

PENNINE LANCASHIRE HOUSING STRATEGY

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Chapter 1

Strategic Context

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PENNINE LANCASHIRE INTERIM HOUSING STRATEGY

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Version: 18th September 2008

1.0 Introduction

This is the housing strategy for Pennine Lancashire [PL]. It sets out a long term vision for Pennine Lancashire to become a leading location where its communities will prosper and where people will want to live, work and visit.

This strategy reflects the Regional Housing Strategy's key principles of addressing the three themes of:

- Quality
- Quantity
- People

It outlines the key housing issues the area is facing in the context of a wider framework. This framework reflects the interdependence of the economy, skills, education, planning and transport infrastructure. Success can only be achieved by improving the prosperity of Pennine Lancashire and its communities. This requires a concerted effort to deliver against all of these themes.

The developing Housing Strategy for the Lancashire Subregion will establish an overall framework for the Subregional Areas i.e. Pennine Lancashire, Central Lancashire etc. This framework will help to set priorities for the Subregion and allocate resources within it. It will also seek consistency in housing and the related spatial strategy in particular where Subregional Areas are less well defined and border on to others.

This strategy identifies and responds to the housing threats and opportunities in the context of the key economic and demographic factors that drive the housing market. It reflects the challenges faced by housing authorities and other strategic stakeholders, highlighting the approaches that are being developed to address our specific housing issues. It represents a paradigm shift which recognises market dynamics and a need for strategic intervention at a Pennine Lancashire level. It provides a strong initial sub regional area framework for market intervention that will improve the ability of Pennine Lancashire's housing market to respond to both its social and economic opportunities.

This strategy will sit above the individual housing authority strategies and action plans. These will outline in more detail, specific local issues, priorities and interventions/programmes. The Strategy will also inform Elevate's on-going HMR Business Planning, ensuring that the process of renewing housing markets continues to be aligned with broader strategic housing development in Pennine Lancashire.

This strategy has been endorsed by PLLACE and prepared in partnership by all the Pennine Lancashire housing authorities and their partners. It complements other strategies and our ambitions in the Multi Area Agreement.

The preparation of this document is the first step in this longer term process. Partner organisations and stakeholders will use this strategy as a reference point to prepare delivery plans setting out a range of projects, actions and resource requirements.

The major challenge for Pennine Lancashire remains the legacy of industrial decline and preponderance of poor condition older terraced housing. It was an acceleration of this decline in the 1990s which led to the establishment of the Housing Market Renewal Programme. The housing market is never static. The Pennine Lancashire Housing Strategy presents a coherent, inclusive and robust response to the challenge going forward.

This is set out in the form of a 'Market Progression Model'[MPM].

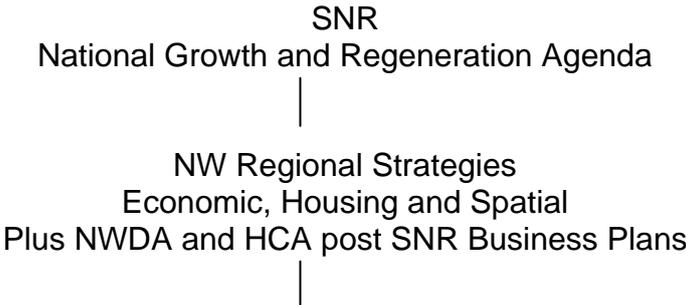
Pennine Lancashire's MPM represents radical shift from a set of needs based interventions to a much more focussed market led approach which aims to deliver sustainable economic and social renewal. The MPM approach embraces PL wide strategic coordination but with actual delivery is at the lowest most appropriate level. The MPM comprises a full range of measures to address different market circumstances with the aim of tackling the underlying economic challenges of PL and increasing social mobility. The nature and scope of specific interventions or programmes will vary in order to appropriately reflect specific local market circumstances. Interventions will also vary from one part of PL to another and of course over time as market circumstances evolves. Our aim is to have at our disposal a range of measures which are appropriate across our full range of market conditions from regeneration to growth.

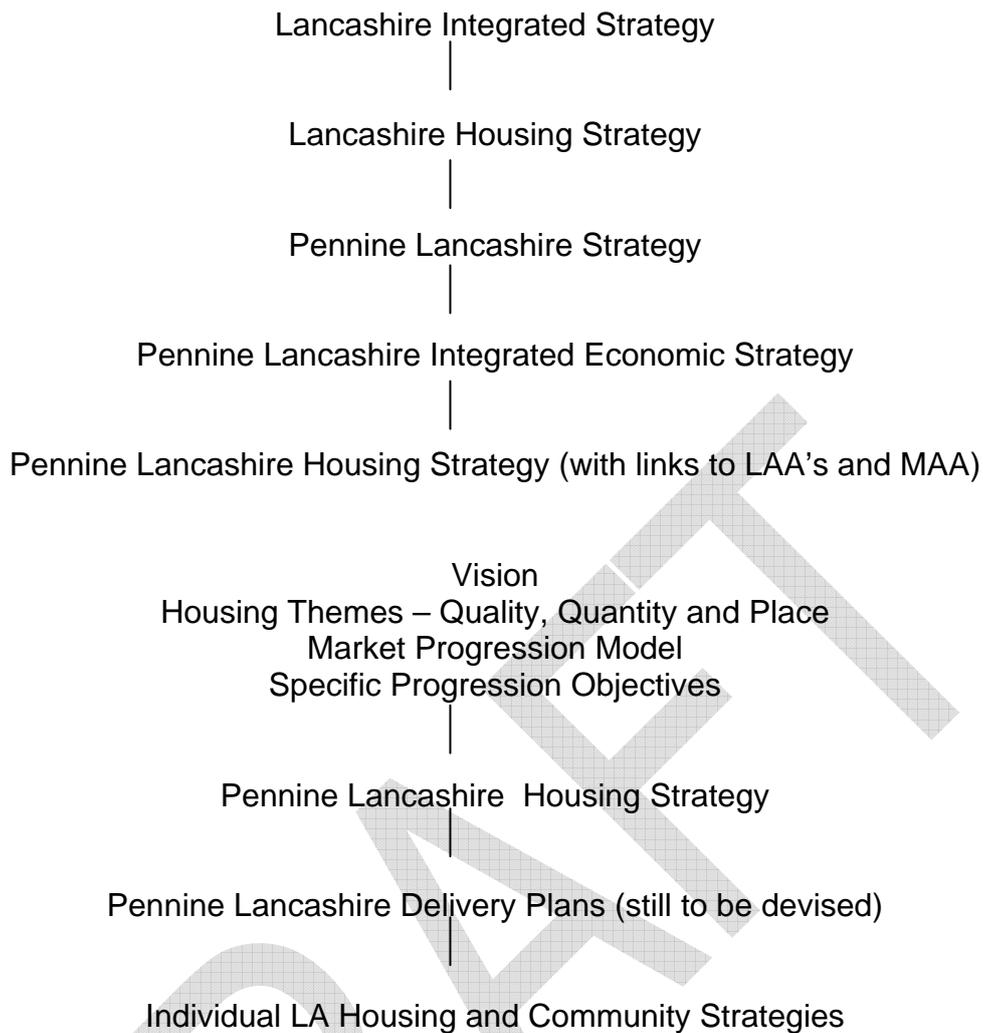
The need for a balanced housing market offer is recognised as a vital ingredient in sustaining existing communities and promoting measured growth.

The longer term vision allows the strategy to address short term needs, respond flexibly to changing market conditions, whilst maintaining a course to achieve transformation. We wish to create confidence and create the right environment within which the private sector will invest and flourish.

The Pennine Lancashire Housing strategy adds value to local strategies as it provides the framework to link housing and regeneration at the sub regional level. The diagram below illustrates the hierarchy of the PL Housing Strategy from the local via the sub-regional level to the national context.

Hierarchy of Strategies





1.1 Developing a long-term PL Housing Strategy

This Strategy fits with and supports the Government's Sub National Review of Economic Development and Regeneration. This review has for the first time distinguished between activities which produce regeneration and those which produce economic development (growth). The definition of regeneration now used by Government is:

'Regeneration is a set of activities that reverse economic social and physical decline in areas where market forces will not do this without support from Government'. (DCLG, 2008 P6).

The central aim to address these twin issue of regeneration and growth and to provide appropriate policy linkages between the two. It does this as a component of the overall PL integrated strategy and the supporting suite of strategies and policy responses (e.g. PL Economic Integrated Strategy, the MAA and LAA).

The overarching aim of Pennine Lancashire is:

To promote prosperity across Pennine Lancashire and remedy the impact of market failure on land, labour and housing markets.

The details of how this housing strategy supports the delivery of this is set out in Chapters 2 and 3.

1.2 Delivering this transformation – developing the PL Market Progression Model

The strong Housing Market Renewal partnership has delivered an effective sub-regional approach. This sub regional approach, to deliver transformational change for Pennine Lancashire, is now being led by PLLACE

Pennine Lancashire has a robust market-led evidence base, provided by Strategic Housing Market Assessments are in place throughout the area¹ This is informing strategy development and policy responses sub-regionally, locally and within partner organisations. The dynamic links between markets and the interventions required to influence them is understood and can be delivered. This places Pennine Lancashire in a strong position to link effectively with emerging Government priorities and funding.

Building on this strong foundation in respect of strategic housing, Pennine Lancashire has now been developed a 'Market Progression Model' (MPM). This model provides a framework for intervening in ways appropriate to differing market conditions across the spectrum of housing activities from continuing regeneration through to growth.

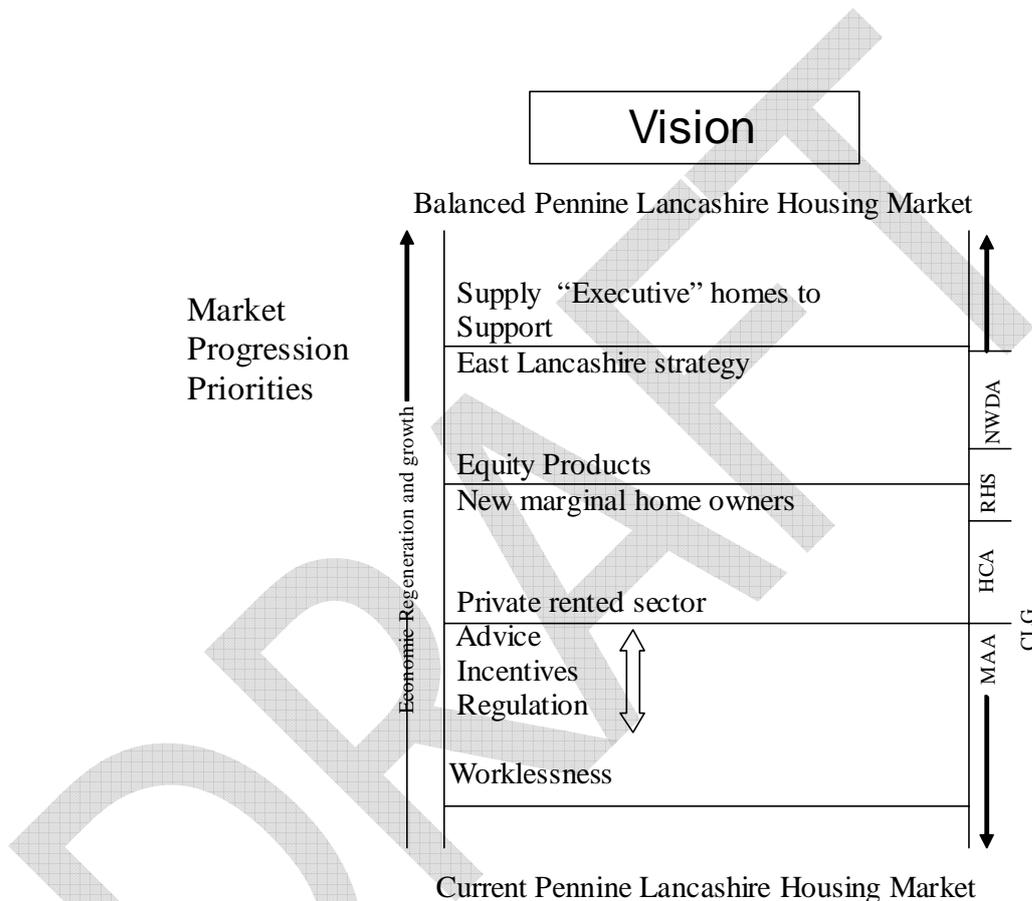
The MPM comprises a set of sub-regional housing market interventions to support delivery of the PL Integrated Economic Strategy; to take the housing offer from where it is to where it needs to be, if it is to support the growth aspirations of the Economic Strategy The diagram below illustrates the concept of the MPM, its relationship with the broader transformational agenda and local authority strategies.

The MPM will operate differently across Pennine Lancashire, dependant on specific market and spatial conditions, and there will be a different balance between regeneration and growth in different parts of Pennine Lancashire. It provides a framework for informing strategy, and priority setting, and monitoring impact and delivery. It provides a consistent approach which will help structure relationships with partners and funding agencies.

¹ 4 Housing Market Areas have been identified by Region as a basis for Strategic Housing Market Assessments i.e. Blackburn with Darwen and Hyndburn ; Burnley and Pendle ; Rossendale ; and Ribble Valley

Diagram of Market Progression Model

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The MPM covers a 20 year period (2003 – 2023). Over this period the PL Housing Strategy will develop long term solutions to securing sustainable regeneration and growth. Delivery of the Strategy will ensure continuous improvement in the competitiveness of people and places over the next 20 years. The Strategy is realistic in that it builds to aspired growth incrementally in three distinct phases. These are covered in more detail in Chapter 2 .

The model has two parts covering: regeneration, which will focused on ensuring sustainable neighbourhoods; and growth which will focus on linking housing interventions with increasing prosperity. This is discussed further in Chapter 2 which sets out the key actions needed to kick start the progression model.

The strategic review and development process which underpins this strategy has taken place 5 years into the first phase of intervention in the sub-regional housing market. This first phase of intervention (HMR Pathfinder) has re-established stability in failing markets and neighbourhoods; however it has not removed the underlying causes of decline in disadvantaged neighbourhoods.

This strategy and subsequent funding submissions will be developed within the framework set out in the Government's Sub-National Review of Economic Development and Regeneration. The focus of this strategy is both to promote economic competitiveness and to address the issues arising from market failure in the land, labour and housing markets. The existence of continuing large scale market failure is evidenced within Pennine Lancashire by the following:

- High and persistent levels of vacancy and dereliction in the physical stock of housing;
- Increasing overcrowding;
- A failure of the market to produce a housing supply which meets housing needs and demand; and
- Inadequate property maintenance caused by low income and high levels of Worklessness, and low and inadequate skills levels.

This strategy will be followed by a detailed five year regeneration programme which will build on the successes which have been achieved since 2003. This programme will develop local approaches to regeneration and will make an exciting contribution to achieving the transformation of Pennine Lancashire.

The major challenge for Pennine Lancashire remains the legacy of industrial decline and preponderance of poor condition older terraced housing. It was an acceleration of this decline in the 1990s which was the basis for the Housing Market Renewal Programme. The need for the Programme remains but the housing market is never static and the Pennine Lancashire Housing Strategy will present a coherent, inclusive and robust response to the challenge going forward.

The Pennine Lancashire Housing Strategy (PLHS) will inform the developing Lancashire Housing Strategy and North West Regional Housing Strategy. It will articulate housing priorities within Pennine Lancashire and show how delivery of strategic aims and objectives will help deliver both Sub regional and Regional Strategy.

This strategy needs to be considered in 3 ways:

- Economic Context
- Housing Context
- Housing Strategy

1.3 Economic Context

With a population of 522,000 spread across six Boroughs, Pennine Lancashire has the potential to play a significant role in the economic renaissance of the north of England. It borders the Manchester and Leeds City Regions, and is part of the Central Lancashire City Region, which includes Preston. While Blackburn with Darwen is the most populous district, the area is polycentric and significant employment is located in Burnley, Hyndburn and Pendle. The distributed nature of employment reflects both the industrial heritage of the major towns, and a strong rural economy in the north and east. In spite of the proximity to other major centres, employment links are limited. Only parts of Pennine Lancashire act as commuting centres to Manchester.

The area was once one of the main drivers of the industrial revolution and a powerhouse of the textile and engineering industries. This industrial base has declined for many decades and the output of the sub-region today is founded on relatively low wage, low added value, and low skilled employment. The housing stock has deteriorated in parallel with the traditional industries: the legacy of the past industrial success is an oversupply of two bed roomed terraced housing, much of it in very poor condition.

Pennine Lancashire's economic performance has steadily improved in recent years, after mixed performance in the 1980s and 1990s. Employment has increased every year since 2001 (by 3,000 to almost 200,000) and since 1997 the number of VAT registered business has grown by 10% to 14,000. This growth is, however, modest when compared to other northern economies, including Preston and Manchester.

1.4 The Economy

Manufacturing remains an important source of employment, with more than twice the level of employment nationally. Although it has been in decline for some time (as it has nationally), employment growth has occurred in some key sub-sectors (notably furniture production, basic chemicals, and food and drink). Pennine Lancashire's aerospace and advanced flexible materials sectors are of national significance

Pennine Lancashire has experienced strong business services growth in recent years, but this has been from a low employment base. Consequently, absolute employment growth of higher value services has not fully off-set employment decline in manufacturing. Supporting employment growth in higher value service sectors is both a challenge and opportunity: although difficult it could help Pennine Lancashire to attract skilled people and jobs. Other parts of the service economy, such as the visitor economy, offer further potential for business and employment growth

Pennine Lancashire has an adequate stock of intermediate level skills in the workforce, with the proportion of adults holding level 2 and 3 qualifications matching national levels. It has however relatively high numbers with no qualifications and low numbers qualified to degree level and above.

1.5 The City Regions and the Regional Context

City regions are major drivers for economic growth. Pennine Lancashire forms the eastern part of the Central Lancashire City Region, which includes Preston. Preston is an important potential employment destination for Pennine Lancashire residents, particularly for those in the neighbouring districts of Blackburn with Darwen and Ribble Valley. The M65 motorway and the Blackpool-Leeds rail service give ready access to the Preston area from Pennine Lancashire. Forecast employment growth in Preston will create new opportunities for Pennine Lancashire residents and business.

