

# Cumbria LEP Housing Delivery Strategy

Cumbria Local Enterprise Partnership  
October 2020

LICHFIELDS



**LICHFIELDS**

# **Lichfields is the pre-eminent planning and development consultancy in the UK**

We've been helping create great places  
for over 50 years.

**[lichfields.uk](https://lichfields.uk)**

© 2020 Nathaniel Lichfield & Partners Ltd, trading as Lichfields. All Rights Reserved. Registered in England, no. 2778116. 14 Regent's Wharf, All Saints Street, London N1 9RL  
Formatted for double sided printing.  
Plans based upon Ordnance Survey mapping with the permission of Her Majesty's Stationery Office.  
© Crown Copyright reserved. Licence number AL50684A  
61779/02/SPM/CR  
18959170v1

# Contents

<b>1.0</b>	<b>Rationale for the Study</b>	<b>1</b>
	Introduction	1
	The Cumbria Local Enterprise Partnership	1
	The Cumbria Housing Statement	3
	Objectives of the Cumbria Housing Delivery Strategy	4
	Structure	5
<b>2.0</b>	<b>Cumbria Housing and Demographic Overview</b>	<b>6</b>
	Introduction	6
	Key National Housing Policy Issues	6
	Cumbria Context	7
	Future Demography	9
	Summary of Key Demographic Challenges	12
<b>3.0</b>	<b>Cumbrian Housing Needs</b>	<b>14</b>
	Introduction	14
	Allerdale	14
	Barrow-in-Furness	15
	Carlisle	16
	Copeland	17
	Eden	19
	Lake District National Park	20
	South Lakeland	21
	Summary	23
<b>4.0</b>	<b>Cumbria Housing Market Analysis</b>	<b>25</b>
	Market Signals Analysis	25
	Future Housing Supply	35
<b>5.0</b>	<b>Housing Market Areas, Sub-Areas and Key Characteristics</b>	<b>38</b>
	Allerdale	39
	Barrow-in-Furness	41
	Carlisle	43
	Copeland	44
	Eden	45

---

	South Lakeland	47
	Summary HMA Characteristics	49
<b>6.0</b>	<b>Housing Market Challenges</b>	<b>50</b>
	Introduction	50
	Findings from the Consultation Exercise	50
<b>7.0</b>	<b>Defining the Housing Delivery Strategy</b>	<b>54</b>
	Strategy Vision and Priorities	54
	1) Housing growth, affordability and community sustainability	54
	2) Housing regeneration and improving the quality of housing	89
	3) Improving Housing Support	104
<b>8.0</b>	<b>Conclusions and Action Plan</b>	<b>113</b>
	Housing growth, affordability and community sustainability	113
	Housing regeneration and improving the quality of housing	119
	Improving Housing Support	121
	Prioritisation of Delivery Actions	122

---

## 1.0 **Rationale for the Study**

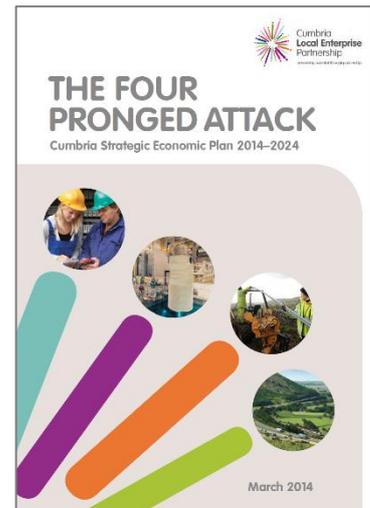
### **Introduction**

- 1.1 Lichfields has been commissioned by the Cumbria Local Enterprise Partnership [CLEP] to undertake a Housing Delivery Strategy for the County. The aim of the strategy is to develop a Cumbria-wide housing delivery strategy/plan, providing the specific activities and interventions that will help deliver the ambition of Cumbria's local authorities [LAs] in relation to housing delivery within it and particularly the delivery of new homes.
- 1.2 The Strategy focuses on those issues on which collaborative working can deliver genuine added-value outcomes and where we can catalyse opportunities or address market failures and factors in local housing strategies and plans. It considers all aspects of the housing agenda, its enablers and barriers and how these can best be facilitated or addressed and specifically respond to the priorities identified in the Cumbria Housing Strategy.
- 1.3 The strategy is the culmination of close working between the CLEP and various stakeholders including the LAs. The CLEP recognises that statutory responsibility for the housing agenda rests with the District Housing Authorities and as such is committed to working in partnership with six District Authorities, Cumbria County Council [CCC], the Lake District National Park Authority [LDNPA] and other housing strategy and delivery partners to ensure that there is wide ownership of and buy into the emerging strategy. The CLEP can play a key role in making the case for housing linked to the needs of Cumbria's economy.

### **The Cumbria Local Enterprise Partnership**

- 1.4 The CLEP is one of 38 business-led partnerships between local authorities and local private sector businesses across England. It plays a vital role in driving forward local economic growth by determining local economic priorities and undertaking activities to drive economic growth and job creation, improving infrastructure and raising workforce skills within Cumbria. The CLEP is overseeing the delivery of 17 local Growth Deal programmes, with £60.3m of government funding being invested in Cumbria up to 2021 to stimulate economic growth, create and safeguard thousands of jobs, provide modern business space and leveraging in millions of pounds of additional private sector investment.
- 1.5 The CLEP recognises that both nationally and locally, housing has a critical role to play in creating and supporting economic growth. A balanced housing market supports local economic vitality in the long term, and makes a substantial contribution to Gross Domestic Product [GDP].

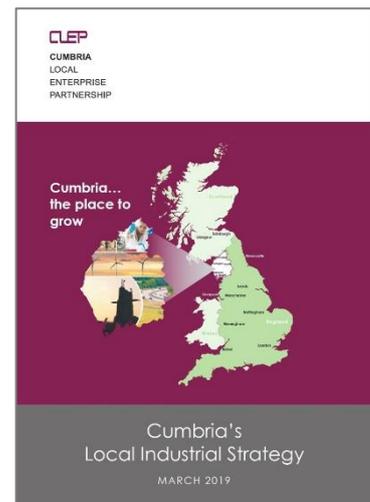
- 1.6 Housing plays two important economic roles:
- the availability of the right type of housing which is affordable on local incomes is crucial to economic growth, maintaining a local labour supply and sustaining communities.
  - New housing construction provides and creates investment and a flow of skilled jobs both directly and in the supply chain. This local workforce then spend their incomes on local goods and services.



- 1.7 Recognising this vital role that housing delivery has to play in the economy, the CLEP’s Strategic Economic Plan 2014-2024 (March 2014) has as a key objective the need to support LPAs to deliver 30,000 new homes through their Local Plans. Housing falls mainly under **Strategic Priority 4: Strategic connectivity of the M6 Corridor** in the Strategic Economic Plan 2014-2024 [SEP], which includes aims around housing and economic development.

- 1.8 Recognising that housing affordability and supply is a significant constraint on the local economy, the CLEP aims to work with the Homes and Communities Agency [HCA] to ensure delivery of affordable housing and to help speed-up delivery of market housing to support the growth aspirations for the M6 corridor.

- 1.9 The CLEP also works with businesses and the public and voluntary and community sectors to develop the County’s **Local Industrial Strategy [LIS]**. The current Cumbria LIS (March 2019) sets out the vision for Cumbria, five strategic objectives for the county with associated targets, and a number of supporting priorities. A key challenge recognized by the CLEP is the need to increase Cumbria’s population and stem the decline in the working age population.



- 1.10 This is summarised in **Infrastructure Priority 3: support the planned increase house building across Cumbria**. This priority aims to facilitate delivery and ensure we have the right type of housing in the right locations. Cumbria has a relatively small number of national housebuilders who operate in the county alongside local and regional housebuilders. The Priority identifies a need to work together to:

- Ensure the **necessary infrastructure is in place for the major developments**, including Carlisle Southern Link Road [CSLR] to unlock development of 10,000 new homes at St Cuthbert’s Garden Village [SCGV];
- **Increase the supply of affordable housing** in rural areas of high demand in South Lakeland and Eden.
- Expand the **range and mix** of housing, particularly to encourage residents of working age;
- **Attract a wider range of housebuilders and investors** to be active in the county and to explore different construction techniques\delivery models;
- Ensure that new housing is **built to high design and environmental standards**.

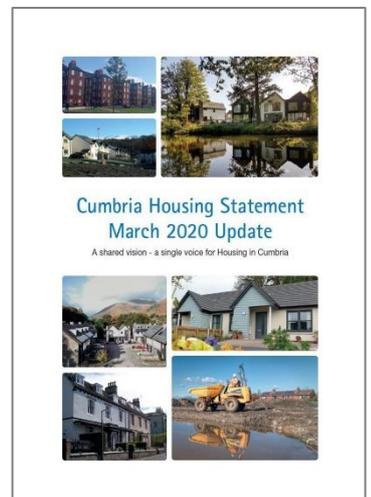
## The Cumbria Housing Statement

1.11 This Housing Delivery Statement [HDS] specifically responds to the priorities identified in the Cumbria Housing Statement [CHS], which was produced by the Cumbria Housing Group [CHG] in March 2020. It provides a clear focus to housing priorities in Cumbria to support investment and other funding opportunities that will add value and make a real difference. Its vision is as follows:

*“Cumbria is a place with a range of good quality, energy efficient affordable homes that meet the needs of our changing populations and growing workforce; helping people to live healthy lives whilst supporting sustainable economic growth.”*

1.12 Key Issues include:

- **Property Prices and Affordability:** In certain parts of the County (such as the Lake District) prices far exceed the national average and affordability is a major problem – house prices can be more than ten times local incomes. The County also contains large areas (mainly urban) of deprivation.
- **Demographic Change:** the ageing population across Cumbria, and the corresponding decrease in the working age population, means the demographic make-up is changing. If a high proportion of the community is retired, this can threaten the sustainability of local services and facilities, including local schools, while making it more challenging for employers to recruit.
- **Second Homes:** Where significant numbers of houses are used as second homes / holiday letting, this impacts on community sustainability. A high concentration of holiday accommodation can reduce the resident population of a local community, whilst leading to house price inflation, which can price local people out of the market. This is balanced with the significant role that tourism plays in the local economy.
- **Housing and the Economy:** Opportunities include the Northern Powerhouse; Borderlands Inclusive Growth Deal; the Lancaster and South Cumbria Economic Region; as well as building upon international recognition as a centre of nuclear excellence, with ambitions to be at the forefront of significant investment for projects in West Cumbria and Furness. Cumbria can improve its town centre living offer as a number of towns have benefitted from Towns Fund and Future High Street regeneration funding. Delivering both market and affordable homes in sustainable locations is central to the County’s economic aspirations and has a key role in increasing the working age population.
- **Climate Change:** Housing will need to embrace the principles of modern methods of construction, including using low-embodied carbon building materials, and achieving the highest practicable energy efficiency. Cumbria has a large proportion of hard-to-treat homes in rural areas, which often fail minimum energy efficiency standards. The older profile of some of the stock contributes towards the problem of ‘Excess Cold’. Some homes are poorly maintained with lower energy efficiency, which can increase the potential for households to fall into fuel poverty. Excess Cold can impact on health and wellbeing and contribute towards excess winter deaths. There needs to be a focus on improving existing homes in partnership with others.



1.13 In response, the CHS identified three key priorities:

- Housing Growth, Affordability and Community Sustainability:** to accelerate the rate of housing growth which drives a growing economy where affordable and market housing, both urban and rural, are delivered. By working collectively, the CHG’s aspiration is to increase the rate of current housing growth, particularly where major economic investment is expected along the M6 corridor, and with the potential for large scale future investment in West Cumbria and BAE Systems in Barrow, around the nuclear agenda. The CHG aims to enable delivery of a range of affordable housing and community-led housing to meet locally evidenced needs - both for sale and rent; in urban and rural locations. The CHG will support the delivery of new energy-efficient housing to play a key role in creating and sustaining communities where housing imbalances are addressed; enabling the delivery and retention of services and infrastructure. The priority also involves establishing mechanisms ensuring that second homes and holiday homes do not dominate local housing markets; helping to sustain Cumbria’s communities – particularly in the most rural areas. It identifies that the CHG will support and encourage measures that improve energy efficiency and reduce emissions of greenhouse gases, associated with residential development.
- Improving Living Conditions and Creating Thriving Communities:** exploring opportunities and initiatives to improve the quality of Cumbria’s housing. Working collaboratively with owners and landlords (enforcing housing standards where necessary) the CHG aims to ensure that housing across Cumbria is of a good standard: warm, safe and decent. Regenerating our poorest housing and town centres will improve the quality of housing and increase choice and demand in these areas. The CHG will endeavour to bring empty homes back into positive use and improve the energy efficiency of Cumbria’s homes.
- Supporting Independent Living and Helping People Achieve Healthier, Happier Lives:** For Cumbria to grow the skills of its workforce, the CHS stressed the need to work with partners to ensure that the most vulnerable people in Cumbria can share the benefits of economic growth and access safe, warm affordable housing with the support they need. The CHG pledged to deliver appropriately designed housing that can be easily adapted to meet the life changes of occupiers; enabling them to live independently.

## Objectives of the Cumbria Housing Delivery Strategy

1.14

This HDS for Cumbria considers all aspects of the housing agenda, its enablers and barriers and how these can best be facilitated or addressed, specifically responding to the priorities identified in the CHS outlined above. The HDS considers:

- Housing delivery mechanisms to deliver the priorities set out in the CHS;
- The distinct housing markets within the County and how the offers within each can be developed and promoted effectively to audiences within and outside of Cumbria, based on District Housing Market Assessments;
- Market gaps within the current offer and mechanisms for addressing these;
- Best practice in housing delivery and the transferable elements of these for Cumbria;
- Identifying the barriers to delivery and the mechanisms to address these to move forward delivery, further faster, including:
  - Developing a skilled professional, technical and trade workforce;
  - Promoting modern construction techniques; and,
  - Viability and financing new developments;

- Ensuring that the housing eco-system is sufficiently well resourced to deliver on the CHS priorities;
- Ensuring that housing developments and refurbishments are keeping pace with Cumbria's changing demographics;
- Building in Cumbria's net zero commitment to housing; and,
- Identifying areas for collaborative working where joint working will deliver a better return on investment, such as place marketing.

## Structure

1.15

This report (the Cumbria HDS) is structured as follows:

- 1 **Cumbria Demographic Overview:** providing an overview of the key socio-economic and demographic characteristics within Cumbria.
- 2 **Cumbria Housing Market Analysis:** mapping a number of key housing demand indicators across Cumbria which will help to bring together the characteristics identified through the review of existing information.
- 3 **Housing Market Challenges:** Reports the findings of the stakeholder workshops and wider consultations. From these qualitative discussions we would establish a picture of demand across the CLEP, commenting on factors such as absorption rates, length of time on the market and any perceived 'gaps' in the market.
- 4 **Defining the Housing Strategy:** brings together the evidence in order to identify the key issues in respect of the priorities identified in the LIS and the CHS. These priorities form the basis upon which the Strategy would be developed and approaches to the key issues identified.
- 5 **Action Plan:** sets out and tabulates a series of key actions to address the identified aims and objectives underlying the three CHS priorities.

## 2.0 Cumbria Housing and Demographic Overview

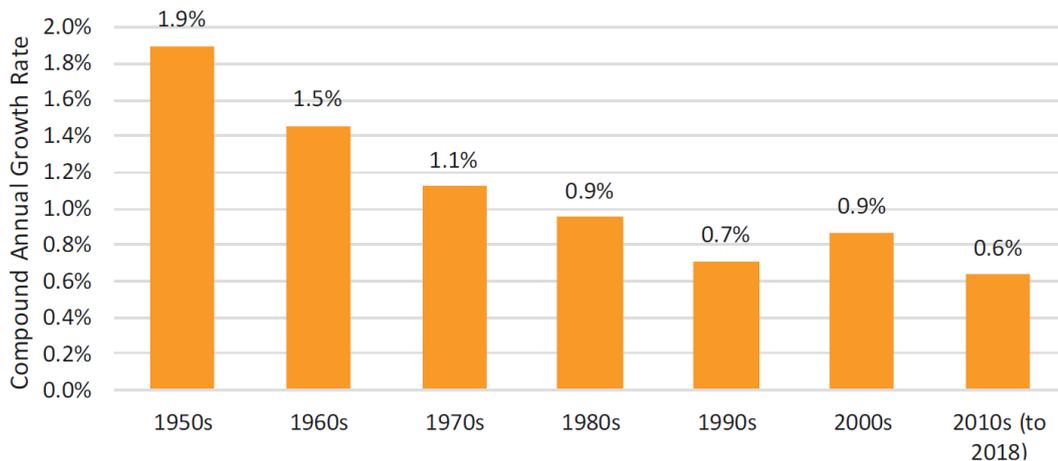
### Introduction

2.1 This section defines the current and future demographic challenges facing each of the six Cumbrian housing authorities using the latest population estimates, projections and migration data from the Office of National Statistics [ONS]. This sets the context for the identification of the key housing market conditions and issues facing Cumbria today and over the next 25 years.

### Key National Housing Policy Issues

2.2 Housing delivery in England has fallen drastically in the post-war period, with growth falling from nearly 2% per year in the 1950s, to just 0.6% in the 2010s (Figure 2.1). Between 1951 and 1960 the country’s housing stock increased from 11.7 million to 13.8 million – around 240,000 new homes (or 1.9%) per year. In the 2010s (to date) housing output has fallen to its lowest level since the war at 0.6% p.a., with just 150,000 homes per year delivered (despite a boost in recent years to around 241,000 in 2019, current Pandemic notwithstanding).

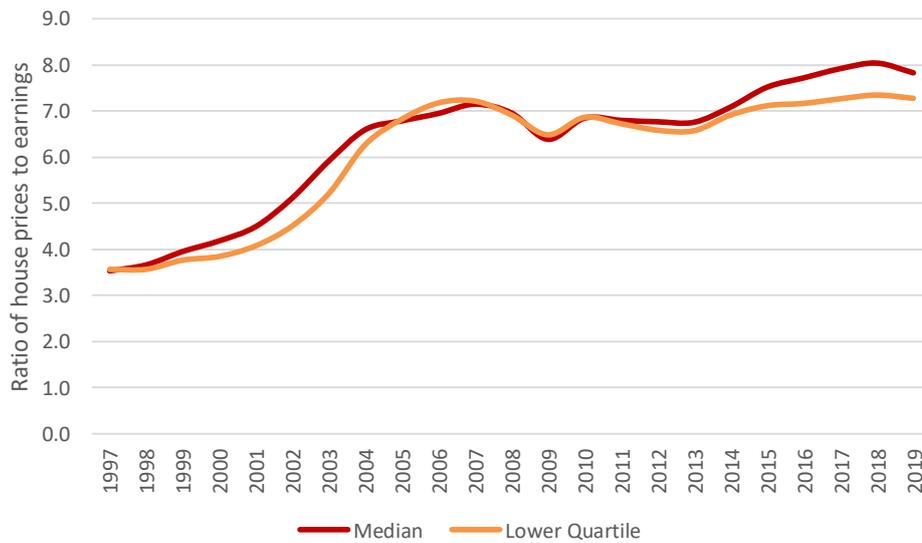
Figure 2.1 Compound Annual Housing Stock Growth Rate by Decade since 1950s - England



Source: MHCLG Live Table 104. 1950s refers to growth 1951-60 as no data available for 1950 / Lichfields analysis

2.3 This has had a big knock-on effect on people’s ability to get on the housing ladder. Affordability data (the ratio of house prices in an area to earnings) suggests that in the mid-1990s house prices were around 3.5 times earnings (both lower quartile and median) nationally. The ratio began rising sharply in the early 2000s, before stalling in the years around the great recession. It has since increased marginally, with the median ratio reaching 7.83 as of 2019. This masks very significant variations between different parts of the country, ranging from 2.78 in Copeland (the lowest in the UK) to 39.62 in Kensington and Chelsea.

Figure 2.2 Ratio of house prices to earnings - England - 1997-2019



Source: ONS Affordability Data 2020

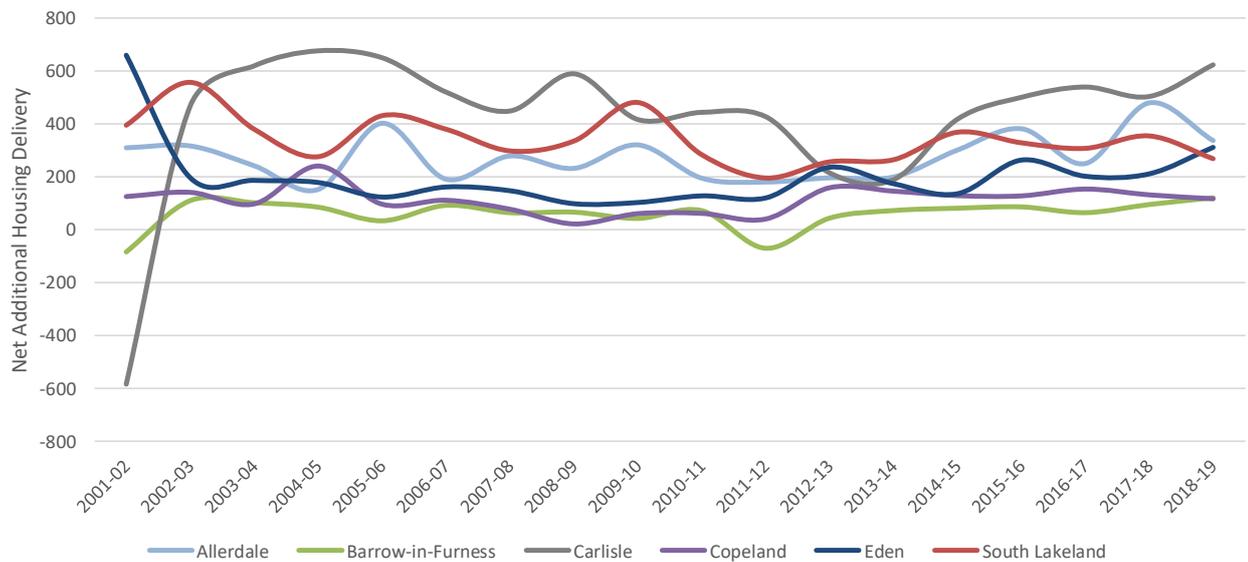
2.4 There is a general consensus that in order to improve affordability and address long-term increases in house prices, an increase in housing supply over and above baseline projections of population growth is needed. There is also a consensus that supply is one of many factors affecting housing outcomes – demand and prices are affected by availability of credit, incomes and interest rates, whilst issues of housing distribution and type will not necessarily be addressed by a wholesale increase in the amount of housing because many households will require affordable housing and will not be active in the private market.

2.5 An increase in housing delivery has been a longstanding focus of national policy, and the Government’s latest aspirations for planning and housing are expected to be set out in a new White Paper later in 2020. However, there is currently every reason to believe that a housing delivery figure in the order of 300,000 dwellings per annum [dpa] is a reasonable benchmark for housing supply aspirations of the new Government, but this is likely to be accompanied by a different shift in terms of how this is distributed across the country given the stated ambition to ‘level up’ the economy of the country.

### Cumbria Context

2.6 So how does Cumbria sit within this national picture? Clearly the County has not been unaffected by the national housing crisis, although perhaps not to quite the same extent as parts of southern England and Greater London in particular. Cumbria has seen housing delivery increase significantly since the depths of the recession, where only 894 net additional dwellings were delivered, to a peak of 1,781 dpa in 2018/19 driven by strong levels of delivery in Carlisle (625), Allerdale (337), South Lakeland (268) and Eden (312), and weaker levels of delivery in Barrow in Furness (122) and Copeland (117). Individual figures are not available from the Ministry of Housing Communities and Local Government [MHCLG] for the Lake District [LDNP] or Yorkshire Dales [YDNP] National Parks, which are included within the 6 Cumbrian district figures (although it is understood that 84 dwellings were delivered in the Lake District National Park in 2018/19 according to the 2020 Cumbria Housing Statement).

Figure 2.3 Net Additional Housing Growth for Cumbria districts – 2001/02-2018/19



Source: MHCLG (2020): Table 122 - Net additional dwellings by local authority district, England, 2001-02 to 2018-19

Note: Eden District Council requested their own data on completions be used as some completions may have come through the system after EDC submitted the information to MHCLG but they are not always able to update the data for previous quarters. The 2018/19 data for Carlisle, and South Lakeland are based on data that informed the 2020 Cumbria Housing Statement.

- 2.7 As can be seen in Table 2.1, the performance of the Cumbrian districts in delivering housing has improved to the extent that the overall Cumbria-wide housing target, of 1,987 dpa, is almost being met with 1,781 dwellings delivered in the past year (plus the LDNP/YDNP contributions).
- 2.8 The increased level of delivery in recent years is reflected in the impressive Housing Delivery Test [HDT] figures. The HDT provides a snapshot of housing delivery in 2019 against the number of homes required over a rolling 3-year period, with increasingly severe penalties being applied depending on the scale of the imbalance. The 2019 results were published on 14<sup>th</sup> February 2020. As we can see from the Table, the LHN figures range from -104 in Barrow-in-Furness to 197 in Carlisle and all fall significantly below each authorities’ respective housing requirement. Similarly, the 2019 HDT results range from 175% in South Lakeland to 351% in Copeland, with Barrow having no result due to its negative housing requirement. This indicates that none of the six authorities are having issues with housing delivery in terms of sheer numbers, and none are at risk of facing an HDT consequence for the foreseeable future

Table 2.1 Current Housing Requirements in Cumbria

Authority	Annual Target	Housing Requirement	Past 5-years’ delivery	2019 HDT	Broad Pattern of Distribution	Source	Local Plan Status
Allerdale	304 dpa	5,471 2011 - 2029	350 dpa	304%	30% in Principal Centre 39% in Key Service Centres 20% in Local Service Centres 6% in Limited Growth Villages/Infill	Local Plan Part 1 (2014) Local Plan Part 2 (Oct 18)	Part 2 being considered for adoption following examination
Barrow-In-Furness	119 dpa	1,785 2016 - 2031	90 dpa	n/a	74% in Barrow 18% in Dalton 6% in Askham & Ireleth 2% in Newton & Lindal	Local Plan 2016 - 2031	Adopted
Carlisle	565 dpa	9,606 2013 - 2030	512 dpa	277%	70% in Urban Carlisle 30% in Rural Carlisle	Local Plan 2015 - 2030	Adopted

Authority	Annual Target	Housing Requirement	Past 5-years' delivery	2019 HDT	Broad Pattern of Distribution	Source	Local Plan Status
Copeland	277 dpa	3,450 2013 - 2030	132 dpa	351%	45% in Whitehaven 10% in Cleator Moor 10% in Egremont 10% in Millom 20% in Local Centres	Core Strategy 2013 - 2030	Adopted
Eden	242 dpa	4,356 2014 - 2032	226 dpa	229%	50% in Penrith 19% in other towns 31% in Rural Areas	Local Plan 2014 - 2032	Adopted
South Lakeland	400 dpa	8,800 2003 - 2025	337 dpa	175%	55% in Kendal & Ulverston 13% in Key Service Centres 21% in Local Service Centres 11% in smaller villages	Core Strategy (2010)	Adopted - under review
Lake District National Park	80 dpa	1,200 2020-2035	Included in figures above	n/a	Windfalls and 41 site allocations	Pre-Submission Local Plan (April 2019)	Main Modifications consultation following Local Plan EIP Hearings expected shortly

## Future Demography

2.9

Although the overall levels of housing delivery appear to be moving in the right direction (whilst acknowledging the considerable challenges from the Covid-19 pandemic), Cumbria’s demographic indicators are extremely concerning from the perspective of future economic growth. As things stand, Cumbria has almost exactly half a million residents ranging from 53,253 in Eden to 108,678 in Carlisle. Overall the CLEP area has a working age population of 291,727, representing 58.3% of its population compared to 61.0% across the North West and 61.2% across England and Wales. The County has a particularly high proportion of residents over 66, at 12.2%, with South Lakeland having a particularly high level, at 27% (and 4.1% over 85 – well above the national averages of 17.5% and 2.5% respectively).

Table 2.2 Current Demographic Breakdown for Cumbria (2019)

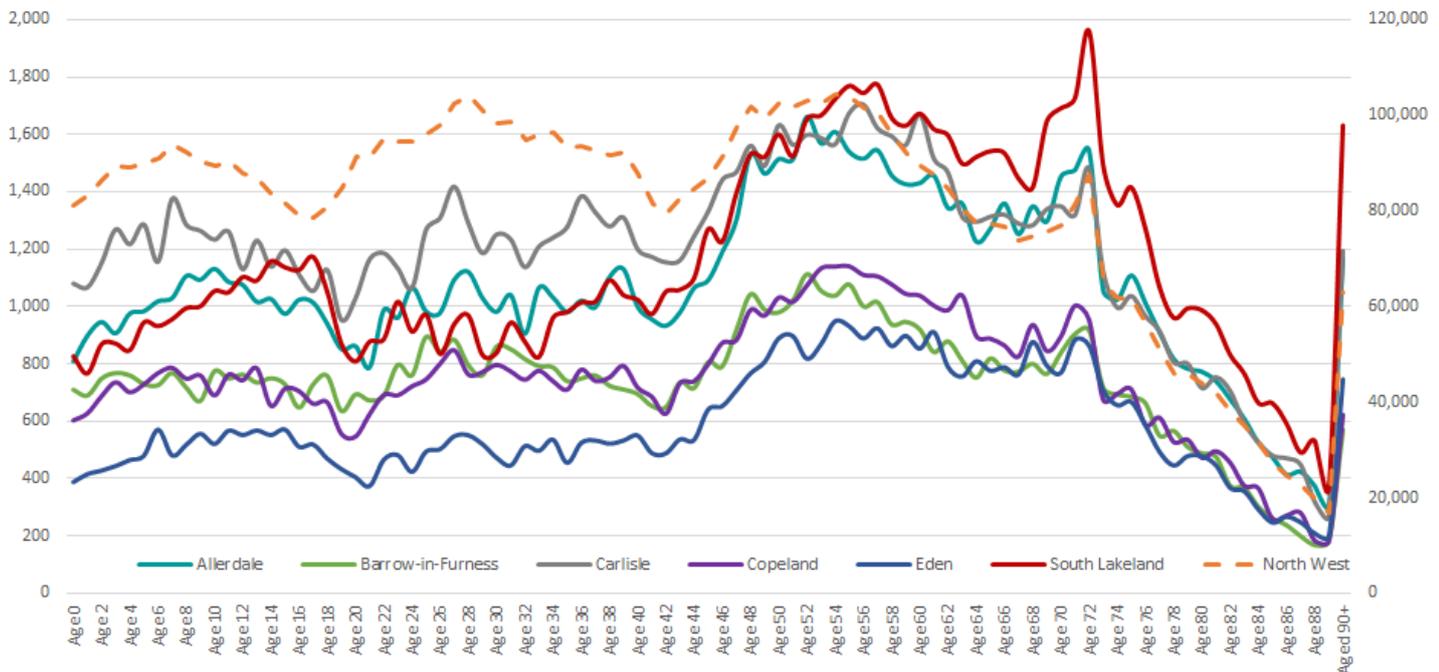
	Allerdale	Barrow-In-Furness	Carlisle	Copeland	Eden	South Lakeland	Cumbria County	North West	England & Wales
Total Population	97,761	67,049	108,678	68,183	53,253	105,088	500,012	7,341,196	59,439,840
Working age 18-66 (%)	56,791 <b>58.1%</b>	40,121 <b>59.8%</b>	64,668 <b>59.5%</b>	40,723 <b>59.7%</b>	30,602 <b>57.5%</b>	58,822 <b>56.0%</b>	291,727 <b>58.3%</b>	4,479,768 <b>61.0%</b>	36,383,135 <b>61.2%</b>
66 and over (%)	22,884 <b>23.4%</b>	13,779 <b>20.6%</b>	22,505 <b>20.7%</b>	14,615 <b>21.4%</b>	13,579 <b>25.5%</b>	28,396 <b>27.0%</b>	115,758 <b>23.2%</b>	1,297,968 <b>17.7%</b>	10,403,198 <b>17.5%</b>
85 and over (%)	3,151 <b>3.2%</b>	1,623 <b>2.4%</b>	3,185 <b>2.9%</b>	1,797 <b>2.6%</b>	1,904 <b>3.6%</b>	4,268 <b>4.1%</b>	15,928 <b>3.2%</b>	174,030 <b>2.4%</b>	1,481,445 <b>2.5%</b>

Source: ONS (2020): 2019 Mid-Year Population Estimates

2.10

The spread of the population across different ages within each of Cumbrian Local Authorities is shown in Figure 2.4. There is a clear skew in the population of the CLEP towards those over the age of 40, and a particular spike in the number of residents around the age of 70, which is not of course surprising given that the area is very popular with retirees. Allerdale, Eden and South Lakeland also show a relatively low number of residents in their late teens and early 20s, indicating that a substantial number of young people tend to move elsewhere around this age for work/higher education. Whilst all six Authorities show similar patterns, Carlisle and Barrow in Furness tend to have slightly younger age profiles, whilst South Lakeland has a particularly high number of residents over the age of 40, with a big spike in those around retirement age.

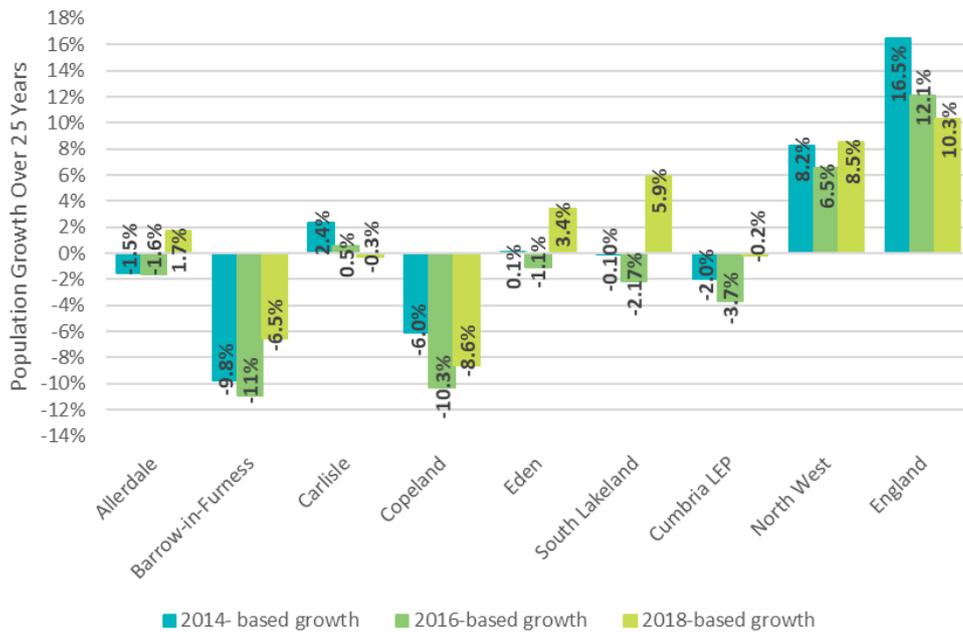
Figure 2.4 2019 Population by single year of age in Cumbria



Source: ONS (2020) Mid-Year Population Estimates

- 2.11 According to the latest 2018-based Sub-National Population Projections [SNPP] (illustrated in Figure 2.5 overleaf), Barrow-in-Furness and Copeland are expected to experience the largest decline in population growth over the next 20 years, although this has fallen compared to the 2016 SNPP to -6.5% and -8.6% respectively. The population of Carlisle was previously expected to grow by 2.4% in the 2014 SNPP, then by 0.5% in the 2016 SNPP and is now expected to decline by 0.3% in the latest projections. As these are at least partly based on past trends in the 5-6 years prior to 2018, they do not of course factor in high levels of delivery over the past couple of years, whilst it does not take into account the transformational impact of St Cuthbert’s Garden Village. Carlisle’s projections are therefore unlikely to accurately reflect the true extent of population change into the future and may need to be reviewed going forward.
- 2.12 Between the 2016 and 2018-based SNPP Allerdale has changed from an expected decline of 1% to growth of 1.7%, whilst Eden has changed from an expected decline of 1.1% to growth of 3.4% and South Lakeland has changed significantly from expected decline of 2.2% to growth of 5.9%.

Figure 2.5 Projected 25-year population growth



Source: ONS 2014, 2016 and 2018-based SNPP / Lichfields analysis

2.13 Table 2.3 further breaks down the 2018 SNPP for the CLEP area into age groups. It shows that there are projected declines in all working age groups in each of the six Cumbrian authorities, forming an overall 25-year decline in the working age population (aged 18 – 65) ranging from -4.9% in South Lakeland to -16.3% in Copeland. Furthermore, there are significant levels of growth projected in the number of those aged over 66 in all authorities, ranging from 16.8% in Barrow-in-Furness up to 43.3% in Eden.

2.14 **Overall, the working-age population of the CLEP is expected to decline by 10% or 29,358 over the next 25 years, whereas the 66+ population is expected to grow by 32.4% or 36,724 people.** These changes are within the context of just -0.2% change in the overall population across all ages, indicating that the demographics of Cumbria are expected to shift significantly over the next 25 years. This presents a huge challenge for Cumbria’s businesses unless this shrinking workforce is addressed.

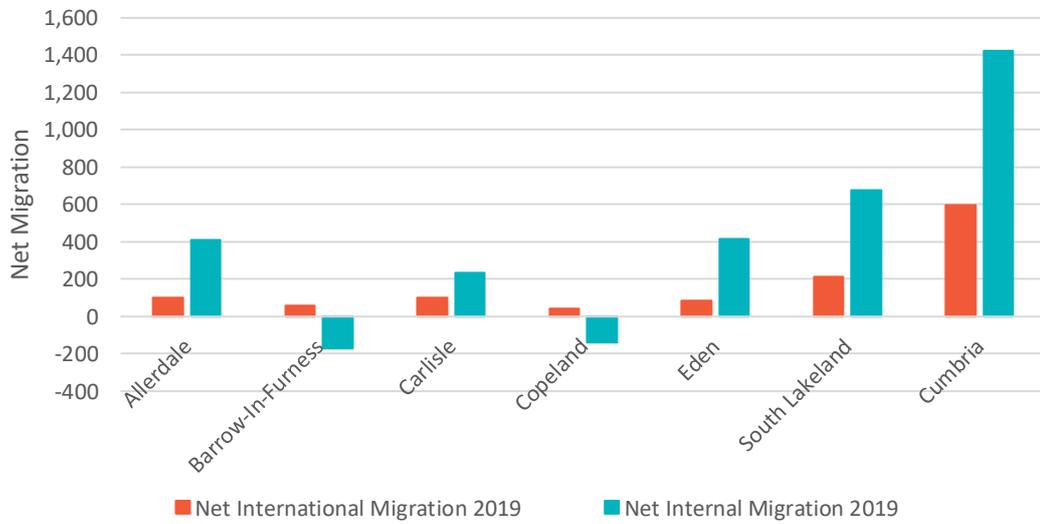
Table 2.3 Projected 25-year population growth by age band (2018-33)

	Allerdale		Barrow-in-Furness		Carlisle		Copeland		Eden		South Lakeland		Cumbria	
	Change	%	Change	%	Change	%	Change	%	Change	%	Change	%	Change	%
Age 18 - 24	-788	-11.9%	-929	-18.1%	-341	-4.2%	-828	-17.9%	-558	-17.7%	-355	-5.4%	-3,799	-11.1%
Age 25 - 49	-1,268	-4.7%	-1,252	-6.3%	-3,825	-11.7%	-2,328	-11.7%	-1,268	-9.1%	-225	-0.8%	-10,167	-7.2%
Age 50 - 65	-2,813	-12.2%	-3,053	-20.2%	-2,547	-10.5%	-3,547	-21.4%	-1,135	-8.4%	-2,296	-8.9%	-15,392	-13.0%
Age 66+	7,262	32.5%	2,302	16.8%	8,925	40.5%	2,972	20.6%	5,741	43.3%	9,522	34.2%	36,724	32.4%
Working Age (18 - 65)	-4,869	-8.5%	-5,235	-13.0%	-6,713	-10.3%	-6,703	-16.3%	-2,961	-9.7%	-2,876	-4.9%	-29,358	-10.0%
All Ages	1,631	1.7%	-4,356	-6.5%	-305	-0.3%	-5,879	-8.6%	1,810	3.4%	6,215	5.9%	-884	-0.2%

Source: ONS 2018-based SNPP / Lichfields Analysis

2.15 Figure 2.4 illustrates net international and internal migration across Cumbria in 2019. Of the six authorities, only Copeland and Barrow-in-Furness experienced a net outflow of residents to other areas of the UK last year, with all the others being net importers. Allerdale, Eden and South Lakeland make the largest contribution towards Cumbria’s overall net intake of residents, taking in 408, 413 and 675 residents (net) respectively. Overall, with 12,360 people leaving and 13,783 coming in, Cumbria experienced a net inflow of 1,423 residents in 2019, which represents just 0.3% of the total population.

Figure 2.6 Migration in Cumbria, 2019

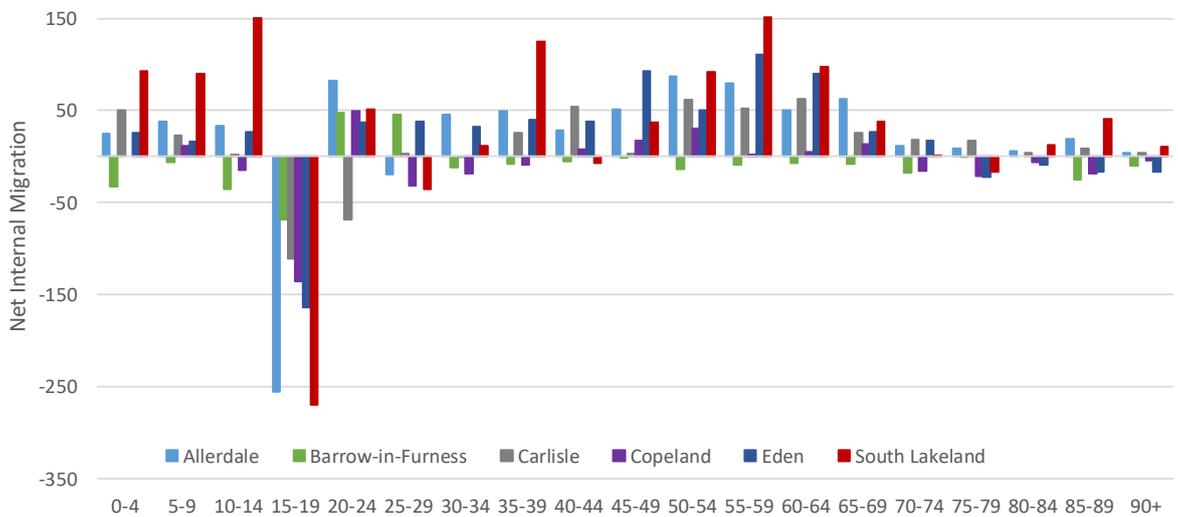


Source: ONS (2020) Migration by Local Authority

2.16

Figure 2.7 shows net internal migration into Cumbria in 2019 split by 5-year age band, indicating that all six authorities see a notable outflow of people aged 15-19 with relatively consistent levels of inflow for those aged 30 up to retirement age. Eden and South Lakeland in particular show high levels of inflow for those around early retirement age.

Figure 2.7 Internal Migration by Age, 2019



Source: ONS (2020) Migration by Local Authority

## Summary of Key Demographic Challenges

2.17

In summary, the Cumbria authorities are set to face significant demographic challenges over the next 25 years:

- Cumbria has comparatively few younger residents, particularly 20-25 year olds. Those residents in the working age bracket tend to be skewed over the age of 40;
- There is a relatively high number of newly-retired residents around 70 years of age;

- Eden and South Lakeland have higher numbers of retirement-age residents, whilst Carlisle and Barrow in Furness have a slightly younger population than the other Cumbrian authorities;
- Moving forward, Cumbria's population growth is forecast to plateau, with just 0.2% growth over the next 25 years.
- However, the age composition of the resident population is set to change substantially, with over 29,000 fewer residents of working age and 36,000 more residents over retirement age by 2043;
- Whilst Cumbria is a net importer of residents, migration represents a small proportion of the overall population, with a similar number leaving to those coming in; and,
- Cumbria sees significant outward migration of those aged 15-19 as they leave for Higher Education, and many never return.

## 3.0 Cumbrian Housing Needs

### Introduction

3.1 This section reviews and draws out evidence from the existing Strategic Housing Market Assessments [SHMA] and Housing Needs Studies which have been undertaken for the 7 local planning authorities [LPA] across Cumbria. It focuses particularly on the level of identified affordable needs and any specific geographic references made to the location of need and geographic characteristics and dynamics of the markets identified.

