

**Local Investment Plan for Mid
Lancashire
May 2012**

Local Investment Plan (LIP) for Mid Lancashire

Purpose of the LIP

The purpose of this LIP is to set out the case for investment in housing and regeneration as part of the wider drive to achieve sustainable economic growth in Mid Lancashire. The overall aim is to maximise investment from both public and private sector sources.

The focus is on:

- Outlining the challenges and opportunities for investment
- Identifying thematic and spatial priorities for housing and regeneration
- Providing a guide to the work being done to generate new and additional sources of investment; and
- Agreeing priorities for investment

The LIP is set within the wider strategic context of the Lancashire LEP and is fundamentally driven by the local plans and priorities of the local authorities, their partners and stakeholders. It will add value to help deliver strategies and interventions built at a sub regional, sub area, district and neighbourhood scale. It is not intended as a substitute for that local level action and leadership but as a means of providing enabling tools and resources to drive effective local delivery.

Overview of Mid Lancashire

Mid Lancashire is at the heart of Lancashire, strategically located between Greater Manchester, Merseyside and Cumbria. Around 658,000 people live in Mid Lancashire of which 410,500 are of working age .The area forms four main functional economic and housing market areas namely Central Lancashire (Chorley, Preston and South Ribble), Lancaster, West Lancashire and Ribble Valley, covering a mosaic of communities of different sizes, wealth profiles, economic activity and character. It is neither a compact conurbation nor an isolated rural area but it contains elements of both. The sub area has a number of integrating assets and attributes including:

- An excellent motorway network, being served by the M58, M6, M61, M65 and M55
- The west coast mainline.
- Four universities with regional, national and international reputations.
- Key strategic economic sites including core parts of the nuclear industry and defence manufacturing.
- Key elements of the developing energy coast initiative.

Error! Reference source not found.

- The cities of Preston and Lancaster and the towns of Chorley, Leyland, Morecambe, Ormskirk, Skelmersdale and Clitheroe.
- A land rich asset base.
- A considerable rural hinterland which includes part of the Morecambe Bay Coast, Arnside/Siverdale AONB, the Forest of Bowland Area of Outstanding Natural Beauty and the West Pennine Moors.

Economic Headlines

Area Profiles

Lancaster

In the north of the county Lancaster's economy, employing over 51,000 people, has grown rapidly over recent years driven by service and knowledge based industries. Key areas of Lancaster's economy are education, energy, and health, with growth sectors in the low carbon economy, environmental technologies, creative and digital industries, and tourism. Lancaster Science Park is a regionally important strategic development site. In addition Lancaster provides a gateway to South Cumbria and the Lake District. This role has the potential to grow as the area's cultural and heritage assets are developed, and as a result of the strategic growth of the Heysham Energy Coast . The strategic development of the Heysham Gateway linked to energy production and the allied growth and expansion of the Port of Heysham will deliver significant growth in the South Heysham area. It will form a critical part of the wider "Energy Coast" initiative which seeks to establish the North West coast, focused on Cumbria and Lancashire as a national hub for low carbon and renewable energy production. This could deliver a significant share of a step change in the growth potential of Mid Lancashire and Lancashire as a whole. The City of Lancaster, as one of the county's most competitive locations, offers the potential for investment and growth in higher value service sectors, with Lancaster University, one of the UK's top universities, contributing significantly to the local economy and knowledge based growth. Developing and maintaining an appropriate housing offer in this area, balancing the need for growth with quality and affordability considerations accompanied by transport and communications infrastructure will be critical. It will require an approach focused on both new build and regeneration. A key element in understanding the detail of strategic housing needs in this area will be undertaking an assessment of the housing linkages with South Cumbria.

Preston

There are a number of key areas for investment in Central Lancashire. In Preston, the City Centre is the focus for retail, leisure and commercial development including the Tithebarn Regeneration Area and the New Central Business District. This would expand the city centre offer, address the lack of new Grade A office accommodation

in the city, and be a catalyst for a wider platform of investment into Central Lancashire including direct foreign investment. The University of Central Lancashire is a key asset in the Mid Lancashire area. Alongside its range of teaching and research opportunities the University is actively encouraging start up businesses and graduate entrepreneurs, developing a new business incubator facility.

Providing an appropriate housing offer to support economic growth, including new development to the north of Preston, will be critical. Here the HCA own a significant amount of land which will facilitate this ambition. Inner East Preston is a priority for regeneration with investment required in the existing housing stock and on key development sites.

