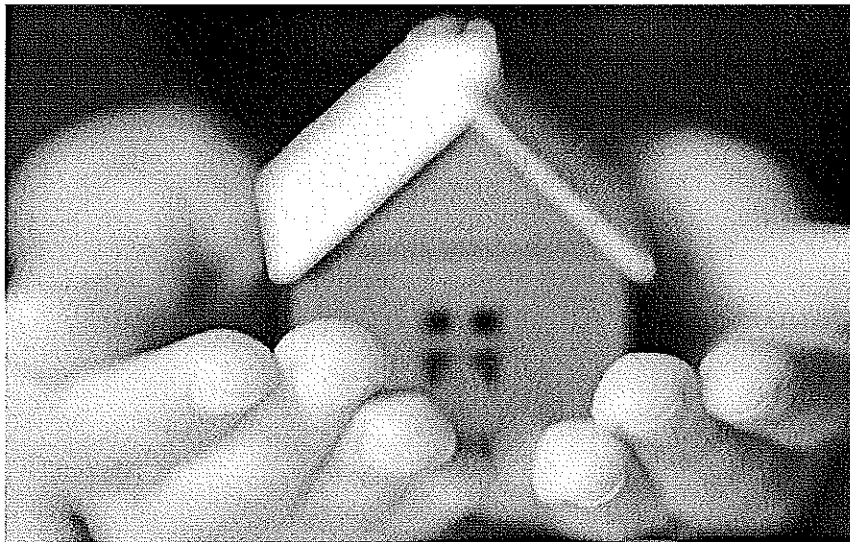


Local Investment Plan for Cumbria

2010-2011



May 2010

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The purpose of this Plan

This document is the first Local Investment Plan for Cumbria. It was prepared jointly by the Cumbria Coordination Group¹ and the Homes and Communities Agency (HCA). The purpose of the Plan is to set out the key issues facing Cumbria and the role of housing investment in addressing these issues. It sets out our agreed vision, key objectives within the overall vision, the shared priorities of local partners, the HCA and other partner agencies such as the NWDA, detailed investment proposals, anticipated outputs and outcomes, and criteria for measuring progress over the Plan implementation period. It is the first step towards a joint investment plan for Cumbria and strengthens the existing partnership structures.

The Plan is accompanied by a Local Investment Agreement (LIA) which sets out an agreed basis upon which the Homes and Communities Agency (HCA) will invest resources in Cumbria over the period April 2010 to March 2011.

The objective of the Local Investment Planning process is to maximise effectiveness and value for money from public and private investment by focussing on strategic priorities across sub-regions in a coordinated fashion. The process is a new one and the Plan will certainly evolve over time to reflect changes in the issues which need to be addressed, the resources available, and progress made in addressing problems. Detailed proposals for investment cover the period of the current spending review but the issues which the plan sets out should serve as a guide to future investment needs and priorities.

This Local Investment Plan is a transitional document and resources for next year are in the main already allocated. HCA is seeking to move towards a joint commissioning process with the Cumbria Strategic Partnership and the plan will set the framework for this process. This is important as it will signal a move to devolving decision making on resource allocation, echoing the emerging Joint Investment Plan process through NWDA.

This Local Investment Plan sets out a direction of travel for the next 3 years, but focuses on investment in 2010-11. It will outline a governance structure to address how future decision making and agreement on priorities can be established across the districts with an agreed framework to enable a balance to be achieved between continued regeneration/investment in the existing stock, aspirations for growth, measures to support the rural economy, and transformational projects. This will have to be achieved against a backdrop of reduced availability of public sector resources.

Proposals for economic growth and investment are set out in a Joint Investment Plan for Cumbria being produced by NWDA and Cumbria Vision set against the developing RS2010. A key objective of this Local Investment Plan is to set out ways in which housing can support economic growth and inclusion, and in particular in Cumbria how existing residents can be retained and the housing offer improved to ensure that those accessing higher value jobs do

¹ The Cumbria Coordination Group comprises representative from the local and county councils, Cumbria Vision, NWDA, HCA and the Cumbria Housing Group. It was set up to respond to the HCA Single Conversation.

not choose to locate in established areas, compounding existing issues of affordability and supply. It also needs to be balanced with ensuring there is a suitable housing offer for an increasingly older population.

Finally the Local Investment Plan is an opportunity to raise the profile of Cumbria. This will place the sub-region in a stronger position to secure future resources by working as a partnership rather than as individual authorities. It is also an opportunity to strengthen linkages between housing and economic aspirations. Likewise other stakeholders such as RSLs and developers must be integrated into this process.

Great progress has been made with this first Local Investment Plan in Cumbria against very tight timescales. We have risen to the challenge, but after this plan has been signed off work will begin on extending it to secure the right framework for the future.

The Plan is structured as follows:

- Section 1, Opportunities and Challenges, gives an overview of the problems we face in Cumbria which this plan is seeking to address.
- Section 2, the Policy Context, describes the strategic policy framework within which the plan has been developed, particularly the alignment of housing investment proposals with the Joint Investment Plan for Cumbria.
- Section 3 summarises the key economic, demographic and housing issues emerging from the sub-regional evidence base which the plan contributes to addressing, including the key problems in each sub-area within Cumbria.
- Section 4 sets out the overall vision guiding investment proposals, the proposals for each area, and the cross-cutting themes which relate to the sub-region more generally.
- Section 5 sets out HCA and other investment to date on these priorities.
- Section 6 describes the governance and delivery arrangements for the Cumbria Coordination Group and the major risks to successful delivery of our objectives.

1 Opportunities and challenges

A complex mix of communities

To many, Cumbria means the Lake District, a place of great natural beauty unchanged by the passage of time. Cumbria is the most beautiful and unique county in England and nowhere else boasts such a rich variety of inspirational and exhilarating landscapes.

But these assets mask a more complex reality. In practice, Cumbria is a mix of widely differing communities and places, encompassing urban, industrial and rural environments - unique, varied and stimulating but also challenging. Floods in 2005 and 2009 are a strong reminder of the potential impact of climate change on Cumbria and the need to respond urgently to its implications. Geographical isolation, difficult transport links and low population densities pose challenges in developing a modern economy and sustaining high quality services. The attractiveness which draws tourists also creates pressures on housing from retirees and other migrants which force many younger local people to leave the area.

In the rural areas with the most attractive environments there is a need to sustain agriculture and tourism and provide services for an ageing population, but also to revive communities by creating a wider range of employment opportunities, increasing pay and wage levels, and providing affordable housing to retain or attract younger people.

In Barrow and West Cumbria, the decline of historical industries has created deprivation and dereliction and a need to regenerate the economy to create the sort of jobs which attract skilled people, and to provide high quality housing which local people can afford set in a framework of services and amenities. Cumbria's nuclear and marine engineering industries provide an important focus for this growth.

Across the county, Carlisle and Cumbria's towns are the main focus for change and growth in response to these challenges. Carlisle's growth is in response to its role as a sub-regional centre with an influence extending into Scotland. The other main towns have important functions as service centres for their surrounding areas and some have a major role as tourism centres.

Growth and decline

Cumbria as a whole has not suffered from a significant level of population decline in recent decades although the demographic makeup of the population has shifted considerably towards an older population. However, growth has been focused on the more attractive and accessible central and eastern areas whilst the more isolated western and northern parts of the county have lost population.

Even where it has taken place, population growth masks significant changes within the population with older, more affluent people moving in to the more rural parts of the county

for quality of life reasons, and younger people moving away from both these and the urban and industrial areas to seek better education, employment and housing opportunities.

Population decline has halted in the west and north in the last few years, but past trends are broadly projected to continue as a result of the strength of in migration by older people from other parts of the UK and the increasing longevity of those already living in the county. This has implications not just for services but also for the size of the labour force.

One of the causes of population loss amongst younger people is the relatively slow rate of past economic growth in Cumbria and low levels of income. From 1995-2007 Cumbria had an overall growth rate in GVA of 51% compared to 71% for the North West as a whole and 90% for the UK. Encouragingly, almost all the decline relative to the national and regional economies occurred before 2001, since when Cumbria has grown at around the same rate as the UK and regained some ground over the North West as a whole. But there is still much to be done across the whole sub-region.

As might be expected, there is significant disparity between West Cumbria (with GVA per capita at 66% of the UK average in 2007) compared to East Cumbria (82% of the UK average). There are particular pockets of high worklessness and economic inactivity in Barrow and on the West Coast, and problems in the east of over-employment and reliance on low paid part-time and seasonal work. The west has consistently higher proportions of benefit claimants, economically inactivity and long-term incapacity. These differences are reflected in data on earnings levels once the distorting effect of relatively high earnings in the nuclear industry is taken into account. Low incomes compound the effect of high prices in creating the very serious problems of housing affordability in Cumbria.

Compared to the national average, Cumbria has lower proportions of people with higher skill levels amongst the working age population and higher proportions with only basic qualifications. This is a constraint on the development of higher added-value industries.

Cumbria has not, of course, been insulated from the national economic recession, but to date the economy has not suffered to the extent of some other parts of the North West, in part because of the extent of past manufacturing decline and the relatively small financial and business sectors. The retail and tourism sectors have been most at risk, but parts of West Cumbria which have weathered the recession to date because of a high level of public sector employment are at risk of experiencing problems in coming years. But there are a number of projects on the horizon which may mitigate these effects including energy related developments linked to the Britain's Energy Coast West Cumbria plan.

The weaker economies in the west, and tight planning restraints across Cumbria have contributed to a relatively low level of housing supply. In aggregate, completions in Cumbria were 25% below the current RSS target for the period 2003-2009. Under-supply contributes

to both housing need and affordability problems and acts as a constraint on economic growth, both directly and through its impact on the housing offer.

Implications

Without intervention, Cumbria does not face a situation of economic collapse but rather of a continued slow decline in prosperity and output relative to the rest of the region and the UK. Agriculture and tourism will provide employment but much of this will be low paid and low skilled. Growth in these sectors would also be focused in the more accessible eastern parts of the sub-region leaving the west and north to fall further behind. In housing, high prices driven by the pressure of in migration would continue to dominate the market. Both these factors point to a continuing loss of younger people and skilled people and a steadily ageing population. Strengthening the economies of the major settlements is the key to progress by investing in skills and training and the support mechanisms/linkages for businesses to develop and grow. This will diversify the economic base, building on manufacturing skills strengths in the west, widening the range of employment in the east and building on the stronger communications links..

A strengthened economy is the key to retaining Cumbria's younger and skilled people and attracting others from outside. Housing has a vital part to play in this. Younger households will not stay or move in to take up jobs in the region without an adequate supply of housing or the right type, in the right places and at an affordable price. New supply must be closely tailored to the jobs which are created to support growth and to create sustainable communities with the minimum need for travel. Progress with jobs and housing supply must proceed hand in hand.

At the same time, a continuing supply of safeguarded affordable housing is needed in rural areas to help local people and to assist the agricultural and tourism economies in those areas.

As well as new supply, upgrading and adaptation of the existing stock will be important in existing settlements to make the most effective use of resources. This includes measures to ensure that the limited social rented stock across Cumbria is of a high standard and that it is allocated and occupied as effectively as possible. In addition, investment in the private stock is needed to ensure that it provides an adequate housing offer, especially at the more affordable end of the market.

The ageing of the population in Cumbria is well advanced. The attractiveness of much of the county is such that a continuing pressure from older migrants can be expected in the future. This means that housing and care services for this population must also be a priority for housing. By 2028 over a third of the population will be aged 65 and over. In the same period the 75-84 age group is predicted to increase by 66% and the 85+ age group who are most likely to need care and support by 117%. We need to ensure there is an appropriate mix of

locally available modern accommodation and care services that older people will be able to chose from.