### Allerdale

#### Allerdale Housing Strategy 2016-21 (Refreshed 2019)

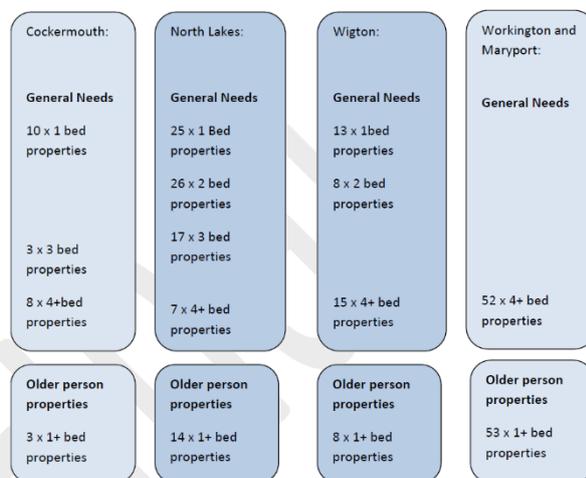
3.2 The Housing Strategy’s aim is to give residents of Allerdale a higher quality of life that provides opportunities for residents to live in mixed and sustainable communities. The document’s Vision revolves around ‘improving housing – improving lives’, defined by Place (building stronger and healthier communities) and People (providing quality places to live through new affordable and market homes, specialist accommodation, and by supporting areas that would benefit from renewal or regeneration).

3.3 **Issues:** The evidence from the previous 2016 Housing Study identifies a strategic challenge of ‘super-ageing’ of the population, with 33.3% of all residents being aged 65 and over and a corresponding population decline in the 15-64 age group by 2037. A household income of £40,000 is required to afford a home that costs on average £140,000 in Allerdale.

However, the average household earnings in Allerdale is £26,325, making it difficult for residents to afford to buy a home. There is also insufficient stock of affordable housing to meet demand within the Borough; this applies across all tenures. The Housing Study identified a net annual affordable housing need of **175 properties** p.a. to 2021.

**Annual Affordable Housing Need by Housing Market Area in Allerdale**  
(This takes into consideration the Total number of households in need of affordable housing AFTER likely available stock is considered)

**Total of 175**  
**New affordable homes needed per annum by 2021**  
(Figures have been rounded)



3.4 In Allerdale, two fifths of dwellings in the private sector were constructed before 1919, which is higher than the national average. This pre-1919 housing stock plays a significant factor in the condition and decency of homes within the Borough. Whilst the overall condition of the housing stock has significantly improved since 2011, there are still 22% of dwellings, which fail to meet the Decent Home Standard. The number of households in fuel poverty remains an area of concern. Allerdale has a high proportion of hard to treat dwellings along with a high percentage of properties not on mains gas therefore we need to be committed to tackling fuel poverty.

3.5 In terms of other issues, there is a need for bungalows and/or ground floor accommodation to become the norm in all housing developments, whilst key worker housing is limited, particularly in areas where the main industry is tourism. Only 11% of market is in the Private Rented Sector [PRS], and in the more desirable areas some of this has been purchased by investors which is

limiting choice. According to the Strategy, there has been limited choice in the affordable market since 4 key RPs merged but there are new RPs keen to work and develop new models for affordable housing. Homelessness is an issue in the Borough as specialist housing is scarce; as a result, this impacts on the Council's ability to discharge homelessness duties.

- 3.6 There is no single housing market in Allerdale; levels of demand, the demographics of those wanting to buy or rent, and house prices vary widely across the Borough. The most marked difference is between the industrial areas of the west coast and the part of Allerdale situated in the Lake District National Park. The north-west of Allerdale is most likely to attract buyers who want to be near Carlisle, whereas Silloth and its surrounding communities operate as a single housing market entity.
- 3.7 In recent years housing developments have been predominantly focused in a number of the larger towns in the borough. However, there are areas where there is evidence of a need and demand for housing, but where sites are more likely to be undeveloped. These sites tend to be in smaller towns and rural areas. Reasons for the lack of development include low market values leading to limited interest from developers, contamination and a small amount of land available for housing. Viability creates financial challenges for developers in respect of profit margins. Often viability issues mean that developers negotiate down the number of affordable homes that are delivered. Viability also creates issues on sites where work has started and can lead to them stalling particularly where affordable housing has been approved.

## **Barrow-in-Furness**

### **Barrow SHMA Addendum (March 2017)**

- 3.8 Barrow in Furness Borough is situated at the tip of the Furness peninsula on the north-western edge of Morecambe Bay, with Barrow forming the main settlement, featuring suburbs extending north and east and onto Walney Island. Other significant settlements within the Borough include Dalton in Furness and Askam in Furness. The SHMA considered that the Borough can be described as a self-contained housing market on the basis of migration, albeit with 4 sub-areas: Barrow inner; Barrow outer; Dalton, Askam and Lindel; and Walney.
- 3.9 The SHMA considered that the Objectively Assessed Housing Need figure for the Borough was within the broad range 63 and 133, which took into account the need to deliver more dwellings to support jobs growth and help to stem the loss of population evidenced in demographic scenarios.

### **Barrow SHMA (2016)**

- 3.10 The analysis of housing need in the earlier 2016 SHMA suggested there is an annual net imbalance of 101 affordable dwellings each year. This figure expressed the overall need from household survey evidence compared with the current supply of affordable housing. The 101 figure assumes that backlog need is cleared over a 10-year period. If the backlog was cleared over the plan period, the annual imbalance would reduce to 58 each year.
- 3.11 In terms of the size of affordable housing required, the gross need was split by general needs one/two-bedroom (75.4%), general needs three or more bedroom (15.8%) and older person (8.7%). It is therefore appropriate for the continued delivery of affordable housing to reflect underlying need. In terms of the split between social/affordable rented and intermediate tenure products, the household survey identified tenure preferences of existing and newly-forming households. This suggests a tenure split of 72.4% affordable (social) rented and 27.6% intermediate tenure.

3.12 BAE Systems and the wind farm industry were identified as the key drivers of housing demand in Barrow. Discussions with stakeholders revealed that overall there is a lack of diversity within the housing market within Barrow in Furness. Although there are sufficient terraced dwellings across all sub-areas, there are shortfalls of detached houses and bungalows relative to demand across all sub-areas; and larger semi-detached houses and flats across most sub-areas.

3.13 In summary, key drivers in determining the tenure and type of future development include:

- The need to continue open market development to satisfy household aspirations, in particular the development of three and four-bedroom houses (particularly detached) and three-bedroom bungalows;
- Developing an increasing range of housing and support products for older people;
- Delivering additional affordable housing to help offset the identified net shortfalls; and diversifying the range of affordable options by developing intermediate tenure dwellings and products; and
- The economic viability of delivering affordable housing on sites across the Borough.

## Carlisle

### Carlisle SHMA Update (2019)

3.14 The analysis identified a relatively old population age structure across the District, albeit a younger profile when compared with Cumbria as a whole. This age structure was reflected in the tenure profile of the District, which sees a relatively large proportion of outright owners and a small private rented sector. The dwelling stock in the District is fairly balanced in terms of the proportion of larger and smaller homes although the stock in the urban area is notably smaller than seen in rural areas. Overcrowding in the District (and across sub-areas) is low, and there is a notable level of under-occupation (37% of all households have at least two spare bedrooms).

3.15 The analysis identifies that there are greater differences within the Council area than when comparing the area with other locations. In particular the urban area of Carlisle has very different characteristics to the rural areas – this includes a younger age structure, greater proportions of households in rented housing, smaller dwelling sizes, lower levels of under-occupation and higher unemployment.

3.16 The analysis linked to long-term (12-year) demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of both household changes and the ageing of the population. Based on the evidence, the SHMA considered that the focus of new market housing provision should be on 2 and 3-bed properties:

	1-/2-bedrooms	3+-bedrooms
Market	30-40%	60-70%
Affordable home ownership	60-70%	30-40%
Affordable housing (rented)	65-75%	25-35%

3.17 There is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings as well as providing specific provision of older persons housing. Given the evidence, the Council could consider (as a start point) requiring all dwellings to meet the M4(2) standards (which are similar to the Lifetime Homes Standards) and at least 5% meeting M4(3). The need for housing with care (Extra-care/Enhanced sheltered) is estimated to be for around

380 dwellings in the period to 2030; over half of these are estimated to be required in the rented (affordable) sector. There is no evidence of a need for Build to Rent housing.

- 3.18 The SHMA identifies that the Government's Standard Method would lead to a housing need for 200 dpa. The affordable needs assessment continues to show a need for affordable housing in the District, and in all sub-areas. The evidence of a need for affordable home ownership products was far from clear-cut, however given the clear steer in the NPPF it is recommended that the Council do consider seeking 10% of housing on larger sites as affordable home ownership; where possible such housing would ideally a mix of tenures such as shared ownership and low-cost home ownership. It should be noted, however, that the City Council does manage a successful low-cost housing scheme, comprising almost 500 properties. The need for extra care is estimated to be 380 dwellings for the period to 2030 (32pa) over half estimated to be in the affordable rented sector and considered to be C3 use.
- 3.19 The SHMA identifies an overall affordable housing need of 158 dpa, or 1,902 over the 2018-2030 plan period. Of this need, 77 dpa are required in the Carlisle Urban area; 58 dpa in the Rural East and the remaining 24 dpa in the Rural West part of the Borough.

#### *St Cuthbert's Garden Village*

- 3.20 SCGV will comprise of up to 10,000 new homes, new employment space, associated community and social infrastructure and a new strategic link road. Throughout the 2019 SHMA, a range of analysis was carried out to consider the overall need for housing and to provide some advice about housing mix. Overall, the development of SCGV provides the Council with a significant opportunity to develop the range of homes needed by the future population of the Council area.
- 3.21 Without SCGV there would be projected to be a significant ageing of the population, along with modest increases in the population of children and those of 'working-age'. With the inclusion of SCGV it is projected that there would be a greater increase in people of 'working-age', and thus able to support the forecast economic growth.
- 3.22 In looking at the overall mix of housing to be provided on SCGV, analysis suggested that this might be generally slightly biased towards a family offer (across all sectors). This is in part due to the modelling suggesting that the development might see a slightly higher proportion of people of working-age relative to the rest of the Borough. That said, the mix suggestions were not substantially different from those suggested across the Council area – provision should be made for a wide range of household groups, including for executive homes (5+ bedroom detached), and there is also the potential for 10% being suitable for older people (potentially bungalows).

## **Copeland**

### **Copeland SHMA and Objectively Assessed Housing Need (October 2019)**

- 3.23 The SHMA's analysis suggests that Copeland is a Housing Market Area [HMA] in its own right, although at a local level, it can be split into three local HMAs (Whitehaven, the Lake District National Park and Millom) whilst the Whitehaven local HMA can itself be split further into four sub-market areas.
- 3.24 The analysis identifies a relatively old population age structure (notably in the National Park) and a population decline in the 2006-16 period. The tenure profile of the Borough sees a relatively large proportion of outright owners (which will to some extent be linked to the age structure) and a small private rented sector. The dwelling stock in the Borough is predominantly of larger homes, with a greater average number of bedrooms and a high proportion of detached and semi-detached homes.

- 3.25 Overcrowding in the Borough (and across sub-markets) is low, and there is a significant level of under-occupation (42% of all households have at least two spare bedrooms). Under-occupancy is particularly high in the National Park.
- 3.26 In summary, the area is generally seen by the market as being one of generally low prices, with housing costs not seen as a barrier to home ownership; as a result of prices, there was little pressure on the private rented sector. There was a clear impact of Sellafield and BAE on different parts of the local housing market and it was suggested that Millom might not be ‘sustainable’ if it were not for BAE contractors. There was limited evidence of newbuild housing, which (along with the price information) suggests an area with relatively low housing demand.
- 3.27 In terms of housing need, using the standard methodology with the most recent data available suggests a need to provide just 32 dpa. This is above the figure from the latest official projections (10 dpa) but is some way below the highest demographic scenario developed in the SHMA (138 dpa). The SHMA also sought to link future employment growth to housing needs, and concluded that overall, an economic-based Objectively Assessed Need [OAN] for Copeland would be for up to 198 dpa.
- 3.28 An assessment of affordable housing need was also undertaken to identify whether there is a shortfall or surplus of affordable housing in Copeland. Overall, in the period from 2017 to 2035 a net deficit of up to 83 affordable homes per annum was identified, of which 62 dpa relates to the Whitehaven HMA; 14 to the Millom HMA; and just 7 for the LDNP HMA.
- 3.29 Regarding housing mix, the strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing supply of smaller properties for other households. The analysis broadly suggests a need for 70% of market homes to have 3 or more bedrooms. The Council should also consider the potential role of bungalows as part of the future mix of housing. Such housing may be particularly attractive to older owner-occupiers which may assist in encouraging households to downsize. There is also a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings.

**Figure 10: Suggested Mix of Housing by Size and Tenure**

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	0-5%	25-30%	50-55%	15-20%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	20-25%	40-45%	25-30%	5-10%

Source: Housing Market Model

**Copeland Housing Strategy (2018 – 2023)**

- 3.30 Copeland’s Housing Strategy sets out the Council’s ambitions for housing over the next 5 years, recognising that the housing sector plays a key role in driving forward the Council’s ambitions to attract investment and achieve economic growth. In this regard, research has established that 55% of Copeland’s workforce is employed by Sellafield Ltd, compared to 4.4% of the neighbouring borough. There is a need to provide attractive, modern and suitable housing to attract and retain this skilled workforce.
- 3.31 In response, the Copeland Housing Strategy’s vision is to sustain and grow our local economy and housing market by delivering the right mix of homes in the right places to address the changing needs of Copeland’s population, businesses and services. The Council aims to build truly sustainable communities and places where everyone can benefit, contribute and live a better life in Copeland.

3.32 The vision is supported by three themes:

*Housing for Investment*

- To understand and respond to barriers for investment in Copeland;
- To grow the supply of housing to suit the needs of professionals and entrepreneurs seeking to remain in or move into the area; and,
- To ensure sufficient affordable and social housing supply whilst improving place and public realm.

*Housing for people*

- Instigate and support 3rd sector partnerships to address unmet need, expand service provision and help mitigate the impact of austerity;
- Work with developers, statutory providers and 3rd sector partners to increase supply of specialist housing and support groups with specific unmet need; and,
- Shape and influence policy to improve the health and wellbeing of all residents in the Borough ensuring no-one is left behind.

*Housing for Place*

- To bring empty residential and commercial properties in our town centres back into use;
- To make our key service centres, rural village and surrounding residential areas vibrant, safe and sustainable places that are appealing to visitors and the residential market; and,
- To drive up standards within the private sector and social housing rental markets.

## **Eden**

### **Eden Housing Needs Study (December 2018)**

3.33 The population of Eden District is projected to fall by -1.2% by the end of the Local Plan Period to 2032, from 56,400 in 2016 to 55,700 in 2032. There will be a marked increase in the number and proportion of older residents. The pattern of median house price change is similar to that of the North West region albeit with Eden District's prices being considerably higher throughout the period.

3.34 The boundary of the local housing market is not an exact fit to the District boundary; however, this is not significant due to the rural nature of the boundary which is difficult to define. Evidence from estate agents regarding customer areas of search and evidence from the 2011 Census suggested that the District can logically be split into 5 local housing market areas: Penrith; Appleby-In-Westmorland; Kirkby Stephen; Alston; and West of the M6.

3.35 Key issues raised in the consultation included:

- supply from re-sale and re-let market housing is constrained because of Brexit uncertainty;
- markets are also constrained as currently there is little new build housing for the entry level and mid markets;
- the key gap identified for the re-sale market is very strong unmet demand for bungalows for older people;
- the key gap identified for market rented housing is 3-bedroom houses for families;
- it is unlikely that current levels of PRS investment will keep up with demand; and,

- There are high levels of commuting and housing market self-containment within the District. The proportion of homeworkers is higher in Alston and villages west of the M6.

3.36 The housing requirement for Eden District is 242 dpa as stated in their Local Plan. The 2018 HNS broke this figure down by the various types of need as expressed in the NPPF. Affordable housing needs analysis established that there is an imbalance of 264 affordable dpa across the District. This is broken down into:

- 70.4% smaller one and two-bedroom general needs, 25.3% three or more bedroom general needs and 4.3% older person dwellings;
- a mix of houses (60.3%) and flats (30.9%) is appropriate along with a small number of bungalows (7.3%) and other property types (1.5%);
- a tenure split of 55% rented and 45% intermediate tenure.

3.37 The current local plan target is for 242 dwellings and based on analysis of the current profile of residents and the dwellings they occupy. Assuming a 70% market and 30% affordable split, over the Plan Period a range of dwelling types and sizes is required with a particular emphasis on the delivery of 3-bedroom market houses and bungalows (or level-access accommodation); and a particular affordable need for 2-bedroom flats, bungalows and 3- bedroom houses.

3.38 Analysis of demographic change would suggest a need for an additional 248 additional specialist older persons' accommodation (C3) and 123 additional units of residential care provision (C2) over the Plan Period to 2032. A key conclusion of the HNS is that there needs to be a broader housing offer for older people across the district and the study has provided evidence of scale and range of dwellings needed.

3.39 The study also recommends that at least 1%<sup>1</sup> of dwellings are built to M4(3) wheelchair adapted standard and this figure should be monitored given the aging demographic of the district. Additionally, at least 20% of new build should be developed to support households requiring adaptations<sup>2</sup> being M4(2) accessible and adaptable homes and the Council should also consider increasing this to all remaining dwellings subject to economic viability testing.

## **Lake District National Park**

### **Lake District National Park Local Housing Need Assessment (Jan 2019)**

3.40 Evidence shows the population of the Lake District is declining and the demographic make-up is changing; we are witnessing an ageing population and a decrease in working age people. The Lake District continues to be popular as a second home destination placing additional pressure on the existing housing market and threatening the resilience and vitality of communities.

3.41 The popularity of the Lake District means there is high demand for housing. This drives prices up because there is a limited supply. Whilst new affordable homes are being built all the time, demand outstrips supply and the Lake District's environment simply cannot accommodate a level of growth that would be necessary to meet the demand that exists. Many households simply cannot secure a suitable house that is affordable for them in a location that meets their needs.

3.42 Between 2001 and 2011, the LDNP's population declined by 2% despite the number of dwellings increasing by 4%, with the number of households increasing by only 1%. This highlights issues regarding the high percentage of second/holiday homes in the area.

---

<sup>1</sup> Based on a need of 889 over the plan period and total delivery of 24,900 dwellings (1,245x20 years)

<sup>2</sup> Based on a need of 242 over period 2018-2032 (14 years) total delivery of 24,900 dwellings (1,245x20 years)

- 3.43 Currently all new housing permitted in the National Park is restricted for the purpose of meeting either local need or local affordable need for the lifetime of the dwelling. It will also be restricted to be the person’s main residence in all cases. Open market housing (without occupancy restrictions) are not normally permitted.
- 3.44 The HNA considers that a requirement for 1,200 dwellings (80 dpa) over the plan period is appropriate, based on the consideration of evidence, indicative capacity, supply and deliverability. This would maintain the population of the National Park over this period.
- 3.45 There are four Housing Market Geographies covering the Lake District; some of these geographies are further sub-divided into sub-market areas which suggest a need for 113 affordable dpa. This figure cannot presently be supported with evidence that it could be delivered, especially when considered against a planning policy backdrop of protecting the spectacular landscape.

Table 3.1 Strategic Housing Market Areas within the Lake District and identified affordable housing need

Housing Market Area	District/Borough Council	% of population in the National Park	Affordable Housing Need per annum across the SHMA
West Lakes (2014)	Copeland Borough	13%	7
North Lakes (West) (2016)	Allerdale Borough	22%	80
North Lakes (East) (2015)	Eden District	10%	0
LDNP area within South Lakeland (2017)	South Lakeland District	41%	26
<b>Total</b>		<b>100%</b>	<b>113</b>

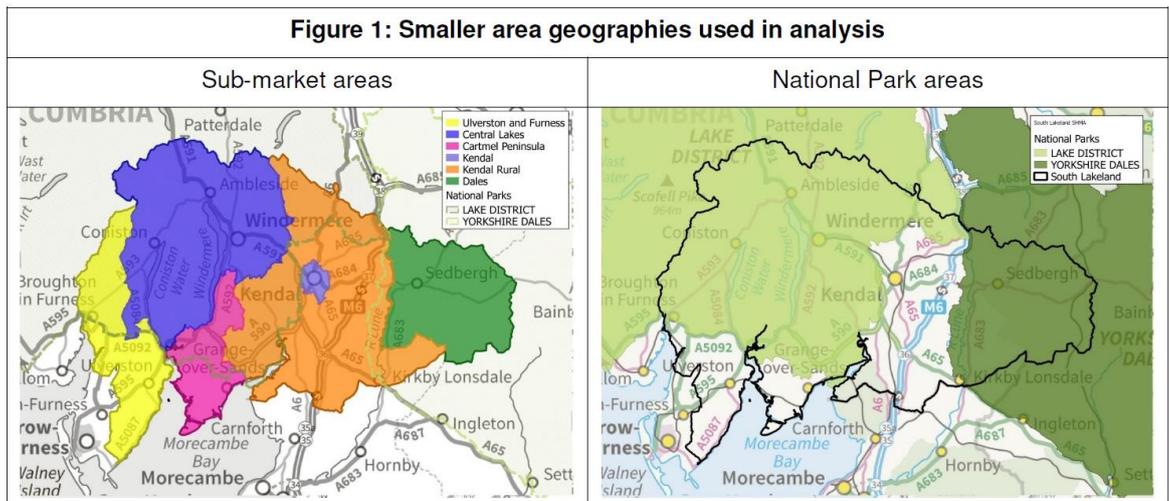
Source: LDNPA (January 2019): Lake District National Park Local Housing Need Assessment, Table 1

- 3.46 The HNA concludes that as the Lake District is one of the world’s finest cultural landscape, the scale and extent of development should be limited and there is a finite land resource with the potential for new development. The Allocations of Land in the Local Plan will provide sufficient opportunity to deliver approximately 50 houses per annum over the plan period. An allowance for windfall sites as part of anticipated supply will continue based on historic trend data, to provide for the shortfall.

## South Lakeland

### South Lakeland SHMA (October 2017)

- 3.47 The SHMA analysis of HMAs suggested that South Lakeland District could be considered a self-contained HMA for the purposes of analysis and to be consistent with the requirements of the NPPF. Furthermore, there is merit in looking at specific data for six sub-market areas and also the National Parks. Each sub-area has its own characteristics however there are strong links and similarities across all of them.



Source: Maps provided by GL Hearn

- 3.48 The analysis identifies a relatively old population age structure (notably in the Cartmel Peninsula) and a population decline in the 2005-15 period. There has however been growth in the population aged 65 and over – increasing by 25% in the decade to 2015. The tenure profile of the District sees a relatively large proportion of outright owners (which will to some extent be linked to the age structure) and a small social rented sector. The dwelling stock in the District is predominantly of larger homes, with a greater average number of bedrooms and a high proportion of detached homes (31% of all housing in 2011, compared with 22% nationally).
- 3.49 The economic profile of the District shows low unemployment and a similar proportion of people in work than is seen in other areas, whilst the population and workers in the District are also fairly well qualified (in academic terms) and are more likely than other areas to be working in more senior positions.
- 3.50 In terms of the scale of housing need, the SHMA analysis identified a demographic based need for between 145 and 316 dpa, rising to between 311 to 315 dpa to link with economic growth (2016-36).
- 3.51 Overall, in the period from 2016 to 2036 a net deficit of 153 affordable dpa is identified, with the highest level, of 67 dpa, identified for Kendal followed by 29 dpa in Ulverston and Furness.
- 3.52 In terms of mix, the SHMA’s analysis linked to long-term (20-year) demographic change concludes that the following represents an appropriate mix of affordable and market homes:

**Figure 9: Suggested mix of housing in the market and affordable sectors**

	1-bed	2-bed	3-bed	4+ bed
Market	0-5%	35-40%	40-45%	15-20%
Low-cost home ownership	15-20%	45-50%	25-30%	5-10%
Affordable housing (rented)	30-35%	40-45%	15-20%	5-10%

- 3.53 Within the affordable tenure category, the analysis would support a split of 60% rented and 40% low-cost home ownership. The SHMA also concluded that there was a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings.
- 3.54 In seeking M4(2) compliant homes the Council should also be mindful that such homes could be considered as ‘homes for life’ and would be suitable for any occupant, regardless of whether or not they have a disability at the time of initial occupation. The Council should also consider if a

different approach is prudent for market housing and affordable homes, recognising that Registered Providers may already build to higher standards, and that households in the affordable sector are more likely to have some form of disability.

## Summary

3-55 In summary, the SHMAs and Local Plans across Cumbria identify a need for 1,987 dpa, which is more than triple the LHN identified by the Government's standard methodology (demonstrating that this approach does not work well for many of these districts, particularly Barrow and Copeland). Furthermore, it is clear that affordable housing need remains high across the County, at 1,047 dpa (recognising that there may be some overlap with the LDNP figure, and that the timeframes vary). Even so, this equates to over half the entire housing requirement for Cumbria (which is unlikely to be deliverable).

Table 3.2 Housing Requirements across Cumbria

	Local Plan Housing requirement	Latest Affordable Housing Need	Local Housing Need (Standard Methodology) 2020
Allerdale	304 dpa (2011-2029)	175 dpa 2016-2021	106 dpa
Barrow-in-Furness	119 dpa (2016-2031)	101 dpa 2016/17 to 2020/21	0 dpa
Carlisle	565 dpa (2013-2030)	158 dpa 2018-2030	193 dpa
Copeland	277 dpa (2013-2030)	83 dpa 2017-2035	11 dpa
Eden	242 dpa (2014-2032)	264 dpa 2018/19 to 2022/23	95 dpa
Lake District National Park	80 dpa (2020-2035)	113 dpa	n/a
South Lakeland	400 dpa (2003-2025)	153 dpa 2016-2036	198 dpa
<b>CUMBRIA TOTAL</b>	<b>1,987 dpa</b>	<b>1,047 dpa</b>	<b>603 dpa</b>

Source: Local Authorities' Local Plans/ SHMAs/MHCLG / Lichfields' analysis

3-56 Cross-cutting themes for the County as a whole include:

- A rapidly ageing population and a concurrent reduction in the working age population.
- The existing housing stock across the County is ageing, particularly in the West, with associated issues concerning heat insulation.
- Cumbria's tenure profile generally has a relatively high proportion of outright owners (which is partly linked to the age structure) and a modest private rented sector. Key worker housing is very limited.
- There is no single housing market across the County, with very different levels of demand often within the same district. House prices vary widely across the County with levels generally higher in the south, east and in the LDNP, with prices being much more affordable along the coast. The popularity of the Lake District means there is high demand for housing, which drives prices up because there is a limited supply. Whilst new affordable homes are being built, demand outstrips supply and the Lake District's environment cannot accommodate a level of growth that would be necessary to meet the demand that exists.
- Particularly on long the west coast, there are a number of development sites that have not come forward in recent years, often due to a combination of low market values leading to limited interest from developers; unrealistic land values; and higher construction costs.
- Viability issues create financial challenges for developers in respect of profit margins in most parts of the County. Viability issues often mean that developers negotiate down the number of affordable homes that are delivered. This has helped contribute to a situation whereby most of the districts have a shortfall of affordable dwellings relative to need.

- In many parts of the County there is a lack of diversity within the housing market. The dwelling stock disproportionately comprises larger homes, with a greater than average number of bedrooms and a high proportion of detached and semi-detached homes.
- A frequently identified gap in the re-sale market is very strong unmet demand for bungalows for older people. There is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings as well as providing specific provision of older persons housing.
- There remains a need to bring empty residential and commercial properties back into active use across Cumbria, and to reduce the number of second homes in the LDNP.
- There is a clear need to drive up standards within the private rental market sector.

## 4.0 Cumbria Housing Market Analysis

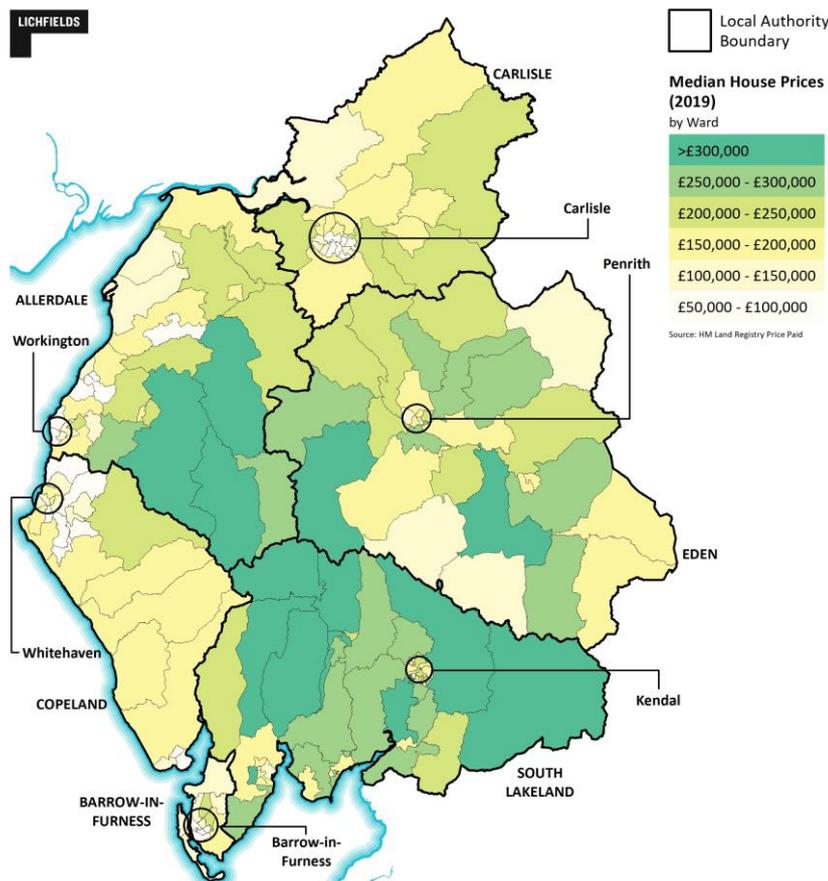
4.1 This Section provides an overview of the current housing stock, housing market signals and the definition of issues to be addressed as part of this Housing Delivery Strategy.

### Market Signals Analysis

#### House Prices

4.2 Figure 4.1 illustrates the median house prices across Cumbria in 2019. The least expensive areas in which to live across Cumbria tend to correlate with the primary urban centres within each authority, and particularly the coastal towns of Workington, Whitehaven and Barrow, as well as Carlisle further inland. In these areas, the median price paid generally fall within the £50,000 to £150,000 median price range. House prices tend to be higher in and around the LDNP, South Lakeland more generally; and the Yorkshire Dales National Park further east.

Figure 4.1 Median House Prices 2019

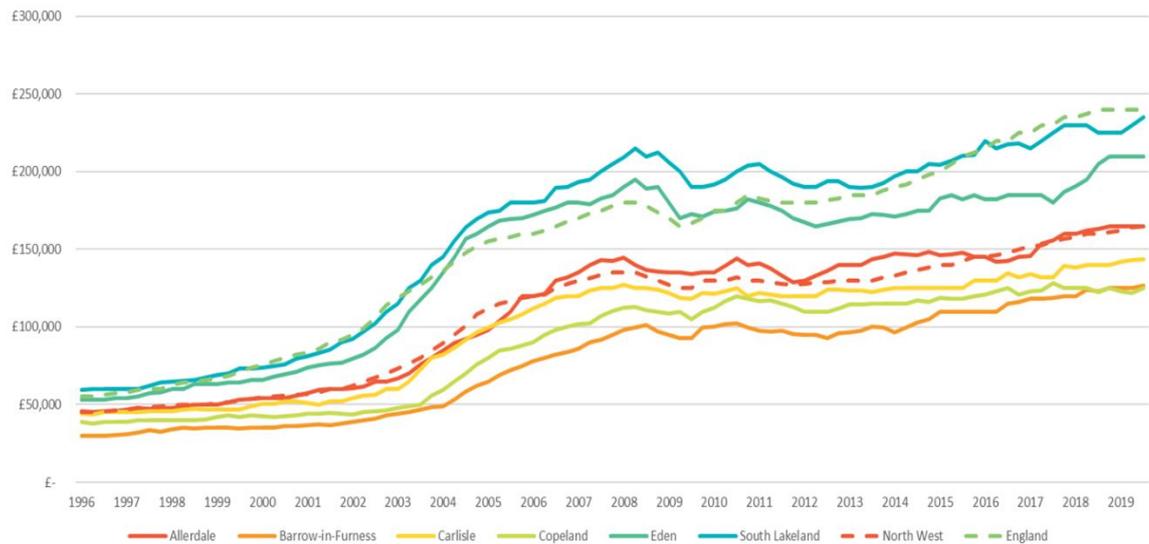


Source: HM Land Registry Median Price Paid data (2020)

4.3 Figure 4.2 illustrates house price change over time in Cumbria, against the national and regional comparators. It indicates that median house prices in the more affordable authorities of Allerdale, Barrow-in-Furness, Copeland and Carlisle have followed a similar trend to the rest of the North West Region, seeing healthy growth in the lead in to the financial crisis of 2008, followed by a period of relative stagnation up to around 2014 after which modest levels of growth have started to return. Barrow-in-Furness in particular has seen the highest level of

growth of these authorities recently (albeit from a low base), with prices rising by 2% in the past five years and overtaking Copeland, which by contrast has seen minimal growth over the same period. The significantly more expensive authorities of Eden and South Lakeland saw much higher levels of growth in the lead up to the recession, and whilst they also experienced a sharper fall in prices following the crash, they have also recovered more quickly. Eden stands out as having the highest recent levels of growth, with prices rising by 7.7% in the last five years.

Figure 4.2 House Prices in Cumbria 1996 - 2019



Source: ONS (2019) Median House Price by Local Authority

### House Price Affordability

4.4 Table 4.1 shows median house prices and affordability ratios across Cumbria. On average, the median house price in Cumbria is slightly higher than the North West, at £167,000 compared to £165,000. For the lower quartile average, Cumbria is slightly below the North West level at £110,000 compared to £115,000. South Lakeland is the most expensive area of the County, being the only area in which median prices are above the England and Wales average of £235,000. The least expensive district in Cumbria is Copeland, with median prices almost half that of England and Wales. There is therefore very significant variations in prices between the various Council areas of the County.

4.5 In terms of affordability, Eden and South Lakeland are the only areas that are less affordable than England and Wales, with a property costing 7.86 times the median income in Eden, rising to a very significant 9.49 times the median income in South Lakeland. Copeland is the most affordable area overall (and is indeed the most affordable district in the country), with a median house costing 2.78 times the median income.

Table 4.1 House Prices and Affordability in Cumbria

Area	House Prices		Affordability Ratio	
	Median	Lower Quartile	Median	Lower Quartile
Allerdale	£165,000	£105,000	6.69	5.84
Barrow-in-Furness	£126,500	£87,250	3.56	3.22
Carlisle	£143,500	£98,500	5.29	4.83
Copeland	£125,000	£82,500	2.78	2.88
Eden	£210,000	£150,000	7.86	7.02
South Lakeland	£235,000	£165,000	9.49	8.69
Cumbria	£167,000	£110,000	5.74	5.29
North West	£165,000	£115,000	5.86	5.58
England and Wales	£235,000	£155,000	7.70	7.06

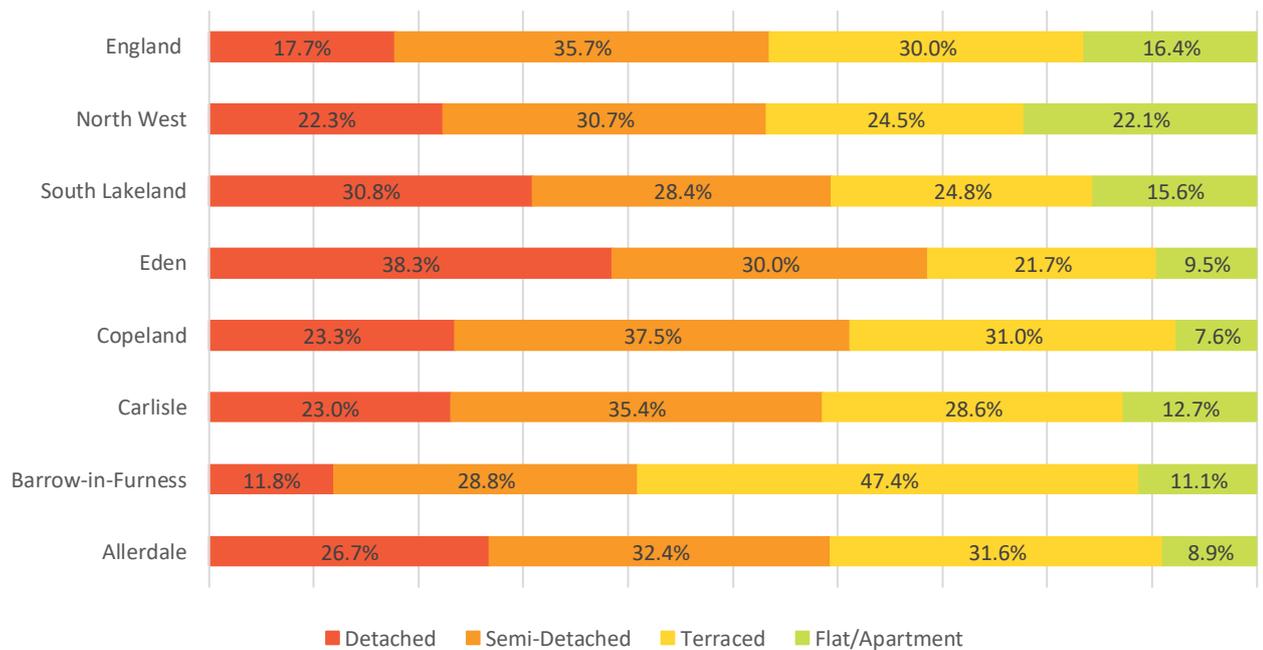
Source: ONS (2020) House price to workplace-based earnings ratios

### Dwelling Types

4.6

Figure 4.3 shows that the Cumbrian districts generally have a different profile to the North West in terms of housing types, with a larger share of detached and semi-detached homes; and a much smaller share of terraced homes across all authorities. Eden and South Lakeland in particular have very high proportions of detached homes at 38.3% and 30.8% respectively, whilst having a smaller share semi-detached homes than seen in Copeland (37.5%) and Carlisle (35.4%). South Lakeland has a comparatively high share of flats and apartments at 15.6% of its housing stock, although this is still well below the regional rate of 22.1% which is more than double the rate of Cumbrian districts such as Eden, Allerdale and particularly Copeland. These figures are inevitably affected by both the overall size and general rural nature of Cumbria.

Figure 4.3 Dwelling Types in Cumbria

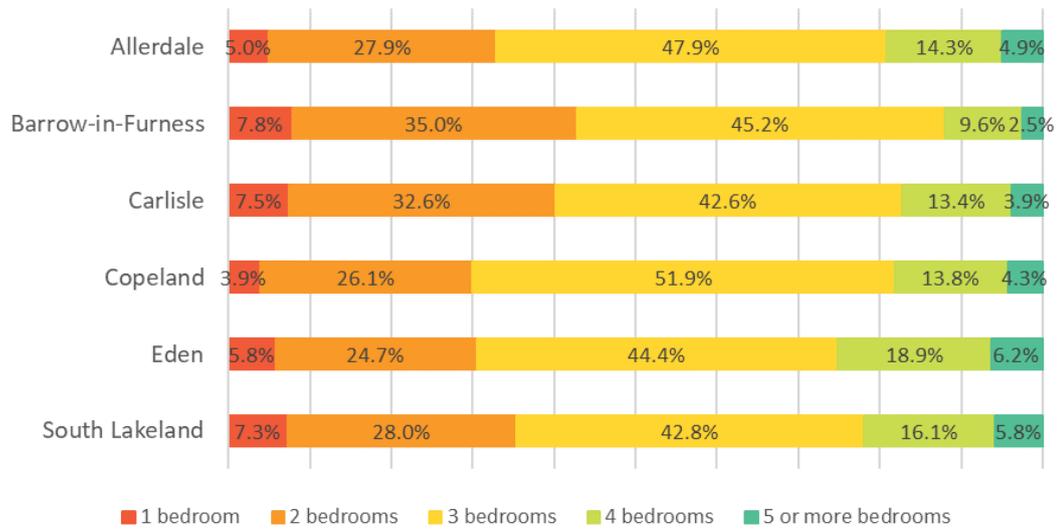


Source: Census (2011)

## House Size

4.7 Figure 4.4 shows the proportion of dwellings by the number of bedrooms in each of the six Cumbrian authorities (comparable data is not available for the LDNP in isolation). Across all areas, the market is dominated by 3-bed homes, ranging from 42.6% of the market in South Lakeland to 51.9% of the market in Copeland. Barrow-in-Furness and Carlisle have the largest amount of smaller 1 and 2 bedroom homes at 42.8% and 40.1% of their respective markets. In terms of larger properties, Eden and South Lakeland have high proportions of 4 bed+ homes at 25.1% and 21.9% of their markets respectively, compared to just 12.1% in Barrow-in-Furness.

Figure 4.4 Number of Bedrooms in Cumbria

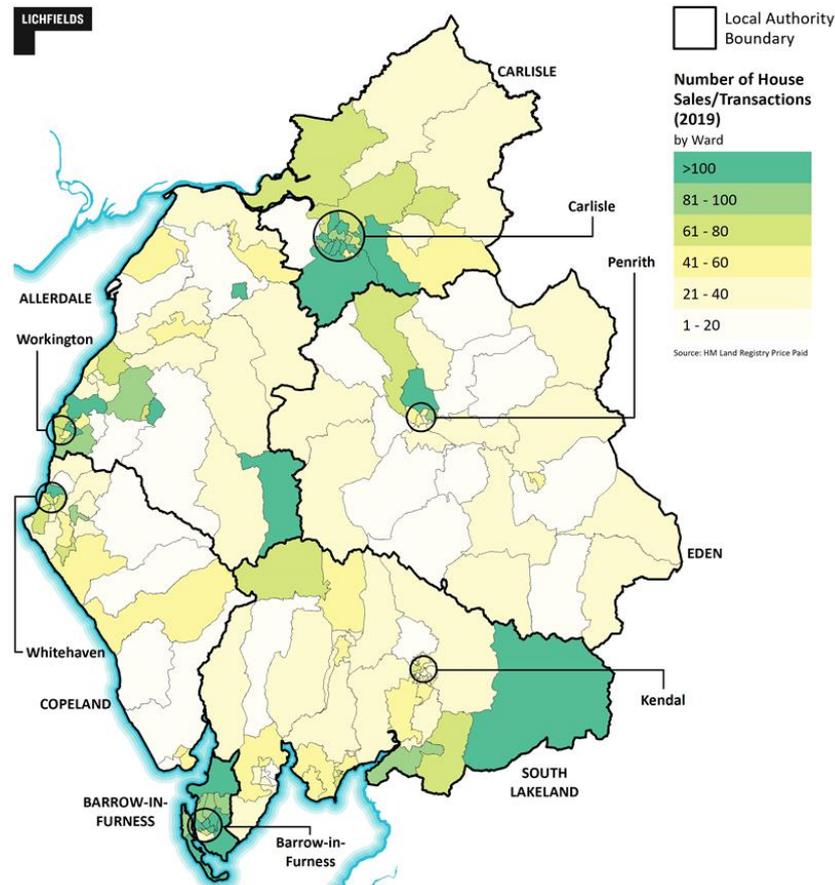


Source: Census (2011)

## Volume of Sales

4.8 Figure 4.5 shows the number of house sales across Cumbria in 2019 by Ward. Changes in the volume of transactions is a measure of demand and ability of residents to execute demand to purchase a property. Barrow-in-Furness shows particularly high levels of activity across the whole authority, whilst urban Carlisle and the areas to the immediate east and south of the urban centre also show high activity levels. Other areas of high activity include the areas north of Workington, Whitehaven and Penrith centres, as well as in the heart of the LDNP and areas to the east of South Lakeland crossing into the Dales.

