Public Document Pack

appendices

Executive

Committee

Tuesday 12th April 2011
7.00 pm

Committee Room 2
Town Hall
Redditch

REDDITCH BOROUGH COUNCIL

making a difference

www.redditchbc.gov.uk

Access to Information - Your Rights

The Local Government (Access to Information) Act 1985 widened the rights of press and public to attend Local Authority meetings and to see certain documents. Recently the Freedom of Information Act 2000, has further broadened these rights, and limited exemptions under the 1985 Act.

Your main rights are set out below:-

- Automatic right to attend all Council and Committee meetings unless the business would disclose confidential or "exempt" information.
- Automatic right to inspect agenda and public reports at least five days before the date of the meeting.
- Automatic right to inspect minutes of the Council and its Committees (or summaries of business undertaken in private) for up to six years following a meeting.
- Automatic right to inspect lists of background papers used in the preparation of public reports.
- Access, upon request, to the background papers on which reports are based for a period of up to four years from the date of the meeting.
- Access to a public register stating the names and addresses and electoral areas of all Councillors with details of the membership of all Committees etc.
- A reasonable number of copies of agenda and reports relating to items to be considered in public must be made available to the public attending meetings of the Council and its Committees etc.
- Access to a list specifying those powers which the Council has delegated to its Officers indicating also the titles of the Officers concerned.
- Access to a summary of the rights of the public to attend meetings of the Council and its Committees etc. and to inspect and copy documents.
- In addition, the public now has a right to be present when the Council determines "Key Decisions" unless the business would disclose confidential or "exempt" information.
- Unless otherwise stated, all items of business before the Executive Committee are Key Decisions.
- (Copies of Agenda Lists are published in advance of the meetings on the Council's Website: **www.redditchbc.gov.uk**

If you have any queries on this Agenda or any of the decisions taken or wish to exercise any of the above rights of access to information, please contact

Ivor Westmore
Committee Support Services

Town Hall, Walter Stranz Square, Redditch, B98 8AH
Tel: 01527 64252 (Extn. 3269) Fax: (01527) 65216
e.mail: ivor.westmore@redditchbc.gov.uk Minicom: 595528

Welcome to today's meeting.

Guidance for the Public

Agenda Papers

The **Agenda List** at the front of the Agenda summarises the issues to be discussed and is followed by the Officers' full supporting **Reports**.

Chair

The Chair is responsible for the proper conduct of the meeting. Generally to one side of the Chair is the Committee Support Officer who gives advice on the proper conduct of the meeting and ensures that the debate and the decisions are properly recorded. On the Chair's other side are the relevant Council Officers. The Councillors ("Members") of the Committee occupy the remaining seats around the table.

Running Order

Items will normally be taken in the order printed but, in particular circumstances, the Chair may agree to vary the order.

Refreshments : tea, coffee and water are normally available at meetings - please serve yourself.

Decisions

Decisions at the meeting will be taken by the **Councillors** who are the democratically elected representatives. They are advised by **Officers** who are paid professionals and do not have a vote.

Members of the Public

Members of the public may, by prior arrangement, speak at meetings of the Council or its Committees. Specific procedures exist for Appeals Hearings or for meetings involving Licence or Planning Applications. For further information on this point, please speak to the Committee Support Officer.

Special Arrangements

If you have any particular needs, please contact the Committee Support Officer.

Infra-red devices for the hearing impaired are available on request at the meeting. Other facilities may require prior arrangement.

Further Information

If you require any further information, please contact the Committee Support Officer (see foot of page opposite).

Fire/ Emergency instructions

If the alarm is sounded, please leave the building by the nearest available exit – these are clearly indicated within all the Committee Rooms.

If you discover a fire, inform a member of staff or operate the nearest alarm call point (wall mounted red rectangular box). In the event of the fire alarm sounding, leave the building immediately following the fire exit signs. Officers have been appointed with responsibility to ensure that all visitors are escorted from the building.

Do Not stop to collect personal belongings.

Do Not use lifts.

Do Not re-enter the building until told to do so.

The emergency Assembly Area is on Walter Stranz Square.

Declaration of Interests: Guidance for Councillors

DO I HAVE A “PERSONAL INTEREST” ?

- Where the item relates or is likely to affect your **registered interests** (what you have declared on the formal Register of Interests)

OR

- Where a decision in relation to the item might reasonably be regarded as affecting **your own** well-being or financial position, or that of your **family**, or your **close associates** more than most other people affected by the issue,

you have a personal interest.

WHAT MUST I DO? **Declare the existence, and nature, of your interest and stay**

- The declaration must relate to specific business being decided - a general scattergun approach is not needed
- **Exception** - where interest arises only because of your membership of another **public body**, there is no need to declare unless you **speak** on the matter.
- You **can vote** on the matter.

IS IT A “PREJUDICIAL INTEREST” ?

In general only if:-

- It is a personal interest ***and***
- The item affects your **financial position** (or conveys other benefits), or the position of your **family, close associates** or bodies through which you have a **registered interest** (or relates to the exercise of **regulatory functions** in relation to these groups)

  and

- A member of public, with knowledge of the relevant facts, would reasonably believe the interest was likely to **prejudice** your judgement of the public interest.

WHAT MUST I DO? **Declare and Withdraw**

BUT you may make representations to the meeting before withdrawing, **if** the public have similar rights (such as the right to speak at Planning Committee).

6.	**Worcestershire Housing Strategy 2011 - 2016** (Pages 101 - 178) Head of Community Services	To seek approval of the Countywide Housing Strategy for Worcestershire 2011 – 2016. (Appendix attached) **All Wards**
7.	**Worcestershire Local Investment Plan And Affordable Homes Programme Framework** (Pages 179 - 256) Head of Community Services	To seek approval for the Worcestershire Local Investment Plan and ask Members to note elements of the Affordable Housing Delivery Framework. (Appendix attached) **All Wards**

The right home, at the right time, in the right place: A Housing Strategy for Worcestershire

Draft

8th March 2011

1. FOREWORD

(By Kevin Dicks, Housing Lead for the Worcestershire Chief Executive Panel)

We have a driving vision for the future and this strategy will deliver:

"The right home, at the right time, in the right place"

Housing is important to everybody and is essential to achieving a good quality of life. This may mean something different to each of us and may vary throughout our lives but generally involves a safe, secure and affordable home with the right support. It is true that many people are able to solve their own housing issues without help and support from the councils and other agencies but this strategy is about providing the right type of housing and support to those who need assistance.

The adoption of this new countywide housing strategy is well timed as it comes alongside the localism agenda being implemented by the new Coalition Government moving from the era of the 'Big Government' into the era of the 'Big Society'.

'Big Society' is to be locally defined but generally involves; removing unnecessary red tape and regulation, supporting people to get involved with development of their communities and how public money can be spent locally, giving people more choice and a better standard of service, making government information more available and strengthening accountability to local people. In response to this new and evolving agenda we will work together with our local communities to take forward common goals and priorities in ways that are more diverse, more personal and more local.

We will also be working with the Government to implement major changes to housing and welfare policy and develop plans to mitigate the potential risks of the changes to local people. Reductions in public expenditure through the Comprehensive Spending Review[1] will drive efficiencies in service delivery and the need for innovative solutions to help resolve new and existing needs. We will make sure that our communities are places where people want to live with a clear vision of what is required and ensuring that this can be sustained in the long term.

We have a track record of joint working and this strategy is about building on that. We will work together more closely to provide consistent, quality services that meet customers' needs irrespective of where they live within the county. By considering

the root causes of housing needs we will deliver services, which tackle issues at a much earlier stage.

---

[1] More detail about the changes and implications of these is provided in a supporting document to this strategy. This can be found on our website or obtained by contacting us – see website link an contact details on the back page of this document.

Partnership though is much wider than just the councils. We recognise the crucial role that a wide range of agencies will have in delivering the strategy. They have been actively involved in developing this strategy and we welcome their commitment to partner us in its delivery.

We have worked hard to ensure that people in the County have had the chance to tell us what they think. We have listened carefully and we are confident that our priorities reflect what people have told us and that our objectives and plans are the right ones.

2. INTRODUCTION

Context

A suitable, decent and affordable home is central to ensuring that residents enjoy a good quality of life and contributes to the sustainability of our local communities. Housing is an issue that affects everybody, including those in need of help and support and an inclusive, partnership approach is essential to achieve successful outcomes for Worcestershire residents

However this needs to be considered in light of the huge amount of change to social housing being introduced by the new Coalition Government. These changes include a move towards Localism with local communities having a bigger say about what is required, major funding cuts, the slimming down of regulation, significant reforms to the Benefit system, more emphasis on getting people back into employment, the need to address security of tenure and the role that private sector housing plays in meeting local needs.

The government's Health and Social Care Bill is also the biggest piece of health legislation since the creation of the NHS. This new landscape will have significant implications for local authorities who will have a big role both in overseeing health provision in their patch and in leading on public health. Good housing plays a crucial role in ensuring healthy communities. The changes to commissioning will affect organisations providing care and support but more widely, all housing providers may well be offered new opportunities to take a bigger role in promoting health and wellbeing in their communities. The challenges for housing organisations will be to ensure that their role is recognised and their voice is heard in the new NHS.

Increased delivery of affordable housing is a priority for Worcestershire residents. There continue to be a number of constraints that inhibit delivery such as the availability of suitable sites housing association partners can secure for new development continue to be a difficulty, both in terms of the number of sites generally available, and the financial rules that housing associations are bound by, in terms of competing with the private sector. However there are also new opportunities such as the proposed New Homes Bonus and the new 'affordable rent tenure' both of which will bring further investment to the development of affordable homes.

The existing housing and planning framework suggests that Worcestershire will need to accommodate 36,600 additional dwellings between 2006 and 2026 but the government will be revoking this and abolishing top down targets in favour of local decision making to reflect the local areas vision in the forthcoming Localism Bill.

The Worcestershire local authorities are working with a range of partner organisations to ensure that the full range of housing needs are addressed and a Local Investment Plan is being produced within the county to set out how partner resources can be invested into delivery and provision of necessary infra-structure. Worcestershire partners and local businesses have successfully negotiated a countywide Local Enterprise Partnership which will replace the role of Regional Development Agencies and be influential in the growth of the locality.

There are increased in-migration pressures from both the south as well as from the north, and the effect on house prices and longer distance commuting by higher paid employees is significant in South Worcestershire and Bromsgrove.

Despite the Regional Spatial and Housing Strategies being aimed at reversing this migration pressure from the conurbation, there seems little prospect of the overall migration pressures being relieved in the foreseeable future as a result of the combination of lifestyle choices and demographic growth which is particularly increasing the size of the older population.

The result is that the lower paid and locally employed are being increasingly excluded from the market, with increasing numbers of households on council housing registers and in inadequate accommodation (over 24,000 in 2010). The longest waiting times for social rented accommodation is for two bedroom houses for young families and four bedroom houses for established families that have outgrown their present accommodation. Changes by the Government will focus investment on the provision of shared ownership (new build home-buy) and the new affordable rent tenure rather than social rented homes.

Delivery of rural housing can be difficult to achieve and some rural housing needs are not being adequately met in Worcestershire. These areas require additional and appropriate affordable housing, as without it, the provision of an equitable supply of affordable homes in rural communities is unlikely to be realised. A recent study has been carried out to review the way rural enabling is provided across the county to improve the outcomes achieved for our rural communities and the key findings are reflected within this strategy.

There is some positive action being taken in the county through the planning process to secure allocations of affordable housing on new developments. In most cases, however, these are focussed on larger sites where planning thresholds can be applied, although planning policies are being reviewed to address this. The consequence is that despite affordable housing being a local priority, there are significant challenges in meeting both general housing needs and providing for people who need support.

In addition to the central issue of balancing supply and demand, particularly of affordable housing, there are other principal housing issues that we need to address.

We need to ensure that the use of the existing housing stock is maximised in line with the emerging Government policies. For example; that effective action is taken to bring empty homes back into use, that we respond both to overcrowding and under occupation, that we maximise the use of the private rented sector, that housing for older people is in scale with need and is of the right kind to meet changing needs and that the needs of people with disabilities are responded to effectively.

While the condition of homes in the social rented sector is good with most meeting the Decent Homes standard at the deadline of 2010, this is not the case with privately owned homes. Nearly 40 per cent of those, occupied by vulnerable households, fail to meet the standard and a substantial number are a risk to the health and safety of those who live there. Heating and insulation is a problem, with more than 20,000 households in fuel poverty.

There is a growing need for housing related support to a wide range of individuals. This needs to be approached in the context of both funding cuts to the Supporting People programme which commissions low level housing related support and the implementation of the `Choice and Control' agenda which provides individuals the opportunity to directly purchase services they require to meet their needs.

Within the county, we already have a proportionally older population than England generally and older people are projected to increase substantially over the next 20 years. There is also a significant forecast growth in the number of people with dementia. This growth in the needs of older people is expected to increase the demand for; low level support, supported housing models including Extra Care, help in making housing choices, adapting homes to enable continued independence and responding to the impact of falls. It is essential that new innovative solutions to housing need, support and care are developed.

There are a range of other vulnerable customer groups who are identified requiring housing and related support including; people with learning and/or physical disability, sensory impairment, mental health issues, substance misuse and people with chaotic lifestyles.

Of particular concern is where people are faced with homelessness and the impact of this on their quality of life. The proposed benefit and housing reforms will need to be monitored to mitigate any risk of increased levels of homelessness within the county.

Housing also needs to play its part in creating and maintaining sustainable communities - a complicated and multi dimensional issue - and in driving through regeneration in areas of market failure to bring about housing growth and economic success.

Why a countywide strategy?

A countywide strategy will be used to complement the new localism agenda, enabling a consistent and cost effective service offer to be provided whilst retaining the ability to be flexible in meeting needs at a local level.

In the past, the six strategic housing authorities have developed individual district strategies which have led to improved services for our local communities. These strategies have also improved our approach to working together and this has led to an increase in the number of countywide initiatives.

This new Worcestershire Strategy takes the next step; a concerted and more integrated countywide approach for the development and delivery of our housing services. We are corporately and jointly committed to this approach; the Chief Housing Officers Group, in conjunction with the Chief Executives and Leaders for the district councils, gave approval for the development of a County Housing Strategy in 2009.

There is a need for more focus around the outcomes achieved for our customers and the social benefits for our partners and the public purse. We aim to work together flexibly, using best practice from outside Worcestershire where this has a strategic fit with our local issues and in partnership with our local communities to find new and innovative solutions to our problems. We will be reviewing existing services and where possible aligning how we work in a more effective and efficient way.

Who is the strategy aimed at?

This strategy is aimed at anyone with an interest in the commissioning and delivery of housing related services within the county. Its objective is to influence thinking, policy making and action at a county and local level to meet the housing aspirations of individuals and communities and to support Local Housing Authorities in attracting resources into Worcestershire.

Central to the strategy is the promotion of partnership working with customers, other agencies and across boundaries to create sustainable places to live.

We recognise the importance of working with all housing providers, including those in the private sector, to achieve a balanced housing market and we will promote the document and its priorities to developers and landlords.

Who and what helped to shape the Strategy?

The strategy responds to the new Localism agenda and the views of local communities and partners to take forward common goals and priorities in ways that are more diverse, more personal and more local.

During the development of the countywide Housing Strategy the local authority partners have sought to engage a broad range of stakeholders, including service users and the wider community, in identifying the key challenges and potential solutions to these.

The consultation process commenced with an event for stakeholders in September 2009. The event sought to identify the key housing issues for different groups within the community and to draw out ideas for resolving these. The event was well attended with 46 different agencies represented representing a wide range of agencies concerned with housing, etc.

Although it was intended that service users attend the event, low attendance by this stakeholder group resulted in a commitment to engage them through existing fora and dedicated focus groups. A series of meetings and focus groups were held between January and July 2010 to engage with:

- People with learning difficulties and their carers
- People with mental health issues
- Young people
- Gypsies and Travellers
- People with visual impairment
- Rough sleepers

In addition, in order to secure the engagement of the wider community an on-line survey was conducted in January 2010 seeking peoples' views about housing priorities and the ways in which local authorities should intervene to help address these priorities. A report produced by the Research and Intelligence Unit for Worcestershire County Council provides an analysis of the results of this survey. This can be found at :

http://www.worcester.gov.uk/fileadmin/assets/pdf/Housing/strategic_housing/Microsoft_Word_-_100122_CountyHousing_Strategy_Questionnaire_Analysis1.pdf

Our understanding of the views of local people about housing priorities has been further enhanced by the results of consultation during the development of other strategies. The report of the "Research into the Housing and Support Needs of Older People in Worcestershire" conducted by The Housing and Support Partnership in 2009 has provided useful information about the aspirations of older people as well as their needs. The research involved a questionnaire survey resulting in nearly 1300 responses as well as holding 9 focus groups with 94 older people attending.

An early draft of the strategy was circulated to the West Midlands Leaders Board, the Local Enterprise Partnership and other consultees for comments and the officers responsible for writing the strategy utilised the Audit Commissions' Key Lines of Enquiry to ensure all aspects of strategic housing were covered.