2 The policy context

Cumbria has a framework of strategies in place to address the issues which it faces in a dynamic, flexible and responsive way. These provide a clear and coherent context for the Local Investment Plan.

The Community Strategy and the LAA

Cumbria's Community Strategy provides the overall guiding force for investment priorities including housing. The Community Strategy vision has five themes:

- *Creating and sustaining safe, strong and inclusive communities:* children and young people will get the best possible start in life with learning and training opportunities to help them contribute effectively to the local economy. Communities will be helped to flourish by decent, high quality and affordable homes for everyone in places where people want to live and work and through a public realm which matches the quality of our landscape. By 2028 Cumbria will:
 - be a place where children and young people in particular will be empowered to get involved in their communities and provided with excellent education and training provision and lifelong learning opportunities;
 - have cohesive, empowered and active communities;
 - be a place where people from all backgrounds, cultures, ages, genders and abilities will feel part of their community, able to express their individual needs and be respected;
 - be a safer place to live with lower levels of crime and anti-social behaviour;
 - have reduced levels of harms caused by alcohol and drugs.
- *Securing personal health and well-being throughout life:* the aim is to ensure that Cumbria residents live healthier lives and enjoy high quality support whatever their health and social care needs. High quality housing is essential to good health. By 2028 Cumbria will:
 - be a place where people can independently enjoy long, healthy, active and rewarding lives;
 - have services that are fit for purpose and that meet individual needs;
 - be a place where children and young people are safe and healthy;
 - be a place where residents have easy access to services, green spaces and recreational activities.
- *Developing a sustainable and prosperous economy:* a dynamic and diverse Cumbria will earn a place in the global economy by capitalising on its assets –landscape and energy. New delivering jobs and training will address worklessness in the areas and

neighbourhoods in greatest need and reduce the need for young people to leave the county. By 2028 Cumbria will:

- have a thriving engaged and competitive business sector providing high quality employment opportunities and competitive wage levels;
 - have a workforce which is fit for the future and able to continuously update skills to meet growing business needs;
 - have an adequate supply of land and infrastructure to support sustainable economic growth;
 - be a leader in the sustainable tourism sector.
- *Creating effective connections between people and places:* better transport connections will help people to access jobs and services and link to the rest of the UK and beyond. More sustainable transport modes will be promoted to help reduce CO₂ emissions. By 2028 Cumbria will:
 - have committed public and private sector services that work together with the third sector to maximise efficiency and impact on quality of life for all, lobbying effectively and influencing regionally and nationally;
 - be well connected through safe, sustainable and energy efficient connections both internally and to the rest of the UK and beyond;
 - will be recognised as a beacon for innovation in the provision of co-located and on-line local public services, reducing the need to travel and in the provision of community and public transport which is responsive to demand.
 - *Ensuring world class environmental quality throughout the whole sub-region:* Cumbria's inspiring natural environment, culture and heritage will be conserved and enhanced. By 2028 Cumbria will:
 - have a well planned built environment that is sustainably designed and constructed to a high standard;
 - • be a prosperous County with a diverse cultural and creative infrastructure;
 - • will be a vibrant, dynamic magnet for creative businesses, enabling them to thrive and contribute towards sustainable economic success and quality of life;
 - • have an environment that is protected, invested in through effective land management and recognised as a landmark global destination;
 - • be a place where public service organisations and the business community work together to reduce their carbon footprint, maximizing Cumbria's contribution to limiting climate change.

The Cumbria Strategic Partnership (CSP) brings together a range of thematic and geographic partnerships which work together using all available resource to maximise impact on agreed

outcomes. Complex issues like childhood obesity, homelessness, worklessness, alcohol misuse, and improving independence of older adults, can only be tackled by well co-ordinated action, driven by strong collective leadership and appropriate allocation of resources and support services. This results in organisations increasingly working much more closely together and avoiding duplication. Innovation and flexibility will drive the development of new ways of working securing better outcomes for the people of Cumbria.

Local area agreement

The current Local Area Agreement for Cumbria sets out long term and spearhead indicators of progress towards achieving the themes of the Community Strategy. The LAA seeks to tackle inequalities and reduce gaps in performance both geographical (for example caused by deprivation in Barrow, West Cumbria and Carlisle or caused by rural issues and barriers within Eden) or focused on communities of interest. In relation to housing, the LAA includes targets for housing supply, affordable homes, the reduction of fuel poverty, and the reduction of waiting times for home adaptations.

Indicators and targets in the LAA relating to housing are: NI 154 – Net additional homes provided

- NI 155 – Number of affordable homes delivered (gross)
- NI 187 – Tackling fuel poverty - % of people receiving income-based benefits living in homes with a low energy rating.
- SI 4 – Average length of waiting time for major adaptations.

Targets agreed with Government Office NW for each of these indicators are shown below.

Indicator	LAA Improvement Targets		
	08/09	09/10	10/11
NI 154	990	1190	1400
NI 155	260	300	350
NI 187	tbc	tbc	tbc
SI 4	42 weeks (unstretched) 39 weeks (stretched)	42 weeks (unstretched) 34 weeks (stretched)	42 weeks (unstretched) 29 weeks (stretched)

The Community Strategy and LAA will be revised to respond to the emerging RS2010.

Economic strategy

A strong economy provides the foundation for successful and sustainable communities. Measures to stimulate the Cumbria economy and raise GVA are set within the context of the Regional Economic Strategy. NWDA and Cumbria Vision are developing a Joint Investment Plan to set out priorities for future economic investment in the sub-region.

The nature of Cumbria's economic problems and its strategy to tackle them place greater demands on co-ordinated housing investment programmes than in many other areas. To transform its economy, Cumbria needs an increased supply of high quality market and affordable housing to attract or retain those with skills to support economic growth. It also needs improvements to the existing housing stock to enhance the quality of the housing offer in areas of economic decline. Without these measures, efforts to revitalise the economy will be seriously undermined.

The Cumbria Vision partnership is driving forward the regeneration of the Cumbria Economy through the Economic Strategy. In 2009, four new Vision Boards were established to take forward the development of priorities and the implementation of these proposals. The four Boards are:

- *Britain's Energy Coast West Cumbria*
- *Barrow Regeneration*
- *Carlisle Renaissance*
- *Eden and South Lakeland Forward*

Britain's Energy Coast West Cumbria

In West Cumbria and Barrow, Britain's Energy Coast West Cumbria sets out a vision and detailed proposals to build on West Cumbria's strengths in the energy sector to capitalise on recent developments in national policy on climate change, and the need for renewable energy supplies which will assist in meeting CO₂ emissions targets. The renaissance in the nuclear industry is the core of the strategy, both in attracting significant overseas inward investment to build new reactors for power generation, and addressing the needs of successful decommissioning and nuclear waste management. The Plan also aims to diversify the economy through developing business expertise in these fields and in particular, the environmental technology services sector which incorporates renewable energy technology.

West Cumbria is at the forefront when it comes to the global nuclear industry and boasts considerable expertise in renewable energy; including offshore wind farms, oil and gas. The area has many strengths and assets that are of national and international importance. Not only is employment, research and development well above the regional average but there is already a high levels of skills in environmental remediation, engineering and nuclear decommissioning. The Britain's Energy Coast West Cumbria Masterplan will grasp the

opportunities that arise through the nuclear decommissioning process taking place at Sellafield and build on its growing reputation as a place for innovation in renewable energy. This in turn will diversify the local economy; significantly improve the prospects of local communities; and raise the sub region's profile as a place to live, work and visit.

Projects range from the establishment of pioneering centres for nuclear skills and enterprise support for businesses to transport improvements and the development of West Cumbria as tourism destination. The programme totals a £2 billion public and private sector investment over the next 20 years. Local partners have worked intensively with regional and national organisations, including Government, to draw up the plan and secure financial backing from Westminster. The projects contained in the Masterplan will see the creation of around 16,000 jobs; boost the county's economy by £800 million, and transform West Cumbria into one of the fastest growing sub regional economies in the United Kingdom.

On a wider level the economic benefits of the Masterplan will be felt throughout the North West. It will make a significant contribution towards helping Government to combat climate change and help secure the nation's energy supply.

Projects that are included in the Masterplan are a mixture of new developments requiring new money and existing proposals with money already allocated:

- The Dalton Cumbria Facility (Manchester University)
- National Nuclear Laboratory
- Energus (formerly the Nuclear Academy) which is part funded by West Lakes Renaissance and Northwest Regional Development Agency
- University of Cumbria expansion into West Cumbria
- A new £100 million acute hospital, with research and teaching facilities, which will build on West Cumbria's existing strengths in toxicology, radiation and epidemiology
- A new nuclear power station at the Sellafield site
- Enterprise support for local businesses and enterprise training in schools
- Improvements to schools and the establishment of new academies totalling more than £200 million
- The creation of new, and improvements to an array of existing employment sites ([link to employment sites](#))
- Public realm investment in West Cumbrian towns
- A total of £80 million in Housing Market Renewal
- Long term programme of strategic transport improvements, including the A66 (the main link between the M6 and West Cumbria); the Cumbria Coast Railway; and improved connections between the line and the West Coast Mainline.
- £50 million worth of development of cultural, sporting and leisure facilities
- New tourism facilities, including a hotel in Whitehaven
- Improvements to the marinas in Whitehaven, Workington and Maryport

The role of housing investment in achieving the Britain's Energy Coast West Cumbria vision is crucial. We need to create the conditions to attract developers to provide new housing to cater for the population growth that the new economy will attract and depend upon. We need to ensure that new growth is focussed in sustainable locations which support and regenerate existing settlements, and that it provides the right mix in terms of tenure, affordability, cost and type. We need to ensure that housing design contributes to the development of attractive places where people will want to live. We need large scale investment to transform those parts of the existing stock which fall short of modern expectations and undermine sustainability.

Barrow Regeneration

The aim of Barrow Regeneration is to deliver co-ordinated programmes for new infrastructure, skills and sustainable communities that will renew the economy of the Barrow-in-Furness area, as well as making it a better place to live, work and visit.

Successes in Barrow include

- Barrow Top Improver in NW for Economic Dynamism and Enterprise (Ecosgen Survey)
- Unemployment at 3.7% now less than UK average. We still have a problem with worklessness, but some nationally recognised projects run by Furness Enterprise are addressing this.
- Investment in education and skills -£40m rebuild of Furness College (HE and FE) now underway. Furness Academy now open.
- Demographic profile now improving -14% more 18-30 year olds compared to 2002.
- Strong infrastructure investment –roads in place to take additional traffic from Waterfront and Marina Village.
- Investment through Barrow BC and Barrow Regeneration in town centre.
- 8 hectares of prime industrial land now available at Waterfront. Barrow for taking up when recession ends.

The programme has six interlinked priorities

Barrow Waterfront – providing infrastructure and development sites needed for future business growth and jobs generation. The Waterfront Barrow-in-Furness is a £200 million investment that will transform redundant dockland into a vibrant new community. The project will include:

- **Barrow Marina/Marina Village** – providing family and other high quality housing at the waterfront, adjacent to the town centre and its amenities, to meet future needs, and to assist in transforming the town. The Marina will add value, new jobs and economic benefit. Housing and apartments will be built at the higher end of the market which is currently under provided in the Borough. The developer's expertise

being used in marketing and building to create the market and cater to local demand. This proposal has really caught the imagination of local people, the press and the media outside Barrow.