South Ribble

In South Ribble the focus is on managing the strategic site at Cuerden for job creation and the need for investment in creating transport links across the Borough. The strategic Enterprise Zone site at Samlesbury offers critical potential for the Lancashire sub region in terms of the aerospace industry. The integration of economic, housing and infrastructure investment is crucial in achieving sustainable and managed growth. Maintaining and enhancing the quality of place is recognised as a crucial factor in the potential success of Central Lancashire.

Chorley

Chorley enjoys one of the most accessible locations in Mid Lancashire. With neighbouring market catchment areas of Manchester, Liverpool and Preston, some of the world's most successful companies have chosen to locate here, whilst many dynamic smaller businesses prosper equally successfully.

Chorley supports an expanding and healthily diverse economy with a range of sector strengths within knowledge based and high growth sectors which promotes economic stability. Employee jobs growth increased by 21% from 1999 to 2010 and Chorley currently has 38,600 employee jobs.

Chorley aims to capitalise on its premier location as a place to do business, attracting knowledge-based investment to key employment sites including Buckshaw Village and Junction 8, M61. Maintaining Chorley town centre's position in the retail hierarchy, growing the quality of its offer and providing a distinctive and attractive town centre environment is fundamental.

The three authorities of Chorley, Preston and South Ribble collectively form **Central Lancashire**. Central Lancashire employs 174,000 people and is a highly economically productive area of Lancashire. It has a mixed economy with a diverse base, with strengths in the knowledge and service economies, advanced manufacturing including the nuclear and aerospace industries, plus a significant public sector. The area has seen significant employment growth in the last few years, although this has been primarily driven by growth in lower value service sectors. The

City of Preston provides a key focal point for value added growth, particularly in higher value service sectors and the presence of UCLan (University of Central Lancashire) in Preston offers a significant driver for knowledge based economic growth.

The focus in Central Lancashire is on achieving managed growth. The challenge is to secure investment that provides the necessary infrastructure to facilitate such growth. Investment in housing both new and existing is seen as part of this approach. Central Lancashire's ambition is for an economic growth led recovery with housing delivery aligning with and supporting this growth.

All 3 districts see investment in their respective city/town centres as necessary to make the area attractive for investors.

West Lancashire

West Lancashire employs over 41,000 people and has a relatively stable economy which has seen significant employment growth over recent years. It is essentially a rural borough with 92.5% of the land within Green Belt and contains a large proportion of the best and most versatile agricultural land in Lancashire. Consequently it has a large rural economy, accounting for 40% of all employment. The area has strengths in manufacturing and distribution, with Skelmersdale serving as a regionally important distribution hub. Around one third of the population lives in Skelmersdale. The position of Skelmersdale in relation to Manchester, Liverpool and Preston forming a triangular market base gives the town considerable sub regional significance. The Borough benefits from a high rate of economic activity compared with the wider North West region, with strong employment growth in recent years in key sectors such as health and education, distribution and retail and business services. Skelmersdale and Up Holland lag behind Borough and Regional averages on a number of economic indicators, with a poor housing offer in terms of mix and tenure, an inadequate town centre and dated industrial areas. The regeneration of Skelmersdale Town Centre including the re-modelling of the industrial and residential estates and the completion of Whitemoss Business Park at Junction 4 (M58) will help fulfil its economic potential.

Employment in West Lancashire is concentrated in five main sectors of the economy, with distribution and retail, manufacturing, health, business services and education accounting for 67% of all employee jobs in the area. The area is the main home for Edge Hill University which represents a key economic strength. The University currently expects to generate an economic impact of around £214 million by 2012/13 for the North West. It is recognised as a centre of excellence in teaching specialising in Education, Health, Arts and Science, and has a well established Business School.

Whilst much of the strategic housing delivery will be closely aligned and integrated with the regeneration of Skelmersdale, it will be critical to understand the wider relationship and housing linkages with Merseyside.

Ribble Valley

Ribble Valley has the largest geographical area within Lancashire but the smallest population, sparsity of population is therefore a key feature. The administrative centre for the district is the market town of Clitheroe, with Longridge as the other main commercial centre. The remaining area is mainly rural and two thirds of the borough is designated as part of the Forest of Bowland Area of Outstanding Natural Beauty (AONB).

Unemployment is well below national and regional average and the lowest in the North West. Agriculture and tourism are important employers in the borough. The tourism sector accounts for 10% of employment and it is estimated that the tourism spend exceeds £19 million. The largest employment sector is manufacturing which accounts for 23% of employment. Major companies present include Hanson cement, Johnson Matthey and BAe Systems.

Supporting employment growth in higher value service sectors is a priority, along with other parts of the service and visitor economies, whilst maintaining healthy and sustainable agricultural and manufacturing based sectors and activities that promote town centre vitality and viability.