A further event was also held with our partners to comprehensively consider the range of responses received via each of the different consultation mechanisms. This informed the strategic direction and priorities within the new strategy. The key messages from consultees can be found at appendix 3.

How will the Housing Strategy meet Local needs?

The Worcestershire Housing Strategy reflects the multiple and varied housing markets that exist within Worcestershire. For decades, the supply of new homes has not kept up with the rising demand. This strategy will be used to set the high level themes within an action plan that will be co-ordinated to deliver county wide priorities. At a city and district level further action plan will be developed to address local housing needs.

3. SUMMARY OF THE NATIONAL AND COUNTRYWIDE CONTEXT

A. NATIONAL CONTEXT

The new Coalition Government which took control in May 2010 has commenced the introduction of major change in regional and local government which will impact on this strategy.

The main focus of the new Government is the localism agenda which shifts power from the centralised state to local communities and introduces six actions to deliver de-centralisation down through every level of government to every citizen. The six actions are detailed below:

- Lift the burden of bureaucracy by removing the cost and control of unnecessary red tape and regulation whose effect is to restrict local action.
- Empower communities to do things their way by creating rights for people to get involved with and direct the development of their communities
- Increase local control of public finance so that more of the decisions over how public money is spent and raised can be taken within communities
- Diversify the supply of public services by ending public sector 'monopolies' ensuring a level playing field for all suppliers giving people more choice and a better standard of service
- Open up government to public scrutiny by relation government information into the public domain so that people can know how their money is spent, how it is used and to what effect
- Strengthen accountability to local people by giving every citizen the power to change the services provided to them through participation, choice or the ballot box.

The Comprehensive Spending Review 2010 announced substantial cuts in public expenditure and the Government has abolished many agencies, including the Regional Government Offices and the Audit Commission. Local authorities are expected to make cuts in addition to those already planned to balance their budgets and housing association budgets will be constrained by the impact of low inflation on rent levels and the impending welfare reform. The changes announced regarding the current welfare system, including caps on housing benefit will impact on people's ability to afford private rented housing, thus creating even greater pressure on subsidised housing, and reduce the security of tenure for social housing tenants. Cuts have also been made in planned programmes, such as the funding for new affordable housing promised by the previous Government. Therefore the funding and staffing capacity available for delivery of the strategy is expected to reduce significantly.

The key policy and resource changes announced by the new Government that impact on this Housing Strategy and housing services more generally are set out below:

- Communities, citizens and volunteers will be supported to play a bigger role in shaping and providing services
- Government funding to local authorities will reduce by 28% over the next four years
- Ring fences will be removed from all funding for 2011-12, except for schools and a new public health grant
- Councils will be able to cease monitoring on Local Area Agreement targets, and those which are kept will not be monitored by government
- £6bn will be allocated to funding the Supporting People programme over four years
- Provision for Disabled Facilities Grants will rise with inflation, with local authorities given more discretion for their allocation
- The Regional Growth Fund will be extended to three years, and is increased to £1.4bn
- Government wants to ensure growth is driven by local business and communities
- Local Enterprise Partnerships will help develop the local economy
- The Homes and Communities Agency will be introducing new intermediate rental tenancy plus capital investment will support the building of up to 150,000 new affordable homes over the next 4 years
- Reform of the planning system will put local authorities and local people in charge of decisions on new house-building in their local areas, increasing housing supply
- Introduction of the New Homes Bonus scheme will mean communities benefit from new housing and economic development – matching the additional council tax from each new home for each of the following 6 years. Permission for homes granted now will count for the bonus and the Government are consulting on whether reuse of empty homes will also qualify
- There are no plans to change tenancy terms or rents for existing tenants
- Government wants to make social housing more responsive, flexible and fair so that a greater number of people are able to access social housing in a way that reflects their needs and changing circumstances
- Social housing will be reformed to provide a more tailored response to individual need at lower cost
- Housing associations will be introducing a new intermediate rent tenure called 'affordable rent' to social tenants for a new fixed period

- Investment via the Decent Homes programme will continue
- Government will reform the National Register of Social Housing which will reduce reporting requirements on social landlords

- £2 billion will be allocated over the next four years to fund the implementation of the Universal Credit.
- Household benefit payments for couples and lone parent households will be capped at around £500 per week from 2013
- The age threshold for the Shared Room Rate in Housing Benefit will be increased from 25 to 35
- A one-year time limit will be introduced for contributory Employment and Support Allowance for those in the Work Related Activity Group
- The Warm Front Programme will be scaled down over the next two years, with a budget of £110 million in 2011/-12 and £100 million in 2012-13
- From 2013, the Green Deal will replace Warm Front, and a new obligation will be imposed on energy providers – this will help households improve their energy efficiency with no up-front costs. Phasing out Warm Front is estimated to save £345 million by 2013-14.
- The Government has also announced an independent review of the fuel poverty target and definition before the end of the year

B. COUNTYWIDE CONTEXT

The Housing Strategy is complementary to a web of policies and strategies that are in place across Worcestershire.

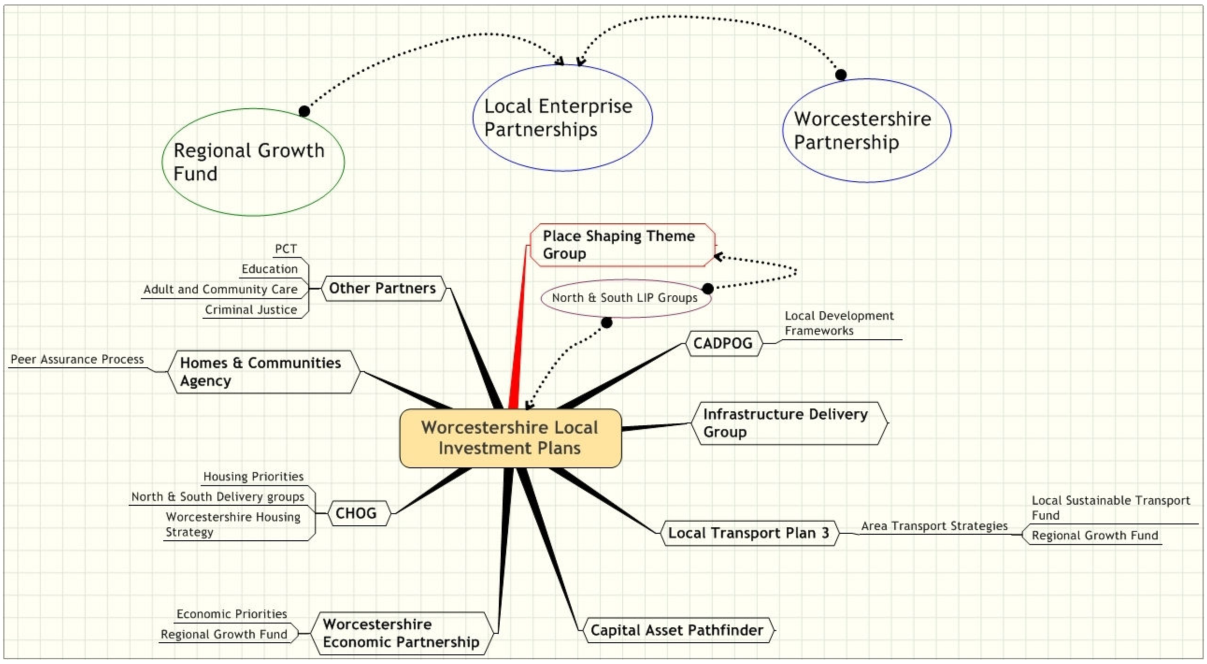
Local Enterprise Partnership

A successful bid has been submitted for the first stage in creating a new LEP for the county. This is a developing agenda and both the Local Investment Plan and a robust strategic approach to housing will enable partners to create the conditions for the private sector to flourish in Worcestershire. The bid set out the following priorities for the partnership with commitments for housing and regeneration:

Priorities	Commitments for Housing & Regeneration
Deliver the strategic employment sites & related infrastructure, highways access, utilities etc needed to ensure sustainable economic growth & a low carbon economy.	Ensure an approach to strategic planning that is responsive to the aspirations of Worcestershire's communities and that helps to create a thriving environment for jobs and enterprise
Ensure there is the right support for business start up, business growth, business retention and inward investment	Continue a proactive joint approach to housing, particularly on innovative approaches to affordable housing with locally initiated schemes to meet local needs
Deliver the right infrastructure for businesses including broadband, improving access from the M5 to the Malvern Hills Science park and QinetiQ, improvements to the east west links and the A449	

Invest in skills, ensuring that provision is responsive to business needs, and relevant to future growth & business opportunity	

Local Investment Plan



The development of a Local Investment Plan will set out the vision for Worcestershire in terms of housing, planning, transport, regeneration, social care, health, infrastructure and employment. There is real value in using this process to help develop priorities for place shaping, investment and set out a co-ordinated and cohesive approach to utilising a wide range of partner resources including monies, land and expertise to achieve the vision. This plan is anticipated to be in place by March 2011 to meet the requirements of the Homes and Communities Agency and their allocation timetable however it is recognised that this is an evolving process.

Table 1: Worcestershire LIP: Summary of Strategic Priorities

Creating the Conditions to Sustain and Generate Employment	• Priority 1 : Developing high growth employment sites • Priority 2 : Creating and sustaining employment in Worcestershire's main centres • Priority 3 : Supporting the economic sustainability of Worcestershire's towns
Providing the Right Housing for All Communities	• Priority 4 : Developing housing to support high growth employment sites and main employment centres • Priority 5 : Supporting housing markets in Worcestershire's towns • Priority 6 : Delivering sustainable rural housing • Priority 7 : Meeting special needs • Priority 8 : Improving the existing housing stock
Developing Worcestershire's Infrastructure	• Priority 9 : Strengthening the highways infrastructure • Priority 10 : Improving public transport • Priority 11 : Developing social, community and green infrastructure • Priority 12 : Managing Worcestershire's resources

As the LIP is updated over time, partners will clearly refine their lists of individual schemes to reflect the delivery of sites and schemes, new investment opportunities that emerge and the availability of public and private sector funding.

Sustainable Community Strategy

The Worcestershire Partnership is the Local Strategic Partnership (LSP) for the County and is responsible for the development and implementation of the Sustainable Communities Strategy (SCS) *Partnership Towards Excellence* which sets out the overarching strategic vision for Worcestershire and identifies the activity that partners will need to carry out to achieve outcomes within the following themes for action between 2008 and 2013:

Table 2: Worcestershire Community Strategy Themes & Priority Outcomes

Theme	Priority Outcomes (most relevant to LIP highlighted)
Communities that are safe and feel safe	• To continue to improve community safety and build confidence in communities • To reduce the harm caused by illegal drugs and alcohol
A better environment for today and tomorrow	• To protect and improve Worcestershire's natural and historic environment • To promote the re-use, recycling and recovery of waste • To address issues of water quality, supply, and consumption and land drainage in Worcestershire • To increase energy efficiency and increase the proportion of energy generated from renewable sources
Economic success that is shared by all	• To promote technology-led growth benefiting all sectors and parts of the county • To support the sustainable development of the county through infrastructure development (in particular transport infrastructure) and establish Worcester as a growth point • To remove barriers to employment and improve skills • To ensure that Worcestershire's economic interests are effectively represented at all levels
Improve health and well being	• To support adults to lead healthier lifestyles • To reduce health inequalities • To improve the quality of life and independence of older people and those with a long-term illness • To improve mental health and wellbeing
Meeting the needs of children and young people	• To support children, young people and families to lead healthy lifestyles • To identify and deal effectively with bullying and support all children, young people and families who have been affected by it • To raise the educational achievement of all children and young people • To ensure children, young people and their families have access to positive things to do and enjoy in their communities
Stronger communities	• To provide decent, appropriate and affordable housing that meets the diverse needs of Worcestershire • To improve quality of life in Worcestershire by providing vibrant cultural and sporting opportunities for all • To support effective volunteering that is accessible to all • To reduce income deprivation including child and pensioner poverty • To deliver an accessible, affordable, safe, convenient, sustainable and integrated passenger transport network

The themes are led by six groups and housing aspects fit primarily within stronger communities. The Housing Strategy has been developed with strong links to the Sustainable Communities Strategy, associated theme groups and the Local Strategic Partnerships have been a key consultee.

The Worcestershire Partnership has recently agreed to move to a single Sustainable Community Strategy for the County that will run from 2011. Revision of the strategy is currently in place and future updates of strategically relevant documents including the Housing Strategy and Local investment Plan will need to reflect the themes and priorities agreed by the Partnership.

Worcestershire Community Safety Agreement 2010/11

There are also links with the Safer Communities Board (SCB) which is one of the theme groups of the Worcestershire Partnership responsible for delivering the "Communities that are safe and feel safe" block of the Local Area Agreement. It was established to take responsibility for those areas of community safety that require a countywide perspective and to strengthen the strategic co-ordination of community safety activity in the county of Worcestershire, against the overarching priorities identified in the relevant section of table 2 above. The majority of funding is accessed from Central Government via the area based grant (ABG) or via the Local Area Agreements (LAA), both of which exists at county-wide level and is distributed by the SCB. The SCB has a joint commissioning role, which is increasingly becoming a key way of meeting joint or common strategic priorities. Community Safety initiatives in the County are delivered by four Community Safety Partnerships (CSPs) in Bromsgrove, Redditch, South Worcestershire and Wyre Forest.

The following countywide priorities have been identified for Worcestershire:

- **Anti-social behaviour – including agreed anti-social behaviour minimum standards and improving perceptions**
- **Offending / re-offending – including a strategy to deliver the new re-offending requirements placed on CSPs and responsible authorities**
- **Preventing violent extremism / building community cohesion**

The priorities have been informed by what the four local Community Safety Partnerships identified as the main issues for local people. The Housing Strategy will work to promote inclusion by delivering sustainable communities, improving people's life chances, raising capabilities, creating opportunities and developing stronger alignment to economic development through education and employment pathways to seeking and securing work. The impact of the recession in terms of deprivation and unemployment will increase the demand for local services at a time when public sector resources are being significantly reduced. This strategy will work to find bespoke ways to address these issues and focus on ways to achieve a home and a job for vulnerable groups including offenders under probation supervision, adults in contact with secondary mental health services and adults with moderate to severe learning disabilities.

Core Strategies

Core strategies set out the long term vision, objectives and key policies for development in Worcestershire. In the north, Wyre Forest district already has in place an adopted core strategy while Bromsgrove and Redditch will issue draft core strategies for consultation early in January 2011. The three south Worcestershire districts are in the process of completing a joint core strategy.

Of particular importance to the Housing Strategy and the LIP will be the policies set out by core strategies on housing provision, approaches to affordable housing, regeneration priorities and commercial development. Priorities identified in the Housing Strategy and the LIP will need to be consistent with policies set out in the core strategies, and the location, scale and characteristics of housing developments will be driven in part by local authority planning policies on developer contributions, the preferred composition of affordable housing schemes and the allocation of land for housing.

Local Area Action Plans (AAPs) and a number of Supplementary Planning Documents (SPDs) have also informed the preparation of the LIP. They are essential to understanding the mix of development that local authorities are seeking to deliver in specific localities. The development of Tenure Strategies and the introduction of the new Affordable Rent Model will be an important factor when updating planning policy and supplementary planning documents and is a key action within this Housing Strategy.

Capital & Asset Pathfinder

Worcestershire is one of several pilot areas for the national Capital and Asset Pathfinder initiative. This initiative has been designed to enable partners to explore new ways of pooling budgets to secure efficiency savings, primarily through the better management of buildings and other assets. Partners have already undertaken a detailed asset mapping exercise, and the pathfinder may assist in identifying potential solutions to the use of publicly owned assets to support housing and regeneration schemes.

Homelessness Strategy

The Worcestershire Homelessness Strategy can be found on any of the district council websites and is due for renewal during 2011/12 and will have strong links to this Housing Strategy.

The vision for the current Homelessness Strategy is "to ensure that everyone has access to a place they can call home, where they can close their door and feel safe."

The six key priorities are;

- To better understand the needs of key client groups for the delivery of appropriate housing services
- To develop a countywide methodology and system for data collection for homelessness information
- To share good practice and knowledge of the delivery of housing advice and homeless services
- To develop joint working processes and strategic partnerships across the County
- To empower customers to make a positive change to their lives
- Support the development of appropriate types of accommodation for key client groups.