The Manchester City Region, however, presents the greatest opportunities for the Pennine Lancashire economy: employment there is forecast to increase by 166,000 by 2026. Of this, 122,000 are forecast for the Greater Manchester Urban Core² and 15,000 for the three districts bordering Pennine Lancashire (Bolton, Bury, and Rochdale). In contrast, only 22,000 additional jobs are forecast for the whole of Blackburn with Darwen and the County of Lancashire. CHECK STATS – SOURCE ?/ SEE E PRIDEAUX'S COMMENTS

Housing Growth Points for Blackpool / Central Lancashire and for Bolton present a significant strategic challenge to Pennine Lancashire. Going forward Pennine Lancashire will have to compete with these growth points in terms of the quality of it's housing offer to attract and retain the relatively mobile middle and higher income workforce.

1.6 The Challenge of Modernising the Economy

Supporting the growth of higher value service employment is vital if the productivity gap is to be closed, and will be a major help in attracting highly skilled individuals. Lower than average productivity in all sectors is a feature of industry in the north of England. In Pennine Lancashire it accounts for almost three quarters (or £1.5 billion) of the output gap. The performance factors that underpin this include:

- The skills base of the workforce
- The occupational distribution of the workforce
- The level of business competitiveness
- The level of capital investment per employee

Each of these areas must be tackled to improve economic performance. Promoting employment should remain a priority (particularly given the potential benefits for the most deprived neighbourhoods) but it must be part of a broader approach that improves competitiveness across every sector.

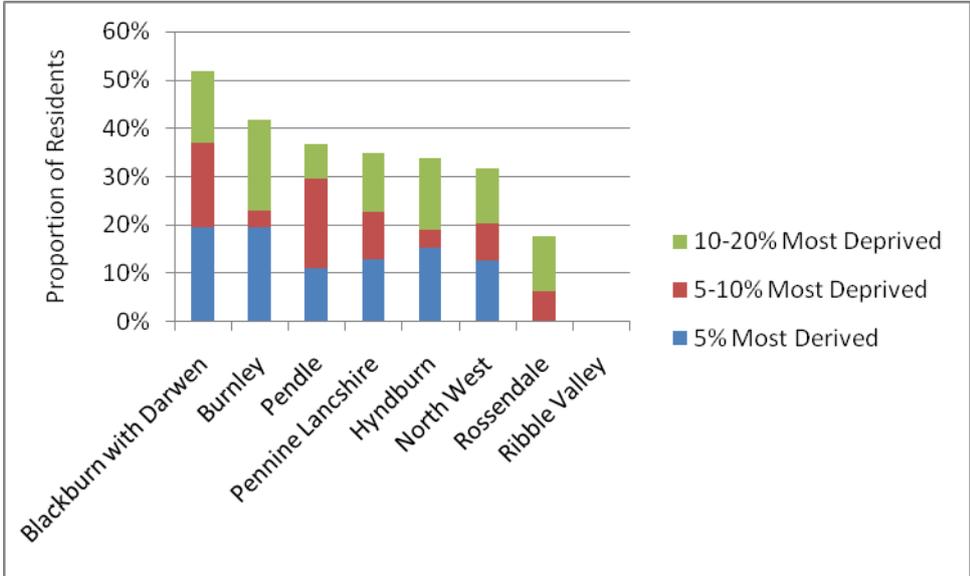
Success will depend on a number of related factors. These include exploiting sub-sectoral strengths; increasing the skills of the workforce; developing new employment and sector opportunities, and helping local residents and businesses take advantage of economic growth in neighbouring economies.

1.7 Multiple Deprivation

² Consisting of the City of Manchester, Salford, and Trafford

Within Pennine Lancashire 35% of residents (182,000 people) live in areas ranked among the 20% most deprived nationally, and 13% of these (67,000) live in areas ranked among the 5% most deprived nationally, over 2.5 times higher than the national level.

Proportion of Residents Living in Areas Ranked as the Most Deprived Nationally



Source: Index of Multiple Deprivation, 2007 (LSOA Level)

While the pattern of deprivation is uneven across Pennine Lancashire, it is widespread across several districts. Over half of Blackburn with Darwen residents live in areas ranked among the fifth most deprived nationally. Of these, 20% live in areas suffering from the most acute levels of deprivation (ranked among the 5% most deprived nationally). Burnley also suffers from similar levels of severe deprivation, although a much smaller proportion is in the worst 5%-10% category. Many of the most deprived communities are characterised by high proportions of BME households.

Multiple deprivation is a serious issue for Pennine Lancashire. It is associated with low incomes, poor skills levels and high levels of Worklessness and poor neighbourhood environments. The most worrying feature is the direction of change, which suggests that deprivation is becoming more entrenched across the sub-region. In 2004 only 39,000 residents lived in areas classified as being among the most deprived nationally (i.e. in the bottom 5%), however by 2007 this had increased to 67,000.

The high levels of multiple deprivation are reflected in the low levels of economic activity and high levels of benefit dependency. Currently 25.2% of the 312,500 working age population of Pennine Lancashire are classified as economically inactive. At May 2007, 46,580 people were claiming working age benefits within Pennine Lancashire, of which 33,115 were claiming incapacity benefit. Residents of these deprived communities have access to less than 1% of the jobs in the local labour market.

1.8 The Economic Strategy

The Pennine Lancashire Integrated Economic Strategy prioritises:

- **Productive and competitive businesses** in growth sectors including aerospace and manufacturing. There is also a need to improve connectivity with Manchester / Salford, Leeds and Preston as part of economic growth over a wider area and to enable residents to access jobs over a wider area.
- **Skills and Education:** need to raise attainment at all levels, invest in skills and address the graduate deficit. The broad housing offer is a key part of this process otherwise the skilled workforce will migrate outside Pennine Lancashire or chose to commute inwards, exporting their incomes to more attractive areas.
- **Economic Inclusion:** addressing Worklessness and a healthy workforce. Quality and affordable housing and neighbourhoods are a key ingredient of economic and social inclusion.
- **Investing in Infrastructure:** improving connectivity to areas of growth through investment in transport infrastructure is crucial as is investment in the public realm, image and identity of Pennine Lancashire. In fact, this may be so fundamental that without them other housing interventions are ineffective.

The Economic Strategy is seeking to address regeneration challenges and at the same time develop assets and infrastructure to accelerate economic development and growth. The regeneration changes are urgent, given the recent deterioration in the Index of Multiple Deprivation scores for the local Authority areas. Many of these communities have significant proportions of BME residents, where household numbers are increasing, living in very poor housing conditions, and with limited prospects of accessing routes to better housing.

1.9 A Twenty Year Journey

The Economic Strategy sets out a series of actions to transform the economy in Pennine Lancashire. Given the current business base and the skills profile of the workforce, this is a long term goal. The Strategy is likely to be based around three overlapping phases building on the period 2003-2008 which was focussed on intervention and arresting decline. These are:

- | | |
|---------------------------------|-----------|
| 1. Stabilisation/early renewal | 2008-2013 |
| 2. Renewal/Early Transformation | 2013-2018 |
| 3. Transformation | 2018-2028 |

This approach potentially has significant implications for PL statutory planning processes which will be explored in more detail in Chapter 3 / Section 3.1.

There are a number of implications for the housing market in Pennine Lancashire arising from the implementation of the Economic Strategy. These include:

- Reducing Worklessness, through helping people to access employment, will increase the choices open to some residents in terms of housing, although much of this will be for low cost housing (rented and low cost home ownership).
- Increasing the number of young people going to University will potentially increase the number of young returnees, increasing demand for higher quality rented and affordable home ownership.
- Increasing the number of well paid jobs through successful inward investment and more effective business support will increase demand for housing in the most attractive neighbourhoods.
- Increasing commuting (from current residents and people choosing to re-locate), to allow more residents to access higher paid employment, will increase demand for high quality housing in those areas with the best connectivity to Manchester and Preston.

The importance of these factors will increase over time, and there is a challenge in determining how the housing strategy can support and anticipate some of these changes, while at the same time addressing some of the long standing housing issues facing many communities.

1.10 Housing Context

The unusual and complex structure of the Pennine Lancashire housing market has been well documented over the last decade. Compared to the regional and national averages the sub-region has very high levels of owner occupation, but much of this stock suffers from high levels of disrepair and unfitness. The stock of housing is significantly older than the regional and national average, and 49.6% of the stock is terraced property compared to 31% for the North West and 26% for England and Wales. Similarly vacancies are 2.5 times greater in Pennine Lancashire compared to the nation as whole and house prices are £100,000 lower than the national average (all figures for 2007).

The structural weakness of the local economy and housing market are well known and require a long term transformational programme of public and private sector intervention to transform the social and economic prospects of the sub-region. There is already success to build on; the implementation of the Housing Market Renewal Programme has made an impact upon stabilising the market with the following trends being evident:

- There is a modest increase in population and households up to 2026;
- Recent house price growth has exceeded the national average (2000 – 2006);
- Vacancy rates have been decreasing across the sub-region, but are particularly evident in Blackburn and Burnley. In Burnley vacancy rates have fallen from over 10% in 2002 to 3.6% in 2006; and
- The rates of property turnover, which were particularly high in the private sector, have been reducing since 2004.

The facelift programme, selective clearance and improvement for sale initiatives have all contributed to these improvements in headline indicators. Additional interventions to support neighbourhood management are also important in maintaining quality of life in areas experiencing intervention in Pennine Lancashire.

The Baseline Position (Appendix 1) has identified a number of key economic and demographic drivers which will need to be addressed through the implementation of this strategy. The document highlights the importance of increasing incomes of local residents to enable greater choice and ultimately to afford a higher level of maintenance for their properties. Additionally some areas will experience significant BME household growth in the medium and long term, and local policies will need to adapt to meet this particular challenge. Whilst there are clear common themes which exist across the Housing Market in Pennine Lancashire there are also local differences. Given these differences the Market Progression Model will not have a uniform trajectory across the sub region. The next section briefly illustrates the differences and similarities between places.

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1.11 Housing Strategy: Sub Regional Characteristics, Aim and Objectives.

As noted the Pennine Lancashire Economic Strategy is seeking to address regeneration challenges and at the same time develop assets and infrastructure to accelerate economic development and growth. This will lead to a change in housing demand in the long term, although there are many immediate housing challenges which will undermine efforts to transform the economy if not also addressed successfully.

Evidence and Analysis

The Pennine Lancashire sub region consists of a series of inter-related housing markets, with a common characteristic for urban areas to lose population to their immediate rural hinterland. There is a strong dimension of BME household growth which is supporting the housing markets of inner urban areas. The strongest relationships between places and the strategic issues they face are set out below.

Blackburn/Hyndburn

This housing market area has experienced steady household growth and population stability for most of the last 20 years. In common with the rest of the region, growth rates for population and households have accelerated over the first few years of the twenty-first century.

The Blackburn/Hyndburn housing market area has the youngest population of the Pennine Lancashire housing market areas, reflecting BME growth. This area of growth is likely to profoundly influence the pattern of housing demand over the medium term. The Blackburn/Hyndburn housing market area shares some of the economic characteristics of the northern part of Greater Manchester and other manufacturing areas in Lancashire. Most notably these are lower economic activity, low GVA and low levels of earnings.

The area now has falling vacancy rates, albeit from very high levels and with stubbornly high rates still prevalent in the private sector stock. Despite high vacancy rates, the numbers registering on social housing waiting lists have increased dramatically. This is, however, occurring against an improvement in the quality of this stock, which has been partly achieved by an active demolition/restructuring programme.

Burnley/Pendle

The Burnley/Pendle housing market area has experienced a growth in households of 8,000 over a 20-year period. Despite this household growth the area has been characterised by high levels of vacancies, which stood at 6.8% in 2006, the highest in the region. In spite of this high vacancy rate, the overall surplus of properties is currently falling, probably as a result of the implementation of the Housing Market Renewal Programme.

The issues within the local housing market appear to be a historical legacy. The area has significant numbers of small terraced properties, and a high level of unfit.

Vacancies in this sector of the market remain problematic despite the existence of household growth, low earnings and relatively low house prices. Conversely, new build has outstripped projected household growth in recent years. All of this suggests a housing market which has not yet been restructured to meet the demands of a twenty-first century locality. The area has a similar economic profile to elsewhere in Pennine Lancashire and the northern parts of Greater Manchester.

The future projected growth of households is only half that for the region as a whole. Furthermore, much of this growth is projected to occur in older age cohorts, a source of demand which is unlikely to be matched to the current stock profile.

Ribble Valley

The Ribble Valley housing market area has experienced a renaissance with steady population and household growth in recent years. The area is popular with families and couples, which is reflected in the older age profile for the locality. Deprivation in the area is low and earnings are high. The area benefits from being adjacent to centres of employment in Preston and Pennine Lancashire and is accessible to Greater Manchester and Yorkshire.

The housing market area also contains the smallest social rented stock in the North West, and historically the waiting list has been relatively high. The area is projected to experience the largest increase in population in the North West and significant household growth up to 2032. Net housing supply has not been responding to increases in household growth over the last five years. Issues of affordability, and the reduction in demand from more affluent households in adjoining areas, are the key issues.

Rossendale

The Rossendale housing market area is in part rural, but given its environment and character has benefited surprisingly little from population decentralisation from the Greater Manchester conurbation. The area has high levels of owner occupation, but there is not the same pressure of demand in this market compared with others which are adjacent to the Manchester conurbation to the south. The vacancy rate, at 5.4%, is high and has to be seen in the context of a general tendency for vacancies to fall across the region.

The low pressure of demand is reflected in house prices, which are only 82% of the regional average. Recent new-build rates have exceeded household growth targets; if this continues; inward migration will need to increase to prevent a further rise in vacancies. Conversely, a very large increase has been registered in the demand for social housing, with the housing register representing 62% of the stock.

In future, household growth is projected to be below the regional average. As is the case elsewhere in the region, the majority of this growth is expected to comprise single person households. Despite this growth, nearly 50% of households are projected to still be couples in 2 person households.

1.12 Links to the Integrated Economic Development Strategy

The recently published IMD which showed a deterioration in the position of Pennine Lancashire authorities suggest that local conditions in the housing market have become more challenging, and this does not take account of the recent economic downturn. The need to increase household incomes as a precursor to changing demand and improving individual choice is now a key priority for stakeholders reflected in the Multi Area Agreement and other initiatives such as the employment progression model.

From a housing perspective the key early economic actions which will be those which help people to secure employment, re-enter training and improvements such as school results. The transformational projects, which are several years away from completion, will impact on demand in six, seven or eight year's time. It is important that the Housing Regeneration Strategy is synchronised with the economic strategy, with the most immediate priority addressing the housing needs of the most disadvantaged communities and neighbourhoods.

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Chapter 2

Vision and Objectives

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2.0 VISION

Our vision is that PL will have a balanced and accessible housing market, which supports the economic and social prospectus for the sub region. This is a vision to improve the housing offer over the next 20 years; a housing market where local people can afford a good quality home within their resources and where people choose to live.

This Strategy establishes over the next 5 years how we will work towards this vision, identifies our main strategic objectives and how we will make best use of resources within the national and regional policy frameworks.

2.1 Strategic Objectives

This Housing Strategy will contribute to delivering the Vision by delivering a balanced housing offer in support of economic growth and the creation of sustainable mixed communities. Strategic Housing Objectives are inextricably linked with those for economic inclusion and sustainable neighbourhoods.

To assist this process of regeneration and growth there are four strategic objectives as follows:

1. To ensure a sufficient quantity, high quality, and appropriate type of housing supply to meet the economic and social needs of Pennine Lancashire;
2. To develop sustainable neighbourhoods that can retain successful households and offer opportunities to inward movers and investors, reducing the disparities between neighbourhoods within Pennine Lancashire, and improving overall performance in relation to the region.
3. To directly link disadvantaged communities with economic growth and employment opportunities.
4. To meet the housing and support needs of vulnerable people, making services more accessible and integrating them more fully in to local communities

Considerable progress has been made over the last five years in relation to objective 1 above. However to achieve successful regeneration there will in future need to be a greater integration between policies designed to help people and those designed to transform places. Objectives 2 and 3 are designed to focus activity on reducing disparities through improvements in health, community safety, education, and levels of skills and training. This will also need to align with Planning Policies to ensure the development of mixed income communities .In addition to these policy interventions, there will also be greater focus on Worklessness and employment growth as the strategy develops. Meeting the objectives set out in 2 and 3 above is challenging and will require considerable development work over the next two to three years. A development team is needed to undertake research, feasibility and development work to ensure linkage between economic and household growth.

The transformation of the housing market needs to be preceded by the transformation of the economy. The demand for housing, both in scale and type, will be change as more residents gain access to employment and better paid employment, and as communities are better connected to employment opportunities, both through enhanced qualifications/skills, and physically through better transport links. This is a long term process, dependent upon other investment in areas such as transport, as well as the successful implementation of the Integrated Economic Strategy, including key elements such as reducing Worklessness. This is linked to meeting the targets set out in the Multi Area Agreement.

Throughout the process Objective 4 relating to the housing and support needs of vulnerable people will be important. However it is envisaged that as deprivation reduces and life chances increase the importance of this Objective will diminish over the 20 year period.

The next five years will build upon the achievements of the period 2003-2008. A catalytic programme will be developed for 2009-2014 over the next twelve months. This strategy seeks to build on the experience and areas of excellence developed across the sub-region through neighbourhood regeneration over the last five years, whilst securing greater alignment with the Pennine Lancashire Integrated Economic strategy.

Stage	Time	Economic	Housing /Regeneration
Intervention/ Arresting decline	2003 - 2008		
Stabilisation /early renewal	2008- 2013	Development of transformational investment, continued work with key sectors, increasing enterprise, employment progression model, reducing workless, increasing attainment levels.	Continuation and completion of investment priorities. Addressing low income households needs Developing a growth strategy
Renewal/Early Transformation	2013- 2018	Capitalising on the benefits of transformational investments, improved town centres, transport improvements completed developing second wave new and high profile projects, working with key sectors, reducing workless, increasing attainment levels.	Completion of second wave investment priorities Increasing neighbourhood based home ownership Build out and marketing of major new high value housing development
Transformation	2018-	Securing private sector	High quality social and

	2028	investment in high skilled, high productivity economy; increasing graduate recruitment in sector base; developing new investment in key towns, capitalising on established transport links to Manchester.	affordable housing markets in diverse neighbourhoods Home improvements through home owner and landlord investment Sustainable developer led new housing market capturing an increased population.
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2.3 Strategic Themes and Progression

The Progression Model for Pennine Lancashire has two component parts being:

- Neighbourhood Sustainability and
- Fostering growth.

