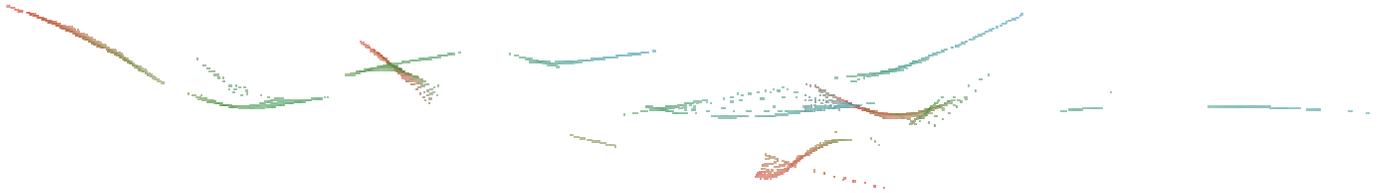


# Pennine Lancashire



**Pennine Lancashire Housing Strategy 2009-2029 Refresh**

## Vision

*“To have a balanced housing market which, supports economic growth and social well-being in Pennine Lancashire. Over the next twenty years we will maximise the potential of our housing markets, to diversify and improve the housing offer; to ensure it is attractive and affordable, and meets the needs and aspirations of our communities. We will transform Pennine Lancashire into a place where people, across the region, choose to live, work and invest.”*

## Strategic Objectives

To achieve this vision and the necessary balance between growth and renewal, this strategy has three cross cutting objectives, which are linked with the Pennine Lancashire strategic framework, and the plans of each PL local authority and their partners:

**Objective 1:** To ensure a sufficient quantity, quality, and appropriate type of housing supply, to meet the economic growth aspirations and social needs of Pennine Lancashire.

**Objective 2:** To develop sustainable neighbourhoods that can retain and attract successful households, reducing the disparities between neighbourhoods and providing linkages to economic growth and employment opportunities; improving the economic performance of the sub-region.

**Objective 3:** To meet the housing, health and support needs of residents and vulnerable people; promoting better services, with greater choice and accessibility that are fully integrated into local communities.

## The changed context

The Pennine Lancashire Housing Strategy (PLHS) was signed off in early 2009. That strategy was a twenty year plan to re-balance the housing market to support economic growth. It was based on a three phases up to 2029.

**Phase 1:** years 1-7 Stabilisation/early renewal

**Phase 2:** years 8-14 Renewal/early Transformation

**Phase 3:** years 15-20 Transformation

The PLHS was a product of its time; fundamentally it was based on funding from the Housing Market Renewal (HMR) programme which set out to address the housing market weakness, suffered to varying degrees across three of the four PL housing sub-markets. Its goal: to build sustainable communities.

The HMR programme planned to achieve this over a 15 year period, however due to the economic downturn and subsequent Comprehensive Spending Review it has ended at its mid-point, with its Renewal monies now being encompassed within the Regional Growth Fund (RGF), which is likely to be accessed through a competitive bidding process.

The maturing PL partnership, PLACE, has taken significant steps forward since signing the MAA back in early 2009, being the first area in the country to sign off a Joint Investment Plan and a Local Investment Agreement in March 2010, which

endorsed our integrated approach across: housing, the economy, transport and skills. Though the need to rebalance the housing market is still required, with PL having some areas of severe need, good progress has been made and we have a strong legacy of delivery and success on which to build. PL is an area of great opportunity adjacent to areas of need; with each sub-market possessing opportunities for growth alongside the need for renewal. This along with our strong integrated approach to ensure that investment is aligned and the maximum impact is achieved through all interventions sets PL in good place, to submit a strong proposal into any competitive bidding process.

## The Sub-regional picture - Economy

Pennine Lancashire despite having relatively high levels of economic inactivity contributes £6.1 billion to the economy each year<sup>12</sup>. The sub-region relies on public sector jobs to prop up its economy: over 28% of the work force is employed in this sector, compared to 26.9% nationally. The cuts in public sector spending will impact heavily upon the area, equating to c4,800 jobs<sup>13</sup>. The OBR also forecast private sector jobs growth in the Manchester City Region to number 81,900 - compared to 11,000 in the Preston City Region and 13,500 in Pennine Lancashire.

We are confident of achieving this growth, with PLACE, working with partners in the East Lancashire Chamber of Commerce, having identified a number of high growth companies. We also plan to build on our strong record of business and innovation support, delivered through the Local Enterprise Growth Initiative (LEGI). We will continue supporting business and create a 'Total Business Environment' that will provide the optimum conditions for Businesses to invest and grow, creating the jobs that will not only off-set the reductions in the Public Sector, but provide the high-skilled jobs, in the right industries and sectors, that will transform this sub-region.