Links with other Strategies

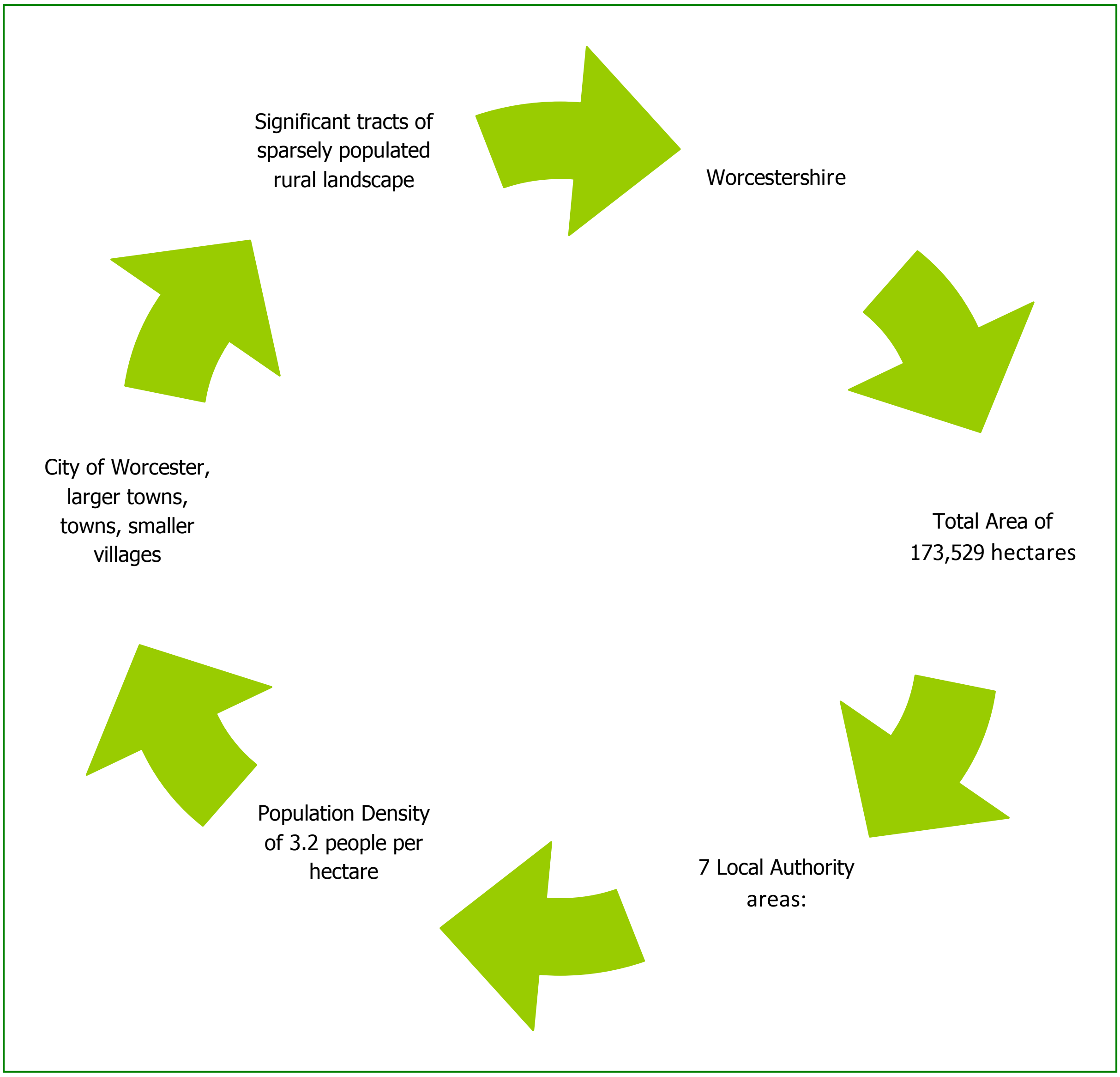
National Policy Framework	Regional Policy	Worcestershire Strategies
• Sustainable Communities Plan 2003 • Housing Act 2004 • Homelessness Act 2002 • Planning Policy Statement 3 (PPS3) • Homes for the future, more affordable, more sustainable. • Housing & Regeneration Act 2008 • Creating Strong, Safe and Prosperous Communities 2008 • Council Housing: A Real Future (2010) • Localism Bill (2011)	• West Midlands Regional Housing Strategy • West Midlands Leaders Board Priorities • Local Enterprise Partenrships • HCA Single Conversation • Regional Economic Strategy	• Sustainable Community Strategy • Local Investment Plan • Homelessness Strategy • Supporting People Strategy • Children & Young Persons Strategy • Telecare Strategy • Older Persons Strategy • Mental Health Strategy • Housing Strategy – Learning Disabilities • Domestic Abuse Strategy • Joint Commissioning Strategy

4. WHAT WE KNOW

Worcestershire's Key Characteristics

Worcestershire is a large and diverse county noted in the UK for its historic built environment and an outstanding natural environment. The key features of the county's geography, economy and population have played a critical part in shaping its housing markets, and in turn they provide the context for the priorities partners have identified in both the Worcestershire Housing Strategy and LIP.

Worcestershire Geography



(Insert map of W'shire inside the circle and behind arrows as a watermark)

The county provides a high quality environment to live in which has been an important factor in the trajectory of its housing markets during the past decade. The south is geographically self-contained and functions around the role of the city of Worcester. The demand for housing is strong and sustained, driven in part by urban and rural settings which have proved to be a strong draw for house buyers, particularly in older age groups. Many areas of the three northern districts have seen a strong demand for housing resulting from in-migration from the Birmingham conurbation.

All areas of the county continue to experience significant affordability issues and constrained development despite the recession and as a result of upward pressure on house prices and land values.

Population

The population of Worcestershire was estimated to stand at 556,000 in 2009. The County has seen growth of just below 9 per cent in its population since 1991, above average for the West Midlands but on par with the national growth rate.

The age structure of the county's population and expectations about the way it might change are important drivers of the scale and nature of housing that the area will need to provide in the future. Population estimates for 2009 clearly shows that the county is over-represented in older age groups (particularly 50-70 year age group) but under-represented in younger age groups. This is a critical issue both for Worcestershire's future workforce and the pressure it places on services (increased demand for health care, smaller tax base), and it needs to be addressed in the approach to meeting housing need, the investment in housing and creating sustainable communities.

Worcestershire's Housing Market

In order to improve understanding of the South Housing Market Area a full Strategic Housing Market Assessment was commissioned by the Partnership in 2006 and annual updates have been undertaken since this date. The most current update can be found at:

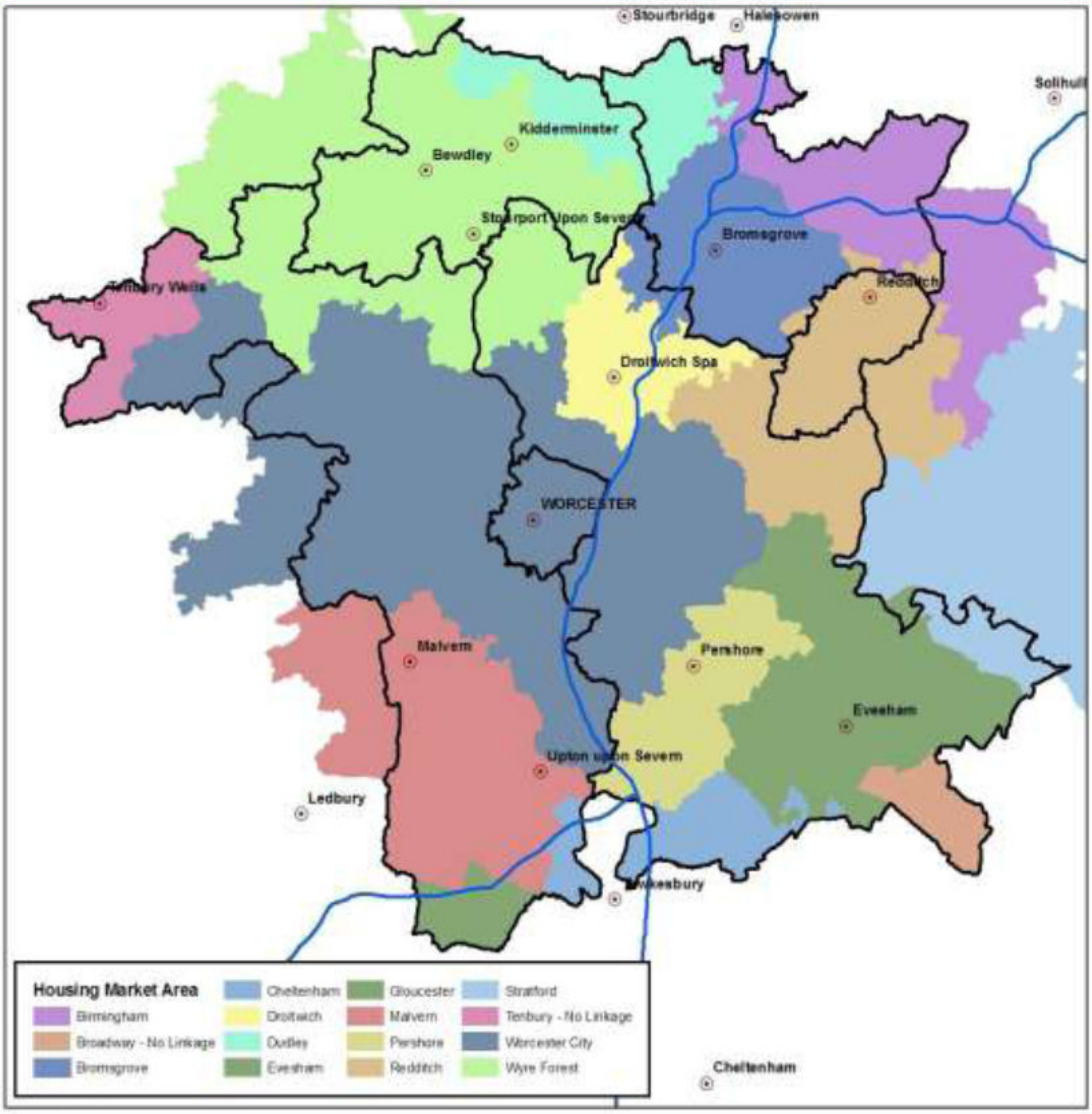
http://www.worcestershire.gov.uk/cms/community-and-living/research-and-intelligence/housing-and-economy/housing/shma.aspx

A further full Strategic Housing Market Assessment is being carried out currently for 2010/11. The methodology used will provide data to support our understanding of the new Affordable Rent Model and how this can be used effectively to meet housing need.

In a large county covering an area of 1,471 sq km, Worcestershire's housing markets are characterised by a northern area which has a strong relationship with Birmingham, Solihull and the Black Country and by a more economically self-contained area in the south in which the growth and strong economic performance of Worcester City has been a key factor in determining the size and value of local housing markets.

The draft Local Economic Assessment for Worcestershire (2010-11) identifies eight housing markets in the county highlighted in the map below.

Worcestershire's Housing Market Areas



Source: Worcestershire Local Economic Assessment, 2010-11

Worcestershire's housing markets have been through a sustained period of buoyant demand during the 2000s. Between August 2001 and July 2010, average prices in the county rose from £100,000 to £167,000, peaking at £190,000 in December 2007. Detached house prices almost doubled between August 2001 and December 2007. Over a decade which saw unprecedented rates of growth in house prices, the six Worcestershire districts contributed to the southern housing market area (HMA) of the West Midlands experiencing the highest price inflation of any of the region's HMAs.

However, the housing sector in Worcestershire has been particularly hard hit by the recession. Sales have fallen dramatically from their peak in 2006, while the completion of new homes also fell sharply after 2007 as house builders bore the brunt of the credit crunch. In a county in which lower quartile affordability ratios are significantly higher than both the national and West Midlands averages, the recession has further exacerbated the impact of affordability problems on Worcestershire's economy.

Despite the recession, one of the main effects of the recent period of strong demand is that Worcestershire now has some of the highest value housing markets in the West Midlands. Local housing markets within parts of south Worcestershire have some of the highest cost housing in the West Midlands, with prices having risen particularly sharply during the mid 2000s. For example, Malvern Hills has seen substantial price increases allied to higher than average increases in average household income in recent years. This reflects a combination of the area's AONB status, a reputation for its high quality of life and high levels of well paid knowledge workers with the location of QinetiQ in the district.

In common with much of the UK, price inflation has resulted in significant affordability problems in Worcestershire, and this has become an important issue for the county's economy. Data for 2009 shows a county wide lower quartile affordability ratio of 7.3, well above the regional (5.8) and England (6.3) averages. The affordability issue is most pronounced in those areas which have seen strong rates of in-migration in recent years (eg. Wychavon and Malvern Hills) in the south of the county, but even in lower cost local housing markets (eg. Redditch), the lower quartile income-price ratio still stands at 6.4, ie above average. This issue reflects the characteristics of local housing markets in an area which is seen as a desirable place to live with good standards of living, good quality services and easy access to large employment centres in both the Midlands (Birmingham) and, increasingly, the south east.

Affordability problems are especially acute in the starter homes market. For South Worcestershire, housing market data point to a mismatch between incomes and house prices which is especially acute in the family starter homes market (2 bedroom). At the same time, Worcester, Droitwich and Evesham have been identified as having the biggest current and projected shortages of affordable housing. Redditch and Wyre Forest have the biggest stock of more affordable property with 24.2% and 25.7% of properties sold in 2008/09 for under £120,000 compared to just 5% in Pershore.

A key outcome of high housing costs has been difficulties for particular population groups in securing a foothold on the housing ladder and their ability to climb the ladder. Evidence generated for the strategic housing needs assessment for South Worcestershire underlines particular problems faced by young families seeking to purchase a first house or rent a property, and those with expanding/growing families. For those who cannot afford to buy property, the challenge is exacerbated by a supply shortage of property for rental in the £500-600 per month category. For

Worcestershire’s economic development, this is an issue both for the growth and prosperity of its town and for the sustainability of rural communities, where prospects of living and working in the same location are severely restricted by a lack of affordable property and limited employment opportunities.

High levels of demand for housing in some areas of Worcestershire have been fuelled by its position as an attractive location for commuters. Data for earnings in Bromsgrove show that resident average earnings are £8,000 higher than workplace earnings, underlining the extent to which the area has attracted well paid commuters who are working in Birmingham and the surrounding area. However, the pattern is not replicated across the County. While parts of Wyre Forest have seen increases in out-commuting, this has not been matched by strong demand for new homes in the district, and house builders have shown comparatively limited interest in the area.

The high level of in-migration to Worcestershire has presented a complex challenge for south Worcestershire’s housing markets, where evidence suggests that in-migration by buyers with the financial means to purchase family homes is crowding out potential local buyers on lower incomes. Travel to work data produced by the West Midlands Regional Observatory (March 2010) show that in managerial and professional occupations, Worcestershire has a very strong relationship with Birmingham. Mobility within local housing markets is further restricted by a tendency (identified in the Strategic Housing Needs Assessment) for older people to retain family housing because of a shortage of stock and development aimed at ageing residents.

Local housing market areas faced with high demand have been constrained in their ability to develop new housing, although the pattern has not been a consistent one across the county. For example, Worcester’s geographic expansion has been bounded by controls on new development on the edge of the town. Clearly, market forces have also played a critical role in supply side issues, with a preference for higher value developments and apartment schemes inevitably overriding pressure for more affordable supply in lower value locations.

Despite these constraints, the county has a good recent record of delivering new homes, reflecting the commercially attractive environment it continues to offer private sector developers and Registered Providers. During the 2000s, the county achieved a house building rate of 1,900 units a year on average. However, the recession has resulted in a marked fall in new completions, and the county fell well short of the Local Area Agreement target for completions in 2008-09. While there are some signs of recovery in the market, it has been slow to emerge and continued economic uncertainty makes it a difficult climate in which to bring forward new housing schemes.

Following the decision to revoke the Regional Spatial Strategy for the West Midlands, housing targets will be set by the core strategies currently being produced by each of the county's district authorities. However, maintaining the level of new build required to meet demand is a key challenge for partners. The level of additional affordable homes required for Worcestershire is 2,277 needed each year to keep pace with demand. This strategy also points the need for sustained investment in new housing stock to meet demand from older people, including extra care and specialist care provision. Projected increases in the number of people over the age of 65 also require a remodelling of the existing stock to offer more aspirational homes for purchase and rent.

Stock Condition

While the condition of homes in the social rented sector is good with most meeting the Decent Homes standard at the deadline of 2010, this is not the case with privately owned homes. Nearly 40 per cent of these fail to meet the standard and a substantial number are a risk to the health and safety of those who live there. Heating and insulation is a problem, with more than 20,000 households in fuel poverty.

In most of the districts there are few private landlords and a relatively low supply of privately let flats and smaller sized dwellings. Some increases in purchase by investors of properties to let are in evidence but the majority of these properties are offered at very high market rents that are not accessible by those in housing need. Houses in multiple occupation are disappearing in high cost areas as owners derive profit from conversion to apartments for sale.

The City of Worcester has a greater supply of houses in multiple occupation than other districts but the poor condition of some is not conducive to making them attractive lets. This lack of an active low cost private rented sector will be made worse with the expansion of University College Worcester from 7,000 to 13,000 students. This expected increase in demand could limit access to rented accommodation to meet general needs.