BAe Systems, Barrow Brook Business Park and Salthill sites along the A59 corridor are of a scale, location and setting capable of promoting business park development for investment in the regional and sub regional market place. The Samlesbury site shared with neighbouring authority South Ribble, is regarded as a regionally significant employment site with considerable potential to accommodate a variety of knowledge based, advanced manufacturing, aerospace and other related activities. The significance of the site has been further recognised by its designation as an Enterprise Zone.

In Ribble Valley, the potential to attract visitors and visitor investment is a key area of opportunity. The area has a wealth of natural resources and beautiful countryside of national significance.

Integrating Issues

Linkages and interdependence

The four functional economic and housing market areas have extensive links with neighbouring towns and conurbations both within and outside the County. Their economies display strong linkages through the key themes of advanced technology and manufacturing including the energy coast initiative, higher education and knowledge based industries, tourism and heritage. These linkages are moving towards increasing overall economic functionality and interdependency. This is further supported by a strong baseline of communications infrastructure.

Structural issues

However while Mid Lancashire has performed well in the past with strong growth in employment; the area has not delivered to its full potential over the 10 years previous to the current economic downturn when economic performance was broadly positive. This is because of the way the economy has grown in Mid Lancashire with an over reliance on the public sector to provide higher value employment and a private sector that has an over concentration on lower value added services both of which have an impact across the economy.

Maximising Economic Contribution

Mid Lancashire partnership work is focussed on maximising the economic contribution of the area and on tackling some of the important structural economic issues faced within Mid Lancashire. A key part of this is to ensure that the area's infrastructure including housing is capable of supporting these ambitions.

Strategic Sites

The Mid Lancashire area contains a significant number of regionally significant development sites:

- Lancaster Science Park (Bailrigg)
- Central Preston
- BAe Systems Samlesbury (Enterprise Zone)
- Cuerden
- Revolution Park, ROF Buckshaw Village

Skelmersdale Town Centre is also recognised as a key strategic site for the Mid Lancashire area and wider region. Work is also ongoing to identify further strategic sites of sub regional significance. Local Plans and other strategic local documents are making progress in identifying these. Further work needs to be carried out through the LIP process to bring these sites together and to consider the degree to which these have or could have strategic links to housing opportunities

Work needs to be undertaken to identify how these sites can be integrated with housing opportunities. This will ensure that development is mutually supporting and that the opportunities to meet housing needs through wider investment are maximised.

Key Housing Dynamics

The key housing issues, challenges and areas for action have been identified and examined through Strategic Housing Market Assessments and the Housing Contextual Statement for Mid Lancashire. The Mid Lancashire Housing Contextual Statement has been developed in the context of the Government's fundamental housing policy and funding changes. Crucially this recognises that there has been a shift away from large scale spending programmes and grant allocations towards incentives schemes such as the new Homes Bonus, competitive funding such as Decent Homes Funding and private finance vehicles. In terms of regeneration there is a general move away from housing led regeneration to economic growth. Maximising the integration of economic and housing priorities and delivery vehicles is therefore critical

The economic strength and potential of Mid Lancashire is such that there is great potential to help meet housing priorities through the development of innovative investment and delivery vehicles with the private sector and other key partners. At the same time the area is likely to be able to benefit from incentive schemes such as the New Homes Bonus. These would add substantial value to any public sector investment made. This investment potential can support aspirations within Mid Lancashire but is also significant sub regionally with linkages into Pennine Lancashire and Fylde Coast and beyond into Cumbria, Merseyside and Manchester.

Housing Growth and Regeneration

Forecasts for growth suggest that Mid Lancashire could have more than a 20% increase in households over 25 years. This growth will be largely driven by increases in the existing population and from expected smaller household size. A significant feature of this household growth is that it is anticipated that over 80% of it will be made up of households headed by a person aged 65 or over. This will have implications for housing type requirements and social care, but beyond this there will be significant economic implications. The proportion of economically active households and persons will fall considerably. In order to retain and attract the working population required to maintain and increase the prosperity of Mid Lancashire and meet the economic priorities of the Mid Lancashire Partnership it will be necessary to ensure a sufficient supply of housing at prices these households can afford and of a type that they want and need. This key role of housing in supporting the prosperity of Mid Lancashire and Lancashire as a whole is a cornerstone of the priorities of Mid Lancashire partnership working.

The need for housing growth in Mid Lancashire must however be considered within the context of sustainability and quality. Quality of housing and quality of place are fundamental to housing growth successfully supporting both economic growth and community needs. Sustainability and the environment are integral parts of the growth agenda because these are recognised as key components in relocation decisions and attracting new business into the area.