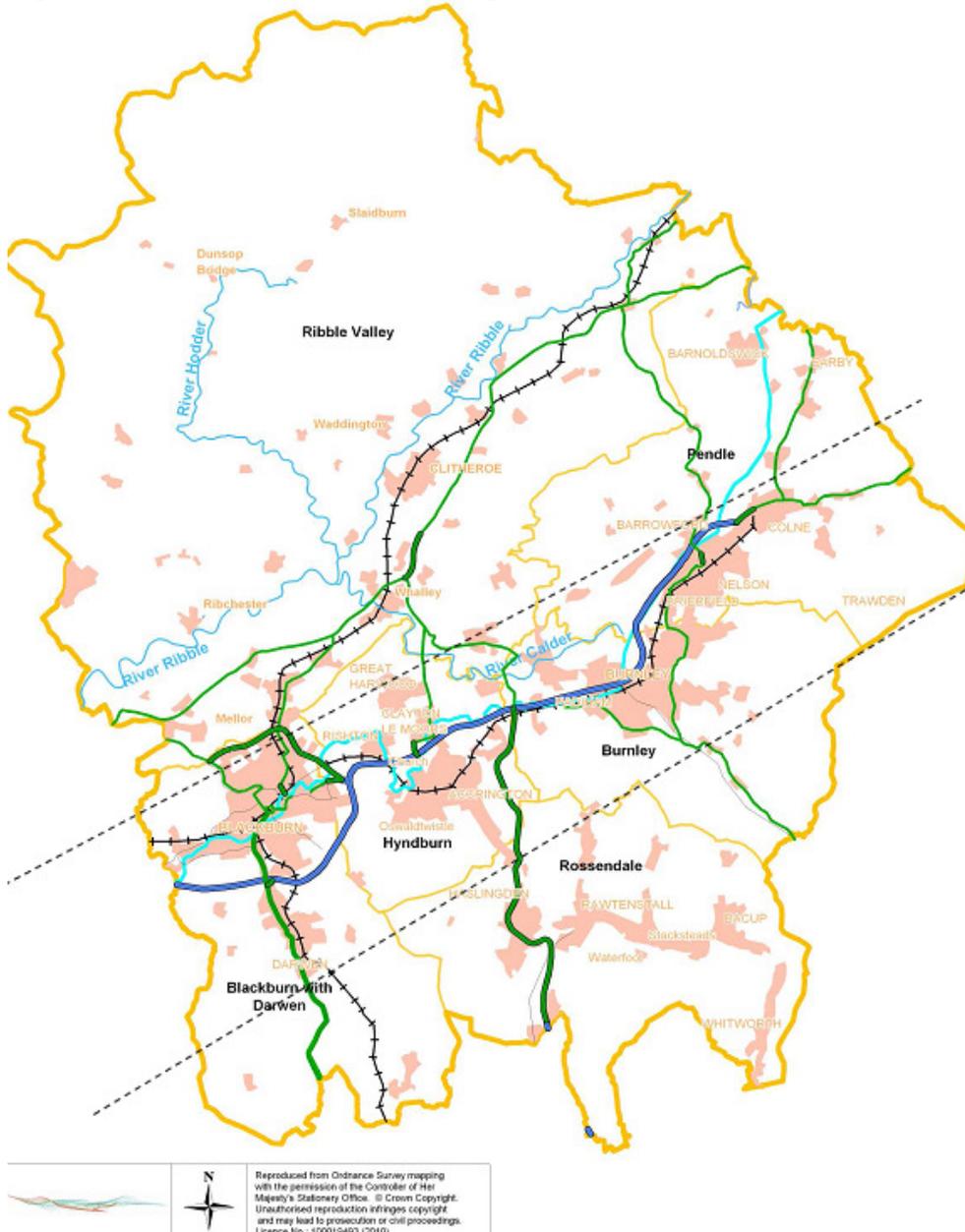
Pennine Lancashire is not an island. It must improve its connectivity with neighbouring City Regions, through its strategic rail and road schemes, to build on our complimentary strengths. Discussions with neighbouring City Regions including Greater Manchester, Central Lancashire and West Yorkshire will continue to ensure that strategic planning does not stop at administrative boundaries and each area benefits from sustainable growth.

## The Sub-regional picture - Housing

Pennine Lancashire (PL) is a sub-region with four distinct housing submarkets: **Blackburn/Hyndburn, Burnley/Pendle, Ribble Valley and Rossendale**. It is within each of these sub-markets people will look to move house, however each sub-market is inter-related, sharing a common characteristic of an urban-rural population shift.

Pennine Lancashire can effectively be split into 3 "bands"; each of these "bands" are characterised by similar opportunities and challenges in their housing and economic markets.

Figure 1: Pennine Lancashire Housing “bands”.



**1) North Pennine Lancashire:** Includes Ribble Valley, and affluent, rural parts of Pendle and Blackburn. **Demand is high** in this area and **house prices** are at a **premium**, causing issues of affordability. The **population is an aging one** and demand for housing types to meet this need will continue to grow over the next 20 years.

**Inward migration** will be the largest driver of **population growth** in this area, and will exacerbate the current trend of people migrating here from West Yorkshire, Manchester, Central Lancashire and within Pennine Lancashire, when their means allow. This trend puts an increasing pressure on public services and exacerbates issues of **affordability**; resulting in homogenous communities that are unsustainable and lack resilience.

Enterprise, business support and employment growth is needed to build sustainable communities, particularly in the urban areas of the Ribble Valley.

It is vital that the housing offer across the rest of PL improves to attract the demand from inward migration, to allow for a more even spread, ensuring sustainable growth that will benefit the sub-region as a whole.

**2) M65 Corridor:** Includes the urban centres along the route of the M65, which encompass the sub-regions' major town centres of Blackburn, Accrington (Hyndburn), Burnley, Nelson and Colne (Pendle). This area has the largest concentration of **opportunities for growth** through strategic employment sites, business growth, higher-educational facilities, digital and physical connectivity and retail and public services; at the same time as suffering from challenges of low wages, deprivation and an oversupply of poor quality housing which has led to **low demand**.

Natural growth will be the largest driver of population growth, from a **young population** with a high proportion of **BME communities**. Future housing provision will need to align to meet the demands of this group.

The largest problem facing this area is the **oversupply of poor quality, terraced stock** that does not meet modern needs, and so does not attract people to move to the area. The **lack of diversity of aspirational homes** has resulted in people with means moving out of the area, polarising the sub-region and leading to degraded neighbourhoods. It is vital that the housing market here is **rebalanced** to include aspirational housing to retain the affluent population whilst simultaneously **improving the condition of the existing stock**, to meet modern needs. This must be delivered in tandem with improvements to **education, skills, worklessness, connectivity and business growth** initiatives to ensure that local communities benefit from internal and external growth, from linking into neighbouring conurbations, through strategic rail schemes e.g. Todmorden Curve, and are not a drag to any growth delivered through the interventions of the PLMAA.

**3) South Pennine Lancashire:** Includes Rossendale and southern, rural parts of Blackburn with Darwen. This area also suffers from low wages and an oversupply of poor quality existing stock; however **demand** is higher than in the M65 corridor due to its proximity and **access to the Manchester City Region**. Greater Manchester is predicted to see significant growth in the next 15 years, and it will be vital for the southern parts of Pennine Lancashire to maximise their potential to benefit from this **growth**. This potential will be aided by improvements to connectivity through the **Clitheroe and Rawtenstall to Manchester rail scheme**. This will build on the existing good connectivity offered by the frequent bus service and A-road network.