The four objectives of the Pennine Lancashire Housing Regeneration strategy relate to both of these agendas. With respect to neighbourhood sustainability, strong foundations have been laid in the first five years of the Housing Market Renewal Programme. The next five years of investment will both consolidate gains made in stabilising neighbourhoods and the market, and will forge a transformational agenda.

The growth agenda is a product of both demographic change and the economic projections which will result from the implementation of an ambitious Integrated Economic Development strategy. There is however significant development work needed to ensure the integration of Housing and Economic policy and outcomes in the medium term.

Traditionally Housing Policy and Strategy has been backward looking. It has involved policy makers reacting to social, economic and market trends after a significant time lag. By the time Housing Policy has responded to change, it is often linked to addressing the consequences rather than the causes of change. This dislocation between Economic and Housing Policy has meant that in most UK locations, the impact of economic growth is not captured by regeneration strategies. Housing policies land availability and planning need to be able to respond immediately to economic and income growth to be able to capture the benefits for the local population.

The transformational programmes of change for neighbourhoods and the local economy are currently not synchronised. The neighbourhood regeneration programme is well underway and is focussed upon modernising the housing offer in line with the current level of economic activity and income i.e. the housing offer is catching up with the economic change of the last two decades. The development of the new economic development strategy should lead to a significant and positive change in incomes and employment after a time lag (in years 10 – 15 onwards). The Market Progression model therefore should develop an appropriate tool kit which can

be deployed as economic growth occurs, with the work taken forward by a Growth Development Team; responsible for:

- Major development opportunities including site assembly.
- Policies relating to property size and development briefs where land is in public ownership to achieve the desired construction output;
- Policies relating to treatment of capital receipts and subsidy for development;
- Lobbying for improved transport links to encourage mobile workers / businesses to locate;
- A marketing strategy to inward investors and their workforce.

The development of this forward looking integrated programme of activity which would synchronise housing and economic change will require a degree of flexibility in planning and housing strategy across Pennine Lancashire in the medium term to allow policies to be deployed which can capture the benefits of economic and household growth.

In addition to actions required to put into operation the Progression Model there are a series of actions necessary to deliver the objectives of the Pennine Lancashire Housing Regeneration Strategy. These are set out below in the three main phases in the following sections.

2008-2013 Stabilisation/early renewal	
Quantity, quality and type	<p>Production of Non Statutory Spatial Framework for Pennine Lancashire.</p> <p>Establishment of a Developmental team to undertake research, feasibility and development work for major economic and housing growth.</p> <p>To focus ADP and development briefs on producing larger accommodation for BME household growth.</p> <p>Development of a marketing strategy for new and refurbished property in target neighbourhoods.</p> <p>To finish the acquisition and clearance of surplus and obsolete property supply.</p> <p>To address on going issues of quality (particularly in respect of unfitness) through the development of equity loans and local maintenance services; development of covenants and service charges to fund environmental and property maintenance; energy efficiency schemes.</p> <p>To explore delivery arrangements which could mitigate the impact of the credit crunch on housing supply. This could encompass the development and funding of one or more Local Housing Companies in conjunction with the HCA;</p> <p>Development of financial models to assist individuals with the credit crunch and national economic stagnation. This may include exploration of an equity loans / home deposit scheme.</p>
Sustainable neighbourhoods	<p>To deliver and complete existing masterplans</p> <p>In line with CLG guidance to provide <i>“A clear framework for</i></p>

	<p><i>regeneration to provide a clearer link between neighbourhood renewal and wider regeneration economic interventions. This will help ensure regeneration interventions are co-ordinated with regional strategies so they are focused on areas with potential for sustainable economic growth and for private sector investment over the longer term.....ensuring interventions are better targeted on tackling market failure”;</i></p> <p>To evolve the current approach to renewal into integrated area based plans which address market failure in land, labour and housing markets in a coordinated way. These plans need to be developed to a specification compliant with the Sub National Review impact assessment including;</p> <ul style="list-style-type: none"> ○ clear delivery arrangements that utilise the local asset base and demonstrate VFM; ○ robust option appraisal and evaluation frameworks; ○ strong local community partnerships; and ○ Overarching coordination to ensure linkages to the wider economy which minimises displacement, leakage, and maximises additionality, are still needed.
<p>Reduce the disparities in economic activity (neighbourhoods and families)</p>	<p>New models of neighbourhood management which address high levels of private renting in terraced areas need to be explored and tested for feasibility.</p> <p>Implement the Health and Well Being Operational Plan. Building Schools for the Future .The integration of housing and planning policies at a local level to ensure mixed income communities.</p>
<p>Linkages between economic growth and employment opportunities People</p>	<p>Roll-out best practice developed through the Blackburn City Strategy Pathfinder approach and model, across Pennine Lancashire; linking opportunities to local neighbourhoods and housing construction and maintenance.</p> <p>A particular model being feasibility tested attempts to link an improved Private Rented Sector offer with extending existing services to address Worklessness.</p> <p>Develop and deliver an integrated approach to employment and skills across Pennine Lancashire, through a Joint Investment Framework, linking opportunities to local neighbourhoods and housing construction and maintenance.</p>

2013-2018 Renewal/Early Transformation

While it is not possible to predict the policy and institutional landscape in 2013, Pennine Lancashire need to continue to invest in addressing some of the current social and economic challenges which it faces today. At the same time, some of the opportunities developed in the first phase will come to fruition in this

second period, benefiting from a more robust economy.	
Quantity, quality and type	Completion of second wave investment priorities Build out and marketing of major new high value housing development Potential for Joint Local Development Framework(s) across Pennine Lancashire
Sustainable neighbourhoods	Increasing neighbourhood based home ownership Strengthening local housing (community) partnerships
Reduce the disparities in economic activity	Continued investment to improve schools attainment levels Focus on communities with high proportions of young BME families Increase actions to improve health indicators
Linkages between economic growth and employment opportunities	Continued skills and employability actions Support for those distant from the labour market Support for low incomes young people going on to the local University

2018-2028 Transformation

By 2018 the transformation of the economy will be well underway, new and transformational investments will be delivering economic benefits, the major towns will be regenerated, and Pennine Lancashire have a modern and diverse economy. The emphasis will be on retaining and attracting new higher skilled householders while continuing to support low income groups.

Quantity, quality and type	High quality social and affordable housing markets in diverse neighbourhoods. Market led removal of unfit and redundant stock Sustainable developer led new housing market capturing an increased population. Promotion of Pennine Lancashire as a place to live
Sustainable neighbourhoods	Home improvements through home owner and landlord investment
reduce the disparities in economic activity	Continued investment to improve schools attainment levels Focus on communities with high proportions of young BME families Increase actions to improve health indicators
linkages between economic	Continued skills and employability actions Support for those distant from the labour market Support for low incomes young people going on to the local

growth and employment opportunities	University
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2.4 Output Measures

In order to better describe the overall Vision and track progress towards it's achievement the following output measures have been designed for the Strategy :-

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Chapter 3

Strategic Priorities 2008-2013

3.0 PRIORITIES FOR THE FIRST 5 YEARS

Whilst the overall trajectory of the transformation is clear, including the three phases described in Chapter 2 above, experience of Housing Market Renewal since 2003/04 shows that economic and housing markets do not necessarily respect the long term strategic plans we make or the pace at which we seek to implement them. Hence the inception of Housing Market Renewal coincided with very rapid house price inflation, creating affordability problems, with speculative activity in some areas whilst low housing demand became more concentrated. Late 2008 has seen the near collapse of credit and housing markets with uncertainty over the rate of recovery.

The level of uncertainty clearly increases, the further ahead we look, whilst it is easier to manage uncertainties in the short to medium term. So our strategic plans and priorities are much more specific in the short term than the long term.

This Chapter presents our key strategic priorities for 2008-2013 and the funding issues they present.. Whilst the market as ever is subject to uncertainty we believe that these priorities, which are a strategic response to our housing market assessments, will remain relevant over the period and form a sound basis to progress the housing market beyond 2013.

The rationale for these priorities and the full set of policy actions are presented in Chapter 4.

2.1 Key Strategic Housing Priorities

- ❑ National Affordable Housing Programme: – ensure maximum benefit is obtained from this programme and that it links and compliments the market renewal process, and delivery of affordable housing through planning policy (Section 106 Agreements).
- ❑ Ensure a mix of tenures and suitable property sizes are on offer in support of sustainable communities.

- Maximise resources available through the planning system by utilising Section 106 agreements on private housing developments
- Private sector investment - We will seek to unlock the equity that exists through the utilisation of loans where appropriate, and would welcome dialogue with regional and national government as to how this could be prioritised to address the continuing high levels of poor condition older housing in Pennine Lancashire.
- Homes and Communities Agency - Pennine Lancashire will ensure that we have a clear, integrated vision for housing that integrates with economic development, transport, spatial planning and sustainability.
- HMR programme – Elevate has secured a record £150m investment in to Pennine Lancashire over the next three years. We will ensure that we meet targets and achieve the most efficient use of resources to build on the excellent progress that has been made in recent years to address our failing housing markets. We will review the HMR Prospectus in the light of the Pennine Lancashire Housing Strategy
- There are significant investments coming on stream in public and private sector projects such as Building Schools for the Future, Sure Start and Local Investment Finance Trust (LIFT) projects, amongst others, including business and retail investment, which will see large amounts of investment coming in to Pennine Lancashire over the coming years alongside HMR investment. It is essential that this investment is integrated with housing investment to ensure that housing markets are revitalised in support of sustained economic development.
- Ensure choice for Pennine Lancashire residents in terms of access to a wide range of housing options for those in housing need, the vulnerable and those with support needs. This includes development of the Sub regional choice based lettings system. Attention will be paid to the particular needs of the large and growing BME communities.
- Inadequate management of and investment in private rented properties is a major cause of dissatisfaction in Pennine Lancashire and is to a significant degree driving the need for more affordable housing. Future provision of affordable housing will be maximised but will not meet all needs and in parallel it is important to raise standards in the private rented sector. We will develop Selective Licensing and Accreditation of Private Landlords and would welcome dialogue with government as to how this is progressed within the context of the Review of the Private Rented Sector.
- It is clear that NWRA expects groups of Local Authorities to be pro-active in developing targets and proposals to meet the accommodation needs of gypsies and travellers. The Pennine Lancashire Authorities will work collectively on this as part of housing and planning policy.
- Pennine Lancashire Authorities are committed to tackling Fuel Poverty in a more concerted and strategic way through Affordable Warmth Strategies and the Local Area Agreement, prioritising vulnerable people in partnership with PCTs.

- Whilst growth in numbers of frail older people has not yet peaked the Pennine Lancashire Authorities will be proactive in developing strategies, programmes and projects to meet needs and demands of older people including extra care housing, care and repair services, modern sheltered housing and care villages.
- We will identify supported housing needs which may be met at Pennine Lancashire or Regional level and develop mechanisms for their commissioning, whilst developing better funding mechanisms for existing projects where they serve a wider area.

2.2 Funding Issues

- **HMR Pathfinder**– This programme is now in a critical development phase in the process of restructuring the housing market. The initial ground work having been done, there is now the drive, through market renewal, to realise the potential within Pennine Lancashire. However the latest HMR Prospectus identified a funding gap of £272m. A review of HMR policies and programmes will be carried out as part of the Pennine Lancashire Housing Strategy to consider the implications of this funding gap for future strategic priorities.
- **Housing Capital Grant** Programmes have been used to add value to market renewal process and Pennine Lancashire housing authorities continue to support housing renewal as well as the wider transformational agenda. However, with the new way of allocating Single Housing Pot, funding is diverted from HCG to the National Affordable Housing Programme (NAHP). The Government's thinking behind this change is that more funding will be allocated to the Housing Corporations National Affordable Housing Programme to deliver greater numbers of affordable housing units to meet increased national targets. There are concerns that this may well leave gaps in additional funding to Housing and Market Renewal Programmes in Pennine Lancashire. The challenge will be to ensure that this doesn't impact negatively on the housing market renewal process and the wider programme of private sector renewal and regeneration.
- **Homes and Communities Agency / Affordable Housing Programme**
The Homes and Communities Agency has made it clear that it wants a 'single conversation' with Local Authorities to enable it to prioritise and support delivery of regeneration. Locally the conversation will be with Pennine Lancashire rather than individual local authorities, as this offers a more strategic approach which offers the potential to deliver on a larger scale. The funding regime for the Affordable Housing Programme is inflexible and this can hinder delivery of housing regeneration schemes. Pennine Lancashire would welcome the application of Affordable Housing Grant to schemes in a more flexible and creative way, whilst ensuring that leverage of private funding is extended. Integration of funding from AHG and Section 106 Agreements within planning policy will help this process. The extent of 'gap funding' to kick start development in Burnley in particular is a major challenge.

- **Regional Development Agency**

The level of complementary non-housing funding in support of Housing Market Renewal has so far been disappointing. Gap funding for land assembly and infrastructure is essential for the transformation of low demand Neighbourhoods, but the level of such funding has been low. Pennine Lancashire welcomes a further dialogue with the RDA to strategically Prioritize the application of such funding on a larger scale, integrating such Funding with that from the Homes and Communities Agency.

- **Supporting People**

Pennine Lancashire welcomes a more strategic approach to identification of supported housing needs and their prioritisation. However the experience of central government is that it is very difficult to allocate funding on a formulaic basis to particular client groups / needs in particular areas. Funding should be broadly based on demographic profiles. The current system does not fund needs arising in one commissioning area which are met in another area because of movement of vulnerable people in need, typically to larger urban centres. Pennine Lancashire would welcome consultation with central and regional government on how these 'cross boundary' needs are funded either through improved mechanisms for allocation overall grant or attaching grant to particular individuals based on their residence of origin.

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Chapter 4

Strategy Themes and Policy Aims

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4.0 Introduction

Following emerging Regional Housing Strategy, this Statement is constructed around the following 3 key themes:-

1. Quantity of Housing - Growth and New Build.
2. Quality of Housing and Place
3. People Issues – Access, Options, Vulnerability , Support

Under each theme key policy aims are identified, linked to overall strategic objectives (see Section 2.1 above) and the rationale for prioritisation of the aims and potential actions is explained. These policy aims and potential actions will be subject to wider consultation as the Strategy is developed, which will include appraisal of options to achieve the aims and action plans for delivery.

The Strategic Vision and Key Themes will endure for the 20 year life of the Strategy as set out in Chapter 1. Delivery of the Policy Actions will be subject to regular review and the Aims themselves will be reviewed every 3/5 years. Reviews will include the relevance of strategic actions in changed market conditions as the market can change much more rapidly than public policy.

4.1 Quantity of Housing – Growth and New build

Policy Aim 1: To deliver housing growth under Regional Spatial Strategy in ways which support economic regeneration and housing market renewal.

Relevant Strategic Objectives : 1

Regional Spatial Strategy requires housing growth as follows:-

Proposed Housing Supply	Total Maximum Housing Provision 2003 – 2021 (Net of clearance replacement)	Annual Average rates of Housing Provision (Net of clearance replacement)	Indicative target proportion of housing provision to use brown field land & buildings
North West	411,160	22,844	At least 65%
Blackburn with Darwen	8,800	489	
Rossendale	4,000	222	
Pendle	3,420	190	
Hyndburn	3,400	189	
Ribble Valley	2,900	161	

Burnley	2,340	130	
Pennine Lancashire Total	24,860	1,381	

Source: North West RSS

For comparison housing provision rates over the last 5 years are also shown.

Pennine Lancashire is expected to account for 6% of the 411,000 new homes expected to be built across the North West, representing an additional 1,381 new homes a year to 2021, some of which will already have been built.

The most significant level of house building is for Blackburn with Darwen, which will account for 35% of the Pennine Lancashire proposed RSS provision. While the scale of new housing development for Blackburn and Darwen is significant, it is on a par with other major centres in the North West, and reflects the anticipated economic benefits of proposed transformational projects. Over the two Boroughs 50% of additional housing provision is proposed in the Blackburn with Darwen / Hyndburn Housing Market Area, emphasising the strategic importance of delivery in these Boroughs, and particularly in Blackburn.

The smallest level of house building is expected in Burnley, however given the recent levels of population decline in Burnley, these figures suggest that modest household growth is expected within the district.

Ribble Valley is projected to have the largest population growth (see above table under 'Demographic Drivers) according to past trends but RSS requires relatively little housing provision. This is effectively a continuation of the restraint policy which has been in place since 2002 and is supportive of housing market renewal elsewhere in Pennine Lancashire providing the housing offer in the other Boroughs is made attractive to households who would otherwise be attracted to Ribble Valley.

The Pennine Lancashire Local Planning Authorities are currently preparing Core Strategies under their Local Development Frameworks. It is essential that these spatial strategies are aligned, particularly for Blackburn with Darwen and Hyndburn and for Burnley and Pendle where urban areas cross over in to the neighbouring Borough. Consideration is being given to development of a non –statutory Pennine Lancashire Spatial Framework to help this alignment and to help drive change, but the scope of the Plan must be carefully prescribed so that it does not simply duplicate or complicate. In the longer term there may be scope for (a) statutory Local Development Frameworks across Pennine Lancashire

Low housing demand in Pennine Lancashire was aggravated by excess new housing supply around the periphery in the 1980s and 1990s. It is essential that this policy mistake is not repeated and that new housing provision is geared in terms of quantity, location and type to ensure there is no adverse impact on low demand areas. The level of empty properties is falling in Pennine Lancashire but Empty Property Strategies will continue to be developed to bring forward unused sustainable existing property as part of new supply and keep local markets in balance.

At the same time there must be sufficient housing growth of the right type to support economic growth, including higher value housing to attract in migrants and retain local people to work in higher value service and manufacturing employment.

In recent years private developers have been developing a large number of flats, particularly in Blackburn with Darwen, some of which have proved difficult to market. It is now generally accepted that there has been overprovision and this is reflected in the 2007/8 Blackburn with Darwen Housing Needs Survey.

A major pressure is the growth of the Black and Minority Ethnic populations most notably in Blackburn, but also in Pendle and to a lesser extent Burnley and Hyndburn. There are particular location requirements, together with needs and demands for larger properties.