Mid Lancashire contains a number of places of exceptional quality. The general quality of neighbourhoods across Mid Lancashire is also high with the majority of residents satisfied with their local area as a place to live. These areas are attractive to the market. It is necessary to employ a balanced approach to ensure that currently attractive areas do not develop beyond their capacity to the point whereby their quality and attractiveness are lost. Such an approach needs to involve and gain the support of local communities

It is essential therefore that the intrinsic environmental quality of Mid Lancashire is not damaged by unconstrained, inappropriate and locally unpopular development. Growth must be carefully managed across Mid Lancashire and in the wider Lancashire area. This can be achieved by:

- Linking growth to strategic development and employment sites both in Mid Lancashire and in the wider Lancashire area;
- Working cooperatively with other areas in Lancashire and neighbouring authorities to deliver sustainable growth
- Ensuring sufficient high quality infrastructure is in place for supporting development and housing growth
- Ensuring local communities are involved in the planning of housing sites.

Affordability

Affordability is one of the key housing issues facing Mid Lancashire. It is estimated that 3,752 additional affordable homes are needed each year for the next 5 years. This is over twenty times the annual level of affordable homes completed in Mid Lancashire recently. Affordable housing type is divided into social rented housing and intermediate tenure (e.g. shared ownership, equity share, discounted sale). Evidence demonstrates that across Mid Lancashire the predominant requirement in respect of affordable housing provision is for 2,3, and 4 bedroom family housing. The proportions vary depending on the mix of existing stock, with Lancaster looking for up to 60% of smaller one and two bed homes. For each of the 6 districts the greatest proportion of need is for social rented housing and addressing this will be a key priority.

The implementation of the affordable rent model has introduced a new tenure option. The model is currently evolving and its impacts and implications for affordable housing supply across Mid Lancashire will need to be monitored. It will be important to assess how delivery through the new model aligns with housing growth and regeneration priorities and how it works alongside meeting need for rented property at social rent levels. The requirement to produce Tenancy Strategies will enable local authorities and Registered Providers to set a framework for achieving conversions from social rent to affordable rent and requirements in respect of flexible tenancies. The full range of means of providing affordable housing will need to be understood strategically. Wider engagement with registered providers, developer partners and

with the HCA will be critical in order to explore and agree new models of investment and delivery.

With regard to the implementation of the affordable rent model, the bidding and allocations process for 2011-15 is based on contracts between individual Registered Providers (RPs) and the HCA. Local authorities and sub area partnerships also have a critical role to play:

- facilitating the development of competitive bids in their areas,
- working with the HCA as bids are assessed and grant is allocated and in the subsequent development of RP programmes under framework contracts.

Mid Lancashire authorities are working with registered providers to ensure that the proposed programmes reflect Mid Lancashire's development and housing priorities. Strategically this funding should play a key role in stimulating wider housing and economic investment. Importantly linkages to other strategies for providing affordable housing will provide additional value to any money invested and will lead to more effective outcomes.

The key means of delivering overall affordable housing needs, of which the affordable rent funding stream will be part, will be closely linked to the development of private-public sector partnerships to create innovative delivery vehicles. Local authorities will need to work with Registered Providers, other partners and the HCA to develop viable circumstances for further investment. The overall emphasis will therefore move away from gap funding schemes towards examining ways of enabling the development of wider investment plans. Registered Providers are a main partner for affordable housing and it will be important to develop and maintain strong relationships with these and to ensure that the strongest and most experienced of these play a leading role in exploring new ways of working and investing.

As part of the broader housing development context, affordable housing provision through developer contributions is a key priority. Working positively and creatively with developers will maximise the ability to meet housing priorities. Planning policies for securing appropriate provision are a requirement of statutory district Local Development Framework Core Strategies. These are either in place or are being developed across Mid Lancashire.

Evidence suggests that the private rented sector is growing in importance as a potential source of supply to meet affordable housing needs and provide a flexible tenure choice. An understanding therefore needs to be gained of the extent to which the particular parts of this sector could help Mid Lancashire meet its housing needs and aspirations. This will include understanding the range of demand for this type of housing in the context of strategic growth and investment. It will also include

examining the levels of investment individuals and institutions would be prepared to bring forward which would effectively control both the volume and quality of supply. At the same time measures to mitigate poor conditions and poor management standards in the existing private rented sector are essential especially in those neighbourhoods with high concentrations of such properties and more generally to assist the most vulnerable households. This will include addressing issues of condition and decency, energy efficiency, management standards and wider neighbourhood impacts.