Both **natural growth and inward migration** will be the drivers of population growth in the area and it is vital that the existing stock is improved and diversified to meet existing need and make it attractive to external markets.

## Issues in the Pennine Lancashire Housing Market

Currently the PL housing market suffers from four major issues surrounding **existing stock, new build, affordability and need**. These issues are inhibiting economic growth as individuals and families cannot progress onto, and up, the housing 'ladder' within PL, as their needs and aspirations change.

The reason for this is due to two blockages in **supply**:

**Undersupply of aspirational housing** - The PL market as a whole suffers from an undersupply of aspirational housing, including larger semi-detached and detached homes. This is most acute in the urban centres of the M65 corridor, and South Pennine Lancashire. As a result people able to progress up the housing market are forced to migrate in order to meet their demand, North Pennine Lancashire and outside the sub-region, resulting in a polarisation of wealthy and deprived communities. This undersupply creates a price premium on this type of housing offer in PL; this is particularly acute in rural areas such as Ribble Valley and parts of Pendle. In turn this restricts movement across the market from internally generated demand.

**Oversupply of poor quality existing stock** - The limitations of the current housing stock are inhibiting economic growth in PL and will continue to do so unless it is diversified. There is a significant oversupply of poor quality, undesirable housing, largely pre-1919 terraced, which is largely focused in the urban settlements along the M65 corridor and in South Pennine Lancashire; much of this is unsuitable for modern needs.<sup>1</sup> The predominance of these poor quality properties, coupled with the outward migration of socially mobile people, has resulted in large numbers of vacant properties and degraded neighbourhoods. This has further impacted on health, the environment and the aspirations/perceptions of local communities; eroding the vitality of the market and undermining their attractiveness and appropriateness as places to live.

And two blockages in **demand**:

**Inadequate access to finance** - The oversupply of poor quality housing has resulted in low house prices however given the relatively low wages in PL they are still unaffordable to many potential homebuyers. Moreover, those that can buy often struggle to maintain their property. This contributes further to the general poor quality of this stock and of neighbourhood conditions.

Issues of affordability and access to finance run throughout the PL market, accompanied by issues of diversity of, and access to, different market products e.g. shared ownership. This relative absence of intermediate products to support progress through the market also stifles movement within the PL housing market.

**Community Needs** - Like many areas, the Pennine Lancashire housing market serves a number of communities who require varying degrees of support and tailored accommodation. Some of the key communities that require specific consideration include:

- **Black, Minority, Ethnic (BME)** – A number of PL towns, particularly in the M65 corridor, are characterised by a diverse population. At present around 12% of the population are of Asian heritage,<sup>2</sup> with a large proportion of that being in the younger age ranges. The BME population cannot be treated as homogenous, therefore requiring understanding of specific needs e.g. age and culture. PLACE will take steps to ensure that community circumstances, along with specific housing and support needs are fully understood and met. This will be the same for all vulnerable groups.

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<sup>1</sup> Pennine Lancashire Stock Condition Survey

<sup>2</sup> Pennine Lancashire Local Economic Assessment 2010

- **Elderly** – Over the next twenty years there is likely to be a far greater proportion of older people in PL, 18.4% 2009 rising to 26.4% 2030.<sup>3</sup> PLACE will be proactive in promoting and enabling people to maintain their independence, helping them to live at home longer, through support with home maintenance, home adaptations, where possible, as well as being able to choose from a range of quality new and specialist accommodation.
- **Gypsies and Travellers** – In line with the rest of the Northwest, provision for the Gypsy and Traveller communities in PL is currently not sufficient to meet demand.<sup>4</sup> Provision for future pitches of the scale and location will need to take into account the cultural aspirations of these communities, and sufficient sign-posting and joint-working will be undertaken with relevant statutory services, e.g. education, social care, across boroughs to ensure that the housing and support needs of these communities are met.
- **Disabled** – It is the aim of the PL authorities, to increase the supply and choice of accessible housing for people of all ages who have a disability; helping them to maintain their independence and allow for personalised support. PL authorities working with their Registered Provider partners, through the sub-regional Choice Based Lettings system, will continue to monitor adapted properties and support people in applying for appropriate accommodation. Disabled access, e.g wheelchair and lifetime homes will also be a consideration of new development, where feasible and, where demand is evident.
- **Homelessness Prevention** – PL has areas of severe deprivation next to wealth. These areas are concentrated along the towns along the M65 corridor and in areas of South Pennine Lancashire. Associated with high levels of deprivation is an increased risk of homelessness, through vulnerable groups e.g. substance abusers, prolific offenders etc and through mortgage defaulting and repossession. PL welcomes the protection of the Homelessness grant and will continue to work with partners on a sub-regional footprint, working with a range of agencies, to deliver support services to prevent homelessness in conjunction with housing and housing related support providers.
- **Young People** – Young people in PL, due to family circumstances, exacerbated by our problems of deprivation, are at risk of becoming vulnerable and in need of co-ordinated support and care. It is the aim of PL authorities to provide coordinated housing and support services for socially excluded and vulnerable young people including homeless 16/17 year olds, teenage parents, care leavers and young offenders.

There are other vulnerable groups who require specific care and support; partners across PL are committed to ensuring that all their housing and support needs are fully understood and met.