- **Waterfront Business Park** – this will create business space in Barrow and generate 1,500 new jobs. Nearly eight hectares are now available and are actively being marketed for development. We know the market is there and post-recession we shall be well-placed to take advantage of the up-turn in the UK economy.
- **Housing Market Renewal** – much of Barrow’s older terraced housing is cheek by jowl with the town centre and we must upgrade or replace it if the centre is to become a place where people will want to live and work. The housing market renewal programme is dealing with the worst of the older stock by complete remodelling or demolition, in which case the sites will be released for private sector development (particularly for 3-bedroom houses with gardens) when the market changes. Over 100 of the very worst properties have been acquired to date, but boarded up terraces will not enhance the image of the town. The programme must be completed to ensure that it contributes to the sustainability and attractiveness of Barrow.
- **Barrow Town Centre** – enhancing the environment, improving the trading position, and diversifying the retail and commercial offer. Barrow shopping centre is suffering from the same problems as most other centres in the recession with closures and vacant units. The Council has been active in acquiring individual properties and re-furbishing them, including the building on Duke Street now occupied by Barrow Regeneration. Furness Enterprise is offering financial assistance to retail outlets in the town centre and businesses can obtain the services of a retail consultant to help with the development of new ideas. Marketing grants are also available. The additional car parking spaces, improvements to the streetscape and the creation of commercial floor space in the middle of the town make the area attractive and open for business. The station has been modernised at a cost of over £2m and passenger traffic is 60% up with services to Manchester and London greatly improved compared with five years ago.
- **Enterprise and Skills** – tackling worklessness, developing a more entrepreneurial economy, and supporting new and expanding businesses. Housing associations and the Council as a housing provider have a significant role to play in addressing concentrations of worklessness in social rented housing.
- **Talented Minds** – working with young people, schools and colleges to help create the New Barrow, persuading more young people to stay and attracting more of them to come to the area. The new Furness Academy is up and running and Furness College is one of only thirteen colleges nationally to get the go-ahead from LSC to re-build. At a cost of £40m, the College, providing Higher Education as well as Further Education level teaching, started work on site this month. The University of Cumbria will share the campus. It will be the most important development of all in wider regeneration terms

for the town, because education transforms communities and changes lives. Through our Talented Minds programme regeneration is part of the curriculum at Furness Academy and our other secondary schools. Real live regeneration projects are used in course work and the views of young people are sought – and are used – in the design of our projects. More young people are staying to be educated in Barrow after secondary schooling, and more are coming back here to work and set up home in the town

The role of housing investment in achieving the Barrow Regeneration vision is crucial. We need to create the conditions to attract developers to provide new housing to cater for the markets which are currently under-represented in the town but which are crucial to the development of the new economy. The design and location of this new housing must contribute to the development of attractive places where people will want to live. Equally importantly, housing market renewal investment is needed to transform those parts of the existing stock which fall short of modern expectations and undermine sustainability. In Barrow, a further important task is to develop measures to improve conditions and management in the private rented sector through a combination of controls and incentives to landlords.

Carlisle Renaissance

Carlisle Renaissance is a partnership founded by Carlisle City Council, Cumbria County Council, the North West Development Agency, together with representatives from the private-sector and Cumbria Vision.

The Carlisle Renaissance Board works with the Carlisle Partnership (LSP) Economic Development & Enterprise Priority Group to deliver the city regions Economic Strategy – Growing Carlisle.

Growing Carlisle - An Economic Strategy for the Carlisle City Region, was produced in 2008 using local economic, housing and planning intelligence and with the involvement of the public, private and voluntary sector

The Vision of the strategy is bold - In 25 years time visitors and residents should be able to describe Carlisle as:

“Cumbria’s historic, dynamic and successful University City, creating growth opportunities in a sustainable environment with skilled people and international connections in a stunning location.”

The strategy is built around three themes, Place, People and Connections. There are actions under each theme which will help to lay the foundations for Carlisle’s future prosperity and growth.

'Place' includes actions to grow Carlisle, to develop sites within the city centre, to revitalise local communities and to promote Carlisle.

- Growing Carlisle: Identifying and delivering on housing land allocations, improving housing choice and affordability, bringing brown-field land into development and improving the stock of business premises
- Revitalising the City Centre: Delivering transformational development projects to ensure public realm improvements, investment in the historic core and in performance arts space , improving the City Centre offer and evening economy
- Revitalising communities: focuses on delivering the physical and economic infrastructure needs of specific urban and rural communities. The actions encourage new investment, the availability of employment land and the environment for business, across the urban areas of Carlisle and within the rural services centres – Brampton and Longtown

'People' is about reducing worklessness, improving workforce skills and supporting business

- Reducing worklessness aims to support people to become ready for work. and secure multi-agency working and better public/private sector co-operation on labour market initiatives to maximise effectiveness, external funding and the use of local resources
- Improving workforce skills: includes projects to ensure the city region , develops workforce skills needed in areas of economic growth to deliver improved economic performance. This strand also supports the promotion of Skills for Life with employers and unions
- Business Growth and innovation: aims to deliver improved business engagement and support services for local businesses (including ICT and funding)

'Connections' is about ' access to markets' employment and local services and ICT

This includes:

- Supporting the growth of Carlisle airport
- Transport infrastructure improvements
- Improving bus usage and facilities, developing a parking strategy for Carlisle and improving access to the city centre by foot and cycle
- Promotional work to ensure that ICT providers upgrade their infrastructure as Carlisle grows

In 2009 Carlisle successfully gained growth point status as a crucial element in delivering housing to support the objectives of the economic strategy. Work is now underway through the Local Development Framework to identify housing and employment sites to deliver sustainable growth.

The role of housing investment in Carlisle involves creating the conditions to attract developers to provide new housing to play its part in supporting economic growth.

The design and location of this new housing must contribute to the development of attractive places where people will want to live. It must be focused in sustainable locations, and provide the right mix in terms of tenure, affordability, cost and type. In the more rural parts of the district, housing investment needs to address affordability problems comparable to those in other rural areas in Cumbria.

The housing offer will also need to take account of the growing number of older people in the population such as looking at the provision of lifetime homes standards in new developments.

Eden and South Lakeland Forward

Eden and South Lakeland Forward has developed a strategic programme of investment to grow the economy of Eden and South Lakeland. The rural nature of Eden and South Lakeland requires special types of support and intervention to sustain its communities. The key themes of the *Delivery Plan 2010–2020* are to:

- **Strengthen the role of flagship centres** – in particular Kendal and Penrith and principal market towns and Windermere, Bowness, Ambleside, Appleby, Kirkby Stephen and Alston as the main tourist hubs.
- **Increase business productivity, diversity and competitiveness** – a range of measures including a good supply of employment land, ICT infrastructure, the improvement of workforce skills, and measures to retain and attract young people.
- **Support the development of the tourism sector** – improving the quality of the offer within the industry.
- **Create affordable housing** – there is a well evidenced shortage of affordable homes in Eden and South Lakeland. Developing new approaches for delivery of small scale developments dispersed across numerous settlements will be therefore be key to the future sustainability of rural communities (particularly in a constrained housing market).
- **Provide rural service infrastructure** – providing the necessary supporting infrastructure, particularly ICT connectivity, and ensuring access to key services.

The role of housing investment in Eden and South Lakeland is to secure the maximum affordable supply to support measures to retain younger and skilled people and more broadly to support economic growth. The design and location of this new housing must contribute to the development of attractive places where people will want to live. It must be focused in sustainable locations, and provide the right mix in terms of tenure, affordability, cost and type. As well as the direct supply of social rented housing by housing associations, there is a need to explore all possible channels for to secure private funding for affordable housing, and to develop new delivery mechanisms to create affordable housing in small settlements.

The planning framework

The Regional Spatial Strategy, the Cumbria Sub-regional Spatial Strategy, and the Core Strategies of Local Development Frameworks are crucial to the economic and social future of Cumbria. Development Plans play a key role in creating prosperity and delivering services. They are produced collaboratively with a wide range of stakeholders and agencies to ensure that they reflect and contribute to the vision for the future of Cumbria, and that they are aligned to economic and social strategies for the county.

The challenge for spatial planning in Cumbria is to secure a sustainable level and pattern of development that meets the need for economic growth and jobs throughout Cumbria whilst at the same time creating balanced communities and protecting Cumbria's unique landscape and cultural assets for the future. To contribute to economic growth, achieve more balanced communities, and reduce inequality in Cumbria, three spatial objectives have been identified:

- To reduce the dependency for high level services/jobs on towns outside Cumbria.
- To increase the viability and complementary nature of towns and villages throughout Cumbria.
- To develop and maintain high quality modern and integrated transport networks.

To secure sustainable development, new housing supply, affordable housing, and upgrading to existing housing to reduce CO₂ emissions are all necessary. They need to be provided at a level which will contribute to and support economic growth and ensure that local housing needs are met.

The Sub-regional Spatial Strategy actively supports the regeneration of Barrow, the major settlements in West Cumbria, and the growth of Carlisle. Major developments will be focused in these locations. This will support Britain's Energy Coast West Cumbria, Barrow Regeneration and Carlisle Renaissance. There will be significant development in Kendal and Penrith to support the Eden and South Lakeland Forward vision. Local Development Frameworks are being prepared to establish detailed plans and to identify sites, including

those required to deliver Carlisle's Growth Point commitments in a holistic context taking on board infrastructure and environmental issues. Moderate development in a number of other settlements to contribute to their sustainability and economic regeneration.

Delivering housing market renewal in Furness and West Cumbria is a further priority that will seek to improve both the balance of the housing markets targeted and the renewal/regeneration of poorer stock which is no longer viable.

In sparse rural areas the character of individual settlements will be protected and development will strengthen the economy and services. Small scale development will take place in local service centres and other locations as identified in local development frameworks.

The Core Strategy for the Lake District National Park has recently been published for consultation. It is the first national Park strategy to explicitly seek to contribute to economic growth. Businesses will locate in the National Park because they value the quality of opportunity, environment and lifestyle it offers. Many will draw on a strong connection to the landscape and entrepreneurial spirit will be nurtured across all sectors and traditional industries maintained to ensure a diverse economy. Rural service centres and other sustainable communities will accommodate development to meet locally generated needs.

Spatial strategies in Cumbria thus seek to support economic growth and to ensure that an adequate supply of housing including sufficient affordable housing is provided in sustainable settlements.

Design and Quality Standards

The role of design in creating places that contribute to economic vitality, health and wellbeing and to sustainable forms of development is firmly entrenched in Government policy and the objectives of the Homes and Communities Agency. The overall effect of good planning and design across all elements of the built environment is encapsulated in the concept of 'placemaking', a key driver of economic prosperity.

The HCA have committed to the development of new harmonised design standards but in the interim Cumbria will adopt all transitional standards, for all development on HCA owned land; and all developments funded by the NAHP from 2011. The Government has published a policy statement *Building a Greener Future* which confirms its intention that all new homes should be constructed to zero carbon standards by 2016. Local Planning Authority Development Control teams will work to ensure that all development coming forward meets with agreed environmental standards and is of high quality design.

Joint Strategic Needs Assessment

In 2009 Cumbria published a Joint Strategic Needs Assessment which highlighted the key health challenges for local authorities, the NHS and our communities. The document and importantly its iterations are designed to underpin decisions on the commissioning of services and investment for Cumbria. Four key challenges were set out in the JSNA:

- The ageing population and the declining number of young people.
- Mental health and alcohol misuse.
- The health of children
- Health Inequalities

The document sets out priorities for Cumbria based on a mapping of the evidence of need. If not addressed, the key challenges that Cumbria faces will compound the difficulties and problems that will come from reductions in public spending in the next few years.

The key JSNA recommendations relating to housing were:

- The need for affordable homes to help retain young people in the county.
- To help provide support to keep older people in their own homes for as long as possible.
- To increase the provision of extra care housing and homes built to lifetime home standard.
- Addressing the problems of fuel poverty.
- Ensuring that there are age appropriate services for children and young people affected by homelessness.