Public infrastructure must be developed in parallel with the housing growth including transport, schools, open space, parking to ensure new neighbourhoods are sustainable.

Pennine Lancashire has a remarkably low level of out commuting to other employment centres. Development of a satisfactory rail link to Manchester in particular would make parts of Pennine Lancashire attractive to immigrants wishing to commute to Manchester and also help retain skilled Pennine Lancashire residents who may otherwise migrate in search of employment in Manchester.

Policy Aim 2: To transform the housing offer in low demand older terraced areas by developing quality new housing within Master Plans and area based planning frameworks.

Relevant Strategic Objectives : 1, 2

Major redevelopment schemes in targeted low housing demand areas are under way in Blackburn with Darwen, Hyndburn, Pendle, and Burnley. The challenge in each area in attracting interest from private developers reflects the severity of low demand problems.....

Ribble Valley and Rossendale - no need for major intervention to attract developers
Blackburn with Darwen, Hyndburn and Pendle – can attract developers with some form of gap funding

Burnley – difficult to attract developers even with gap funding.

There is a need for complementary funding for local infrastructure including schools, In the case of Burnley the funding mix currently on offer is stalling redevelopment altogether and it is a priority to develop a public / private sector funding mix in support of transformational regeneration.

Over recent years the general quality of new housing in Pennine Lancashire has been poor. RSLs have been leading the way in relation to standards for Sustainable and Lifetime Homes, and private developers should follow, but both sectors have been lacking in producing imaginative good quality residential design. The Local Authorities and Elevate will continue to support and promote improvements in design

in particular through the 'Design Handbook'.. Pennine Lancashire Local Authorities will use their development control powers to reject inferior designs.

Policy Aim 3: To deliver a range of affordable housing through the Affordable Housing Programme and planning policy to meet prioritised needs.

Relevant Strategic Objectives : 1, 2

Average wages across Pennine Lancashire are considerably below the national and regional level, with the exception of Ribble Valley. In Hyndburn and Rossendale, the average gross weekly full time pay is more than £100 a week lower than average pay across the North West; which amounts to over £5,200 a year.

Low wages compound the issues in the housing market, as demonstrated by the affordability data. In many cases, even where property prices are lower, they are still high relative to local wages, and consequently out of the reach of many local residents.

Housing is also becoming less affordable among the lowest quartile data (based on lowest quartile income and house price). The affordability ratio for the lowest quartile currently (2007) ranges from eight times income in Ribble Valley to only around 3-4 times incomes in Burnley and Pendle. This issue is a relatively recently phenomenon and affordability has deteriorated most noticeably in Hyndburn which now has around the same affordability ratio as Blackburn with Darwen (nearly 5 times income). Reduce affordability will indirectly increase demand for rented accommodation. Affordability ratios can be very volatile and are likely to improve somewhat as the market slows down in 2008. However it is unlikely that the lower ratios of a few years ago will be restored and the current pattern of affordability is likely to persist for several years.

Affordability policies to be delivered by the planning system will be determined by the Boroughs on the basis of Strategic Housing Market Assessments for Housing Market Areas (see above). Local Development Frameworks will bring forward affordability policies which detail quantities types, sizes, and locations of affordable housing required. Consideration will be given to the need not to deter private sector development and to be responsive to local needs whilst achieving consistency across local market areas.

Affordability policies will address both the extreme but localised affordability pressures in rural areas and the more widespread affordability problems in deprived urban areas reflecting very low wages. Rural housing needs, especially in Ribble Valley, are acute as there may be no relet supply available, making the case for 'rural exception' affordable housing schemes in planning policy. Policies will express the type of affordable housing needed as well as the overall requirement.

The Affordable Housing Programme will also continue to support delivery of affordable housing schemes by RSLs. The Pennine Lancashire Local Authorities will establish and maintain a dialogue and agreements with the Homes And Communities Agency on prioritisation of projects and programmes and a potential successor to

the Joint Protocol with Local Authorities relating to wider joint working (currently in place in Blackburn with Darwen).

4.2 Quality of Housing and Place

Policy Aim 4: To develop and promote new mechanisms to revitalise private sector housing to bring empty properties in sustainable areas back into use and to promote improvement of stock by owners to an acceptable standard

Relevant Strategic Objectives : 1, 2

Pennine Lancashire has some of the highest levels of unfitness in the country³. Most of the unfitness is in the private sector (i.e. the owner occupied and private rented sectors).

District Ranking of % of unfit dwellings

Blackburn with Darwen	1
Pendle	2
Hyndburn	3
Rossendale	18
Burnley	25
Ribble Valley	121

(Out of 354 local authorities in England. Highest proportion = 1) (CLG 2007)

Overall Pennine Lancashire has an unfitness rate of 12.8% compared with 5.2 % for the North West and 4.2% for England. Some of the unfit properties in the very worst condition are being demolished via Housing Market Renewal but most are so far unaffected and unfit properties are widespread with unfitness rates higher in HMR Intervention Areas (26.5%) but also high outside these Areas (21.8%).

The total cost of bringing the older private housing stock up to Decency Standard is estimated at £194.24m. The significant increase in house prices may enable some residents to secure further loans for renovation of their homes but as many are on benefits or low incomes making access to loans difficult, the extent of renovation funded in this way will be limited. In 2005/06 government sought to establish a national equity loan scheme in support of housing renewal which would attract interest from major banks. This proposal has stalled and the onus is back on local government and regional agencies to take the initiative. Pennine Lancashire remains committed to development of equity loans attracting private funding for renovation of older properties.

The decent homes standard is still a commitment in the national strategy for neighbourhood renewal. In the private sector the target to ensure the proportion of vulnerable private sector households in decent homes is more than 70% by 2010, no longer appears as a central government indicator.

For Pennine Lancashire it is estimated that the cost of meeting this commitment in the next two years is £70.7m Whilst the Pennine Lancashire Local Authorities are

³ The statutory ‘Fitness Standard’ has been replaced with the Housing Health and Safety Rating System (HHSRS). Category 1 Hazards under HHSRS may be taken as similar to ‘Unfitness’ but this is a matter for local determination and hence a comparative statistic across Authorities is hard to obtain. Hence the old Fitness Standard is quoted in this report.

utilising resources available to the optimum it must be accepted that this target is unachievable and the Authorities would welcome discussion with national and regional government on development of and application of resources to a challenging but achievable target for renewal of older housing to an acceptable standard.

In addition to vulnerable people (defined as those on a range of income related benefits), many people on low incomes in employment are unable to fund the cost of bringing their homes up to 'decency standard'.

The Pennine Lancashire Authorities have commissioned a house condition survey which will update the above assessment.

Energy Efficiency

Thermal energy efficiency is one of the key aspects of the housing 'Decency Standard' and Pennine Lancashire needs to

'Fuel rich' households need to be encouraged to take advantage of discounted loft and cavity wall insulation. Effectively promoting the benefits of energy efficiency, and the grants available, as well as proactively developing existing and new partnerships with a wide variety of agencies and groups in our communities is a key challenge that Pennine Lancashire must spearhead. This will enable economies of scale, better co-ordinated and targeted efforts and will lever in extra resources.

Levels of resources, both revenue and capital, vary across the Pennine Lancashire authorities. Those authorities who do not have a dedicated officer are subsequently less likely to be as pro-active in their boroughs both in terms of local grant aid availability and time spent on promotional work. The current Lancashire Local Area Agreement is assisting with this by using the Energy Efficiency target pump-priming funding to employ two Lancashire-wide energy efficiency officers to help promote and maximise the amount of grant and discount insulation take up in the county.

With the climate change agenda rising up the national government agenda and building standards becoming stricter it is likely that the amount of renewable energy technologies installed will increase significantly. One of the main challenges will be to ensure that as many existing properties benefit from energy efficiency improvements and renewable energy technologies as possible. The success in this will determine whether the government meets its long term target of reducing carbon dioxide emissions by 60% by 2050.

The Lancashire Energy Efficiency Advice Centre will be replaced in September with the newly branded Energy Saving Trust Advice Centre that will cover Cumbria as well as Lancashire. The funding for the centres has been doubled in order to meet new Government targets about CO₂ saving and additional advice will be given to include renewables, waste and water.

The emergence of the LAA national indicators¹ NI 186 (Per capita reduction in CO₂ emissions in the LA area) set by the government will help raise awareness of the benefits, and prioritise energy efficiency improvement and renewable energy

technology programmes. The indicator is in the Lancashire Local Area Agreement and also in the BwD Agreement. Inclusion will mean that these indicators will be one of the main priority areas for the Lancashire LAA and Pennine Lancashire will have a critical roll to play in ensuring we performance well against challenging targets.

Policy Aim 5 : To ensure that all RSL Stock meets the Decent Homes Standard and that the stock is put to optimum use to meet housing needs and support sustainable communities

Relevant Strategic Objectives : 1,2

Overall PL has a relatively small proportion of social housing stock especially considering its overall socio-economic make-up. Nonetheless significant steps have been taken to help PLs social housing stock meet the decent homes standard.

MH DECENT HOMES STATS PENNINE LANCS

This has included the transfer of council housing stock to new housing associations throughout Pennine Lancashire, neighbourhood management measures, and development of Pennine Lancashire choice based lettings. This drive to raise standards needs to continue to ensure this sector can increasingly be viewed as a housing option of choice including working households.

The major challenge is the increasingly long waiting lists for social housing and relatively low turnover. The situation has been transformed from the mid/late 1990s which were characterised by high levels of empty property in some areas and high turnover of tenancies.

There is a particular need for larger 3-4 bedroom accommodation to meet the needs of overcrowded households (including needs of relatively large Asian households) but waiting times are also increasing for smaller accommodation. Incentive schemes will be further considered to rehouse (often elderly) households who are under occupying family accommodation to help meet the need for larger accommodation.

Long waiting times for accommodation also hinder the move-on of vulnerable households from supported accommodation and their resettlement.

There is a risk that need for social housing will further increase if there is a national economic downturn.

In response to the long waiting lists including households with high levels of need the Pennine Lancashire Local Authorities are producing a common allocation policy based on 4 'bands' or need levels.

Choice is being further extended by the Pennine Lancashire Choice Based Lettings system which will allow cross boundary movement.

The level of need for social rented housing is such that even on the least attractive estates lettings are taken up quickly. However there are concerns that these estates may not have a sustainable long term future. They are often the larger estates, with

very few owner occupiers who have exercised Right to Buy or acquire, high numbers of lone parents and households living solely on welfare benefits, including those on incapacity benefit with poor health and difficulties accessing employment.

In some cases there may be opportunities for large scale remodelling of such estates to widen the social and tenure mix, with a mixture of public and private funding.

Policy Aim 6: For the Local Authorities to work collaboratively and on a larger scale to raise the standards of management and property condition in the private rented sector

Relevant Strategic Objectives : 1 , 2

The private rented sector has an increasingly important role to play in providing affordable housing for those on low incomes. In Pennine Lancashire this tenure provides 10.1% of the total housing stock reflecting the situation nationally.

This tenure rate however remains exceptionally high in some areas of Pennine Lancashire – up to 40% in some of the neighbourhoods.⁴ These high tenure rates can be a sign of market instability and an indicator of low housing demand. Turnover is greatest in the private rented sector and it can often be associated with poor standards of condition and management, increasing the risk of anti-social behaviour that can affect the stability and cohesiveness of local communities. Housing Needs Survey carried out in 2007 in Blackburn with Darwen / Hyndburn and in Burnley / Pendle has identified very high levels of housing need in and dissatisfaction with the private rented sector which is driving demand for social renting.

Enforcement Action

Through the local authorities enforcement policies complaints of poor property conditions from private tenants are predominantly addressed by serving enforcement notices under the Housing Act 2004. The use of enforcement notices are an effective tool in improving conditions in the private rented sector, although in the main it is a reactive service heavily reliant on the tenant making and pursuing the complaint.

Accreditation Schemes

In 2001 the Government issued comprehensive guidance to local authorities on how to successfully develop and operate accreditation schemes. Through the 'Homesure' project the Pennine Lancashire local authorities now have a joint Code of Practice so that landlords across boroughs are working to the same standards in relation to property condition and management.

Good Tenants Scheme

A Good Tenants Scheme is a free referencing service for use by landlords and residents and at present Burnley is the only local authority area across Pennine Lancashire that has a scheme. The scheme is a voluntary service providing full accreditation status, and 6 months probationary accreditation to those who would otherwise struggle to access rented accommodation due to a poor tenancy history.

⁴ Elevate Local Intelligence System, 2007.

Good Tenant Schemes work closely with anti-social behaviour initiatives to promote sustainable communities and encourage landlords and managing agents to become accredited, which in turn improve standards and empower tenants to exercise choice.

Future Priorities

Despite the current activity across Pennine Lancashire further work needs to be done to drive up the standards in this sector and challenge the negative perception of this type of accommodation :-

- Further incentives need to be developed jointly through 'Homesure' to enhance membership of landlord accreditation schemes and drive up housing conditions and standards of management. Development work needs to include greater links with officers in the Anti-Social Behaviour Teams to help landlords address the anti-social behaviour of their tenants and greater communication with all private landlords through landlord forums.
- Joint initiatives such as the Good Tenants scheme recognises the importance of good tenants in maintaining sustainable and balanced communities. The scheme needs to be promoted on a wider footprint across Pennine Lancashire to assist landlords to meet their obligation of referencing tenants and helping tenants to access better quality housing.
- In Blackburn with Darwen, Burnley and Hyndburn selective licensing of private landlords is to be considered as a tool in raising the management standards in the private rented sector. Where necessary Selective Licensing will compel landlords to deal properly with all aspects of letting from referencing of prospective tenants to taking appropriate action to address anti-social behaviour. Selective Licensing cannot be delivered in isolation; rather it is an additional tool that requires a multi-agency approach to deliver an effective private sector renewal strategy. Through Homesure a Good Practice Guide will be developed for the delivery of Selective Licensing designations, and there will be a review of the effectiveness of introduction of selective licensing schemes in due course after they have been operating for a period. .
- The Government have acknowledged the increasing numbers of buy to let accommodation and have commissioned an independent review of the private rented sector which is due for publication at the end of 2008/09. The review will be looking at the next steps in regulating and managing the private rented sector. The Pennine Lancashire Local Authorities will take an active role in responding to this review to ensure as far as possible that they are equipped with the necessary tools to improve conditions within the private rented sector.

Policy Aim 7: Housing is to work with other agencies at neighbourhood level to address housing and related issues prioritised by local residents

Relevant Strategic Objectives : 2,3

Neighbourhood Engagement

Neighbourhood engagement is most advanced in Blackburn with Darwen where there are 5 Area Agency Partnerships where agencies collaborate to address issues prioritised by local residents. The issues will be identified by Area based Neighbourhood Forums. The Partnerships include Partner RSLs and the housing services of the Local Authority.

Elsewhere in Pennine Lancashire neighbourhood engagement has been developed on a smaller scale.

NEED INPUT FROM OTHER LAs PROGRESS WITH NHOOD MAANGEMENT

Housing involvement is most intensive where major redevelopment is proposed and Master Plans must strike a balance between strategic needs for regeneration and the needs of existing residents through a clear and transparent consultation process.

The work of neighbourhood engagement is still developing and challenging issues include the extent of financial delegation to areas, the role of ward members, accountability of community representatives, involvement of excluded groups / community cohesion, and the balance between flexibility to meet local needs and application of common performance standards across the Boroughs.

Neighbourhood Facilities and Environment

Successful local neighbourhoods rely on a range of nearby facilities – community facilities, open space, play areas, schools and local shops etc and a good quality local environment. Housing regeneration will not succeed unless spatial strategy and Local Development Frameworks are supportive of local neighbourhood centres, together with funding regimes for environmental improvement, shop frontage grants, Building Schools for the Future etc, deployed as required as part of an overall framework for area regeneration. Such an overall framework is essential to the improvement in the housing 'offer'.

Vacant Properties

In the Indices of Deprivation 2007, Pennine Lancashire has five of the thirty worst wards nationally in the "Barriers to Housing and Services" domain. The purpose of this domain is to measure barriers to housing and key local services and includes issues relating to access to housing, such as affordability and overcrowding. It shows that housing issues play a large part in the severe deprivation experienced in some neighbourhoods in Pennine Lancashire

Low housing demand and housing abandonment often result in higher concentrations of vacant properties in these deprived neighbourhoods. Interventions through Housing Market Renewal are having positive effects on vacancy levels, which have reduced between 2001 and 2006. This rate should continue to reduce as the local authorities' demolition programmes remove the stock most prone to long term vacancy.

Where however areas of housing are considered sustainable, demolition is not an option to address the long term vacant properties and the key is to work with the owners of those properties to return them in to use. It is crucial that owners are aware that whilst the local authorities are keen to work with them in bringing properties back into use, the negative effects of empty properties on areas and individuals means enforcement action will be used where it is deemed necessary. Empty Property Strategies have been developed in Blackburn with Darwen, Hyndburn, Burnley, **AND OTHERS CHECK**, and there is scope for further development, allied to neighbourhood management.

Partnership work with a Registered Social Landlords is under way to acquire vacant or poorly managed properties in order to renovate them and bring them under effective management. This work is being funded through the National Affordable Housing Programme, but restricted availability of grant makes it financially very challenging and Pennine Lancashire would welcome a discussion with the Housing Corporation and Homes and Communities Agency on how this work can be taken forward in view of its importance to sustainability of neighbourhoods which may otherwise be at risk.

There is further scope to strengthen the partnership work between the local authorities and registered social landlords through the use of Empty Dwelling Management Orders (EDMOs), and also to develop Empty Property Strategy through other measures such as Enforced Sale.

Community Safety

The Respect Action Plan which was launched by the Government in 2006 sets out a framework of powers and approaches to promote respect positively, bear down uncompromisingly on anti-social behaviour; tackle its causes; and offer leadership and support to local people and local services. Blackburn with Darwen was awarded the status of a Respect Action Area as part of the first wave of 40 Respect Areas. The Community Safety Partnership signed up to deliver of five non-negotiable areas:-

1. Family Intervention Programmes,
2. Parenting Programmes,
3. Face the People,
4. Tools and Powers,
5. Respect Housing Standard.