## The Vision for a Balanced Housing Market

A functioning, balanced housing market provides an adequate supply of housing to meet the needs and demands of all people within the market and at all stages of life. There is also appropriate access to finance available to get on the housing ladder,

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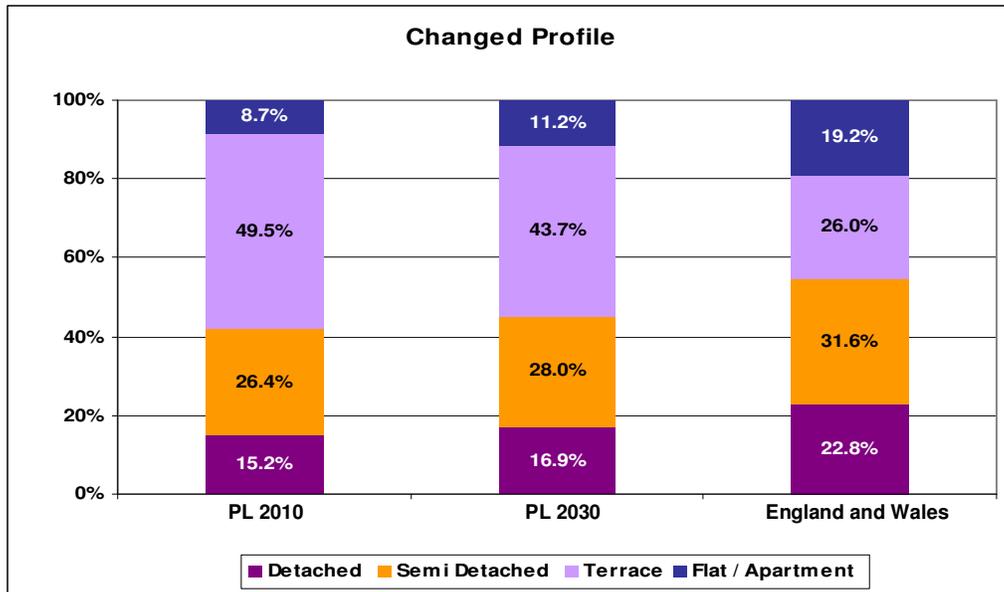
<sup>3</sup> 2009 MYE's and <sup>1</sup> Sub-national population projections, Office for national Statistics, based on 2008 population.

<sup>4</sup> Given the presence of unauthorised encampments, household concealment, and future household information, the current supply of appropriate accommodation appears to be significantly less than the need identified.

and to move through the market. At the same time the housing market is flexible enough to allow for increased demand caused through inward migration as a result of economic growth. Currently, PL's housing market does not function this way.

The diagram below sets out the scale of the change needed to rebalance the housing market, in order to meet demand and support the economy over the next twenty years. This change will bring PL closer to the national average, which is taken as a balanced, functioning market.

**Figure 2: Difference in the housing profile of PL, by 2030, in comparison to the national average**



These changes will see an increase in the number of detached and semi-detached properties, whilst at the same time improving the quality of the existing stock. Even within this changed profile terraced housing will remain the largest type of housing available in the sub-region. This is due to the sheer scale of the stock at the moment, what is important is that the quality of this stock is raised in order to meet modern needs and make it a viable choice of housing. Additionally there will be efforts to significantly improve the role and offer of the Private rented Sector and addresses issues of access to finance.

These changes in supply, which will see approximately 4000 new homes built<sup>5</sup>, will allow PL to retain and attract higher skilled workers, maximizing the benefits of the creation of better-paid jobs in the local economy, through delivery of the suite of MAA interventions. At the same time interventions will improve the existing stock, to allow for greater accessibility to an affordable quality product. Cumulatively this will address the issues at both ends of the housing market.

Pennine Lancashire needs a balanced programme of interventions, led by the market, to address these issues; simultaneously maximising growth opportunities whilst continuing renewal activities, in certain areas, to meet need. This will ensure that PL is creating a sustainable platform for future growth.

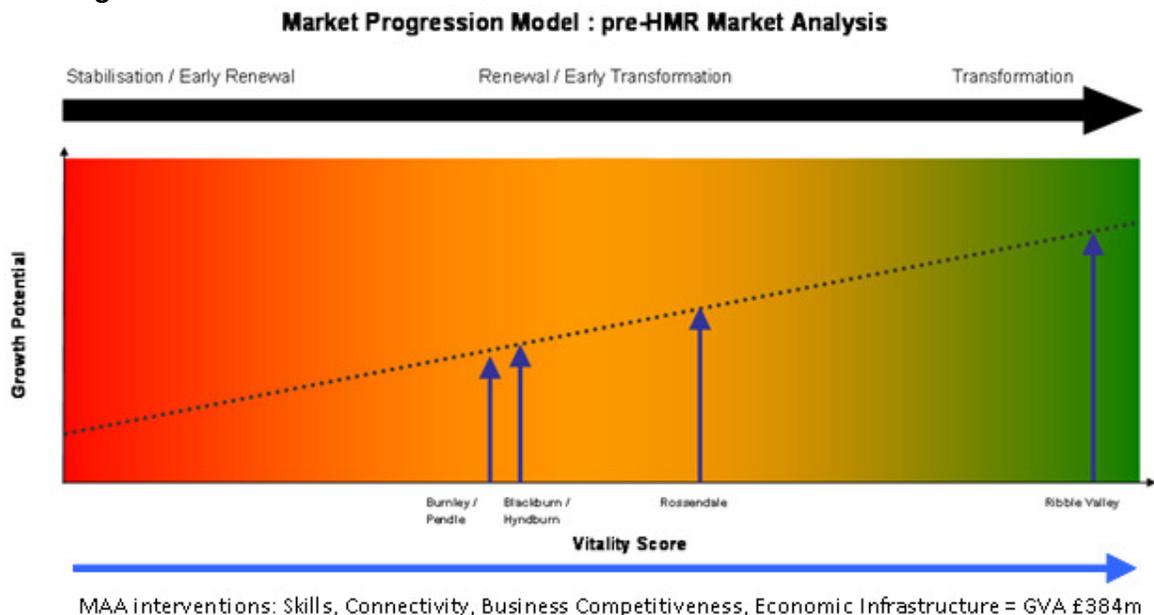
<sup>5</sup> Required figures based on RSS findings. Local authorities have maintained figures as accurate.

## The Market Progression Model

The strategic approach to housing adopted by PL to achieve the Vision for the PL housing market is the Market Progression Model (MPM). The MPM is a market-led modelling tool that helps indicate when and where to invest to stimulate and rebalance the market. The tool makes the market the most important determinant of when, where and what resources are used, to ensure a functioning housing market that supports economic growth.