The level of empty homes in most districts is low and is projected to decrease offering limited opportunities for use as affordable housing. Reductions in Council Tax discounts have been made by some authorities to try and stimulate the return of second homes to full time occupation but the impact is limited

Decent Homes

Approximately 39% of the homes within the County are deemed non-decent. The highest proportion of non decent homes are located in Malvern Hills, where 50% (13,453 properties) of the housing stock is deemed non-decent. The highest number of non decent homes in any one district are found within Wychavon (16,710 – 41%) where it has been assessed that in order to tackle non decency approximately £139,698,693 is required. The lowest levels of non decency found within the county can be found within Redditch, with 30% of the stock being deemed non decent. The average cost of bringing a non decent property back into decency across Worcestershire is £8,360 per dwelling. Therefore the total investment required across the whole county is £635,294,639

Housing Health & Safety Rating System

Nationally the major cause of failure under Decent Homes has been as a result of inadequate thermal comfort, however there has been a significant shift to failures under the Housing Health & Safety Rating System increasing from 18% in 2001 to 24% in 2008. Within the Worcestershire County there are an above average number of properties failing HHSRS (28%) with Malvern Hills having the greatest proportion (38%) of the homes in the County failing under HHSRS and Redditch to the north of the County with the lowest proportion 19%.

The average cost of repairs for owner occupied properties with a category 1 hazard in Worcestershire is £8,811.

Thermal comfort

The national Decent Homes rate of failure on thermal comfort is 17%. The Worcestershire average is 20% (38,571) of dwellings failing the Decent Homes Standard as a result of inadequate thermal comfort. The district with the highest failure rate is Wyre Forest with at 24% which results in approximately £59,314,230 of investment needing to be spent to remove this risk and Redditch having the lowest proportion of homes that fail under thermal comfort at 16%. The Worcestershire average cost of remedying an owner occupied property with an inadequate thermal envelope is approximately £7,017.

Modernisation

The recent BRE (Building Research Establishment) report for Worcestershire identifies that the cost of works are considerable when modernising properties throughout the county. The Worcestershire average is 1.3% of dwellings failing Decent Homes Standard as a result of modernisation requirements. The north part of Worcestershire is more in line with the national average of 1% with Bromsgrove recording 1% and Redditch 1% of dwellings failing under modernisation. Worcester City (2%) and Malvern Hills (2%) are further above national average of stock not meeting modernisation requirements of the Decent Homes Standard. The Worcestershire average cost of repairs necessary for owner occupiers to undertake in order to provide adequate modern facilities within a Worcestershire home is approximately £22,462 per property.

Disrepair

The National average for properties failing Decent Homes Standard for reasons of Disrepair is 8%. The Worcestershire average is 10% with Wyre Forest having the greatest proportion of housing (13%) that fails under the disrepair aspect of the Decent Homes Standard, amounting to approximately £79,841,448 of required investment to address the issue. This is significantly above Redditch's level (7%) which is below the national average of 8%. In order to remove disrepair issues from properties within Worcestershire it has been deemed that it would cost approximately £17,762.28 per property.

Vulnerable Households

Nationally the average proportion of all properties that are occupied by vulnerable people who live in non decent homes is 8%. Within Worcestershire this average proportion of all dwellings that are occupied by vulnerable people that live in non decent accommodation is 7% with Malvern Hills having the largest proportion of properties occupied by vulnerable people living in non decent homes being 9% and Bromsgrove being the lowest with 5 %.

There are 33,379 number of households that are classified as vulnerable or on a low income. Of these vulnerable households an estimated 13,768 are classified as living in non-decent homes which represents 41% of vulnerable household. Conversely this means that 59% of vulnerable households are living within decent accommodation.

Fuel Poverty

Fuel poverty is defined as householders spending more than 10% of their income on heating and fuel provisions within their property. On average 14% of households in Worcestershire experience fuel poverty and the problem poses the greatest threat to households in Malvern with 17% of the population being in fuel poverty which is 5% higher than the national average (12%) and Wyre Forest at 8%.

Worcestershire districts have an above average population of residents over the age of 65 and above 75. There is an identified need to support older people to maintain and to assist them to remain in their homes through the provision of Disabled Facilities Grant and other grants. Strong, and in many cases significantly increasing, demand for Disabled Facilities Grants (DFG) is evident. Given the ageing population within the area this demand will almost certainly continue.

Countywide HIA

Worcestershire districts have an above average population of residents over the age of 65 and above 75. There is an identified need to support older people to maintain and to assist them to remain in their homes through the provision of Disabled

Facilities Grant and other grants. Strong, and in many cases significantly increasing, demand for Disabled Facilities Grants (DFG) is evident. Given the ageing population within the area this demand will almost certainly continue.

Each of the Council's work on Disabled Facilities Grants across tenure and other housing assistance to the private sector is channelled through a Countywide Home Improvement Agency. The Worcestershire partner organisations identified significant benefits for local older and disabled residents from delivering services through a partnership arrangement that covers the county and works closely with social care and health professionals.

A Worcestershire wide Care & Repair Agency was established during 2010 with a vision to deliver a range of options, including helping people to repair, improve, maintain or adapt their home. The purpose of the service is to help people live independently, in the home of their choice, warm, safe and secure. The range of services on offer include:

- Information, advice and signposting
- Disabled Facility grant and other housing grant work
- Fitting aids and adaptations
- Minor works and handyperson services
- Falls and accident prevention
- Hospital discharge support
- Home energy, security and safety checks
- Advocacy and support on housing options
- Kickstart loans

Kickstart

A number of additional funding streams were accessed during the set-up of the service including Kickstart funding. Unfortunately the government funding allocated to support the delivery of this service has been withdrawn. Kickstart was a regionally funded scheme that provides an additional or alternative form of assistance to help home owners improve and renovate their dwellings through subsidised equity release loan facilities. The funding for this scheme was held centrally by Birmingham City Council and administered by them on behalf of the partnership. It was envisaged that based upon the projected available funding, the service would have been able to provide up to 30 Non Equity (such as unsecured loans) and 36 Equity Loans in Year 1 building up to 48 Equity Loans and 50 Non Equity loans by year over the three year programme. This will deliver approximately £380,000 of work up to the end of the financial year 2010/11. It will now be necessary to consider how private sector improvement can continue without the mix of equity and non-equity products for those people needing to undertake decent homes work to their property.

Due to constraints on capital budgets the local housing authorities are unable to satisfy demand for discretionary grants to improve private sector dwellings or even to meet requirements for mandatory DFG's. The role of Home Improvement Agencies & the Kickstart products were essential to reducing the impact of the withdrawal/reduction of discretionary assistance. An area of work to be investigated would be to identify sufficient core resources rather than relying on fee income and Supporting People funding. A possible avenue is to work with health authorities to contribute to HIA funding, as one of the key outcomes for HIAs is the reduction of hospital admissions and bed blocking.

The new health landscape will have significant impacts for social housing. The importance of decent, affordable housing in promoting better health outcomes is critical and housing providers, beyond their role as providers of directly commissioned services, should therefore be able to expect a place at the table under the new arrangements for promoting health and wellbeing. The housing sector has long argued that investment in housing and housing related support offers real benefits for health. The NHS reform should offer new opportunities for housing to become involved with other partners in local government and health in providing preventative and community health services as well as care and support services. Housing's expertise should not be forgotten and should be used more effectively or new relationships will need to be built to deliver across housing, health and social care.

Older Persons Accommodation and Support Needs

The six strategic housing authorities working with the Worcestershire County Council and Supporting People commissioned research into the housing and related support needs and aspirations of older people living within Worcestershire over the next 20 years. The full report findings can be found at:

http//www.worcestershire.gov.uk/cms/health-and-social-care/supporting-people/strategic-reviews.aspx.

Some of the key findings were;

Older people are the housing services largest and most rapidly growing client group.

In Worcestershire by 2031 there will be a 52% increase in those over 60 and a 155% increase in those over 85. Rates of growth vary between Districts with higher growth in Wychavon and Malvern Hills. In absolute terms, Wychavon and Wyre Forest have the biggest population of older people.

This research recognised that there was an above average provision of sheltered housing across the county but an under-provision of Extra Care units and that an additional 1938 units were required within the county, although needs and current supply within each district varied.

The research also recognised the current imbalance in supply between older people's accommodation to rent (through Registered Social Landlords) and properties for sale, particularly opportunities for low cost home ownership (the need for an additional 4636 units).

There were also issues raised around the quantity and quality of affordable sheltered housing and the need to reduce provision by 1171. However the supply of sheltered housing varied across the districts. There was also a requirement to provide more enhanced sheltered housing (1610 units).

There is an identified requirement for housing for people with dementia of 838 units and the growing need from elderly people with learning difficulties.

The research also identified a critical need for better signposting for older people to the range of housing options available from trusted sources and expanding the advice already available to include all services and funding opportunities available including equity release options.

Also the need for both Home Improvement Agencies and floating support services was identified to assist the growing numbers of elderly home owners remain in their homes. This will include the need for support to be available to those individuals pursuing the choice and control agenda and requiring support to identify and access care packages.

Levels of owner occupation amongst older people in Worcestershire are very high at over 80% in the 55-74 age range underlining the importance of planning for all tenures but also the possible role of equity schemes.

There are 745 households over 50 on housing waiting lists with an accepted housing need, there are also a small but growing number of older people with learning disabilities to cater for.

Nationally demand for specialist accommodation for people from Black and Minority Ethnic (BME) groups outstrips provision. With a predicted growth in the number of BME elders and changing cultural attitudes amongst younger BME family members, it is anticipated that demand will increase further over the next twenty years.

Within Worcestershire the number of BME elders is relatively low at just 1.3% of the older population. However, it is important to note the higher proportion amongst the 'rising elderly' group of people aged 55 to 64 is 1.5% compared with just 0.7% of those aged 85+.

These findings identify substantial demographic changes taking place within the county. The information will be used as a sound basis for forward planning and thinking through the way all housing authorities and their partner Registered Provider's should respond to the seismic, demographic shifts taking place. The Older People's Strategy and synergy with this strategy will be one of the mechanisms to address how we are going to reshape the specialist housing and related support services to meet these needs.

Gypsy & Traveller Accommodation & Support Needs

The local authorities of the South Housing Market Area commissioned a Gypsy and Traveller Accommodation Assessment which was published in January 2008. The assessment estimates unmet accommodation needs and identifies aspirations and perceptions in respect of alternative types of site. The study also considered the needs of Travelling Showpeople.

The Government's bi-annual caravan count in July 2007 shows that Worcestershire has a far higher number of Gypsies and Travellers than any other county within the region, with 445 caravans. Worcestershire's number has increased by 26% in the last 2 years, which is well above average. There has been substantial reduction in the proportion of Gypsy and Traveller population which is travelling in pursuit of employment resulting in a more settled population.

For Travelling Showpeople there has been less of a reduction in travelling for employment. Sites are pre-arranged when they are away from their base, so unauthorised encampments do not occur.

Pitch Requirments

Table 3: Summary of Additional Site Requirement for 2008/13

District	Permanent Pitches	Permanent Showpeople 'Yards'	Temporary Stopping Places	**Total**
Bromsgrove	0	0	0	**0**
Malvern Hills	26	8	10	**44**
Redditch	0	14	18	**32**
Worcester	16	0	20	**36**
Wychavon	40	0	20	**60**
Wyre Forest	30	0	0	**30**
Sub-Region	**112**	**22**	**68**	**202**

includes 20 pitch private site for specific group

The greatest amount of provision required is related to:

The present level of overcrowding on approved sites,

The small number of permanent unauthorised encampments, and

The growth requirement from a largely settled population.

Apart from Bromsgrove and Redditch, the largely settled population contains a high proportion of families from which household growth can be expected.

The study recommends that as almost one third of the provision required is related to the very transient groups of mainly Irish Travellers –it would be more appropriate to establish Temporary Stopping Places, with a minimum and unobtrusive level of facilities, that could be brought into use as and when required. Accommodation for Travelling Showpeople will normally be acquired and managed privately, so site identification in conjunction with the Showmen's Guild will be a sufficient response. Sites for permanent pitches for Gypsy and Traveller families will need to be predominantly on sites that are acquired, managed and developed by local authorities or RSLs, and can receive 100% government funding.

This strategy draws down from a wide range of sources of information that have led us to establish our mission, vision and goals and ultimately our action plan. A number of these have already been discussed in earlier sections of the document but sources also include:

1. A wide range of specific studies carried out by the individual local authorities that have informed their housing and planning strategies.
2. data from the partner agencies that help to inform the housing challenges e.g. National Health Service falls data and housing association stock condition information
3. Wide ranging consultation with residents, representative groups and partners.

Consultation during the development of this strategy was linked with that undertaken to develop the Supporting People Strategy, the Older Peoples Strategy, the Domestic Abuse Strategy and the Joint Commissioning Strategy where possible. This helped to reduce consultation fatigue, achieve better value for money and ensure that outcomes were effectively linked.

In addition to looking inwardly at the issues facing Worcestershire we have sought to identify and use good practice from elsewhere through beacon council and good practice visits.

Review of Rural Enabling Across Worcestershire

A review of rural enabling activity was undertaken within Worcestershire during 2011 with support from consultants, Rural Housing Solutions. This review was to evaluate performance within the county, identify barriers to affordable housing delivery, look at best practice, review the governance, structure and funding arrangements with a view to improving joint working with partners and the speed of delivery.

Four main challenges were identified as follows;

1. **Gaining and maintaining political and executive leadership**
   Includes developing a Communications Strategy, an ambassadorial role by a senior councillor for each Local Authority area and to ensure rural enabling is a golden thread running through corporate plans and strategies.

2. **Providing a supportive strategic policy framework**
   Includes exploring the use of Home Choice Plus choice based lettings scheme and other techniques to inform local housing needs data, undertaking specific rural analysis as part of the SHMA, developing more proactive planning policies and a more responsive approach to rural affordable housing involving local communities

3. **Securing capital and revenue funding**
   Includes ensuring local funding and targets for rural enabling within the Local Investment Plan, introduction of tariffs to support rural community infrastructure, planning policies which respond to lack of funding by considering option of cross subsidy, longer term sustainable funding for the Rural Housing Enabler service which is value for money.

4. **Performance management and delivery of a rural programme**
   Includes the establishment of robust governance arrangements for rural enabling across a range of partners/funders, clear Terms of Reference and decision making, common Performance Management Framework, audit of enabling resources and agreed work plan, implementation of a delivery team approach and increased speed of delivery

A sub-group of the Worcestershire Rural Housing Enabler Steering Group are using this work to develop a forward Action Plan for the county.

4. VISION, MISSION AND GOALS

Our **Vision** is:

"The right home, at the right time, in the right place"

This means that we want every household in Worcestershire to be able to access housing that suits their needs and circumstances when they need it. It is implicit in the vision that we want all housing to reach an appropriate standard, currently the Decent Homes Standard, and that the right home means one that is affordable to the households budget. However we do not mean that changing household circumstances should always result in the need to move home. Our vision embraces a much wider approach which always involves a housing options assessment to ensure household needs are met.

Our **Mission** is:

"We will work with individuals, communities and partners to deliver housing opportunities so that people have the right homes, at the right time and in the right place"

In order to achieve our vision and provide focus for our mission we have identified four primary goals. These are underpinned by four goals that will ensure that our work in delivering the primary goals creates sustainable communities, provides value for money, enables equality of access to all and helps to combat climate change.

Our **Primary Goals** are:

(all goals are to be achieved between 2011 – 2016 unless otherwise specified)

- **Better use of existing homes -** We will maximise the use of the existing housing stock by:
  - Bringing **700** empty properties back into use,
  - Adapting **2500** for disabled occupants through Disabled Facilities Grants & Registered Provider schemes,
  - Helping **400** households with a disable member to move to suitable alternative accommodation,
  - Helping **1200** households to move who have more than one bedroom surplus to their requirements,
  - Helping **3000** overcrowded households move to a more suitable home.

- **Delivering new homes** - We will enable **500** new affordable homes which meet local needs in terms of property type, size, tenure and affordability by 31st March 2012.
- **Improving the condition of existing homes -**We will improve the condition of 2500 private sector homes using direct action of the local authority by 2016 to improve peoples' quality of life.
- **Providing housing related support** - We will seek to maintain 42,000 positive outcomes for vulnerable people

Our **Underpinning Goals** are:

- To ensure that our plans contribute to the development of sustainable communities and economic success for Worcestershire having regard to the themes and cross cutting themes of the Sustainable Community Strategy, both within new housing developments and our regeneration activity.
- To adopt a strategic commissioning approach, including identification of needs; gap analysis; prioritisation; outcome based commissioning; monitoring and review, to ensure the right solutions are provided.
- To embrace the diversity that exists within Worcestershire and ensure that we plan to meet the diverse needs of our communities.
- To ensure that services are delivered efficiently balancing performance, customer satisfaction and cost

The way in which we will deliver our goals is outlined in the following sections together with a detailed action plan for each goal.