The transformation of Health Services in Cumbria

Cumbria NHS, following Lord Darzi's report of the future of the NHS, is implementing a 'Closer to Home' strategy to provide more care in the community and in people's homes. As has been highlighted over the years in many studies there is a key link between the quality of housing and people's health. As more care is provided at home, the quality of existing housing will have a bearing on the outcomes of such a strategy. Closer to Home is important to Cumbria in order that health services can be sustainable given the rising numbers of older people on whom 70% of all social and health resources are spent. Housing policy and investment needs to meet the challenge of this change in the way health is delivered. If investment is not made in existing stock, targeted at those who are most vulnerable, there will be increases in costs for health and social care, caused for example by unscheduled hospital admissions and delayed discharges, undermining Closer to Home.

Education and schools

In Cumbria we want the best for every child, young person and family, enabling children and young people to stay safe, be healthy, enjoy and achieve, make a positive contribution and achieve economic well-being. There are currently over 112,000 children and young people aged 0-19 in Cumbria and we can only achieve this by working closely with other partners who also support children and young people and their families.

Broadband access

It is important that Cumbrian communities and businesses have access to the same broadband service as the rest of the country. Inequality risks exacerbating the Digital Divide and disadvantaging the County's communities. Cumbrian authorities are actively working with NWDA to develop a strategy for the region which ensures that Cumbria reaps maximum benefit from next generation broadband.

3 Housing markets in Cumbria

Cumbria Housing Strategy

Working within the context of the Regional Housing Strategy, the Cumbrian authorities and their partners have developed the Cumbria Housing Strategy as a framework to plan, implement and deliver housing services within the sub-region. The high quality of the strategy is demonstrated by the fact that it was the first sub-regional strategy in the country to be declared 'fit for purpose' by the Department for Communities and Local Government.

It is clearly essential for the Sub-regional strategy to show how the county will work to meeting government and HCA investment objectives and make the best use of other funding channels to meet priority housing needs. The vision of the strategy is that Cumbria will have balanced housing markets supporting the social and economic changes which the county must undergo over the next 20 years, and in the short term how Cumbria will use all the resources available to move toward this objective. The Cumbria Housing Strategy adopts the framework established in the North West Regional Strategy which highlights three themes: securing an adequate quantity of housing, securing improvements to the quality of the existing stock, and connecting people to housing. The strategy takes account of:

- The impact of the credit crunch on housing markets that were already extraordinarily dynamic.
- Changing demography, including the growth of smaller households, the ageing of the population, and increased levels of migration and mobility linked to economic change.
- Identifying the best ways to establish or strengthen links between housing and economic growth.
- Ways of improving access to affordable homes whilst continuing to restructure vulnerable markets.
- Spatially prioritising market intervention to ensure that limited public resources are used in the most effective way.
- Optimising the role of housing in tackling climate change and addressing fuel poverty.

Quantity: these priorities have been used to inform an active review of the allocation of Regional Housing Pot resources to sub-regions and to local authorities. The Cumbria Housing Strategy complements the planning framework requiring new supply to fully complement the neighbourhood in which it sits. This means making it appropriate to local markets and environments and to be sustainable by getting the location, type, design, size

and tenure right. The strategy also emphasises the importance of optimising the use of the existing stock and, in particular, of bringing empty properties into use.

Quality: most of the housing supply for the next two decades is already built. In Furness and West Cumbria especially, investment is needed to make sure that the housing stock is fit for purpose and of a standard that future generations will demand. Homes must also be made sustainable to play a full role in raising the quality of place of our neighbourhoods. As the Cumbria Place survey recently showed, housing plays a major role in creating a sense of place for communities.

Connecting with people: the Cumbria Housing Strategy looks to ensure that all households have the opportunity to access good housing, and housing support where they require it. The aim is to create balanced housing markets where local people can afford to find a home and a place where people want to stay.

The main problems which the strategy identifies are

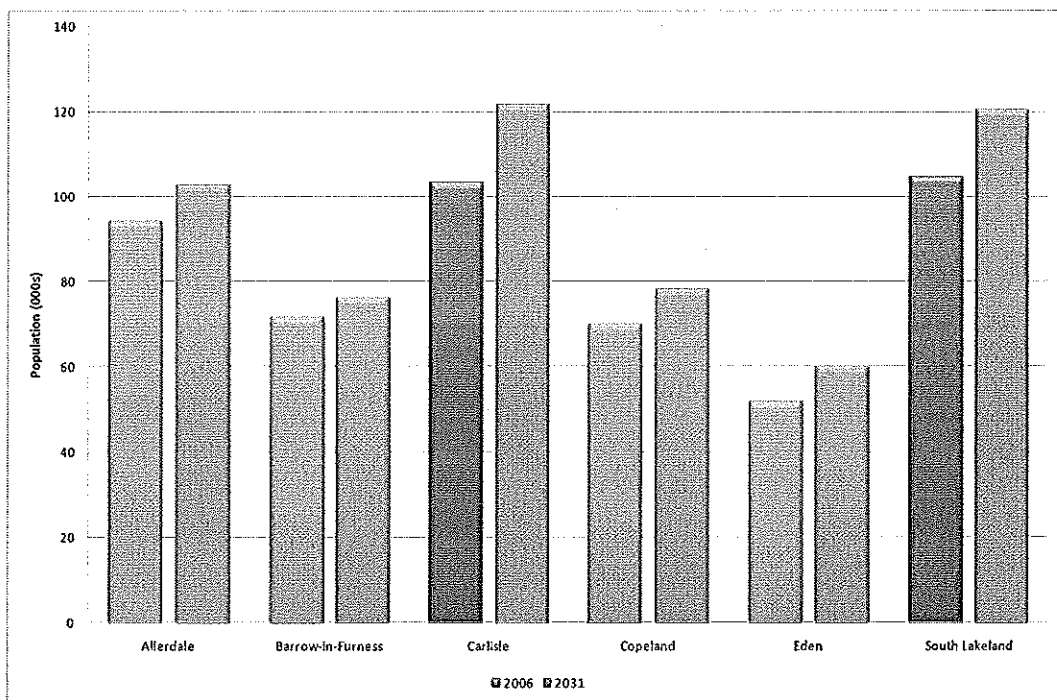
- House prices and rents are unaffordable to a high proportion of newly forming local households
- House prices have risen far more quickly than local incomes in the last ten years, further exacerbating affordability problems.
- Waiting lists for housing association and council homes are such that people in housing need may have to wait for an unreasonable time for a suitable home.
- Despite high prices there are some areas of low prices and a limited demand for social rented housing.
- The housing market in some areas is distorted by an excessive proportion of holiday homes, second homes and investment properties
- The level of new development is relatively low in comparison to household growth and more of the dwellings that are completed need to be affordable to support social and economic development. Conversely though in some areas in the west of Cumbria there is a need for more upmarket housing.
- There are problems in both private and social sectors with the condition of housing which are serious enough to impact on health.
- Specialised housing services and support is not always available where it is needed.

The Cumbria Housing Executive Group has a strong evidence base on local housing markets. Cumbria was the first area in the North West to prepare coordinated strategic housing market assessments in line with CLG Good Practice requirements covering the whole sub-region. These were supported by a number of research studies including housing needs and house condition surveys.

These assessments and the sub-regional and local housing strategies which draw on them provide a detailed picture of the housing market in the sub-region, but the key findings are as follows:

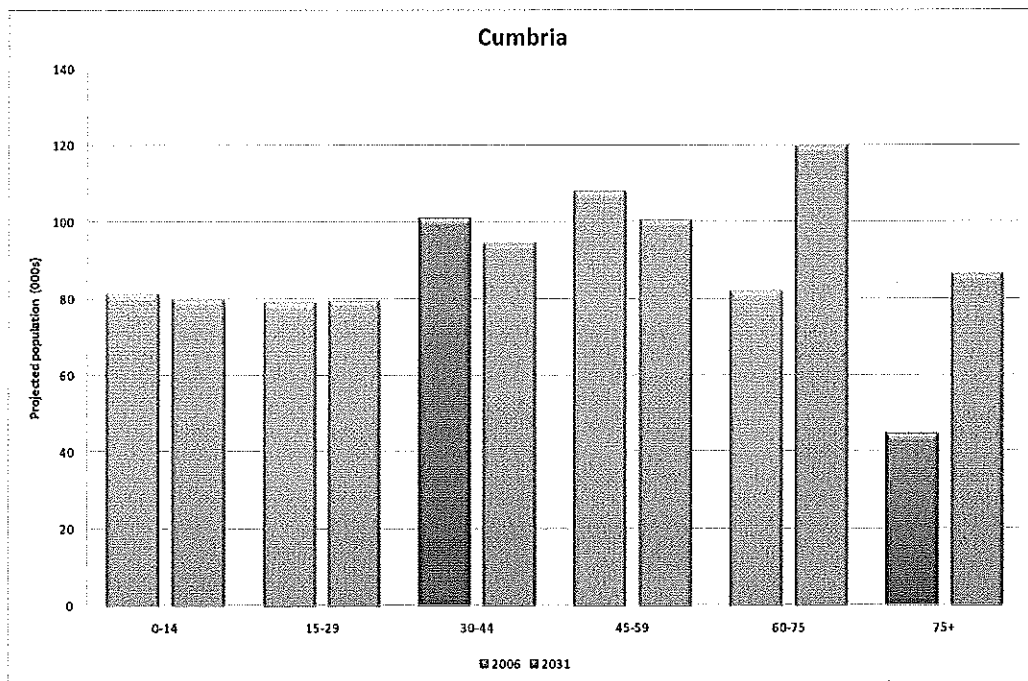
- Cumbria's population has grown since 2000 and is projected to grow in the future., Current Office for National Statistics projections show significant growth of 63,900 people (12.9%) over the period 2006-2031. More cautious migration assumptions (taking account the impact of recession) show a smaller increase (32,800 or 6.6%).

Figure 1 Projected population growth 2006-2031



- Growth will not be equally dispersed across Cumbria. Carlisle has the highest projected growth, reflecting its role as a sub-regional service centre and location for planned new development, followed by Eden and South Lakeland. West Cumbria and especially Barrow have lower projected growth levels. Projected growth in Eden and South Lakeland is the least likely to be affected by recession.
- The working age and child population is forecast to fall across Cumbria while the older population will grow considerably. The national trend towards ageing population is more marked in Cumbria because it attracts older people and loses younger people through migration. This demonstrates the importance of attracting younger people into Cumbria to sustain the workforce and support economic growth.

Figure 2 Projected ageing of Cumbrian population



- House prices in Cumbria grew by 90% over the period from 2002-2007 and in places are amongst the highest in the North West. Within Cumbria, Eden and South Lakeland have much higher prices than elsewhere, whilst prices in many parts of West Cumbria and Barrow are amongst the lowest in the county.

- With the exception of Allerdale and Copeland, Cumbria has a very high rate of owner occupation compared to the North West as a whole, and a correspondingly lower level of affordable social rented housing. The shortfall is greatest in Eden and South Lakeland where affordability problems are most severe.
- Following national trends the level of private renting in Cumbria has increased, making this tenure an increasingly important one in which many households meet their housing needs. In some areas including parts of Barrow, there are concentrations of private renting giving rise to potential area management problems which need to be addressed.
- Apart from Barrow, Cumbria has a low vacancy rate in the dwelling stock so the potential for supply from this source is limited. A more significant issue in some parts of the sub-region is the level of second homes.
- Apart from Carlisle, Cumbria has a relatively low rate of additions to the housing stock (3.8% over the 2001-2009 period).
- Dwelling condition is a problem in parts of Cumbria, but Barrow has a higher incidence of dwellings with a high HHSR risk level than the North West, and Copeland approaches the regional average. Typically poorer condition dwellings are in the private sector. In Allerdale for example, 70% of private sector dwellings occupied by vulnerable households are non-decent.