The two diagrams below are a graphical representation of the progression of the housing sub-markets, from 2001 (pre-HMR) to 2010 (present), along the transformational agenda, set against the growth potential present in each sub-market.<sup>6</sup> The diagonal line is a line of best fit, which also serves to illustrate the point that each sub-market regardless of its vitality and position in the transformational journey has opportunities for housing growth as well as a need for renewal. Progression of sub-markets has been established using five key market stress indicators<sup>7</sup> across housing and the economy. The progression of each sub-market is inextricably linked in terms of housing and the economy, which has seen co-ordinated and integrated investment increase the vitality of these sub-markets over time. This integrated approach is set out in the MAA and economic strategy which looks to realise the opportunities and latent potential of PL and achieve an additional GVA of £384m. The strategic framework for PL can be found in Appendix A. An explanation of the methodology used to plot the position of each sub-market is available in Appendix B.

**Figure 3: Market Progression Model: The 2001 (Pre-HMR) position of each housing submarket**

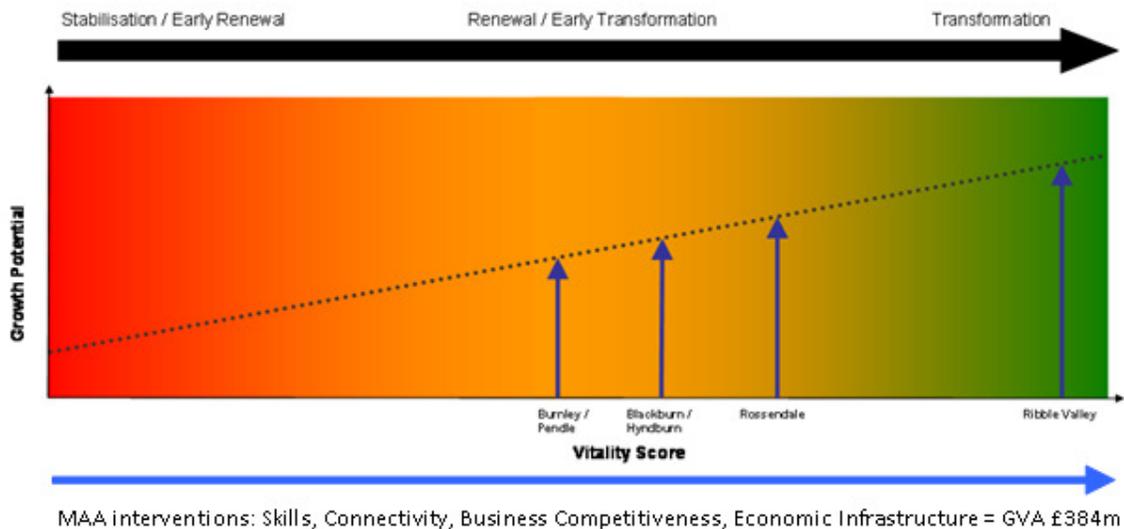


**Figure 4: Market Progression Model: The 2010 (current) position of each housing submarket**

<sup>6</sup> It must be noted that within each sub-market there are communities that span this whole spectrum where demand is high.

<sup>7</sup> For key indicators and methodology explanation see Appendix B

## Market Progression Model : Current Market Analysis



Comparison of the two diagrams shows the progression of each sub-market from the pre-HMR position to the present day; indicating the impact achieved via PL's co-ordinated investment in housing. Each sub-market has improved in terms of vitality, and in terms of growth potential.

The MPM, going forward will help guide PL in prioritising housing investment. This will be articulated in the Investment Framework<sup>8</sup>, which will form the basis of any competitive bidding process. Prioritisation will be achieved through careful consideration of a number of issues. Three of the key issues include:

- Alignment and coherence with other Pennine Lancashire interventions to maximise the impact of complimentary interventions and support economic growth.
- Deliverability and market interest.
- The market conditions and vitality of neighbourhoods based on a suite of market stress indicators e.g. house prices, deprivation, wage levels etc.

## Strategic Approach of the PL Housing Sub-Markets

The following break-down of each housing sub-markets approach to growth and renewal set out below is the predicted approach in the short-medium term. The economic context, as can be seen from the recent recession, and its subsequent impacts, is volatile. As such each areas specific approach is subject to change however, this will be dictated by market circumstances and alignment with achieving the sub-regional vision, as the MPM suggests.

### Blackburn/Hyndburn:

The Blackburn/Hyndburn housing market has adopted a strategy of targeted growth focusing on an urban to rural approach to development.

Development in this sub-market will focus on the three major town centres, Accrington, Blackburn and Darwen. Blackburn and Accrington will both see a focus

<sup>8</sup> For explanation see Appendix A – Strategic Framework

on improving the quality and diversity of the stock within the urban area, to create an urban renaissance, and build upon the attractiveness of town-centre living created by recent investment in education, transport and retail facilities. Primarily, this will meet existing need, and opportunities for aspirational housing will be limited.

New housing growth, particularly aspirational housing to balance the market, will be focused in the urban area of Darwen, as well as other sites that are well situated to take advantage of developing employment areas and transport links. These sites, via the railways and motorway network, provide access to areas of growth across the sub-region, and to neighbouring areas such as Manchester and Preston.

The approach in the short-medium term will be to ensure development takes place where possible, and to ensure that this development diversifies the housing market, is supportive of economic growth and the needs of local communities whilst not exacerbating weaknesses in existing areas.

### **Burnley/Pendle:**

The Burnley/Pendle housing market has adopted a strategy of urban improvement following the transport links across the sub-region. This has focused development in the urban areas, building on previous investment in improvements in the quality and diversity of the existing housing stock.

Opportunities for growth and numbers of executive housing will be concentrated in Colne building on its strong retail offer, and urban areas in Burnley and Brierfield with good access to the strategic transport network, in order to link to areas of growth.

The approach in the short-medium term will be to ensure development takes place where possible, and to ensure that this development diversifies the housing market, is supportive of economic growth and the needs of local communities whilst not exacerbating weaknesses in existing areas.

### **Rossendale:**

The approach adopted in the Rossendale housing market is to build on its close proximity and good transport links with Greater Manchester to meet growing demand. This demand is set to increase due to the projected growth in the Greater Manchester economy, which areas such as Rawtenstall and the rest of the borough are ideally situated to take advantage of this growth.