5. GOAL 1 MAKING THE BEST USE OF EXISTING HOMES

What we know

Achievements to Date

- Empty Homes Strategies or policies are in place for each district.
- 138 empty homes brought back into use during 2009 - 2010.
- 2 authorities assisted 72 applicants to downsize through financial incentives during 2009 - 2010
- 5 authorities assisted 158 applicants to downsize through allocations during 2009/2010.
- Access and use of their existing home was enabled for 1373 disabled people through provision of Disabled Facilities Grants (financially completed cases) during 2007-2010.

Supporting Evidence of Future Challenges

- Reliance on the Private Rented Sector is growing because of limitations in social housing supply, and because first time buyers cannot afford owner occupation until much later now.
- The Private Rented Sector is increasingly important in preventing homelessness and widening choice through Choice Based Lettings. Deman for homelessness services is predicted to grow.
- Many private landlords are inexperienced – an estimated three quarters of landlords are individuals or couples, the majority of whom don't let properties as their main profession.
- Reuse of empty homes is seen as a priority by local people – 97.2% of respondents to the Housing Strategy survey.
- High levels of under-occupation in socially rented housing stock evidenced by surveys in Wychavon and Bromsgrove and this is likely to be replicated across the County.
- Empty homes are a problem – although only 2.1% of the total housing stock there were 5,248 empty homes at the end of March 2010, of which 2,543 were privately owned and vacant for more than 6 months.
- Number of homeless preventions through rent deposit schemes is 491 during 2007 - 2010.
- Over supply of affordable sheltered housing (1,171 units in excess of projected need).
- 1696 households on the Home Choice register are living in overcrowded conditions.

- Demand for adaptations for disabled people is high – 665 customers were waiting for Disabled Facilities Grant approval at the end of October 2010.

Future actions to address the challenges

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
1.	Increase the number of empty homes brought back into use – homes that stand empty are a wasted resource and have a detrimental effect on neighbour hoods	a. Develop a countywide toolkit for bringing empty homes back into use, including: improving informal advice and encouragement through practical measures such as flats above shops, working with RP's to purchase or lease and to use enforcement powers but as a last resort	Existing staff resources	Worcester C C	April 2012	- Government priority - HCA priority - New Homes Bonus - Community Safety
		b. Attract available Government funding to maximise the number of empty properties brought back into use - The Government is exploring a range of measures to bring empty homes into use	National funding Local Investment Plan Existing staff resources	All Local Authorities / CHOG	2011 - 2014	- Government priority - HCA priority - New Homes Bonus

Page 137

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
2.	Reduce the level of under occupation in affordable housing	a. Develop a Countywide approach to identifying under-occupation –	Existing staff resources	CHOG	March 2012	- Reduced funding to deliver new affordable housing means there is a need to better utilise existing stock - Link to 2 year minimum tenancy proposal by coalition government
		b. Use the Allocation policy to facilitate moves from under occupied affordable homes to more suitable accommodation	Existing staff resources	HC+ Steering Group & Redditch BC	2011 - 2016	- Reduced funding to deliver new affordable housing means there is a need to better utilise existing stock
		c. Encourage under-occupiers to move to smaller accommodation through the development of a comprehensive package of incentives eg. Data research, financial incentives, advice, options interviews, support to	Existing staff resources	Wychavon D C	March 2012	- Reduced funding to deliver new affordable housing means there is a need to better utilise existing stock

Page 138

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
		move, creating a protocol with other partner agencies				
3.	Increase the use of the private rented sector	a. Use choice based lettings schemes to promote the choice of privately rented homes as an alternative housing option	Existing staff resources	All Local Authorities	2011- 2016	- Local decisions – a fairer future for social housing - Reduced funding to deliver new affordable housing means there is a need to better utilise existing stock
		b. Actively work with private landlords to promote a good joint understanding, foster good working practices and overcome obstacles to providing homes to people in need eg local authorities with voluntary accreditation schemes can help landlords to self-regulate – an extremely cost	To be locally determined	All Local Authorities	March 2013	- Local decisions – a fairer future for social housing - Reduced funding to deliver new affordable housing means there is a need to better utilise

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
		effective way to improve standards in the sector in preference to more expensive enforcement action.				existing stock
4.	Reduce the number of people living in overcrowded conditions	a. Work with partners to develop a toolkit of measures for use across the county to tackle overcrowding e.g effective allocation policies, managing houses in multiple occupation (HMO's) through licensing and registers	Existing staff resources	CHOG	March 2013	- Further powers to be introduced by Government
5.	Enable people to make the right choice of home and where appropriate repair / adapt to meet the needs of the occupants	a. Further develop the housing options approach in ensuring the right housing solution is found which considers household needs and also achieves best value for money in service provision - homeless prevention - adaptations - support to move to the a more suitable property	Existing staff resources	All Local Authorities – Worcestershire Care & Repair	2011-2016	- Best use of additional resources provided by Government towards provision of DFGs and homelessness.

Page 140

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
		b. Research means of ensuring more effective use of the resources available to repair homes by offering financial assistance not grants	Availability of Kickstart funding and recyclable LA financial assistance	All Local Authorities	2011-2013	- Better use of existing resources
		c. Improve housing opportunities for single people by developing a shared housing living model across all tenures	Existing resources	Bromsgrove DC	March 2014	- Housing Benefit Reforms
6.	To create move on opportunities within supported housing and floating support services	a. Work with partners to provide support to enable people to move on to full independence from supported housing and floating support	Existing resources	All Local Authorities / Worcestershire County Council / Primary Care Trust / Probation	2011 – 2016	- Government Priority
		b. Free up supported accommodation by facilitating move on eg through choice based lettings schemes and implementation of the Move On Protocol Plan (MOPP)	Existing resources	HC+ Steering Group & Redditch BC	2011 - 2013	- Better use of existing resources

Goal 1 – Better use of existing homes						
Links to other Strategies and Plans – W'shire Sustainable Communities Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Local Empty Property Action Plans, Local Private Sector Renewal Strategies, W'shire Community Safety Action Plan, W'shire Supporting People Strategy, Older People's Strategy, Registered Providers Business Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Changes**
7.	To address the issue of over/under and inappropriate supply of sheltered and supported housing within the county	a. Undertake strategic service reviews of mental health, learning disability, physical disabilities, domestic abuse and chaotic lifestyles	Existing resources	Supporting People	2011 - 2016	- Government priority - Better use of existing resources
		b. Use existing research and evidence to determine whether the best use is being made of current supported / sheltered housing supply and where appropriate re-model to alternative uses	Existing resources	CHOG	2011 - 2016	- Government priority - Better use of existing resources

6. GOAL 2 DELIVERING NEW HOMES

Achievements to date

- In spite of the impact of the decline in the economy, 1386 new homes were delivered in 2008/09 against the Local Area Agreement target of 1830 (NI 154). In the early years of the Local Area Agreement performance exceeded this target.
- 501 new affordable homes were delivered in 2009/10 exceeding the Local Area Agreement target of 380 (NI 155) by 121. In total since 2005 2,184 affordable homes have been developed.
- Standard heads of terms for section 106 agreements (planning gain) agreed for use across the County.
- As part of the Worcestershire Total Place project a review of property in the ownership of public bodies has been completed and a "property club" established to consider opportunities for better use of the estate, including potential for housing development.
- A Rural Housing Enabler has been employed with joint funding (local authority and housing association) and a review of activity across Worcestershire has recently been completed providing recommendations for future improvement.
- Social Housing Grant invested in Worcestershire has increased through lobbying during the 2008 – 11 period.
- Joint bids have been made for a rural housing delivery programme
- Joint work with Supporting People is ensuring co-ordinated development of supported housing schemes.
- Joint working across Worcestershire by housing and planning officers has enabled the Strategic Housing Market Assessments and Gypsy and Traveller Accommodation Assessment.
- 194 units of extra care housing have been commissioned jointly.

Supporting Evidence of Future Challenges

- 2,277 additional affordable homes are needed annually.
- 88.6% of residents surveyed during development of this strategy said affordable housing is a priority.
- As well as the need for additional homes there is a mismatch between supply and the aspirational needs of some households, e.g. demand for a mix of property types and sizes to enable older people to downsize.
- Property prices are high compared to national and regional averages, particularly in Bromsgrove, Malvern Hills and Wychavon.
- There is a significant affordability gap for those with average or below average incomes – the house price to earnings ratio[2] in 2009/10 was 7.27.
- Affordability is a particular problem in rural areas – the recent review of rural housing activity has provided some new challenges including the need for robust housing needs information and greater support at parish level to promote delivery of new homes.
- The affordability gap is leading to lower turnover in the social rented stock with consequent increases to waiting and transfer lists.
- Inward migration continues to have a significant impact driving up land and property prices – in 2008/09 Worcestershire experienced net inward migration of 1,500 households from the rest of the West Midlands and 500 from abroad.
- Most of the districts have a low supply of private rented accommodation.
- The level of empty homes in most districts is low and is projected to decrease offering limited opportunities for use as affordable housing.
- A significant loss of affordable housing through the Right to Buy has not been matched by new development.
- Local authority and housing association land banks have been exhausted.
- High flood risk affects potential development in some parts of the County.
- The current economic climate has affected developer's ability to deliver affordable housing, particularly on brownfield sites and in lower value areas like Kidderminster.
- NIMBYism in high value rural areas, particularly from people moving into the area, making delivery of affordable housing extremely difficult.
- Limited information exists about the need for housing by some groups, including key workers and migrant workers
- 1938 units of extra care housing are needed by 2031.
- 4636 units of sheltered housing for sale are needed.
- 53 pitches have been delivered and a further 149 additional pitches are needed for Gypsies and Travellers by 2012.

[2] Lower quartile house prices from the Land Registry compared to the workplace based annual income of full time employees.

Future actions to address the challenges

Goal 2 – Delivering new homes						
Links to other Strategies and plans – W'shire Sustainable Communities Plan, Supporting People Strategy, W'shire Local Investment Plan, Mental Health Joint Commissioning Plan, Learning Disability Joint Commissioning Plan, Older People's Strategy, Dementia Strategy, W'shire Homelessness Strategy						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
1.	To implement the government directive to reduce tenancies for life	a. To develop and implement a Tenure Strategy which will effectively manage the supply of affordable housing to meet housing need	Existing staff resources	All Local Authorities, RP's, HCA	2012	- Government priority - Local decisions – a fairer future for social housing - Localism Bill
2.	To attract external investment into the county to support maximum delivery to meet needs of the diverse communities	b. Implement and continually review the Local Investment Plan which sets out partner investment over the period 2011 -14	Skills, Land, Money as set out in the LIP	All Local Authorities, RP's, HCA	2011 - 14	- Reduced funding for new affordable housing
		c. Develop a Supported Housing Commissioning Plan for the County which co-ordinates capital and revenue investment	Supporting People, HCA, RP's, LA's, Social Care, Health etc.	CHOG and Supporting People	2011 - 12	- Government Priority
3.	To embed `fit for purpose' structural arrangements within the county to	a. Keep under review the governance structure & groups for place shaping	Existing staff resources	Place Shaping Theme Group	2011 - 12	

Goal 2 – Delivering new homes						
Links to other Strategies and plans – W'shire Sustainable Communities Plan, Supporting People Strategy, W'shire Local Investment Plan, Mental Health Joint Commissioning Plan, Learning Disability Joint Commissioning Plan, Older People's Strategy, Dementia Strategy, W'shire Homelessness Strategy						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
	enable the delivery of affordable housing	across Worcestershire				
4.	To develop provision to meet the diverse needs of our communities	a. Fully utilise and review the housing needs evidence available to bring forward and identify the right numbers and mix of affordable housing (i.e. types, size and tenure)	Existing staff resources	Al Local Authorities	2011-2016	- Government priority - Local decisions – a fairer future for social housing
		b. Maximise the delivery of sustainable and affordable homes through ensuring clear planning policies are in place.	Exisiting staff resources	Al Local Authorities	2011-2016	- Government priority - Local decisions – a fairer future for social housing
		c. To deliver the supported housing needs identified within the Worcestershire Supported Housing Commissioning Plan	Existing staff resources	Al Local Authorities	2011-2016	- Government priority - Local decisions – a fairer future for social housing

Goal 2 – Delivering new homes

Links to other Strategies and plans – W'shire Sustainable Communities Plan, Supporting People Strategy, W'shire Local Investment Plan, Mental Health Joint Commissioning Plan, Learning Disability Joint Commissioning Plan, Older People's Strategy, Dementia Strategy, W'shire Homelessness Strategy

Ref	Challenge	Action	Resources	Lead Partner	By When	Link to Government Proposals
		d. Complete a new Gypsy & Traveller needs assessment	Existing staff resources	CHOG	March 2012	- Government priority - Local decisions – a fairer future for social housing
4.	To ensure the right commissioning partners are engaged and encouraged to invest resources in Worcestershire	a. Review the existing RP commissioning partner arrangements to have regard to government changes and the views of the HCA and develop new partnership working	Existing staff resources	Al Local Authorities	March 2012	- Government priority - Making best use of existing and new resources - ARM
5.	- To undertake further research to bridge gaps in the strategic housing evidence base	a. Ensure that the strategic housing evidence base is kept up to date and that further detailed work is undertaken as required subject to available resource eg SHMA and updates	LA funding – to be determined locally	Al Local Authorities	2011-2016	- Government priority - Making best use of existing and new resources

7 GOAL 3 IMPROVING THE CONDITION OF EXISTING HOMES

Achievements to date

- Bid to the Kickstart programme to draw down funding earmarked for Worcestershire to begin to offer loans and equity release to households to improve the condition of their property.
- Success in tackling fuel poverty (NI 187) has been evidenced by a reduction in the proportion of homes with SAP ratings less than 35 to 8.82% (2009/10 target 9.18%) and an increase in the proportion of homes with SAP ratings above 65 to 43.34% (2009/10 target 38.23%).
- 1345 homes each year have been improved through use of Discretionary Housing Assistance during 2007/10
- 1417 private rented homes inspected following complaints in 2007/10 reflects performance in 5 authority areas
- 1443 homes improved through informal and enforcement action during 2007/10 reflects county wide performance

Supporting Evidence of Future Challenges

- 88.7% of respondents to our Housing Strategy survey said improving housing conditions is a priority.
- 89.1% said improving energy efficiency is a priority.
- Most of the social rented stock in Worcestershire met the Decent Homes Standard at the end of March 2010.
- Around 39% of homes are "non-decent" (75,992), and in Malvern Hills this rises to 50%.
- The total investment required to address conditions is £635 million.
- 18.1% of non-decent homes are occupied by vulnerable people. A staggering 41% of all vulnerable households are classified as living in non decent homes.
- The proportion of homes failing the Housing Health and Safety Rating System standard is higher than average at 28%.
- 53,601 Category 1 hazards exist in homes across the county.
- 20% (38,571) of dwellings fail the Decent Homes Standard as a result of inadequate thermal comfort compared to 17% nationally. The average cost of remedying this is just over £7,000.
- There were 334 winter deaths during 2009/10 within Worcestershire.
- 14% of households in Worcestershire experience fuel poverty (22,816) compared to the national average (12%).
- The number of houses in multiple occupation is varied across the county, however evidence consistently shows these properties can exhibit some of the poorer standards.

- 3.4 billion is paid in housing benefit to neglectful landlords. Local Authorities can use their powers
- It is more difficult for local housing authorities to improve property standards and meet the demands of an increasing need for adaptations due to budgetary constraints.