It is clear from this that the overall picture for Cumbrian can mask very significant local differences in housing markets. The following sub-area profiles highlight these more detailed issues².

Barrow suffers from its peripheral position and poor communication links with the rest of the sub-region and beyond. Past manufacturing decline and a weak economy have led to high levels of deprivation and economic inactivity. Male and female life expectancy at birth has continued to decline in recent years and poor housing plays an important part in undermining health. In housing, Barrow has an over-supply of low value poor condition stock, with significant condition and management problems in the private rented sector where low values attract bad landlords. This presents a significant regeneration challenge and an obstacle to the revival of Barrow's economy. As a complement to this, there is a need for more high quality stock in sustainable locations within the town to attract and retain more affluent workers in the new economy which regeneration proposals will create.

- **Carlisle's** position on the M6 and the West Coast Main Line makes it highly accessible. It is already an important employment and service centre for Cumbria and

² These profiles are aligned with the areas covered by Cumbria Vision's delivery boards as described above.

South West Scotland and, with the creation of the University of Cumbria in 2007, a University City. Growing Carlisle, the Economic Development Strategy seeks to overcome the cities geographic and historical challenges to deliver a diverse economy that attracts more graduates and higher skilled employment. Housing growth is an essential component to support the economy. The Carlisle Housing Strategy also identifies affordability, condition problems in the housing stock, limited adaptability (and hence a high need for grant aid), and the recent changes to the housing market which have left a number of urban brownfield sites where plans for high density developments are no longer viable.

- **Eden and South Lakeland** is in the main a sparsely populated rural area including the Lake District National Park and part of the Yorkshire Dales National Park, served by Kendal, Penrith and a number of other small characterful towns and villages. The main challenge is the loss of young people due to the lack of high quality job opportunities and the very serious affordability problems for local households created by high house prices and the difficulty in bringing forward a sufficient affordable housing supply. Housing for migrant workers, particularly those employed in tourism and the food production industry, is also a potential problem. The loss of younger people, in migration by older people, and high levels of second homes make the sustainability of service centres a major challenge, and also place strains on care and support services for older people.
- **West Cumbria** covers the areas of Allerdale and Copeland. Both areas are mixed, with some predominantly urban areas on or near the coast (Workington, Maryport, Cleator Moor and Whitehaven), a few small towns such as Cockermouth and Keswick, and larger rural areas some within the Lake District National Park. The area has a history of heavy industry and the decline of this sector has left a legacy of deprivation, worklessness, industry-related chronic illness, and low incomes. In contrast, more affluent areas in or near the National Park boundary have acute affordability and housing supply problems. The seasonal and part time nature of tourism and agricultural employment, coupled with low wages, compound affordability problems. Poor transport links create a sense of geographical isolation across much of West Cumbria adding to the challenge of economic regeneration. Not surprisingly given the nature of the economy and high housing costs, out migration of young people is a major problem. The legacy of industrial decline has also left the area with a number of large scale industrial sites with very significant remediation costs, making the sites unviable without subsidy. In addition, there are capacity and infra-structure issues around the more desirable and high demand areas such as Keswick and Cockermouth. Highways and utilities are two of the main issues, but recent flooding has also had an impact.

Conclusions

In terms of housing, the evidence base suggests that the key issues for Cumbria are

- The chronic shortage of affordable housing which is leading to an ongoing loss of young people and sapping the vitality of the economy and of communities.
- The need to creating decent homes and environments to support planned economic growth.
- Housing the homeless – those most severely affected by affordability problems
- Regeneration and restructuring of housing markets with concentrations of deprivation and poor conditions.
- Homes with support or additional facilities to meet the needs of the growing population of older people and younger vulnerable households.

4 Our investment priorities

Our vision

Our proposals are guided by our vision for Cumbria:

Building on the county's attractiveness as a place to live, work and visit; the delivery of a range of innovative and sustainable projects will secure a better quality of life for current and future generations. Cumbria will work towards balanced housing markets which support the social and economic changes that the county will undergo over the next twenty years.

To achieve this vision we will need to integrate public and private investment through the Cumbria Economic Strategy, Local Development Frameworks, the Cumbria Community Strategy, and the Cumbria Joint Strategic Needs Assessment. It is also essential that alongside the setting out of Cumbria's overarching priorities, this Plan should also recognise and reflect local issues, which must also be translated into successful delivery plans which are picked up and fully recognised and supported by all the relevant partner agencies and groups. The Cumbria Community Strategy is currently under review and the investment priorities will reflect the current priorities with the NWDA on the Joint Investment Plan to achieve the strategic outcomes.

Investment priorities

The current priorities for Cumbria as set out in the HCA Business Preview 2009-2011 align closely with Cumbria's Community Strategy and its economic growth priorities. They are:

- Supporting key transformational projects in Barrow.
- Encouraging the development of partnerships in Carlisle to deliver growth point targets.
- Delivering affordable homes in rural communities and market towns.
- Supporting Britain's Energy Coast West Cumbria through improvements in the housing offer in West Cumbria.

These priorities are designed to support the delivery of economic regeneration through Cumbria Vision's Delivery Board areas: Barrow, Carlisle, Eden and South Lakeland and West Cumbria, but the aim of delivering affordable homes in rural communities and market towns applies to more than one Board area.

Barrow

Proposals for Barrow seek to address problems associated with the concentration of deprivation and worklessness in the older housing stock, whilst at the same time broadening

and strengthening the housing offer through new supply. For obvious reasons these two objectives need to be carefully coordinated. The main proposals are:

- Improving the existing housing stock through Housing Market Renewal.
- Developing 'Barrow Waterfront' and 'Marina Village'.
- Improving the skill set of the population, particularly young people.
- Capitalising on the investment in Britain's Energy Coast West Cumbria.
- Revitalising the town centre.

Housing market renewal is an integral part of the renaissance of Furness and West. Economic transformation and housing market renewal go hand in hand. The housing part of the deal is to provide better choice and higher quality homes that can meet present and future aspirations. An evaluation of progress to date published in 2010 found that the underlying problems in the housing markets of Barrow and West Cumbria have been exacerbated by the effects of the global financial downturn. Investment will be required to support the housing market and to secure developer confidence as the market comes out of recession. If the programme is continued, synergies with other housing and economic regeneration objectives will need to be maintained through alignment of partnerships, strategies and funding streams.

The current programme has concentrated on the lower end of the housing market: improving the quality of the stock, creating opportunities for private investment, and improving the tenure mix. Whilst this need will continue, the programme needs to widen its focus to include larger scale projects that will provide transformational change. Our vision for the future is to support the creation of balanced housing markets and communities where people choose and want to live, by securing the provision of the homes needed to attract or retain younger and more highly skilled people. Strategic re-provisioning of stock within a wider vision of developing 'place' is critical if we are to contribute to the social and economic development of West Cumbria.

We firmly believe that future housing market renewal should be developed within the single conversation. By incorporating housing market renewal within the scope of this local investment plan, the HMR programme will be embedded within the wider regeneration structures and strategies of the sub-region. This should allow Cumbria to move away from a programme-led approach to delivery and towards the ambitions under the broader place-shaping agenda. Housing market renewal interventions in the short to medium term will be focused in the four main urban settlements of Barrow, Maryport, Whitehaven and Workington.

The justification for this focus is that the main urban settlements suffer from particular concentrations of multiple deprivation and housing market failure and that the largest population of the area is concentrated in these four towns. Targeting key projects in these

towns will ensure maximum impact from limited resources, and is the most sustainable in terms of service delivery, environment and accessibility.

We need a properly funded successor programme to our current (Furness and West Cumbria) Housing Market Renewal programme which is only funded until 2010/11. The priority market renewal projects for Barrow over the next three years are:

- North Central Renewal Area Strategy.
- Hindpool Environmental Improvement Strategy.
- Creating affordable housing in HMR priority neighbourhoods.

Looking beyond the market renewal programme, **Barrow Marina Village** is Barrow's top priority – not just in terms of providing 630-650 much needed family homes but as **essential**, transformational place making that is the centrepiece to our overall regeneration plan.

Barrow Island Flats (400 plus units in tenement blocks) is also a priority. Holker Estates have started a refurbishment scheme for Devonshire Buildings.

Carlisle

The key challenge identified above was to achieve a step change in Carlisle's profile to establish it as a heritage city with a growing university, a successful regional commercial centre, and the infrastructure to support business investment and good access.

To support this objective, Carlisle was awarded growth point status in 2009 to boost its annual growth target from 450 to 600 new dwellings per year. Carlisle's proposal aims to secure a critical mass of population growth to provide the impetus for economic transformation.

Carlisle has identified the following priorities and actions in its housing strategy and Strategic Housing Market Assessment 2009:

- Supporting homeless and other vulnerable People
Community Training and Resources Centre (£1.89M)
City centre Family Accommodation (£1.8M)
Ghyll Bank Gypsy and Travellers Site (£1.96M)
City centre Foyer for young people (17 units)
Extra Care Scheme, partnership with Cumbria County Council and Eden Housing Association to provide 60 units meeting the needs of people aged 55+
- Decent homes including empty property
Empty property scheme and decent homes work delivered with housing partners
- Affordability and balancing the housing market

In the immediate future affordable housing for people on low incomes wishing to remain in the Carlisle area and start families is required to discourage further out-migration.

Carlisle's Growth Point status will support the delivery of more units once confidence is restored in the housing market. In April 2008 the Local Plan inspector increased the affordable housing contribution to 30% on sites over 10 units in the urban area – increased housing numbers, linked to our Growth Point status, will include greater numbers of affordable homes, linked to this increased target.

Two large new developments are proposed to the North of the City at Crindledyke – up to 975 properties, and the West of the city at Morton for 825 new homes. Based on a 30% affordable housing contribution these schemes could help to ease the affordable housing shortage.

These developments will hopefully help meet some of the need identified in our rural HMAs, as well as our urban HMAs, as they border the rural areas – although need in more deeply rural areas remains an issue.

Riverside Carlisle are now moving back into the development arena, with plans to develop around 50 new units p.a. with planning permission and Homes and Communities Agency funding already in place for the first of these developments at Barras Close, Morton.

The City Council has agreed to transfer two sites at below market value to be developed for affordable housing. These are - adjoining Low Meadow, in Carlisle West (approx. 30 new homes), and Gelt Rise, Brampton (approx. 15 new homes), to be developed by our RSL partner, Two Castles).

General demand – from a policy perspective, meeting housing demand (as well as need) is intrinsically linked to the Carlisle Economic Strategy, which identifies a strong consensus emerging for a more ambitious population growth above the most recent forecasts. There are clear economic advantages arising from a larger population. Aspirational population growth projections suggest a population of 119,000 by 2025. This population figure has been used to produce household formation projections, and was the basis of the Growth Point Bid of an annual target of 600 dwellings – 150 more than in the current RSS (Regional Spatial Strategy). This would allow sufficient housing development to meet the affordable housing requirement identified through the housing need survey, as well as the need to provide a wide range of housing to attract new investment into the Carlisle district, and provide balanced housing markets.

In Carlisle's rural areas there is a need for more affordable housing to enable more balanced and sustainable communities; without this provision there will be loss of younger people and families to urban centres. This, coupled with the available housing being occupied by a growing older people population and those retiring into the area, will lead to a further reduction of services such as schools and post offices in rural communities around Carlisle.

