</b>	<b>24,781</b>

**Note:**

- 1 These housing forecasts are based solely on the predicted employment growth outlined in Strategy Action Plans 1 – 6. These forecasts do not consider the need for additional housing as a result of the predicted continuing reduction in household size, any non employment related in-migration, any predicted demographic change within the current population and any changes in the predicted replenishment of the existing housing stock. As a result, these forecasts are not consistent with any current housing forecasts currently under review through the Strategic Housing Market Assessments and are solely for the period 2008 -2016 and do not run through to 2021 as currently outlined in the Regional Spatial Strategy.
- 2 The housing forecasts shown below do include an element of new housing within the Lake District National Park. However these are not shown

**separately within the Table but are contained within the housing forecasts for both Eden and South Lakeland as well as West Cumbria.**

- In summary, following a review of the Cumbria Housing Market Assessments carried out in 2006, the affordable housing requirements by Delivery area have been set at Barrow (20%), Carlisle (30%), Eden and South Lakeland (50%) and West Cumbria (25%).
- In both Barrow and West Cumbria there is a need to increase the level of detached/executive housing and this has been set at 40% of total new houses in Barrow and 38% in West Cumbria through to 2016.
- In Barrow there is a surplus of terraced housing which currently accounts for nearly 50% of the existing housing stock and therefore terraced housing only accounts for 20% of the new build through to 2016, whereas there is very little detached/executive housing in Barrow and therefore 40% of the total new housing will need to be in this category.
- In Carlisle there is currently a relatively balanced housing market and the new build ratios reflect existing trends.
- In Eden and South Lakeland there is a need to provide 50% affordable housing and therefore new build is concentrated on lower cost terraced and semi detached housing.

## 5 Delivering the Strategy – The Action Plan

- 5.1 The following Action Plan is a comprehensive list of all identified programmes, projects and activities that have the potential to make a positive contribution towards achieving the vision for Housing in Cumbria, as detailed in section 4 above. To successfully deliver this Action Plan will require a co-ordinated approach, and commitment and investment from Public, Private and voluntary sectors. The Action Plan does not therefore relate to particular funding bodies or programmes (for example the North-West Development Agency Single Programme, or the European Regional Development Fund) and is not a representation of any future Sub-Regional Action Plan.
- 5.2 The Red / Amber / Green classification in this Action Plan reflects priorities in terms of **timescales for delivery only**, in recognition that a number of actions (particularly major, transformational projects) will take substantial time to develop and deliver, whilst others can be delivered within a much shorter timescale. Please also note that the classification are based on timetable for final completion, so actions a mixture of short-term and long-term components will be listed by the targets for long-term completion.
- 5.3 Within each colour group, projects are listed in order of their reference number which relates to the key actions within section 4 of the Strategic Action Plan. Neither the colour-coding nor the numerical listing within each colour classification is an indication of the importance of actions relative to one another.
- 5.4 A key role of Cumbria Vision will be to monitor, evaluate and update the Action Plan on an ongoing basis. This process will be undertaken in close consultation with stakeholders from the County and region.

## Delivering the Strategy – Action Plan

Timeframe	Priority Ref	Activity	Detail	County Wide	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland
<b>H1. Provide sufficient new housing development</b>										
	H1.1	Agree sub regional housing targets for Cumbria for the period 2003 - 2021	Cumbria Vision will work with the the GONW and NWRA who are responsible for providing a revised Regional Housing Strategy and will prepare a revision of District Housing allocations	24,781						
	H1.2	Agree housing targets for each District Council area and LDNPA for period 2003 - 2021	Cumbria Vision will work with the County Council and District Councils to agree each District Councils Housing Targets through the Regional Spatial Strategy and the Local Development Framework (LDF) process and through the Strategic Housing Market Assessment process (SHMA).		8,123*	1,934	6,337	8,123*	8,145*	8,145*
	H1.3	Agree a range of sites for different types of housing to be developed in Cumbria over the next 15 – 20 years	Cumbria Vision will work with the County Council and District Councils to agree a list of available housing sites in each District Councils area to meet its housing requirements through the Local Development Framework (LDF) process and the Strategic Housing Land Availability Assessment process (SHLAA).	✓	✓	✓	✓	✓	✓	✓



<b>H2. Provide sufficient affordable housing</b>										
H2.1	Agree sub regional affordable housing targets for Cumbria for the period 2003 – 2021.	Cumbria Vision will work with the GONW and NWRA who are responsible for providing a revised Regional Housing Strategy. This will include the development of affordable housing targets by District as recommended through the Regional Spatial Strategy.	8,178	2,031*	387	1,901	2,031*	4,072*	4,072*	
H2.2	Provide affordable housing in areas of Cumbria where need and demand for housing is high.	Priority areas include North Lakes, Central Lakes, Cockermouth, Eden Valley North, Eden Valley South, Kendal, Rural Kendal, Dales and Cartmel Peninsula	✓	✓	✓	✓	✓	✓	✓	
H2.3	Provision of local occupancy housing in addition to affordable housing	A Cumbria wide basis for negotiating affordable housing prices (S106 agreements etc) to meet local needs is to be worked up with the involvement of registered social landlords and private house builders	✓	✓	✓	✓	✓	✓	✓	
<b>H3. Create Decent Homes</b>										
H3.1	Bring empty properties back into use	Target empty properties in areas of high demand for accommodation and in areas where they are contributing to the crime rate of an area. Increase the available supply of decent properties and enhance local environment	✓	✓	✓	✓	✓	✓	✓	
H3.2	Regulate houses in multiple occupation	Ensure that all houses in multiple occupation are adequately licensed under Housing Act 2004	✓	✓	✓	✓	✓	✓	✓	

H3.3	Help vulnerable people who live in unacceptable housing conditions	Identify properties which are in disrepair and whose occupants are least able to carry out necessary improvements	✓	✓	✓	✓	✓	✓	✓
<b>H4. House the Homeless</b>									
H4.1	The development and improvement of services that help prevent people from becoming homeless	Investigate and disseminate good practice regarding empty homes in order to prevent homelessness. Reduce number of empty properties Reduction in homelessness within private sector.	✓	✓	✓	✓	✓	✓	✓
H4.2	The development of higher standards of temporary accommodation offered to homeless people	Agree a baseline standard for all temporary homeless accommodation.	✓	✓	✓	✓	✓	✓	✓
H4.3	The expansion of housing and resettlement options for all households especially in high cost/demand areas.	Develop a referral protocol to provide systematic referrals from homeless services to other services when homeless people need help	✓	✓	✓	✓	✓	✓	✓
<b>H5. Regeneration</b>									
H5.1	Carry out selective clearance in the West Cumbria and Furness Housing Market Renewal (HMR) pathfinder area	Westlakes Renaissance will be implementing a three year £18 m Housing Market Renewal (HMR) Pathfinder Programme		✓	✓		✓		
H5.2	Carry out refurbishment and environmental improvements where appropriate to support housing market renewal	Westlakes Renaissance will be implementing a three year £18 m Housing Market Renewal (HMR) Pathfinder Programme		✓	✓		✓		

H5.3	Develop appropriate new housing to support housing market renewal	Westlakes Renaissance will be implementing a three year £18 m Housing Market Renewal (HMR) Pathfinder Programme		✓	✓		✓		
------	---	---	--	---	---	--	---	--	--

**Key**

Immediate	3 – 5 years	5 -10 years