RSLs are expected to deliver the Respect Standard for Housing Management, outlines the core components essential to delivering an effective response to anti-social behaviour and building stronger communities, such as accountability, leadership, giving greater resident empowerment, and supporting community efforts at tackling anti-social behaviour. In Blackburn with Darwen commitment to delivery of the standard is secured within the Preferred Partner Agreement with the main RSLs working locally.

Action on community safety must be delivered at local level and this is delivered in Blackburn with Darwen through the Area Agency Partnerships including the Police in shared neighbourhood teams.

There has also been some work at local level supporting community safety in the other Pennine Lancashire Boroughs and this has been mapped out in an audit of the Respect Standard co-ordinated by Elevate.

This work will be broadened out and developed more comprehensively throughout Pennine Lancashire.

4.3 People Issues

Policy Aim 8: To develop a range of sustainable housing options that can be easily accessed by vulnerable people in need of housing and support

Relevant Strategic Objectives : 2 ,3 ,4

Access to Affordable Housing

Under Policy Action 3 a range of affordable housing will be developed including shared ownership, homebuy, equity loans, accredited private landlords and social rented housing.

Housing advice and housing options services throughout Pennine Lancashire are already promoting these options, and the Pennine Lancashire Sub Regional Choice Based Lettings system will help develop more consistent service standards and access to options throughout Pennine Lancashire as rather than just those within one Borough. There is scope to include suitable private rented properties within the Choice Based Lettings system.

Vulnerable young people have particular difficulties in access to good quality housing and often need housing related and other support to do so. The Local Authorities will develop multi agency solutions for vulnerable young people with housing difficulties within their Homelessness and Community Strategies. They will also develop better joint work across boundaries.

It is important to offer information and advice on housing options to potentially homeless households in support of homelessness prevention and this and other developments in support of Borough Homelessness Strategies will be promoted by the Pennine Lancashire Homelessness Forum.

Housing Options for People with Support Needs

From October 1st 2007, the delivery of all floating support services in East Lancashire funded by Supporting People will be coordinated by a single provider – Calico Housing. This is intended to ensure the following outcomes:

- a single point of access / referral
- a more equitable division of provision across the sub region
- an increase in the number of people able to access the service
- easier monitoring of services provided

As a separate commissioning area Blackburn with Darwen will continue to have its own arrangements. It is important that the above outcomes are achieved across Pennine Lancashire, whilst ensuring there remains scope to provide tailored packages of support around individuals, integrated as required with care arrangements.

Move on From Institutions

There is a need to develop more effective hospital discharge procedures whereby housing issues arising at the point of discharge are addressed as early as possible. This is of increased importance as the Hospital Trusts span the Pennine Lancashire Local Authorities. Collaboration on this is a priority for the Pennine Lancashire Local Authorities to prevent homelessness and provide the best possible housing options for those vulnerable due to ill health.

Similarly discharge of ex offenders from prison needs early planning. The Pennine Lancashire Local Authorities wish to collaborate with others in the North West Region as prison discharge operates largely on a regional basis and development in this area should be a key part of delivery of Regional Homelessness Strategy.

People with Physical Disabilities

It is a strategic objective of the Housing Authority to increase the supply and choice of accessible housing for people who have a physical disability of all ages.

Within the sub regional choice based lettings system RSLs will:-

- Ensure that disabled applicant are identified at registration and referred for support to assist them in applying for appropriate accommodation when required.
- Audit current housing stock and flag adapted properties
- Ensure that adapted properties in the Choice based Letting Scheme are both flagged and banded as prioritised for disabled applicants
- Ensure that the Choice based Letting Scheme has an IT based bidding process which is accessible for disabled applicants

The East Lancashire Physical Disability Partnership Board and the Preferred Partner Agreement with RSLs in Blackburn with Darwen require the following from RSLs and promote private developers to provide:-

- Maximise accessibility when refurbishment or 'refreshing' properties

- Build all new homes to Lifetime Homes Standards
- Build a proportion of wheelchair accessible and mobility standard bungalows
- Annual monitoring return to strategic housing authorities through which they can evidence year on year improvement in the number of accessible properties that they make available, and proportional spend of their own resources on adaptations.
- Work with RSLs towards Registration with NROSH

Strategic housing and planning authorities will develop policies for accessible accommodation within planning policy, including potential for commuted sums from developers for provision of accessible accommodation.

Home ownership options for people with disabilities should be developed further including shared ownership and equity loans. There may be scope for parents of those with disabilities to release equity in their properties to help fund these options for their sons and daughters.

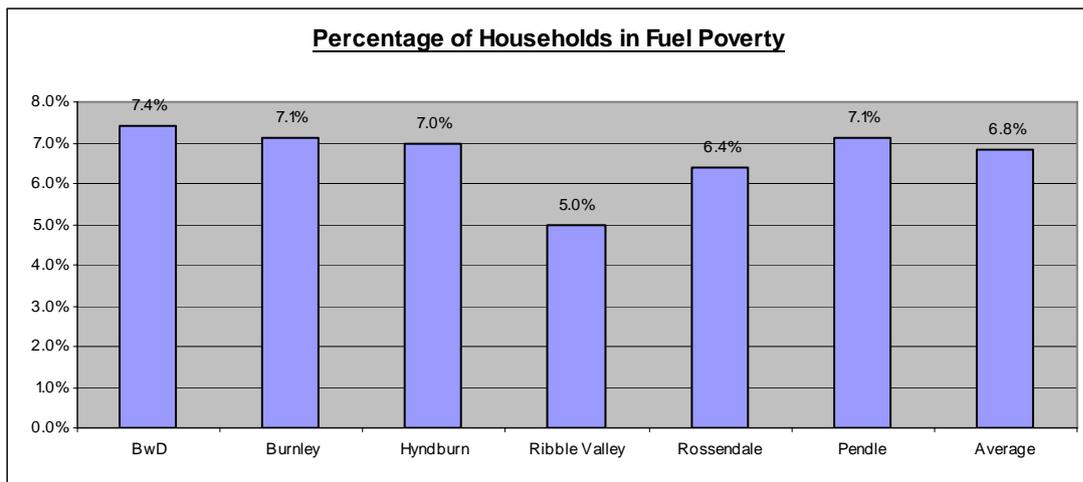
Care and Repair

Many of those in home ownership are vulnerable / elderly and on low incomes, which affects householders' abilities to carry out maintenance and improvements. Consequently there are significant numbers of people living in accommodation which may be detrimental to their well being, yet they do not have the means to carry out repairs and improvements themselves.

Pennine Lancashire Local Authorities have Care and Repair services which will be further developed and delivered on a larger scale across Pennine Lancashire. There is scope for the voluntary sector to deliver more low level services such as basic repairs, handyperson schemes, and for consideration of Supporting People funded 'floating support' style services, allied to 'Smart Technology' alarm and service control systems. It is important that adaptations are delivered in an integrated way through these services so that the services are delivered holistically for the customer, and that RSLs make an adequate contribution to their delivery in the social rented sector.

Fuel Poverty

The government is committed to eliminating fuel poverty by 2016. Relative incidence of households in fuel poverty in Pennine Lancashire is as follows:-



The fuel poverty indicators (based on the census 2001 and the 2003 EHCS data) show that 6.8% of households in Pennine Lancashire are in fuel poverty. Due to fuel price rises since 2003 the average level of fuel poverty in Pennine Lancashire, during 2007, is more likely 2.4 times higher than the rates stated at around 16.3% or 38,416 households. Further details on fuel poverty and the related issues of excess winter deaths are in Appendix 3.

As stated above local authorities have been focusing on improving the energy efficiency of their housing stock for over 10 years. The following section summarises recent and current activity across Pennine Lancashire.

Local Grants

The level of capital grant expenditure that is provided varies between local authorities. The type of funding which is available and how a scheme is delivered will also vary between years and have an effect on the improvement schemes that a local authority can deliver.

Utility discount insulation schemes are operated across Pennine Lancashire. A number of local authorities also provide insulation or heating grants for low-income householders usually in receipt of certain benefits, or to properties in areas which are a part of a regeneration scheme. As the government's emphasis is now more towards equity release as a means of assisting with home improvements we are likely to see a gradual decrease in the reliance on grants.

Warm Front Grants

The Warm Front grant which provides up to £2,700 of funding for heating and insulation improvements and is the governments main fuel poverty initiative. Each year, Pennine Lancashire, as an area, benefits from over 6,000 Warm Front grants totalling approximately £6m. Since the start of Warm Front, in 2002, many thousands of families have benefited and the importance of this grant should not be underestimated. The Warm Front team have recently appointed a Lancashire Development Partnership Officer to help maximise the number of Warm Front grants that Lancashire receives.

Strategy Development

Pendle and Burnley are developing a revised joint 3-year strategy (2008-2011) to include: energy efficiency, fuel poverty, and climate change. Blackburn and Hyndburn are also looking at developing a joint Affordable Warmth Strategy. Other local authorities may not have a current strategy but provide funding and support for strategic local projects/programmes, and include energy efficiency related targets within service plans and related strategies.

The availability in 2008 of the government Warm Front grant, discount insulation utility funding (CERT), and the variety of 'local grants' should enable more homes to be able to benefit from basic insulation improvements. With limited revenue resources available, local authorities need to efficiently and effectively target fuel poor households in order to allow them to benefit from the help which is available.

Tackling of Fuel Poverty across Pennine Lancashire will be given a boost by the above strategy development which will involve a wide range of stakeholders including PCTs and development of the new Local Area Agreements across Pennine Lancashire to include as Designated Indicator N187 - Tackling Fuel Poverty - People Receiving Income Based Benefits Living In Homes With A Low Energy Efficiency Rating.

Policy Aim 9: To develop a range of housing options to meet the housing needs and demands of growing Black and Minority Ethnic communities

Relevant Strategic Objectives : All

Black and Minority Ethnic Communities Needs

The BME population cannot be treated as homogeneous. As well as cultural, there are huge differences reflecting socio-economic factors. Such factors give rise to specific housing requirements:

An ageing first generation community suggests greater demand for supported accommodation in specific areas. The demand for such accommodation needs to be established. Also a marketing strategy needs to be developed to dispel cultural misconceptions about sheltered schemes within, for example, the Asian community. Currently, there is an over supply of sheltered accommodation located away from where BME groups are settled

Supported Housing : BME households, particularly those with mental ill health, learning difficulties and physical disabilities, will require culturally sensitive support

Homelessness

Due to changing values, BME groups increasingly face homelessness issues, particularly in the younger generations. Also there is an issue with regards to the

hidden homelessness within the extended family networks. Local authorities, when developing their homeless strategies should make sure that BME needs are included, particularly in relation to the cultural and religious provisions. An over representation of homelessness due to domestic abuse has been identified in the BME community in Blackburn with Darwen and response and prevention measures included in the homelessness strategy.

Health and Housing : The link between health and housing is well known; for BME groups, who are disproportionately concentrated in poorer conditions with overcrowding, illness can be exacerbated

Demand for large properties in the inner areas within established BME communities. One of the largest challenges facing Pennine Lancashire is the mismatch between provision and need in these inner areas, combined with the restricted access to outer areas mostly as a result of perceived harassment and lack of support. Some neighbourhoods are so overcrowded that movement to surrounding areas is inevitable. Analysis has indicated that there is a growing demand for social rented dwellings in the areas immediately adjacent to these inner areas.

Obsolete Housing: There is a particular issue for marginal BME owner-occupiers in obsolete housing, where there is a need for clearance and a lack of available affordable housing options.

Growing housing need in the young BME community: The south Asian population is growing very quickly with large numbers of young people and there are significant levels of often hidden housing need.

Housing newly emerging communities

The diversity of Pennine BME population is on the increase, with the region becoming home to many new communities. These include people from Poland, Somalia, Iraq, Kosovo, Bosnia and Afghanistan. The numbers may be insignificant compared to the long established groups, but they represent a different set of circumstances and specific housing and support needs which will need to be understood and met.

Refugees and asylum seekers

Access

Pennine Lancashire has seen arrival of new communities through the Home Office's Dispersal Programme for refugees and asylum seekers. This has implications for service delivery and community cohesion. Also, NASS Partnership with some private landlords has led to poor quality housing and support given to asylum seekers and refugees. The arrival of new communities has also had an impact on the community cohesion work.

Support

A large proportion of asylum seekers are single young men, and this raises concerns about sustainability in their housing. Pennine Lancashire has worked closely on this issue through the Dispersal Scheme but will need to provide a greater focus on wider issues related to this provision. We will need to carry out a comprehensive consultation with a view to adopting a comprehensive and co-ordinated approach to meeting these needs in a holistic way.

Policy Aim 10: To develop proposals to meet the housing support and care needs of the growing population of Older People

Relevant Strategic Objectives : 1,2

Ageing Population of Pennine Lancashire

The current population of Pennine Lancashire is approximately 526,000. Over the 10 year period between 1991 and 2001 the overall size of the population has changed very little however the age structure and ethnicity of the population has altered significantly. In line with national trends the elderly population of Pennine Lancashire is rising. Using the Census data from the last census in 2001:

Current age structure of the over 60's from Census 2001

Aged 60-64	Aged 65-74	Aged 75-84	Aged 85-89	Aged 90 & over
24,236	40,410	26,912	6,146	3,126
By age % which are ethnic minority				
5.1%	3.6%	1.7%	1.4%	1.8%

This gives a total population of 100,830 resident over the age of 60 within Pennine Lancashire in 2001, accounting for 19.5% of the population.

The highlighted demographic changes are in line with government predictions, and identified an increase in people aged 30-44 and also those over 65 and 75. These changes in the population structure have significant housing implications.

Projected Population Changes in Pennine Lancashire 2006 – 2021 for Residents Aged 60 and Over

Year	Number of residents aged 60 or over	As a % of total population	Total population
2006	105,400	20.0%	526,500
2011	115,700	21.7%	533,300
2016	124,600	23.0%	542,000
2021	134,800	24.5%	551,000

Projected Population Changes in Pennine Lancashire 2006 – 2021 for Residents Aged 85 and Over ('frail elderly')

Year	Number of residents aged	As a % of total population	Total population
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	60 or over		
2006	9,600	1.8%	526,500
2011	10,500	2.0%	533,300
2016	11,400	2.1%	542,000
2021	12,700	2.3%	551,000

Access

People are living longer and the population as a whole is ageing with a slow down in the younger age brackets as birth rates fall. There is national trend for an ageing population. Predictions state over 40% of the population will over 50 by 2021 and in addition, by 2030 there will be 1.7 million Black and Ethnic older people in the UK (Housing Corporation 2002).

The proportion of older people is growing and the trend is apparent on several levels: The growth will mainly be in the young elderly (2011) through demographic transition increase and in significant increases in over 80 years residents after 2021. Extra care is an option for housing which provides independence with elements of care, combined with more intensive homecare will reduce the number of people entering residential accommodation. New service developments are necessary to provide for the growing elderly population.

Large numbers of elderly people may be described as asset rich and income poor because of the equity lodged in their property. Many could lose their biggest asset to pay for care if they became seriously ill. These people might well wish to cash in their assets to pay for alternative forms of housing in their later years.

Housing issues affecting the elderly within Pennine Lancashire are likely to be:

Housing supply, condition and sustainability
 Accessibility, affordability and Lifetime Homes
 Income and fuel poverty
 Housing support and care

Support

Whilst many elderly people lead active and independent lives, many require help to manage. This can take the form of sheltered accommodation, extra care, residential or nursing care.

Current supply / demand mapping shows that there is significant surplus of accommodation based support for older people and a shortage of floating support (Appendix 4).

Other support in the community to enable independent living includes aids and adaptations, Home Improvement Agencies and third sector organisations such as Age Concern.

Policy Aim 11: to develop a plan to meet the needs of gypsies and travellers across Pennine Lancashire

Relevant Strategic Objectives : 2, 3,4

Access

The North West Regional Assembly commissioned an assessment of Gypsy and Traveller accommodation in July 2006. The assessment was conducted by a team of researchers from the Salford Housing and Urban Studies Unit at the University of Salford, assisted by staff from the Centre for Urban and Regional Studies at the University of Birmingham and AVT-interventions, with research support from members of the Gypsy and Traveller community. The assessment was managed by a Steering Group composed of members from various stakeholders across the North West.

The assessment was undertaken by conducting:

- A review of available literature, data and secondary sources;
- A detailed questionnaire completed by housing and planning officers;
- Five sub-regional focus groups with key stakeholders; and
- A total of 182 household interviews with Gypsies and Travellers from a range of tenures and backgrounds.

Accommodation need and supply

Nationally, there are no signs that the growth in the Gypsy and Traveller population will slow significantly. Although the supply of authorised accommodation has declined since 1994, the size of the population of Gypsies and Travellers does not appear to have been affected to a great extent. Rather, the way in which Gypsies and Travellers live has changed, with increases in unauthorised accommodation, innovative house dwelling arrangements (living in trailers in the grounds of houses), overcrowding on sites and overcrowding within accommodation units (trailers, houses, chalets, etc.).

There is every indication that Pennine Lancashire region will share in this national growth, as a result of it’s long standing Gypsy and Traveller community; key transport links; and, attractive urban and rural localities. In turn this survey has indicated that in many Gypsy and Traveller families, older children will want to form new households, preferably near their families across the region.

Given the presence of unauthorised encampments, household concealment, and future household formation, the current supply of appropriate accommodation appears to be significantly less than the need identified. It is concluded that there is a need for more site accommodation for Gypsies and Travellers within the North West region. The following table is to be used as indicative, exact pitch numbers are to be allocated from the Spatial Strategy.

Authority	Current authorised provision	Total residential need 2006-2011	Total residential need 2011-2016	Total residential need 2006-2016 (less
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				supply 2006-2016
Blackburn with Darwen	48 pitches	53-65 pitches	16-18 pitches	69-83 pitches
Burnley	0 pitches	5-6 pitches	1 pitch	5-7 pitches
Hyndburn	86 pitches	29-32 pitches and 1 pitch for Travelling Show people	18-19 pitches	47-51 pitches
Pendle	4 pitches	5 pitches	1 pitches	6 pitches
Ribble Valley	N/A	N/A	N/A	N/A
Rossendale	0 pitches	0 pitches	0 pitches	0 pitches

NOTE : Ribble Valley figures are derived from their own assessment

Accommodating Gypsies and Travellers in transit

NWRA has indicated that nearby Local Authorities should collaborate in planning for future provision. The Pennine Lancashire Local Authorities will produce joint proposals. This will include both service delivery and land use planning.