Figure 4.5 Number of House Sales/Transactions

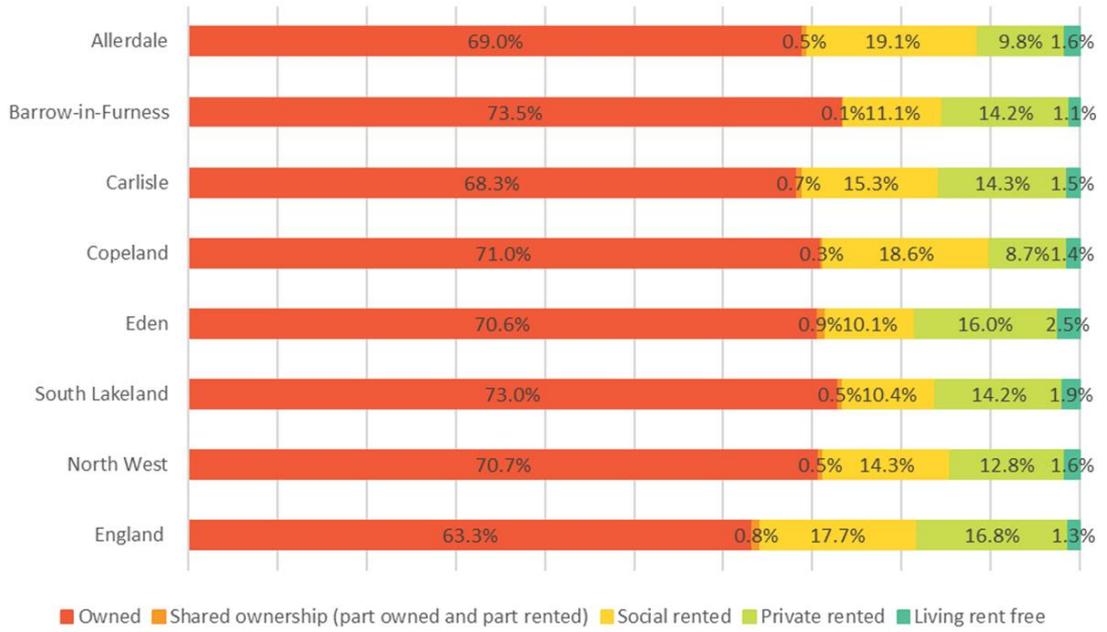


Source: HM Land Registry Price Paid (2019)

### Tenure

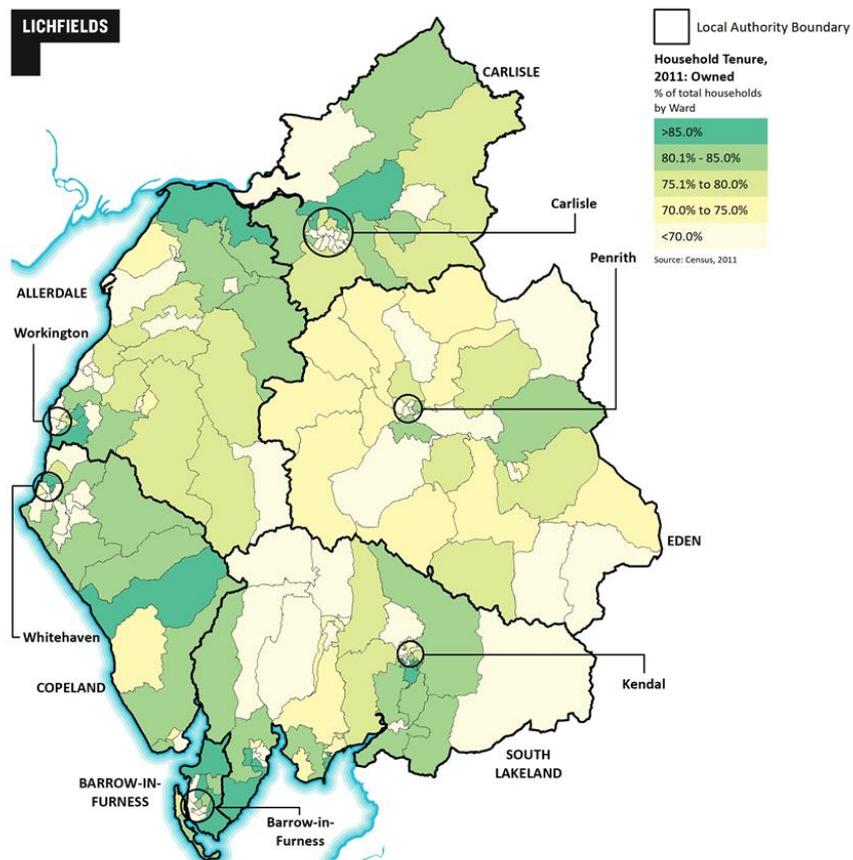
4.9 Figure 4.6 shows the proportions of different housing tenures across Cumbria. It indicates that generally, the County has higher levels of home ownership than nationally, although levels are not dissimilar to those seen across the North West. Levels of social rent are particularly high in Allerdale (19.1%) and Copeland (18.6%) but the tenure has a much smaller role in Edén (10.1%) and South Lakeland (10.4%). The PRS sector across Cumbria is generally stronger than that seen across the North West, although there are significant variations as is evident by the relatively high level of private rented properties in Edén (16%), Carlisle (14.3%), Barrow-in-Furness (14.2%) and South Lakeland (14.2%); compared to the relatively low levels in Allerdale (9.8%) and Copeland (8.7%). It should of course be noted that the latest Census data upon which this analysis is based is now almost 10 years old and there have been some clear trends since that time, not least the increased role of the private rented sector nationally (a trend which is likely to have been replicated in many parts of Cumbria, particularly urban areas such as Carlisle).

Figure 4.6 Housing Tenure in Cumbria



Source: Census (2011)

Figure 4.7 Housing Tenure: Owned

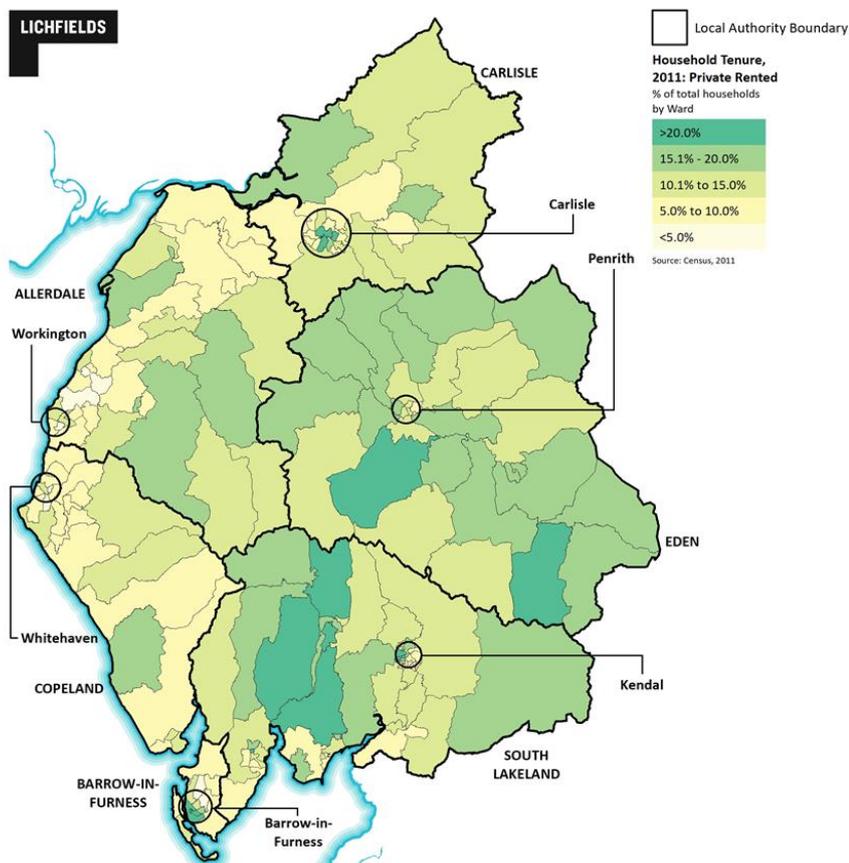


Source: Census 2011

4.10 As shown in Figure 4.7, there are significant variations in the levels of home ownership across the County. Areas with levels of ownership of 85% and above tend to be the more affluent suburban and adjoining rural areas, whereas the Town Centres themselves generally see much lower levels of home ownership. Whilst there is generally some variation in ownership levels within each urban centre, central Carlisle has particularly low levels of ownership. Ownership levels are high across most of Barrow-in-Furness, and are relatively high across Copeland, whilst ownership is low across most of Eden and South Lakeland.

4.11 The distribution of private rented households across Cumbria broadly mirrors that of home ownership, as shown in Figure 4.8. There tends to be a weaker private rental market towards the west coast throughout Allerdale and Copeland, although there are pockets of high levels of private rented households in Barrow-in-Furness. Carlisle City also has some areas of high private rent levels. Generally, there are more private rented properties throughout Eden and South Lakeland, with particularly high representation within the LDNP.

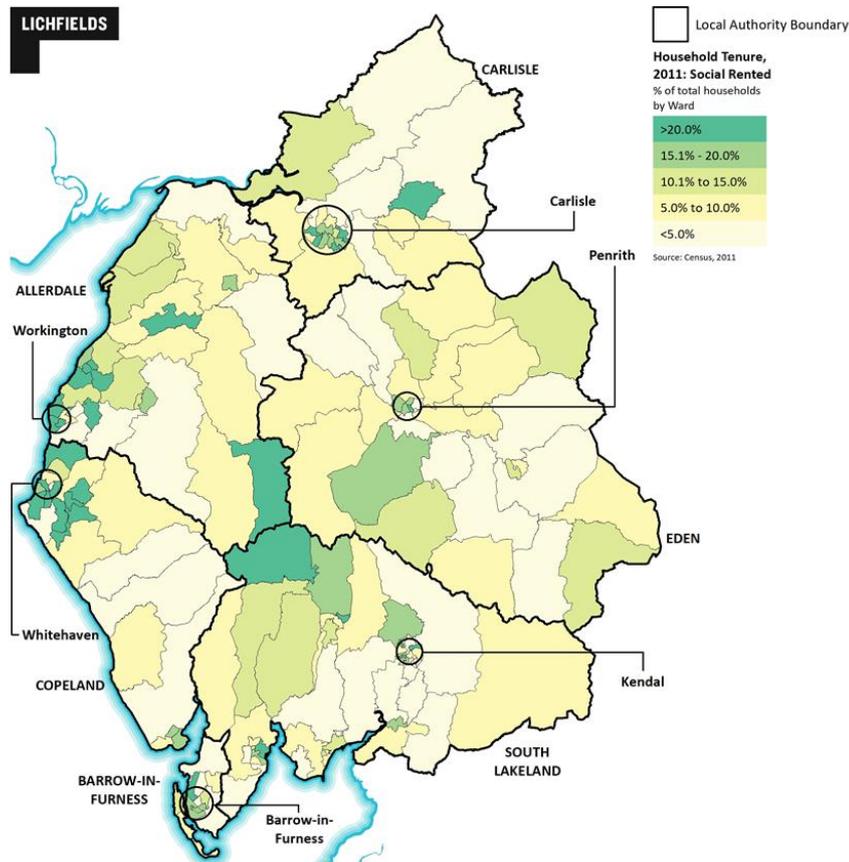
Figure 4.8 Housing Tenure: Private Rented



Source: Census 2011

4.12 In terms of social rented households, there are strong concentrations in and around Workington and Whitehaven along the coast, as well as in the urban centres of Barrow, Carlisle and Penrith. The proportion of social rented households is low across most of the rest of Cumbria, aside from some areas within the LDNP which may be due to lower-income workers in hospitality, leisure and agriculture.

Figure 4.9 Housing Tenure: Social Rented



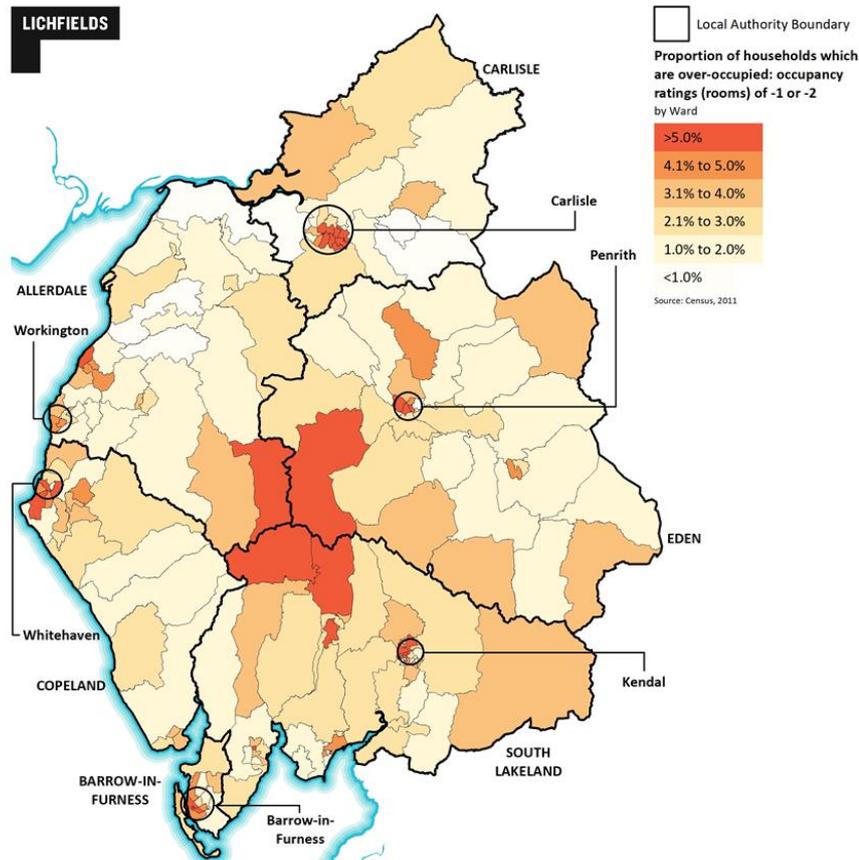
Source: Census 2011

### Occupancy Rates

4.13

Figure 4.10 illustrates occupancy rating for households across Cumbria. It indicates that there are issues with over-occupancy are most acute in the coastal centres of Workington, Whitehaven and Barrow, as well as central Carlisle and the towns of Penrith and Kendal. Conversely, the heart of the LDNP also shows high levels of over-occupancy, which may well be due to the prevalence of seasonal workers living in shared accommodation.

Figure 4.10 Occupancy Rates

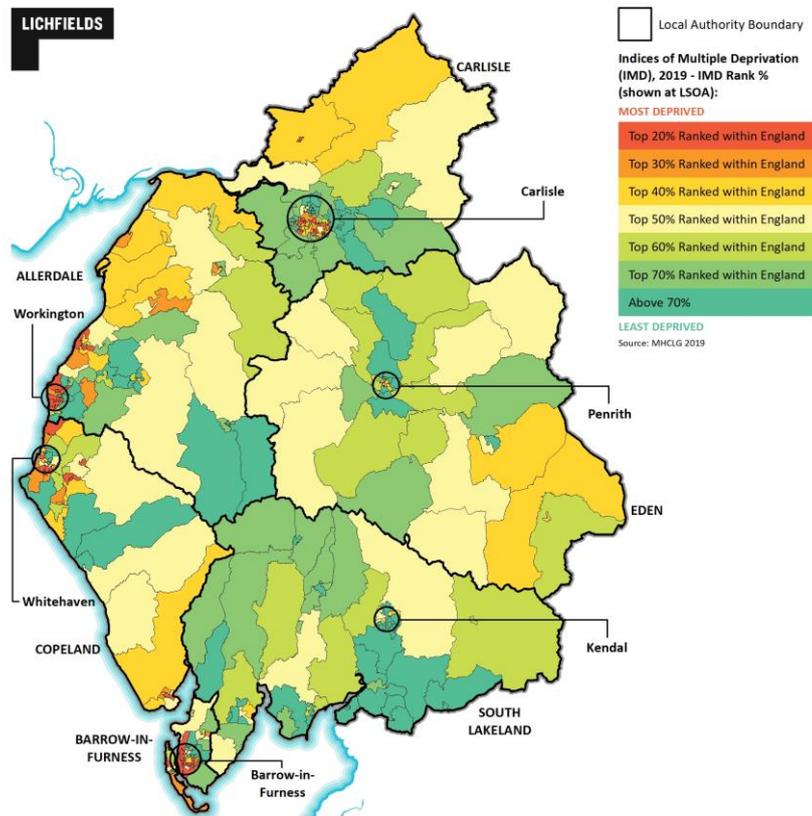


Source: Census 2011

### Indices of Deprivation and Mosaic

- 4.14 There are two key datasets which combine a range of different data to categorise neighbourhoods; Indices of Multiple Deprivation (IMD) and Mosaic Household Classification.
- 4.15 Figure 4.11 presents the IMD mapped across Cumbria. It indicates that there are a number of areas - particularly within the urban centres of Carlisle, Barrow and the coastal towns - that fall within the top 20% of deprived neighbourhoods in England. This is in stark contrast between these areas compared to the less deprived areas seen across much of South Lakeland, Eden, Carlisle’s suburban areas and much of the LDNP.

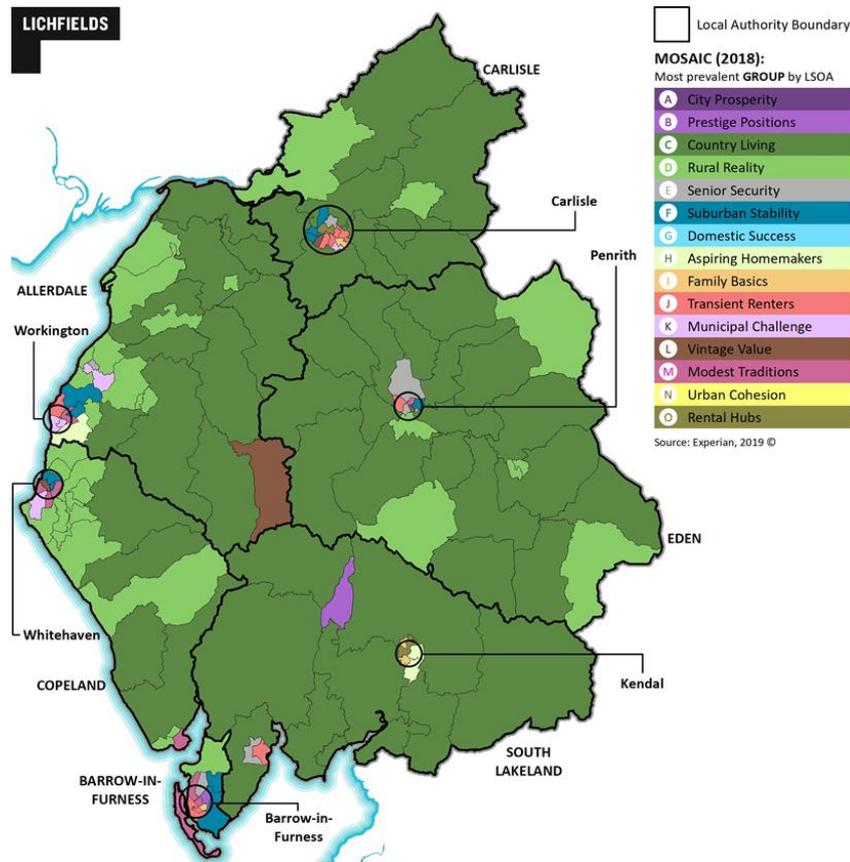
Figure 4.11 Deprivation in Cumbria (2019)



Source: MHCLG Indices of Multiple Deprivation (2019)

- 4.16 Mosaic Experian Household Classifications are also a useful categorisation of neighbourhoods. Mosaic takes into account a range of different metrics including; age, income, spending patterns to categorised neighbourhoods. The classifications are helpful to understand the dominant characteristics of households in a local area.
- 4.17 Analysis Cumbria’s demographics using Experian’s Mosaic consumer profiling data shows the (unsurprising) prevalence of the Country Living and Rural Reality groups for most rural areas across the County. Typically, the Country Living group tends to be people of around retirement age with living in large, detached homes in rural areas, whereas the Rural Reality tend to be middle-aged residents with average incomes living in adequate-sized family homes in and around Rural towns. Prevalent groups in the urban centres across Cumbria include Transient Renters: younger private renters with low incomes who move often; Suburban Stability: families in modest (usually 3-bed) suburban homes who have lived at the same address for some years; and Municipal Challenge: social renters in low-cost housing with few employment opportunities.

Figure 4.12 MOSAIC Consumer Groups



Source: Experian 2018

### Affordable Housing Requirements and Delivery

4.18 Table 4.2 shows the total additional affordable dwellings delivered by each of the six authorities from 2009 to 2018 and includes the proportion of net overall dwellings delivered that are affordable.

Table 4.2 Total Additional Affordable Dwellings

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5yr Average
Allerdale	103	57	153	97	56	116	94	136	74	66	97
Barrow	0	62	14	11	27	0	2	0	8	0	2
Carlisle	40	146	188	51	67	141	55	140	90	144	114
Copeland	39	50	39	55	60	65	15	4	0	0	17
Eden	45	27	67	105	31	42	41	31	37	52	41
South Lakeland	94	52	67	69	83	226	68	102	76	112	117
<b>CUMBRIA TOTAL</b>	<b>321</b>	<b>394</b>	<b>528</b>	<b>388</b>	<b>324</b>	<b>590</b>	<b>275</b>	<b>413</b>	<b>285</b>	<b>374</b>	<b>387</b>
<b>% affordable</b>	<b>22.5%</b>	<b>33.8%</b>	<b>60.1%</b>	<b>37.1%</b>	<b>31.5%</b>	<b>41.3%</b>	<b>16.3%</b>	<b>27.3%</b>	<b>16.2%</b>	<b>20.8%</b>	<b>23.7%</b>

Source: Lichfields Analysis / MHCLG Live Table 1008C: Total additional affordable dwellings provided by local authority area

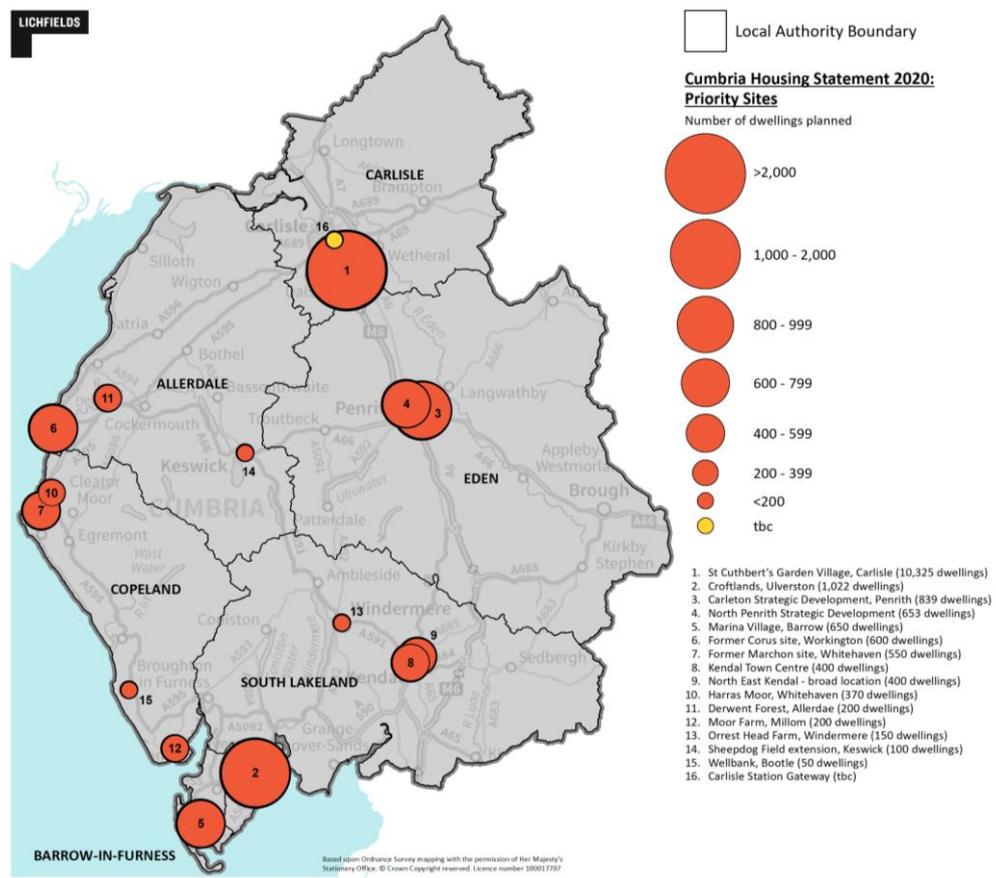
### Future Housing Supply

4.19 Figure 4.13 shows the location and scale of the priority housing sites outlined in the 2020 Cumbria Housing Statement to support the future ambition to deliver c. 2,000 homes per

annum across Cumbria. The largest of these sites by some margin is the proposed SCGV site in Carlisle (see below), which is expected to support up to 10,325 dwellings. The only other site expected to support more than a thousand dwellings is the Croftlands site in Ulverston at an anticipated 1,022 dwellings, highlighting the relative scale of the SCGV.

4.20 Other significant priority sites include the Carleton Strategic Development site in Penrith (839 dwellings), the North Penrith Strategic Development (653 dwellings) and the Marina Village site in Barrow (650 dwellings). Overall, the Housing Strategy outlines a potential for 15,700 dwellings over these 16 sites.

Figure 4.13 Priority Housing Sites in Cumbria (2020)



Source: Lichfields Analysis

### St Cuthbert's Garden Village

4.21 The future impact of SCGV will be a key consideration for the HDS. The SCGV is expected to deliver around 10,300 new homes up to 2050. Beyond 2030 (the end Carlisle City Council's current Local Plan period), the majority of housing delivered in Carlisle and indeed Cumbria more widely is expected to be on the SCGV site.

4.22 SCGV is the most ambitious Garden Village in the UK, with £102m of funding for the CLSR having been announced as part of the Housing Infrastructure Fund [HIF] to unlock development land for the SCGV and it plays a key role in delivering Cumbria's LIS. Alongside new homes, the SCGV will also deliver new employment space, associated community and social infrastructure and a new strategic link road.

- 4.23 Carlisle's 2019 SHMA recognizes the opportunities that the development of SCGV provides the Council with a significant opportunity to meet the needs of a wide range of household groups both in the market and affordable sectors, which could include the provision of specialist housing for older people/those with disabilities. Other considerations will include development of bungalows, executive homes, build-to-rent housing and plots for self- and custom-build.
- 4.24 The emerging masterplan for SCGV aligns closely with the objectives and priorities outlined within the LIS in its ambitions to attract residents that are of working age, promote innovation and improve connectivity (both digital and physical) for new and existing communities, adding to Carlisle's overall and already strong offer as a great place to live and work.

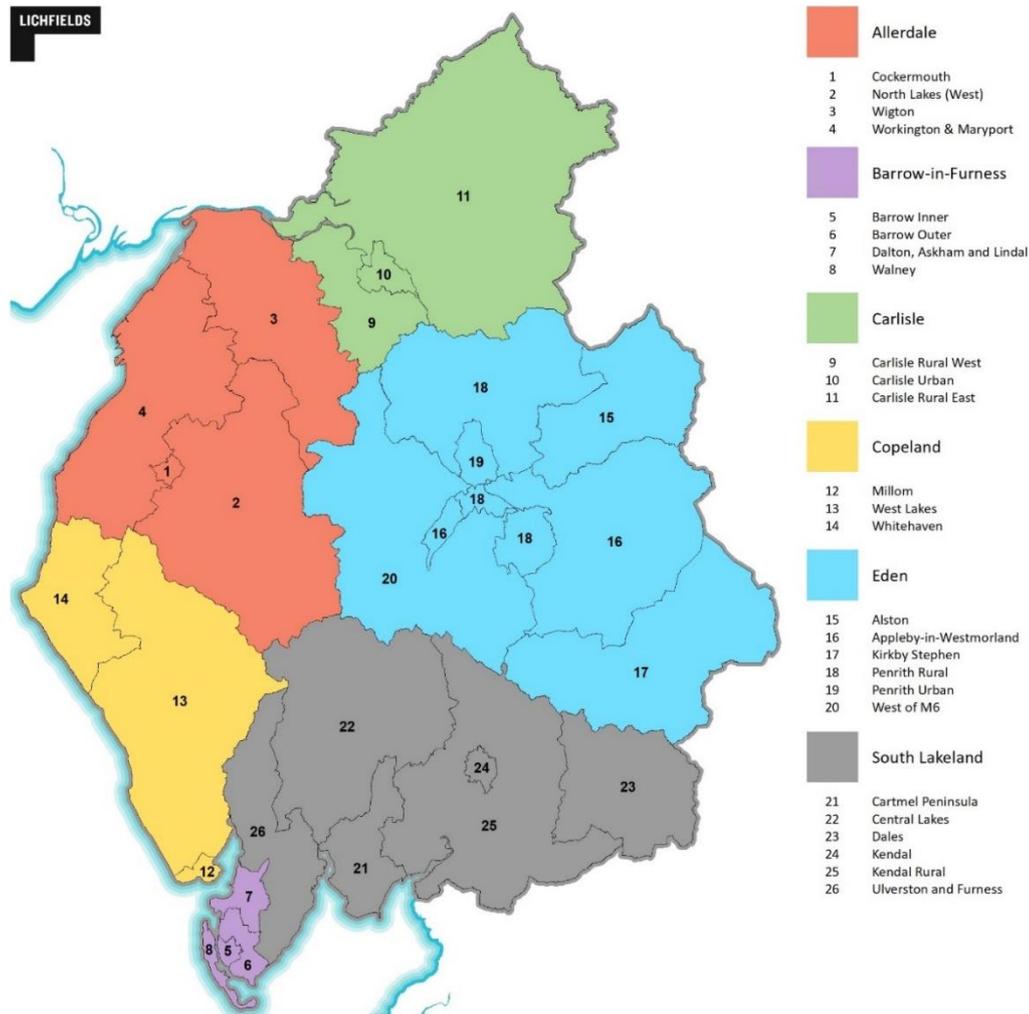
## 5.0 **Housing Market Areas, Sub-Areas and Key Characteristics**

- 5.1 In order to analyse the specific issues facing each of the Cumbrian authorities it is necessary to identify key market characteristics at sub-authority level through the use of Housing Market Areas [HMA] and sub-areas. The PPG states that HMAs are a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. These can be broadly defined by analysing:
- *“The relationship between housing demand and supply across different locations, using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas.*
  - *Migration flow and housing search patterns. This can help identify the extent to which people move house within an area, in particular where a relatively high proportion of short household moves are contained, (due to connections to families, jobs, and schools).*
  - *Contextual data such as travel to work areas, retail and school catchment areas. These can provide information about the areas within which people move without changing other aspects of their lives (e.g. work or service use).”<sup>3</sup>*
- 5.2 Whilst HMAs can be difficult to define, being rarely definitive and often overlapping, MHCLG recommends analysis of the migration patterns of people moving to a new house as a starting point, with areas having a self-containment rate of at least 70% representing an HMA. Analysis of Travel-To-Work-Areas [TTWAs] - representing the relationships between people’s homes and places of work - can also be incorporated, with a 70% self-containment rate in this regard further solidifying the HMA.
- 5.3 A significant amount of work has been carried out by the Cumbrian authorities in defining HMAs and any unique sub-areas within these across the County. The HMAs and sub-areas identified through this work and referenced throughout this report are displayed in Figure 5.1. The following overview of the HMAs and sub-areas are based on the individual authorities’ most recent SHMAs and Housing Studies, as well as information collected through consultation for this Housing Delivery Strategy.

---

<sup>3</sup> MHCLG PPG: Reference ID: 61-018-20190315. Revision date: 15 03 2019

Figure 5.1 Cumbria Housing Market Areas and Sub-Areas



Source: Councils / Lichfields Analysis

## Allerdale

5.4

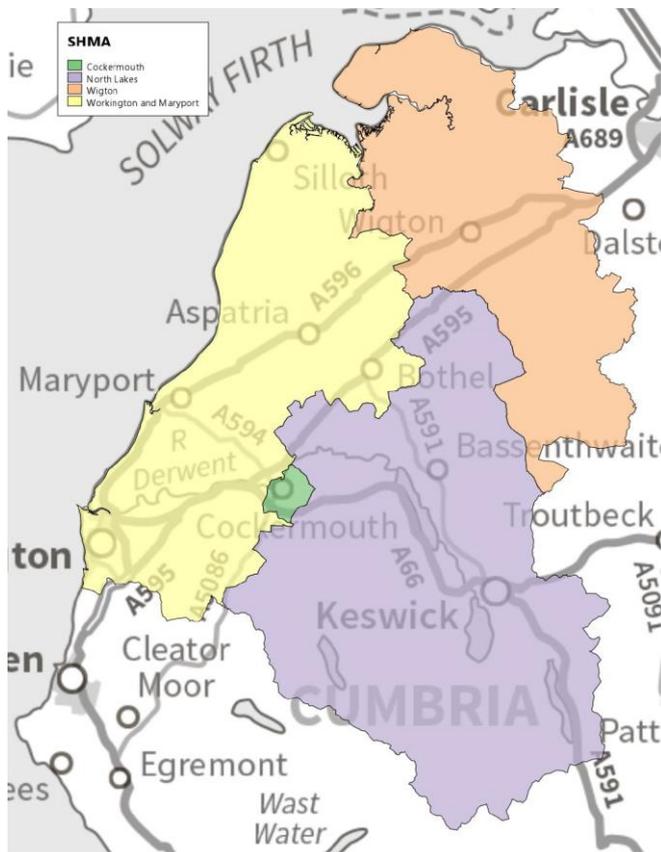
Allerdale Borough Council’s 2016 Housing Study found that 82% of moving households originated within the Borough, whilst 74.5% of Allerdale’s employees live and work in the Borough, indicating that Allerdale can be described as a self-contained HMA. Four sub-HMAs are defined in the Study, specifically Cockermouth, North Lakes, Wigton and Workington and Maryport (Figure 5.2). The Housing Study’s commentary for each HMA is summarised below.

Table 5.1 Allerdale HMA Overview

	Total Households	Households in Need of Affordable Housing	% Vacant	Number of second homes	Resident dissatisfaction with state of repair
Cockermouth	4,032	240 (6.0%)	1.3%	112	3.4%
North Lakes	5,665	505 (8.9%)	2.3%	595	6.1%
Wigton	5,904	451 (7.6%)	1.6%	91	5.3%
Workington and Maryport	30,795	1,939 (6.3%)	1.8%	383	6.3%
<b>Allerdale Total</b>	<b>46,396</b>	<b>3,135 (6.8%)</b>	<b>1.8%</b>	<b>1,181</b>	<b>5.9%</b>

Source: Arc4 (May 2016) Allerdale Borough Council Housing Study

Figure 5.2 Allerdale Sub-Housing Market Areas



Source: Arc4 (May 2016) Allerdale Borough Council Housing Study

**Cockermouth**

5-5 The Cockermouth sub-HMA comprises the small market town of Cockermouth and its immediate environs. The Town houses around 9% of Allerdale’s households and has the lowest level of affordable housing need of any of Allerdale’s HMAs, at just 6%. The town has a relatively high proportion of 1 and 2-bed properties and is generally perceived as being attractive for families, professionals and contract workers due to its **proximity to Sellafield**, which results in private rental properties not remaining on the market for long. Cockermouth was described by agents in the Housing Strategy as **more of a “boutique” town with excellent local amenities, good quality homes** and access to local transportation links and schools. The image and status of the area also attracts non-locals with demand for executive housing from non-locals also described by agents as good.

5-6 Cockermouth’s sales market is considered to be the most active in Allerdale and the high levels of development of new housing provision in recent years has offered a boost to the accessibility of homes within the area. In **highest demand in the area are good quality 3 and 4-bed family homes**. Agents report that property prices in the area vary; however, a good quality 3-bed family home usually commands around £200,000.

**North Lakes**

5-7 The North Lakes sub-HMA covers the part of the LDNP that falls within Allerdale, and includes Keswick, the Lake District’s largest town. The area has the largest proportion of larger 4-bedroom and above homes with the Borough, with a high proportion of second home ownership at over 10% of all dwellings and thus has the highest vacancy rate in Allerdale of 2.3%. Keswick

is a highly desirable area, particularly for buy-to-let investors and those looking for second homes. The area is known for having a fast-paced market and is one of the most expensive areas to live within Allerdale, with a median house price of around £250,000; however, agents report that good-quality 3-beds are in high demand and can command around £300,000. The presence of excellent local schools attracts families, whilst the limited PRS market may force those on lower incomes to live elsewhere within the Borough.

### Wigton

- 5.8 The Wigton sub-HMA comprises Allerdale's northern area towards Carlisle. The area has an older population with a relatively **high proportion of bungalows** compared to other parts of the Borough, as well as the highest proportion of owner-occupiers. Agents report that whilst there is no discernible pattern in the types of buyers in the area, the market in Wigton is fairly slow, with particular difficulties in selling 4-bed homes. This is likely due to a perceived lack of employment opportunities of interest for young people and first-time buyers. This is despite the area being relatively cheap, with a typical terraced house available for just £75,000.

### Maryport and Workington

- 5.9 The Maryport and Workington sub-HMA is located along the coast and encompasses the primary urban centres of Allerdale, accounting for just under two thirds of all the Borough's households. The area is typified by a high proportion of older, smaller, terraced dwellings and a large PRS market, accounting for around 60% of the Borough's total. Workington is a major retail hub and attracts customers from other areas of Cumbria. Agents report that despite cheaper prices the market is fairly static, with the largest demand being for 3-bed family homes which command around £105,000 for semi-detached and around £80,000 for terraced properties.

### Barrow-in-Furness

- 5.10 The Barrow-in-Furness SHMA Addendum (2017) found migration containment ratios of 84% for those moving from the Borough and 80.9% for those moving into the Borough. Regarding commuting flows, the SHMA found that 83% of people who live in Barrow-in-Furness work in the Borough; and 82.5% of workers in Barrow-in-Furness live in the Borough. Therefore, the SHMA concluded that the Borough qualifies as a self-contained HMA. Barrow's 2016 SHMA identified four sub-areas: Barrow Inner; Barrow Outer; Dalton, Askham and Lindal; and, Walney (Figure 5.3). The SHMA Addendum's commentary for each Sub-HMA is summarised below.

Table 5.2 Barrow-in-Furness Sub-HMA Overview

	Total Households	Households in Need	Net Affordable Housing Requirement
Barrow Inner	12,153	1,114 (9.2%)	78 (0.6%)
Barrow Outer	9,450	751 (7.9%)	-16 (-0.1%)
Dalton, Askham and Lindal	5,384	399 (4.1%)	23 (0.4%)
Walney	4,980	202 (4.1%)	18 (0.3%)
<b>Barrow-in-Furness Total</b>	<b>31,967</b>	<b>2,466 (7.7%)</b>	<b>10 (0.3%)</b>

Source: Arc4 (August 2016) Barrow-in-Furness SHMA Update

Figure 5.3 Barrow-in-Furness sub-Housing Market Areas



Source: Arc4 (August 2016) Barrow-in-Furness SHMA Update

### Barrow Inner

- 5.11 The urban centre of Barrow has the highest proportion of smaller terraced houses and flats within the Borough, as well as the largest PRS market at 26.5%. It is also considerably more affordable than the surrounding areas with a median house price of around £73,000 – less than half that of Barrow Outer. **The area is boosted by its proximity to the nearby BAE Systems site.**

### Barrow Outer

- 5.12 The Barrow Outer sub-HMA has the **highest proportion of bungalows and semi-detached homes in the Borough** (with almost 50% of all bungalows), and the market is generally skewed towards larger properties. It remains the most expensive area of the Borough in both market sale and rental terms, with a median house price of around £150,000. It has a smaller PRS market than its Barrow Inner counterpart (7.7%).

### Dalton, Askam & Lindal

- 5.13 This sub-HMA has the highest proportion of owner occupation in the Borough at 84%, although it has a relatively low level of affordable housing at 5.1%). The area is comparatively expensive with a median house price of around £120,000, but cheaper than the Barrow Outer sub-HMA.

### Walney

- 5.14 This sub-HMA consists of the Isle of Walney just off the coast, and according to agents has seen high levels of demand recently. Prices here are higher than the Borough average with a median house price of £108,000, although agents reported that there is a high amount of older, poor-quality, stock selling at cheap prices.

## Carlisle

5.15 Carlisle’s SHMA Update (2019) provides the latest assessment of the Borough’s eligibility for HMA status, finding containment rates of 64.9% and 65.5% for inward and outward migration respectively, rising to 78% and 77% if long-distance moves are excluded. The SHMA further finds inward and outward commuting containment rates of 77% and 81.3% respectively. The SHMA concludes that Carlisle is therefore justified as a self-contained HMA. Three sub-areas are defined within the SHMA: Carlisle Urban, Carlisle Rural East and Carlisle Rural West. The SHMA’s commentary (both the original 2014 report and its 2019 update) for each HMA is summarised below.

Figure 5.4 Carlisle Housing Market Areas



Source: Lichfields / JG Consulting (October 2019) Copeland SHMA

Table 5.3 Carlisle HMA Overview

	Total Households	Households in Need of Affordable Housing	Estimated Households in Unsuitable Housing	% Owner Occupiers	% PRS	% Detached	% Terraced/Flats
Carlisle Urban	33,726	77 (0.2%)	2,117 (6.2%)	65%	15.2%	12.1%	49.4%
Carlisle Rural East	11,441	58 (1.4%)	493 (4.3%)	76.7%	12.5%	47.2%	23.1%
Carlisle Rural West	3,517	24 (0.7%)	144 (4%)	81.4%	11.7%	51.6%	17.8%
<b>Carlisle Total</b>	<b>48,684</b>	<b>158 (0.3%)</b>	<b>2,754</b>	<b>74.4%</b>	<b>13.3%</b>	<b>37%</b>	<b>30.3%</b>

Source: JG Consulting (September 2014, July 2019) Carlisle SHMA

### Carlisle Urban

5.16 Carlisle is the primary **commercial centre** for the northern part of Cumbria, as well as much of southern Scotland, and accounts for 66.8% of the City’s population and has a somewhat younger age profile than the rural sub-HMAs due to its retail, leisure and employment offerings. The area is typified by its high proportion of terraced homes (49.4%).

### Carlisle Rural East

5.17 The Carlisle Rural West sub-HMA accounts for 24.7% of Carlisle’s overall population. The area has a high proportion of detached homes (51.6%) and owner occupancy (76.7%), with a market skewed more towards larger homes accommodating more prosperous residents than the urban core.

**Carlisle Rural West**

5.18 The Carlisle Rural East sub-HMA accounts for 8.6% of the Carlisle’s overall population and has grown by around 9% over the past decade compared to fairly stagnant growth in the rest of Carlisle. In a similar manner to the Rural East sub-HMA, it has a high proportion of larger detached homes (51.6%) and owner-occupancy (81.4%).

**Copeland**

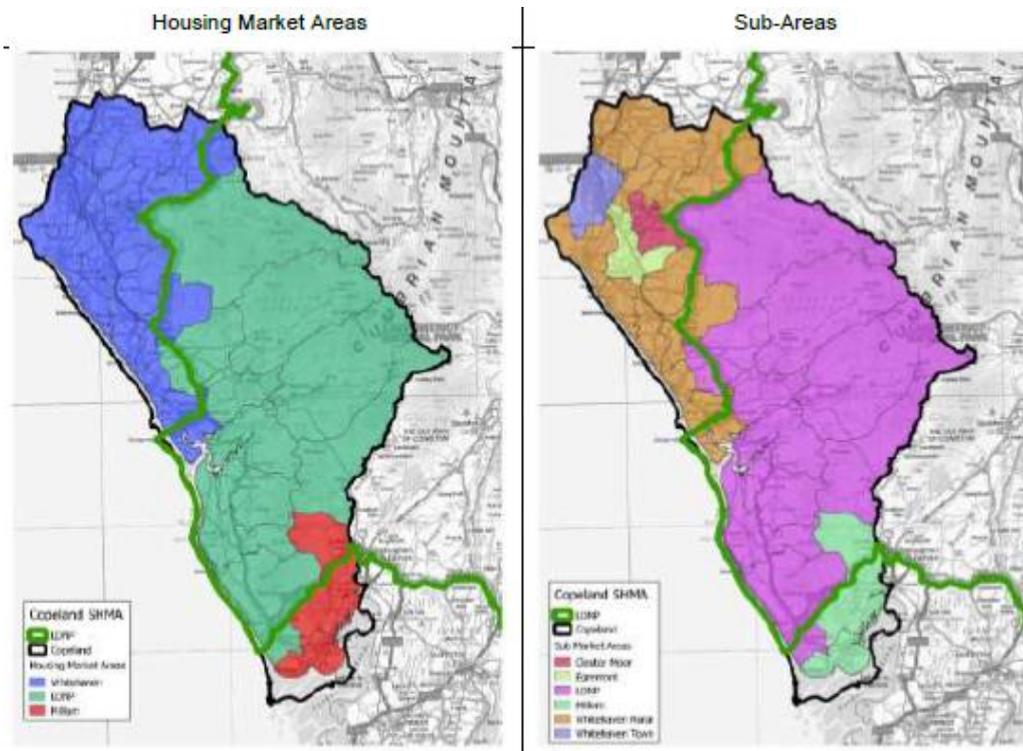
5.19 Copeland’s 2019 SHMA Update provides the latest assessment of the Borough’s housing need. The SHMA calculated containment rates of 65% and 66% for inward and outward migration respectively, rising to 83.3% and 86% if long-distance moves are excluded. The SHMA further finds inward and outward commuting containment rates of 79.2% and 86.9% respectively, and thus concludes that Copeland qualifies as an HMA in its own right. However, the SHMA breaks down the Borough along the lines of three distinct HMAs and sub-areas – Whitehaven, National Park and Millom. The SHMA’s commentary for each HMA is summarised below.