Rural Affordability

The rural parts of Mid Lancashire experience some of the most acute affordability problems. The attractiveness of the housing offer and the rural environment fuel demand and high prices. It is extremely difficult for anyone who does not have an existing stake in the area through property ownership or a very high income to be able to afford to live in these areas. This in turn threatens the overall sustainability of some rural communities.

Rural exceptions planning policies provide an opportunity for housing partners to identify small sites for affordable housing. Increasingly housing provision and affordability in rural areas needs to be considered in the context of wider community and sustainability issues. Working with rural communities to identify and maintain up to date housing needs evidence and potential sites for affordable housing will be a key priority. The Government is placing a particular emphasis on local housing and land trusts and on Community Right to Build. The potential of these new delivery models for Mid Lancashire will need to be understood and taken forward as appropriate.

Localised Areas of Significant Deprivation

The quality of Mid Lancashire as a place to live is fundamental both to the prosperity, health and wellbeing of local communities and to the ability of the area to attract new and expanded businesses and the skilled workforce required. There needs to be a strong focus on place shaping with linkages between new development and improvement initiatives.

Whilst the overall housing and neighbourhood quality of Mid Lancashire is good there are localised areas of very significant deprivation. The CLG Indices of Multiple Deprivation (IMD) 2010 show that Preston has the most deprived neighbourhoods of the Mid Lancashire authorities, ranked at 59 out of all LA districts with Lancaster next at 133 and West Lancashire at 153. Chorley (173), South Ribble (207) and Ribble Valley (302) are least deprived of the Mid Lancashire authorities. Since the previous IMD was published in 2007 Preston, Lancaster and West Lancashire have improved scores, while South Ribble and Chorley are showing increases in deprivation scores.

At a more detailed level Preston has 18 of the 10% most deprived Lower Super Output Areas (LSOAs) in England, mainly in Inner Preston. Lancaster has 10 LSOAs in the most deprived, all in Central Morecambe and West Lancashire has 7 all in Skelmersdale. South Ribble now has 1 LSOA in the worst 10% while Chorley has 6. In 2007 neither of these 2 districts had any LSOAs in the worst 10%. Within Ribble Valley 5 wards figure within the worst 10% under the access to services Index.

Although the nature of the problems vary between the areas, they are all associated with poor housing conditions and/or lack of or unpopular affordable housing. They are areas with low levels of economic activity and present important challenges for housing strategy.

Based upon this overview the main place based regeneration priorities for Mid Lancashire are:

- **Central Preston.** The priority for regeneration focuses on Tithebarn, the New Central Business District and Inner East Preston. Improving the city centre retail, leisure and commercial offer and the quality of the physical environment is key. Inner East Preston is both the most deprived part of the City and a key gateway. It is characterised by a range of mixed uses, a concentration of poor quality mainly older terraced housing and significant provision of social housing. Priority projects here are at New Hall Lane and the former James Hall site. It is also important to note particular concentrations of poor quality private sector homes in other wards, e.g. Moor park.
- **Morecambe West End.** In Lancaster there has been, and remains a long-term priority to focus on the West End of Morecambe. This area has been very badly affected by the decline of Morecambe as a traditional seaside tourist resort and has a large number of former hotels and Boarding Houses that are frequently now in multiple occupation. There is a very high concentration of poverty and social needs. These are being tackled by a programme of transformational change in the West End that complements economic initiatives and the emergence of a new leisure offer in Morecambe. Priority projects for the next four years are: **Chatsworth Gardens, Marlborough Road and Bold Street**
- **Central Morecambe.** The Lancaster District Core Strategy (2008) defined the regeneration of central Morecambe as of sub regional importance and designated it as a Regeneration Priority Area. The Morecambe Area Action Plan (MAAP) is currently being developed and will create a framework for the development, change and conservation needed to secure the lasting regeneration of the town. The plan aims to improve how the central part of Morecambe looks, feels and works bringing investment attract visitors , strengthen the economy, provide a strong town centre, create better housing with settled residential communities and improve the transport infrastructure and infrastructure.
- **Skelmersdale.** This is a former New Town where the poor quality and image of the town centre is a key place-shaping priority. The redevelopment proposals include mixed use, commercial, retail and new housing together with new infrastructure and public realm. The housing elements include the redevelopment

of significant amounts of relatively poor social housing and the development of new housing.

- **Leyland.** The priority for regeneration focuses centrally on commercial development surrounded by large scale housing redevelopments on significant brownfield sites. The Regional Investment Priority site of Cuerden lies to the north of Leyland at the junction of the M6, M61 and M65 motorways.
- **Chorley Town Centre.** Transforming parts of the town centre by promoting retail/commercial redevelopment and improving the public realm is a key priority.