Future actions to address the challenges

Ref	Challenge	Action	Resources	Lead Partner	By When	Link to Government Proposals
Goal 3 – Improving the Condition of Existing Homes						
Links with other Strategies and Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Community Safety Action Plan, W'shire Homelessness Strategy, Local Private Sector Renewal Strategies, Learning Disability Joint Commissioning Plan, Mental Health Joint Commissioning Plan						
1.	Improve the property standards (including energy efficiency) across tenures using all of the tools at our disposal	a. Develop a consistent approach to working with private sector landlords, including a common accreditation scheme, through establishing a working group comprising the local authorities and landlord representatives	Existing staff and partner resources	Redditch B C	March 2012	- Government priority - Making best use of existing and new resources
		b. Use enforcement powers appropriately to enforce property standards across all tenures	Existing staff resources	All Local authorities	2011-2016	- Government priority - Making best use of existing and new resources
		c. Move away from awarding capitalgrants to recycling housing assistance and equity release products	Existing staff and Worcestershire Care & Repair	All Local authorities	2011-2016	- Government priority - Making best use of existing and new resources

Goal 3 – Improving the Condition of Existing Homes

Links with other Strategies and Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Community Safety Action Plan, W'shire Homelessness Strategy, Local Private Sector Renewal Strategies, Learning Disability Joint Commissioning Plan, Mental Health Joint Commissioning Plan

Ref	Challenge	Action	Resources	Lead Partner	By When	Link to Government Proposals
			resources			
		d. Ensure that in developing a consistent approach through Worcestershire Care & Repair that there is efficient use of allocated financial resources e.g. improved procurement practices	Existing staff and Worcestershire Care & Repair resources	Worcestershire Care & Repair	March 2012 And then annual review	- Government priority - Making best use of existing and new resources
		e. Review and re-tender the Home Improvement Agency services	Existing staff & resources	CHOG Supporting People	2012/13	- Government priority - Making best use of existing and new resources
2.	To attract investment to help improve property standards including energy efficiency	a. Explore opportunities with private industry to provide greater levels of funding and ways to improve property standards	Existing staff resources	All Local authorities WCC	2011-2016	- Making best use of existing and new resources - Service improvement - Green Deal

Goal 3 – Improving the Condition of Existing Homes						
Links with other Strategies and Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Community Safety Action Plan, W'shire Homelessness Strategy, Local Private Sector Renewal Strategies, Learning Disability Joint Commissioning Plan, Mental Health Joint Commissioning Plan						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
		b. Prepare for and maximise take up within the county of nationally funded schemes	Existing staff and Worcestershire Care & Repair resources	All Local authorities SLA with procured Agent	2011-2016	- Making best use of existing and new resources - Green Deal
3.	Support households to take responsibility for improving their homes and reducing fuel poverty	a. Apply a consistent countywide approach to empowering people to improve their quality of life through developing a toolkit of information, skills and training, discounts, funding and loan products.	Existing staff and partner resources	CHOG	2011-2016	- Empowering local people - Making best use of existing resources

Page 152

8 GOAL 4 PROVIDING HOUSING RELATED SUPPORT

Achievements to Date

- The proportion of vulnerable people who are supported to maintain independent living (NI 142) is on track to reach the 2010/11 target of 98.02% (out-turn for 2009/10 was 98.01%).
- Over 20,000 vulnerable people were being supported in 2009/2010 realising 42,000 positive outcomes for those people.
- An assessment of the value of Supporting People provision has shown a saving of £50m each year in other budgets (e.g. health and social care)
- The Comprehensive Area Assessment found that more older people are being helped to live at home, adults with learning disabilities are being given more choice about how to live independently and more people with physical and mental disabilities are living at home with care and support.
- A countywide Choice Based Lettings scheme was introduced in September 2008 with common allocation and banding arrangements (in all districts except Redditch BC which may join the scheme in 2011). This has contributed to a reduction in the time taken to re-let vacant housing association properties and greater transparency about the process and satisfaction for customers.
- Levels of statutory homelessness and numbers of people in temporary accommodation have declined due to homelessness prevention activity which helped 3058 households during 2007/10.
- New housing support and other services have been commissioned following research for the Countywide Homeless Strategy and Supporting People strategic reviews. These include the development of a joint 16/17 yr old young persons protocol across the county, a young peoples support service provided by St Basils in the north of the county, the opening of a Foyer in Bromsgrove and the development of The Bubble a new gateway service to help young people access accommodation and support in the south.
- Research commissioned into the housing and related support needs and aspirations of older people living within Worcestershire over the next 20 years.
- Development of a new Worcestershire Supporting People Strategy and progress towards a new Worcestershire Older People's Strategy.
- A countywide Home Improvement Agency service was jointly commissioned in 2010 and the new service is being provided by Festival Housing Group.

- The implementation of a Countywide Gateway software system from November 2010 for identification of available support and bed spaces for people with chaotic lifestyles

- Successful application to Department of Health of pump prime funding to help develop a core and cluster scheme to provide supported accommodation for people with substance misuse/alcohol issues and creation of seven accommodation units specifically for substance misuse/alcohol customers in the County by Stonham Home Group.

- Work with partners to help offenders back into community including following the Regional Offender Protocol, utilising the new Countywide Integrated Offender Management Scheme.

Supporting Evidence of Future Challenges

- The ageing population is generating a need for advice about housing options; support and adaptations help older people maintain independence.
- Projected increase in population of older people by 2031 – 52% over 60; 155% over 85.
- 87.8% of people surveyed said support for older people to make housing choices is important.
- 7,000 people have dementia and this is expected to increase to 21,000 in next 20 years. There is an identified requirement for housing for people with dementia of 838.
- Growing number of older people with learning disabilities rising to 6,000 over next 20 years.
- High levels of falls by older people.
- 35% of older people responding to a survey said they needed practical support– gardening, shopping, cooking etc.
- Life expectancy in deprived areas is low.
- Slow 'move-on' from supported housing schemes for clients experiencing domestic violence or suffering with mental health difficulties is reducing their effectiveness.
- Schemes to provide new supported housing are hampered by lack of certainty about future revenue funding.
- A survey of clients of the Drug, Alcohol Action Teams in 2006 showed that 23% had a clear housing need.
- A review of single homeless people receiving support demonstrated a need for finance related support and support in accessing healthcare, training and education.
- Better understanding required about the support needs of Gypsies and Travellers through a planned strategic review within Supporting People.

Future actions to address the challenges

Goal 4 – Providing housing related support						
Links with other Strategies & Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Older Person's Strategy, Dementia Strategy, W'shire Domestic Abuse Strategy, W'shire Telecare Strategy, Supporting People Strategy, Mental Health Joint Commissioning Investment Plan, Learning Disability Joint Commissioning Strategy						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
1.	Manage financial reductions to the Supporting People programme whilst continuing to meet housing related support needs in a more targeted way	a. Manage the budget reductions by prioritising service provision, benchmarking value for money. undertaking targeted strategic reviews, measuring social outcomes being achieved.	Existing staff resources	All Local authorities / Worcestershire County Council / Primary Care Trust / Probation	2011-2016	- Making best use of existing and new resources
		b. Support and implement the Supporting People Strategy. This will include; needs research, strategic reviews, re-commissioning of services, addressing identified problems and the commissioning of new services	Existing staff resources	SPCB	2011-2016	- Making best use of existing and new resources
		c. To work with the Joint Commissioning Unit to develop financially sustainable models for Extra Care provision and implementation.	Existing staff resources	CHOG	March 2012	- Making best use of existing and new resources

Page 155

Goal 4 – Providing housing related support

Links with other Strategies & Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Older Person's Strategy, Dementia Strategy, W'shire Domestic Abuse Strategy, W'shire Telecare Strategy, Supporting People Strategy, Mental Health Joint Commissioning Investment Plan, Learning Disability Joint Commissioning Strategy

Ref	Challenge	Action	Resources	Lead Partner	By When	Link to Government Proposals
2.	To mitigate risks of increasing levels of homelessness and to address the needs of those who become homeless	a. Review and renew the Worcestershire Homelessness Strategy and action plan.	Existing staff resources	County Homeless Implementation Group (CHIG)	March 2012	- Making best use of existing and new resources
		b. Focus on increasing homeless preventions through a toolkit of measures available across the county	Existing staff resources	County Homeless Implementation Group (CHIG)	March 2013	- Making best use of existing and new resources
		c. Monitor the impact of benefit reforms on the levels of homelessness and worklessness, responding to any areas of concern	Existing staff resources	County Homelessness Implementation Group	2011 - ongoing	- Making best use of existing and new resources
		d. To review the joint working arrangements & funding for Countywide Posts	Existing staff resources	CHOG	2011	- Making best use of existing and new resources
3.	To provide equal access of opportunity to affordable housing and other housing options	a. Use the information we know about need for supported housing and floating support to ensure that new provision is appropriate.	Existing staff resource	All Local authorities	2011-2016	- Government priority - Making best use of existing and new resources

Goal 4 – Providing housing related support

Links with other Strategies & Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Older Person's Strategy, Dementia Strategy, W'shire Domestic Abuse Strategy, W'shire Telecare Strategy, Supporting People Strategy, Mental Health Joint Commissioning Investment Plan, Learning Disability Joint Commissioning Strategy

Ref	Challenge	Action	Resources	Lead Partner	By When	Link to Government Proposals
		b. Consider the needs of BME households, Gypsies & travellers and migrant workers to ensure an inclusive approach to accommodation and support provision	Existing staff resource	All Local authorities	2011-2016	- Government priority - Making best use of existing and new resources
		c. Keep the allocation policy in use within the county under review to ensure appropriate accessibility and consistency / fairness to all residents and to respond to proposed Government changes.	Existing staff resource	Home Choice Plus Steering Group	2011-2016	- Government priority - Making best use of existing and new resources
		d. To enhance the range and consistency of advice and information with various media outlets in a leaner way.	Existing staff resource	All Local authorities	2011-2016	- Government priority - Making best use of existing and new resources
		a. Consider impact of the	Existing staff	All Local	2011-2016	- Government priority - Making best use of

Goal 4 – Providing housing related support						
Links with other Strategies & Plans – W'shire Sustainable Community Strategy, W'shire Local Investment Plan, W'shire Homelessness Strategy, Older Person's Strategy, Dementia Strategy, W'shire Domestic Abuse Strategy, W'shire Telecare Strategy, Supporting People Strategy, Mental Health Joint Commissioning Investment Plan, Learning Disability Joint Commissioning Strategy						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
		personalisation agenda when developing or reviewing strategic housing procedures, policies, service improvement plans and strategies.	resource	authorities		existing and new resources

Page 158

9. UNDERPINNING GOALS

i. To ensure that our plans contribute to the development of sustainable communities and economic success for Worcestershire including future proofing for climate change and having regard to the themes and cross cutting themes of the Sustainable Community Strategy, both within new housing developments and our regeneration activity.

ii. To adopt a strategic commissioning approach, including identification of needs; gap analysis; prioritisation; outcome based commissioning; monitoring and review, to ensure the right solutions are provided.

iii. To embrace the diversity that exists within Worcestershire and ensure that we plan to meet the diverse needs of our communities.

iv. To ensure that services are delivered efficiently balancing performance, customer satisfaction and cost

Achievements to date

- Development of the Social Outcome Framework for Supporting People services

- Joint partner commissioning of the new Worcestershire Care & Repair Agency

- Implementation of sub-regional choice based lettings scheme called `Home Choice Plus' across five Worcestershire Local Authorities and Stratford on Avon D C

- The joint funding of a Worcestershire Rural Housing Enabler, County Homelessness Strategy Co-ordinator and Housing Substance Misuse Development Officer posts.

- The development of the "Areas of Highest Need" projects within the six Local authorities to tackle deprived communities with LAA funding and further work being undertaken through Total Place pilot.

- Development of the Re-Wyre regeneration initiative in Wyre Forest to tackle areas of market failure.

- Redditch B C successful gained government funding under the Enhanced Housing Options programme

- Development of a Climate Change Adaptation Plan with input from across the County

- Undertaken customer satisfaction surveys relating to homelessness and choice based lettings
- Joint procurement of various research / projects to meet countywide strategic housing objectives,

Supporting Evidence of Future Challenges

- Worcester City, Wyre Forest and Redditch have been identified as a significant area of deprivation within the top 10% nationally. The type of deprivation is within housing, access to services especially within rural areas and education. It should be noted that the general affluence of the area hides some big differences in some areas.
- Health and economic inequalities identified in Redditch e.g. people die earlier, more babies have a poor start in life and grow up in families on low incomes, young people attain lower educational results and go on to have fewer job opportunities when they leave school.
- Economic decline – increased benefit claims and worklessness.
- Infrastructure is required to deliver sustainable growth particularly within Worcester City as the designated area of significant growth.
- 93.6% of respondents to survey said local services to sustain rural villages is important.
- Planning and delivering services equitably.
- Ensuring effective and structured links between housing and wider objectives e.g. education and health.

.

Future actions to address the challenges

Underpinning Goals – Providing housing related support						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
1.	To ensure that our plans contribute to the development of sustainable communities and economic success for Worcestershire having regard to the themes and cross cutting themes of the Sustainable Community Strategy, both within new housing developments and our regeneration activity & NHS reforms.	a. To imbed new structural arrangements within the county to bring together housing, planning, regeneration, economic development, health and social care partners with the objective of adding community benefit through the place shaping role	Existing staff resources	All Local authorities	2011-2014	- Making best use of existing and new resources
		b. To establish strong links with the new Local Enterprise Partnership once established	Existing staff resources	All Local authorities	2011-2014	- Government priority - Making best use of exisiting and new resources
2.	To adopt a strategic commissioning approach, including identification of needs; gap analysis; prioritisation; outcome based commissioning; monitoring and review, to ensure the right solutions are	a. To formally imbed this strategic commissioning approach within key strategic housing partnerships to ensure effective and efficient work processes particularly around procurement.	Existing staff resources	CHOG	2011-2016	- Making best use of existing and new resources

Page 161

Underpinning Goals – Providing housing related support						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
	provided.					
		b. To develop an outcomes framework to evidence the value of housing activity both for the local authorities and other key statutory partners	Existing staff resources	Worcester City	March 2013	- Government priority - Making best use of existing and new resources
3.	To embrace the diversity that exists within Worcestershire and ensure that we plan to meet the diverse needs of our communities.	a. To ensure equalities standards are met within all housing procedures, policies, plans and strategies.	Existing staff resources	All Local authorities	2011-2016	- Government priority
		b. Where appropriate to undertake Equalities Impact Assessments and produce plans for improvement where necessary	Existing staff resources	All Local authorities	2011-2016	- Government priority
4.	To ensure that services are delivered efficiently balancing performance, customer satisfaction and cost	a. To work together across the six strategic housing authorities to identify areas for improved joint working and potential efficiencies	Existing staff resources	All Local authorities	2011 - 2016	- Government priority - Making best use of existing and new resources
		b. To work together across the six strategic housing authorities to test customer satisfaction in areas of work such as Housing advice,	Local Authority funding – to be determined	All Local authorities	2011-2016	

Underpinning Goals – Providing housing related support						
Ref	**Challenge**	**Action**	**Resources**	**Lead Partner**	**By When**	**Link to Government Proposals**
		homelessness, housing development and delivery of private sector grants	locally			

10. RESOURCING OUR STRATEGY

We have started to assess the resources we expect to be available to all partners in order to deliver our strategy over the next 5 years. These include:

- Capital expenditure by the local authorities for improving housing standards and subsidising the delivery of new affordable homes.
- Funding available to enable people to move to more appropriate accommodation making best use of existing homes.
- Homes and Communities Agency and housing association subsidy for delivery of new affordable homes.
- Revenue funding from local authority and key partner agency budgets, Government grants and incentives and Supporting People funding.
- Staffing capacity dedicated to strategic housing employed within local authorities, contracted agencies e.g. home improvement and housing advice agencies and partners e.g. housing associations.

Most of the resources described above are shown in appendix 2 to this strategy and details of the resources available within each local authority area are available on request. We will continue to develop the resource information base across the county during the life of this Strategy.

11. MONITORING AND FUTURE DEVELOPMENT OF THE STRATEGY

We need to monitor progress against our goals to ensure that our action plan continues to be relevant. We have therefore established clear definitions for the goals that will enable us to measure progress in a consistent way

We are mindful of the need to ensure that our information is kept up to date and we will do this through a mixture of annual updates and full newly commissioned research as outlined below:

- Housing market assessment annual update (2010/11)
- New Strategic Housing Market Assessment (2011/12)
- New Gypsy & Traveller Needs Assessment (2011/12)

In order to ensure that we are clear about the progress we are making and any remedial actions required we have adopted the following monitoring arrangements:

- Progress monitored by the Local Authority Chief Housing Officers Group on a quarterly basis and then regularly reported to the Strategic Place Shaping Theme Group. Annual review of action plan and midterm review of full Housing Strategy in consultation with partners and customers to include new actions where required.
- Annual updates to County action plan and annual review of overall achievement to include local action plans.
- Key statistics to be monitored and updated annually.
- Mid-term review event with stakeholders and customers.
- District Action Plans to be updated quarterly and reported back through appropriate local monitoring mechanisms.

In drawing up the strategy at this time we are aware that the new coalition government has announced a range of potential changes that will affect this strategy. In particular there are proposals to radically revise the planning/housing framework. In addition the forthcoming comprehensive spending review may impose constraints on the resources available to us. The strategy will be updated in the light of these changes and the responses of the councils to those changes.