Table 5.4 Copeland HMA Overview

	Population	Households in Need of Affordable Housing	% Owner occupiers	% PRS	% Detached
Whitehaven	56,818	62	70.6%	8.1%	21.7%
National Park	3,989	7	76.8%	13.6%	51.3%
Millom	8,501	14	73.3%	11%	20.6%
<b>Copeland Total</b>	<b>69,307</b>	<b>83</b>	<b>73.6%</b>	<b>10.9%</b>	<b>31.2%</b>

Source: JG Consulting (October 2019) Copeland SHMA

Figure 5.5 Copeland Housing Market Areas



Source: JG Consulting (October 2019) Copeland SHMA

## Whitehaven

Whitehaven, Egremont, Cleator Moor, Whitehaven Rural. The Whitehaven sub-HMA contains 35% of Copeland's population, encompassing the Borough's primary urban centre itself as well as the service centres of Egremont and Cleator Moor. The area is seen as having high levels of inward migration due to its proximity to Sellafield and BAE. Agents suggest that there is no perceived gap in Whitehaven's housing market. Whitehaven itself has the lowest share of detached homes in the Borough at 13.2%. It has above Borough average levels of shared ownership and roughly borough-average house prices in the region of £125,000.

- 5.20 The area of **Cleator Moor** has a slightly younger age profile than the rest of the HMA and has the highest proportion of terraced houses at 51.6%, as well as the highest proportion of social rented properties. 19.9% of stock in **Egremont** consists of detached houses. Whilst this area has relatively cheap housing stock, it is increasingly attracting those on higher incomes due to its proximity to Sellafield. The **Whitehaven Rural** sub-HMA has the highest share of detached homes in the HMA at 36.9%.

## National Park

The National Park sub-HMA has the highest proportion of detached houses in the Borough at 51.3, has larger properties than seen elsewhere in Copeland and has the highest level of under-occupancy at 56.6% of homes having at least two spare bedrooms.

## Millom

- 5.21 The Millom sub-HMA has the highest proportion of flats and terraced houses in the Borough at 50.7%, as well as having relatively smaller dwellings. Agents suggest that around 60% of houses on sale are 1 and 2 bed terraced homes. The market in Millom is considered to be much weaker than in other areas of Copeland, with the primary market gap being in housing for older people, with very little choice in the local market.

## Eden

- 5.22 Eden's 2018 District Wide Housing Needs Survey identifies six HMAs within the Borough, however Lichfields understands that the Council is currently commissioning a Strategic Housing and Economic Needs Assessment which will seek to analyse whether these areas constitute self-contained HMAs or rather represent six sub-areas within an overall Eden HMA. To avoid confusion, the six HMA areas identified will be referred to as sub-areas in this analysis. The six sub-areas are as follows (Figure 5.6):

- 1A: Penrith Urban
- 1B Penrith Rural
- 2 Appleby
- 3 Kirkby Stephen
- 4: Alston
- 5: West of M6

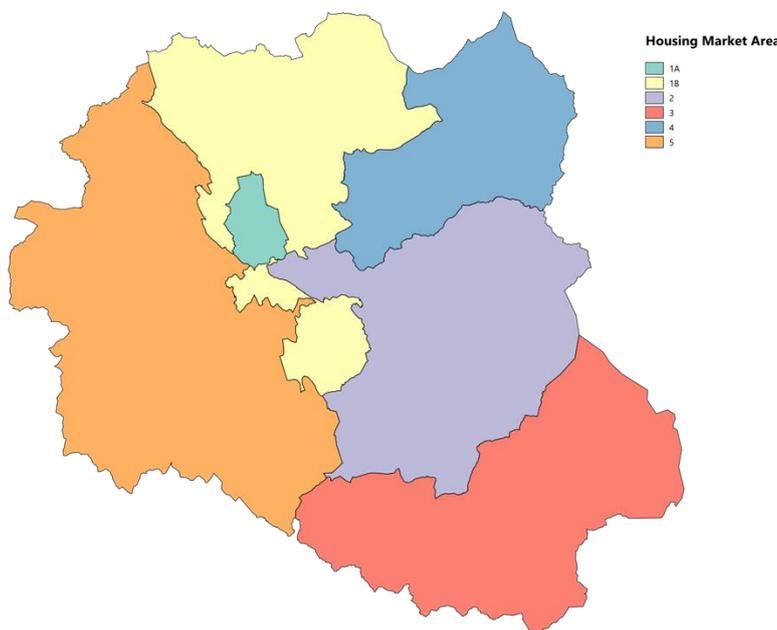
- 5.23 The Housing Study's commentary for each HMA is summarised below.

Table 5.5 Eden HMA Overview

	Total Households	Households in Need of Affordable Housing	% Detached/Semi-Detached	% Terraced/Flats	% Owner Occupied
1A Penrith Urban	7,489	7,489 (11.8%)	38.7%	50.1%	66.8%
1B Penrith Rural	4,939	4,939 (12.2%)	61.4%	18.4%	74.8%
2 Appleby	4,105	4,105 (9.9%)	52.4%	30.9%	71.6%
3 Kirkby Stephen	3,023	3,023 (11.5%)	50%	39.2%	70.3%
4 Alston	1,626	1,626 (12.1%)	54.1%	31.5%	70.4%
5 West of M6	2,581	<b>2,581 (7.5%)</b>	<b>57.5%</b>	<b>23%</b>	<b>69.9%</b>
<b>Eden Total</b>	<b>23,763</b>	<b>2,629 (11.1%)</b>	<b>47.6%</b>	<b>34.3%</b>	<b>70.3%</b>

Source: Arc4 (December 2018) Eden Housing Needs Study

Figure 5.6 Eden Housing Market Areas



Source: Arc4 (October 2018) Eden Housing Market Study

**Penrith Urban and Penrith Rural (split over three geographies)**

5.24 Penrith is a large market town that **benefits from its proximity to rail and road transport**, as well as retail and leisure services. The town is considered a **gateway to the Lake District**. Whilst the urban centre has the highest proportion of terraced houses and flats in the District at 50.1%, the rural area has the highest proportion of detached and semi-detached houses at 61.4%. Agents report that that a majority of market activity is accounted for by locals up and downsizing base on needs. There is a reported growing need for older people’s accommodation across multiple types, including bungalows and flats with lifts. There is considered to be a gap in the market for e bedroom homes, typically sought by existing households looking to upsize.

**Appleby**

5.25 Appleby is a market which benefits from its location within the **picturesque Eden Valley**, as well as **its road and rail connections**. The area has an older age profile with a high number of bungalows, however these are often situated uphill from local amenities – a growing issue for

the area. Agents report that there is a lack of 3-bed family homes and that the area is having difficulty in attracting younger professionals and families.

### Kirkby Stephen

- 5.26 This small market town is situated on the **Settle-Carlisle railway** and the **coast-to-coast footpath**, as well as having **good road links**. Recent housebuilding has seen some success in attracting first-time buyers and investors. Agents report a lack of 3-bed semi-detached homes under £200,000 for local first-time movers.

### Alston

- 5.27 Alston is a small town high in the dales that is sustained by visitors and walkers. Agents report that most new movers are local and that the area is largely seen as a **retirement destination**. The area is reported to have **good quality broadband** compared to similar areas of Cumbria, along with visitor attractions. However, it is considered that the town has difficulty in attracting and retaining young adults.

### West of M6

- 5.28 This area does not have a significant centre of population, rather being spread across a number of small villages and hamlets. Pooley Bridge is a significant tourist attraction due to its **proximity to Ullswater** with a large presence of caravan and holiday parks. The main centre of the sub-HMA would be Askham, and a majority of settlements in the area fall within the LDNP. Overall this area is the most expensive within Eden with a high proportion of 4-bed and above homes. Agents report that the market here is sustained by second home owners and holiday lettings.

### South Lakeland

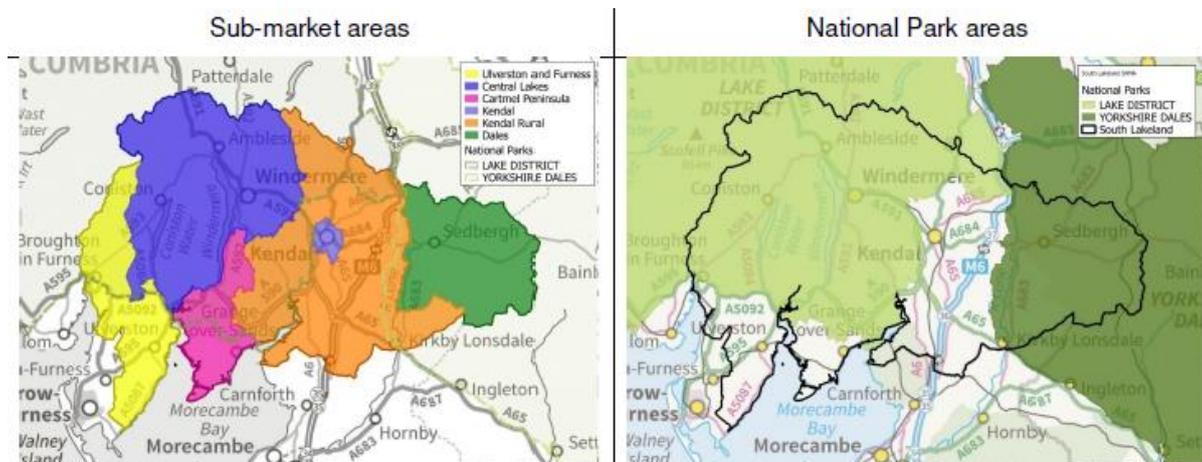
- 5.29 South Lakeland's 2017 SHMA included a full review of the Borough's HMA boundaries, finding containment rates of 59.4% for both inward and outward migration, rising to 79.8% and 77.1% respectively if long-distance moves are excluded. The SHMA further finds inward and outward commuting containment rates of 74.1% and 80.2% respectively, and thus concludes that South Lakeland qualifies as an HMA in its own right. Six sub-areas within this HMA are defined: Ulverston and Furness; Central Lakes Cartmel Peninsula, Kendal, Kendal Rural and The Dales. The SHMA's commentary for each HMA is summarised below.

Table 5.6 South Lakeland HMA Overview

	Population	Households in Need of Affordable Housing	% Owner Occupiers	% PRS	% Detached	% Terraced/Flats
Ulverston & Furness	19,704	29	76.9%	12.1%	29.2%	37.2%
Central Lakes	17,679	17	62.6%	19%	30.7%	45.2%
Cartmel Peninsula	9,607	12	78%	13.3%	40.6%	32.1%
Kendal	28,958	67	72.7%	14%	19.1%	46.8%
Kendal Rural	23,941	22	78.3%	12..7%	44.1%	27.4%
The Dales	3,565	5	70.2%	17.2%	37.1%	36.3%
<b>South Lakeland Total</b>	<b>103,454</b>	<b>153</b>	<b>76.1%</b>	<b>12.6%</b>	<b>29.5%</b>	<b>38.4%</b>

Source: JG Consulting (October 2017) South Lakeland SHMA

Figure 5.7 South Lakeland Housing Market Areas



Source: JG Consulting (October 2017) South Lakeland SHMA

### Ulverston & Furness

5-30 This sub-HMA comprises the westernmost part of the District, with the northern part falling within the LDNP. It is the least expensive area of the District across most property types and has a **growing commuter relationship** with those working in Barrow.

### Central Lakes

5-31 Much of this area falls within the LDNP, with its main attractions being **Coniston Water** and **Lake Windemere**. It is the most expensive area of the district by some margin, with the median house price of £290,000 being some £60,000 higher than the second most expensive area, the Dales. The market here is driven by the second homes and holiday lets market, as well as the area having the largest PRS market in the District.

### Cartmel Peninsula

5-32 This area is largely rural and includes the town of Grange-over-Sands. House prices are comparable to those seen in Kendal and Ulverston and Furness albeit with a more suburban feel in terms of housing types. Overall, the area has an older aged profile than the rest of the District and is home to many who commute into Kendal and to a lesser extent, Barrow.

### Kendal

5-33 Kendal is the main urban centre of South Lakeland, accounting for 27% of the District’s population, with uniquely low house prices for the District and a market skewed towards smaller properties. It has the highest proportion of terraced homes and flats in the District and is seeing **rising demand for good quality homes** for young professionals, some of whom commute to work in **Lancaster**.

### Kendal Rural

5-34 This area has no major towns but a number of smaller villages. Around half of this sub-area is covered by both the Lake District and Yorkshire Dales National Parks. Overall, the area has higher numbers of detached 3-and-4 bed homes than urban Kendal, with a larger PRS market and more second-home ownership.

### **The Dales**

- 5-35 This sub-HMA falls entirely within the Yorkshire Dales National Park and is the second most expensive area in the District after Central Lakes, with a similar market in terms of housing type, size and tenure.

### **Summary HMA Characteristics**

- 5-36 Overall the various sub-areas across Cumbria's HMAs fall into a number of broad categories with unique characteristics:

#### **Primary centres**

- Carlisle, Barrow, Whitehaven, Penrith, Maryport and Workington – These urban areas typically account for a large proportion of the borough or district's population; have a large share of smaller properties and terraced houses and flats; are generally cheaper than surrounding areas and have high demand for affordable and social housing.

#### **Desirable rural centres**

- Keswick, Kendal – These smaller Towns are usually in high demand, have faster markets and are more expensive than the surrounding areas. They attract investors and second home owners.

#### **Rising industry commuter areas**

- Egremont and Cleator Moor, Walney, Ulverston – These areas typically have older, lower quality housing stock and remain relatively cheap, but are proving attractive for younger commuters on higher incomes such as those working at industry sites such as Sellafield and BAE.

#### **Suburban settlements**

- E.g.: Wigton, Appleby, Cartmel Peninsula, Alston – these areas have a more suburban feel with a larger share of semi-detached homes, have older populations and often have issues in attracting and retaining younger professionals and families.

#### **National Park rural areas**

- These areas are typified by high prices, large often undercrowded detached homes, a large number of second home owners and a large PRS market primarily serving tourism.

#### **Other Rural Cumbria**

- These areas consist of smaller towns and hamlets in rural areas, with above average house prices but overall more slowly moving markets.

## 6.0 **Housing Market Challenges**

### **Introduction**

- 6.1 Consultation has been a key component in the development of the HDS given the need for it to be a collaborative venture so that it can be fully supported by the CLEP and its partners. As part of this study Lichfields has actively engaged with a variety of key stakeholders in the both the public and private sector to test and validate the analysis undertaken in Stage 2 to provide a greater understanding of the enablers and barriers which are impacting upon housing delivery in Cumbria.
- 6.2 Via a number of remote Workshops and 1-to-1 discussions, we consulted with a range of stakeholders including:
- CLEP partners including Allerdale Borough Council, Barrow in Furness Borough Council, Carlisle City Council, Copeland Borough Council, Eden District Council, South Lakeland District Council, CCC and the Lake District National Park Authority – from both planning and housing professional backgrounds;
  - Housebuilders – both local, SME and national volume; and,
  - Registered Providers.

### **Findings from the Consultation Exercise**

#### **Local Authority Workshop**

- 6.3 A remote Workshop was held with Allerdale Borough Council, Barrow in Furness Borough Council, Carlisle City Council, Copeland Borough Council, Eden District Council and South Lakeland District Council on 21<sup>st</sup> April 2020. Key issues raised included:
- Ageing of the population – more choice of older person housing is needed;
  - High proportion of households in fuel poverty due to high levels of older dwellings, an issue which is difficult to remedy due to the cost of retrofitting;
  - Cumbria generally has lower incomes but set alongside areas of higher demand and higher incomes, largely driven by industry workers at sites such as Sellafield and BAE Systems;
  - Many seem to fall into a gap of being unable to access owner occupation but ineligible for affordable – some alternative/innovative housing models needed;
  - Low proportions of social rented and PRS across the area;
  - Limited levels of new housebuilding to attract incomers and younger families - choice and availability of sites an issue in some areas;
  - Few high-volume house builders operate in Cumbria but there are many small independent builders; however, attracting and retaining skills is difficult;
  - Registered Providers are keen to get involved and develop properties;
  - Barrow/Copeland have the most pressing socio-economic issues but huge potential here in terms of economic growth due to weaker house prices;
  - There is a ‘place regeneration’ issue which is required to support the improving housing offer. Many MVHBs focus on 4/5 bed executive housing when there is a real gap for modest family homes;

- There is a need for more prescriptive policies in Local Plans to support diversification of the housing mix in order to provide a housing ladder for those wanting to up or downsize, as well as attracting incomers;
- Innovative Community-led housing can play a key role for local areas. Self-build increasingly important in rural areas and seen as ‘bread and butter’ of these markets.

### **Developer Workshop**

6.4

A remote Workshop was held with a range of local, SME and volume housebuilders currently active in Cumbria on 15<sup>th</sup> May 2020, including representatives from Oakmere, Storys, Esh Homes, PFK, Leck Homes, Russel Armer and Gleeson. Key issues raised included:

- Difficulties working with some Statutory consultees can lead to long delays in the planning process;
- Some RPs and housebuilders feel discouraged from going to the coastal areas due to higher build costs, unpromising demographics and marginal viability;
- Land owner expectations highlighted as a key barrier, with many having an over-inflated appreciation of build costs and land prices;
- Difficulty in getting schemes over the line once planning approval obtained a regular problem, often due to delays in agreeing s106;
- Concerns that too much of a focus on the ageing population can be self-fulfilling prophecy – if you build more bungalows you will get more elderly residents. Developers stressed the need to build homes that are attractive and affordable to young professionals and families;
- Rail travel along the coast is not good enough for commuting and is focussed on freight, resulting in high levels of commuting by private car, and high levels of congestion as a result. Improving the coastal rail line for passenger use a real opportunity;
- Increasing the availability of fast broadband is a key opportunity for CLEP – Developers will not build in areas of poor connectivity, and changes in working patterns in the post Covid-19 world make this a real issue, particularly when trying to attract young professionals as well as high-tech businesses;
- Demand for extra care is highly localised and there can often be real issues with scheme viability. However, smaller schemes of 40-50 units in well targeted locations are proving to be a relatively successful model; and,
- There is concern over Council’s allocating few large sites which can cause difficulties for local SMEs, diversifying the land available into smaller parcels could boost delivery.

### **Registered Providers Workshop**

6.5

A remote Workshop was held with a number of Registered Providers currently active in Cumbria on 14<sup>th</sup> May 2020, including representatives from Eden Housing Association, Heylo, Home Group, Riverside, South Lakes Housing and Westfield. Key issues raised included:

- There was a perception of a mismatch of social housing mix with demand along the Coast, with a suggestion that there are too many 3-beds (76% of Home Group’s stock) and not enough 1/2 bed properties available;
- LPAs looking at need rather than revealed demand was raised as an issue, with RPs requesting that Councils work more closely with them and the available data (such as data from Cumbria Choice) to determine demand;

- Barrow was highlighted as a good example of a Council driving forward planning applications and pushing statutory consultees for information;
- It was suggested that shared ownership is a real opportunity and is having some success in parts of the County but is difficult to deliver on the West Coast due to low house prices. However, it becomes more viable as part of larger mixed schemes; and,
- The most significant issue for more remote areas are build costs and the difficulty in obtaining local skilled labourers.

### **Cumbria County Council Workshop**

6.6 A remote Workshop was held with 9 CCC Officers on 15<sup>th</sup> June 2020. Key issues raised included:

- CCC's strategic outlook and ambition to align infrastructure planning with housing needs and economic development;
- CCC's role in defining and delivering the strategic infrastructure needed to support the growth of the County e.g. the Carlisle Southern Link Road;
- CCC's role in meeting specialist housing needs within the county given the aging population;
- CCC's work to support town centre regeneration and connectivity part of a strategy drive to create more liveable and investable places;
- CCC's work to ensure the County is accessible and attractive to prospective developers and residents (included in the rationale for strategic priorities like improvements to the A595 and A590);
- The emphasis CCC places on working with District Partners in the development of Infrastructure Delivery Plans;
- Service level agreements with LPAs are said to be working well – the greater level of interaction is helping progress of applications and resulting in quicker response times;
- CCC is keen to become involved with LPAs and developers earlier on during pre-application discussions and for these meetings to be a regular feature for CCC;
- Occasionally CCC see sustainable aspects of masterplans agreed at outline stage lost at RM when different architects become involved – drainage matters often cursory;
- Supervision issues relating to Highways in particular for CCC (this was raised from a developer perspective, too). CCC only have 3 Officers undertaking site Inspections for the whole of Cumbria, so resourcing is clearly an issue;
- CCC is currently reviewing its standard set of conditions, particularly drainage and highways;
- CCC is aiming to standardise s106 to ensure consistency – CCC's 2013 Planning Obligation document is being updated. This could include a pro-forma setting out typical requirements;
- Infrastructure planning is seen as critical, with a concern that not all districts have up-to-date Infrastructure Delivery Plans. There is a need to have a dedicated point of contact, set out consistent approaches to understand what is required and how the money is being spent. These plans should be updated regularly; and,
- There is an unmet need for specific sites for residents with learning disabilities.

## **Other Stakeholder discussions**

- 6.7 A discussion was held with Officers from the Lake District National Park Authority on 5<sup>th</sup> May 2020. Key issues raised included:
- Second home ownership as high as 80% of all properties in some areas, which has detrimental effects on communities as there are increasingly fewer permanent local residents;
  - The Council supports community-led housing wherever possible but notes that it is dependent on enthusiastic communities;
  - There is a continual need for smaller/starter homes to provide more balance in the market, although homes of this type are often quickly snapped up for further holiday lets, limiting their effectiveness in addressing market gaps;
  - Affordable delivery is mostly reliant on Homes England subsidy; however, local occupancy requirements can be detrimental to achieving funding even on mixed schemes;
  - Lots of old, inefficient stock which is difficult to address, but policies are generally designed to support conversion and change of use over new build;
  - Extra care units are needed but viability is difficult – smaller schemes can be successful;
  - Self-build is increasingly important and needs further support;
  - Placemaking is key to attract skilled people and retain younger professionals and families, as well as attracting inward investment; and,
  - Protecting the built environment whilst improving energy efficiency is a constant trade-off due to the high cost retrofitting as well as dwindling local skills in working with older stone properties.
- 6.8 A discussion with the CEO of Cumbria Action for Sustainability [CAfS] was held on the 13<sup>th</sup> May 2020 to discuss CAfS' work on improving energy efficiency and awareness of sustainability issues across Cumbria. Key issues raised included:
- Improving energy efficiency on a large scale is incredibly difficult due to the high costs of retrofitting. CAfS instead focus on the 'low-hanging fruit', providing general advice on how to reduce energy consumption and make small improvements to the efficiency of homes;
  - Flood repair work should be seen as an opportunity to improve energy efficiency – more joined-up thinking could make this a reality;
  - CAfS are involved with the successful Green Build Festival showcasing eco-homes, with over 70 events and 2,000 attendees last year – there is a real appetite in Cumbrian communities to improve sustainability;
  - Availability of skills is a real issue and training needs to play a larger part; and,
  - Decarbonisation of the grid is likely to be more effective than improving efficiency of homes beyond a minimum standard due to cost and lack of skills. Community housing grids have had some success in the past – it would be a good exercise to ascertain the level of interest in this as a possibility.

## 7.0 Defining the Housing Delivery Strategy

### Strategy Vision and Priorities

7.1 This HDS for Cumbria specifically responds to the vision and priorities identified in the Cumbria Housing Statement Update (2020). Its vision for housing is:

*“Cumbria is a place with a range of good quality, energy efficient, affordable homes that meet the needs of our changing populations and growing workforce; helping people to live healthy happy lives, while supporting sustainable economic growth.”*

7.2 The Cumbria Housing Group has agreed that it will achieve this vision by working together to drive housing and economic growth; regenerating and improving poor quality housing; and supporting people to live independently.

7.3 The CHS supports three key strategic priorities:

- 1 Housing Growth, Affordability and Community Sustainability;
- 2 Improving Living Conditions and Creating Thriving Communities; and,
- 3 Supporting Independent Living and Helping People Achieve Healthier, Happier Lives.

7.4 These priorities will be the basis upon which the Strategy would be developed and approaches to the key issues identified. Based on these key strategic priorities, this HDS focuses on those interventions on which collaborative working between the CLEP and Cumbria’s constituent authorities can deliver genuine added-value outcomes and where there are catalytic opportunities to address market failures, factoring in local housing strategies and plans.

7.5 In identifying the priorities for intervention, it is important to stress again that this HDS is not a statutory document. Control of housing and planning issues remains with individual Cumbrian LPAs. However, the intention in producing these interventions is that by working alongside the various Cumbrian authorities and other stakeholders, the information contained within it, and the suggested interventions and actions, will add context, depth, and additional view-points to consideration of boosting housing delivery across the CLEP area.

7.6 The remainder of this section provides a summary of the key issues emerging from the Cumbria Housing Market Analysis and the stakeholder workshops and wider consultation. This is followed by a discussion of potential policy interventions building on the three key priorities from the LIS and the Cumbrian Housing Statement.

### **1) Housing growth, affordability and community sustainability**

7.7 This CHS Priority aims to accelerate the rate of housing growth in Cumbria in order to drive a growing economy where affordable and market housing, both urban and rural, are delivered. This involves increasing the rate of current housing growth, particularly where major economic investment is expected along the M6 corridor, and with the potential for large scale future investment in West Cumbria and BAE Systems in Barrow, around the nuclear agenda.

7.8 The main issues that arose during the contextual analysis and stakeholder consultation, and the suggested interventions to help address them, are as follows:

#### **De-risk planning**

7.9 Housing delivery rates have increased significantly in recent years in Cumbria, with 1,802 net additional dwellings delivered in 2018/19 set against an overall Cumbria-wide Local Plan target of around 1,900 dpa. However, despite these positive figures, many housebuilders are often

discouraged from investing in sites in the County due to a perception that housebuilding is inherently riskier here than in many other parts of the country due to a combination of higher construction costs; a weaker (and less viable) housing market both now and in the future. Given these more challenging indicators, it is therefore particularly important that all Cumbrian authorities continue to do everything they can to help speed up the lead in times from the point at which they first submit an application for validation, through to the first completion of a building on site.

- 7.10 A key issue to be addressed therefore, is how the perceived downside risks of developing in Cumbria can be minimised by a consistent and pro-development approach by the Local Authorities so that suitable developments in sustainable locations can come forward expediently.

**Key issues to be overcome include the following:**

*Need for a consistent approach for planning application processing requirements across Cumbria by the 7 Local Planning Authorities.*

- 7.11 This broad point includes a range of issues, from some LPAs engaging more effectively with key stakeholders than others, through to approaches on design requirements and the use of pre-commencement conditions. This means that some developers are keener to pursue opportunities in some districts than others. For example, as can be seen in Table 7.1, there is considerable variation in the hurdles that prospective developers need to overcome in order to obtain planning permission across Cumbria:

- All of the Cumbrian LPAs have their own **planning application validation checklists** with the exception of Copeland Borough Council.
- Whilst it generally represents a small proportion of the overall cost of a typical planning application (particularly for major development schemes), there is also variation in the **costs of pre-application advice and guidance** on new (non-housebuilder) developments from Officers. It is free for both Carlisle and Copeland, but can cost up to £1,224.40 for two site visits and two meetings for a large-scale major development (50 dwellings or more) in South Lakeland District.
- Local planning validation requirements can vary quite widely and can pose significant additional costs on developers even when evidenced. For example, at the time of writing<sup>4</sup>, South Lakeland is the only district to require an **Accessible and Adaptable Homes Statement**, which are optional technical standards for new housing. This requires that all new build homes will be required to meet the operational Building Regulations requirement M4(2)(Category 2, Accessible and Adaptable Homes) and 5% of new build homes on sites over 40 units will be required to be wheelchair adaptable (Category 3a - Wheelchair User Dwellings).
- All of the districts have an **Infrastructure Delivery Plan** with the exception of Copeland, although some of them are almost 5 years old and they have generally been undertaken using different methodologies.
- Only South Lakeland District Council currently has a **Community Infrastructure Levy** in place, requiring residential developments to contribute £65.23 per GIA m<sup>2</sup> generally (with the exception of the Croftlands strategic housing site, south Ulverston @ £26.09/m<sup>2</sup> and Kendal and Ulverston Canal head regeneration areas where there is no CIL charge).

---

<sup>4</sup> Following the Examination of the Allerdale Local Plan (Part 2) Site Allocations (9<sup>th</sup> January 2020) it is likely that Allerdale will also require 20% of dwellings on developments of 10 or more dwellings will need to be designed and constructed to meet the M4 (2) standards and 5% on schemes of over 30 dwellings will need to meet M4 (3).

Table 7.1 Variation in Planning Application Processing requirements across Cumbria

	Validation Checklist	Pre-app advice and guidance	Accessible and adaptable homes statement	Infrastructure Delivery Plan	Community Infrastructure Levy
Allerdale	Yes	£330-£700 for Minor – Significant Major written responses & 1 meeting	No	Yes (September 2018)	No
Barrow-In-Furness	Yes	£270-£880 ranging from small minor schemes to strategic schemes	No	Yes (May 2017)	No
Carlisle	Yes	<b>Free</b>	No	Yes (September 2015)	No
Copeland	<b>No</b>	<b>Free</b>	No	<b>No</b>	No
Eden	Yes	£240-£900 Informal officer advice/opinion of proposal including meeting and/or site visit for minor-significant major developments	No	Yes (October 2015)	No
Lake District National Park	Yes	£240-£1,080 depending on the level of advice requested	No	Yes (March 2019)	No
South Lakeland	Yes	£122.40 (2 dwellings) -£1,224.40 (50+ dwellings) for two site visits and two meetings at the upper end of the scale	<b>Required</b>	Yes (August 2017)	<b>Yes</b>

*House prices are low in many parts of Cumbria, but the situation is often highly localised.*

- 7.12 Parts of Cumbria, particularly the western coastal districts of Copeland and Barrow-in-Furness, have some of the lowest house prices in the country. Whilst the situation is reversed in the most desirable and accessible parts of the County (particularly the LDNP and South Lakeland), areas where the housing market is particularly weak are often less attractive to the major volume housebuilders as development can be less viable in these locations (particularly when combined with higher build costs due to materials, supply, logistics and labour issues). Similarly, the delivery of affordable housing can also be less attractive to Registered Providers in these locations due to the substantial volume of cheaper existing stock, and shared ownership is rarely tenable in these locations given the low mortgage costs required to own a property outright.

#### *Local Authority Teams Under-Resourced*

- 7.13 During the years of austerity following the unprecedented financial crisis of 2009, across England, real spending by Councils on planning services fell by around 40% between 2010/11 to 2014/15<sup>5</sup>. Cumbria's 7 planning and legal teams were not immune and remain under-resourced or use temporary staff as necessary. Whilst the Councils have adjusted well to the challenges they have faced, some developers/housebuilders suggested that as a result of under-staffing in some authorities, this has led to delays and increased uncertainty, which was sometimes accentuated by high turnover levels of staff. This could lead to missed deadlines and delays.

#### *Delays due to S106 Agreements*

- 7.14 S106 agreements were a particular bone of contention for the housebuilders. Examples were cited whereby a resolution to grant permission has been established subject to the agreement of a s106, which can then take months if not years to deliver, with the Councils' legal teams sometimes under-staffed and inexperienced. The fact that the work is often outsourced to companies based outside of the area (both on the LPA and the developers' sides) does not assist matters. The inability to get many developments over the line, even where there is Officer approval, was raised as a concern. This was not always the case and other examples were cited

<sup>5</sup> CIPFA Financial and General Statistics – Budget Estimates (England) / JRF (March 2015) The Cost of Cuts: The Impact on Local Government and Poorer Communities

in places such as Carlisle, where the system tended to work much more effectively as they had experienced solicitors allocated to S106 work and do not outsource.

- 7.15 No doubt reflecting the very different (and often highly localised) housing markets across Cumbria, the requirements specified by individual planning departments vary widely and some developers expressed concerns that this reduced the viability of many otherwise deliverable developments. This ranged from positive experiences in Barrow-in-Furness, whereby the s106 requirements were often de-minimis (due in part to the low demographic growth reducing the pressure on services, as well as the weaker viability of development more generally), through to other LPAs where the requirements could be considerably more onerous.
- 7.16 During the consultation, Registered Providers also identified the unintended consequences of **Mortgagee in Possession [MiP] clauses** within Section 106 agreements in Cumbria, which limited future funding valuations.

#### **Case Study: Mortgagee in Possession clauses within s106 Agreements – Greater London Authority<sup>6</sup>**

MIP clauses enable Registered Providers [RPs] to provide for circumstances where an RP defaults on loan payments or other loan/mortgage terms and a mortgagee (or other relevant funding party) takes control of the RP's interest in affordable housing units as assets against which their loan is secured. The clauses allow for another RP to purchase the affordable housing units within a specified timeframe referred to as the 'moratorium period' under a prescribed procedure. This is set out in the S106 agreement and is a contractual arrangement. Where the units are not purchased within this period, they are released from affordable tenure, enabling the mortgagee to dispose of the units in order to regain some or all of the loan that they have provided.

Different approaches to MiP clauses were being applied across Greater London which caused delay to S106 negotiations and uncertainty for LPAs and the housebuilding sector. This is relevant to the level of funding that RPs are able to secure against affordable housing units to fund the provision of additional affordable housing as part of their delivery programme.

In response, the GLA produced standard S106 Mortgagee in Possession clauses in January 2019 to promote a consistent approach across London. The approach was intended to help increase the funding available for affordable housing delivery in London, whilst ensuring the role of LPAs in enabling the affordable units to be acquired, in the event of a default by the original RP. The clauses provide for a 3-month moratorium period and enable the LPA, or an alternative RP nominated by the LPA, to be granted an interest in the land within the initial period of the moratorium period. This increases the likelihood of a transfer of the units to be completed within the moratorium period. The amount payable to the mortgagee should be the greater of the amount due to the mortgagee plus relevant fees and expenses, and the value of the units taking into account the obligations under the S106 agreement. The clauses require that the parties act reasonably when determining a price for the units and undertaking the other obligations as set out in the clauses.

#### *Engagement with Statutory Consultees*

- 7.17 Engagement with statutory consultees was a key concern raised by developers on the grounds that they were often slow in coming back with their comments on issues such as drainage, which often delayed the processing of applications. One housebuilder commented that as the majority of providers hold a monopoly on such matters there is no significant penalty to progress matters and there can be lengthy delays in response to queries. There was a view that certain authorities

<sup>6</sup> Greater London Authority: Mortgagee in Possession – Section 106 Standard Clauses Practice Note (January 2019)

were much more pro-active in chasing the consultees for their views on applications than others, with Barrow-in-Furness Borough Council held to be an excellent example of a local authority that did everything it could to follow up requests for responses from the Environment Agency, CCC or UU, rather than expecting the applicant follow up requests for information. There have been issues in relation to what is agreed at the planning stage and what is then acceptable to the consultee at the technical approval stage.

#### *Provision of Infrastructure*

7.18 Whilst the Government’s policy of allowing LAs to take a greater share of Business Rates Retention provides an incentive for business growth, there remains no direct link between population growth and the provision of additional funding. Without other sources of funding, this may render the increased service costs of a growing and ageing population in Cumbria untenable for some less viable areas, and thus discourage housing growth. In a similar vein, timely government funding is not always provided to growing areas for necessary social infrastructure. There remains a challenge to unlock housing growth through the provision of new infrastructure through various mechanisms including gap funding.

7.19 There have been very notable exceptions to this. Carlisle has been one of the major beneficiaries of the Government’s HIF, with the Forward Fund pot allocating £102 million of the £112 million need to develop the CSLR (which will connect Junction 42 of the M6 with the A595 to the west of the City and support the development of 10,000 new homes at SCGV, which also received £300,000 from MHCLG on 13<sup>th</sup> February 2019 to support the planning process). The remaining £10m will be split equally between CCC and Carlisle City Council, who aim to recoup the investment from future developer contributions. The Carlisle Southern Link Road was secured by CCC and this represents an example of effective infrastructure work between the County and District Councils that can be further replicated.

#### *The need for Superfast Broadband*

7.20 Whilst crucial for business, the availability of superfast broadband is also a key concern for many prospective Cumbrian residents and is likely to become an increasingly important consideration as homeworking becomes the new normal. Many developers highlighted its absence in many of the more isolated rural villages as being a real disincentive to development, and although connectivity is good in the larger urban areas, and specifically Carlisle, there still remains 17% of premises without access to superfast broadband coverage in Eden and across the Lake District National Park. Whilst ultrafast broadband coverage is comparatively good in Carlisle, with 41% of premises covered and 12.5% having full fibre access, it is virtually non-existent in Barrow in Furness and Copeland. It should be recognised that work is ongoing by Connecting Cumbria and Digital Borderlands to further reduce gaps in provision. This work is being led by CCC.

Table 7.2 Broadband coverage across Cumbria

	Superfast (Over 30 Mbps) (% premises)	Ultrafast (Over 100 Mbps) (% premises)	Full Fibre (Fibre to the Premises) (% premises)
Allerdale	92.6%	3.0%	3.0%
Barrow-In-Furness	99.1%	0.9%	0.9%
Carlisle	94.6%	41.2%	12.5%
Copeland	96.1%	1.4%	1.4%
Eden	83.0%	5.2%	5.2%
South Lakeland	93.9%	9.8%	9.4%
<b>Cumbria</b>	<b>93.7%</b>	<b>12.6%</b>	<b>6.2%</b>
<b>United Kingdom</b>	<b>96.8%</b>	<b>61.6%</b>	<b>14.6%</b>

Source: Analysis using data from Thinkbroadband.com, looking at the % of properties covered by ultrafast broadband (>100mbps), as of 27<sup>th</sup> June 2020.

### *SUDS / Drainage Infrastructure*

- 7.21 The adoption of SUDS and more traditional drainage infrastructure was cited as a concern by developers, with a mismatch identified between the requirements of the EA, UU and CCC in their capacity as Lead Local Flood Authority, sometimes occurring in the past. The discharge of surface water is often problematic for similar reasons. Where there is a mismatch in requirements this will cause a delay to developers. It is understood that the County Council now has a good working relationship with the Environment Agency and progress has been made with United Utilities particularly in relation to agreeing approaches to surface water disposal from sites.

### *Local Occupancy Conditions*

- 7.22 Local Occupancy Conditions can be a significant issue. Although not applied everywhere in Cumbria, as the larger Registered Providers often package up a number of smaller schemes together to obtain funding from lenders, they can only include a certain number that have a specific restrictive covenant on them regarding future occupancy restrictions. As a result, many of the more marginal schemes are excluded from the funding package and, when considered in isolation, do not stack up or come forward for financing at all. For example, Homes England will not provide grant funding for any shared ownership properties with local occupancy conditions. There is also a risk for rented units as well, as this makes it more difficult and time consuming to implement cascade for lettings. Risk is priced in, which ultimately impacts on the viability of the development.
- 7.23 To give one example, as part of its affordable housing qualifications policy, South Lakeland District Council has as one of its three main clauses (the others being housing need and use of the property as the principal home) the requirement to demonstrate a local connection. This clause provides a group of cascades to ensure that only people with an established connection to the specified locality can buy the property. There are variations in local connection criteria between s106 agreements, although most state that the household must have lived for at least 3 years immediately prior to their application or, have a permanent job or firm job offer in one of the parishes listed in the s106 for the locality.

### *Landowner Land Value Expectations*

- 7.24 Concerns were expressed by some of the Cumbrian LPAs that landowner expectations on land values were over-inflated because build costs are generally higher than elsewhere in England. Several examples were cited whereby expected land values were excessive, which either reduced the likelihood of that site coming forward for development (as many landowners are happy to sit on their land for many years if not decades until the price is right for them to sell), thus suppressing supply; or that if a housebuilder did commit, then this significantly reduced the viability of developments and the ability of housebuilders to commit to the affordable housing, s106 and design requirements specified by the authorities.

## **Potential Interventions**

- 1 **Create a pro-development culture.** There is a need for greater levels of flexibility when assessing the merits of planning applications with a particular focus on commercial acumen. Strong leadership from Senior Planning Officers involving carefully managing Members' expectations and setting the parameters for processing applications will be vital going forward. This could involve the CLEP taking an appropriate interest in assisting

Councils to identify best practice elsewhere in light of the current Covid-19 crisis, which could even involve suspending pre-application enquiry fees across the Board (and not just for Copeland and Carlisle) and other effective systems for determining planning applications in the current circumstances. The CLEP could also be more assertive in making the economic case for housing more widely; including the leveraging of business support given the strategic requirements for population growth to ensure Cumbria has the workers we require for the future.

It is recommended that each district **identify a pro-development champion/enabler for each authority** – a Senior Officer who will internally co-ordinate the various internal inputs of the Local Authority by taking a strategic role to housing delivery, planning and legal as well as promoting engagement with statutory consultees. Both Carlisle City Council and Allerdale Borough Council were identified as being good local examples of Members and Planners working hand-in-hand towards common goals, with strong leadership between the Head of Development Services and the Chair of the Planning Committee, which works well. The Government’s Planning White Paper (August 2020) suggests that each LPA should have a Chief Officer for design and place making to help ensure there is the capacity and capability locally to raise design standards and the quality of development. This Chief Officer could also take responsibility for driving forward development in that authority, although care would need to be taken to ensure that this aligns with a Local Authority’s statutory responsibilities in order to avoid conflicts of interest etc.

- 2 **Up-to-date Local Plans:** The Government’s ‘Planning for the Future’ document (March 2020) states that it will require all LPAs to have up-to-date (less than 5-years old) local plans by December 2023, with the threat of intervention where local authorities fail to meet the deadline in accordance with the existing statutory powers. Paragraph 33 of the NPPF clarifies that *“Policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary. Reviews should be completed no later than five years from the adoption date of a plan consequence for the foreseeable future.”*

Having an up to date Local Plan is therefore a cornerstone of our planning system, and is critical in ensuring Councils address their priorities for development whilst providing developers with greater certainty as to whether their development is likely to be acceptable to the LPA. Numerous studies have shown that having an up to date Local Plan in place helps boost housing delivery. Table 7.3 indicates that 4 of the 7 districts currently have Local Plans that are over 5 years old as of 1<sup>st</sup> July 2020, although the LDNP’s Local Plan Review is well advanced, with Main Modifications consultation expected shortly following an Examination in Public. Both Copeland Borough and South Lakeland District Councils have also made good progress towards their Local Plan Reviews.

The CLEP has a role to play in encouraging and supporting the 7 LPAs to bring forward and update their local plans over the next 2 years, which is likely to be particularly important given the economic crisis caused by the pandemic and the Government’s promise to undertake a ‘root and branch’ review of the planning system, which may involve a radical review of the current standard methodology for calculating Local Housing Needs, which is currently not fit for purpose for Cumbria’s LPAs.

It is suggested that each LPA take a plan-led approach to meeting housing delivery targets set in the Local Plan whilst supporting developers to increase development density and optimise design to maximise opportunities to deliver affordable housing to meet local need.

This could include hosting a series of **CLEP-sponsored Housing Business Ready visits** with housing and planning authorities across Cumbria to highlight the contribution

that the local authorities can play in promoting accelerated housing delivery. **CLEP's involvement in each Local Plan as a key consultee would also involve clearly articulating its growth aspirations for each District** (both in terms of the overall quantum of growth and the key industrial sectors targeted) as part of its March 2019 Local Industrial Strategy and other economic development strategies it is producing in response to the current Covid-19 crisis, which would need to inform each LPA's economic evidence base (specifically their Employment Land Reviews).