There is also a need to work across districts, with private landowners and key Gypsy and Traveller groups in order to provide feasible and appropriate options for mass gatherings. Mechanisms will be needed to accommodate this level of diversity.

Support

Health and housing-related support issues

It will be an important component, in order to produce sustainable solutions for Gypsy and Traveller accommodation provision that all relevant statutory departments engage with Gypsy and Traveller needs. This is particularly the case for Supporting People teams who should be embedded in the strategic planning and delivery service. Supporting People teams should network with Supporting People teams locally; regionally and nationally in order to share and disseminate good practice on meeting the housing-related support needs of Gypsy and Traveller community members.

There is a need to encourage the involvement of Supporting People in creating additional floating Gypsy and Traveller housing support and assistance to enable those people wishing to remain in bricks and mortar accommodation or live on sites, to do so. The profile of Home Improvement Agencies (HIAs) should be raised on relation to Gypsies and Travellers who wish to remain in their own homes. It is important that such agencies are able to engage with people living on private sites as well as those living in bricks and mortar accommodation.

Policy Aim 12: To develop proposals to meet Supported Housing needs at Pennine Lancashire level

Relevant Strategic Objectives : 2, 4

North West Regional Assembly has estimated future needs for supported housing for each Local Authority in the North West and the overall requirements for the Pennine Lancashire Authorities are at Appendix 4. The most noticeable feature is the surplus of accommodation based services for older people and shortage of floating support. It should be noted that these figures are the first stage of an iterative process and may be subject to change.

Whilst it is potentially more efficient to balance need for and supply of services over a wider geographical area it is not always the case that surpluses in one Local Authority can meet shortages elsewhere as some needs can be met sub regionally whilst others have to be met more locally.

The Pennine Lancashire Local Authorities will carry out an assessment of the NWRA Supported Housing Study to establish:-

- Whether the specific needs identified in each Local Authority correlate with more locally based needs information.
- The extent to which supported housing supply can be taken as a resource for Pennine Lancashire as a whole.
- The potential to commission new supported housing services to serve Pennine Lancashire.
- The potential to commission new supported housing services to serve Pennine Lancashire in partnership with commissioners elsewhere in the North West

The Supporting People funding regime is defective in that there is no mechanism for funding provision in one commissioning area when significant numbers of clients come from another area. This is a particular issue for Pennine Lancashire as Blackburn with Darwen is a relatively small commissioning area which 'imports' clients from the much larger Lancashire area, including the Pennine Lancashire Authorities.

Pennine Lancashire aims to continue to improve commissioning of support services, building on work done by the two commissioning bodies, Department of Health Care Services Improvement Partnership, Learning Disabilities Partnership Boards, Supported Accommodation Fora, and others.

Policy Aim 13: To further develop housing and planning policies to deliver the right housing offer including affordable housing in Rural Areas.

Relevant Strategic Objectives : 1,3

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Appendices

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Current Market Baseline

1.0 Introduction

The Pennine Lancashire Housing Strategy (PLHS) will inform the developing Lancashire Housing Strategy and North West Regional Housing Strategy. It will articulate housing priorities within Pennine Lancashire and show how delivery of strategic aims and objectives will help deliver both Sub regional and Regional Strategy.

It is important that the role of strategy is developed and understood at each geographical level leaving no gaps and avoiding duplication.

A set of baseline statistics are appended, placing the Boroughs within Pennine Lancashire in a regional and national context, to help understand the social and economic profile of the area and the housing market and housing conditions.

1.1 Housing Market Areas

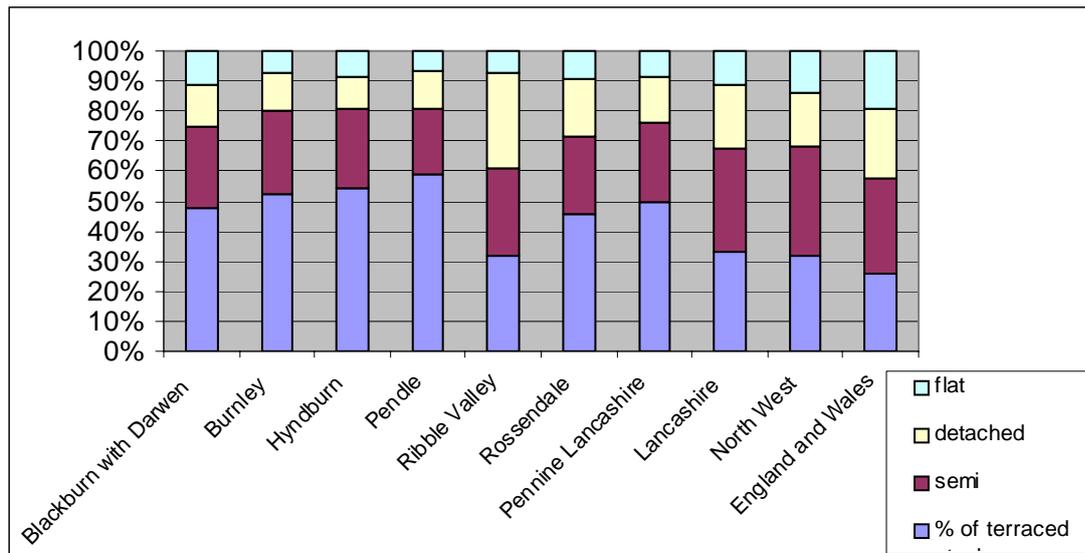
Housing market weaknesses related to low incomes and a declining manufacturing affect five of the six Pennine Lancashire Boroughs, and there is a high level of commuting to work between all six. In relation to the ways in which the economy drives the housing market therefore, Pennine Lancashire can be considered as a housing market area.

However there are significant differences in housing market outcomes (including house prices, vacant properties and affordability ratios) between the Boroughs, and as shown below some of these differences are becoming more pronounced. For this reason North West Regional Assembly has defined four Housing Market Areas in Pennine Lancashire, consisting of Blackburn with Darwen / Hyndburn; Burnley / Pendle; Rossendale; and Ribble Valley.

1.2 Housing Market: Overview

While house prices in Pennine Lancashire have remained consistently below the regional level, lower quartile house price increases have in recent years exceeded

national and regional levels (see Appendix 2).



As shown above, across Pennine Lancashire, terraced housing accounts for around half the housing stock, far higher than in the region and almost twice the amount in England and Wales.

It is the increase in the value of these properties that has driven the strong rates of house price growth in recent years, supported by some speculative buying by private landlords. However there has not been convergence within Pennine Lancashire and prices in Burnley remain well below other Boroughs. Also the value of properties at the bottom end of the market has not kept pace with general house prices increases with concentrations of the lowest value terraced property in parts of the Pennine Lancashire Housing Market Renewal Intervention Area. In particular in Burnley in 2007, 155 properties were sold at less than £35,000, despite the buoyant housing market.

Overall mean house prices across Pennine Lancashire have kept pace with regional and national increases. Given the more rapid increases in lower quartile terraced properties, this shows that generally the gap in values between terraced and higher value detached and semi-detached property has narrowed. However prices in some Housing Market Renewal Areas have fallen further behind, and prices supported by purchases by private landlords which may not be sustainable.

The rapid increase in lower quartile house prices together with relatively little growth in incomes has creating a growing affordability problem in Pennine Lancashire particularly in Blackburn with Darwen and Hyndburn. Notwithstanding the growing problem of affordability in these two Boroughs, affordability is most acute in Ribble Valley.

There are significant long term vacancy levels in the private sector in Burnley and, to a lesser extent, Hyndburn and Pendle (see Appendix 2) indicating continuing housing market weaknesses.

The combined evidence relating to house prices and vacant properties suggests a diverging housing market across Pennine Lancashire; with affordability a bigger issue

in Blackburn with Darwen and Hyndburn and low demand in Burnley and Pendle (the above average overall vacancy rate in Hyndburn in 2007 reflects relatively high vacancies in the RSL rather than private sector).

Housing in PL is experiencing major change with increasing evidence that some localities are being left behind in the market in terms of house prices, demand, demographic pressures and income levels. At the same time the PL housing picture is moving from being dominated by severe problems of low demand to a situation where there are also growing problems of affordability.

Given the socio-economic make up of some of the poorer performing neighbourhoods, issues of community cohesion, and the links between underperforming housing market and higher levels of workless and multiple deprivation, there is the potential for social and economic exclusion to increase.

There is as yet no evidence that house price increases in Housing Market Renewal Areas have led to significant increased investment in poor quality older, particularly as many purchases have been by private landlords motivated by profit rather than a desire to invest in property improvements.

Major redevelopment and renewal by the Pennine Lancashire Authorities in their Intervention Areas to address market failure and improve the housing offer are critical to the efforts to transform the prospects of communities across many parts of Pennine Lancashire. But these schemes have a long lead in time and are at an early stage or yet to deliver.

There is a need to accelerate the provision of new, better quality housing, in addition to addressing low value, low demand neighbourhoods. Pennine Lancashire is expected to achieve a modest level of population growth whilst continuing to suffer net out-migration. Pennine Lancashire needs to replace the inevitable loss of its manufacturing jobs in the context of fast growing Manchester at the heart of the regional economy. As described in section 2.1 above the transformation of the housing market needs to be preceded by transformation of the economy.

The key housing market challenges facing Pennine Lancashire can be summarised as follows:-

- Despite strong house price growth, a significant gap persists between the house prices within parts of the Intervention Area and the average for each district. There is also evidence to suggest, in relative terms, the sales prices of lower value properties are falling behind their regional counterparts.
- High proportions of private rented and long term vacant properties remain a persistent challenge in many areas.
- Despite lower property prices, in many areas, low wages mean that the affordability ratios of income to house prices act as a considerable barrier to entering the property market.
- Pennine Lancashire is not providing what its population needs in terms of jobs and a place to live, and consequently they are looking elsewhere. Pennine Lancashire generally experiences net out-migration.

- In the longer term transformational economic interventions as outlined by the PL Economic strategy, are required to create the conditions for sustainable housing market renaissance including an improved housing offer for economic in migrants.

In the Indices of Deprivation 2007, Pennine Lancashire has five of the thirty worst wards nationally in the “Barriers to Housing and Services” domain. The purpose of this domain is to measure barriers to housing and key local services and includes issues relating to access to housing, such as affordability and overcrowding.

1.3 Economic and Housing Market Drivers

Pennine Lancashire operates below its economic potential, generating GVA per head of £13,000; 76% of the national average. This gap is largely due to low levels of productivity by Pennine Lancashire enterprises. This is further compounded by the continuing decline of manufacturing, on which Pennine Lancashire remains heavily dependent, and employment growth limited to low value added service sector employment, a large part of which is public sector dependent.

Employment trends suggest that manufacturing will continue to decline in Pennine Lancashire [and nationally]. These projections suggest that employment in Pennine Lancashire will continue to grow, but predominantly concentrated in sectors over-represented in low paid and part-time employment. Pennine Lancashire needs to close this productivity gap with an alternative scenario which addresses these structural weaknesses and develops the higher value service sector. Standing still is not an option; the trajectory suggests the gap with the rest of the North West will widen further. These low productivity levels and under-representation in key employment sectors (such as Financial and Business Services) make it increasingly difficult to compete in attracting and retaining investment and talented individuals.

Additionally, Pennine Lancashire needs to link its economic performance to the economic revival of the North West. This will require the resolution of the underlying economic weaknesses of the local economy. The alternative will be that employers, investors, and skills will move to adjacent urban areas. This will further widen the economic/prosperity gap.

The main challenges facing Pennine Lancashire are:

- **Developing retaining and attracting a skilled workforce** .Lower population growth than the North West (in particular Preston and Manchester City Region) reduces the total economic capacity of Pennine Lancashire relative to its neighbours. More significantly, improving the economic performance will require the improvement of the local skills base, through up-skilling the current workforce, in-migration, and through inward investment. This will be easier to achieve if Pennine Lancashire is perceived as a place where people want to live and if it is able to retain more of its skilled individuals.

- **Reducing Dependence on Low Value Manufacturing.** Despite the persistent decline of employment, Pennine Lancashire remains heavily dependent on manufacturing which accounts for more than twice the number of jobs nationally. The majority of manufacturing sub-sectors in Pennine Lancashire are declining in employment terms, [although output in some cases may increase]. This decline in manufacturing will occur even though there are has some outstanding leading edge companies. This decline will be reduced by the extent to which some sub sectors continue to innovate and remain globally competitive.
- **Reducing Dependence on Growth in Public Sector Employment.** Recent employment growth has been driven by the growth of the public sector, and while welcome, continued growth is likely to be unsustainable. There also appears to be limited growth in higher value public sector employment.
- **Attracting Higher Value Service Sector Employment.** Private sector employment growth has been largely concentrated in the wholesale and retail sectors. In spite of some recent growth, Pennine Lancashire remains significantly under-represented in private sector service employment. Driving the economy forward will require significant growth of more productive private sector employment, including the financial/business services, in order to close the national/regional employment gap. A particular challenge in promoting the growth of higher value services is the absence of emerging strengths on which employment sectors may be developed, such as a University, clusters of professional services, or a culture, recreation and tourism industry that builds on Pennine Lancashire's heritage assets and proximity to Leeds and Manchester. As part of this there are continuing consultations around development of a 'regional park building on Pennine Lancashire's outstanding landscape and countryside.

Left unchecked, Pennine Lancashire's position will continue to deteriorate. Year on year changes will be minor (and may fluctuate), but the cumulative effect will a widening gap with the major northern City Regions.

Analysis suggests that a low-equilibrium economy may not have been reached i.e. it will be lower than it is now without major intervention. The current trajectory has major implications for the housing market in the sub region. The equilibrium position will be determined by the extent to which losses in manufacturing can be matched by increases in service sector employment, with the further challenge of replacing like with like; i.e. matching the average wage of jobs created to the average wage of jobs lost. Often employment in medium and high paid manufacturing occupations has been replaced by low paid and part-time employment. Creating an environment that is attractive to investors remains a significant challenge for Pennine Lancashire, and is an essential requirement to generating the necessary level of good quality, predominantly service base, employment.

Labour Market Characteristics

The extent of economic inactivity and weaknesses in the skills base highlight the scale of the task in developing the local workforce to support economic and housing market regeneration.

Economic Inactivity

Pennine Lancashire has a working age population of 313,000, which accounts for 78% of its total population. Since 2001, the working age population has declined slightly as a proportion of the total population, in contrast to the North West and Great Britain, where it has remained relatively static.

Low levels of economic inactivity, high worklessness and benefits dependency (particularly incapacity), compared to national averages compound the problems of low economic output. Economic inactivity is particularly prevalent in ethnic minority females.

These factors combine to restrict household incomes, and in particular the proportion of disposable incomes that can be devoted to home improvements or investment in more expensive properties.

Within Pennine Lancashire, the employment base ranges from only 67% in Blackburn with Darwen, to 85% in the Ribble Valley (significantly above the national average), highlighting the broad range of performance within the sub-region, and once again highlighting the relatively strong position of Ribble Valley, in contrast to the other districts of Pennine Lancashire.

Unemployment is broadly in line with the national average, with 12,100 working age individuals actively seeking employment in 2006. However, the sub region does have relatively high levels of economic inactivity. In 2006, 25% of the population of Pennine Lancashire were not employed and not seeking employment and only 20% of these individuals stated that they would like a job (compared to 25% nationally).

Incapacity Benefits account for 58% of DWP benefits claimants in Pennine Lancashire, compared to only 50% nationally.

Although the low level of unemployment appears positive, the high level of economic inactivity and the lower than average proportion of such individuals stating that they would like a job is a cause for concern.

Skills

The proportion of Pennine Lancashire's working age population holding at least NVQ level 2 at 63% is in line with the national level of 64%. However this still leaves 37% of the working age population without the entry level benchmark. Those without basic skills who want to work will struggle to secure employment; jobs currently available for those with below basic skills levels will not be available in ten years time.

Pennine Lancashire is currently under-represented among higher level skills, with only 22% of the working age population holding NVQ4 or above, compared to 25% for the North West and 27% nationally

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Nationally, the proportion of individuals that hold NVQ4 peaks for the 25 to 29 age group, at over 35%, declining to 25% for those aged between 50 and retirement. One of the worrying trends of the Pennine Lancashire economy is the shortfall of higher level qualifications among the younger age groups; i.e. only 22% of those aged 25-29 and 25% of those aged 30 to 29 hold at least NVQ4. These figures illustrate a combination of supply and demand challenges; i.e. there needs to be graduate level jobs available in Pennine Lancashire or adjacent areas to retain high levels of graduates in the workforce and the locality. Nevertheless, Pennine Lancashire needs to increase educational attainment and the number of young people going in to higher education and to support new employment opportunities at the graduate level to move toward a competitive economy and workforce.

A similar pattern emerges for those without NVQ 2. Nationally, the proportion without NVQ2 is lowest for the 20 to 24 age group, suggesting that in future years the skills base of the workforce will increase, as unskilled retirees are replaced by younger people with qualifications. However within Pennine Lancashire, there are substantial numbers of workers aged 20 to 29 with qualification levels below Level 2. It will be increasingly difficult for this cohort to find employment.

Strategy

More needs to be done to encourage economic growth and tackle deprivation. The parallel PL Economic strategy makes a robust statement for more focussed and decisive interventions. The case has been made for economic interventions to be made on the basis of functional economic sub- regions. Pennine Lancashire is responding to this challenge by putting in place effective sub regional delivery arrangements. This is a real opportunity for us; we will link the transformational housing market intervention, to education, skills, neighbourhood and housing renewal activities, to underpin sustained economic growth.

The Pennine Lancashire Integrated Economic Strategy prioritises:-

- Productive and competitive businesses in growth sectors including aerospace and manufacturing. There is also a need to improve connectivity with Manchester / Salford, Leeds and Preston as part of economic growth over a wider area and to enable residents to access jobs over a wider area.
- Skills and Education: need to raise attainment at all levels, invest in skills and address the graduate deficit. The broad housing offer is a key part of this process otherwise the skilled workforce will migrate outside Pennine Lancashire or chose to commute inwards, exporting their incomes to more attractive areas.
- Economic Inclusion: addressing worklessness and a healthy workforce. Quality and affordable housing and neighbourhoods are a key ingredient of economic and social inclusion.
- Investing in Infrastructure: improving connectivity to areas of growth through investment in transport infrastructure is crucial as is investment in the public realm, image and identity of Pennine Lancashire.