An Ageing Population

A 63% increase in households aged 65 and over is forecast for Mid Lancashire as a whole 2008-2033. The SHMAs predict that the on-going trend to smaller households will continue to 2026 with the average size by then being 2.1 persons. There are implications of an increasing aged population and this category of special housing needs is a particularly pertinent issue for those aged over 75. For the 60 to 75 year olds, lifestyles and housing expectations are different but the SHMA found that over 7% of these households felt their home was not suitable and over a quarter of 60 plus households were living in under-occupied accommodation. Despite this, most people wanted to stay in their own homes and have services come to them.

As set out above the increasing proportion of the population who will be elderly could have profound implications for economic growth if provision is not made to retain and attract skilled people of working age. At the same time the needs of elderly communities need to be met. Linkages with the supporting people agenda and with private and third sector partners will be vital to maximise the overall effectiveness of measures taken to meet both general and specialised needs. The Housing Strategy for England – Laying the Foundations contains within it the new deal for older people's housing. The new deal aims to help people make informed choices about their housing and care as they get older. The deal includes encouraging local authorities to make provision for a wide range of housing types across all tenures including:

- accessible and adaptable general-needs retirement housing;
- specialised housing options including sheltered and Extra Care housing for older people with support and care needs.

The government will be working with planners and developers to develop evidence-based guidance on how to plan and deliver good quality housing for older people.

Thematic Priorities and Strategic Spatial Development Areas

Having considered an overview of the totality of priorities set out in relevant strategies and frameworks, a set of thematic priorities have been identified which bring together aspirations needs and potential, and which can deliver desired outcomes if pursued through the Local Investment Planning process.

- Delivering significant sustainable housing growth and regeneration to meet demographic and economic needs.
- Integrating housing and economic potential to maximise investment in both.
- Delivering affordable housing to meet economic and social needs.
- Providing better life chances for communities.
- Creating and maintaining places where people want to live.
- Making the best use of assets and achieve more for less.

In addition to the thematic priorities that strongly support economic improvement, there is a further need to ensure that the particular housing needs of the most vulnerable people are met. The rising local population of older people and continuing need to care for people with disabilities mean that capital investment will continue to be made in adaptations to existing homes that maintain independence and promote a high quality of life.

Strategic Spatial Development Areas

In order to determine a focus for investment and partnership working priorities need to be articulated spatially as well as thematically. This has been undertaken by considering potential housing sites and areas against thematic priorities, and in relation to existing and planned economic development and infrastructure.

This work has produced a **portfolio of potential housing sites and areas** (see Annex 1) which align with the thematic priorities to support economic aspirations and meet local needs. The initial LIP period is only 4 years so there will need to be a focus on what can be achieved in this timeframe but within the context of longer term aspirations for the area.

The portfolio combines opportunities which could be brought forward in the short term with key longer term aspirations. Shorter term investments need to be viewed in the context of a longer term strategic overview to ensure that as well as delivering immediate priorities they can where possible provide building blocks to achieve the longer term overall vision of sustainable growth for the area. It should be noted that currently Ribbles Valley Borough Council are at the stage of considering areas of search for potential housing sites. As potential strategic sites/areas emerge, these can be assessed for inclusion in the portfolio as appropriate.

Translating Priority Issues and Actions into Agreed Priorities for Investment to 2015 and for the Longer Term

Having established the portfolio, each site has then been assessed further in terms of financial and economic criteria, and against practical aspects and criteria as follows:

Financial and Economic Aspects of Proposals

- The degree to which a proposal is part of a wider complementary investment package in an area, including Community Infrastructure Levy (CIL) or helps to secure or multiply the benefits of earlier investment.
- The leverage of private sector and other investment a proposal generates
- The potential to generate a direct financial return (and therefore suitability for funding via JESSICA and other investment routes).
- The level of indirect financial return generated by reducing other costs
- An estimate of a project's economic impact
- The ability to integrate key investment sources including Regional Growth Fund (RGF), Tax Increment Finance (TIF), Section 106, New Homes Bonus, European Funding and other alternatives including the use of land assets.

Practical Aspects of Proposals

- Project deliverability and risk
- Suitability of existing infrastructure or the potential to contribute infrastructure improvements.
- Water, air quality, greenhouse gas and flood risk impacts and contribution to climate adaptation.
- Design quality and innovation
- Value for money

This has resulted in the identification of 10 sites/areas which are considered to be the key initial strategic sites for investment. It is recognised however that investment opportunities can shift quickly and will be under continuous review. Consequently opportunities outlined in the wider portfolio can come forward as appropriate.