Table 7.3 Current Local Plan Status across Cumbria

Authority	Current Adopted Local Plan	Age (as of 1 <sup>st</sup> July 2020)	Local Plan Status
Allerdale	Local Plan Part 1 (16 <sup>th</sup> July 2014) Site Allocations Local Plan Part 2 (Oct 18)	6.0 years	Part 2 being considered for adoption following examination.
Barrow-In-Furness	Local Plan 2016 -2031 (4 <sup>th</sup> June 2019)	1.1 years	Adopted
Carlisle	Local Plan 2015 – 2030 (8 <sup>th</sup> November 2016)	3.6 years	Adopted
Copeland	Core Strategy 2013 – 2030 (5 <sup>th</sup> December 2013)	6.6 years	LP under review. The Council carried out a public consultation on the Issues and Options Draft November 2019 to January 2020. The Council is currently considering all responses received and these will inform the forthcoming draft, the Preferred Options Draft, which will be published in Summer 2020.
Eden	Local Plan 2014 – 2032 (11 <sup>th</sup> October 2018)	1.7 years	Adopted
South Lakeland	Core Strategy (20 <sup>th</sup> October 2010)	9.7 years	LP review commenced, but at an early stage
Lake District National Park	Core Strategy (Adopted October 2010)	9.7 years	Pre-Submission Local Plan (April 2019). Main Modifications consultation following Local Plan EIP Hearings expected shortly

- Increased capacity to deliver.** There is a need for LPAs to increase their capacity for processing applications, which could involve working with developers on larger schemes to part (or wholly) fund planning staff working on their application. This includes a need to ensure continuity of planning staff working on applications and their availability to developers to overcome the current situation whereby LPAs can be reliant on agency staff coming in from outside the area and who are only available one or two days a week. This could include a commitment to make sure that there are always suitably qualified staff available to discuss applications with developers during work hours if this is not currently the case.
- Consistency of approach.** There is a need to ensure that all Cumbrian LPAs are consistent across the board in terms of their decision making; the timeliness of decisions; and the consistency of requirements. This could involve more widespread use of Planning Performance Agreements for more complex applications.

For example, in September 2013 CCC's Cabinet adopted its **Planning Obligations Policy Document**. This sets out the Council's policy approach to seeking developer contributions towards infrastructure through S106 agreements as part of the planning process. It is now 7 years out of date and does not (for example) include requirements for healthcare provision or special educational needs, whilst the Extra Care needs identified relate to March 2011 data.

An up-to-date version would be helpful in setting out a consistent scale of planning obligations that will be expected for all types of housing development across Cumbria. This could include a standard pro-forma setting out typical requirements, and involve a standard protocol in terms of the validity of any S106 requirements. This could introduce a new template and process for Development Management Officers instructing legal officers on S106s which will also cut down on the time taken for Cumbrian Councils to deal with S106s. This will help ensure that developers have a degree of certainty as to what will be required from them, which will also help them in their negotiations with landowners and agents when valuing the land. There will also be a need for a combined effort with landowners about land value expectations, whilst also ensuring that the S106 requirements do not make prospective developments unviable. There is also a need to ensure that the CCC carry the LPAs with them and ensure that they get their buy-in when drafting the S106 document.

- 5 **Enhancements to S106 process.** Greater certainty on planning obligations specific to sites in advance of formal pre-application discussions is critical. This could involve LPAs and developers work together to hold early discussions with Officers on triggers for S106 obligations in parallel with determining the application. This would be beneficial in frontloading potential issues and hence avoiding delay further down the line. This could include the submission of Heads of Terms following pre-application discussions. Whilst obligations will vary from site to site, a standard protocol in terms of the validity of certain requirements could be recommended to avoid a situation where it is reported at the site offer stage that £xx is needed towards, for example, highways infrastructure provision, only for the developer to then acquire that site, work up a scheme, submit an application, at which time it is identified that £y is needed.

Regarding affordable housing, it is also recommended that there is earlier involvement of Registered Providers from the outset to iron out any S106 issues further down the line.

If the S106 requirements are standardised through an updated Planning Obligations Policy Document produced by CCC (see above) and there is a greater understanding of what will be required for each site from developers, then there may be an opportunity to deliver properties with fewer bedrooms because that is likely to be increasingly viable to the MVHBs once other costs are stripped out; otherwise developers are likely to focus on delivering what they know is profitable – particularly larger 4/5 bed properties.

There may be an opportunity for CLEP to work with the LPAs to increase the number of Cumbrian districts that adopt a Community Infrastructure Levy, thus providing increased certainty for developers about infrastructure requirements. This should include working with the County Council in the development of CIL proposals given its role in infrastructure planning and delivery. At present, only South Lakeland District Council has an adopted CIL schedule, although it is understood that Carlisle City Council is also considering this mechanism for delivery.

- 6 **Increased number of Pre-application discussions.** These are important and are currently undertaken on most, if not all, major applications in Cumbria. However, it is recommended that these should continue on an on-going basis up to submission rather than as a one-off meeting which sometimes happens currently.
- 7 **Removal of many Pre-Commencement Conditions which can lead to delays.** These should be used as a last resort to reduce the numbers used. Developers should also be allowed sight of them before they go to Committee to address minor issues which could have significant consequences if missed.

- 8 **Review of Occupancy Conditions.** It is suggested that a Review be undertaken of the use of Local Occupancy Conditions across the County, and whether there is a need to move towards a much wider geographical area, which is currently under consideration, or whether there is a need to remove them altogether, particularly for urban areas such as Carlisle City and SCGV. Whilst they may well still have a role to play in some rural areas where house prices would otherwise be unaffordable and where the resultant lack of social housing could result in younger residents having to move away, this needs to be balanced against the clear need to attract more younger households into the County from beyond if Cumbria is to sustain its economic growth. The current situation impacts the ability of developers both to access funding for the development sites, but also to sell the properties once constructed, which again reduces their viability with the unintended consequence being that fewer affordable homes can be sold to meet local needs.
- 9 **Review of Conditions.** When used properly, conditions can enhance the quality of development and enable development to proceed where it would otherwise have been necessary to refuse planning permission, by mitigating the adverse effects. The objectives of planning are best served when the power to attach conditions to a planning permission is exercised in a way that is clearly seen to be fair, reasonable and practicable. However, as recognized by the Government<sup>7</sup>, it is important to ensure that conditions are tailored to tackle specific problems, rather than standardised or used to impose broad unnecessary controls. It is recommended that the Cumbrian LPAs undertake a detailed review on the use of conditions to ensure that they are specific to that application, and whether they are suitably flexible to ensure that developments are not unduly delayed from coming forward.
- This may explore issues that arose during the consultation, including suggestions including current conditions relating to materials needing to be more flexible as sometimes a precise red brick for example can be difficult to source at the point construction begins. Other suggestions that could be explored by such a review include routinely conditioning materials as post slab/foundation level as opposed to pre-commencement as this would enable a start on site whilst the specific materials could be pinned down in parallel.
- This could also include CCC updating its set of standard conditions (which we understand is underway) which it recommends to LPAs to reflect legislative changes and also to ensure they are fully aligned with adopted Local Plans.
- 10 **Resourcing for Cumbria County Council:** CCC's role has changed significantly in recent years, and it has significantly improved its procedures and ways of working to adapt to the challenges that have arisen. This has encompassed Flood & Development Management Team taking on responses for highways and Lead Local Flood Authority [LLFA], with new powers and duties for managing flooding from local sources, namely Ordinary Watercourses, surface water (overland runoff) and groundwater in the administrative area of Cumbria. It is working together with District Councils through a Making Space for Water Groups [MSFWG] chaired by LLFA and involving other Risk Management Authorities (RMA) such as the Environment Agency [EA] and United Utilities [UU] steering local flood risk management activities in Cumbria.
- It is suggested that CLEP and the district Councils meet with the County Council to ensure that all parties know the implications of delay, what is expected of them and a commitment to provide feedback on applications in an expeditious manner. It is understood that particularly in relation to Highways, CCC has recognised in the past that there have been issues in relation to what has been agreed at the planning stage, with what is then acceptable to the County Council at the technical approval stage. To deal with this issue,

---

<sup>7</sup> MHCLG (6<sup>th</sup> March 2014) PPG Paragraph: 001 Reference ID: 21a-001-20140306

the views of the Officers involved in the Technical Approval stage are now sought internally as early as possible in order to influence CCC's response at the planning stage, and that DM Officers and Technical Approval Officers now also hold regular meetings to discuss applications. Similarly, it is understood that the Council now engages with both the EA and UU early in the consultation process to try and agree the approach to the drainage strategy.

CCC has sufficient resources and has 9 main officers, 3 lead officers involved in looking at planning and flooding across Cumbria. Supporting them is 3 Highways Engineers who deal with S38 and S278 for technical approval. Resourcing for site inspections had been insufficient but recent changes have been made by Highways to improve this across Cumbria. Increases in staffing levels have been essential to support road adoptions by the County Council.

It is also suggested that CCC are **invited to attend more pre-application discussions between housebuilders and LPA Officers**, particularly on discussions regarding drainage, as there have been issues if the masterplan changes significantly between outline and reserved matters if different people are involved.

- 11 **Co-ordinated infrastructure investment to de-risk the delivery of sites and reduce abnormal costs:** It is vital to ensure the delivery of a range of infrastructure in a holistic manner, with LPAs, the CLEP and the CCC prominent in ensuring that flood defences, highways infrastructure, public transport, utilities and community facilities are delivered in an expedient manner. Developers need to contribute their fair share, but they need the certainty that their contribution is proportionate to addressing the increased infrastructure pressures generated by their particular development scheme, and that any shortfalls will be made up by public intervention. This would include CLEP helping to unlock housing growth through Local Growth Fund projects, particularly in areas where viability constraints are the greatest barrier to growth.

It is suggested that this could involve **Infrastructure Dependencies Mapping**. The performance of utility companies has been investigated by the Housing and Finance Institute [HFI]. HFI's report *'How to Build Homes Faster'*, published in March 2016<sup>8</sup>, identifies that the time and costs associated with securing provision of essential services (water, gas, electricity, telecoms) can introduce significant delays into the delivery of new homes. HFI developed an approach to planning of infrastructure linked to housing provision called Infrastructure Dependencies Mapping and recommended that this be undertaken in areas of significant housing growth to provide a firmer basis for forward planning of infrastructure provision and for negotiation with the relevant local infrastructure providers.

Infrastructure Dependencies Mapping across Cumbria could be undertaken by the Councils and CLEP working together. This approach would provide a firmer basis on which to understand and negotiate the more effective provision of utilities within an area other than on an individual business-to-business basis. This would also help ensure that the utilities companies are planning for the increased activity which is needed in order for them to fulfil their regulated connections role. This could help to ensure that housing is not delayed due to poorly co-ordinated road and utility infrastructure investment.

- 12 **Understanding Infrastructure Delivery Planning Work across Cumbria and Identifying where the Gaps are.** As set out in Table 7.1, not all of the Cumbrian LPAs have an Infrastructure Delivery Plan [IDP], whilst the IDPs that are available were undertaken between 2015 and 2019, often to very different methodologies and levels of

---

<sup>8</sup> The Housing and Finance Institute (March 2016): How to Build More Homes, Faster

detail. Plenty of very good work has been undertaken to date on this by the LPAs involved, with infrastructure delivery working groups created, but it is suggested that more work could be done to ensure a more joined up approach is taken to infrastructure delivery and monitoring. It is suggested that CLEP takes a lead in bringing all of these together and planning for infrastructure delivery in a holistic manner. This could include:

- Working with LPAs to ensure that all have an up-to-date Infrastructure Delivery Plan;
  - Updating each IDP on a regular basis;
  - Providing a dedicated point of contact for each district;
  - Created a single IDP working group across Cumbria that builds on the good work already undertaken at district level;
  - Ensure that all IDPs are undertaken to a common methodology and assumptions, using transparent and up to date data;
  - Identify a standardised approach with a similar level of analysis and delivery;
  - Set out how infrastructure funding has been spent at year end, with a defined set of schemes for which Business Cases can be provided. This could involve the production by CLEP of a Live Table that would be accessed and updated regularly by the districts.
- There are a number of examples where joint IDPs have been prepared. Most of these have been in the context of authorities (often urban), where the infrastructure issues for each are entwined. Examples in the North of England include Newcastle and Gateshead Councils<sup>9</sup>.

It is of course noted that the CLEP is not a statutory consultee, LTA, infrastructure provider or deliverer. It is therefore important to stress the role of CCC in supporting the development and implementation of IDPs at a local and potentially at a strategic level. This will present an opportunity to align wider investment, strategy and funding applications to secure the best opportunity to deliver critical infrastructure for the County.

- 13 **CLEP to support strategic infrastructure leadership:** This would involve CLEP working with neighbouring Local Enterprise Partnerships [LEP] (North East LEP, Lancashire LEP and York & North Yorkshire LEP), CCC and LPAs across the north to help realise the area's housing potential, particularly resulting from new strategic transport infrastructure. This could involve promoting innovative and varied methods and types of housing delivery. In this regard it is recommended that the CLEP work with CCC and the 7 Cumbrian LPAs to resolve local housing infrastructure issues, particularly the upfront funding of large-scale developments (recognising that these are generally less prevalent here than in many other parts of England). As the LTA, CCC has a strong track record of securing significant infrastructure to support strategic growth, including recently at St Cuthbert's Garden Village. CCC is also working with SLDC to secure scheme development funding from the Department for Transport [DfT] for the Kendal Northern Access Route linked to their Local Plan.

There is therefore likely to be a role for CLEP, in partnership with the Cumbrian LAs and CCC, in helping the area to access the Government's latest infrastructure funding streams; other initiatives from the Homes England; and other sources of housing investment. The role of CLEP would be to draw together the various opportunities and align those in an identifiable and understandable vehicle that draws together various sources of funding available to accelerate each programme.

---

<sup>9</sup> <https://www.gateshead.gov.uk/media/1888/EL47-Infrastructure-Delivery-Plan-IDP-and-Schedule/pdf/EL47.-Infrastructure-Delivery-Plan-IDP-and-Schedule.pdf>

By investing in a series of schemes, through both grant and investment mechanisms, a cross-subsidy approach could then operate across Cumbria that would deliver financial returns over time whilst enabling otherwise unviable/undeliverable schemes to be unlocked. This could involve the **CLEP extending its current Cumbria Infrastructure Fund**, which promotes the delivery of key infrastructure to unlock developments that help generate jobs and homes. Project applicants repay their funding award to enable CLEP to continue to support economic growth throughout the County<sup>10</sup>.

**Case Study:** Precedents for this type of initiative have already been established, including the Housing Package for the West of England<sup>11</sup>. In return for the West of England authorities of Bristol, Bath and North East Somerset, South Gloucestershire and North Somerset committing to accelerate housing delivery to 7,500 homes per year in the early years of the JSP Plan period between 2018/19-2020/21, in return, the Government committed to:

- Capacity Funding totalling £3m to establish a strategic delivery team to progress large sites for housing development.
- Taking the HIF Forward Funding bids for Bristol Temple Meads to Keynsham Strategic Growth Corridor and Enabling Infrastructure for M5 – A38 Strategic Development Locations through to co-development – the next stage of the competitive HIF process.
- Government and Homes England will work with local stakeholders to explore the potential for a deal with WECA, working with North Somerset, and Housing Associations on Affordable Housing.
- A joint-partnership between WECA, working with North Somerset, and Homes England on land acquisition and infrastructure.

- 14 **Improving Digital Connectivity:** This would ensure that high speed broadband is put in place across the County, as many developers highlighted its absence in many of the rural villages as being a real disincentive to development. The coverage of broadband has improved considerably in Cumbria over the last 5 years, helped by the Connecting Cumbria project (detailed below), which has accelerated the roll-out of superfast broadband to most villages in Cumbria. The move towards ultrafast broadband will be key to supporting the growth in home and remote working for people who want to enjoy the many benefits of living and working in Cumbria.

The aim will be for the CLEP to build on and extend the impressive on-going work of Connecting Cumbria (see Case Study below) to continue to improve fibre connectivity: continued expansion and roll-out of Connecting Cumbria (both superfast and ultra-fast broadband) to increase access to good quality internet connection needed for modern business to move Cumbria to as close as possible 100% access to superfast broadband. This would also involve improving mobile connectivity work on development of 5G provision (and full 4G provision) with mobile operators, supporting the digital investment proposed as part of the Borderlands Inclusive Growth Deal.

**Case Study: Connecting Cumbria<sup>12</sup>**

- Connecting Cumbria, the project to support the roll out of superfast broadband in the county, is being delivered by CCC and Openreach, supported by Building Digital UK, and part-funded by a £3.6 million Local Growth Fund allocation from CLEP, has helped to provide 9,171 premises with access to superfast broadband. Since 2013 the project –

<sup>10</sup> <https://www.thecumbrialep.co.uk/cumbria-infrastructure-fund/>

<sup>11</sup> MHCLG (21<sup>st</sup> March 2018): Outline of Interim Housing Package for the West of England

<sup>12</sup> <https://www.thecumbrialep.co.uk/improving-our-digital-connectivity/>

total cost £6.46 million with the remainder coming from Government via Building Digital UK – plays a key role in ensuring that Cumbria is able to offer a high-level of digital connectivity for both residents and businesses alike.

- It has exceeded its output target, ensuring that CLEP has already achieved its Growth Deal target of 5,000 premises with access to superfast broadband. The final element of Growth Fund allocation - £1,578,196 - is forecast to be spent in 2019/20.

- 15 **Other Mechanisms to speed up the application process:** There are a number of examples across the country, such as Lancashire County Council<sup>13</sup>, whereby the Council transparently sets out what is required and how contributions are calculated, with standard clauses. Whilst this is not to endorse the actual content of those particular requirements, a similar approach could be explored for Cumbria that would provide consistency and transparency to applicants. The result could be a ‘shopping list’ of standard clauses and requirements. Developers could then have a choice in either sticking with certain standards and expecting a quick and positive decision; alternatively, if they challenge any of the clauses / requirements, then they should accept that the process is going to be longer. This involves managing and streamlining expectations.

### Support more locally-led land release

- 7.25 A key issue raised by many of the housebuilders was the lack of a variety of housing sites across the County, particularly in terms of site size and location, that were likely to appeal to a range of developers. The current reliance on a few very large sites in certain areas, whilst very positive in many respects, may prove problematic regarding the short-term housing land supply, and if not properly masterplanned, could restrict the ability of other housebuilders not currently active in Cumbria to enter the market.

#### Key issues can be summarised as follows:

##### *The Development Pipeline*

- 7.26 The Cumbria Housing Statement suggests that Cumbria has an ambitious development pipeline - 16 priority sites are listed, featuring over 15,700 homes, having been approved by the Cumbria Chief Executive’s Group. This includes some very large sites including the largest Garden Village in the North West – the 10,325 dwelling SCGV. Whilst this is a very positive step for delivery over the longer term, Lichfields’ research suggests that from the date at which an outline application for a 500+ site is validated, on average it can take between 5.0-8.4 years for the first home to be delivered; such sites often make no (or very limited) contribution to completions in the first five years<sup>14</sup>. In respect of the 5-year supply and the contribution from St Cuthbert’s, however, it is noted that the first application from Homes England for c. 160 dwellings in the Carleton area has been approved subject to the S106 being signed off. According to Officers, this is expected shortly, and Homes England are expecting that the first housing will be delivered on site around late 2022.
- 7.27 Nevertheless, SCGV is very ambitious and will take many years to be delivered in full. Whilst being generally supportive, developers raised some concerns regarding the scheme’s viability and S106 and CIL requirements with a lack of certainty as to what the final ‘bill’ will be for those developers pursuing the earlier phases of the scheme. The Council is aware of these concerns, and as part of the ongoing work for SCGV, alongside the preparation of the DPD, the Council is in the process of procuring consultancy advice on the preparation of two SPDs, one of which will

<sup>13</sup> <https://www.lancashire.gov.uk/council/planning/planning-obligations-for-developers/>

<sup>14</sup> Lichfields (February 2020): Start to Finish - What factors affect the build-out rates of large-scale housing sites? 2<sup>nd</sup> Edition

give guidance to the approach for any potential early development prior to the formal adoption of the St Cuthbert's Local Plan.

*Need for a Range of Diverse Portfolio of Sites across the County*

- 7.28 There is a need for a range of sites of different sizes in sustainable locations where there is high demand. Demand remains for sites to the north of Carlisle, providing a different offer to the SCGV further south. At present, the City Council only has a 5YHLS of 5.2 years. If there is a significant delay to the SCGV<sup>15</sup> then the Council may get to a position whereby it no longer has a 5YHLS and starts to lose control of development in its area. Similarly, concerns were expressed regarding Eden, where there is considerable demand in places such as Appleby and many of the attractive Key Service Centres in the District, but a general lack of smaller deliverable housing allocations.
- 7.29 The creation of effective delivery pipelines is important, with the priority sites identified through the Cumbria Housing Statement having an important role to play. These priority sites (approved by the Cumbria Chief Executive's Group and identified in the Cumbria Housing Statement March 2020) include:
- Former Corus site, Workington (600 dwellings)
  - Derwent Forest, Allerdale (200)
  - Marina Village, Barrow (650)
  - St Cuthbert's Garden Village, Carlisle (10,325)
  - Carlisle Station Gateway (TBD)
  - Harras Moor, Whitehaven (370)
  - Former Marchon site, Whitehaven (500-600)
  - Moor Farm, Millom (200)
  - Carleton Strategic Development, Penrith (839)
  - North Penrith Strategic Development (653)
  - Orrest Head Farm, Windermere (c.150)
  - Sheepdog Field extension, Keswick (c.100)
  - Wellbank, Bootle (50)
  - Croftlands, Ulverston (1022)
  - North East Kendal – broad location (400)
  - Kendal Town Centre (400).
- 7.30 It is intended that these key sites will be the main focus for development activity going forward, and towards which funding support can be focused. These sites should be a focus for joint working with CLEP, CCC and LPAs. Further work is required on these sites to identify what is required to facilitate their development. This could be linked to the development of a sub-regional HIF proposition (see action identified below).

---

<sup>15</sup> Carlisle City Council Officers confirmed that consultation is still going ahead on the St Cuthbert's GV masterplan shortly taking into consideration the current restrictions but will allow for flexibility if and when guidance changes in respect of public meetings etc.

*Insufficiently diverse range of housebuilders operating in Cumbria*

- 7.31 There is a general absence of Major Volume Housebuilders [MVHB] operating in the County, and there are also obstacles in the way of small-medium sized housebuilders entering the market. At present the market is dominated by a small handful of larger housebuilders, notably Persimmon, Story, Taylor Wimpey and Gleeson's; smaller local housebuilders; and one-off self-builders. Stakeholders suggested that it is difficult for new medium-sized entrants to penetrate the market because many of the larger sites have been optioned by housebuilders already operating in Cumbria. Many of the MVHBs who do not have a presence in Cumbria are discouraged by the perceived higher costs of development, lower profitability, weaker house prices (particularly along the coast and the more remote rural areas) and unpromising demographics.
- 7.32 Housebuilders often referenced the importance of South Lakeland District as being the 'gatekeeper' to accessing Cumbria's housing market for the majority of southern/Midlands-based MVHBs. Those with a positive experience of dealing with Council Officers at SLDC and their ability to obtain planning permission in one of the strongest housing markets in the sub-region, were more inclined to progress further north/west and identify other potential development sites in the County.
- 7.33 It is noted that Carlisle City Council has recently commissioned soft market testing which is looking at the shortage of major housebuilders in the area along with the under-representation of other sectors including self and custom build.

**Potential Interventions:**

- 1 **Encouraging effective and positive plan making**, as this will support more locally-led land release. This includes encouraging pro-active approaches to Strategic Housing Land Availability Assessments [SHLAAs] to actively align planning strategies with landowner promotion, and indeed use the former to encourage the latter. This could include extending beyond the technical exercise of developing SHLAAs into considerations of wider delivery issues. Keeping all housing sites under constant review and active monitoring to support more housing delivery through interventions (if necessary) would be a helpful approach. This will allow all partners to exchange information on challenges and opportunities for housing development in Cumbria.

**Case Study: How LAs can obtain the best outcomes when they negotiate large housing developments or garden cities (RTPI/UCL Local Authority Direct Delivery of Housing: Research Paper (July 2019):**

- It is important for local authorities to have good relationships with major landowners in their area given the length of time it is likely to take for the development to be delivered;
- Having landowner commitment to quality and placemaking may mean that relationships can be more flexible, although it will depend on what kind of agreements have been made in the planning application. There may also need to be a fall-back review mechanism;
- On any major development, it is important to have a PPA whether the authority is large or small as these developments require significant resources;
- Team continuity is important in the successful delivery for both the council and the developer; and
- In order to manage housing delivery, reliance on major sites to deliver the required housing needed in the local plan may be a risk and other initiatives such as allocating more land than required elsewhere may be a reasonable strategy.

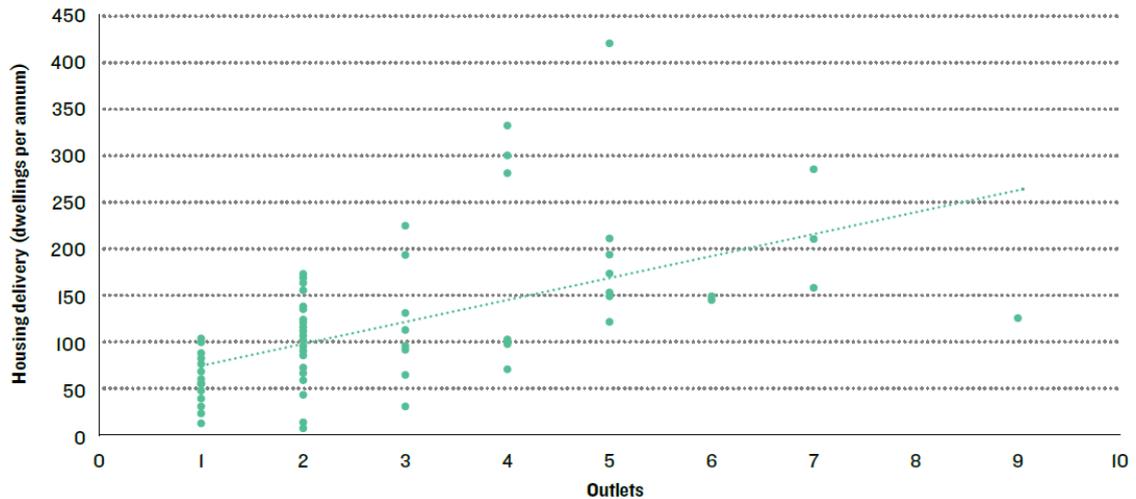
- 2 **Bring together all parties (including Homes England, the 7 Cumbrian LPAs, developers, Cumbria County Council, Registered Providers and agents) involved to drive development forward.** This would involve working collaboratively to promote housing and commercial development growth, assembling evidence, identifying obstacles and finding solutions. Regular business, housing and planning briefings, led by CLEP and with LPA support through the **Cumbria Housing Group**, would help manage the expectations of housebuilders and agents (not least with regards to land values) and also commit LPAs to regular reviews that are better informed by market intelligence. We recommend a particular push to attract housebuilders and agents from outside the sub-region to attend.

This would include CLEP working with its Cumbrian local authority partners and also with Homes England to help with the development of procurement frameworks that more realistically meet the needs of SMEs in order to help diversify the number of housebuilders active in the sub-region. This would help address the difficulty identified by SMEs during the consultation process of securing small sites across Cumbria through LA procurement processes.

As part of this collaborative approach to planning, it is suggested that CLEP and the LPAs should engage directly with Homes England to investigate how HE can facilitate funding proposals across the region, in order to ensure more effective coordination of dialogue and potential outcomes. This would include understanding more clearly what HE's criteria is for funding in order for this to help guide the LPAs' development priorities.

- 3 **Provide a wide range of sites in terms of size, type and location:** Cumbria's unique attractiveness means that a many local residents want to live in the town/village they are from, so there is often a need broader spread of sites in sustainable locations. It is recommended that LPAs identify a broader range of different-sized sites rather than just 1 or 2 very large sites with incumbent developers. This would also leave them less exposed if infrastructure delivery issues delayed their strategic housing development or if a large housebuilder the authority was particularly reliant on for delivery ran into difficulties.
- 4 **Encourage more outlets on sites.** The Letwin Review posited that increasing the diversity of dwellings on large sites in areas of high housing demand would help achieve a greater rate of build out. The report concluded that a variety of housing is likely to appeal to a wider, complementary range of potential customers which in turn would mean a greater absorption rate of housing by the local market. Lichfields' analysis (*Start to Finish*, March 2020) confirms that having more outlets operating at the same time will on average have a positive impact on build-out rates. However, there are limits to this, likely to be due to additional capacity from the outlets themselves as well as competition for buyers.

Figure 7.1 Build out rates by number of outlets present (dpa) (2019)



Source: Lichfields (February 2020): Start to Finish – What factors affect the build out rates of large scale housing sites?

As set out above, there are a number of larger sites in Cumbria, notably at Penrith and SCGV, which would lend themselves to greater sub-division and increasing the number of outlets. Carlisle City Council commented that St Cuthbert’s will be subject to a separate Local Plan which will have site allocations within it which is expected to be of varying size.

Certain schemes lend themselves to simultaneous build out of phases which can have the impact of boosting delivery rates, for example, by having access points from two alternative ends of the site. Serviced parcels of land with the roads already provided, with their own road frontages and separate access arrangements, would mean that multiple housebuilders are able to proceed straight onto site and commence delivery on different serviced parcels in parallel. This not only increases the build rate and supply overall, but can help smaller SMEs break into the local market. Other sites may be reliant on one key piece of infrastructure which make this opportunity less likely or impractical.

- 5 Overcoming Infrastructure constraints:** Strategic infrastructure delivery is crucial across the major development sites in Cumbria, most notably SCGV. There is clearly a need to avoid frontloading infrastructure requirements in such a way that this prevents a blockage to delivery allowing the first phases to kickstart the delivery. In this regard, the first application from Homes England for c. 160 dwellings in the Carleton area has been approved subject to the S106 being signed off. This is expected shortly, and Homes England are expecting that the first housing will be delivered on site around late 2022. As part of the ongoing work for St Cuthbert’s, alongside the preparation of the DPD, the Council is in the process of procuring consultancy advice on the preparation of two SPD’s, one of which will give guidance to the approach for any potential early development prior to the formal adoption of the St Cuthbert’s Local Plan.

Whilst this clearly needs detailed masterplanning, it is recommended that on the larger sites, some delivery is phased in advance of some of the infrastructure to kickstart development, in the knowledge that there may be some costs further down the line on issues such as highways, but to begin to deliver the early phases.

This is an approach that was adopted (albeit perhaps with some reluctance and in the face of housing land supply issues, a City Deal, and a number of impending appeals) in the 5,000+ urban extension to the north of Preston. Some infrastructure was improved early on (the existing motorway junction was reconfigured, with a new motorway junction along

with the key east west spine road delivered later) and funded through CIL and the City Deal; however, others needed individual contributions from developers, or part delivery of elements of a bigger highway network. This has not provided the relief on existing infrastructure at day one, but provides for a jigsaw of pieces that will ultimately deliver the required capacity.

### Ensuring Housing Mix and Variety

- 7.34 Median house prices<sup>16</sup> are just over £167,000 across Cumbria in 2019, well below the national rate of £235,000, median incomes are also below average and housing remains unaffordable in many parts of the County. This is reflected in 2019 affordability ratios<sup>17</sup> that are amongst the highest in northern England, specifically 9.49 in South Lakeland and 7.86 in Eden. In contrast, Copeland is the most affordable location of anywhere in England and Wales, with a ratio of just 2.78. This mixed picture means that the need for affordable housing remains pressing across many parts of Cumbria, and even on the West Coast, where market housing is comparatively affordable, there are important implications for the type of affordable housing that is deliverable.

#### **Key issues can be summarised as follows:**

##### *Demand for Shared Ownership properties is limited in Cumbria*

- 7.35 Whilst affordable housing need remains strong across Cumbria, this is predominantly for affordable rented properties. Shared ownership has proven difficult to deliver in the past, particularly along the West Coast, given that build costs are often in excess of final sales values, with Help to Buy (which is still attributed to 20-30% of all sales in Cumbria) also impacting on the tenure. Housebuilders questioned why residents would want to go for a shared ownership property in Barrow or Copeland when they could purchase a property on the open market, often for less. In contrast, Carlisle City Council suggested that there has been a resurgence in delivery of shared ownership in Carlisle over recent years, with interest from local Registered Providers & Heylo. An 80% cap on shared ownership sales (which applies only in designated rural areas in Cumbria) can also limit demand as mortgages are restricted.

##### *Housing Mix - Market*

- 7.36 In the private sector, the size of homes required is less related to the size of the household (although of course that plays a part), and more about household income, wealth and life-stage. For this reason, it is difficult to be precise about the range of homes required by those households able to access market housing. Moreover, the pattern of demand for *new* homes in terms of the type and size may differ from the pattern of demand for *existing* homes.

---

<sup>16</sup> ONS (2020): Median house price by local authority district, England and Wales, year ending September 1997 to year ending September 2019

<sup>17</sup> ONS (2020): Ratio of median house price to median gross annual workplace-based earnings by local authority district, England and Wales, 1997 to 2019

7-37 Discussions with the Cumbrian Local Authorities and a review of their most recent SHMAs/Housing Needs Assessments, suggests that the districts are actively pursuing smaller 1, 2 and 3-bed properties because they consider that this responds to the widespread trend for smaller household sizes, and will help encourage a younger workforce to remain/locate in the County. However, housebuilders operating in the County are generally keener on providing larger 3/4/5 bed properties, as they believe this will create a chain up the housing ladder (right) and free up the smaller properties. They are also considered to be more viable in an uncertain market and are perceived to be a less risky option for developers to fall back on.

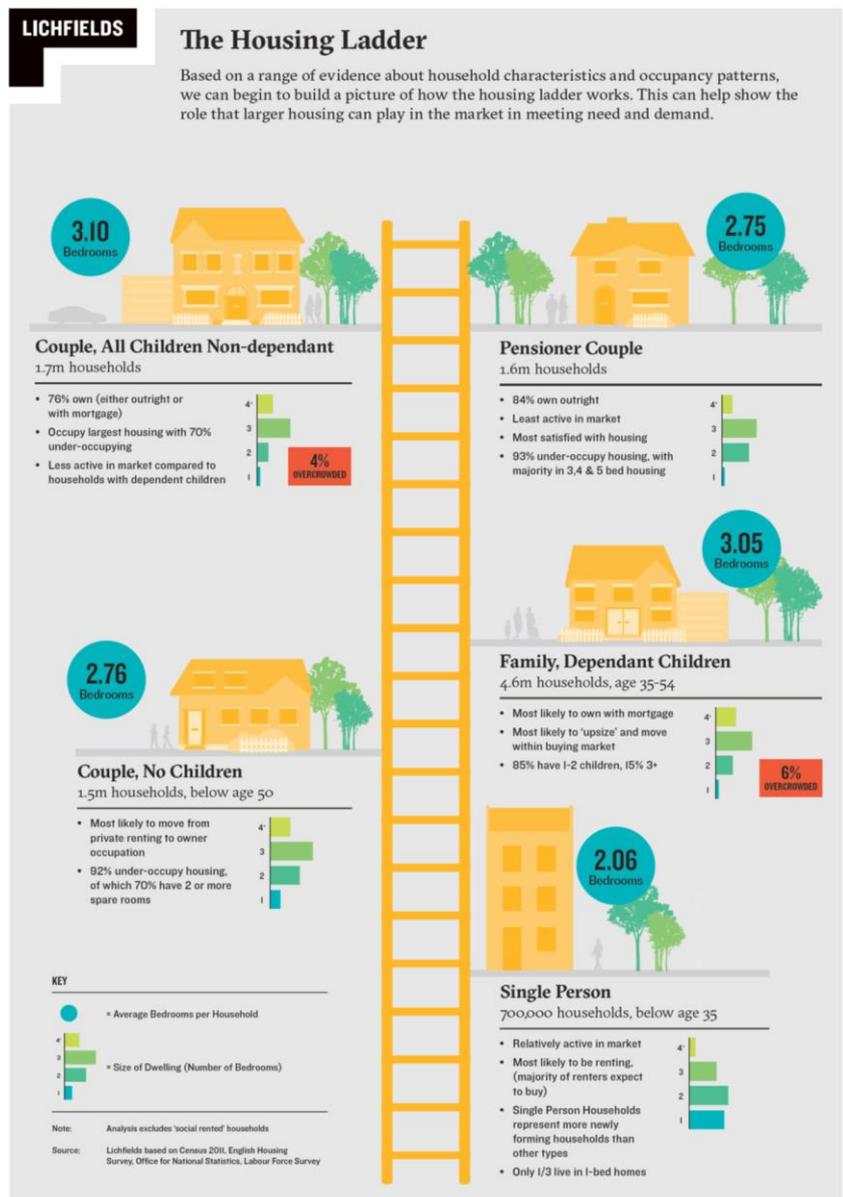
7-38 LAs/RPs also consider there is a need for more bungalows in many parts of the County (although not all). Housebuilders were less keen due to their increased land take and considered that they are less viable as a result.

7-39 One of the issues on Cumbria's West Coast is that first time buyers can purchase 3-bed properties in Barrow and Copeland on the open market because housing is so affordable here (with some of the lowest prices nationally), hence there is very limited demand for smaller 1 and 2 bed market properties, which is in contrast with the need for smaller properties in more affluent areas of Cumbria such as South Lakeland.

7-40 In addition, starter homes and 2-bed properties are often bought up for holiday lets in the Lake District National Park, so LPAs reported a clear need for smaller properties in this location.

*Housing Mix - Affordable*

7-41 Demand for certain sizes of properties can be highly localised. For example, over three-quarters of all affordable properties owned by Home Group along the West Coast are 3-bed homes, yet this has weaker levels of demand due to the under-occupancy penalty. There is therefore a clear mismatch between supply and demand. The company reported that certain 3-bed properties along the West Coast had been re-advertised 10/11 times with no bids on them.



**Potential interventions:**

- 1 Ensuring that affordable housing requirements are based on revealed demand,** rather than need. This could be based on data from *Cumbria Choice* to justify demand, which examines the number of bids for each property that comes on the market. In the short term, there is no compelling evidence to change the size mix of properties of new affordable rented properties developed. However, the Councils will need to continue to monitor the impact of changes to the benefit system and affordable housing funding regime.
- 2 Targeting Affordable Housing Needs and Updating SHMAs:** As summarised in Section 3.0, across Cumbria there is an identified need for over 1,000 affordable dpa, out of a total Local Plan Housing Requirement of 1,987 dpa. Much of this housing need information is becoming increasingly dated and does not, for example, provide a

comprehensive overview of the housing needs of key worker households. This is an area where collaboration between CLEP and its partner LPAs could be beneficial.

In particular, this could involve CLEP working with the LPAs to define who is a key worker in the Cumbrian context to suit local needs and demands. This may have a particular focus on the tourism, hospitality and agricultural sectors given their disproportionately important roles across the County.

A housing needs analysis that explicitly identifies the need for family and younger persons accommodation, housing for older people and those with special needs could enable the CLEP to direct infrastructure funding to support those schemes that may otherwise be unviable, but which would have the potential to deliver affordable housing where it is most needed. Ideally, this could comprise developing a consistent methodology for completing SHMAs Cumbria-wide with inputs from the CLEP on economic indicators such as jobs growth forecasts. .

- 3 Demand often varies widely across districts and should be measured on a micro scale;** each case is different. There is no one-size-fits-all approach as market can be totally different (Egremont versus Cleator Moor for example in Copeland – a few miles apart, but very different markets). As a result, LPAs need to ensure that they are flexible as to the housing mix they require from developers and request localised evidence, rather than a broad-brush requirement for 1/2/3 bed properties.

The housing mix in each District has a direct impact on the nature of the housing market, the type of demand and the rate of delivery. The right balance of types and tenure of new homes to meet housing need, should be revisited by Councils in light of the recently released 2018-based SNPP and SNHP, alongside a range of wider considerations set out above.

- 4 There is a trade-off between S106 contributions and the mix and tenure of housing that is deliverable.** If councils have a very long list of s106 requirements, then



this can reduce the willingness of MVHBs to move away from what is often their preferred delivery model – 3, 4 and 5-bed properties. It is recommended that Councils take a flexible approach to pursuing this as a policy choice in their Local Plans.

- 5 **Increased Provision of Bungalows:** Whilst housebuilders expressed scepticism about their viability, a specialist viability consultant analysed this on behalf of Carlisle City Council as part of the LPA's Affordable and Specialist Housing SPD. The conclusion was that whilst bungalows are relatively 'land hungry', requiring a larger plot of land to deliver a similar floor area as a house of two or more storeys, they will also generally achieve greater values with values recently evidenced in the region of 25% higher on new developments in Carlisle compared to houses of similar floor area and tended to have smaller gardens. The Council's Affordable and Specialist Housing SPD<sup>18</sup> concludes that any marginal negative effect of viability arising from the requirement for bungalows on schemes of 50 or more units will be factored into site value negotiations. Carlisle City Council therefore considers that bungalows should be viable as part of a well-designed larger scheme, requiring 5% on 50-99 dwelling schemes, and 10% on schemes of 100 or more.

Further work could be undertaken by the other LPAs to test whether bungalows would also be viable on similarly-sized schemes in different HMAs, and whether this could act as a trade-off for other S106 contributions or house sizes.

- 6 Including private renting, where there is a market, **create a suitable mix of tenure and increase build rates to improve the absorption rate on larger sites.** For example, Lichfields' research<sup>19</sup> found that schemes with more affordable housing built out at close to twice the rate as those with lower levels of affordable housing as a percentage of all dwellings on site. Cumbrian Local Plans should reflect that – where viable – higher rates of affordable housing supports greater rates of delivery. This principle is also likely to apply to other sectors that complement market housing for sale, such as build to rent and self-build (where there is demand).

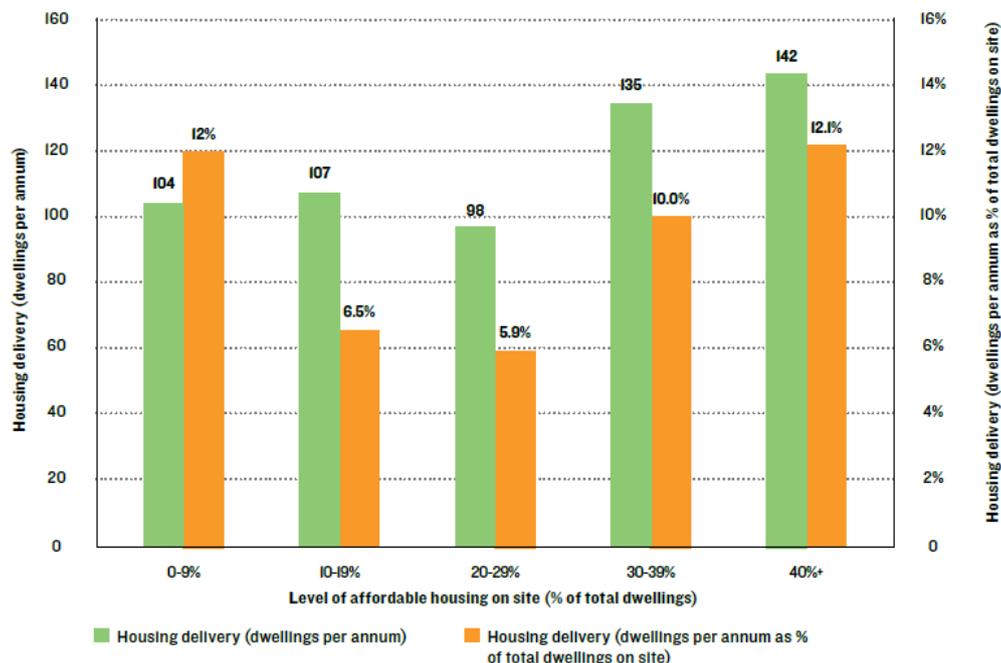
On the largest strategic development sites such as St Cuthbert's, here the LPA (potentially with Homes England) may be able to exert suitable influence if it is a landowner, in determining the proportion of the site to be sold to differing types of housing provider under the master plan, they will need to be guided by the characteristics and absorption rates of the various markets in its local area. This would be with a view to developing the site within the spirit of tenure diversification, high quality design and rapid build out rates. The LPA may therefore wish the masterplan to provide as much land for open market sale and private rented use as those particular markets can absorb in any given period; and it will also need to assess the local demand for other forms of housing (such as custom-build, self-build, student accommodation, keyworker accommodation and various forms of accommodation for older people). It will, in addition, need to come to a view about the maximum proportion of the site that can be sold or given to housing associations and / or to community land trusts in order to provide as much affordable accommodation on the site as is consistent with the viability of private financing for development of the site infrastructure<sup>20</sup>.