12. KEY CONTACTS IN EACH OF THE LOCAL AUTHORITES

If you would like any further advice on any of the information contained in this document then please contact either of the following officers:

Andy Coel Strategic Housing Manager Planning & Environment Services Bromsgrove District Council The Council House Burcot Lane Bromsgrove Worcestershire B60 1AA Tel: (01527) 881270 Email: a.coel@bromsgrove.gov.uk	Nina Warrington Strategic Housing Services Manager Worcester City Council Orchard House Complex, Farrier St, Worcester, WR1 3BB Tel: (01905) 722 494 Email:nina.warrington@worcester.gov.uk
Peter Newman Housing Outcomes Manager Malvern Hills District Council Tel: (01684) 862187 Email: Peter.Newman@malvernhills.gov.uk	Elaine Salter Strategic Housing Services Manager Wychavon District Council Civic Centre, Queen Elizabeth Drive, Pershore, Worcs. WR10 1PT Tel: (01386) 565241 E-mail: elaine.salter@wychavon.gov.uk
Matthew Bough Housing Policy Manager. Leisure, Environment & Community Services Directorate Redditch Borough Council Town Hall Walter Stranz Square Redditch B98 8AH Tel: (01527) 64252 ext 3120 Email: matthew.bough@redditchbc.gov.uk	Kate Bailey Strategic Housing Services Manager Wyre Forest District Council Duke House Kidderminster Tel: (01562) 732560 Email: Kate.Bailey@WyreForestdc.gov.uk

APPENDICES

APPENDIX 1 SUMMARY OF THE EVIDENCE BASE

Worcestershire - Information & Policy Base		
Strategic Documents:		
South Housing Market Assessment	South Housing Market Area	SHMA April 2007 and updates for 07/08, 08/09 and shortly for 09/10 http://www.worcestershire.gov.uk/cms/community-and-living/research-and-intelligence/housing-and-economy/housing/shma.aspx
Strategic Housing Land Availability Assessment	South Worcestershire Wyre Forest DC	http://www.swjcs.org/html/shlaa_2edition.html Strategic Housing Land Availability Assessment Report - December 2009
LDF - Core Strategy	South Worcestershire Wyre Forest DC	http://www.swjcs.org/ Local Development Framework - Core Strategy - Prefered options paper - January 2009
Affordable Housing SPD	Malvern Hills DC Worcester CC Wychavon DC Wyre Forest DC	http://www.malvernhills.gov.uk/cms/planning/supplementary-guidance/affordable-housing.aspx http://www.worcester.gov.uk/index.php?id=1127 http://www.wychavon.gov.uk/cms/pdf/wdc-planning-spg-affordable-housing.pdf Wyre Forest District Local Framework - Supplementary planning document planning

		obligations - February 2007
Design SPD	South Worcestershire	http://www.worcester.gov.uk/index.php?id=1748
Housing Needs Survey	South Worcestershire	http://worcestershire.whub.org.uk/cms/community-and-living/research-and-intelligence/housing-and-economy/housing/south-worcs-housing-needs.aspx
Homelessness research	Worcestershire	http://www.worcestershire.gov.uk/cms/pdf/County%20Homelessness%20Strategy.pdf
Older peoples needs assessment	Worcestershire	Research into the Housing and Support Needs of Older People within Worcestershire. http//www.worcestershire.gov.uk/cms/health-and-social-care/supporting-people/strategic-reviews.aspx
Disabled peoples needs assessment	Worcestershire	Countywide Disabled Peoples Needs Assessment being progressed (Supporting People/Physical Disability Team)
Young peoples needs assessment	Worcestershire	http://www.worcestershire.gov.uk/cms/health-and-social-care/supporting-people/strategic-reviews.aspx
BME needs assessment	Worcestershire	http://www.worcestershire.gov.uk/cms/community-and-living/research-and-intelligence/population/ethnicity-projections.aspx
Gypsy and Traveller needs assessment	Worcestershire	http://www.worcestershire.gov.uk/cms/pdf/GTAA_FinalReport.pdf
Migrant workers	Wychavon DC	http://www.wychavon.gov.uk/cms/business/market-towns/rural-economy.aspx

needs assessment		http://www.wychavon.gov.uk/cms/community-and-living/equality-and-diversity/migrant-workers.aspx
Existing housing condition/suitability:		
Private sector housing condition survey	Malvern Hills DC Worcester CC Wychavon DC Wyre Forest D C	BRE survey - details to follow http://www.worcester.gov.uk/fileadmin/assets/pdf/Housing/private_sector/FINAL_STOCK_CONDITION_SURVEY_AUGUST_2004.pdf http://www.wychavon.gov.uk/cms/pdf/wdc-housing-ps-stock-condition-survey.pdf http://www.wychavon.gov.uk/cms/pdf/wdc-housing-ps-hmo-report-2005.pdf Private Sector House Condition Survey 2007 - Final Report - November 2007 Need Link

Page 169

APPENDIX 2 RESOURCES AVAILABLE

	2009/10 out-turn	2010/11 planned	2011/12 proposed	2012/13 proposed
Capital Expenditure				
Capital expenditure on housing within the HRA (H1a)	9596000	7773000	6500000	6020000
Capital support for RPs (H2)	360000	1092000	126000	100000
Capital expenditure on other housing (H3)	4017000	4369000	3671000	3345000
Above funded from:				
Borrowing (H4a1)	0	0	0	0
Capital grants (H4a2)	2573000	2438000	2242000	1895000
Useable capital receipts (H4a3)	1515000	2474000	1105000	1085000
Contributions from revenue (H4a4)	3892000	3800000	3800000	3800000
Other (H4a5)	0	170000	55000	40000
PSR assistance:				
Expenditure on grants (K2)	893000	1080000	887000	
Expenditure on loans (K4)	276000	388000	435000	
Mandatory DFG allocations			185500	
Provision of affordable housing:				
Total LA expenditure (N11)	875000			
Estimated value of developer contribution through AH units	2493618			
Estimated value of developer contribution through commuted sums	731222			
HCA subsidy	12726581	9515645	2853408	4651137
Revenue Funding				
Homelessness Grant	377100	377100	674530	674530
Housing planning and delivery grant	804612			
Regional Housing Body funding	1042000			
SP funding	14,653,000			

APPENDIX 3 – KEY MESSAGES FROM CONSULTEES

There is a reassuring level of consensus about the key issues from respondents to the on-line survey and agencies and individuals engaged through the initial stakeholder event and focus groups. The main divergence exists around the need for housing in rural areas against protection of green space although, to a lesser extent, support for housing for vulnerable people is offset by a view that people should be more self-sufficient in meeting and managing their housing needs.

Housing Strategy Survey

The on-line survey demonstrated significant support for additional affordable housing being a priority for the new strategy (69.6% said this was very important and a further 19% said it was fairly important). Other issues rated as very/fairly important were energy efficiency (89.1%), improvement in housing conditions (88.7%) and supporting older people to make housing choices (87.8%). Regeneration of town centres was seen as least important although still quite a high proportion said it was very or fairly important (79.7%).

Respondents identified a need for all types of housing. The most popular was family housing across all tenures but support was also evident for rented accommodation for vulnerable people, older people and young people.

Asked about priorities for urban regeneration respondents saw reuse of empty homes as the main priority (97.2% thinking this was very or fairly important). The most important factor in regenerating rural villages was seen as work with partners to provide local services to help people remain in rural communities (93.6%).

Respondents thought that raising awareness about grants and loans was the most important factor in improving affordable warmth with 88.2% selecting this option. Bringing empty homes back into use was also seen as important in improving housing conditions generally with 92.3% or respondents selecting this.

The survey asked people what help they would require if threatened with homelessness and 80.8% felt that advice to remain in their own home was important. Respondents were generally supportive of a range of options for helping older people plan for their future housing needs and young people and vulnerable people meet their housing needs.

Research into the Needs of Older People

The results of the survey of older people carried out as part of the research project can be summarised as follows:

- Nearly 1 in 5 already lived in a property that had been adapted

- 15% said that home was unsuitable; the main reasons were because of poor health, it was too large or because they had problems with mobility
- The vast majority (81%) wish to stay in their present homes in later years; two thirds expect to receive some support to enable them to stay put; 40% would like some adaptations
- About a third of owners expressed a positive interest in retirement housing for sale or extra care; slightly more tenants are interested in sheltered housing to rent
- People predominantly want help with things like the garden, shopping and cooking
- There is a strong allegiance to the locality with two thirds hoping to stay in Worcestershire as they grow older; there is a significant gap in peoples knowledge of both housing and care options available
- Expectations are rising about space with more people looking for a minimum of two bedrooms. There is a significant demand for showers and managing stairs is a common barrier to continuing to live at home, as is inadequate heating
- There is a definite interest in extra care housing

The key themes emerging from the focus groups with older people were:

- People want to have better information from a trusted source about the full range of housing options and considerations for them; this includes advice on support possibilities, money and grants for adaptations
- Resistance to equity release schemes as currently available
- Extra care models of housing are viewed positively for rent and to buy
- Some reluctance to plan for the future in terms of the types of housing and carer support that people may need
- Difficulty for many owner occupiers in getting practical jobs done and knowing where to get help from
- Strong sense of local identity, even within districts – most people want to stay living near to their existing social and community networks
- Telecare, aids, adaptations – seen as potentially helpful; a frequent message was that telecare should not be at "expense" of personal support from people/paid carers
- Residential care is not popular but most people are not really aware of the full implications for them personally and their finances

The comments included in responses to these surveys are logged in the "You Said, We Did" document supporting this strategy along with the issues raised through stakeholder events and focus groups. The main issues raised are summarised below:

New homes

- General support for more housing for all groups
- Other options needed for older people wishing to move eg shared ownership and extra care
- Older people aspiring to larger homes (2-bed plus)
- More supported housing needed for young people and people with mental health issues
- Flexible tenancy arrangements needed for people with learning difficulties to enable sharing
- Lifetime homes should be provided as standard
- More plots needed for Gypsies and Travellers, preferably close to family
- Research on Gypsy and Traveller site design to ensure plots are big enough for privacy and deter overcrowding

Better use of existing homes

- Under-occupation is an issue – incentives and support to move are seen as solutions
- Many older people feel their current accommodation is unsuitable
- Hard to let sheltered accommodation is a waste
- Better use could be made of adapted homes, perhaps by holding a database
- Better use could be made of the private rented sector
- Reuse of empty homes is a priority
- Lodging schemes could be introduced

Existing housing standards

- Better links with landlords are needed
- Incentives could be used to improve private rented housing
- Targeted enforcement could work

- Space and noise insulation should be addressed as well as minimum standards
- Existing schemes for young people are poor standard

Affordable warmth

- Better standards should be aimed for – SAP 65 by 2020 and CSH level 4.
- Better information should be available – up to date and more accessible
- Fuel choice in rural areas should be assisted
- Advice should be available through GP surgeries
- Discounts from local companies should be arranged for energy conservation materials
- Grants should be available for external insulation
- Difficulty in keeping caravans warm in winter – need for affordable solutions

Urban renaissance

- Funding is of key importance
- Infrastructure needs to be available before or alongside housing
- Community ownership/buy-in is important – need to engage at early stage
- Sustainability needs to be embedded – supply of materials, minimised car use etc
- Need to ensure people maintain gardens
- Adapt vacant business space for housing

Rural renaissance

- A positive policy stance (rather than exceptions) should be adopted
- Parish plans should be established
- An infrastructure levy should be introduced
- Work to overcome obstacles to development should be resourced
- Action to retain focal points eg schools, post offices
- Work with Parish Councils to reduce nimbyism

- Links with infrastructure are important – employment etc
- Brownfield development should take priority over greenbelt

Housing options

- Better information about housing and related services to enable choice
- Ensure everyone can access information eg rough sleepers
- Low level support for older people who wish to stay put
- Support to move on for older people
- Help to access private rented accommodation
- Single access point with a joined up approach for young people and older people
- Early intervention eg through schools
- Flexible support services for people with chaotic lifestyles
- Support to introduce to new home for people with learning difficulties
- Temporary accommodation to be suitable and affordable
- Customer care improvement needed
- Deposit guarantee scheme needed for couples and families

Housing support and adaptations

- More flexible support
- Investment in support and adaptations to save on hospital admissions etc
- Use of assistive technology is helpful but not at expense of personal care/support
- Early intervention at transition stage
- Pre-tenancy and life-skills training
- Better joined up working across agencies
- Support in using CBL service
- Information and support for carers

- Adaptations are important for people with sensory impairments to remain in their own homes
- Help needed to enable older Gypsies and Travellers to remain in own homes, perhaps by providing living rooms in utility blocks
- Support to enable ex-rough sleepers to develop social networks

Other

- CBL service issues
- Community facilities – better access and more for young people
- Employment and benefit issues

APPENDIX 4: LIST OF CONSULTEES

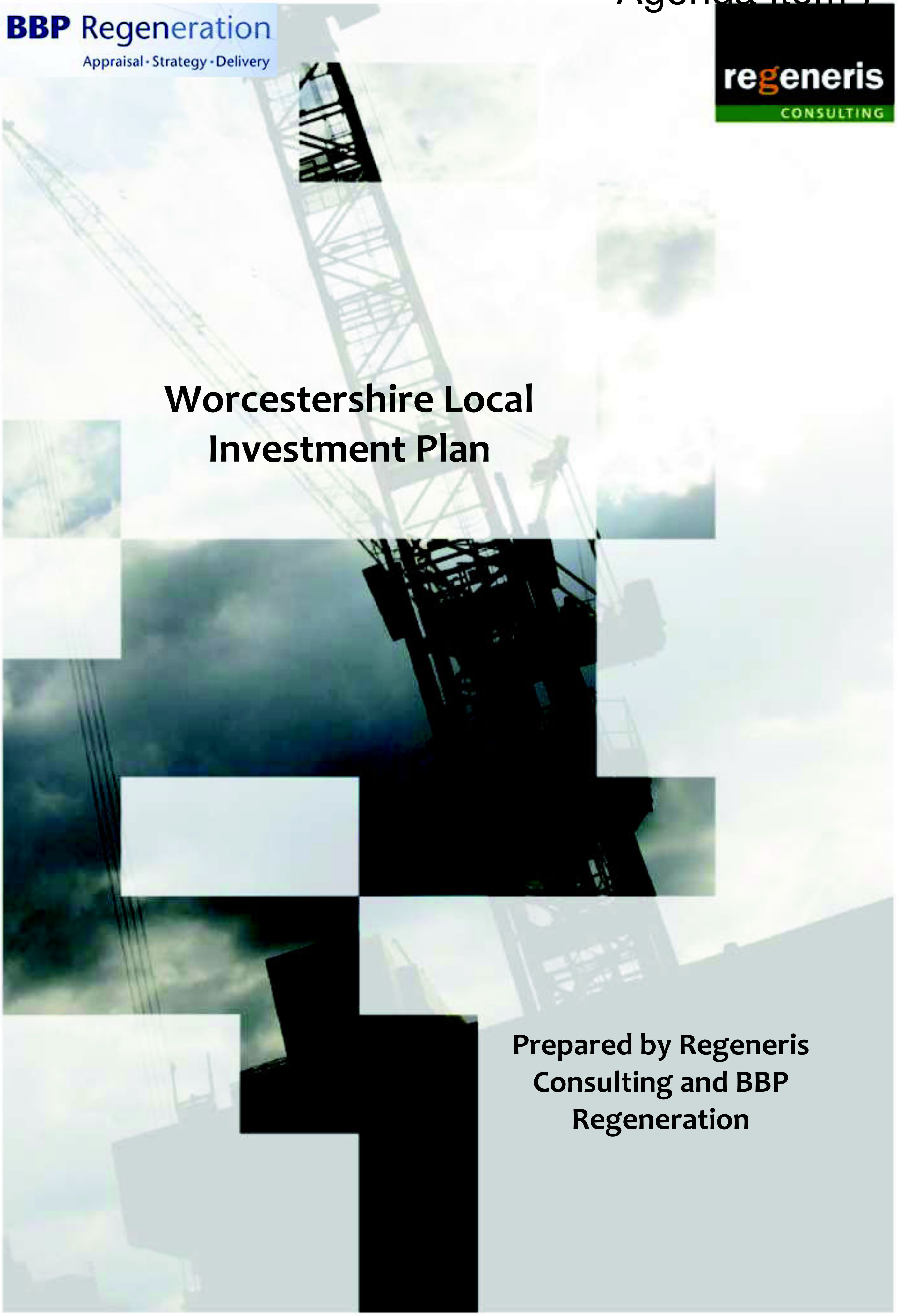
Organisation
Worcester City Council
Wyre Forest District Council
Wychavon District Council
Redditch Borough Council
Sanctuary Housing
West Mercia Housing
Batchley Support Group
YMCA Worcester
YMCA Redditch
Worcestershire County Council
CAB Redditch
St Paul's Hostel
Fosseway Housing Association
Bromford Housing
Rooftop Housing Association
Help The Aged
Bromsgrove District Housing Trust
Deaf Direct

Festival Housing Group
Home and Community Agency
Herefordshire County Council
Herefordshire & Worcestershire Fire
Riverside Housing Association
Worcester Relate
Worcester Community Housing
John Martins Charity
English Church Housing Group
St Basils
Nightstop
Acton Energy
Bubble
Redcross
Redditch Friends
Servite Houses
Malvern Hills District Council
Worcestershire SAAFA
Age Concern Redditch
WHBAC
Herefordshire & Worcestershire Connexions
Wychavon CAB
Wyre Forest CAB
Waterloo Housing
Community Housing Group
West Mercia Police
Jephson Housing

Agenda Item 7

BBP Regeneration
Appraisal · Strategy · Delivery

regeneris CONSULTING



Worcestershire Local Investment Plan

Prepared by Regeneris Consulting and BBP Regeneration

Worcestershire Place Shaping Group

Worcestershire Local Investment Plan

March 2011

Regeneris Consulting Ltd
One Ashley Road
Altrincham, Cheshire
WA14 2DT
Tel: 0161 926 9214
www.regeneris.co.uk

BBP Regeneration
3rd Floor Corinthian House
279 Tottenham Court Road
London
W1T 7RJ
Tel: 0207 307 7000
www.bbpregeneration.co.uk

Contents

1. Introduction

1.1 This is the first Local Investment Plan (LIP) for Worcestershire. It is a partnership document prepared through dialogue between Worcestershire's local authorities, Registered Providers (RPs) and the Homes and Communities Agency (HCA) to identify shared priorities for housing, regeneration, economic development and supporting infrastructure.