In the short - medium term growth will be focused in settlements that provide or are close to a range of services and GM conurbations, such as Rawtenstall, Haslingden and Whitworth. Development will also take place in rural areas to take advantage of the open countryside, nature reserves and activity areas, which will make an attractive offer to commuters from across the sub-region and beyond.

Housing investment will also focus on developing the heritage potential it possesses in such areas as Bacup and Haslingden, through renewal and refurbishment of existing stock.

### **Ribble Valley:**

The Ribble Valley has seen strong economic and job growth over the last decade and is perceived to be a relatively prosperous area with a highly educated and skilled population. However in the past the borough has seen a disparity between the scale

of employment growth and housing. More housing needs to be constructed in the borough of the right tenure, size and quality to meet the needs of the local residents and in particular the need for affordable housing. The borough has a clear shortage of social rented homes and also has a growing elderly population whose needs and aspirations also need to be met.

The approach the borough has adopted will achieve this through focusing investment on affordability and providing for the needs of a growing elderly population, through bringing homes back into use and making best use of existing stock; whilst adopting a policy of restraint to large-scale new build in the immediate short-term.

In the medium to long term Ribble Valley may look to grow in line with local requirements and desires, pursuing a policy of gradual growth whilst not compromising the natural attributes that have resulted in it being an area of high demand. This approach will be clarified in the borough's Core Strategy which is in its early stages.

Ribble Valley is well placed to access new fiscal incentives for housing growth such as the new homes bonus, allowing them to make use of this to cross-subsidise other interventions to meet their elderly and affordable needs.

## Policy Priorities

To achieve the Vision and Strategic Objectives of this strategy the following policy priorities have been identified:

[Detail of the actions to be carried out under each priority, are articulated in the PL Housing Delivery Plan.]

### **a) To deliver sufficient high quality, aspirational housing to rebalance the housing market to support economic growth.**

To meet existing demand and in anticipation of increased prosperity, there is a need to prioritise new housing development; increasing the provision of aspirational housing to facilitate economic growth in the short, medium and long term. Each housing sub-market has their own approach (highlighted above).

New provision will be focussed on the strategic sites identified by authorities as set out in the PL Spatial Guide. The integration of these sites with other economic interventions, including transport, has been a strong element in considering them strategic. This integration is also set out in the PL Spatial Guide.

All new builds will need to be built to high standards of energy efficiency and quality, to ensure sustainability, and ensure the health and well being of people and communities. They will also need to be enabled to support 'superfast broadband' with Fibre to the Premises to allow residents to work flexibly and sustainably.

The PL approach alongside being market led will also enable local communities to build on opportunities to lead development. The partnership will be transparent, with local communities, in its approach to development. It will also facilitate residents to lead on development where it is wanted, and enable them to make the best use of available incentives for building sustainable communities.

In the short-term, due to the vitality of the markets in PL, particularly in the inner urban areas some form of public support is required to enable development, and create a market. This is not uniform across the sub-region, particularly where demand is high, in areas North and South Pennine Lancashire.

Over the long-term, it is envisaged that the level of public sector support in these low-demand markets will decrease, and will move away from a grant-led formula. This will be achieved through:

- Building on past success of public/private joint ventures, new delivery vehicles will be established to deliver wider regeneration projects which, with flexibility of funding structures, will be able to cross subsidise and deliver both growth and renewal projects for housing and economic regeneration.
- Identifying and implementing<sup>9</sup> new investment models appropriate to PL i.e. TIF's, to transition from a grant-led approach to regeneration to an asset based investment portfolio, which can generate funding independently.<sup>10</sup>
- Removing barriers to development; enabling development through dedicated development support<sup>11</sup> to the private sector and ensuring the planning system that is a quick and clear facilitator of development; one that brings a necessary supply of sites forward that will support economic growth.

**b) To deliver a range of affordable housing to meet prioritised needs of both rural and urban communities.**

Whilst the larger part of the population resides in urban areas, rural areas have particular housing needs, including some of the most severe needs for affordable housing; in 2009 Ribble Valley had the worst affordability ratio in PL of 7.61 compared to the national average of 6.28 and the regional average of 5.02.<sup>12</sup>. Affordability policies will address issues of both urban and rural affordability.

Local Development Frameworks (LDF's) will bring forward affordability policies which detail quantities types, sizes, and locations of affordable housing required. Consideration will be given to the need not to deter private sector development and to be responsive to local needs whilst achieving consistency across local market areas.

Activities will include:

- Building working relationships with a range of Registered Providers across PL, maximising the opportunity for partnership working.
- Including elements of affordable housing in new residential planning permissions, where viable, to not deter development.<sup>13</sup>
- Growth stimulating products e.g. access to finance and loan products.
- Purchase and Repair schemes to provide social rented housing.
- Promotion of Community Land Trusts.
- Enabling community planning; building the Big Society.

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<sup>10</sup> This will depend upon feasibility testing and a degree of transitional funding.

<sup>11</sup> Assist with site assembly, site appraisals/investigations, production of planning briefs and master plans and compulsory purchase where required

<sup>12</sup> Ratios (2009) calculated of lower quartile house prices (cheapest housing) to lower quartile earnings (lowest incomes).

<sup>13</sup> In line with individual Local Authorities Core Strategies

- Incentivise private rented investment in empty properties in return for affordable rents.
- Promoting social products as an attractive housing option.
- Promote a range of standard intermediate housing products across the sub-region

**c) To raise the quality of existing stock in the private sector.**

Given its poor condition and that terraced property will continue to be the dominant offer in PL, upgrading the existing stock will be one of the most important housing challenges in the long-term. This will include bringing empty properties which give rise to ASB and degrade the community environment.

The majority of any improvement programme will have to be funded through homeowners' contributions. PLACE will aim to incentivise and add value to this process where it can.

Upgrading stock will not only affect the quality of the area but also other issues such as health, educational attainment, and carbon emission reductions. This will require the engagement and support of a variety of partners from across the public and private sector, such as health, Registered Providers, and the Local Authorities.