<sup>18</sup> [www.carlisle.gov.uk/planning-policy/Adopted-Plans/Supplementary-Planning-Documents-adopted/Affordable-and-Specialist-Housing-SPD](http://www.carlisle.gov.uk/planning-policy/Adopted-Plans/Supplementary-Planning-Documents-adopted/Affordable-and-Specialist-Housing-SPD)

<sup>19</sup> Lichfields (February 2020): Start to Finish - What factors affect the build-out rates of large-scale housing sites? 2<sup>nd</sup> Edition

<sup>20</sup> Letwin Review (October 2018): Independent Review of Build Out – Final Report

Figure 7.2 Build out rates by level of affordable housing (dpa and percentage)



Source: Lichfields (February 2020): Start to Finish – What factors affect the build out rates of large scale housing sites? 2<sup>nd</sup> Edition

- 7 **Self-build housing** comprises a significant element of new housing provision in parts of Cumbria, most notably in Allerdale and Copeland – effectively building to order and matching demand. However, there are comparatively few recorded on the Self Build Housing Register because most already have the site (and indeed most already own the plot – in their garden etc). The LDNP receives 58 windfall applications a year and there may be an opportunity to expand this further across Cumbria. Several of the Districts have put **Community Housing Fund** money into staffing to support community-led custom and self-build housing, while Allerdale Borough Council has set up a grant scheme for applicants on their Custom and Self-Build Register. Carlisle City Council is also in the process of setting up a similar grant scheme. All of the Districts (with the exception of Barrow) were also involved in establishing the Cumbria and Lancaster Community-Led Housing Hub, which is now self-funded through a bid to Central Government. National Policy encourages the provision of more self-build housing and **best practice currently underway across Cumbria should be shared and promoted through the Cumbria Housing Group, with CLEP assisting as facilitator.**
  
- 8 **The market needs to be restructured so that there is a greater level of churn of smaller properties:** There is a clearly recognised need to provide affordable market properties for younger households. In high-cost areas, this will inevitably require the availability of smaller properties. The Cumbrian market is dysfunctional in the sense that residents tend to live in their homes for a long period of time, which results in high levels of under-occupancy and a lack of churn in the market. Higher levels of delivery will go some way towards addressing that, but equally LPAs could take a more holistic approach to ensuring that older residents are willing to move into properties more suited to their needs, freeing up their larger housing for incoming families. This will need to ensure that a range of house types are provided meeting all needs to stimulate churn, including larger 4/5 bed properties as well as smaller affordable units and older persons accommodation.

The Cumbrian authorities should adopt a consistent approach to their appraisal of what mix of housing is appropriate in different locations, so that developers know that there is a level playing field for all housebuilders and are able to make reasonable assumptions regarding the likely mix of housing they will be asked to provide.

- 9 **Community-led Housing Hub.** This is a regional organisation, of which there are around 30 in the UK with one for Cumbria and Lancaster. Each regional Hub acts as an umbrella support organisation to a number of individual groups such as Community Land Trusts. The Hub has a significant role to play for providing bespoke housing schemes that meet localised housing needs across Cumbria. Community-led housing is a term generally used to describe homes that are developed and/or managed by local people or residents, in not-for private-profit organisational structures. There are a range of forms of Community Land Hubs with a statutory UK definition including the co-operative Housing Model and the Community Land Trust Model and several informal models, including self-help housing, co-housing, development trusts, settlements and social action centres<sup>21</sup>. Across the UK, community-led housing generally provides less than 1% of all housing delivered, but the levels are often higher across Cumbria.

This could involve a **Community Land Trust**, which are set up and run by local residents to develop and manage homes as well as other assets. They can act as long-term stewards of housing to ensure that it remains genuinely affordable and is based on local affordable earnings. It can incorporate land value capture as the new market homes cross-subsidise the CLT units, with loans repaid to the LPA with interest, to support residents on low incomes who live and work locally, but who are often ineligible for traditional social rented properties. 2 Case studies are provided below. As above, Community Land Trusts are one specific model, but many schemes nationally are delivered through other models of community led housing which might better suit local circumstances or funding availability.

It is recommended that the CLEP should take a lead role in supporting councils and others to develop innovative solutions, by acting as a facilitator, bringing together good practice and enabling information exchange between authorities and other partners.

There is an existing county-wide approach to this (the Cumbria and Lancaster Community Led Housing Hub <https://clhhub.org.uk/>). The Hub model for Cumbria and Lancaster was developed in consultation with the National Community Land Trust Network and informed by best practice and learning from other regional Hubs including examples in Yorkshire and Northumberland. The Hub was funded by the local authorities in Year 1 and has since been awarded national funding.

Some districts have dedicated and trained CLH resource e.g. Eden District Council employs an accredited Community Led Housing Enabler; South Lakeland District Council employs a Community Led Housing Officer. A County-wide group of the LA officers responsible for CLH has met regularly since the Cumbria Local Authorities received over £4m in total through the government's Community Housing Fund in 2017.

The CLEP could assist local authority partners and the existing Hub by promoting the Hub as an opportunity to landowners – in Eden some landowners have approached the authority with sites for community-led housing, after recognising that Community-led Housing provides a more locally-focused alternative to the standard developer-led model, in that land is used for schemes that are genuinely desirable to the local community and are

---

<sup>21</sup> CLH can take a range of forms, including these two models. Please refer to the information online at <https://www.communityledhomes.org.uk/what-community-led-housing> - this website provides standard definitions used by Community Led Housing Organisations and Homes England

seen to create a lasting positive legacy, and the community has a say in key aspects like design.

CLEP could also assist in the development of the supply chain for Hubs (e.g. helping construction partners understand the cash flow models, commissioning requirements etc.).

### Case Study: Keswick Community Housing Trust

The Trust was formed in 2009 by a group of local individuals who wanted to do something positive to tackle the shortage of good, quality, affordable housing in the town for people already living here or seeking to settle in the town where many had grown up. Following the successful issue of public shares, the Trust's first housing development – The Hopes – opened in 2013 at a cost of £1.1 million. Since then, it has completed two more projects – Banks Court and Calvert Way –



and they are now working on their fourth development, in Southey Street, Keswick, which will take the total number of properties to 41<sup>22</sup>.

### Case Study: Community Land Trust West End Gardens, Haddenham, East Cambridgeshire

Haddenham Community Land Trust (HCLT) is a not-for-profit Community Benefit Society owned and managed by local people to create affordable housing for local people. Anyone in the community can join as a member for £1 and have their say in how the CLT is run. By setting up a CLT, the affordable properties are community-owned assets, safeguarded by a legal asset lock, protected from the Right to Buy and reserved for local people in perpetuity.



The Cambridgeshire & Peterborough Combined Authority recently provided a commercial loan of £6.5m to the CLT to enable the delivery of 54 new homes, 19 of which will be CLT affordable units for rent at approximately 60% of market rent. This is a significant early step in a programme of longer term 10-year loans by CPTA of up to £40 million to bring forward 1,830 new homes across the region over the next 10 years, including 553 CLT affordable homes to rent<sup>23</sup>.

## Viability and Financing New Developments

### Issues:

7.42

Given the higher build costs and more marginal viability in many parts of Cumbria, the public sector may wish to consider positively disrupting the market by intervening and working with developers to help bring forward sites, either through deficit funding, public sector loans, joint ventures and innovative asset-backed delivery vehicles. As is already happening with the £102 million Housing Infrastructure Fund award for the Carlisle Southern Link Road, which will connect Junction 42 of the M6 with the A595 to the west of Carlisle City and support the

<sup>22</sup> <http://www.keswickcommunityhousingtrust.co.uk/about-us/> Image of guests attending the opening of the Hopes Housing development courtesy of Keswick Community Trust.

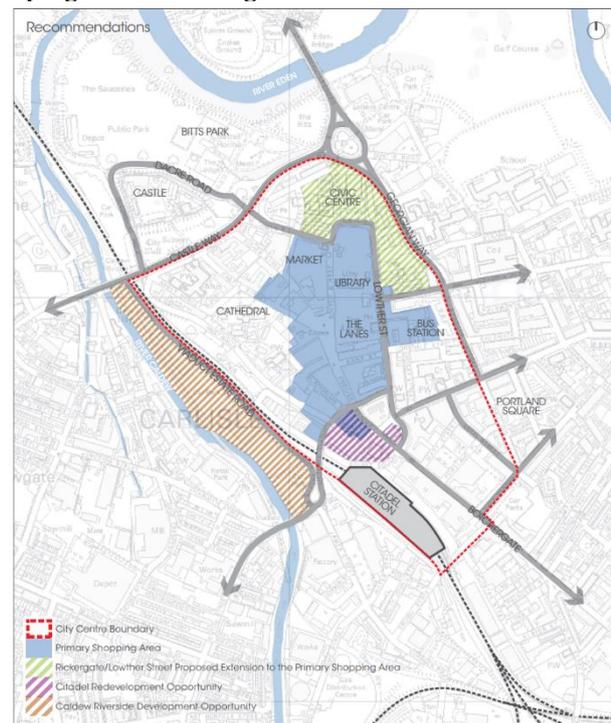
<sup>23</sup> CPCA Housing Strategy Part 2. Image of the Haddenham Community Land Trust Scheme visual courtesy of palace green homes: [www.palacegreenhomes.co.uk](http://www.palacegreenhomes.co.uk)

development of SCGV, the public sector is helping to support infrastructure delivery and de-risking sites, but further work needs to be done particularly where this is holding up implementation of sites.

**Potential Interventions:**

- 1 **Policy responses:** It is recommended that the CLEP work with Cumbria’s LPAs to ensure that the delivery assumptions and viability assessments underpinning large housing allocations in emerging Local Plans are soundly based and deliverable. Aside from Councils updating their Local Plans and producing consistent Infrastructure Delivery Plans (see commentary above) this may involve the Councils helping to deliver Neighbourhood Development Frameworks and Strategic Regeneration Frameworks to bring clarity and in certain cases guide land value expectations. These documents can provide a helpful role in setting the parameters for development and demonstrate to potential investors how an area may change, and the infrastructure investment that will be required to achieve the strategic vision. Such documents can also provide the policy justification and evidence to support a successful Compulsory Purchase action and support external bids for funding or other procurement mechanisms.

**Case Study:** A lot of good work regarding SPDs and guidance has already been undertaken in Cumbria. To take just one example, the **Carlisle City Centre Development Framework**, published in March 2015, guides future development in the City Centre up to 2030. The Development Framework forms part of the evidence base which underpins the identification of suitable and deliverable site-specific



allocations and / or broad locations for growth that will be identified in the Local Plan. It presents a number of key proposals including the proposed northern extension of the Primary Shopping Area into the Rickergate and Lowther Street areas; the proposed development opportunity at Citadel; and the proposed development opportunity at Caldew Riverside for a mix of uses including residential. The Development Framework does not have the status of either a Development Plan Document or a Supplementary Planning Document but will be a material consideration in the determination of any future planning applications submitted in advance of the new Local Plan being adopted.

- 2 **LPAs helping to unlock difficult sites:** This could involve Cumbrian LPAs intervening to overcome site-specific problems which would otherwise render a site undeliverable on the open market. This may involve a Council scaling back its s106 requirements and affordable housing; or it could result in the LPA intervening directly, i.e. through site remediation, tackling site abnormal and other constraints, including access; infrastructure constraints across the wider area; flood defences; or overcoming land ownership problems with increased use of CPO powers. MHCLG is already indicating that it will introduce further support and expertise to LPAs to give greater use in using CPO powers and this wider reform could help housing delivery on stalled sites.

- 3 **Public Sector Land Assembly:** Access to land is a key factor in the development of new housing supply, and since 2015 the Government has been committed to speeding up the release of public sector land for housebuilding, committing itself to releasing land with the capacity for up to 160,000 new homes by 2020, with LAs working on parallel proposals to use surplus public land for a further 160,000 homes over the Parliament. The Government proposed that all authorities could dispose of land with the benefit of planning permission which they have granted to themselves. MHCLG consulted on extending Council's flexibility to dispose of land at less than best consideration and requested views on what additional powers or capacity LPAs needed to play a more active role in assembling land for development. Since the start of the current programme to the end of June 2019, departments had sold 508 sites with capacity for c48,000 homes<sup>24</sup>. Again, this represents a further avenue for Cumbrian authorities to review their land portfolio to examine whether they could take a more interventionist approach to housing delivery in order to boost supply. This could also involve a more contractor-type of approach, with build rates and triggers defined in development agreements and priced accordingly.
- 4 **Local Authority direct provision of housing:** As a result of the self-financing arrangements introduced for local housing authorities in April 2012, capital expenditure on new and existing housing stock rose from £3.3 billion in 2011/12 to £5.6 billion in 2017/18<sup>25</sup>. The Chancellor announced the lifting of borrowing caps with effect from 29<sup>th</sup> October 2018 during the Budget with the intention of enabling councils to increase house building to around 10,000 homes per year.

Local authorities nationally are now increasingly engaging in the provision of housing through a wide variety of mechanisms and means. Research by Inside Housing found that 98 of 252 local authorities had set up a housing company to increase supply<sup>26</sup>, including Heart of Cumbria Ltd, which was created in 2016 by Eden District Council to buy residential and commercial property to generate a regular income stream to help fund services.

The 2019 UK Housing Review highlighted several unknown factors which could influence the degree to which councils such as Cumbria's take advantage of the removal of the borrowing caps, including how much additional capital grant will be required; and councils' appetite for reopening HRAs where they no longer have one. A CIH study (2020) suggests that councils will increase supply by 10,000 and may exceed this number<sup>27</sup>.

There is no standard model, with a number of companies seeking to develop housing to rent at market levels, while others are planning to develop affordable housing. The Local Government Association (LGA) prepared a case study guide on local authorities using different vehicles to deliver housing: *Supporting Housing Investment* (2014). The LGA subsequently published *Innovation in Council housebuilding* (2018) which provides a detailed study of delivering innovation in council housebuilding and features numerous case studies (including Northumberland County Council, reproduced in part below):

**Case Study: Northumberland** - The Council has completed a programme of 288 new HRA homes at a cost of £29 million over the last 7 years. It is also strongly supporting community organisations to create affordable rented housing to meet local need across the county. With this programme completed, the future is under review. The housing proved relatively expensive to build, as some of the sites used were difficult and land values in rural and coastal areas often high.

<sup>24</sup> House of Commons Briefing Paper (20<sup>th</sup> April 2020): Stimulating housing supply - Government initiatives (England)

<sup>25</sup> Ibid

<sup>26</sup> Inside Housing, "Stepping up to the plate," 16 December 2016

<sup>27</sup> House of Commons Briefing Paper (20<sup>th</sup> April 2020): Stimulating housing supply - Government initiatives (England)

- The council housebuilding programme was funded with £22 million in HRA funds plus £7 million in HRA borrowing, within the cap. The council has £4 million available within the cap and could potentially use HRA reserves, in conjunction with funding through Homes England, to develop a future build programme.
- The council was awarded £1.3 million from the Community Housing Fund due to the high level of second home ownership and affordability problems in the county. This is used to support the delivery of community-led affordable housing across the county but with a particular focus on rural areas. This programme can also be supported by Homes England funding where a registered provider is involved in the delivery of community-led housing. Finding land remains a difficulty. Northumberland has a community asset transfer policy that can sometimes provide sites or buildings for demolition, such as garages on estates. However, these sites are not necessarily in the right place to meet need, and opportunities may become exhausted.
- Through the community housing fund the Council, in partnership with Community Action Northumberland (CAN), the rural community council, developed Communities CAN (NE) Ltd, a trading arm of CAN, the aim of which is to provide a full offer of support to parish councils, community land trusts and other small organisations wishing to develop community-led housing.
- The programme has generated strong interest in local communities with around 20 potential schemes identified. Because it is capable of working at the micro-level, a single disused or outdated building can be turned into new affordable housing, for rent in perpetuity, as a community asset. This helps to overcome potential local opposition.
- The partnership with Communities and CAN also offers the opportunity to develop affordable housing on Section 106 sites where housing associations are not in a position to step in. In such cases, CAN will facilitate and support community organisations or parish councils to take on a small number of affordable homes from a larger private development.<sup>28</sup>

RTPI research with the National Planning Forum and UCL in 2017 (updated in 2019) found that 69% of local authorities across England are directly engaged in housing delivery, either through housing companies or via each council's Housing Revenue Account [HRA]<sup>29</sup>. The intention is to help meet local/affordable housing needs that the market would not otherwise provide, often on sites that may not be attractive to other providers due to their size or abnormal costs. The final report makes a series of recommendations (to government, to the Local Government Association and to LAs themselves) for actions that will facilitate direct housing provision by Councils:

<sup>28</sup> Local Government Association (2018): Innovation in council housebuilding: Chapter Eight

<sup>29</sup>RTPI and UCL (July 2019): RTPI Research Paper: Local Authority Direct Delivery of Housing – Continuation of Research

### Local Authorities

- Should bring together housing and planning into a housing delivery team to manage the implementation of all housing schemes regardless of the promoter;
- Should establish a housing delivery board to monitor progress and delivery;
- Should establish a housing delivery forum of all providers in the area to meet regularly to discuss progress and problems;
- Should establish a housing intervention fund to help overcome issues on individual sites (funding can be made as a grant, a loan or in return for development equity);
- Should consider how housing provision can support the local economic objectives e.g. PRS for younger professionals and graduates moving to the area, housing for families to encourage them to remain in the area, key worker housing;
- Should assess all sites in council's ownership for the suitability for housing not just those held in HRA or in delivery portfolios; and
- Should include more detailed housing delivery outcomes in the annual monitoring report.

An excellent example of direct provision of housing taking place in Cumbria is the Allerdale Investment Partnership:

- **Case Study: The Allerdale Investment Partnership.** This is an innovative approach to promoting economic regeneration in Allerdale by taking a strategic approach to managing the Council's surplus assets. This strategy aims to promote a diverse and vibrant local economy, attracting investment to the area and delivering needed housing, employment and amenities. The partnership also helps to generate capital receipts and any development will bring additional income from council tax and/or business rates income for Allerdale Borough Council. The partnership is owned and run on a 50/50 basis between Allerdale Borough Council and IAGH3. The Council brings its surplus land and its knowledge of the community's needs and priorities, while IAGH3 brings expertise in finance and asset management and industry contacts to push developments forward. The partners in AIP then share in any profits generated by the development of the land. AIP is best known for delivering the Lidl store in Maryport while developments in progress include nearly 300 new homes in Workington at Ashfield Road South as well as a new Lidl store, Travelodge and Costa drive-through for Workington<sup>30</sup>.

- 5 **Increased use of Public Sector Gap funding:** There are a range of packages and schemes available to the Cumbria LAs and CCC to help. Clearly HIF awards have already helped to ensure schemes such as SCGV can proceed (with this being an excellent example of how partners worked closely together to obtain major funding), but there may be further opportunities for the CLEP to take the lead in **developing a sub-regional HIF proposition** that would be based on a rolling programme of investment in Cumbria that could help overcome infrastructure blockages and bring forward sites in priority areas, such as the M6 Corridor. The Government is setting out details of its new £10 billion single HIF later this year alongside the Comprehensive Spending Review [CSR] and it will be vital that Cumbria's LPAs tap into this source of funding to build a pipeline of opportunities of different scales across the County.

The 2020 Budget announced that the forthcoming CSR would prioritise infrastructure with a focus on *“levelling up economic opportunity across all nations and regions.”* There is an intention to create a new £10 billion Single Housing Infrastructure Fund: *“a new long-term, flexible fund which will give confidence to communities, developers and local authorities. Details of the funding will be announced alongside the Spending Review.*

<sup>30</sup> <https://www.allerdale.gov.uk/en/invest/allerdale-investment-partnership/>

*Homes England will engage with local authorities and the wider market to build a pipeline of opportunities up and down the country.<sup>31</sup>*

**Case Studies: Alternative Futures Group and Community Fund:**

The support offering of the **Alternative Futures Group [AFG]**<sup>32</sup> includes Supportive Living, providing bespoke housing solutions and support packages to people with a variety of housing support and care needs. The service offers support in a number of ways for people who may be struggling to remain in their existing tenancy, find a new home or transitioning from care into independent living. The types of support offered include enhancing daily living skills, financial support and advice, help with tenancy agreements, benefits advice, advice on health and safety in the home and improving social skills to build inclusive communities. The support can be funded individually or directly through local adult care services.

**Community Fund:** The National Lottery Community Fund distributes over £600m a year to communities across the country, funded by players of The National Lottery. The fund has contributed to a range of programmes in Cumbria, including the Building Better Opportunities project which aimed to alleviate barriers to employment across all six Cumbrian authorities with around £3m in funding starting in 2016, as well as a number of grants seeking to help Cumbrian communities recover from and better prepare for the effects of flooding. The fund offers a range of programmes ranging from citizens advice to housing support and is currently prioritising communities particularly vulnerable to the effects of Covid-19<sup>33</sup>.

- 6 **The use of Public Sector Loans:** there are a range of Government programmes that are available to help finance multi-unit private homebuilding projects, and to support neighbourhood planning. This help can be accessed by landowners, developers, builders, enablers and communities (subject to meeting eligibility criteria). These include:
  - i **Growth Deal Programme:** By 2021 the Government will have invested over £12bn to LEPs through the Local Growth Fund. In Cumbria, £60m of Growth Deal funding has supported a range of projects that underpin the aims of CLEP’s strategic economic priorities, delivering jobs, growth and improving connectivity within Cumbria. To date, Growth Deal support in Cumbria has delivered/safeguarded 1,825 jobs; £35.6m public/private investment; 9,171 premises with access to superfast broadband; 95,061 m<sup>2</sup> premises created or refurbished; 1,169 new skills opportunities and 507 new homes<sup>34</sup>.
  - ii **Capital Development Fund:** This is designed to support the costs of development activity to bring forward key projects that align with the aims of Cumbria’s Local Industrial Strategy. This has been created through CLEP’s Cumbria Infrastructure Fund [CIF] (see below). CLEP recognises that in order to develop large or complex projects beyond the Strategic Outline Business Case stage, considerable development activity is required, often requiring specialist professional support that can be prohibitive. The Fund seeks to reduce the risks associated with this and to promote the development of a strong pipeline of projects to support economic growth throughout Cumbria. The Fund provides a repayable grant facility, with funding repaid once the final wider project is approved<sup>35</sup>. Applications are welcome from any

<sup>31</sup> MHCLG (March 2020): Planning for the Future

<sup>32</sup> <https://www.afgroup.org.uk/>

<sup>33</sup> <https://www.tnlcommunityfund.org.uk/>

<sup>34</sup> <https://www.thecumbrialep.co.uk/growth-deal/>

<sup>35</sup> CLEP Capital Development Fund Guidance

organisation with a minimum request of £20,000 and a maximum request of £50,000 with the CLEP contribution no more than 50% of the total project costs.

- iii **Cumbria Infrastructure Fund:** The CIF is CLEP’s ‘evergreen fund’, established to promote the delivery of key infrastructure needed to unlock developments that help generate jobs and homes. Project applicants repay their funding award to enable CLEP to continue to support economic growth throughout the County. The fund totalled £6.1m and has supported a range of projects including significant infrastructure works to enable expansion at Gilwilly Industrial Estate and Barrow Waterfront. CLEP currently has over £2m of CIF funding available to support new projects<sup>36</sup>.
- iv The £150m **Custom Build Serviced Plots Loan Fund**, which supports projects that create five or more serviced building plots for private homebuilders;
- v **The Home Builder’s Fund.** In October 2016, the Government announced the creation of a £3 billion Home Building Fund to provide:
  - *development finance* - loan funding to meet the development costs of building homes for sale or rent
  - *infrastructure finance* - loan funding for site preparation and the infrastructure needed to enable housing to progress and to prepare land for development. The Fund is administered by the Homes England.

Initially, £1 billion was made available for small and custom builders while £2 billion was available as long-term funding for infrastructure. Several existing funding streams were rolled together to create the £3 billion fund, including the Builders Finance Fund (£525 million); the Large Sites Infrastructure Programme (£1 billion); and the Build to Rent Fund (£1 billion). In addition, the 2015 Government made available £1.15 billion in new funding for loans. The Autumn Budget 2017 announced an increase in funding for a further £1.5 billion, providing loans specifically targeted at supporting SMEs who cannot access the finance they need to build<sup>37</sup>.
- vi **Community Housing Fund:** £163 million was made available in England up to 31<sup>st</sup> March 2020 to support community-led housing. This was in addition to £60 million in funding which was allocated directly by Government to 148 councils in December 2016. The Fund aims to support an increase in housing supply in England by increasing the number of additional homes delivered by the community-led housing sector; to provide affordable housing at local income levels in perpetuity; and to form an effective and financially self-sustaining body of expertise within the house building industry in England. The future of the fund depends on the next Spending Review.<sup>38</sup>
- vii Grant funding and technical support available via the £22.5m **Neighbourhood Planning programme** and the £3.5m **Community Buildings** programme. These help communities draw up Neighbourhood Plans, Neighbourhood Development Orders or a Community Right to Build Order. Parish and town councils can apply.
- viii The **Housing Growth Partnership**, which was established by the Government in partnership with Lloyds Banking Group to support small and medium sized builders to bring forward projects of between five and 75 homes. The Spring Statement 2018 announced that £60 million in investment would boost the partnership and, together

---

<sup>36</sup> <https://www.thecumbrialep.co.uk/cumbria-infrastructure-fund/>

<sup>37</sup> House of Commons Briefing Paper (20<sup>th</sup> April 2020): Stimulating housing supply - Government initiatives (England)

<sup>38</sup> Ibid

with match funding from Lloyds, would bring total additional investment to £120 million. Total funding is £220 million to deliver 3,400 homes<sup>39</sup>.

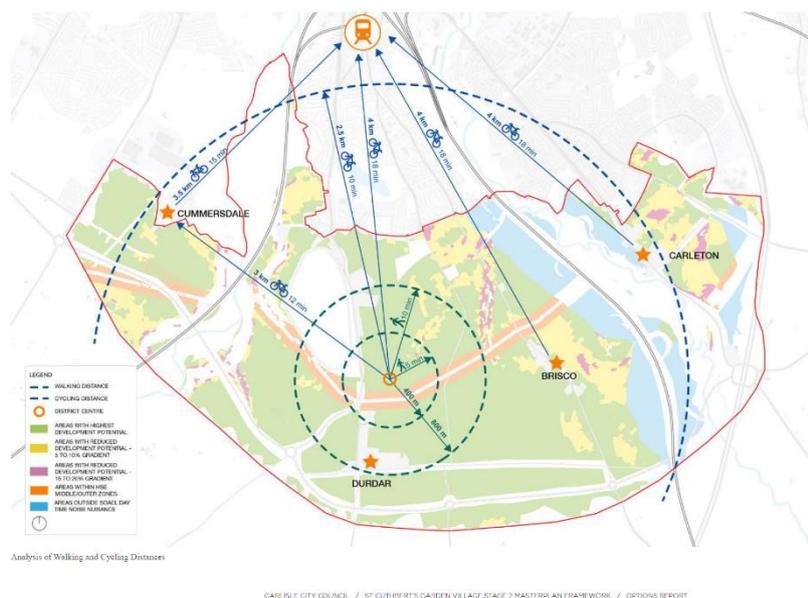
- ix The **Public Works Loan Board**, which has powers to lend money to local authorities and other prescribed bodies.

**Case Study: Croydon Council Revolving Investment Fund**

In 2015 Croydon Council established a Revolving Investment Fund to support the delivery of Growth in the Borough. These ranged from repayable grants to equity investment and enabled small schemes of less than 10 dwellings and major infrastructure investment that supported larger mixed-use regeneration schemes. The RIF lends at commercial rates whilst borrowing at the lower rates which are available to the Council. Loans made from the RIF as at 31<sup>st</sup> March 2019 totalled £119.7m, with the RIF acting as funder to the development company Brick by Brick, the Housing LLP, Box Park and Taberner House. The net returns estimated over the next 3 years are between £1m -£2m per annum<sup>40</sup>.

- 7 **Increased use of brownfield land for housing:** The Government is looking to invest £400m to help LPAs and developers use brownfield land for housing more productively and will launch a (delayed) national brownfield land map to help identify and regenerate pdl sites<sup>41</sup>. This presents a clear opportunity for Cumbria to identify sites and attract funding to ensure that they are deliverable, particularly in the less viable Western districts.

- 8 **Support for Garden Towns/Villages:** The development of significant new settlements in Cumbria is a major strategic task which will be a critical area in which the CLEP can both take a lead and also support initiatives that are being developed by the partner local authorities and CCC. The obvious example in Cumbria is the SCGV in Carlisle. CLEP’s role will be to continue to work with Carlisle City Council to ensure the necessary infrastructure is in place for this major development and others where appropriate, with the CSLR helping to unlock development of 10,000 new homes at SCGV and infrastructure for other major developments. The recent agreement of a £4.5million package of improvements to the A590 by Ulverston will help unlock plans for over 1,000 houses there as will the £102m of HIF resources for SCGV.



across Cumbria. There are a wide range of examples nationally where LPAs have worked with a development partner to deliver regeneration on a site-specific or area-wide basis, including:



- i The government announced at Autumn Budget 2018 that it would be establishing a new £10 million capacity fund (the **New Development Corporation Competition**) to generate innovative proposals for new business-backed development corporations and similar delivery models. The Government is looking for up to 10 transformational housing and economic growth opportunities, focusing on regeneration, and are interested in speaking to areas that have innovative, bold and ambitious proposals. Funding will help them to explore delivery models that have been less commonly used in a contemporary context, such as development corporations<sup>42</sup>. The competition is now open for applications and will provide local authorities with up to £10 million over 3 years beginning in 2019 to 2020. **Carlisle City Council is in the process of making an expression of interest for funding** to investigate options to enhance the delivery of St Cuthbert's.
- ii Wirral Council appointed Muse Developments in March 2019 to form a joint venture (**The Wirral Growth Company**) with the aim of delivering new leisure, residential and business development throughout the Borough based on a 50/50 partnership. The initial focus of the Growth Company was on the regeneration of Birkenhead Town Centre with further developments in Moreton and Bromborough to follow as part of the long-term vision of the company.
- iii **Herefordshire Council established a Development and Regeneration Programme (DRP)** and appointed Keepmoat Homes and Engie to act as their partners to deliver homes and employment opportunities over a 10-year period and to assist in meeting the Council's Core Strategy ambitions. The partnership has achieved planning permission for 178 student bed accommodation development which is under construction and a site at Bromyard has secured planning permission for residential development

- 10 **Strategic Market Engagement:** diversifying the housing market by actively engaging with innovative SME developers, Registered Providers and MVHBs to investing in Cumbria. Carlisle City Council recognised in its Recovery Strategy that RPs have a substantial role to play in SCGV. It is recommended that the Cumbria Housing Group undertake further work in analysing which developers are not active in Cumbria; why this is the case; and recommendations regarding the measures that can be taken to encourage them to shift their focus further north. There is an existing county-wide LA/ RP forum that could be helpful in this respect. This could be aligned with the *Invest in Cumbria Development Prospectus* (discussed below), which would collectively present key sites across the County and reach a range of international investors that hitherto have not been involved in sites across Cumbria. This could also include Councils working with the CLEP to reach out to investors at prestigious events such as MIPIM, and further promote the Cumbria brand.
- 11 **Planning Task Group:** CLEP could explore the option of setting up a Planning Task Group to help housing developments progress more quickly through the planning system. This would also involve supporting the Cumbrian LPAs in their requests for additional resource to improve the rate of progress through the planning system. Supporting local

<sup>42</sup> <https://www.gov.uk/government/publications/new-development-corporation-competition-guidance/new-development-corporation-competition>

authority resource requests would need to be agreed with all LPA partners in order to establish feasibility.

## Developing a skilled professional, technical and trade workforce

### Issues:

- 7.43 One of Cumbria's greatest assets, its natural attractiveness and physical remoteness, also presents serious barriers to development. Aside from the impracticalities of developing large-scale housing schemes in the National Park and other parts of Cumbria with Environmental and Landscape designations, its attractiveness to live and visit means that many local residents are often priced out of the market and are forced to move elsewhere to find work. This is compounded by the remoteness of many settlements, particularly along the coast.
- 7.44 Concerns were expressed during the consultation process regarding the **availability of a skilled workforce**, with brick layers and a shortage of local construction site managers cited in the Cumbria Housing Supply Group Barriers to Development Focus Group. We understand that the shortage is particularly profound in specialist trades including rendering and plumbing with contractors having to come in from outwith the region which adds significantly to the cost.
- 7.45 As a result, housebuilders often have to bring in their own contractors from outside the sub-region at greater cost, or face accessing a longer, and more expensive, supply chain of goods and materials to construct their houses. This can significantly increase the cost of construction particularly on the West Coast, where house prices are already lower than elsewhere in England.
- 7.46 Developers reported that it was **particularly difficult to access good contractors**, and there was a lack of a suitably skilled workforce, whilst those living in the area who did have the desired skills were often in high demand, and there was a **high churn rate of staff** within the construction profession.

### Potential Interventions could include:

- 1 **Training courses tailored to areas of need:** It is important to work with education, training and business providers to highlight the value of careers in the construction industry. This could include the CLEP - with the housebuilding industry - working more closely with Colleges, Higher Education Institutions (such as the University of Cumbria), private training providers, schools, voluntary and community sector and other agencies to identify those sectors where there is a specific localised need, and to tailor courses to meet that shortfall.

The CLEP could potentially add real value in coordinating/contributing resource to skills providers and businesses, to help address supply chain issues. This would help to address a key housing delivery issue and would be additional to what the districts can provide.

CLEP is already committed to ensuring that the county has a vibrant skills system that is responsive to both current and future economic needs and offers excellent learning environments and opportunities. It plays an increasingly active role in the provision of skills development and training opportunities for the county, in particular by helping to align skills provision with the needs of employers, young people, the current workforce and those not currently in employment.

However, CLEP's People, Employment and Skills Strategy Groups will need to continue to identify ways to attract more people into the industry and highlight the opportunities for jobs and careers in Cumbria. This should include working with housebuilders and developers to develop a clear understanding of the specific skills gaps, or under-supply, of

particular contractors in the County, and to work with Higher Level Skills providers to develop a shared approach to employability skills in the burgeoning construction industry, given the Government's current mantra of 'Build, Build, Build'.

The CLEP could assist HE/FE providers in developing theoretical pathways into high level construction skills opportunities. It is also suggested that CLEP works with HE/FE providers to commission leaver's destination surveys for relevant construction courses to understand where graduates are moving to take up job opportunities, and to understand if this is resulting in Cumbria experiencing a 'brain drain' away from the County.

- 2 Enhanced training on the job:** Discussions with CAFS highlighted best practice in places such as South Lakeland District Council, working with Kendal College, whereby 100 people were trained to retrofit energy efficient insulation into the type of older stone-built properties that are commonplace across Cumbria.

Retrofitting courses have been run by CAFS, SLDC and Kendal College to provide attendees with detailed knowledge on refurbishing and improving buildings to make them more sustainable, reducing energy consumption and improving energy efficiency with a focus on traditionally-built homes (e.g. solid-wall houses built before 1920). The short Course was at a Level 4, meaning that the content is similar in level to a module of a university bachelor's degree. Costs were priced at just £30, due to support from SLDC and Kendal College. The further delivery (and subsidization) of similar courses could be further explored by other districts across Cumbria<sup>43</sup>.

- 3 Identification of innovative housing projects** which could provide solutions to the housing issues identified and help attract a different demographic to particular areas across the CLEP. For example, encouraging 'niche' SMEs and specialist housebuilders to deliver more homes across Cumbria may help to create bespoke, innovative and highly desirable homes for younger people and help to attract a viable workforce to support the CLEP's economic growth aims into the future.

Similarly, there is a greater role for smaller SME and niche house builders to operate in Cumbria. Provision of Modular housing (Modern Methods of Construction, MMC) could potentially assist in overcoming skills shortages and boost production. This could include the likes of Urban Splash and their innovative 'House' Brand, which provides very specific housing products tailored to the needs of the occupier. Another example can be seen with Keepmoat and Elliott Group, who have collaborated to form ilke Homes, who specialise in offsite housing construction (Case study overleaf<sup>44</sup>).

However, examples were cited in places such as Egremont whereby the roads are too narrow to bring the modular houses through, whilst off-site production may mean that jobs are lost to Cumbria. Care would also need to be taken that the market does not become too saturated, as due to their very high build rates, modular products are more effective in areas with strong market demand. The skills issue in the construction sector can also impact on the development of homes offsite. Even if there are no skills or labour supply problems at

---

<sup>43</sup> <https://cafs.org.uk/events/?page=CiviCRM&q=civicrm/event/info&id=62>

<sup>44</sup> RICS (September 2018): Modern Methods of Construction A forward-thinking solution to the housing crisis? Page 30



### Keepmoat and ilke Homes

During 2017, Elliott Group worked in collaboration with Keepmoat to form ilke Homes. The joint venture leveraged their combined experience in the design, manufacture and installation of quality residential and commercial buildings.

ilke Homes are precision-engineered offsite to ensure consistent high quality. They can install up to six homes per day onsite, delivering homes in less than half the time of traditionally built houses. The homes are fully mortgageable, with Elliott having achieved BOPAS accreditation, which has now been transferred to the ilke Homes business. The homes have all the standard warranties, including BLP Secure and NHBC Buildmark.

ilke homes are volumetric and are delivered onsite with all internal and external finishes complete, including kitchens and bathrooms, so residents can move in quickly with very little additional work required. Offering a range of customisable house types and layouts, the homes can be designed to meet the needs of individuals and the local communities they serve. Exterior options suit the local vernacular, whilst internal configurations are available for different tenures.



ilke homes housetypes	NDSS	Mq[2]	Variant
60m <sup>2</sup> 2b4p 2 storey house			
80m <sup>2</sup> 2b4p 2 storey house	Yes	Yes	
80m <sup>2</sup> 2b4p 2 storey house	Yes	Yes	wide fronted
80m <sup>2</sup> 2b4p 2 storey house	Yes	Yes	rear kitchen
80m <sup>2</sup> 3b5p 2 storey house			wide fronted
80m <sup>2</sup> 3b5p 2 storey house			rear kitchen
100m <sup>2</sup> 3b5p 2.5 storey house	Yes	Yes	
100m <sup>2</sup> 3b5p 2.5 storey house	Yes	Yes	rear kitchen
100m <sup>2</sup> 4b7p 2.5 storey house			
100m <sup>2</sup> 4b7p 2.5 storey house			rear kitchen
121m <sup>2</sup> 4b7p 2.5 storey house	Yes	Yes	
121m <sup>2</sup> 4b7p 2.5 storey house	Yes	Yes	rear kitchen
121m <sup>2</sup> 5b8p 3 storey house			
121m <sup>2</sup> 5b8p 3 storey house			rear kitchen
50m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	
60m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	
70m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	
50m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	
60m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	
70m <sup>2</sup> 2b4p 1 storey bungalow	Yes	Yes	



the factory end, there will still be the requirement for sub-structure, superstructure and finishing trades on site in Cumbria, as well as issues around utilities. Moreover, as MMC strategies are tied into digitisation, IT literacy amongst construction workers will be a concern.

High levels of investment in training and education will be required, not least with regard to growing SMEs and new entrants into the evolving market. In addition, as the objective is for up to 70% of costs to be incurred offsite in factories and at the design phase, the points at which labour is most intensively used throughout a project differs from traditional build, with the cost curve far more front-loaded. This cost profile demands a ‘right first time’ ethos from initiation. This also means that there is often less flexibility to change elements of the projects later on, for example, as a substantial portion of labour and other costs are generated early on in the process, there is greater project risk at an earlier stage, which is exacerbated by uncertainty around planning and funding over the full development period<sup>45</sup>.

## 2) Housing regeneration and improving the quality of housing

7.47

This CHS Priority explores opportunities and initiatives to improve the quality of Cumbria’s housing. Working collaboratively with owners and landlords the CLEP aims to ensure that housing across Cumbria is of a good standard: warm, safe and decent. Regenerating our poorest housing and town centres will improve the quality of existing housing and increase choice and demand in these areas, as well as driving economic growth. The CLEP aims to endeavour to bring empty homes back into positive use and improve the energy efficiency of Cumbria’s homes.

<sup>45</sup> RICS (September 2018): Modern Methods of Construction - A forward-thinking solution to the housing crisis?

- 7.48 The main issues that arose during the contextual analysis and stakeholder consultation, and the suggested interventions that Lichfields proposes to explore in further detail to help address them, are as follows.

### **Regenerating Areas of Low Housing Demand**

#### **Issues:**

##### *Complex picture of weaker housing demand beside key employment generators*

- 7.49 There is a complex picture of weaker housing demand in close proximity to some of Cumbria's key employment generators such as BAE Systems in Barrow and Sellafield in Copeland; although Barrow and Copeland are areas of generally low demand. Many of the urban areas along the west coast in particular have low house prices, declining demographics and monolithic forms of tenure, with high numbers of difficult-to-sell terraced properties. Certain developers suggested that they are less keen to go to the western district because house prices are very low and demographics are unfavourable, meaning that development viability is more marginal.

##### *Mind the Gap*

- 7.50 Many people across all areas of Cumbria seem to fall into the gap of being unable to access owner occupation but are also ineligible for affordable housing. It was suggested during the consultation events that some alternative/innovative housing models are needed.

##### *Place Regeneration*

- 7.51 There is a place regeneration issue which is required to support the improving housing offer – particularly around the western parts of the CLEP area where there are issues of low incomes and fewer qualifications sitting alongside opportunities to capture some of the higher paid workers who currently live elsewhere. This includes a particular emphasis on regenerating existing housing and bringing empty homes back into use.

##### *Repurposing Town Centres*

- 7.52 Following the continued fallout of the Covid-19 crisis, it is clear that Town Centres will look very different in the years to come. Longstanding challenges regarding the exponential growth in online retail and the corresponding decline in visitor footfall to retail centres was leading to increasing vacancy rates even before the pandemic hit. It seems likely that if and when we return to normal in the coming months and years, Town Centres will need to be radically re-purposed if they are to survive, with very high vacancy rates, redundant buildings, and a substantial fall in demand for retail and leisure units.

#### **Potential Interventions could include:**

- 1 Improved marketing of areas that currently have weaker levels of demand,** setting out the Unique Selling Points of places such as Barrow-in-Furness and why developers should consider investing there. This would cut across many of the other interventions set out above, but any marketing would need to be backed up with continued efforts to de-risk developers' entry into the market in these less viable locations; the provision of gap funding and infrastructure investment to remove as many abnormal costs as possible; and providing a wide range of sites of different types, size and tenure. For example, places like Walney-in-Barrow are comparatively desirable and sell well.

- 2 **Provision of low-cost market housing schemes:** Clearly the Government is consulting on its proposed **First Homes Scheme**, which could cut the cost of many new homes by a third to create a generation of new homeowners, although as the discount will be locked into the property in perpetuity this means it comprises a form of affordable housing. It is anticipated that the Government's First Homes Scheme will have the following features:
- *First Homes will be sold with a minimum discount of 30% off the market price, but local areas will be able to set a larger discount to ensure the homes are affordable to local people.*
  - *Buyers will purchase First Homes in the usual way and will have access to conventional mortgage products.*
  - *When owners of First Homes decide to move up the ladder, their home will be independently valued. When they sell the home, the discount will be passed on to the new owner with the discount (of at least 30%) applied to the new value.*
  - *This means homes will always be sold below market price and local communities will benefit for generations to come, with local authorities continuing to allocate these homes to first-time buyers and able to prioritise local workers.*
  - *First Homes are for people to live in, so they won't be allowed to be used as holiday homes or as buy to lets. These are for local people to take their first step onto the ladder<sup>46</sup>.*

MHCLG recently announced a 1,500 First Homes pilot scheme<sup>47</sup> as part of its £12bn Affordable Homes Programme. There remain issues with the delivery of such schemes with the difficulties associated with mortgage availability similar to the MiP discussion above, leading to a reticence from some developers to deploy discounted market sale products. Low cost home ownership schemes already operate in parts of Cumbria with some success:

**Case Study: Carlisle City Council** has seen particular success with low-cost home ownership in recent years, with an increase in the number of schemes secured through S106 agreements offering homes at 70% of market value, as well as a number of successful shared-ownership schemes. It operates a Discounted Sale scheme to manage the sale of Low Cost Home Ownership properties, in respect of new build housing schemes, and each subsequent resale of these homes. Carlisle City Council maintains a database of people who have expressed an interest in purchasing a discounted sale property, in respect of new properties and re-sales of properties previously purchased through the scheme. Not all of the low-cost homes would necessarily be first-time buyer properties and referred purchasers may already have an amount of equity in an existing property which they wish to sell.