1.4 Demographic and Housing Market Drivers

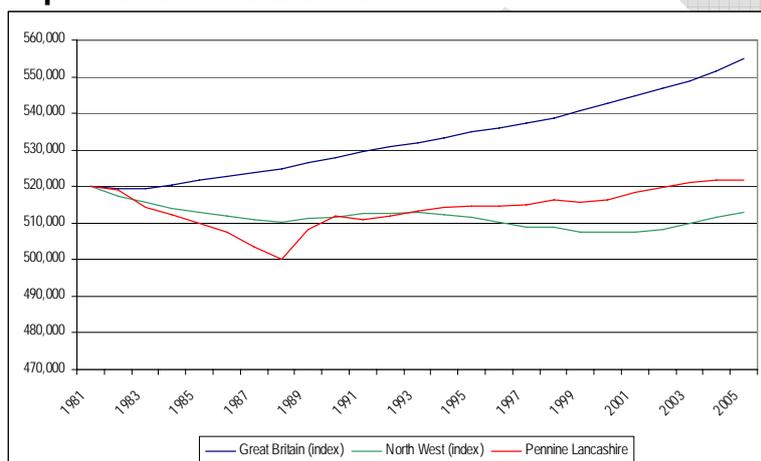
Population

The population of Pennine Lancashire has been steadily increasing since the early 1990s, after significant population decline in the 1980s. By 2003, the population of Pennine Lancashire returned to the population levels of the early 1980s.

The population growth of Pennine Lancashire consistently outperformed the region between 1991 and 2002, although more recent figures point to an increase in the regional growth rate and a levelling off of growth within Pennine Lancashire. Population growth in Pennine Lancashire has however lagged considerably behind that seen nationally in almost every year since 1981.

Within Pennine Lancashire, population growth since 1991 has ranged from 10% in Ribble Valley, to a decline of 5% in Burnley [the only district within Pennine Lancashire to experience population decline over this period].

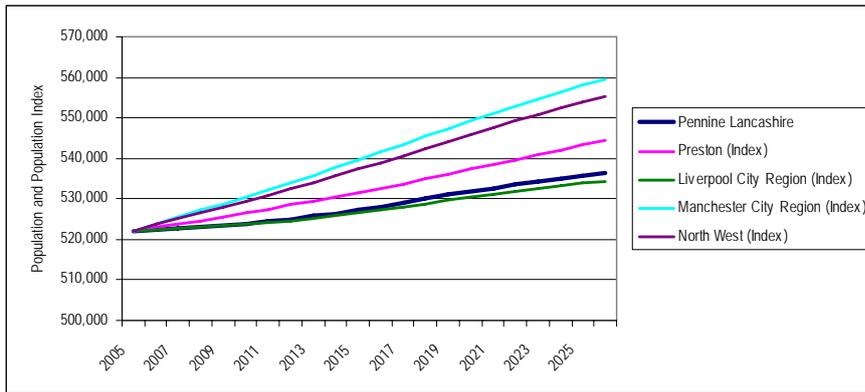
Population Growth Trends



Source: Office for National Statistics, Mid-Year Population Estimates, 2007

Population projections forecast growth of 14,600 by 2026, to 536,000. This represents an average annual growth rate of 0.12% from 2005. This forecast is lower than that expected regionally (0.28% pa), across Manchester City Region (0.31%) and Preston (0.19%), although Pennine Lancashire is expected to grow at a marginally faster rate than the Liverpool city region. This forecast does not account for the potential of local, regional, and national authorities to influence local population dynamics through socio-economic interventions or the location of new build properties.

Population Projections



Source: ONS Sub-National Population Projections

This growth in Pennine Lancashire is driven by the growth of the resident population (i.e. births exceeding deaths). In terms of population flows, Pennine Lancashire has experienced a net outflow, with more people moving out of the area

The major driver of population change in England is (international) economic migration, adding considerably to the labour force of those economies which successfully attract new groups of workers. Pennine Lancashire attracts some economic migrants, albeit at a lower level than other urban areas reflecting the relatively low levels of job opportunities. However, the potential to attract new in-migrants represents a significant opportunity.

The majority of local authority areas are expected to experience modest population growth of between 2% and 4% by 2026. Significant population growth is projected within Ribble Valley, due to consistent in-migration, rather than growth of the resident population however the continuing restraint policy in Ribble Valley will curb this level of population growth.. Burnley, on the other hand, is expected to experience population decline over this period; an unusual phenomenon in a period where strong population growth is forecast throughout the country.

Population Projections, by Local Authority	2006	2016		2026	
	000s	000s	% Change	000s	% Change
Ribble Valley	58.0	63.5	9%	67.8	17%
Blackburn with Darwen	140.5	142.7	2%	145.5	4%
Pennine Lancashire	522.4	528.1	1%	536.3	3%
Hyndburn	81.7	82.3	1%	83.3	2%
Pendle	89.3	89.9	1%	90.7	2%
Rossendale	65.8	66.1	0%	67.1	2%
Burnley	87.1	83.6	-4%	81.9	-6%

Source: ONS

Burnley's decline is a major challenge in securing a sustainable and mixed community. The scale of the decline is significant in a context of population growth

elsewhere, and it likely to result in a low income community, as those seeking employment and better quality housing move elsewhere. Addressing this issue is a major priority.

Black and Minority Ethnic Population Growth

Pennine Lancashire has been attracting BME communities since the 1950s when it became home to a range of immigrants, largely working in low paid jobs following the Second World War. Most of the BME communities come from Bangladesh, India and Pakistan. According to the 2001 census, the percentage BME population in each of the aforementioned authorities is as shown in the table below: -

Table Percentage BME Population

Local Authority	% (2001)	% (1991)
Blackburn with Darwen	22	16
Burnley	8.23	5.53
Hyndburn	8.29	5.86
Pendle	15.07	10.26
Rossendale	3.83	2.53
Ribble Valley	1.6	1.02

The table shows that in all local authority areas, population has increased considerably from the 1991 census.

The growth of the ethnic minority population is driving the natural growth of the populations in Blackburn with Darwen, Hyndburn and Pendle, and offsetting population decline in Burnley. The growing ethnic minority populations has major implications for housing needs and demand in terms of pressure on particular localities and type of accommodation as BME households are relatively large.

Whilst the average size of asian households is falling over time, as shown in the table below this is happening relatively slowly and in Blackburn with Darwen for example asian households are still nearly double the size of White / British households.

TABLE MH

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APPENDIX 1

PENNINE LANCASHIRE BASELINE DATA

	BwD	Burnley	Hyndburn	Ribble Valley	Rossendale	Pendle	Pennine Lancashire	North West	England & Wales	England	Great Britain
Stock numbers (HIP 2007)	59,070	40,264	36,263	24,447	30,126	39,349	229,519	3,062,777		21,906,172	
Owner Occupied (LIS)	42,628	30,335	27,566	20,230	22,332	30,109		2,211,976		15,334,322	
OO %	72.2%	75.3%	76%	82.8%	74.1%	76.5%	75.5%	72.2%		70%	
Social Rented (HIP 2007)	11,546	5,867	4,824	1,835	4,695	4,446		587,764		4,162,172	
RSL %	19.5%	14.6%	13.3%	7.5%	15.6%	11.3%	14.5%	19.2%		19%	
Private Rented (LIS)	4,896	4,063	3,873	2,382	3,099	4,794		264,037		2,409,678	
PRS %	8.3%	10.1%	10.7%	9.7%	10.3%	12.2%	10.1%	8.6%		11%	
Population (Nomis) – 2006	141,200	88,000	82,200	57,800	66,700	90,100	526,000	6,863,100			58,845,700
Population (Nomis) – 2001	138,500	89,500	81,500	54,100	65,600	89,300	518,500	6,773,000			57,424,200
Population (Nomis) – 1991	137,400	92,200	78,600	51,800	65,800	85,500	511,100	6,843,000			55,831,400
0-14 (LIS)	22.8	19.3	20.3	17.5	19.3	19.4	20.2	17.9	17.73		
15-24 (LIS)	14.5	14.1	12.9	11.2	12.4	13.5	13.4	13.8	13.2		
25-44 (LIS)	27.9	25.9	27	25.1	27.4	26.1	26.7	27.4	28.53		
45-64 (LIS)	22.1	25.3	24.5	28.4	26.5	25.6	24.9	18.9	18.54		
65+ (LIS)	12.7	15.3	15.3	17.8	14.2	15.3	14.8	22	22		
Population Growth (2006 – 2026)	5,000	* Decline	1,600	9,800	1,300	1,400	19,100	413,200			
Households (HIP 2007)	55,646	37,200	34,500	24,447	28,849	37,000	217,642	2,925,519			
Household Projections (2004 – 2029)	14.5%	5.4%	15.2%	33.3%	14.3%	13.5%		21%			
BME (%) 2001 Census	22%	8.23%	8.29%	1.6%%	3.83%	15.07%	12.9%	5.6%	9.1%		
BME (%) 1991	16%	5.53%	5.86%	1.02%	2.53%	10.26%					

	BwD	Burnley	Hyndburn	Ribble Valley	Rossendale	Pendle	Pennine Lancashire	North West	England & Wales	England	Great Britain
IMD 2007 (Rank out of 354 in country)	17	21	40	302	92	44					
IMD 2004 1 = Most deprived	34	37	58	288	92	71					
Housing Waiting List (2007 HIP figure)	10,066	231	2,643	856	2,518	2,256	18,570	212,597	1.6m		
Number of Terraced Properties (LIS)	27,174	20,654	19,110	7,340	12,913	22,550	109,741				
% Terraced	47.93%	51.89%	54.34%	31.62%	45.18%	58.64%	49.6%	31%	26%		
Number of Semi (LIS)	15,555	11,077	9,271	6,687	7,432	8,534	58,556				
% Semi	27.43%	27.83%	26.36%	28.81	26%	22.19%	26.5%	37.2%	32%		
Number of Detached (LIS)	7,465	4,952	3,730	7,347	5,368	4,776	33,638				
% Detached	13.7%	12.44%	10.61%	31.65%	18.78%	12.42%	15.2%	18%	23%		
Number of Flats (LIS)	6,365	2,921	2,937	1,656	2,728	2,498	19,105				
% Flats	11.23%	7.34%	8.35%	7.13%	9.54%	6.5%	8.6%	12%	18%		
Average House Price (Land Registry)	£125,386	£100,909	£110,323	£226,660	£142,587	£117,239		£154,423	£218,112		
House Prices as a % of North West figure	77.6%	62.4%	68.3%	140.3%	88.3%	72.6%		100%	141%		
Lower Quartile House Price Change (2001 to 2007) %	172%	234%	264%	139%	193%	233%		156%	111%		
Av Terraced (Land Registry)	£97,037	£76,524	£91,632	£157,028	£104,663	£89,914		£111,153	£173,858		
Av Semi (Land Registry)	£139,200	£139,682	£139,266	£221,051	£144,491	£154,035		£160,443	£197,416		
Av Detached (Land Registry)	£250,795	£238,156	£206,894	£337,344	£246,368	£245,416		£300,101	£342,794		
Av Flat (Land Registry)	£98,247	£114,425	£101,800	£191,765	£130,536	£92,722		£130,534	£200,244		

	BwD	Burnley	Hyndburn	Ribble Valley	Rossendale	Pendle	Pennine Lancashire	North West	England & Wales	England	Great Britain
Av Income 2002 (Nomis)	£17,534	£18,075	£17,638	£20,717	£17,342	£16,536		£19,250			£20,420
Av Income 2003 (Nomis)	£19,500	£19,120	£16,494	£22,890	£19,027	£17,800		£19,926			£21,122
Av Income 2004 (Nomis)	£19,630	£18,658	£15,569	£23,582	£20,888	£17,160		£20,540			£21,907
Av Income 2005 (Nomis)	£19,386	£20,925	£18,855	£24,352	£21,559	£18,788		£21,294			£22,505
Av Income 2006 (Nomis)	£18,886	£20,769	£18,148	£23,774	£22,022	£19,848		£21,819			£23,168
Av Income 2007 (Nomis)	£22,074	£19,661	£19,412	£25,886	£21,679	£19,297		£22,500			£23,868
Household Income (Acxiom – LIS 2007)	£25,742	£23,470	£24,472	£38,176	£30,674	£26,519	£27,642	£34,487	£39,730		
Affordability Ratio - Mean (2007) (LIS)	5.59	4.79	4.68	6.78	5.2	5.04	5.73	4.47	5.49		
Affordability Ratio – Mean (2005) (LIS)	4.34	3.02	3.88	5.92	4.51	3.62	3.93				
Vacancy Rate 2006 – Over 6 months (Private Sector) (HIP 2007)	1065	1395	1267	365	763	1554	6409	57646	241,931		
% Vacancy 2006 (HIP 2006)	2.24%	4.06%	4.03%	1.61%	3.00%	4.48%	3.26%	2.3%	1.36%		
Vacancy Rate 2001 (LIS – HIP 2006)	3530	2375	1700	605	601	2322					
% Vacancy 2001 (HIP 2006)	6.02%	5.82%	4.78%	2.61	2.07%	6.09%					
Low Demand (HIP 2007)	19,953	17,186	11,400	0	2,543	13,250	64,332	150,607			
Houses in Multiple Occupation (HIP 2007)	183	23	25	2	3	22	258	52,942			
Unfit (HIP 2007)	10,124	3,247	5,755	1,055	2,723	6,515	29,419	158,679	962,588		

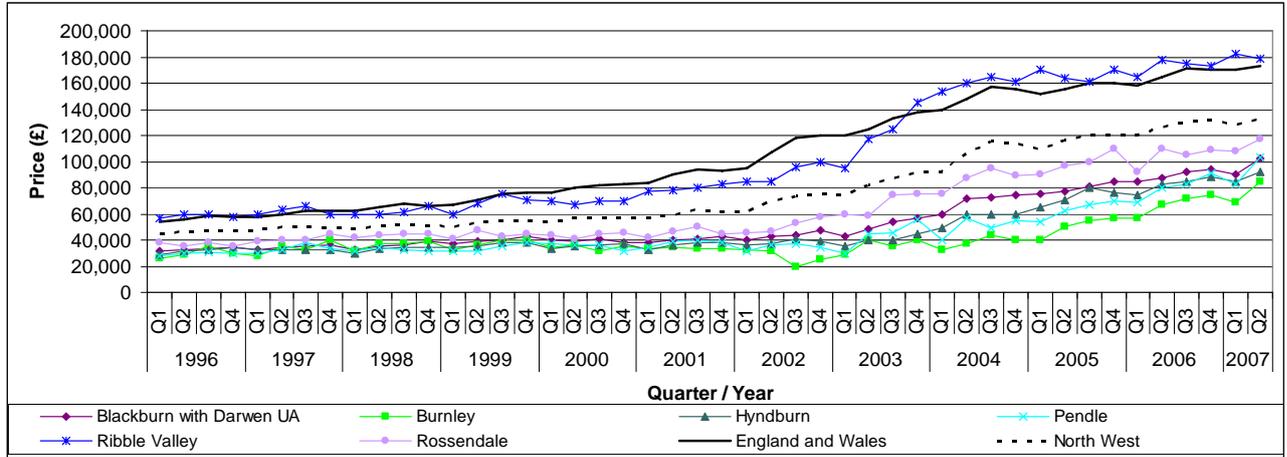
	BwD	Burnley	Hyndburn	Ribble Valley	Rossendale	Pendle	Pennine Lancashire	North West	England & Wales	England	Great Britain
			(15.9%)					(5.2%)	(4.2%)		
SAP rating (HIP 2006)	50	51	44	51	48	47					
Number of New Build per annum (planned) (RSS)	489	130	189	161	222	190	1381	22,844			
Number of New Build 2003 – 2021 (RSS)	8,800	2,340	3,400	2,900	4,000	3,420	24,860	411,160			
% in Employment (Nomis)	67.4%	66.1%	65.8%	86.5%	66.7%	68.3%		72%			74.3%
Economic Inactivity (Nomis)	27.5%	26.6%	29.7%	11.3%	26.2%	24.1%		23.5%			21.5%
Gross Value Added (GVA) per person	£14,100	£12,800	£12,200	£17,000	£12,500	£12,900			£17,532		
Job Seekers Allowance (Nomis)	2.8%	2.6%	2.2%	0.7%	1.7%	1.9%		2.6%			2.2%
Incapacity Benefits (Nomis)	11.4%	12.2%	11.3%	5.2%	9.1%	10.1%		9.5%			7.2%
Lone Parents (Nomis)	2.6%	2.8%	2.3%	0.4%	1.5%	1.9%		2.3%			2.1%
Total Benefits Claimants (Nomis)	20.8%	20.5%	18.9%	8.2%	15.2%	17%		17.4%			14.2%
Gypsy & Travellers current authorised pitches (G&T Survey 2007)	48 pitches	0 pitches	86 pitches	N/A	0 pitches	0 pitches	134 pitches				
Total residential need 2006-2011	53-65	5-6	29-32	N/A	0	2	89-105				
Total residential need 2011-2016	16-18	1	18-19	N/A	0	0	35-38				
Total residential need 2006-2016 (less supply 2006-2016)	69-83	5-7	47-51	N/A	0	2	123-143				

	BwD	Burnley	Hyndburn	Ribble Valley	Rossendale	Pendle	Pennine Lancashire	North West	England & Wales	England	Great Britain
0-4 (Census 2001)							34,573	390,200			
5-9							37,776	398,700			
10-14							39,134	440,200			
15-19							34,523	470,900			
20-24							27,686	462,600			
25-29							32,047	404,800			
30-34							37,941	426,500			
35-39							39,326	509,300			
40-44							35,545	527,400			
45-49							33,714	472,800			
50-54							35,780	423,000			
55-59							28,468	454,900			
60-64							24,244	370,700			
65-69							21,310	318,700			
70-74							19,114	273,000			
75-79							16,411	223,000			
80-84							10,520	162,600			
85 +							9,257	133,200			
1964 Mid-Year Estimated Resident Population, 1961-2005 (ONS)							521,000				
1968							518,000				
1972							521,100				
1976							523,000				
1980							520,000				
1984							512,500				
1988							500,200				
1992							511,700				
1996							514,500				
2000							516,500				
2004							521,700				

Sources: Nomis labour market statistics, Census 2001, Land Registry 2008, HIP 2006, Elevate LIS, Mid year population estimates

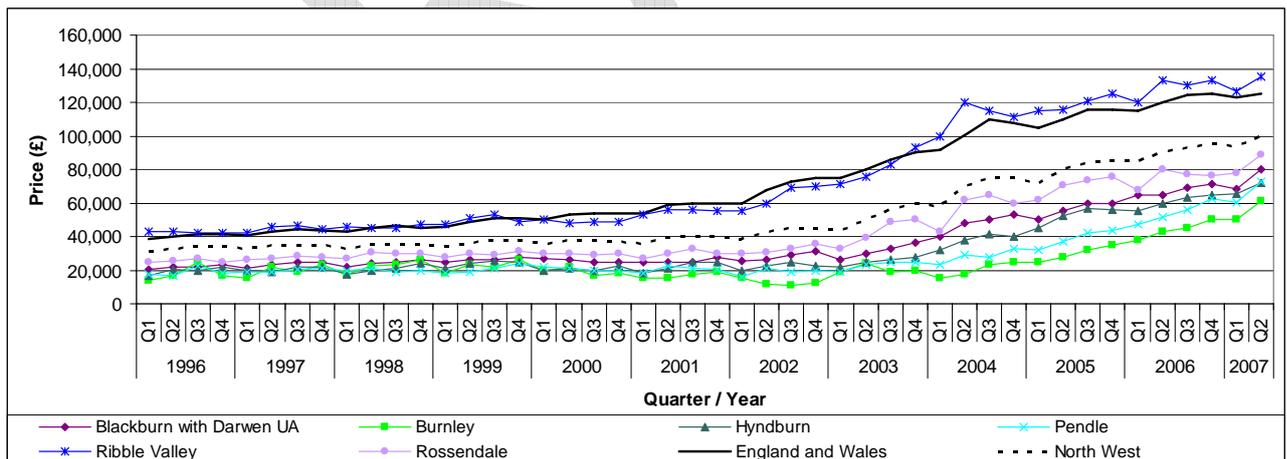
APPENDIX 2 HOUSE PRICE TRENDS / AFFORDABILITY INDICES / VACANT PROPERTIES

1. Median House Prices 1996-2007



Median and mean house prices show a similar picture. Ribble Valley has seen the largest increase of the Pennine Lancashire districts, as between quarter 1 1996 and quarter 1 2007, mean house prices increased by 3.3 times and median 3.2 times. Mean increases for all other Pennine Lancashire Districts have been around the NW average of 2.9 (England and Wales was 3.1).