Action will be needed to:

- Provide a higher quality Private Rented Sector offer, with collaboration and stronger regulation across PL to raise the standards of management and property conditions.
- Work with owners to bring empty properties back into use, and build on existing Partnership work with Registered Providers to acquire vacant or poorly managed properties to renovate them and bring them under effective management. Activities will range from incentives to enforcement.
- Support people to improve their current housing, to extend its useful life, its quality, and energy efficiency, and to improve health and general well being of residents.
- Develop locally-led community Master Plans and planning policies, which complement new build, and address imaginatively the remodelling of older terraced housing including sustainable and radical conversions.

**d) To promote a range of housing options to meet specific needs of people including vulnerable groups**

The PL housing sub-markets serve a number of communities who require varying degrees of support and tailored accommodation. PLACE and partners, are committed to take steps to ensure that their specific housing and support needs are fully understood and met.

To support our vulnerable groups, activities will include:

- Providing access to a range of sustainable housing options that are accessible to all. This will be achieved through our PL Choice Based Lettings System,<sup>14</sup> and Enhanced Housing options.

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<sup>14</sup> The Choice Based Lettings system supports housing options as it is based on informed bidding for properties rather than an offer being made from a waiting list.

- Expanding PL's common Enhanced Housing Options Service to include guidance on access to learning, training and employment, for both social and private rented housing.
- Ensuring development takes account of local need for a range of housing products. Authorities will be proactive in developing strategies, programmes and projects to meet communities' growing needs and demands including care villages, bungalows and flats including lifetime homes and a range of tenure options. This will also see a switch from an overdependence on outmoded residential homes to extra care and modernised sheltered housing.
- Continuing to improve the commissioning of support services, at the sub-regional level, to meet the supported housing needs of vulnerable groups e.g. prolific offenders, Substance abusers and victims of domestic violence.
- Assessing the viability, through joint-working of housing and planning colleagues, of providing a sub-regional approach to pitch provision for Gypsies and Travellers.
- Efficient and effective targeting of affordable warmth support and, co-ordinating it with home energy efficiency schemes.
- Care and repair services, focused particularly on those unable to meet these challenges on their own.
- Work collaboratively with a range of partners, particularly health colleagues, to promote the links between health and housing, and look at ways to encourage a model of invest to save.

**e) To encourage the development of the neighbourhood environment and the social capital within our communities.**

People are the key ingredient of making a place, a community. Pennine Lancashire is committed to engaging and enabling residents to lead housing development and providing them with the expertise, tools and support to tackle the challenges of their area.

Successful local neighbourhoods rely on access to a range of facilities – a quality local environment, open space, play areas, schools, local shops etc. Local Development Frameworks will support local neighbourhood centres, and align all appropriate funding regimes, into a transparent 'place-based' investment framework led by a neighbourhood plan.

Local communities will be enabled to play a more active role in how local services are delivered, through community budgets<sup>15</sup>, local decision-making, transparent dialogue and increased scrutiny of service performance supported by multi-agency neighbourhood teams, and neighbourhood boards where available.

To facilitate this PLACE will support residents to build their capacity and confidence through the integrated skills and work interventions of the MAA; targeting workless households in both private rented and social rented accommodation.

Neighbourhood support for individuals, families and groups will be offered by a range of different agencies and the importance of local solution to land issues recognised and enabled. In addition the use of new Right to Build Powers, the New homes bonus coupled with a simplified neighbourhood planning process which puts

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<sup>15</sup> In some areas, e.g. BwD which is one of the 16 pilot areas for Place Based Budgets, The proposal allowed for a scaling up of the scheme to the PL spatial level in future years. The Government intends to roll Community Budgets out nationally by 2013-14.

communities at the heart of neighbourhood planning in PL, will enable PL residents to lead the development of vibrant, thriving and sustainable neighbourhoods.

## Delivery of the Strategy

This Housing strategy is owned by the Pennine Lancashire Housing Partnership, which is responsible for making recommendations, via the chief executive chair, to the Joint Committee of elected members, on any issues related to housing.

The Housing partnership contains a number of Registered Providers who represent and feedback to other social landlords operating across the sub-region. Other private sector developers and investment specialists are represented; providing market knowledge when considering different interventions; in line with the Market Progression Model.

Market engagement and support is cemented through Regenerate Pennine Lancashire, the sub-regional economic development company, who act as an interface with the private sector, supported by their company board consisting of business leaders from across Pennine Lancashire.

The Housing partnership's sub-groups oversee the performance management of this strategies' delivery plan, which sets out the different approaches taken to addressing the particular challenges in each housing sub-market, across Pennine Lancashire, based on a market-led approach.

To ensure delivery of housing over the short-medium term, PLACE recognises the necessity to move away from grant-led funding towards longer-term delivery and investment vehicles, which are sustainable. PLACE is currently undertaking analysis of the best use of models, such as JESSICA and Tax Incremental Financing (TIF), on the PL footprint, as well as how best to join up with neighbouring City Regions and LEP's to utilise the potential that these investment models could offer.

At the same time PLACE will continue to build on its excellent track record of innovative Joint Ventures with the private sector, embracing new freedoms and flexibilities offered through the Localism Bill and the General Power of Competence amidst the governments' wider moves to simplify legislation and remove unnecessary constraints to growth. This will be set out further in the Integrated Investment Framework (see Strategic Framework - appendix A) and the associated delivery plan to this housing strategy.

The delivery plan will set out in detail where, when and how effectively activity is implemented to deliver against each of the strategies' objectives and priorities, and assign a named partner responsible for progressing particular streams of work. Cumulatively these actions will work towards delivering a balanced housing market which supports economic growth and social well-being in Pennine Lancashire.

## Bibliography

Pennine Lancashire Multi-Area Agreement (2009)

Pennine Lancashire Integrated Economic Strategy (2009)

Pennine Lancashire Housing Strategy 2009-2029

Blackburn with Darwen & Hyndburn Strategic Housing Market Assessment (2008)

Burnley/Pendle Strategic Housing Market Assessment (2008)

Ribble Valley Strategic Housing Market Assessment (2008)

Rosendale Strategic Housing Market Assessment (2008)

House conditions survey 2008-2009

Transformational Agenda 2006-2026

Ecotec: Growth Point Analysis (2010)

Pennine Lancashire Local Economic Assessment (2010)

## Appendix A - Strategic Framework

This section sets where this housing strategy sits within the tiered framework of PL strategies.