The policy seeks to ensure low cost home ownership properties remain within reach of people on local incomes but without making schemes economically unviable. This is achieved through a percentage discount. Low cost properties are typically sold at a discount of 30% from the open market value. On older schemes the discount is 20%, and on one or two of the very earliest schemes the discount is 10%. Unlike some other forms of low-cost home ownership (e.g. shared ownership), with discounted sale properties the purchaser owns their home outright – no other party retains a share of the equity, but the initial price and each subsequent resale is subject to the same percentage discount. The owner is responsible for all repair and maintenance costs<sup>48</sup>.

<sup>46</sup> MHCLG (February 2020): A Guide to First Homes

<sup>47</sup> <https://www.socialhousing.co.uk/news/news/government-to-include-first-homes-pilot-in-12bn-affordable-homes-programme-67012>

<sup>48</sup> Carlisle City Council (July 2015): Low Cost Home Ownership (Discounted Sale) Policy and Guidance

The shared-ownership schemes are operated by specialist provider **heylo**, partnering with a range of developers, who report that the homes sell well with a good level of local demand for the product, however land costs can lead to viability issues. Housing solutions developed by heylo include:

- **“Your Home”**, which brings the low deposit and affordability benefits of part buy - part rent, which is usually only available on new build properties, to the thousands of existing properties for sale with estate agents. It does not require a mortgage and customers can buy a bigger share or buy outright at any time. Customers are entitled to at least 75% of any value increase on the share they didn't buy which is additional value that they or their family will be able to access in the future.
- **“Home Reach”** is a new nationwide part buy - part rent model for developers of new build properties that delivers up to 90% of open market value on shared ownership S106 properties and private units. Home Reach simplifies affordable housing development while enhancing the value of S106 properties and leaving the on-site sales process in the housebuilder's hands. Housebuilders also benefit from any house price increases between contract and sale.<sup>49</sup>

- 3 **Housing-Led Regeneration of Cumbria's High Streets:** The current crisis has inevitably meant even more headlines declaring the 'death of the High Street' in the press and amongst some property people. With town centres very much in the policy spotlight and money available from Central Government we will see vigour carried forward in the planning arena. More action plans and investment plans will emerge, and we will see a new wave of development coming forward when market conditions improve. What form that development will take is a crucial issue facing Cumbria. Despite the decline of retail in recent years the value - actual and perceived - wrapped up in shops and the car parks that serve them has been a barrier to re-development with appraisals having to deal with very large negative starting points. But the balance has now tipped. Just as the decline in retail values shows no sign of abatement the fundamental shortage of new homes will underpin demand, and values, in the residential sector, even if recession remains a short-term challenge. Shopping centres are of increasing interest to residential and mixed-use developers and local councils.

Many LPAs are grasping the nettle to lead the charge in identifying, masterplanning, curating and delivering required change, working with local communities, private sector partners and other stakeholders operating in their town centres and high streets. From 1<sup>st</sup> August 2020 a new permitted development right (PDR) will allow up to two storeys to be added to residential buildings. As anticipated, this will be in certain circumstances and subject to a successful prior approval application. Nationally, Government Funds<sup>50</sup> (£3.6bn for Town Deals, £1bn for Future High Streets and Historic England's High Streets Heritage Action Zones, and £50m for Reopening High Street Safely) are adding significant resource to deliver positive change in our town centres.

It is likely that many if not all of Cumbria's retail centres will see their Primary and Secondary Retail Frontages shrinking to a more sustainable core offer, with a wider variety of commercial and community uses intertwined and new homes will sit on top and around them. But there will be sub-regional variations and different strategies for different town centres needed for Cumbria. There will need to be innovative approaches for rejuvenating Cumbria's more vulnerable High Streets such as housing-led regeneration, building upwards on already developed land and railway stations and increasing densities in

<sup>49</sup> <http://heylohousing.com/our-housing-solutions>

<sup>50</sup> MHCLG website: e.g. <https://www.gov.uk/government/news/1-billion-future-high-streets-fund-expanded-to-50-more-areas>

adjoining residential areas to ensure that the population catchment area increases, helping to make services and facilities more viable.

In town centres where there is a limited market for residential development and values are low, particularly along the West Coast, it is suggested that the Councils plan for a renaissance in start-ups and independent businesses that could perhaps be linked to the supply chain of existing economic drivers such as BAE and the nuclear industry, and it is recommended that the CLEP work in tandem with districts to invest resources in re-purposing existing Town Centre space, estate regeneration and improvements to the public realm and basic infrastructure tailored to local requirements. The CLEP could also take a co-ordinated approach if necessary to help position the LPAs favourably with regards to bidding successfully for Town Centre improvement grants from Government.

- 4 **Ensuring that a broad mix of homes are delivered across a range of types and tenures to help support the regeneration of key town centres:** It will be important to firstly identify the target market for Town Centre living in Cumbria, before decisions are made regarding the type and tenure of properties delivered. This would need to be defined through a combination of **survey work which could be commissioned either by CLEP or the constituent authorities** to understand which local residents living in the wider area would be keen to move into our Town Centres. Based on previous studies elsewhere in the country, Town Centre living typically tends to appeal to younger households, particularly those aged 20 to 40, and specifically singles, couples and young families. It often also includes older residents (over 65) who are keen to be located in close proximity to amenities and health facilities. The survey(s) could be tailored to test whether their need is for low cost market housing and affordable homes, and the size of properties required.

It is suggested that **soft-market testing** be undertaken with housing developers to test the water with regards housebuilders in key centres and to test whether certain areas are viable for housing development without significant financial support.

Clearly there are already a number of strategy and evidence documents already produced by Cumbria's LAs which present a strong proposition as to what their future ambition is for their town centres. However, there may be an opportunity for CLEP to become involved in strengthening this through the creation of a vision for key centres which includes, and brings together, all aspects of investment and opportunities; residential, commercial and retail following the new 'economic normal' resulting from the Pandemic and potential Brexit transition.

Current opportunities may comprise either accommodation over shops or small brownfield development sites, neither of which enable the scale of investment or type of investment opportunity required to engender a successful Town/City living offer. Going forward, it will be important that a critical mass of sites are identified in the largest of Cumbria's Town Centres that are in close proximity to one another to enable a "clustering effect" to materialise. Identifying a suitable supply of sites for development in Cumbria's larger centres is important, that considers both small and larger scale opportunities. It is suggested that the Councils could provide a strategic steer on development but be flexible to respond to changes in market forces. This could then become the basis for directing investment in the future. This should also include a clear emphasis on regenerating existing housing both within Town Centres and also on nearby housing estates. This would need to include schemes to bring empty homes back into use.

The key to success and creating the conditions to generate demand, is to ensure that there is a housing mix set within an attractive urban area. This entails a cross section of investment (potentially involving CLEP funding) in the following:

- Creation of a sense of place;
- Good design;
- Hard and soft infrastructure, including super fast fibre broadband;
- Amenities;
- Good transport provision; and,
- Investment in social and community benefits.

Investment across these issues are not easy to deliver given limited resources; therefore, CLEP and the constituent Councils will need to work across different service providers and with key partners to pool resources and to identify innovative solutions and interventions. Key partners are likely to include health, social welfare, transport and police.

On a more micro-level, other solutions to introduce town centre living into Cumbria's larger settlements could include:

- Converting suitable office buildings to residential use;
- Identify an area for future ageing. This can provide accommodation that will be attractive to a range of need from: over 55s, independent living, care homes, social and community space that is linked to social and health care; and,
- Identifying small sites that will release micro-development for residential uses. For example, some exciting examples are already being designed by Burrell Foley Fischer for the London Borough of Islington<sup>51</sup>.



Dixon Clark Court, Islington. Image Copyright: Burrell Foley Fischer LLP

Another contemporary example is Capital & Centric's NOWHAUS Design-Led Housing<sup>52</sup>, which provide high density living with a low-rise aspect. These units are fully open plan, designed to minimize energy use to shrink utility bills and have a terraced back to back layout that maximizes brownfield land use, allowing double the amount of houses per acre. The design reduces construction costs to make them affordable and with gardens on the roof. The homes can be placed side by side to help build high density sustainable

---

<sup>51</sup> <https://bff-architects.com/dixon-clark-court>

<sup>52</sup> <https://capitalandcentric.com/living-spaces/nowhaus>

communities that can also sustain car sharing schemes, secure bike storage and co-operative food growing projects.



Images of NOWHAUS designs Copyright of Capital & Centric (<https://capitalandcentric.com/living-spaces/nowhaus>)

### Case Study - Fish Quay Regeneration North Shields:

Fish Quay in North Shields has a mix of river traffic, industry, leisure, nature, history and housing. This has been developed within the environment of Fish Quay continuing as the local fishing industry's working environment. The regeneration of Fish Quay was driven primarily by the investment in the existing industry and encouraging additional leisure uses alongside improvements in existing uses.

Following the success of this investment, new housing has begun to be delivered, driven by a comprehensive masterplan; a range of housing is available from apartments to town houses. It is anticipated that around 900 units will be delivered in total.

Delivery of regeneration at Smiths Dock has taken around 12 years to materialise and has been delivered in partnership between North Tyneside Council, Urban Splash and Places for People. In terms of delivery, the public sector has funded the ground works required in respect of levelling, infilling and infrastructure works which has enabled developer interest to be generated.

Regeneration in recent years has increased the resident population, initially more so to the west at New Quay and Dolphin Quays, and now more so to the east at the Irvin Building and Bell Street. Though not to former levels, the area is becoming ever more popular as a place to live not just visit. The increased local population has also brought about a much more vibrant and diverse mix of uses to the area.

## Demographic Change

### Issues:

#### *Demographic time bomb*

This represents one of the most pressing dilemmas facing Cumbria – over the next 10 years the County is forecast to have 20,000 more jobs than can be sustained by the local population. Overall, the latest 2018-based SNPPs suggest that over the next 25 years (to 2033), Cumbria's population will remain relatively static, but there will be around 29,000 fewer people of working

age, with 36,000 more people of retirement age in Cumbria by 2033. This is even more pronounced for some districts than for others, with Copeland anticipated to see a vertiginous fall in the numbers of working age residents of 16%, compared to 'just' -5% for South Lakeland. Aside from the gradual ageing of the population, Cumbria also has very high levels of net out-migration of younger residents aged 15-19 as they leave for HE opportunities elsewhere.

#### *Repercussions for Housing Need*

The projections also have serious implications for future housing need calculations if they are to form a part of the Government's revised standard methodology for calculating Local Housing Need [LHN], as it would drive down housing requirements to levels less than a third of current Local Plan targets. Some developers suggested that the adverse demographic trajectory was discouraging them from investing in locations such as Copeland and Barrow.

#### *Need for older persons' accommodation*

As the number of residents is projected to increase very significantly in every Cumbrian district over the next few years, there will need to be a concurrent increase either in new Extra Care housing / care home provision, or improvements to existing homes to ensure that they can be adapted to meet the needs of older residents whose mobility may be impaired. This is challenging in many parts of Cumbria, where large-scale Extra Care schemes in particular are not developable, and private improvements to adapt older stone-built properties to meet older persons' needs can be very expensive.

#### *Economic Stagnation*

As set out in the CHS, Cumbria's economy has the potential for transformational growth over the coming years, building on the Growth Deal, HS2 and the Northern Powerhouse. It also has further opportunities for growth resulting from BAE systems and as a centre for nuclear excellence. However, the County is already a net importer of labour from outside the sub-region, and this will only get worse if the number of residents of working age declines by over 36,000 over the next 25 years as the projections suggest. This will make it very difficult for companies to expand and attract the best talent, and will raise costs, increase unsustainable commuting, and may result in investment being lost elsewhere.

#### **Potential Interventions:**

- 1 **Providing a strong housing offer** is crucial to the County's economic aspirations. The availability of the right type of housing which is affordable on local incomes is crucial to economic growth, maintaining a local labour supply and sustaining communities. Furthermore, new housing construction provides and creates investment and a flow of skilled jobs both directly and in the supply chain. The local workforce then spends their incomes on local goods and services. It will be crucial therefore for the local economy that the Councils continue to pursue higher levels of housing growth. As set out earlier in this report, the Government's current standard methodology for calculating housing need is not fit for purpose in Cumbria, and would see a reduction of 19,560 homes over 15 years when compared to the current levels of homes the six LPAs (excluding the LDNP, which does not have an LHN figure produced by Government through the standard methodology), with Barrow actually having a figure of zero under the new approach.

Table 7.4 Indicative Economic Benefits of Housing Delivery across Cumbria

Authority	Local Plan Requirements (Over 15 years)	2020 SM Local Housing Need (Over 15 years)	Uplift due to pursuing the higher Local Plan Housing Requirements					
			Difference in Housing Growth	Direct Construction FTE jobs	Indirect Construction FTE Jobs	Total GVA	New Homes Bonus	Council Tax
Allerdale	4,560 (304 dpa)	1,590	+2,970	490	730	£71,300,000	£16,300,000	£4,700,000
Barrow-In-Furness	1,785 (119 dpa)	0	+1,785	290	440	£42,800,000	£9,100,000	£2,700,000
Carlisle	8,475 (565 dpa)	2,895	+5,580	910	1,380	£133,900,000	£30,500,000	£8,800,000
Copeland	4,155 (277 dpa)	165	+3,990	650	990	£95,700,000	£20,900,000	£6,100,000
Eden	3,630 (242 dpa)	1,425	+2,205	360	540	£52,900,000	£13,600,000	£3,900,000
South Lakeland	6,000 (400 dpa)	2,970	+3,030	500	750	£72,700,000	£20,400,000	£5,900,000
<b>CUMBRIA TOTAL*</b>	<b>28,605 (1,907 dpa)</b>	<b>9,045</b>	<b>+19,560</b>	<b>3,200</b>	<b>4,830</b>	<b>£469,300,000</b>	<b>£110,800,000</b>	<b>£32,100,000</b>

\*Excluding the Lake District National Park Authority

Source: Lichfields, using eVALUATE

Table 7.4 presents a very high-level indicative review of the economic uplift that could be achieved in each district from continuing to pursue the higher Local Plan housing requirements, as opposed to the much lower LHN generated by the Government's standard methodology. It incorporates Lichfields' eVALUATE economic benefits modelling<sup>53</sup> and applies a series of assumptions, economic multipliers and modelling tools to demonstrate the potential economic growth benefits that could be felt across Cumbria. The higher housing target (+ 19,560 over 15 years) could sustain an extra 3,200 direct construction jobs and 4,830 indirect jobs further down the supply chain. It would also generate an additional £469m in GVA during construction (although much of this would be gained outwith the sub-region), plus a further £110.8m New Homes Bonus contribution and £32.1m Council tax receipts. There would also be other very significant benefits generated from the uplift in local jobs sustained by the expenditure of new residents once they have moved into their new homes, plus a range of S106 contributions and enhancements to community services and facilities.

- 2 **Commission a Cumbria-wide New Movers Survey** in order to understand where new residents are moving into the County from; why they are keen to live in Cumbria; their age and particular family circumstances. This has already been undertaken in Carlisle, but if widened out across Cumbria it would help our understanding of whether we are starting to see a younger household profile moving into the County, and whether they are moving here because of work or quality of life considerations. Without understanding the current situation it is difficult to robustly identify the most appropriate policy and fiscal responses.
- 3 **There is a clear need to provide accommodation that is attractive to retaining a younger workforce.** Issues are essentially twofold – how can we retain our existing population (or at least encourage them to return to Cumbria after University/College); and how can we attract new residents from elsewhere to migrate into Cumbria.

This is a multi-faceted issue, which could include a range of responses such as:

- **Providing more affordable homes** in locations that people want to live, that are easily accessible to areas of employment;
- **Encouraging greater churn in the market** to ensure that 1-and 2-bed properties in more desirable areas become more frequently available. This may be through a combination of encouraging the MVHBs to provide more properties of this type

<sup>53</sup> <https://lichfields.uk/content/products/evaluate>

(perhaps through revisiting s106 requirements to make such schemes more viable) and/or ensuring a smoother housing ladder by providing a wide range of house types, so that people moving into 4/5 bed properties free up the smaller housing that could accommodate younger workers just starting out;

- **Provision of low-cost market housing schemes** through the Government’s proposed First Homes Scheme, which could cut the cost of many new homes by a third to create a generation of new homeowners;
- **Provide a new generation of live/work accommodation** (without the need to badge it as such otherwise this falls into a different tax bracket and can make it difficult to market). This could include bespoke new market housing that has specific areas for working to respond to the growing recognition that not everyone needs to commute on a daily basis. Clearly given Cumbria’s outstanding natural assets, coupled with its relative remoteness from the country’s main conurbations, this represents a unique selling point of the area. Given the current situation has led to a high rate of home working, and it is expected that this will continue (to some extent) once Coronavirus lockdown is lifted, some consideration should be given to how housing stock can best meet these future demands. This is also relevant in attracting a younger demographic into the County in the future.

**Case Study: Cornwall Tech success:** Cornwall has had significant successes in establishing itself as a high-tech industry cluster and attracting younger residents in these types of businesses over the past decade or so. This success has been spearheaded by Software Cornwall, an independent, collaborative group of technology business, education providers and business support organisations established in 2012. The group acts as a community representative for the industry, offering a number of benefits from networking to business support, representation at industry events and professional training.

**Case Study: The Great Place:** Lakes & Dales project seeks to address the issue of an ageing population by encouraging more young people to remain in and move into the area. The project seeks particularly to reach “*diverse, dynamic individuals with new ideas*” in order to preserve the economy and distinctiveness of the area by “placing art, heritage and culture at the heart of our future”. In terms of funding, the project launched the Branching Out and Acorn Funding schemes in 2018 to support the future of creative industries within the Craven and South Lakeland and has since funded 32 projects that have helped grow talent and pilot innovative work that will enhance the cultural offer for young people. Projects funded to date have included start-up business support; training and internships; art workshops and installations; and a series of cultural talks, podcasts and events.

**Case Study: Crusader Mill<sup>54</sup>:** Located on the eastern edge of Manchester City Centre between Piccadilly and Ancoats, the 180 year old Crusader Mill has been fully converted by Capital & Centric with the specific intention of attracting young, comparatively affordable residential apartments for local residents. Unlike most other apartment schemes in the City, investors are not permitted to purchase the properties, which are intended for local residents who are going to live in the units, rather than to retain them as an appreciating asset. Starting at £189,000, Crusader is a collection of 1 and 2 bedroom loft apartments made for owner-occupiers. The Mill has been explicitly designed to appeal to younger households, avoiding featureless white walls in favour for exposed brickwork, high ceilings, thick walls, large windows, and a lush residents’ garden. Capital & Centric have sought to ensure that the communal spaces are places that residents will want to spend time in

<sup>54</sup> <https://capitalandcentric.com/living-spaces/crusader>

together. The garden has free Wi-Fi as well as Bluetooth speakers, gas-fed BBQs and fire pits. Residents are also placed in charge of their own planter to grow herbs, fruit or vegetables. The developer has also organized “MEET THE NEIGHBOUR” parties, to encourage joint house-warmings and foster a neighbourhood of individuals and families<sup>55</sup>.

## Low Carbon and Resilient Homes

### Issues

- 7.53 There is a clear need to increase the energy efficiency of the existing (and future) housing stock whilst cutting carbon emissions in accordance with Cumbria’s net zero carbon commitment. Cumbria has a particularly high proportion of older housing stock, with a comparatively low level of replacement over time. For example, in Allerdale two fifths of the housing stock is pre 1919, and 22% of its dwellings fail to meet decent homes standard according to its latest SHMA. Ageing housing stock is more associated with poor energy efficiency, and as noted in the CHS, the County has a large proportion of hard-to-treat homes in rural areas, which often fail to meet minimum energy efficiency standards without significant investment (which is not always viable for many older residents who may be asset rich, but cash poor).
- 7.54 Again, as noted in the CHS, the older profile of some of the stock contributes towards the problem of *Excess Cold*, whereby many homes are poorly maintained with low energy efficiency, which can increase the potential for Cumbrian households falling into fuel poverty. Particularly for vulnerable low-income households, Excess Cold can impact on health and wellbeing and contribute towards excess winter deaths.
- 7.55 Furthermore, as has been well documented, Cumbria has suffered very badly from **flood events** in recent years, with the recent floods of 2009 and 2015 (the latter as a result of Storm Desmond) reported to have been the worst in the sub-region for more than 550 years. In 2015 more than 50,000 homes in Cumbria were flooded or had severe impacts from floodings, and the damage to homes is still being felt in many areas. Similarly, the 2009 floods left thousands of Cumbrian residents displaced from their homes which has taken many years to resolve<sup>56</sup> (and in many cases, for the floods to cause devastation to those same households just 6 years later).
- 7.56 The need to deliver housing in areas with a very low risk of flooding, and to create resilient existing and future homes in areas that are vulnerable to future flood events, will be crucial for the Councils going forward.
- 7.57 **Potential Interventions:**
- 1 As set out above, **Modern Methods of Construction** [MMC] are likely to have a key role to play in boosting housing delivery, particularly in parts of Cumbria where on-site construction costs are particularly high. MMC is a collective term for a wide range of non-traditional building systems, which include modular construction where units are fully fitted out off-site, panelised systems (such as timber or light steel frames, site based MMC such as thin joint block work and sub-assemblies and components (such as pre-fabricated chimneys, porches etc)<sup>57</sup>. The success of homes built using MMCs, as seen in other parts of the world (notably Scandinavia), has not generally been replicated in volume in the UK, where most new low-rise residential development still uses masonry cavity wall construction. This is changing however, and the Government has provided financial support through £2.5bn of the £4.5bn Home Building Fund to support builders using

<sup>55</sup> <https://capitalandcentric.com/living-spaces/crusader>

<sup>56</sup> <https://www.theguardian.com/environment/2019/may/22/floods-in-2009-and-2015-were-worst-in-cumbria-for-centuries-study>

<sup>57</sup> MHCLG: 15<sup>th</sup> Report: Modern Methods of Construction

modern methods of construction, alongside other new entrants to the market. To date a total of £236m from the Fund has been allocated to schemes that incorporate MMC<sup>58</sup>.

CLEP should play a supporting role as a partner to the LPAs and help to facilitate economies of scale. While a lot more could be done to progress modern MMC within Cumbria, the scale of the task requires significant Government intervention. It is recommended that LPAs work with developers to ensure that housing schemes increasingly embrace the principles of modern methods of construction, including using low-embodied carbon building materials and achieving the highest practicable energy efficiency. As this may increase the build cost of some standard property types from the MVHBs, there may well need to be a trade off with other ‘asks’ to ensure that housing remains viable, otherwise there is a risk that the rate of housebuilding will drop, particularly in more marginal parts of the County.

- 2 **Retrofitting Programmes:** The Government fully supports the need for better home carbon efficiency, and its Clean Growth Strategy (October 2017) sought to strengthen energy performance standards for new and existing homes under Building Regulations, including future-proofing new homes for low carbon heating systems, with all ‘fuel poor’ homes to be upgraded to Energy Performance Certificate (EPC) Band C by 2030 and an aspiration for as many homes as possible to be EPC Band C by 2035 where practical, cost-effective and affordable. More recently, in response to the Committee on Climate Change’s 2018 annual report to Parliament, the Government indicated that it aims to halve the energy use of new buildings by 2030. The Government has also pushed through a change to the 2008 Climate Change Act, and the UK now has a legally binding target of producing net zero Greenhouse Gas emissions by 2050<sup>59</sup>.

By 2025 the Government is also aiming to introduce a Future Homes Standard for new build homes to be future-proofed with low carbon heating and world leading levels of energy efficiency, to create healthy homes that are fit for the future, have low energy bills, and are better for the environment. The consultation on the FHS (which concluded in February 2020) suggests a 2-stage approach: measures to achieve either a 20% or 31% reduction in carbon dioxide emissions in the 2020 regulations compared to the 2013 rules; and a 75-80% reduction is the aim for 2025. Many LAs have also committed to accelerating towards these targets at a faster rate, with 274 UK Councils declaring a Climate Emergency to date (as of February 2020)<sup>60</sup>, including Barrow-in-Furness, Carlisle, Eden and South Lakeland in Cumbria (with Carlisle and Eden having a target date of 2030 to be carbon neutral – 20 years ahead of the Government’s deadline).

In achieving this goal, there is general consensus that tackling energy demand and carbon emissions in domestic properties (that account for around 30% of energy consumption and 27% of the UK’s total carbon dioxide emissions) will make a substantial difference. For LAs and Registered Providers, that means starting with the UK’s social housing stock, and adopting the technologies that will help turn the tide. According to the Sustainable Energy Association, a combination of deep retrofit of existing social housing, far greater standards in new-builds and rapid market growth of low carbon heating systems is now required. Repairing these properties to a high standard, with insulation and renewable energy technology, will cut consumer costs and bring other benefits, such as improved health and wellbeing<sup>61</sup>.

<sup>58</sup> Government response to the Housing, Communities and Local Government Select Committee report on modern methods of construction (September 2019)

<sup>59</sup> House of Commons Briefing Paper on Housing and Net Zero (25<sup>th</sup> February 2020)

<sup>60</sup> <https://www.climateemergency.uk/blog/list-of-councils/>

<sup>61</sup> <https://www.localgovernmentlawyer.co.uk/projects-and-regeneration/317-projects-features/41770-retrofitting-social-housing>

**There is therefore a clear opportunity for Cumbria’s LAs and Registered Providers to work collaboratively to undertake retro-fitting of their existing housing stock** in order to act as a catalyst for urban renewal and economic growth. This is particularly prescient when they can take advantage of falling costs generally and planning across the project lifecycle including real estate, planning, construction, financing and operations, and compliance with the Renewable Heat Incentive and eligibility criteria<sup>62</sup>.

An action would therefore involve CLEP working with the Cumbrian LAs and the RPs to take a co-ordinated approach to retrofitting of properties, identifying and pursuing potential Government subsidies and incentives. By taking a collaborative approach it is likely that through efficiencies of scale and greater purchasing power, the public agencies can reduce their outlay on such schemes and deliver more ‘bang for their buck’ and capture the combined impact of retrofitting programmes each of the agencies will be putting in place.

In addition, whilst it is better to embed minimum energy efficiency standards into new build properties during construction rather than seeking to retrofit improvements, there remains potential for CLEP leadership, given that areas such as the LDNP have very little new build as a percentage of its total stock. Local examples include CAFS’ well established ‘**Green Week**’, with tutorials on how to make stone buildings more energy efficient. SLDC have been training 100 people to retrofit old stone buildings, and this could be rolled out across Cumbria, with subsidies given its expense.

#### ‘Cold to Cosy’ Case Study

CAFS is also the Cumbrian provider for the national LEAP energy and money-saving service. Through the LEAP, CAFS run Cumbria’s “Cold to Cosy Homes” scheme, which provides online advice and home visits/energy audits to ensure low-cost energy saving. This focuses on relatively low impact solutions only due to cost (i.e. sealing letterboxes, plug timers, review energy bills etc) but nevertheless has a role to play in improving energy efficiency in existing properties<sup>63</sup>.



Other projects already taking place in the County include those developed by Hadrian Homes, who apply Passivhaus standards to many of their properties in Cumbria. The CLEP could help encourage Passivhaus standards in Cumbria, which provide a high level of occupant comfort while using very little energy for heating and cooling. They are built with meticulous attention to detail and rigorous design and construction according to principles developed by the Passivhaus Institute in Germany and can be certified through an exacting quality assurance process.

#### Norwich City Case Study

Norwich City Council established the Norwich Regeneration Company in 2015 and is a wholly Council owned housebuilding outfit. The Company was established to allow the Council to seek ways of becoming more financially self-sufficient by developing commercial opportunities. The Company’s first development was on Goldsmith Street which delivered 100 social homes. The homes were highly energy efficient achieving German Passivhaus standard and the development won the RIBA Stirling Prize in 2019. The award stated that *‘bringing the reduced energy consumption associated with Passivhaus to mass housing is*

<sup>62</sup> Ibid

<sup>63</sup> <https://cafs.org.uk/cafs-draughtproofing-energy-saving-services/>

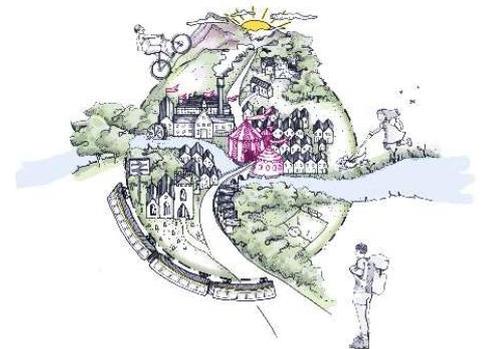
*a great achievement, and one that has taken a large amount of effort and care by the architects. This is an exemplary project'* The Company is also delivering 178 homes, both private and affordable, on a site at Three Score in Bowthorpe.

- Decarbonisation of the Grid:** Improving the energy efficiency of Cumbria's housing reduces the overall energy system costs of heat decarbonisation. The level of additional energy efficiency required is dependent on the heat decarbonisation scenario. Given the scale of investment required, financing these improvements will require funding from both public and private sources<sup>64</sup>. Decarbonisation of the Grid may well prove more effective than improving the efficiency of homes beyond a minimum standard due to cost and lack of skills.

As discussed above, the development of community housing has been very effective at delivering new homes in many parts of Cumbria and an action for CLEP may be to become involved in helping to facilitate **community grids**. There are already examples in Cumbria, notably Community Energy Cumbria [CEC], which comprises of a Board of Directors with skills and experience including renewable energy, project management, finance, ecology and community development. CEC identifies renewable energy projects that are ready to develop, and individuals invest in CEC through buying shares. The money is used to purchase and install the renewable energy system and to manage the project and shares. Two schemes are now operational (Burneside Community Energy and Killington Reservoir Overspill Hydroelectric Scheme) and CEC plans to provide a mechanism for other communities wishing to generate their own energy<sup>65</sup>.

**Case Study: Burneside Community Energy**

In 2015, Burneside Community Energy successfully raised half a million pounds from local shareholders to install 250kW of solar PV on the roof of James Cropper plc. That system has been running above expectation and as a community benefit society, to date the organisation has earmarked £5,000 for local projects. In November 2018 the organisation closed their second share issue for another installation of solar PV, again in partnership with James Cropper plc. They raised £330,000 by offering further shares, which they anticipate will generate annual interest of over 4.5%. In addition to being an attractive investment opportunity, the scheme reduces CO2 emissions and generates vital funds to support local projects.<sup>66</sup>



- Flood Resilience:** National planning policy is clear that housing should be located in areas at least risk of flooding, and that where development in an 'at risk' area is absolutely necessary, sufficient measures should be taken to make sure homes are safe, resilient and protected from flooding. Given Cumbria's recent traumatic experiences with flooding, this is at the forefront of considerations when planning for new homes uppermost

As the Lead Local Flood Authority [LLFA] for their area, CCC leads responsibility for managing local flood risk from surface water, groundwater and ordinary watercourses. Their role is to assess the risk of surface water flooding across its boundaries as well as working with organisations responsible for water management across the authority. CCC is also required to maintain a register of structures and features which are likely to have a

<sup>64</sup> House of Commons Briefing Paper on Housing and Net Zero (25<sup>th</sup> February 2020)

<sup>65</sup> <http://www.communityenergycumbria.co.uk/about-us/>

<sup>66</sup> <http://www.communityenergycumbria.co.uk/projects/burneside/>

significant effect on flood risk in their area<sup>67</sup>. CCC has produced a Local Flood Risk Management Strategy [LFRMS] in March 2015, which has an objective the need to Ensure that flood risk management is integrated within the planning process in Cumbria, with the best way to prevent flood risk from increasing is to avoid development in areas of existing flood risk where possible and to manage runoff sustainably.

As set out above, it is recommended that **CCC is involved at an earlier stage in discussions between the developers and LPA Officers regarding drainage**, and should retain their involvement throughout the planning process from outline through to Reserved Matters to ensure that (for example) SUDS principles agreed at an earlier stage are retained as the masterplan experiences modifications over time. This would need to ensure that there is no mismatch identified between the run-off requirements of the EA, UU and CCC in their capacity as Lead Local Flood Authority in the past. The discharge of surface water is often problematic for similar reasons.

In terms of other actions, the 2015 LFRMS recognises that there are increasing demands on developers and the regulatory authorities charged with implementing legislation controlling development to be innovative and explore new sustainable design philosophies. There may be an opportunity for the Cumbria Housing Group, CCC and the CLEP to engage with developers (through the Cumbria Housebuilders Group) to focus on opportunities to further reduce flood risk in development proposals.

Finally, there may be opportunities to identify savings, such as the recent examples whereby the repair of many properties in Cumbria following the widespread floods could allow for retrofitting the flood-damaged houses with energy efficiency measures, or to ensure that they meet the Decent Homes Standard.

- 5 **Reduce the number of households in fuel poverty:** LPAs will need to continue to tackle sub-standard housing to help address fuel poverty in Cumbria. This could include implementing best practice on **Energy Company Obligation** statements, which is a Government energy efficiency scheme to help reduce carbon emissions and tackle fuel poverty. This is an obligation on energy suppliers aimed at helping households cut their energy bills and reduce carbon emissions by installing energy saving measures. Cumbria's LAs can engage with energy suppliers on how suppliers meet their obligations to install energy efficiency measures in homes under the Energy Company Obligation. LAs are able to define the eligible households living in, or at risk of fuel poverty and have some latitude to go beyond that, where they find households vulnerable to the effect of cold homes. Cumbria's LAs can issue a Statement of Intent that they are going to identify households as eligible, and the criteria they are going to use; alongside a declaration that they have been consulted on the installation of measures in a home.

There are two main categories of private tenure household that Government intends to be eligible through flexible eligibility: i. Fuel poor households, especially those on low income and not in receipt of ECO eligible benefits; and ii. Low income households that are vulnerable to the effects of living in a cold home. The Government has provided detailed Guidance<sup>68</sup> aimed at supporting LAs who wish to start participating in the scheme, and aims to help LAs make informed decisions on the criteria to use when identifying eligible households under flexible eligibility. The Cumbrian districts may decide to follow this guidance when developing their targeting criteria, or develop their own methodology to identify eligible households based on local data and tools. So far, Carlisle City Council has issued a statement of intent (dated 31<sup>st</sup> October 2018) to join the scheme, along with Barrow

<sup>67</sup> House of Commons Briefing Paper (February 2016): Planning and Flood Risk

<sup>68</sup> Department for Business, Energy and Industrial Strategy (February 2019): Energy Company Obligation: ECO3, 2018-22 Flexible Eligibility Guidance

in Furness Borough Council (9<sup>th</sup> April 2019); Eden District Council (1<sup>st</sup> July 2019) and South Lakeland District Council (17<sup>th</sup> October 2019). This leaves Allerdale Borough and Copeland Borough Councils to come on board.

## Second Home Ownership / Empty Homes

7.58 **Issue:** Second homes are a key characteristic of many parts of the CLEP area, and particularly the LDNP, due to the highly attractive countryside and quality of life. As a result, empty homes and under-occupancy more generally is a real issue in many of the more rural parts of the County, in contrast to much higher levels of occupancy in Carlisle, Penrith, Kendal, Whitehaven and in heart of the LDNP itself (likely to be linked with seasonal workers). Villages with a high proportion of second home owners, or properties that may be let for only part of the year and which stay vacant for much of the winter season, are generally less sustainable and see further pressure being put on Councils to reduce services such as schools, GP surgeries, bus services to cut costs.

7.59 This is a longstanding problem and one that has no easy solutions. The LDNP Authority has already lobbied Government hard, including a request to include second homes as a separate Use Class, but this has not been taken forward by MHCLG in their proposed changes to the Use Class Order. This severely restricts the Park's ability to prohibit further increases in second homes.

### 7.60 **Potential Interventions:**

- 1 **Bringing Empty Homes Back into Use:** The Coalition Government's Programme for Government included a commitment to "*explore a range of measures to bring empty homes into use*". Specific funding was made available for this purpose and Councils could also benefit from additional funding under the New Homes Bonus scheme when bringing empty homes back into use. The HCA produced an Empty Homes Toolkit and an interactive mapping toolkit to provide information and practical advice on tackling empty homes. The 2015 Government made no specific funding available to bring empty homes back into use. The Autumn Budget 2017 included a Council Tax measure aimed at reducing the number of empty homes: Empty homes premium. To help achieve this, local authorities will be able to increase the council tax premium from 50% to 100%. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 gained Royal Assent on 1 November 2018 and enables local authorities to increase the Council Tax premium on longer-term empty homes<sup>69</sup>.

CLEP should explore the possibility of creating a recyclable loan fund that the six Cumbrian LPAs with housing powers can borrow from in order to cover acquisition costs. Equipping local authorities with the necessary resources for Compulsory Purchase Orders and purchase of easements for long term vacant properties would enable those properties to be brought back into use.

## 3) Improving Housing Support

7.61 This CHS Priority aims to undertake reasonable adjustments to ensure that those people who have been seriously disadvantaged are able to have full access to the information and support they need to access appropriate accommodation. This involves working with developers, statutory partners and third sector organizations to increase the supply of specialist housing for groups with specific unmet needs. This aims to ensure that those people with support requirements, who can and wish to remain in their own homes, can do safely, through maximizing the impact of grants and programmes to deliver adaptations to existing properties.

<sup>69</sup> House of Commons Briefing Paper (20<sup>th</sup> April 2020): Stimulating housing supply - Government initiatives (England)

7.62 The aspirations for delivery include a programme of new Extra Care housing and supported living; appropriately designed housing that can be more easily adapted over the lifetime of the occupier; robust and fit for purpose individual Regulatory Reform Order [RRO] Housing Assistance policies; and the prevention of rough sleeping and homelessness.

7.63 The main issues relevant to this Housing Delivery Strategy that arose during the contextual analysis and stakeholder consultation, and the suggested interventions that Lichfields proposes to explore in further detail to help address them, are as follows:

## Adaptable Housing

### Issues

7.64 **Supporting older and vulnerable people to live independently for longer.** As set out above, the number of residents aged over 65 is projected to increase by over 36,000, or 30%, over the next 25 years or so. Whilst there are care homes and Extra Care schemes outside the LDNP in particular, their numbers are relatively limited relative to likely future demand.

7.65 There is a clear need to plan for **more older persons' accommodation**, but we must be careful that this does not just result in an ever-growing older population, with younger working households squeezed out of the market place. Part of the solution will need to involve helping existing older Cumbrian residents to have their long-term housing needs met through **adaptations and assisted living**, as well as through the provision of new properties better suited to their needs (such as bungalows). New homes will, however, need to be targeted particularly towards younger residents and families that are more able to participate in the workplace and reverse the demographic challenges currently looming.

7.66 There is also a clear need to **support disabled people in a range of accommodation types, including independent living**. Actions should consider how disabled people, including people with a learning disability, autism and mental health problems, are able to live with a level of independence.

7.67 The Government has introduced a 3-tier standard for accessibility in Part M (access to and use of buildings) of Schedule 1 of its Building Regulations – mandatory baseline i.e. minimum requirements and two optional standards:

- 1 Mandatory baseline - M4(1) – visitable dwellings; and
- 2 Optional Standard - M4(2) – accessible and adaptable dwellings; and,
- 3 Optional Standard - M4(3) – wheelchair user dwellings (distinguished between (3a) wheelchair adaptable, i.e. that can be easily adapted to meet the needs of a household including wheelchair users; and (3b) wheelchair accessible, i.e. that is readily useable by a wheelchair user, including step-free access, with the latter only to be applied in Planning Policies where the LPA is responsible for allocating or nominating a person to live in that house).

7.68 These changes enable the new standards to be enforced through Building Regs with the optional requirements to be applied within LPAs through planning policy in Local Plans and required in developments by way of conditions attached to planning consents<sup>70</sup>.

7.69 Furthermore, there is a concern that building new market homes specifically for older residents is likely to attract more new older residents to move into Cumbria, further worsening the demographic crisis facing the County. As such, there will be a need to take strong leadership regarding ensuring that new build properties are adaptable and capable of meeting changing

---

<sup>70</sup> Rother District Council (September 2018): Accessible and Adaptable Housing Background Paper

needs over time, although this adds to the cost of developing such properties. In addition, adapting old stone build properties for older residents can be particularly expensive.

### Potential Interventions:

- 1 **The application of optional accessible and adaptable housing standards:** The Government's PPG states that LPAs will need to gather evidence to determine whether there is a need for additional standards in their area, and justify setting appropriate policies in their Local Plans<sup>71</sup>. Based on their housing needs assessment and other available datasets it will be for LPAs to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations. There is a wide range of published official statistics and factors which local planning authorities can consider and take into account, including:
  - the likely future need for housing for older and disabled people (including wheelchair user dwellings).
  - size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).
  - the accessibility and adaptability of existing housing stock.
  - how needs vary across different housing tenures.
  - the overall impact on viability.<sup>72</sup>

This has been implemented to varying degrees across Cumbria – for example, in South Lakeland, all new build homes are required to meet the operational Building Regulations requirement M4(2) (Category 2, Accessible and Adaptable Homes) and 5% of new build homes on sites over 40 units will be required to be wheelchair adaptable (Category 3a - Wheelchair User Dwellings) as set out in Policy DM11 – Accessible and Adaptable Homes in the Council's Local Plan Development Management Policies document (Adopted 28<sup>th</sup> March 2019). Although some developers have raised the issue that this has impacted the viability of their schemes in South Lakeland, the examining Inspector was satisfied that viability will not be affected and that the policy would support the achievement of wider public health and social care objectives in Cumbria<sup>73</sup>.

The issue was also examined by Allerdale Borough Council in its Allerdale Local Plan Part 2 Site Allocations Optional Housing Standards Topic Paper, which concluded that there was limited capacity within local older persons' care and specialist homes, whilst the Examining Inspector concluded that, if 20% of the dwellings on developments of 10 or more dwellings are designed and constructed to meet the M4 (2) standards and 5% on schemes of over 30 dwellings to meet M4 (3), it would not put residential development at serious risk by the cumulative impact of the policies<sup>74</sup>.

**The remaining LPAs must therefore consider the viability impact of applying these optional standards as part of their Local Plan viability assessment.** In considering the costs relating to optional Building Regulation requirements or the nationally described space standard, the authorities may wish to take account of the evidence in the Government's most recent Final Implementation [Impact Assessment](#)<sup>75</sup> issued alongside the Housing Standards Review.

<sup>71</sup> PPG: Paragraph: 002 Reference ID: 56-002-20160519

<sup>72</sup> PPG Paragraph: 007 Reference ID: 56-007-20150327

<sup>73</sup> Inspector's report to South Lakeland District Council on the Examination of the South Lakeland Local Plan Development Management Policies (30<sup>th</sup> January 2019), Paragraph 24

<sup>74</sup> Inspector's Report on the Examination of the Allerdale Local Plan (Part 2) Site Allocations (9<sup>th</sup> January 2020):

<sup>75</sup> <https://www.gov.uk/government/publications/housing-standards-review-final-implementation-impact-assessment>

This would involve an analysis of the extent to which new homes could **meet the M4(3) requirement for wheelchair users** (which will overlap with some of the need for adaptable and accessible homes for older people), and the extent to which developers consider this to be achievable in different parts of the County. This requires consideration of the effectiveness and need for this over current building regulations with developers and providers, and the potential significant impact on delivery. This may involve a reassessment of whether this could be provided in lieu of other 'asks', to ensure projects remain viable, particularly in parts of the County where the housing market is weaker.

In order to **support disabled people in a range of accommodation types, including independent living**, this could involve closer working between the LPA, Housing Departments and CCC around specific housing requirements within localities with the various parties working to secure the best possible mix of housing on specific development sites.

- 2 **Making best use of investment in Energy Efficiency works and Disabled Facilities Grants.** The Disabled Facilities Grant (DFG) is a means-tested capital grant which can contribute towards the cost of adapting a home, for example by installing a stairlift, creating a level access shower room, widening doorways, providing ramps and hoists or creating a ground floor extension. Delivery of the grant is increasingly being used to provide a wider range of solutions to the problems people face in their home.

An External Review was commissioned on the DFG and Other Adaptations in December 2018 from the University of the West of England. Their research began to indicate the negative effect of delays in installing adaptations on health, wellbeing and fear of falling. To ensure that people remain independent customer pathways need to be less complex and faster. Disabled and older people want an efficient, seamless service, where they are fully consulted and given choices about the changes made to their home. It is important to provide adaptations that are effective, well designed, fit with their personal style and are not stigmatising by making the home look like a hospital.