Potential Key Initial Sites for Investment

Site/Area	District	Focus
Bailrigg	Lancaster	Sustainable Growth

Site/Area	District	Focus
Luneside East	Lancaster	Regeneration
Morecambe's West End	Lancaster	Regeneration
Land at Eastway	Preston	Sustainable Growth
North West Preston Strategic Area	Preston	Sustainable Growth
Inner East Preston	Preston	Regeneration
Pickerings Farm	South Ribble	Sustainable Growth
Moss Side Test Track	South Ribble	Sustainable Growth
Buckshaw Group 1	Chorley	Sustainable Growth
Botany/Great Knowley	Chorley	Sustainable Growth
Skelmersdale Town Centre	West Lancashire	Sustainable Growth and Regeneration

The growth focused sites/areas outlined in Table 1 have significant potential to support, enable and bring forward strategic economic growth. Sites at Pickerings Farm, Moss Side Test Track and North West Preston Strategic Area will provide high quality housing in close proximity to strategic and key employment sites and will help provide mutually supporting, critical infrastructure. Residential development at Eastway, Buckshaw Group1 and Great Knowley will come forward as part of complementary economic offers, again providing high quality housing and infrastructure. The bringing forward of the strategic site at Bailrigg would play a critical role in kick starting and supporting the development of the Lancaster Science Park and expanding the University complex through the provision of core infrastructure. This in turn would bring significant investment into the Mid Lancashire economy together with increased employment opportunities. Strategic housing growth in Skelmersdale would contribute to a wider investment package which would bring multiple benefits by both supporting economic growth and achieving regeneration.

The regeneration focussed areas of Luneside East, Morecambe, Inner East Preston and Skelmersdale have been identified as initial investment sites for 2 key reasons. Firstly support and investment here is necessary in order to deliver the aspects of the thematic priorities relating to social need, life chances and improving environments. Secondly in the context of their proximity to areas of potential growth and investment there is considerable scope for them to become part of wider packages of investment and to explore the development of innovative delivery vehicles with private/public investment partners. Regeneration at these sites will not only deliver direct benefits but will also bring confidence to the wider area supporting overall sustainable economic growth.

Investment in Affordable Housing

Investment in affordable housing is a critical issue across Mid Lancashire and the mechanisms for this investment are undergoing a period of considerable change.

A strategic overview is required of:

- Ongoing need.
- The actual and likely levels of delivery through the new models
- How delivery mechanisms can be maximised through strategic investment.

Mid Lancashire authorities will work with partners to determine key issues and to prioritise investment needs. Key issues to take forward are as follows

Key Delivery Mechanism	Critical Issues	Partners
Community Infrastructure Levy and Section 106 Agreements	<p>Consideration currently being given to whether affordable housing should be delivered through CIL.</p> <p>Whether development viability issues will affect potential developer contributions.</p> <p>Ensure growth in Mid Lancashire provides appropriate contribution of affordable housing of the right type in the right place.</p>	Developers, Government, HCA and Registered providers
Affordable Rent Model	<p>Monitoring overall delivery of affordable housing through this model.</p> <p>Monitoring effects of conversions from social rent</p>	Registered Providers, HCA
Self Financing Model	West Lancashire is a stock holding authority and is currently assessing the scope for further affordable housing through a self financing model	Government, HCA
Provision of affordable housing through the private rented sector	<p>Understanding demand for this type of provision.</p> <p>Understanding the scope for</p>	Developers, HCA

Key Delivery Mechanism	Critical Issues	Partners
	developer interest and how this might link to wider development and investment across the area.	
Tenancy Strategies	Setting a framework for conversions and flexible tenancies	Registered Providers, HCA

Investment in Stock Condition

The condition of the existing housing stock is fundamental to maintaining and promoting the attractiveness of an area and to meeting the needs and improving the life chances of people already living in the area. Investment in decency represents good value for money addressing a range of social and environmental issues and helping prevent areas from falling into more serious disrepair. Generally decency standards are good in the social housing sector across Mid Lancashire with Decent Homes programmes substantially complete. However, consideration will need to be given to any implications arising from the forthcoming changes to the benefits system and the regulation of housing providers.