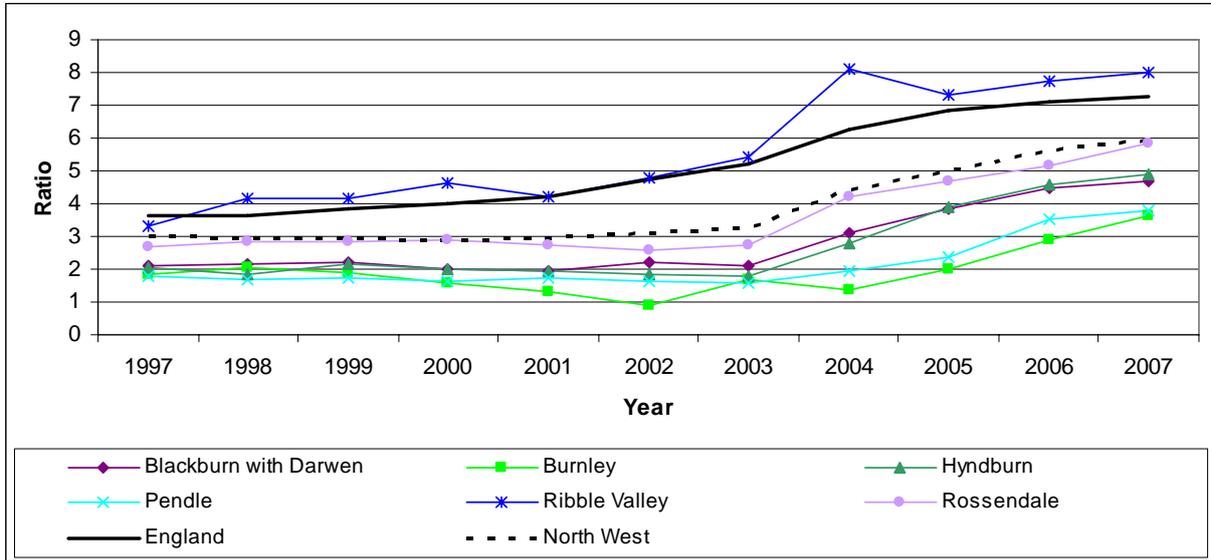
2. Lower Quartile House Prices 1996 – 2007



Lower quartile house prices in Burnley saw a decrease in 2001 and 2002, however from 2004 these have increased, but remain below the other Pennine Lancashire authorities. Hyndburn has seen the biggest rate of increase of the authorities in Pennine Lancashire, as between quarter 1 1996 and quarter 1 2007 lower quartile house prices increased by 3.9 times, within Burnley prices increased by 3.6 times and Pendle 3.5 times. However, although Ribble Valley has the highest lower quartile house prices, these have increase by the lowest rate in Pennine Lancashire between

quarter 1 1996 and quarter 1 2007 of 2.9 times. The increase for the North West was 3.03 and for England and Wales 3.19.

3. Ratio of Lower Quartile House Prices to Lower Quartile Incomes



2007 Lower Quartile Affordability Ratios are as follows:-

Ribble Valley 8.02
 Rossendale 5.83
 Hyndburn 4.88
 Blackburn with Darwen 4.68
 Pendle 3.77
 Burnley 3.63
 North West 5.94
 England 7.25

Vacant Properties

Pennine Lancashire

Vacants

Period: As at 2007

Updated: 05/06/2008

Source: Housing Strategy Statistical Appendix HSSA;

Keys: RSL = Registered Social Landlords; LA = Local Authority; PS = Private Sector; OPS = Other Public Sector

	Stock by Tenure					Vacant by Tenure											
	LA	RSL	OPS	PS	All	LA		RSL		Ops		PS		All		PS More than 6 months	
	No	No	No	No	No	No	%	No	%	No	%	No	%	No	%	No	%
North West Region	206,533	376,598	2,198	2,501,526	3,086,855	6,441	3.1	9,610	2.6	579	26.3	112,363	4.5	128,993	4.2	61,450	2.5
Blackburn with Darwen	2	11,544	46	47,478	59,070	2	100.0	271	2.3	0	0.0	3,151	6.6	3,424	5.8	1,312	2.8
Burnley	0	5,866	36	34,362	40,264	0	0.0	109	1.9	0	0.0	2,899	8.4	3,008	7.5	1,630	4.7
Hyndburn	5	4,824	0	31,434	36,263	0	0.0	207	4.3	0	0.0	2,100	6.7	2,307	6.4	1,318	4.2
Pendle	0	4,446	0	34,903	39,349	0	0.0	76	1.7	0	0.0	2,541	7.3	2,617	6.7	1,815	5.2
Ribble Valley	1,174	509	152	22,612	24,447	5	0.4	7	1.4	0	0.0	909	4.0	921	3.8	365	1.6
Rosendale	0	4,695	0	25,431	30,126	0	0.0	90	1.9	0	0.0	1,578	6.2	1,668	5.5	763	3.0
Pennine Lancashire	1,181	31,884	234	196,220	229,519	7	0.6	760	2.4	0	0.0	13,178	6.7	13,945	6.1	7,203	3.7

APPENDIX 3 FUEL POVERTY AND ENERGY EFFICIENCY

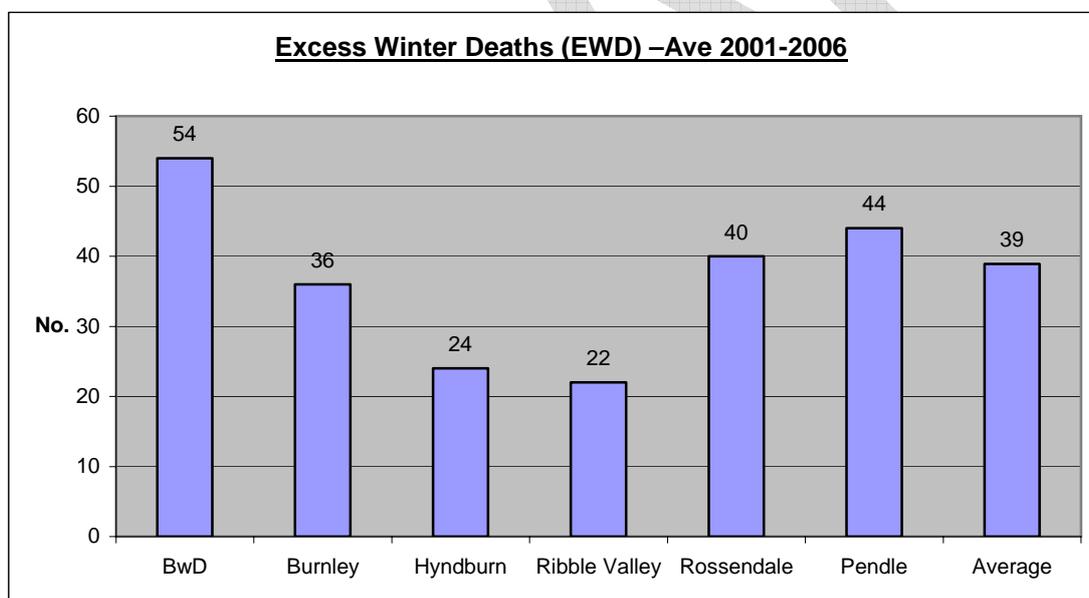
A fuel poor household is one that cannot afford to keep their home warm. The most widely accepted definition of a fuel poor household is one that needs to spend more than 10% of their income on fuel costs to maintain an adequate level of comfort.

Levels of fuel poverty across Pennine Lancashire vary significantly between neighbourhood or super output area. The highest levels of fuel poverty are in the ward of Bastwell (Blackburn with Darwen) 16.02% (38.45%)¹ and Daneshouse and Stoneyholme (Burnley) 16.01% (38.4%). The lowest levels of fuel poverty are in Langho (Ribble Valley) 3.21% (7.7%) and Read/Simonstone (Ribble Valley) 3.5% (7.7%).

¹ denotes the likely fuel poverty rates for 2007 which takes into account fuel price rises since 2003

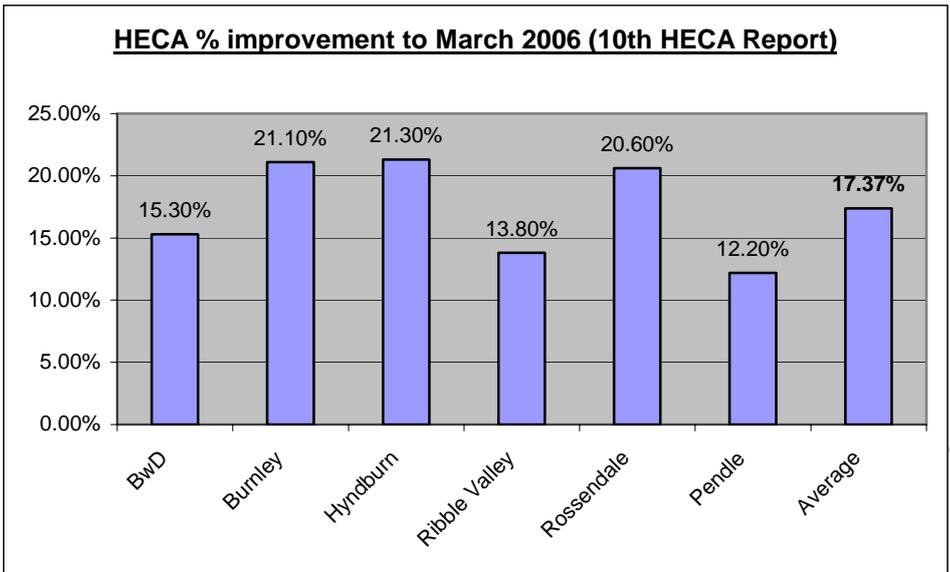
Excess Winter Deaths (EWD)

EWD is the number of winter deaths that are above and beyond those deaths that normally occur during non-winter months. The table below shows the number of excess winter deaths across 5 years from 2001. There were a total of 220 excess winter deaths (on average) across Pennine Lancashire per year between 2001-2006.



Home Energy Conservation Act 1995 (HECA)

By 31 March 2006, the energy efficiency of the UK housing stock had been improved by 19.2%. Pennine Lancashire has achieved a 17.4% improvement compared to a North West regional average of 17.9%.



Source: DEFRA

This is below the target of 20% required in order to meet the government 30% target reduction by 2011. Pennine Lancashire will need to improve energy efficiency by 2.5% a year for the next five years in order to reach the 30% target, however based on recent years HECA returns this remains feasible.

SAP Rating of Housing Stock

The energy efficiency rating of a home can be measured using a SAP rating which takes in to account a range of factors that contribute to energy efficiency. The higher the number, the better the standard (based on SAP 2001, scored 1 – 120).

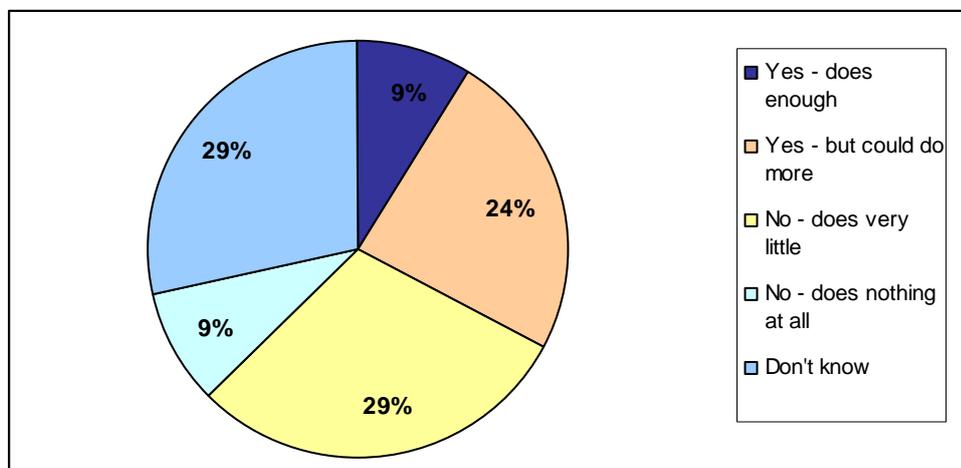
The average Pennine Lancashire SAP is 51 which are slightly below the national average of 52. The graph below shows that there is little variation in SAP rating between local authorities in Pennine Lancashire.



Source: Data collated for the Lancashire LAA, 2007

Awareness Raising and Promotional Activity

A 2007 East Lancashire Citizen Panel survey reported that only 9% of respondents thought councils do enough to promote energy efficiency, with 62% stating that they could do more – see chart below.



Source: May 2007 East Lancs Citizen Panel survey (Q49)

Households across Lancashire are currently benefiting from Lancashire Energy Efficiency Advice Centre services. The Centre has worked on various projects with Pennine Lancashire local authorities over the last few years. Partnership working is also being strengthened as part of the Lancashire LAA process with 2 energy officers now employed using LAA pump priming funding.

The continuing development of partnership working with Warm Front, utilities and installers, the PCT, the Lancashire Area Agreement, and other partners is helping households who are in fuel poverty, as well as helping people in full-time work access discounted insulation schemes.

Renewables Energy/Climate Change

Renewable energy and climate change are rising up the national government agenda with an array of new government initiatives. This is reinforced by the new Climate Change bill that is currently passing through Parliament. The EU is also in the process of setting challenging renewable energy targets.

A few projects across Pennine Lancashire have been developed to encourage households to install renewable energy technologies. This includes the Burnley Solar Saving Scheme which provides householders with a £1000 discount towards installing a solar water heating system.

It is likely, in the near future, that renewable energy technologies will become commonly installed on new build properties and to a lesser extent refurbished or existing properties. In the longer term demand for renewable energy technologies will most definitely increase considerably.

APPENDIX 4 : SUPPORTED HOUSING NEEDS

Local Authority Projections of Specific Client Group Needs levels 2009-10

Updated: 16/06/2008

Pennine Lancashire

Source: The Need for Support and Supported Housing Services in the North West 2008-2020 (Draft 1, 09/05/2008)

Local Authorities (5):

Ribble Valley Data is missing

	Client Group	Accommodation Based Support (ABS) Services			Non-Accommodation Based Support (NABS) Services			Overall net requirement
		Gross total Units required ABS	Total currently available units	Surplus or required units	Gross total FS required NABS	Total currently available NABS units	Surplus or required NABS units	
1	Alcohol misuse	72	0	72	54	0	54	126
2	Drug misuse	365	54	311	191	140	51	362
3	Frail elderly	111	28	83	176	86	90	173
4	Homeless families with support needs	56	7	49	19	39	-20	29
5	Mentally disordered offenders	1	0	1	10	0	10	11
6	Offenders and those at risk	122	14	108	91	8	83	191
7	Older people with dementia/mental health problems	129	0	129	205	0	205	334
8	Older people with support needs	1,840	6,800	-4,960	2,929	605	2,324	-2,636
9	People with HIV/AIDS	11	0	11	11	0	11	22
10	People with learning disabilities	185	404	-219	147	0	147	-72
11	People with mental health issues	230	173	57	294	79	215	272
12	People with physical or sensory disability	69	3	66	218	14	204	270
13	Refugees and asylum seekers	11	0	11	18	0	18	29
14	Rough sleepers	28	0	28	0	0	0	28
15	Single homeless with support needs	223	169	54	28	89	-61	-7
16	Teenage parents	61	0	61	100	0	100	161
17	Travellers	11	0	11	6	0	6	17
18	Women escaping domestic violence	95	39	56	34	91	-57	-1
19	Young people at risk	77	135	-58	15	103	-88	-146
20	Young people leaving care	12	0	12	6	0	6	18
	Total	3,709	7,826	-4,117	4,552	1,254	3,298	-819

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