The Delivery Board is supportive of affordable and supported housing projects currently being brought forward through the Local Investment Plan for Cumbria and welcomes the following schemes in 2010/11:

- Hallbankgate (10 units) Riverside Carlisle Housing Association
- Harris Crescent, Henderson Crescent, Welsh Road (21 units) Riverside Carlisle Housing Association
- Gelt Rise (17 units) Two Castles Housing Association
- Cumwhinton (8 units) Two Castles Housing Association
- Regent Street, Carlisle (3 units for rent & 7 units for women's refuge) Impact Housing association
- Etterby Street, Carlisle (30 units) Riverside Carlisle Housing Association

Eden and South Lakeland

There is clear shortage of affordable housing within Eden and South Lakeland. Median house prices in South Lakeland (£213,000) and Eden (£189,375) are significantly above the Cumbrian (£142,000) and North West averages (£124,000). Average house prices are seven times the average household income. The recent recession has also negatively impacted on the number of new houses being built, with the knock-on effect that fewer affordable homes are being built. In a more constrained market, delivery of affordable housing, particularly in rural areas, is only going to be more challenging in the next few years.

Eden and South Lakeland Forward will therefore need to work closely with partners, particularly the Homes and Communities Agency (HCA), local authorities, housing associations and developers operating in the area to identify appropriate locations for affordable housing. Eden and South Lakeland Forward will ensure that affordable housing schemes link to and support wider economic initiatives, building on existing local knowledge of affordable housing requirements and opportunities for provision. They will develop mechanisms for the delivery of small scale developments, dispersed across numerous rural settlements, as the key to the future sustainability of rural communities. The Delivery Board is supportive of affordable and supported housing projects currently being brought forward through the Local Investment Plan for Cumbria and welcomes the following schemes due to start on site in 2010/11:

- Penrith Rural Foyer (Phase 3)[27 units]
- Southend Road, Penrith (Phases 1/2) (33 units)
- Kendal Rural Foyer (14 units)– HCA funding already secured
- Old Hawkshead Road, Coniston (11 units)] - HCA funding already secured
- Old School, Satterthwaite (7 units)] - HCA funding already secured

Eden and South Lakeland forward are also developing the concept of an M6 growth corridor including the market towns of Penrith and Kendal and also, potentially, Carlisle. A number of specific priorities are under development looking further ahead:

- **Kendal** – there is a major development opportunity for the redevelopment of the Canal Head area over the next 5–10 years. The 8.8ha development could include 200 new homes, offices and the relocation of an existing manufacturing business along with major road improvements, and significant public realm enhancements, a large retail store, and strengthened links to the town centre. HCA support may be required to deliver affordable housing within the scheme and the Community Infrastructure Fund could be used to assist in the up-front delivery of the enabling infrastructure.
- **Penrith** – the New Squares project is a comprehensive redevelopment scheme within the town centre including a 55,000 sq ft superstore, 31 retail units, a 650 space multi storey car park and some 200 housing units of which at least 30% will be affordable. HCA support may be required to deliver affordable housing within the scheme. In addition, a sustainable town extension is planned to ensure Penrith can sustain itself as a vibrant market town in central Cumbria and to accommodate projected population and employment growth over the next twenty years.
- **Windermere Waterfront** - a series of aspirational projects, based around Lake Windermere, aiming to create a world class visitor experience by transforming key strategic sites around the lake. One of the key transformational projects will be centred on the Glebe at Bowness and HCA support may be required to deliver an affordable housing element.
- **Employment Sites and Premises** - although the economy of Eden and South Lakeland is characterised by high rates of economic activity, low unemployment and a relatively well qualified workforce, a key issue is to address the shortage of employment land, particularly in South Lakeland.

The following schemes are all a priority and are of equal standing with the exception of the Kirkland scheme which is the top priority due to its provision for disabled people.

- Kirkland, Kendal (36 units)
- Windermere Road, Kendal (24 units)
- Guldrey depot, Sedbergh (12 units)
- Old Infants School, Hawkshead (5 units)
- Whinfield Road, Windermere (2 units)
- Orrest Drive, Windermere (4 units)
- Broughton Road, Torver (8 units)
- Biskey Howe, Windermere (14 units)

West Cumbria

West Cumbria has problems associated with both deprivation and prosperity. Parts of the area, particularly within the coastal towns, have an excess of poor quality low value housing which is badly in need of refurbishment or replacement. The more affluent areas, mostly within the Lake District National Park, have acute housing affordability problems with a lack of supply and high prices.

To address these issues the West Cumbria Masterplan includes, as well as measures to support economic growth, improvements to the existing housing stock and the provision of a wider, better range of new housing. Specific priorities are as follows:

- The Eatonfield development which will deliver a mix of retail, commercial and housing (including elderly provision).
- Building upon the partnership success to date in terms of delivering under the National Affordable Homes Programme.
- Developing a strategic approach that will address issues such as infra-structure, capacity and remediation so that viable sites can be identified and brought forward for the delivery of housing.
- A comprehensive programme of rural development that will work through the Core Strategy/LDF in terms of key centres and with partners such as housing associations, developers and Community Land Trusts.
- A robust regeneration programme which will incorporate Housing Market Renewal and other related funding to target the worst areas of deprivation, poor stock and housing market imbalance.
- Working with partners to develop and secure additional funding and resources for the socially excluded and vulnerable groups, enabling and empowering them to achieve improved outcomes for themselves.

The programme of housing market renewal which is under way in Furness and West Cumbria was described above under the proposals for Barrow. The priority projects for West Cumbria over the next three years are:

- Improving the balance and condition of the housing stock/improving choice.
- Improving the condition of the existing stock and housing environment, the selective removal of obsolete housing and its replacement with homes designed and built to current sustainable standards for which there is present and future need
- Identifying ways in which to make land available and viable for development and the delivery of good quality housing

In the medium to longer term the settlements of Cleator Moor, Distington, Egremont, Frizington and Millom will be included in the HMR programme.

The four priorities for Copeland Borough in 2010/2011 are: –

- The newbuild development at Windermere Road/Fell View Avenue, Whitehaven, which is part of the strategically important Housing Market Renewal & regeneration programme for South Whitehaven.
- The newbuild development at Grammerscroft, Millom which is part of the regeneration of an old estate in a market town which has seen too little investment in the past.
- The rural newbuild development at Bootle, which is an important local service centre in the area of the Lake District National Park and can provide at least 12 units of rural affordable housing for which there is a very well proven need.
- The regeneration of the site of a former sheltered scheme at Ehen Court, Egremont (another market town) which will yield 24 flats for social rent.

The proposed Whitehaven Foyer will become a strategic priority after 2010/2011 but is still in the earlier stages of scheme development.

Addressing affordability problems

A shortage of affordable housing is a major problem across much of Cumbria. The strategic housing market assessments for Cumbria highlight the prevalence of affordable housing need. Traditionally, the problem was most acute in the Lake District and Yorkshire Dales National Parks and in the south and east of the county. Since 2004, with rising prices elsewhere problem has now emerged in the north and parts of West Cumbria. Even where there seems to be a good supply of low cost housing, much of this may be in poor condition (with high repair costs) or in unattractive neighbourhoods.

Rural housing markets are particularly under pressure with the additional impact of high rates of second and holiday home ownership and in migrants seeking retirement homes. Planning policies designed to protect the landscape limit the extent of new provision in these areas and most rural communities have also seen the loss of valuable social rented stock through sales to sitting tenants. The result is increased levels of homelessness in rural areas and younger people forced to leave the area. This position threatens the viability of local services and damages the economy by reducing the labour force.

The two main sources of new affordable housing are the National Affordable Housing Programme and provision from developers through planning gain. The impact of the recession has been to reduce both starts and completions and this is now reducing the supply of affordable housing from developers. At the same time the credit crunch has made lenders increase their deposit requirements and made it increasingly difficult for first time buyers to obtain a loan. The Government through the HCA has boosted the National

Affordable Housing Programme and provided assistance to developers through Kickstart, but this has not offset the losses from planning gain. There is thus a growing demand for affordable housing at a time when supply is increasingly threatened.

To help address these needs and maintain the supply of affordable housing, an dialogue with development partners and mortgage lenders in the county is needed.

Local occupancy clauses limit the sale of new dwellings to people with an identified need for housing from the local area. In Eden, South Lakeland and the Lake District National Park, for example, planning policies apply which restrict new housing to locals only, and those taking up employment in the area. Local occupancy clauses can be further restricted to ensure that so-called 'key workers' who are vital to the sustainability of an area are granted access to housing that might otherwise be sold to more affluent people.

Community Land Trusts

Community Land Trusts are a means for local communities to deliver much needed local affordable housing in their areas. They can also add to local sustainability by providing assets such as workshops and farms. Community Land Trusts in Cumbria are supported by a Community Land Trust Officer as part of the housing enabling role at Cumbria Rural Housing Trust. Many communities want to be directly involved in addressing local problems, with Community Land Trusts providing an ideal vehicle for this through local empowerment, democratic control and permanent ownership of assets. Trusts can provide complementary funding possibilities able to add to the overall supply of affordable homes in the form of local share or bond issues and charitable fund raising. They may also become self funding where cross subsidy can be generated through planning policy, and be able to access preferential loans or grants from the capital spending programme or second homes receipts of their Local Authorities, or through funding arrangements via housing association partners.

Community Land Trusts are already creating affordable housing land supply with four sites (29 units) in the pipeline and we are confident that schemes will form an increasingly important element in the Local Investment Plan in the future:

- *Incorporated Community Land Trusts with sites progressing business plans:* Crosby Ravensworth (in the LOCAL INVESTMENT PLAN, 12 units), Grasmere (5 units), Keswick (10 units), Witherslack (2 units non grant funded).
- *Groups intending to develop:* Alston, Coniston, Ellen Valley, Hawkshead, Helsington, Windermere.
- *Expressions of interest:* Cockermouth, Carlisle (Harraby), Levens, Ulverston, Underbarrow, Waberthwaite, Wetheral.

Supported housing and helping vulnerable groups

A strong, sustainable community benefits from the inclusion of all its members, including those who are vulnerable. We aim to provide housing and support which responds to vulnerable people's particular requirements, thereby maximising their self-determination and quality of life. Meeting the needs and aspirations of vulnerable people will be an important element of our conversations with local and regional stakeholders.

Estimates of housing related support needs within Cumbria have been produced using North West Regional Support Needs Model. The model shows:

- A sharp increase in the need for services for older people across the county, but especially in Eden and South Lakeland.
- A declining demand for services from younger people and other socially excluded groups.

Setting this against provision, there is a gross shortage of support services across the county, especially in the west and north.

Helping older people

The needs of older people are a priority issue across the whole of Cumbria. We wish to continue to expand the provision of extra care housing across the county to meet the needs of older people. An independent demand analysis carried out by Planning4Care estimates that at least 1,850 extra care housing properties will be required across Cumbria by 2019 in order to meet demand. Approximately 75% of these properties will need to be in the private sector, with the remainder developed by local authorities and housing associations for those unable to afford private housing. At present there are 137 social rented units of extra care housing and 68 properties under construction.

The demand for traditional care home provision is falling and by 2019, will have reduced across Cumbria from 2,390 beds in 2009 to just 1,650 beds. For those who require long term care we seek to provide a range of services, including high quality care in modern accommodation and other forms of support to meet expectations for care at home. In a large rural county there are particular challenges in meeting such aspirations, and if this is not practical, we will seek to ensure that their needs can be met locally.

For many very frail older people moving into a residential care or nursing home is a positive choice, but we wish to support more people to stay in their own homes for as long as possible, with the development of new forms of home care, increased use of technology, and the development of housing alternatives such as extra care housing.