Private sector house conditions as a whole for Mid Lancashire are around average for the North West. However within this there are some neighbourhoods where conditions are significantly worse than the average. There is a danger that disrepair and decency standards will worsen under current economic conditions. As part of this reducing the number of empty homes by bringing them back into beneficial use is a high priority. Making use of such properties will support the wider approach on providing affordable homes and at the same time can significantly raise neighbourhood quality. Mid Lancashire authorities through the Mid Lancashire Housing Contextual Statement are working to identify key priorities for investment and will work with partners to take these forward. Potential key issues to take forward are as follows.

Key Delivery Mechanism	Critical Issues	Partners
Securing Empty Homes Funding	Strategic development of Empty Homes Funding Bids demonstrating alignment with wider investment priorities in growth, regeneration and improving decency standards	HCA, private landlords/owners, Registered Providers
Working with private landlords to ensure an effective Private Rented	Accreditation and codes of practise	Private landlords, companies, HCA

Key Delivery Mechanism	Critical Issues	Partners
Sector	Targeting grants and loans to accredited private sector landlords	
Self Financing	West Lancashire as stock holding authority is assessing the potential for improving stock condition through self financing	Government, HCA

Investment in Rural Areas

Much of Mid Lancashire is predominantly rural. The right balance of housing and employment opportunities is as crucial for rural areas as it is for urban in terms of promoting prosperity, maintaining community stability and retaining those young people who want to stay and find employment locally. Indeed the aim of Mid Lancashire to drive sustainable growth and the key priorities underpinning this are in many cases equally relevant across both urban and rural contexts.

Rural Mid Lancashire's sectoral activity has a strong basis for growth with a combination of high growth and developing businesses. The business mix across rural Mid Lancashire includes agriculture/food and drink, tourism, wholesale retail, manufacturing, knowledge industries, small and micro businesses and self employed and home based working. Mid Lancashire will focus on supporting this growth including the provision of key infrastructure such as the provision of superfast broadband. While key issues for growth may generally apply across urban and rural areas, there may be scope for identifying potential key strategic rural sites/projects. This may be particularly relevant where they are critical to growth and where their criteria for definition (scale for example) means that they don't necessarily sit alongside larger urban strategic sites/projects.

The Government has announced the Rural Economy Growth Review which includes a package of measures designed to stimulate sustainable growth in the rural economy and help rural businesses to reach their full potential. Understanding the potential of this alongside investment in infrastructure and housing will be crucial in taking forward the prosperity of Mid Lancashire.

Providing the right housing mix contributes to the goal of realising the potential within the rural economy and supporting genuinely sustainable rural communities. There needs to be a greater understanding of the role of housing and housing investment in the prosperity and sustainability of these areas.

Affordability of housing across Mid Lancashire as a whole has been identified as a key priority. This is a particularly acute issue in rural areas. The attractiveness

of the housing offer and the rural environment fuels demand and high prices. It is extremely difficult for anyone who does not have an existing stake in the area through property ownership or a very high income to be able to afford to live in these areas. This in turn threatens the overall sustainability of some rural communities. An appropriate mix of housing must be achieved to ensure that it supports rural prosperity and doesn't just act as dormitory housing for urban areas.

Key Issues	Potential Issues Identified to Date	Partners
Identifying investment issues and priorities across Mid Lancashire rural areas and link to housing need.	<p>Rural Economy Growth Review</p> <ul style="list-style-type: none"> • Rural growth Networks • RDPE • Rural Broadband • Supporting rural tourism • Expanding food and drink sector • Delivering Green Growth <p>Relationship with RDPE investment</p>	HCA, RDPE, LEP, private investors.
Providing affordable housing	<p>Understanding the scale of area over which "housing need" and developer contributions to affordable housing can be applied.</p> <p>Understanding the implications of providing affordable housing through CIL</p> <p>Identifying key villages and areas for "local needs" housing. Develop relationships locally through</p>	<p>HCA, Developers</p> <p>Local communities, parish councils, developers</p>

	parish councils to encourage responsible residential development	
--	--	--

Investment in Housing for an Older Population

The increasing proportion of elderly residents across Mid Lancashire will raise a number of significant economic, social and community issues across the area. Housing represents a key element of ensuring overall wellbeing. A determined focus is required to ensure appropriate housing provision both in terms of accessible and adaptable general needs housing and specialised housing options. Priorities will be linked to the Supporting People agenda and to the implementation of The Housing Strategy for England.

Key Issue to be Addressed
Ensuring a sufficient supply of adaptable general needs housing
Determine in liaison with the Supporting People Review of Housing Related Support for Older People the need for particular levels, types and distributions of new specialist housing.
Determine in liaison with the Supporting People Review of Housing Related Support for Older People the need for varying types of housing care and support
Work with LCC and other parties to commission services that have been identified by Supporting People Commissioning Review.