**A key recommendation of the External Review was that there was a need to ensure that teams were integrated in all areas to simplify and speed up customer journeys.** The key finding from a variety of case studies explored by UWE was that service integration, even across large rural county authorities, is possible. There are different models, but they have many elements in common including:

- A range of wrap-around services for the customer including: alternative accommodation options, assistive technology and telecare, minor repairs and adaptations, major adaptations, a handy person service, **energy efficiency**, a safer home initiative and a fast track services for hospital discharge;
- A strategic partnership board and a strategic plan;
- Linked services using the Integrated Community Equipment Service (ICES, which funds equipment and minor adaptations) and DFG budgets, but with the potential to include additional funding;
- A single access point;
- Integrated teams under a single manager which includes staff with occupational therapy and technical skills;
- A new cross-trained staff role combining trusted assessor, grant officer and casework skills to provide better customer support;
- Preventative services providing advice, information and housing MOTs;

- Effective end-to-end IT systems using bespoke systems and/or NHS numbers and data sharing protocols; and,
- Effective reporting on outputs, outcomes and impact and use of this information to continually improve the service.

**It is recommended that as per the UWE’s recommendations, LPAs explore integrating these services as an alternative way of organising services by co-locating the adaptation team with health staff to provide more holistic services focussed on the home.** A better analysis of local need required to develop preventative strategies and determine levels of revenue and capital funding.

This could be similar to the **Leicestershire Lightbulb model** referenced in the UWE Review, which aims to save time for customers and provide efficiencies for all the organisations involved. Each district council in Leicestershire has an integrated locality team offering: minor adaptations and equipment, DFGs, other housing support such as warmth, energy efficiency and home security, assistive technology and falls prevention, housing options advice, and other housing related advice, information and signposting. A ‘Lightbulb funding pot’ combines existing resources across adult social care and district councils, including the DFG. Staffing levels are based on analysis of need across the county and assumptions about any increase in demand relating to the new service offer<sup>76</sup>.

### Increased Extra Care and Assisted Living Accommodation

7.70

**Issues:** crucial dilemma facing Cumbria – by 2033 it is estimated that it will have 36,000 more people of retirement age in Cumbria by 2033, with an increasingly high number requiring a degree of care intervention. In the face of ever-tightening budgets, there is a clear need for Councils’ spending on Adult Social Care to reduce, and the provision of Extra Care and Supported Living accommodation will have a pivotal role to play in achieving this aim, helping residents to live independently for longer. Assisted living is a key priority for CCC.

---

<sup>76</sup> University of the West of England et. al. (December 2018): *Disabled Facilities Grant (DFG) and Other Adaptations –External Review*

7.71 The County Council has an Extra Care and Supported Living Strategy (2016-25). This identified a very strong level of demand for both Extra Care and Assisted Living Accommodation, with unmet provision for Extra Care Housing [ECH] totalling 2,101 by 2025, whilst the total shortfall in supported living amongst people with learning disabilities in Cumbria could reach 185 (Table 7.5). The Strategy noted that as service users choose Extra Care Housing Accommodation rather than Residential Care Accommodation there is an estimated saving of around £9,000 per year per placement.

Table 7.5 Analysis of current supply of Extra Care Housing (2015) / Supported Living against projected demand estimates for 2025

Authority	Extra Care Demand			Demand for Supported Living amongst people with learning disabilities in Cumbria				
	Projected demand for Extra Care Housing for Older Adults by 2025	Current Supply (2015) including schemes under development	Shortfall in ECH provision required by 2025	No. of people in residential	Shortfall based on 65%	No. of people in supported living	Shortfall based on 25%	Total shortfall in supported housing
Allerdale	540	111	429	41	27	68	17	44
Barrow-In-Furness	340	41	299	26	17	101	25	42
Carlisle	550	161	389	19	12	36	9	21
Copeland	350	61	289	6	4	31	8	12
Eden	320	125	195	33	21	45	11	32
South Lakeland	700	200	500	31	20	56	14	34
<b>CUMBRIA TOTAL*</b>	<b>2,800</b>	<b>699</b>	<b>2,101</b>	<b>156</b>	<b>101</b>	<b>337</b>	<b>84</b>	<b>185</b>

CCC Extra Care and Supported Living Strategy (2016-25). Demand analysis data provided by 'Social Care Strategies', October 2015

7.72 Extra Care homes are therefore needed in Cumbria, but some providers will not deliver unless they are of a certain size, which can be difficult in Cumbria. According to the County's Extra Care and Supported Living Strategy, whilst there are currently 699 ECH in the County across 19 developments (as of 2016), the vast majority of these are on schemes that have 40 or fewer units and there are no ECH developments in the County larger in size than the 69 unit Greta Gardens scheme in Keswick (run by Castles and Coasts Housing Association). 15 of the 19 ECH developments have fewer than 50 units. Discussions with the RPs during the stakeholder workshop indicated that most would need a minimum threshold of 60-80 dwellings or so, otherwise they are unable to provide the on-site facilities that make it an attractive proposition for older people. The larger schemes are very difficult to deliver in Cumbria due to the environmental constraints, whilst need can be spread over a very wide area. There is also a need to ensure that sites are within a sufficiently large catchment area, and are fully accessible, for staff, which means that most large sites need to be in close proximity to the larger urban areas of Cumbria.

7.73 Regarding assisted living, CCC's Strategy notes that as some of the existing Supported Living accommodation is likely to not be 'fit for purpose', and that a proportion of people in residential care are likely to wish to move to Supported Living in the future, some additional development will be required for the county in upcoming years.

### Potential Interventions

- 1 **Update the scale of Extra Care Need in Cumbria:** The County Council has identified significant demand for ECH units in Cumbria, to be developed over the next ten years, with demand for social housing, shared ownership and private provision. However, the Strategy is now 5 years old and there is a need to revisit the scale of Extra Care requirements across the Cumbrian districts by working with CCC to ensure that the data is up to date and

accurately reflects need. There is an established Extra Care Housing Forum, run between the Districts, County Council & LDNPA, which may be able to assist. It will be critical to ensure that there is a high degree of collaboration and joined up thinking between CCC and districts regarding extra care needs. A detailed demand analysis will be critical and revenue support is a key aspect of this. This should be part of a wider update to the County Council's existing Extra Care and Supported Living Strategy, which has been delayed due to the Covid-19 Pandemic.

- 2 **Identify new Providers and scaled-down models for delivery:** Having identified the scale of need, the Councils will need to undertake soft market testing to reach out and identify those providers who are willing and able to come to Cumbria given the smaller site size and reduced amenities associated with that. This could involve exploring the concierge model, whereby the front desk supports access and provides basic care. This allows for greater flexibility and works for smaller bespoke schemes, which may be better suited to Cumbria. Where this occurs, the Extra Care scheme can be used as a hub for the provision of care and support to the surrounding community.
- 3 **Identification / allocation of sites to meet unmet need for Extra Care / Supported Living Accommodation:** LPAs should consider the identification / allocation of sites to meet the needs of older persons. This could include County Council and District Council owned or purchased sites. An action could involve the Councils comprehensively reviewing the sites within their ownership to identify those suitable for the development of Extra Care/Supported Living accommodation, and should prioritise those that could be offered to developers via an appropriate procurement process. This could also be extended to the private sector, with Councils requesting developers to come forward with proposals for potential new Extra Care/Supported Living accommodation schemes (perhaps as part of a much larger mixed tenure development scheme).
- 4 **Explore re-modelling of existing sheltered housing schemes:** Councils should work together with local Registered Providers to test whether (following consultation with existing tenants) existing sheltered housing schemes that have been designed and built to a high standard, which are accessible and offer good communal facilities, could be redeveloped as Extra Care and Supported Living accommodation through the provision of on-site care and support. Similarly, some well-located older and outdated sheltered housing schemes that are awaiting a re-build could be purchased by Councils for the development of new Extra Care or Supported Living accommodation. The County Council should therefore work with District Councils to identify any traditional sheltered accommodation that could be remodelled to meet higher-level needs or re-designed for alternative use.

## Place Marketing

### Key Issues

7.74

This is a key action that cuts across all three priorities identified. There is clearly a pressing need to encourage a broader range of developers and investors to Cumbria to help increase the diversity and overall quantity of housing supplied. This would not just encompass the MVHBs,

but also more diverse SME housebuilders. This would involve marketing Cumbria’s assets effectively to developers and housebuilders more generally. There are some good examples nationally, such as **Manchester Place**, which is a collaboration between Manchester City Council and Homes England that is tasked with helping to deliver the City Council’s residential growth strategy and aims to create the right mix of new homes of high quality in existing neighbourhoods and creating new ones. Manchester Place helps with market intelligence, land availability, planning, investment opportunities and loan funding and provides a single front door for developers and investors wanting to work with the City.



7.75 Furthermore, there are some excellent local examples that could be replicated more widely, notably **Carlisle City Council’s Housing Prospectus: Help us Build our Growing City**, which highlights that there has never been a better time for developers to gain a foothold in Carlisle and stresses the Council’s willingness to work with housebuilders and developers to bring sites forward to deliver Carlisle’s development targets.

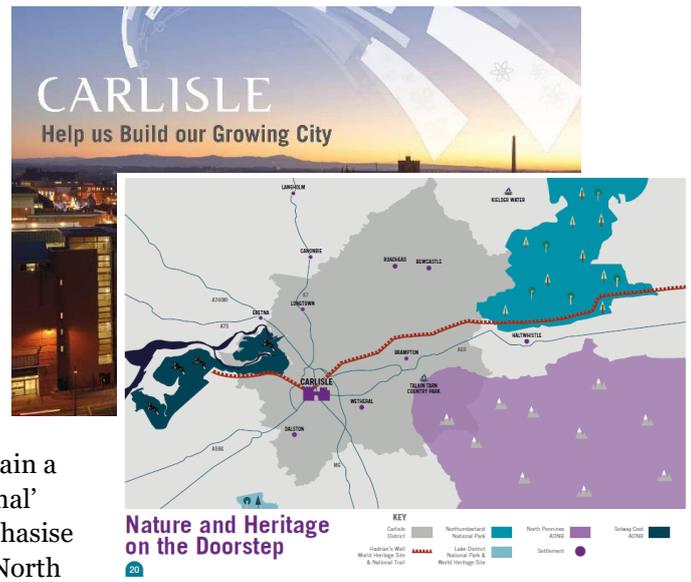
7.76 Similarly, the CLEP’s **Your Future** campaign promotes Cumbria as a place to Live, Work and Invest (#ComeToCumbria).



**Interventions**

- 1 **CLEP to re-boot the Your Future Campaign:** CLEP is in the process of rebooting this marketing campaign as the Covid-19 lockdown eases.
- 2 **Co-ordinate Messages and Identification of Key Partners:** The CLEP has a key leadership role to play in bringing together key players and co-ordinating efforts to support growth locally. The CLEP already works with a wide range of partners to help deliver a Vision of Cumbria as “*the place to live, work, visit and invest sustainably*”, including the County Council. The CLEP has a role in providing a consistent approach in articulating the County’s ambitions to the rest of the UK and beyond, making use of high-profile events such as MIPIM to put that message across to overseas investors. This would need to co-ordinate economic growth, high quality living environments, residential needs and tourism / leisure opportunities and continue to articulate the clear message that the County is a place to ‘live, work, visit and invest’. This successful message and branding needs to be taken further, with all 7 LPAs buying into the Cumbria brand and promoting sustainable development. This could identify a series of key players and landowners, such as Homes England, where resources can be pooled and infrastructure delivered in a co-ordinated fashion to reduce risk.

- 3 Develop an overall **Cumbria-wide Development Prospectus**. This could be similar to the current Carlisle Housing Prospectus which attractively highlights positive planning and development opportunities. As with the Carlisle example, the Cumbria Development Prospectus could identify an Economic Liaison Panel for each district, offering access to each Council’s Executive and Senior Management Team to demonstrate all areas are open for business. It would stress that there has never been a better time for developers to gain a foothold in the County, given the ‘new normal’ following the Covid-19 crisis. It would emphasise that in contrast to many other parts of the North West, the 6 LPAs would be keen to work with housebuilders and developers to bring sites forward to deliver the County’s ambitious development targets. In particular, the availability of deliverable sites; joint working; and evidence of the increasing vitality of Cumbria’s residential market for new homes for rent or sale, will be the essence of this pitch to developers and investors to convince them that Cumbria is a place actively wanting to promote development in accordance with its Local Plans.



This would be led by CLEP and would **differentiate each HMA** within each district and clearly articulate the Unique Selling Points of each. The Prospectus could provide a straightforward ‘opportunities map’ of key development sites in priority areas for growth (linked to up-to-date Local Plans). It could also package individual residential and mixed-use development sites together in an attempt to make certain sites more attractive to MVHBs and attract the interest of major overseas investors.

## 8.0 Conclusions and Action Plan

8.1 This document has summarised the main housing issues facing Cumbria. The issues and interventions set out in Section 7.0 were developed in consultation with the Places Strategy Group, the 7 LPAs, CCC, Registered Providers, agents, housebuilders and other key stakeholders active in the County.

8.2 Based on the interventions set out in this document, this final chapter sets out a suggested plan of action that identifies what CLEP and its partners can do to meet its key aims and objectives underlying the 3 housing delivery priorities. It is recognised that many of the interventions listed in Section 7.0 are outside the gift of CLEP to deliver directly, and in many instances, it will be for CLEP to be a supporting partner with the LPA/CCC taking the lead. For this reason, we have separated out those actions whereby CLEP is the lead facilitator/delivery partner; a joint delivery partner with the LPA; where it will lead on further research; and where it is a supporting partner to the LPA/CCC.

8.3 The following categories have been tabulated for each Objective:

- Key practical Actions;
- Outcomes
- Key and support partners;
- Quantifiable outcomes and steps to measure delivery; and,
- Indicative timeframe for delivery.

8.4 In the Tables below, we have therefore defined Actions for those interventions identified in Section 7.0 where there is likely to be a key role for CLEP.

### Housing growth, affordability and community sustainability

Table 8.1 De-Risk Planning

De-Risk Planning	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Create a Pro-Development Culture	<ul style="list-style-type: none"> <li>• Each LPA to identify a pro-development champion/enabler</li> </ul>	<ul style="list-style-type: none"> <li>• Greater level of internal co-ordination of the LPA’s inputs</li> <li>• Pro-active engagement with statutory consultees</li> <li>• Closer working together of Officers and Members</li> <li>• The LEP to be more assertive in helping the pro-development champion to make the economic case for housing more widely; including the leveraging of business support given the strategic requirements for labour supply growth.</li> </ul>	LPA Lead CLEP Supporting Partner CCC Supporting Partner	<ul style="list-style-type: none"> <li>• Reduction in number of planning refusals</li> <li>• Reduction in processing time for planning applications</li> <li>• Higher levels of customer satisfaction</li> </ul>	Ongoing

De-Risk Planning	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Up to date Local Plans	<ul style="list-style-type: none"> <li>Each LPA to review and update its Local Plan ahead of May 2024 deadline aligning with the Planning White Paper requirement that all LPAs have a new-style development plan in place by this time</li> <li>CLEP to encourage and support the 7 LPAs to bring forward and update their local plans over the next 2 years</li> <li>CLEP to provide economic inputs to Council ELRs on 'policy on' job growth to align with Cumbria SEP and LIS aspirations</li> <li>CLEP-sponsored Housing Business Ready visits with housing and LPAs</li> </ul>	<ul style="list-style-type: none"> <li>Robust economic evidence base</li> <li>Sound, and up-to-date, Local Plans</li> </ul>	LPA Lead CLEP Supporting Partner CCC Supporting Partner	<ul style="list-style-type: none"> <li>All 7 LPAs to have up-to-date (less than 5-years old) local plans by spring 2024</li> </ul>	May 2024
Co-ordinated infrastructure investment	<ul style="list-style-type: none"> <li>CLEP helping to unlock housing growth through Local Growth Fund projects</li> <li>CLEP leading on Infrastructure Dependencies Mapping with LPAs and Utilities providers</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that housing is not delayed due to poorly co-ordinated road and utility infrastructure investment</li> </ul>	LPAs and CCC Lead CLEP Supporting Partner	<ol style="list-style-type: none"> <li>Continued delivery of infrastructure funded through CLEP's Local Growth Fund Projects</li> <li>Completion of Infrastructure Dependencies Mapping tool</li> </ol>	<ol style="list-style-type: none"> <li>Ongoing</li> <li>Winter 2021</li> </ol>
Understanding Infrastructure Delivery Planning Work across Cumbria and Identifying where the Gaps are	<ul style="list-style-type: none"> <li>CLEP to take the lead in bringing all LPA IDPs together and planning for infrastructure delivery in a holistic manner</li> <li>Agree a standardised approach to undertaking IDPs across Cumbria</li> <li>Create a single IDP working group that can agree a common approach</li> <li>Production of a Infrastructure Funding Live Table by CLEP that can be updated regularly with progress on defined schemes with clarity on how the money is being spent</li> </ul>	<ul style="list-style-type: none"> <li>All LPAs have an up-to-date IDP with a common and consistent approach to planning for Infrastructure provision</li> </ul>	LPAs and CCC Lead CLEP Supporting Partner	<ol style="list-style-type: none"> <li>All LPAs to adopt an IDP and to update bi-annually</li> <li>Set up IDP Working Group, facilitated by CLEP</li> <li>Agree standardised approach</li> <li>Produce Infrastructure Funding Live Table</li> </ol>	<ol style="list-style-type: none"> <li>Winter 2021 / Ongoing</li> <li>Summer 2021</li> <li>Spring 2021</li> <li>Winter 2021</li> </ol>
CLEP to support strategic infrastructure leadership	<ul style="list-style-type: none"> <li>CLEP to help promote innovative and varied methods and types of housing delivery</li> <li>CLEP to work with CCC and the LPAs to resolve local housing infrastructure issues, particularly</li> </ul>	<ul style="list-style-type: none"> <li>CLEP working with neighbouring LEPS, CCC and LPAs across the north to help realise the area's housing potential and deliver new strategic transport infrastructure</li> </ul>	CCC Lead CLEP Supporting Partner	<ol style="list-style-type: none"> <li>Co-ordinated bids for funding for Government/HE infrastructure funding</li> </ol>	<ol style="list-style-type: none"> <li>Ongoing</li> <li>Summer 2021</li> </ol>

De-Risk Planning	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
	<ul style="list-style-type: none"> <li>upfront funding of large-scale developments</li> <li>CLEP to help to draw together various opportunities and align those in an identifiable and understandable vehicle that draws together various sources of funding from Government/HE</li> <li>CLEP to extend its current Cumbria Infrastructure Fund</li> </ul>	<ul style="list-style-type: none"> <li>Access the Government's latest Infrastructure Funding streams</li> </ul>		<ul style="list-style-type: none"> <li>2. Extension of CLEP's Cumbria Infrastructure Fund</li> </ul>	
Improving Digital Connectivity	<ul style="list-style-type: none"> <li>CLEP to extend the on-going work of CCC through Connecting Cumbria</li> <li>LPAs to include policies in their Local Plans in their Local Plans that require developers to provide full fibre connectivity to all new homes.</li> <li>Increase access to good quality internet connection needed for modern business to move Cumbria to as close as possible 100% access to superfast broadband</li> <li>Improve mobile connectivity work on development of 5G provision</li> <li>Support the digital investment proposed as part of the Borderlands Inclusive Growth Deal</li> </ul>	<ul style="list-style-type: none"> <li>Improved level of broadband connectivity across Cumbria and high proportion of businesses able to access Ultrafast broadband and 5G</li> <li>Full fibre connectivity in all new homes</li> </ul>	<p>CCC Lead CLEP Supporting Partner</p>	<ul style="list-style-type: none"> <li>Cumbria to catch up to and match UK average for Superfast Broadband (currently 97% premises), Ultrafast BB (62%) and Full Fibre access (15%)</li> </ul>	2021/22

Table 8.2 Support more locally-led land release

Locally-led land release	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Bring together all parties involved to drive housebuilding forward	<ul style="list-style-type: none"> <li>Work collaboratively to promote housing and commercial development growth, assembling evidence, identifying obstacles and finding solutions</li> <li>Regular business, housing and planning briefings, led by CLEP through the Cumbria Housing Group</li> <li>CLEP to assist with the development of procurement frameworks that meet the needs of SMEs to diversify the number of housebuilders</li> </ul>	<ul style="list-style-type: none"> <li>Manage expectations of housebuilders and agents and also commit LPAs to regular reviews that are better informed by market intelligence</li> <li>Develop new procurement frameworks</li> <li>Use HE's funding criteria to help guide LPAs' development priorities</li> </ul>	<p>LPAs Lead CLEP Supporting Partner</p>	<ol style="list-style-type: none"> <li>Quarterly business, housing and planning briefings</li> <li>Development of new procurement frameworks</li> <li>Meeting with HE</li> </ol>	<ol style="list-style-type: none"> <li>First meeting Spring 2021 and quarterly thereafter</li> <li>Winter 2021</li> <li>Winter 2020</li> </ol>

Locally-led land release	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
	<ul style="list-style-type: none"> <li>CLEP and LPAs to engage directly with HE to investigate how they can facilitate funding proposals across the region</li> </ul>				

Table 8.3 Ensuring Housing Mix and Variety

Ensuring Housing Mix and Variety	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Targeting Affordable Housing Needs and Updating SHMAs	<ul style="list-style-type: none"> <li>Cumbria-wide standardised approach to SHMA methodology across the HMAs</li> <li>Identify Key worker housing needs (although affordability is not a major problem for key workers in many parts of Cumbria outside the LDNP, Eden Valley and immediately surrounding areas)</li> <li>Define who is a key worker in the Cumbrian context to suit local needs and demands.</li> </ul>	<ul style="list-style-type: none"> <li>Expand housing choices to meet a range of needs</li> </ul>	<p>LPAs Lead</p> <p>CLEP Supporting Partner providing economic inputs</p>	<ol style="list-style-type: none"> <li>Up to date SHMAs covering the whole of Cumbria using a consistent methodology</li> <li>Identification of key worker housing needs.</li> <li>Definition of a key worker in a Cumbrian context.</li> </ol>	<ol style="list-style-type: none"> <li>2021-2022</li> </ol>
Self-Build Housing	<ul style="list-style-type: none"> <li>Best practice relating to funding programmes currently underway across Cumbria should be shared and promoted through Cumbria Housing Group</li> </ul>	<ul style="list-style-type: none"> <li>Levels of self-build housing increase across the County due to increased awareness of best practice and funding opportunities</li> </ul>	<p>LPAs Lead</p> <p>CLEP Supporting Partner</p>	<ol style="list-style-type: none"> <li>Best practice disseminated across the County through CHG</li> <li>New funding regimes explored to support self-build and community led housing</li> <li>All LPAs see an increase in the number of self-build developments over time</li> </ol>	<ol style="list-style-type: none"> <li>Spring 2021</li> <li>Summer 2021</li> <li>Ongoing</li> </ol>
Community-Led Housing Hub	<ul style="list-style-type: none"> <li>CLEP to take a role in supporting councils and others to develop innovative solutions, by acting as a facilitator, bringing together good practice and enabling information exchange between authorities and other partners</li> <li>The CLEP could assist local authority partners and the existing Hub by promoting CLH as an opportunity to landowners.</li> <li>CLEP to assist in the development of the supply chain for CLH</li> </ul>	<ul style="list-style-type: none"> <li>New Community Land Trusts set up across County</li> </ul>	<p>LPAs Lead</p> <p>CLEP Supporting Partner</p>	<ul style="list-style-type: none"> <li>Best practice disseminated across the County through CHG</li> <li>Landowners taking forward sites for community-led housing following promotion by the Hub.</li> </ul>	<ul style="list-style-type: none"> <li>Spring 2021</li> </ul>

Ensuring Housing Mix and Variety	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
	groups (e.g. helping construction partners understand CLH cash flow models, commissioning requirements etc).				

Table 8.4 Viability and Financing New Developments

Viability and Financing New Developments	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Policy responses	<ul style="list-style-type: none"> <li>CLEP to work with Cumbria’s LPAs to ensure that the delivery assumptions and viability assessments underpinning large housing allocations in emerging Local Plans are soundly based and deliverable</li> </ul>	<ul style="list-style-type: none"> <li>Robust evidence underpinning housing allocations and sound Local Plans/SDFs as a consequence</li> </ul>	<p>LPA Lead Facilitator</p> <p>CLEP Supporting Partner</p>	<ul style="list-style-type: none"> <li>Adopted Site Allocations DPDs/SDFs featuring large strategic housing sites</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
Local Authority direct provision of housing	<ul style="list-style-type: none"> <li>LPAs to implement recommendations of the UCL Housing Research Project into LA direct provision of housing, working with the existing Cumbria Housing Supply Group and housing intervention fund to help overcome issues on individual sites</li> </ul>	<ul style="list-style-type: none"> <li>Increased delivery of direct housing provision by LPAs</li> <li>Improved collaborative working and access to funding to overcome constraints</li> </ul>	<p>LPA Lead Facilitator</p>	<p>1. Increased delivery of housing directly by Cumbrian LPAs</p>	<p>1. Ongoing</p>
Increased use of Public Sector Gap funding	<ul style="list-style-type: none"> <li>CLEP to take the lead in developing a sub-regional HIF proposition, based on a rolling programme of investment to overcome infrastructure blockages and bring forward sites in priority areas</li> <li>The 16 key priority sites identified in the Cumbria Housing Statement 2020 will be the main focus for development activity going forward, and further work is required on these sites to identify what is required to facilitate their development. This could inform the priorities of the sub-regional HIF proposition.</li> </ul>	<ul style="list-style-type: none"> <li>Cumbria’s LPAs and CCC to tap into this source of funding to build a pipeline of opportunities of different scales across the County</li> </ul>	<p>CLEP Lead Facilitator</p>	<p>1. Submit a Sub-Regional HIF proposition</p> <p>2. Increased level of infrastructure funding obtained from Government as part of its levelling up agenda</p>	<p>1. Summer 2021</p> <p>2. 2021/22</p>
The use of Public Sector Loans	<ul style="list-style-type: none"> <li>CLEP to continue to use Growth Deal and other funding programmes to invest in residential projects across Cumbria that align with the CLEP’s strategic economic priorities</li> </ul>	<ul style="list-style-type: none"> <li>CLEP to employ various funding packages to deliver jobs, public/private investment, ultrafast broadband, refurbish commercial premises, enhance skills and deliver</li> </ul>	<p>CLEP Lead Facilitator</p>	<ul style="list-style-type: none"> <li>Series of Growth Deal and other funding achievements in line with the CLEP’s SEP and LIS targets</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

Viability and Financing New Developments	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
		increased levels of housing across Cumbria			
Support for Garden Towns/Villages	<ul style="list-style-type: none"> <li>CLEP to continue to work with LAs and CCC to ensure the necessary infrastructure is in place for major strategic residential and mixed-use developments such as SCGV</li> </ul>	<ul style="list-style-type: none"> <li>Funding of large-scale strategic infrastructure to help unlock development of new homes at SCGV and other major developments</li> </ul>	LPA and CCC Lead Facilitators (particularly Carlisle City Council) CLEP Supporting Partner	<ul style="list-style-type: none"> <li>Strategic Infrastructure investment and delivery to unlock new housing developments</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
Consideration of Delivery Vehicles and Joint Ventures	<ul style="list-style-type: none"> <li>CLEP to continue joint delivery vehicle discussions with LPAs and explore its own role as an investment partner, i.e. through a revolving capital loan fund</li> </ul>	<ul style="list-style-type: none"> <li>Joint delivery vehicles set up to increase the supply of new homes of all tenures across Cumbria</li> </ul>	CLEP Lead Facilitator	<ul style="list-style-type: none"> <li>Joint delivery vehicles commissioned</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
Strategic Market Engagement	<ul style="list-style-type: none"> <li>Cumbria Housing Group to undertake further work to analyse which developers are not active in Cumbria; why this is the case; and to make recommendations regarding the measures that can be taken to encourage them to shift their focus further north</li> <li>Reach out to investors at prestigious events such as MIPIM to promote Cumbria</li> <li>Align with the <i>Invest in Cumbria Development Prospectus</i> (see action below)</li> </ul>	<ul style="list-style-type: none"> <li>Increased diversification of Cumbria's housing market by actively engaging with new SME developers, Registered Providers and MVHBs to develop in Cumbria</li> </ul>	CLEP Lead Facilitator LPAs Supporting Partners	<ul style="list-style-type: none"> <li>New SMEs/MVHBs developing housing projects in Cumbria that are not currently present</li> </ul>	2021

Table 8.5 Developing a skilled professional, technical and trade workforce

Developing a skilled professional, technical and trade workforce	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Training courses tailored to areas of need	<ul style="list-style-type: none"> <li>CLEP and the housebuilding industry to work more closely with FE/HE, private training providers, schools, voluntary and community sector and other agencies to identify sectors where there is a specific localised training need, and to help tailor courses to address skills gaps</li> <li>The CLEP to co-ordinate / contribute resource to skills</li> </ul>	<ul style="list-style-type: none"> <li>Highlight the value of careers in the construction industry to increase the number of people choosing it as a career path</li> <li>Overcome skills shortages in Cumbria to help ensure that construction costs are more manageable and local staff can be used</li> </ul>	CLEP Lead Facilitator with HE/FE providers, LPAs and housebuilding industry	<ol style="list-style-type: none"> <li>Leavers' destination survey commissioned</li> <li>Skills gaps identified and new courses promoted at FE/HE better tailored to the needs of the construction industry</li> </ol>	<ol style="list-style-type: none"> <li>Summer 2021</li> <li>2021/22</li> </ol>

Developing a skilled professional, technical and trade workforce	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
	<p>providers and businesses, to help address supply chain issues.</p> <ul style="list-style-type: none"> <li>• CLEP to assist HE/FE providers in developing theoretical pathways into high level construction skills opportunities</li> <li>• CLEP works with HE/FE providers to commission leavers' destination surveys for relevant construction courses</li> </ul>				

## Housing regeneration and improving the quality of housing

Table 8.6 Regenerating areas of Low Housing Demand

Regenerating areas of Low Housing Demand	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Housing-Led Regeneration of Cumbria's High Streets	<ul style="list-style-type: none"> <li>• CLEP to work in tandem with Councils (including CCC) to invest resources in re-purposing existing Town Centre space, estate regeneration and improvements to the public realm and basic infrastructure tailored to local requirements</li> <li>• The CLEP to take a co-ordinated approach to position the LPAs favourably with regards to bidding successfully for Town Centre improvement grants from Government</li> </ul>	<ul style="list-style-type: none"> <li>• Radically re-purposed Town Centres across Cumbria that have low vacancy rates, a wide and vibrant mix of sustainable uses, increased footfall, greater levels of town centre living and increased demand for retail and leisure units.</li> </ul>	<p>LAs and CCC Lead Facilitator</p> <p>CLEP Supporting Partner</p>	<ul style="list-style-type: none"> <li>• New Town Centre Masterplans and Development Briefs</li> <li>• Comprehensive Funding bids successfully put to Government for re-purposing of vulnerable Town Centres</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>
Ensuring that a broad mix of homes are delivered across a range of types and tenures to help support the regeneration of key town centres	<ul style="list-style-type: none"> <li>• Survey work commissioned either by CLEP /LPAs to understand which local residents living in the wider area would be keen to move into Cumbria's Town Centres</li> <li>• Soft-market testing undertaken with housebuilders to test the water with regards housing developments in key centres and to assess whether certain areas are viable for housing development without significant financial support</li> <li>• Creation of a vision document for key centres which includes, and brings together, all aspects of</li> </ul>	<ul style="list-style-type: none"> <li>• Identify the target market for Town Centre living in Cumbria, with decisions made regarding the type and tenure of properties delivered</li> <li>• Robust deliverable vision for residential-led Town Centre regeneration across Cumbria</li> </ul>	<p>LPAs Lead Facilitator</p> <p>CLEP Supporting Partner</p> <p>Other key partners including health, social welfare, transport and police</p>	<ol style="list-style-type: none"> <li>1. Town Centre Living Survey undertaken</li> <li>2. Soft Market testing with housebuilders completed</li> <li>3. Creation of a Town Centre Vision document with innovative solutions and interventions identified</li> </ol>	<ol style="list-style-type: none"> <li>1. Summer 2021</li> <li>2. Spring 2021</li> <li>3. 2021</li> </ol>

Regenerating areas of Low Housing Demand	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
	<p>investment and opportunities; residential, commercial and retail following the new 'economic normal'</p> <ul style="list-style-type: none"> <li>CLEP and LPAs to work across different service providers and with key partners to pool resources and to identify innovative solutions and interventions.</li> </ul>				

Table 8.7 Demographic Change

Demographic Change	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Commission a Cumbria-wide New Movers Survey	<ul style="list-style-type: none"> <li>Undertake a New Movers Survey to understand where new residents are moving into the County from; why they are keen to live in Cumbria; their age and particular family circumstances</li> </ul>	<ul style="list-style-type: none"> <li>Help understand whether we are starting to see a younger household profile moving into the County, and whether they are moving here because of work or quality of life considerations</li> </ul>	<p>Housebuilder / LAs Lead Facilitators</p> <p>CLEP Supporting partner</p>	<ul style="list-style-type: none"> <li>Survey undertaken</li> </ul>	<ul style="list-style-type: none"> <li>Spring 2021</li> </ul>

Table 8.8 Low Carbon and Resilient Homes

Low Carbon and Resilient Homes	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Modern Methods of Construction	<ul style="list-style-type: none"> <li>With CLEP support, LPAs to work with developers to ensure that housing schemes embrace the principles of modern methods of construction, including using low-embodied carbon building materials and achieving the highest practicable energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of dwellings constructed using MMC in Cumbria off site</li> </ul>	<p>LPA / Housebuilders Lead delivery</p> <p>CLEP Supporting partner</p>	<ul style="list-style-type: none"> <li>Increased percentage of MMC dwellings constructed in Cumbria</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
Retrofitting Programmes	<ul style="list-style-type: none"> <li>CLEP to work with the Cumbrian LAs and the RPs to take a co-ordinated approach to retrofitting of properties, identifying and pursuing potential Government subsidies and incentives</li> </ul>	<ul style="list-style-type: none"> <li>Cumbria's LAs and Registered Providers to work collaboratively to undertake retro-fitting of their existing housing stock in order to act as a catalyst for urban renewal and economic growth.</li> <li>Efficiencies of scale and increased purchasing power</li> </ul>	<p>LPA / Registered Providers Lead delivery</p> <p>CLEP Supporting partner</p>	<ul style="list-style-type: none"> <li>Increased number of Cumbrian properties retro-fitted to improve energy efficiency</li> <li>Successful bidding for Government funding and incentives</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

Low Carbon and Resilient Homes	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Decarbonisation of the Grid	<ul style="list-style-type: none"> <li>CLEP to become involved in helping to facilitate community grids</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of community grids across Cumbria helping to reduce the overall energy system costs of heat decarbonisation</li> </ul>	Local Community Groups lead delivery LAs / CLEP Supporting partners	<ul style="list-style-type: none"> <li>Increased number of community grids</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

Table 8.9 Second Home Ownership / Vacant Homes

Second Home Ownership / Vacant Homes	Strategic Tasks	Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Bringing Empty Homes Back into Use	<ul style="list-style-type: none"> <li>CLEP to create a recyclable loan fund that the six Cumbrian LPAs with housing powers can borrow from in order to cover acquisition costs</li> </ul>	<ul style="list-style-type: none"> <li>Equipping local authorities with the necessary resources for Compulsory Purchase Orders and purchase of easements for long term vacant properties would enable those properties to be brought back into use</li> </ul>	CLEP Lead Delivery Partner	<ul style="list-style-type: none"> <li>Creation of a recyclable Empty Homes loan fund</li> </ul>	<ul style="list-style-type: none"> <li>Winter 2021</li> </ul>

## Improving Housing Support

Table 8.10 Place Marketing

Place Marketing	Strategic Tasks	Expected Outcome	Key Partners	Measure and Targets	Timeframe for delivery
CLEP to re-boot the <i>Your Future</i> Campaign	<ul style="list-style-type: none"> <li>New web-based marketing campaign stressing post-Covid 19 opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of younger households moving into Cumbria, both new residents and returning adults after HE studies</li> <li>Increased formation rate of new businesses coming to the 6 districts</li> </ul>	CLEP	<ul style="list-style-type: none"> <li>Increased number of residents / employers making enquiries to CLEP representatives regarding how they can relocate to the County following this marketing campaign</li> </ul>	Summer 2021
Co-ordinate Messages and Identification of Key Partners	<ul style="list-style-type: none"> <li>Co-ordinate key messages regarding housing, economic growth, and tourism/leisure</li> <li>Draw together key stakeholders, landowners to articulate Cumbria brand</li> <li>Pool resources and plan effectively for delivery of key infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Joined up delivery of infrastructure</li> <li>Accelerated delivery of larger strategic sites</li> <li>Closer working together of key stakeholders</li> </ul>	CLEP, Homes England, 7 LPAs, County Council, Developers, Housebuilders, key landowners, Chambers of Commerce, Infrastructure and Utilities providers	<ul style="list-style-type: none"> <li>Successful HIF bids</li> <li>Strategic development sites coming forward on time and in a co-ordinated fashion</li> </ul>	Ongoing

Place Marketing	Strategic Tasks	Expected Outcome	Key Partners	Measure and Targets	Timeframe for delivery
Produce a Cumbria-wide <i>Development Prospectus</i>	<ul style="list-style-type: none"> <li>Produce a Development Prospectus for Cumbria, with USPs for each HMA</li> </ul>	<ul style="list-style-type: none"> <li>New marketing document that can be used to attract new residents, businesses and investors to the County</li> </ul>	CLEP, 7 LPAs, County Council, developers and key landowners	<ul style="list-style-type: none"> <li>Production of report</li> <li>Increased number of 'hits' online to download the report</li> </ul>	Spring 2021

## Prioritisation of Delivery Actions

8.5 Of the 28 actions set out above, it is recommended that the following ten actions be prioritised, for the CLEP and the Cumbrian LPAs. In no particular order:

Table 8.11 Priority Actions for CLEP

CLEP PRIORITY ACTION	Outcome	Measure and Targets	Timeframe for delivery
Create a Pro-Development Culture	<ul style="list-style-type: none"> <li>Greater level of internal co-ordination of the LPA's inputs</li> <li>Pro-active engagement with statutory consultees</li> <li>Closer working together of Officers and Members</li> <li>The LEP to be more assertive in helping the pro-development champion to make the economic case for housing more widely; including the levering of business support given the strategic requirements for labour supply growth</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in number of planning refusals</li> <li>Reduction in processing time for planning applications</li> <li>Higher levels of customer satisfaction</li> </ul>	Ongoing
CLEP to support strategic infrastructure leadership	<ul style="list-style-type: none"> <li>CLEP working with neighbouring LEPs, CCC and LPAs across the north to help realise the area's housing potential and deliver new strategic transport infrastructure</li> <li>Access the Government's latest Infrastructure Funding streams</li> </ul>	<ol style="list-style-type: none"> <li>Co-ordinated bids for funding for Government/HE infrastructure funding</li> <li>Extension of CLEP's Cumbria Infrastructure Fund</li> </ol>	<ol style="list-style-type: none"> <li>Ongoing</li> <li>Summer 2021</li> </ol>
Improving Digital Connectivity	<ul style="list-style-type: none"> <li>Improved level of broadband connectivity across Cumbria and high proportion of businesses able to access Ultrafast broadband and 5G</li> <li>Full fibre connectivity in all new homes</li> </ul>	<ul style="list-style-type: none"> <li>Cumbria to catch up to and match UK average for Superfast Broadband (currently 97% premises), Ultrafast BB (62%) and Full Fibre access (15%)</li> </ul>	2021/22
Training courses tailored to areas of need	<ul style="list-style-type: none"> <li>Highlight the value of careers in the construction industry to increase the number of people choosing it as a career path</li> <li>Overcome skills shortages in Cumbria to help ensure that construction costs</li> </ul>	<ol style="list-style-type: none"> <li>Leavers' destination survey commissioned</li> <li>Skills gaps identified and new courses promoted at FE/HE better tailored to the needs of the construction industry</li> </ol>	<ol style="list-style-type: none"> <li>Summer 2021</li> <li>2021/22</li> </ol>

CLEP PRIORITY ACTION	Outcome	Measure and Targets	Timeframe for delivery
	are more manageable and local staff can be used		
Produce a Cumbria-wide <i>Development Prospectus</i>	<ul style="list-style-type: none"> <li>New marketing document that can be used to attract new residents, businesses and investors to the County</li> </ul>	<ol style="list-style-type: none"> <li>Production of report</li> <li>Increased number of 'hits' online to download the report</li> </ol>	<ol style="list-style-type: none"> <li>Spring 2021</li> <li>Ongoing</li> </ol>

Table 8.12 Priority Actions for Cumbrian Local Authorities

De-Risk Planning	Outcome	Measure and Targets	Timeframe for delivery
Up to date Local Plans	<ul style="list-style-type: none"> <li>Robust economic evidence base</li> <li>Sound, and up-to-date, Local Plans</li> </ul>	<ul style="list-style-type: none"> <li>All 7 LPAs to have up-to-date (less than 5-years old) local plans by spring 2024</li> </ul>	<ul style="list-style-type: none"> <li>May 2024</li> </ul>
Understanding Infrastructure Delivery Planning Work across Cumbria and Identifying where the Gaps are	<ul style="list-style-type: none"> <li>All LPAs have an up-to-date IDP with a common and consistent approach to planning for Infrastructure provision</li> </ul>	<ol style="list-style-type: none"> <li>All LPAs to adopt an IDP and to update bi-annually</li> <li>Set up IDP Working Group, facilitated by CLEP</li> <li>Agree standardised approach</li> <li>Produce Infrastructure Funding Live Table</li> </ol>	<ol style="list-style-type: none"> <li>Winter 2021 / Ongoing</li> <li>Summer 2021</li> <li>Spring 2021</li> <li>Winter 2021</li> </ol>
Local Authority direct provision of housing	<ul style="list-style-type: none"> <li>Increased delivery of direct housing provision by LPAs</li> <li>Improved collaborative working and access to funding to overcome constraints</li> </ul>	<ul style="list-style-type: none"> <li>Increased delivery of housing directly by Cumbrian LPAs</li> </ul>	Ongoing
Housing-Led Regeneration of Cumbria's High Streets	<ul style="list-style-type: none"> <li>Radically re-purposed Town Centres across Cumbria that have low vacancy rates, a wide and vibrant mix of sustainable uses, increased footfall, greater levels of town centre living and increased demand for retail and leisure units.</li> </ul>	<ul style="list-style-type: none"> <li>New Town Centre Masterplans and Development Briefs</li> <li>Comprehensive Funding bids successfully put to Government for re-purposing of vulnerable Town Centres</li> </ul>	Ongoing
Ensuring that a broad mix of homes are delivered across a range of types and tenures to help support the regeneration of key town centres	<ul style="list-style-type: none"> <li>Identify the target market for Town Centre living in Cumbria, with decisions made regarding the type and tenure of properties delivered</li> <li>Robust deliverable vision for residential-led Town Centre regeneration across Cumbria</li> </ul>	<ol style="list-style-type: none"> <li>Town Centre Living Survey undertaken</li> <li>Soft Market testing with housebuilders completed</li> <li>Creation of a Town Centre Vision document with innovative solutions and interventions identified</li> </ol>	<ol style="list-style-type: none"> <li>Summer 2021</li> <li>Spring 2021</li> <li>2021</li> </ol>
Retrofitting Programmes	<ul style="list-style-type: none"> <li>Cumbria's LAs and Registered Providers to work collaboratively to undertake retro-fitting of their existing housing stock in order to act as a catalyst for urban renewal and economic growth.</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of Cumbrian properties retro-fitted to improve energy efficiency</li> <li>Successful bidding for Government funding and incentives</li> </ul>	Ongoing

De-Risk Planning	Outcome	Measure and Targets	Timeframe for delivery
	<ul style="list-style-type: none"><li data-bbox="512 331 930 409">• Efficiencies of scale and increased purchasing power</li></ul>		



**Birmingham**  
0121 713 1530  
birmingham@lichfields.uk

**Edinburgh**  
0131 285 0670  
edinburgh@lichfields.uk

**Manchester**  
0161 837 6130  
manchester@lichfields.uk

**Bristol**  
0117 403 1980  
bristol@lichfields.uk

**Leeds**  
0113 397 1397  
leeds@lichfields.uk

**Newcastle**  
0191 261 5685  
newcastle@lichfields.uk

**Cardiff**  
029 2043 5880  
cardiff@lichfields.uk

**London**  
020 7837 4477  
london@lichfields.uk

**Thames Valley**  
0118 334 1920  
thamesvalley@lichfields.uk