The demand analysis carried out by Planning4Care projects the type and capacity of key service provision that will be required in Cumbria in future years up to 2029 in detail. The analysis takes account of demographic change and anticipated changes in people's aspirations for modern alternatives to mainstream institutional care such as extra care housing and intensive home care. The analysis also outlines the future shape of service provision by locality and illustrates how modernisation and the development of new and more appropriate services can be achieved. Resources that are currently used to purchase traditional institutional care can be diverted and used more efficiently to develop new services, and deliver additional capacity to meet the anticipated growth in demand as the number of older people increases.

We will work with home care providers to increase the reliability, accessibility and flexibility of their services. We will move from the traditional pattern of day care based in buildings to a flexible `day services` model that promotes social inclusion and independence. We are increasing the use of assistive technology including telecare equipment to manage risk and supports independence, reviewing the meals on wheels service, and increasing older people's access equipment and adaptations in their own homes.

We recognise the importance of working in partnership with carers who play the major role in supporting older people in the community. We recognise the need to enhance information, advice, support and services available for carers. We wish to support carers in their caring role, and as individuals.

The rising demand for Disabled Facilities Grants in Cumbria has become unsustainable and without substantial increases in funding, authorities will be faced with hard choices that will put vulnerable, mainly older people, at risk. Housing adaptations have a key role in keeping people independent at home. Closer to Home and policies around providing care at home coupled with this increased demand will place further pressure on housing budgets. A clear link has been made between improvements in housing and health such as when people are safe and warm at home.

Housing for people with Learning Disabilities

Housing need for this group is increasing in Cumbria, partly because of increased life expectancy and increased complexity of disability. For example, there is a shortage of suitable housing which could accommodate a group of individuals and their care package in a model that is shared. Typically, this might be a 4 to 5 bedroom house, which is currently not available via the social housing route or affordable in the private sector. At the moment the lack of provision is causing individuals, who would prefer to live independently, to stay at home often with older parents, who themselves need support. This is also causing increased costs in social care which is unsustainable.

Addressing inequality and worklessness through housing

A skilled workforce is needed to support economic growth. Worklessness is most prevalent in deprived neighbourhoods in Allerdale, Barrow, Carlisle and Copeland. Barrow and Copeland have received Working Neighbourhoods Funding to address these issues. Activities to tackle worklessness form a key part of this Investment Plan. In Allerdale for example a comprehensive mapping exercise and action plan are being developed for early 2010-11. These will identify duplication, overlap and gaps, concentrating particularly on the most deprived wards, and set out actions (including securing funding) to address these deficits and create more seamless services. This is particularly relevant in the current economic climate, where worklessness is rising. There are close associations between high levels of worklessness and the social housing sector, and with other aspects of deprivation such as poor health and low incomes. It is more likely that children from such areas will under-perform at school and they are less likely to enter higher education or training. Many neighbourhoods see successive generations of families claiming benefits such as Job Seekers Allowance, Incapacity Benefit or Lone Parent Support.

As part of the single conversation in Cumbria, particularly with regard to strengthening the relationship between growth, affordability, regeneration and economic development, we will seek to work with partners to ensure that initiatives help play a part in tackling worklessness and economic exclusion.

5 Investment in 2009-10 and 2010-11

The Regional Housing Pot

The allocation for 2009/10 (£108m) was higher than in 2008/09, but the 2010/11 allocation for the region is much lower (£65million). In addition, the funding allocation methodology has changed to more closely reflect need and this has influenced the distribution of resources across the region. In Cumbria Allerdale, Barrow and Copeland have all lost out as a result of the methodological change, whereas Carlisle, Eden and South Lakeland have all gained in allocation. Actual figures are detailed in the table below:

Cumbrian Allocations from the Regional Housing Pot by Local Authority

	2008/09 Allocation	2009/10 Allocation	Percentage Change
Allerdale	£1,606,000	£1,044,000	65%
Barrow	£2,297,000	£1,493,000	65%
Carlisle	£1,122,000	£1,600,000	143%
Copeland	£1,175,000	£842,000	72%
Eden	£238,000	£427,000	179%
South Lakeland	£532,000	£1,193,000	224%

HCA Funding Allocations

Figure 5 below shows HCA funding for 2009/10 by sub-programme. Total investment is £27 million. The National Affordable Housing Programme accounted for 70% of investment in Cumbria in 2009/10. Housing Market Renewal and Kickstart accounted for 7% each, with Decent Homes and Places of Change investment each accounting for 6%. Figure 6 breaks down investment by local authority. Carlisle accounted for 31% of spending, followed by South Lakeland (26%), Allerdale (19%), Copeland (13%), Eden (8%) and Barrow (4%). Spending in individual authorities in any single year tends to reflect the particular schemes coming forward rather than the longer term balance of investment.

For 2010/11 committed expenditure is £19 million. The National Affordable Housing Programme accounts for 79% of committed investment, including both approved and unapproved schemes (Figure 7). Decent Homes accounts for 9%, Property and Regeneration for 7% and Housing Market Renewal for 5%. By local authority, 32% of spending is planned for Allerdale, with the remaining authorities each accounting for 14-15%, except Barrow (8%).

Figure 5 2009/10 HCA investment in Cumbria by sub-programme

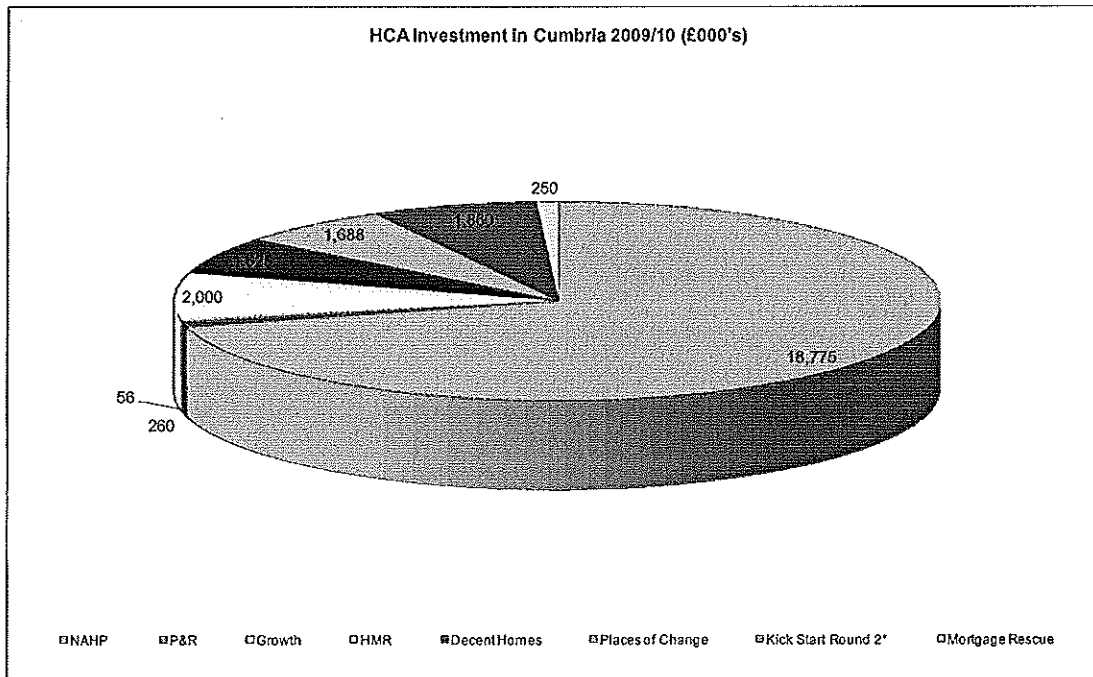


Figure 6 HCA Investment by local authority 2009/10.