### **PL Spatial Guide**

The Spatial Guide is the spatial expression of the MAA's transformational agenda. It aims to support the joined-up sub-regional approach by:

- Setting out a spatial interpretation of other strategies in Pennine Lancashire, most notably the MAA, focusing on the area's geography and the roles of places, and setting key strategic priorities in their sub-regional context;
- Complementing the economic focus of the MAA by considering sub-regional environmental issues;
- Providing a framework for future activity in the sub-region, including the development of individual authorities' Local Development Framework Core Strategies and other Development Plan Documents.

The guide will provide a clear picture of the direction of change across PL. It aims to achieve this by focusing on the issues where a joined-up or consistent approach is needed across PL. The Guide goes some way to alleviate the policy vacuum left by the recent revocation of the Regional Spatial Strategy, but primarily, seeks to secure interventions that are in the common good for the sub-region overall.

### **PL Integrated Economic Strategy**

As the PLHS and this refresh set out the strategic approach in the long-term to housing across the sub-region, the PL Integrated Economic Strategy (PLIES) sets out the long-term sub-regional approach to the other themes the MAA: the economy, transport, skills and infrastructure. It provides the detail of how the transformational agenda will be achieved. These strategies currently align closely to ensure maximum impact of investment however a fully integrated strategy would cement this; which is a possibility in the near future.

### **PL Investment Framework**

The strategies and guides referred to above discuss the PL approach, in the long-term, to achieving transformational change. The investment framework is focussed on priority sites and interventions for delivery over the next 5 years.

The investment framework will set out to private and public sector developers and investors where PL will prioritise its resources for: economic growth, physical and digital connectivity, education and skills, housing and infrastructure, in the short-term. It will also act as the basis of any competitive bids for funding.

Prioritisation of interventions is based on those interventions that coherently coordinate to achieve the greatest impact in seizing the opportunities or addressing the recognised needs of people and places across the sub-region.

## Appendix B – Market Progression Model Methodology

Emulating the established Regenerate Neighbourhood Vitality Index methodology this analysis is very straightforward. It is based on selecting variables, ranking those variables, and calculating a rank of the combined rankings. The combined ranking creates an overall index for each area (Ward, Local Authority, North West GOR or National).

The technique employed calculates the values of individual indicators for areas, ranking those and converting them into a percentile scale with values from 1 to 100. Rankings are combined by taking an average rank across its constituent indicators, and then re-ranking that average rank. So, effectively, each of the areas is placed in a 'league table' for each indicator, that is then recalculated as a league table across an average of all indicators to produce an overall index score.

Data for Pendle and Burnley and also Hyndburn and Blackburn with Darwen has been combined to represent them as joined markets. As per data for each individual area, these have then been ranked within the league tables and given an overall index score across the average of the combined indicators.

Calculating the potential for growth across each market has been done following a similar, but improved, methodology to that used in the recent Tipping Point analysis work produced by Regenerate. In this case the areas have been split into three equal ranges (0-33, 33-66 and 66-100) using the calculated vitality scores. Ranges were assigned zonal categorisations in either Renewal, Transition or Growth, the latter being those areas in the top 3<sup>rd</sup> by vitality. These values, at ward level, were then weighted by population density to calculate the percentage of each zone (renewal, transition or growth) that makes up each of the analysed markets. By using this methodology it removed any issues that could be caused by over emphasising the importance of large or sparsely populated area (potentially a rural area) in comparison to densely populated urban areas. Zones of Growth and Transition were combined and utilised to plot each market's growth potential against the original vitality score, this effectively marked their progress against the MPM whilst, at the same time, demonstrating a market's potential for growth.

This methodology has the combined advantages of simplicity and transparency. It is objective and is not open to manipulation by weighting variables which may advantage one area or another. The concept of league tables is very well understood. The method is also relatively consistent over time, though this consistency is contingent on each participating local authority, and the national sources, providing consistent data for each of the variables included.

**Figure 1.1 : Most Recent Market Analysis Indicators**

| Indicator                       | Definition  | Source                              | Date                     |
|---------------------------------|---|-------------------------------------|--------------------------|
| % Council Tax Band A Properties | Total Band A Properties / Total Properties                          | Local Authority Council Tax Returns | Snapshot @ April 2010    |
| Median House Price              | -   | Land Registry                       | Jan - Dec 2009           |
| CLG Affordability Ratio         | Lower Quartile House Price to Lower Quartile Household Income Ratio | Land Registry / ASHE                | Jan - Dec 2009           |
| % Long Term Vacant Properties   | Total Properties Vacant for 6 months or more / Total Properties     | Local Authority Council Tax Returns | Snapshot @ April 2010    |
| Worklessness                    | Total Claimants / Total Working Age Population                      | DWP (via NOMIS)                     | Snapshot @ November 2009 |

**Figure 1.2 : Pre-HMR Market (Illustrative) Analysis Indicators**

| Indicator                       | Definition  | Source                              | Date  |
|---------------------------------|---|-------------------------------------|---|
| % Council Tax Band A Properties | Total Band A Properties / Total Properties                          | Local Authority Council Tax Returns | Snapshot @ April 2006   |
| Median House Price              | -   | Land Registry                       | Jan - Dec 2001  |
| CLG Affordability Ratio         | Lower Quartile House Price to Lower Quartile Household Income Ratio | Land Registry / ASHE                | Jan - Dec 2002 (Ribble Valley - District Level data only)     |
| % Long Term Vacant Properties   | Total Properties Vacant for 6 months or more / Total Properties     | Local Authority Council Tax Returns | Snapshot @ April 2006 (Ribble Valley - Snapshot @ April 2009) |
| Worklessness                    | Total Claimants / Total Working Age Population                      | DWP (via NOMIS)                     | Snap Shot @ November 2001                                     |

## Pennine Lancashire