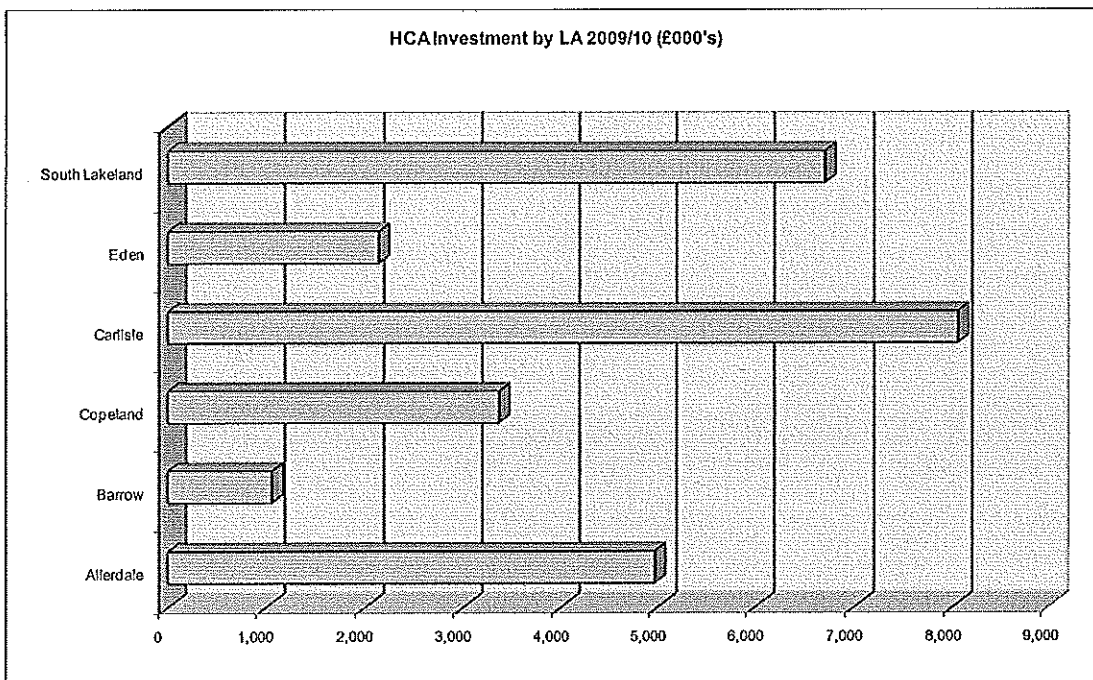


Figure 7 2010/11 HCA investment in Cumbria by sub-programme

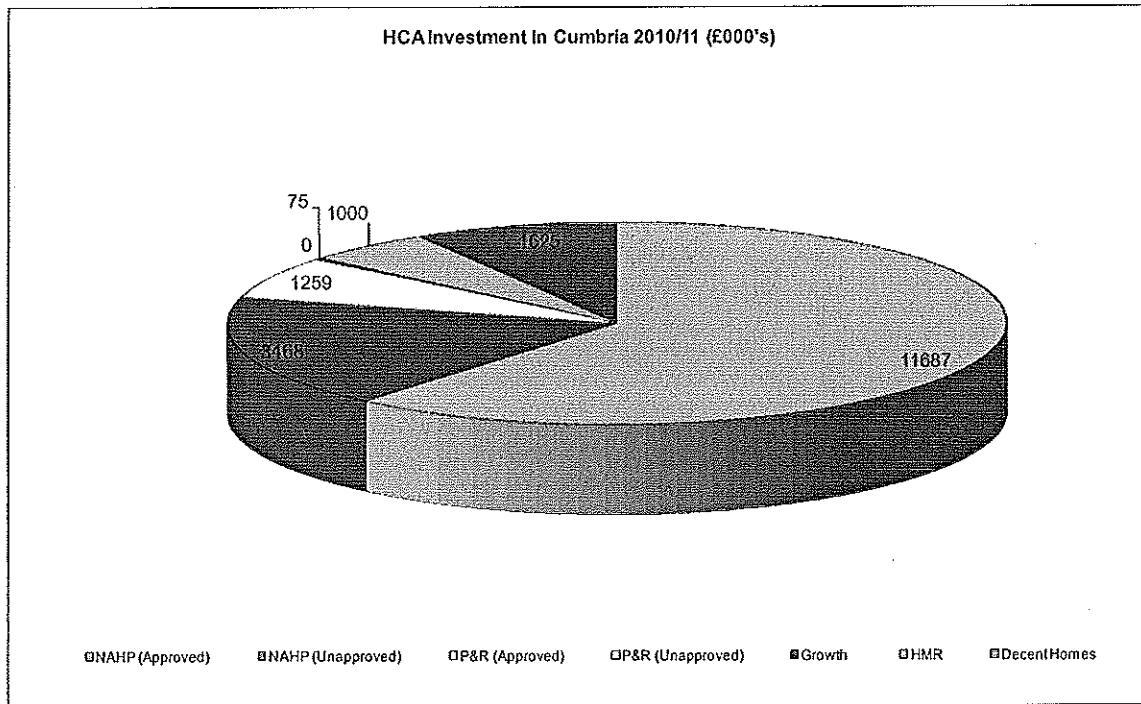
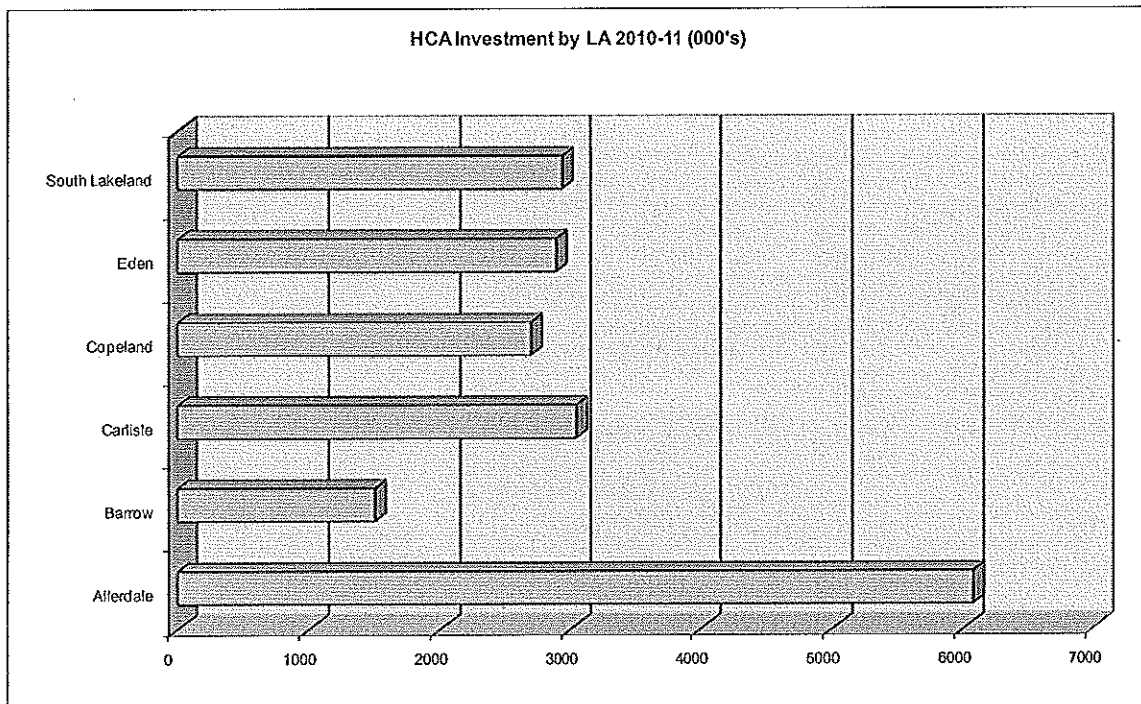


Figure 8 2010/11 HCA committed investment in Cumbria by local authority



Regional continuous market engagement strategy

The HCA baseline programme has capacity for a small amount of additional allocation in 2009/10 with increasing capacity in 2010/11. The addition of Housing Pledge resource means that the HCA is looking for additional starts in this year and next to provide completions in 2010/11 and 2011/12. In view of this, it is important that we continue to engage with partners on a continuous basis during 2010/11. HCA priorities during this period are:

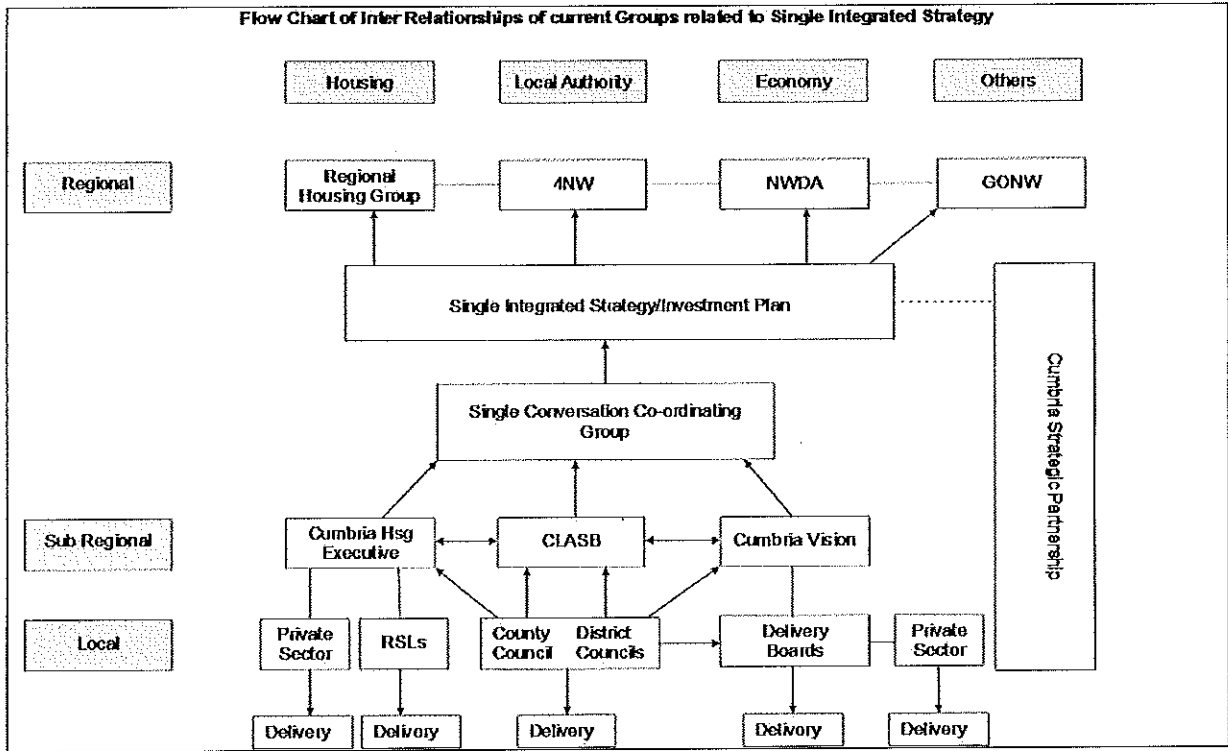
- Schemes that contribute to the agreed strategic priorities for the region – including priority sites and schemes which support HCA business plan objectives
- Sale schemes in key areas including promoting Rent to Homebuy – this is particularly important and all partners are encouraged to consider what schemes they can bring forward to meet this need
- Schemes within the key regeneration areas
- Scheme that provide a pipeline of development in rural areas
- Schemes to meet starts and completions targets for 2009/11 and beyond including those that maintain the level of larger homes
- Schemes that meet Design and Quality requirements

These objectives will be continue to be refined as the HCA area teams work with sub-regions on investment planning, and we will ensure that this is communicated to all our partners.

6 Delivering our proposals: governance and implementation

Governance

The structure diagram used to inform the development of this Investment Plan is shown below. Feedback from consultation will be incorporated to ensure that this remains current and relevant.



[Type text]

Looking ahead, the Cumbria Strategic Partnership (CSP) is the Countywide partnership in Cumbria which brings together partners representing the public, private and third sector organisations to identify priorities and co-ordinate service provision and investment. It is responsible, on behalf of the County Council, for developing a Sustainable Community Strategy and for developing and implementing the Local Area Agreement.

The Cumbria Strategic Partnership has agreed a Leadership Forum which is made up of Leaders of Local Authorities, the Lake District National Park, the Health Service, Police Authority and the Association of Local Councils. The Forum will be responsible for the development and implementation of the Local Investment Plan.

The CSP has several partnership Groups, one of which, the Environment Thematic Partnership Group, will oversee the delivery of the investment priorities of the Plan along with Cumbria Vision. A key mechanism for delivery will be the Cumbria Housing Executive Group which is a partnership of local authorities, regional agencies and delivery partners.

These governance arrangements are under review to ensure that the emerging new structures for Cumbria will be fit for purpose for the future delivery of the Local Investment Plan and the Cumbria Sustainable Community Strategy, and this will form an important element of our work in the coming months.

Next Steps

In developing the Plan into a strategy for delivering priorities in Cumbria the following actions will need to be addressed

- Set the priorities against the strategic outcomes for Cumbria
- Include additional evidence such as the stock condition data and emerging LDF policies
- Explore all funding streams to support projects
- Strengthen the governance arrangements
- Identify interventions required at a local level to improve the quality of place
- Develop new ways of delivery around joint procurement and investment and flexibility of tenure
- Develop a mechanism to ensure that all emerging and developing projects fit with the strategic objectives before being recommended to the HCA, NWDA and others.
- Update the Community Strategy and the Housing Strategy

Risks to the Plan

Despite the realism and coherence of Cumbria's economic and community strategies, there are significant risks to successful delivery of the proposals in the Local Investment Plan arising from the current economic climate and its impacts on the housing market and on housing supply.

The economic recession of 2008-09 has been the most severe since the 1920s and there is no consensus that growth is firmly re-established or that indicators such as unemployment have passed their peak. Most commentators consider that the housing market will continue at best to stagnate until economic confidence is restored and developers and first time buyers can access funding on reasonable terms.

Even where development is progressing, buyers lack confidence and only those with access to family resources find it possible to access mortgage finance. Transactions in the market remain well below viable levels. Without the efforts of government, the HCA and sub-regional partners, the picture would be far worse, and it is very likely that the need for public intervention will be needed for some time to try to restart the market. But the need to reduce public spending makes this a significant risk.

Seriously for Cumbria, the lack of private investment in new housing is threatening the supply of affordable housing through planning gain agreements, with potential knock on effects on population growth and the economy.

Fragile market conditions also, of course, pose a threat to the success of the economic interventions set out in the Joint Investment Plan. Many of these are stalled or experiencing problems and this is feeding through to housing both directly and indirectly.

The recession may already be over, and in due course a fuller recovery will come into operation. At that point, the sub-region will be in a position to continue working towards the plans that are already in place. But some impacts of the recession will last for the medium and longer term – NWDA for example, forecasts a long period before employment in the North West returns to 2007 levels. This may require some modifications to our plans to address, for example, higher than expected levels of worklessness. We will need to keep these issues under review.

Without close working between those responsible for economic, spatial, community and housing planning across the sub-region, the vision for Cumbria may not be achieved. We will need to work to ensure that the partnerships which have been established are maintained and new issues addressed as quickly as possible through:

- Rigorous scheme and investment appraisal on all housing and economic interventions.

[Type text]

- Targeted and innovative interventions. In the short term we need to monitor the market and identify the most cost effective interventions and priorities, recognising that what we can do will be limited.