1.2 The newly established Place Shaping group, a thematic sub-group of the Worcestershire Partnership, has taken responsibility for preparing the LIP and will guide subsequent iterations. The Place Shaping group brings together representatives of the six district local authorities, Worcestershire County Council, the HCA and Registered Providers.

1.3 The document is structured in the following way.

- Section 2 sets out the **purpose and role** of the LIP
- Section 3 describes the rapidly **changing policy context** for investment in housing and regeneration, which will influence what partners are able to achieve in the coming years
- Section 4 summarises **Worcestershire's story,** highlighting key characteristics of the county which have shaped the content of the LIP
- Section 5 outlines **key strategic priorities** for Worcestershire spanning economic development, regeneration, housing and infrastructure
- Section 6 sets out what we see as some of the principal **delivery challenges** and how we are proposing to respond to them
- Section 7 provides summary information about the **local priority schemes, including those identified for potential investment by the HCA** in the period 2011 to 2015. This is based on a separate and comprehensive list of schemes in each of the six constituent local authority districts in Worcestershire which partners will continue to refine over the coming weeks and months
- Section 8 summarises the **consultation and engagement** that has informed the development of the Plan.

The LIP is **by necessity a living document**. It has been developed during a period of considerable change in the housing, regeneration and economic development policy landscape both nationally and locally, the effects of which are still emerging. In a climate of uncertainty, partners wish to retain the flexibility to adapt priorities in line with further developments in policy. Critically, in a public sector funding environment in which it is becoming more challenging to secure the necessary investment, partners must also ensure that they allow themselves the maximum possible flexibility to develop and implement creative solutions in support of their objectives. This document has been produced with the support of Regeneris Consulting and BBP Regeneration.

2. Purpose and Role of the Worcestershire LIP

Background to Local Investment Plans

2.1 The HCA's *Single Conversation* process was launched in early 2010 to streamline engagement and negotiation about investment between the Agency and local partners. The Local Investment Plan (LIP) initiative was the most significant manifestation of the Single Conversation, devised to generate investment plans followed by Local Investment Agreements (LIAs) setting out how the HCA, local authorities and other partner organisations would contribute to the delivery of local, regional and national housing priorities.

2.2 A first wave of LIPs was produced during 2010. To different degrees, these documents provided statements of priorities to enable areas to do business with the HCA. But they are also usefully serving a wider range of purposes, including support for funding bids from a range of sources and a means of encouraging stronger joint working across local authority boundaries at a time when funding pressures are already steering local government in this direction.

2.3 Since the 2010 election there have been significant changes in the policy context for housing, economic development and regeneration in the UK. While the nature and extent of these changes is still becoming clear, the HCA has signalled a commitment to continue to work with LIPs in its business planning process. It is clear that the HCA will find it more difficult to invest in an area that does not have a LIP prepared.

2.4 The formal guidance on the production of LIPs has been pared back and they are not now expected to be followed by more detailed LIAs. In the future LIPs are now more of a voluntary tool for local authorities that find it a useful way to develop and deliver their local investment priorities. Their key function will be to align investment, land assets and other funding streams.

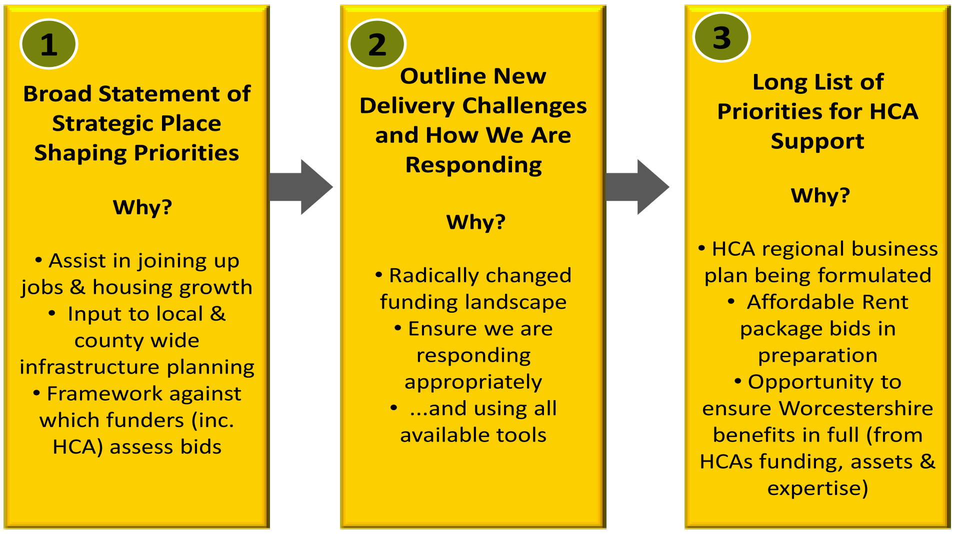
2.5 Along with changes in the policy landscape, the production of LIPs is also being heavily influenced by significant reductions to the HCA's budget and the refocusing of its investment priorities onto a narrower range of objectives. These narrower objectives focus around affordable housing with a clear focus on the HCA's new affordable rent product, the provision of decent homes and some continued work on wider place making activities. The LIPs will now be as much about how best to creatively engage with the broader resources offered by the HCA – its expertise, influence and land holdings – as it will be about the more limited pot of grant funding it will provide in future years.

2.6 The HCA is also going through a process of restructuring which has implications for the operational area in which Worcestershire is located. The county is included in the new, larger Midlands area. This means that priorities for Worcestershire will be considered amongst those of a broader range of areas than previously in the HCA's business planning process.

The Role of the Worcestershire Local Investment Plan

2.7 Partners in Worcestershire have decided to push forward with a LIP. There is real value in using this process to help develop priorities for place shaping, feed into the planning of future infrastructure investment for the county and secure support from the HCA, and importantly other public sector bodies, to deliver these priorities.

Figure 2-1: Main Purposes of the Local Investment Plan



2.8 As shown above, this initial LIP for Worcestershire is positioned as a document that will:

- First, provide a **broad statement of place shaping priorities** to inform the work of Worcestershire LSP's Place Shaping Group. It will serve to connect together established priorities for housing and employment growth in the county, and will be an important input into county wide infrastructure planning. The LIP will also serve as a framework against which external funders will assess the strategic fit of any funding bids which are submitted to them.

- Second, set out the **new delivery challenges** that are now emerging in a rapidly changing policy and funding landscape for housing, economic development and regeneration. The LIP will start to identify potential solutions and behaviours to ensure we respond to new funding mechanisms, secure the better use of publicly owned assets and explore new ways to leverage investment from the private sector.

- Third, provide those assembling bids for HCA's new affordable rent investment programme and related funding opportunities with a statement of **specific priorities to be considered for support**. This will enable the county to feature prominently in the regional business plan for the Midlands and access a fair share of resources.

2.9 On this final objective, a strong relationship between local authorities, Registered Providers and the HCA will be critical in making best use of new funding opportunities. The focus of the LIP in this respect is on what Worcestershire partners can seek to achieve over the next four years (2011-15), in line with the next cycle of HCA's expenditure planning.

Constraints and Risks

2.10 In deciding to proceed with the LIP at this juncture, Worcestershire's local authorities have clearly recognised a number of constraining forces and risks in developing a document of this nature:

- National policy uncertainty – Key national policies on housing, regeneration, economic development and planning are still evolving. This means continued uncertainty about how priorities for Worcestershire will fit with national policy drivers, and how the government will target national funding resources in the future in the context of public sector austerity.

- Differences in local planning cycles – Across Worcestershire, local authorities are at different stages in their progress towards core strategies and other local development framework documents. In most localities, core strategies and important development plan documents (around site allocations, Section 106 policies) are not yet in place. Only Wyre Forest's has so far been adopted. There are also critical elements of planning taking place at county level (Local Transport Plan 3, Strategic Infrastructure Delivery Plan) and which will have a key role to play in identifying investment priorities. The LTP 3 draft has now been published, while a first draft of the Infrastructure Delivery Plan is scheduled for Autumn 2011.

- A fragile market – Despite signs of recovery in the housing and commercial property sectors, uncertainty about public policy and funding is likely to feed uncertainty in the market place. This will affect land values, the commercial viability of developments and the availability of Registered Provider and private sector investment. In turn, this will affect the deliverability of LIP priorities, and the document needs to be flexible enough to accommodate the need for change.

- Information deficits – Many potential housing and regeneration schemes across Worcestershire are at an early stage of their development and lack viability statements, detailed masterplans and planning permissions. In addition, changes to the funding landscape mean that many projects previously deemed deliverable require further analysis, reconfiguration and new approaches. While this information deficit alone should not be grounds to decide not to pursue a priority, it further adds to the challenge of making a robust case for investment.

2.11 These challenges and risks for the LIP all underline the need for a document which is **continually evolving**. Priorities are not set in stone at this initial stage, and there must be scope both to add to the list and to modify or even set aside priorities over the next few years as partners further develop their investment plans and new opportunities and challenges emerge.

3. Policy Context for the LIP

Key Points

- New emphasis on neighbourhood and community involvement in planning set out in the 2010 Decentralisation and Localism Bill expected to influence the type, location and scale of housing, economic development and regeneration schemes in Worcestershire.
- Significant reforms to social housing policy including the abolition of lifetime tenancies and new powers for local authorities to determine who should qualify for social housing
- New affordable rent option to be introduced for Registered Providers. Set at a higher level than social rent, up to 80% of local market rent.
- Reorganisation of the HCA's operational areas, with a much larger Midlands region extending from north Lincolnshire to the borders of Buckinghamshire in the south.
- Majority of future HCA resources to be allocated to new affordable rent housing, with more limited funding to improve stock and invest in regeneration.
- Closure of RDAs represents a significant change in the way economic development and regeneration will be organised and funded. New local enterprise partnerships (LEPs) are expected to take on some of responsibilities of RDAs for economic growth and enterprise development.
- Proposals for new financial mechanisms (Tax Increment Finance, New Homes Bonus) for localities have potential to be source of funding to support capital investment in housing, economic development and regeneration.
- Regional Growth Fund of £1.4 billion (2011-14) available for investment to create private sector employment in areas most vulnerable to public sector funding cuts. Potential to provide sources of funding for investment in housing, economic development and regeneration schemes in Worcestershire.
- Strategic priorities identified in LIP are driven by Worcestershire Economic Strategy, LEP proposals, Worcestershire Housing Strategy and its Sustainable Community Strategy. District level economic development, regeneration, community and housing strategies are also important contributors to LIP priorities. The Housing Strategy will set a number of quantitative targets for housing development for the period through to 2016.
- Strategic Infrastructure Delivery Plan currently being developed in Worcestershire. This will play a critical part in enabling future housing development and wider regeneration to take place, and LIP priorities need to feed into this process.

3.1 The context for the LIP is set by a range of national and local policy drivers. This context is still taking shape during a period of significant change in housing, economic development, regeneration and planning policy, extending from the way that local planning decisions will be made to the type of housing that will in future be eligible for national funding.

National Policy

Localism and the Big Society

3.2 The development and implementation of Worcestershire's LIP is taking place in a rapidly changing policy and funding landscape for local government. Publication of the Decentralisation and Decentralisation and Localism Bill in December 2010 has signalled the Government's aspiration to shift more responsibility for decision making to localities and neighbourhoods, in the context of a particularly tough financial settlement for local authorities. Several aspects of the localism agenda have important implications for the Worcestershire Local Investment Plan including:

- Revocation of Regional Spatial Strategies (RSS) – Until now, the RSS determined the level of new homes and the broad provision of employment sites needed in an area. The Government's decision to revoke them puts new onus on Worcestershire's local authorities and their partners to determine the quantity, type and location of houses and jobs required in their areas. This is particularly important in the context of the emerging core strategies for Worcestershire, since they will be expected to set new targets for housing, employment land and other key elements of spatial planning in a locality. Over time, these decisions will need to be reflected in the priorities set by the Worcestershire LIP.

- Neighbourhood planning powers – The Decentralisation and Localism Bill introduces new rights for neighbourhoods to determine future development (eg. the suggestion of a community right to build where a majority is in favour), as well as the potential for parish and neighbourhood councils to development and submit plans for their areas. As it evolves over time, this role for neighbourhoods and communities would be expected to have a bearing on the priorities set by the LIP. Housing schemes, major regeneration schemes and other developments are set to be more strongly influenced by these new planning powers, both in terms of the development sought by an area and the constraints and restrictions that neighbourhoods and communities may seek.

3.3 The Decentralisation and Localism Bill is a key pillar of the Government's Big Society initiative, which comprises measures intended to give local communities a bigger role in the design, funding and delivery of local services. To this end, the bill will introduce new powers for communities to take ownership of local assets, changes to the Community Infrastructure Levy to enable a larger proportion of receipts to be directed to neighbourhoods and the right for a range of organisations to bid to take over the running of services. Although detail on the implementation of these changes is yet to emerge, they imply a more decisive input for neighbourhoods in planning and development decisions in their area. In turn, this would be expected to feed through into the LIP.

3.4 Worcestershire has a well established infrastructure of community and enterprise partnerships on which to build as the UK moves towards localism and big society principles. These extend from the district and county level local strategic partnerships through an extensive network of parish and town councils. They also include public-private collaborative bodies such as the ReWyre Regeneration initiative, a form of engagement which is expected to become an increasingly important part of local governance.

Role of the Homes and Communities Agency and Social Housing Reforms

3.5 Following the Comprehensive Spending Review it has been confirmed that the HCA will be retained as a smaller 'enabling and investment' agency. HCA has outlined that investment will be focused in 3 broad areas:

- Affordable housing (£4.5 billion over the period between 2011 and 2015)
- Improving existing housing stock
- Land and regeneration – completing existing long term commitments, realising benefits from RDA land assets, working in partnership with other public agencies to

deliver.

3.6 The HCA will from now on work across five operating areas (excluding London). The new single Midlands region is a much larger entity than its predecessor West and East Midlands regions. The implication for Worcestershire is that funding for the Midlands region will be distributed amongst a much broader array of organisations than under the previous organisational structure.

3.7 The HCA has indicated that its future investment will primarily be focused on: affordable rent housing, mortgage rescue package, Gypsies and Travellers, the Places of Change programme and empty homes. A substantial majority of future funding is expected to be allocated to the new affordable rent programme.

3.8 Whilst details are still emerging on the enabling role the HCA may be able to play, this is likely to include some or all of the following:

- Support and technical advice
- Project management of large scale planning applications
- Economic appraisal tools and procurement panels
- New models of public, private and third sector investment
- Maximising the use of public land through the emerging Local Land Initiative (LLI).

3.9 As part of its broader package of housing policy changes, the government has embarked on a programme of social housing reforms. Its stated aims in reforming the social housing system are to:

- Make the system fairer, striking a balance between the needs of new and existing tenants
- Ensure that social housing support is better focused on those who need it most
- Give local authorities and Registered Providers new powers so that they can make the best use of their housing stock.

3.10 The reforms set out a new approach to affordable housing which aims to allow greater flexibility and make public investment go further. From 2011, Registered Providers will have an additional Affordable Rent option to offer households. Affordable Rent will be set at a higher level than social rent, up to a maximum of 80% of gross local market rents. It will give registered providers the flexibility to increase the revenue that is available to them through rents – which can then generate additional capacity and fund the delivery of new affordable homes. The government has stated that grant funding (including funding through the HCA) from now on will primarily target this new affordable rent product.

3.11 The HCA published its framework for the Affordable Homes Programme in February 2011. The framework sets out how new affordable housing development will be funded over the next 4 years and the delivery mechanisms for the new Affordable Rent product. At the centre of the framework is a requirement for Registered Providers to submit packages of proposals for which grant funding to support development is needed. Proposals are expected to set out the volume, location and type of stock to be developed, how existing stock might be converted to Affordable Rent stock or other tenure types, and how developments will deliver local priorities including those identified by Local Investment Plans. There is also emphasis on the creative use of assets including public land holdings and funding mechanisms (eg. Registered Providers' borrowing, New Homes Bonus) to support development. The deadline for the submission of package proposals is 3rd May 2011, and partners across Worcestershire are now working together to assemble bids.

3.12 Changes to social housing will also include measures to create a new local authority tenancy with a minimum fixed term of 2 years. This is expected to operate alongside secure and introductory tenancies. Both local authorities and Registered Providers will be able to let social housing on fixed term tenancies, rather than the current lifetime tenancy model. Local authorities will also be given new freedom to determine who should qualify for social housing waiting lists. Priorities for social housing in the LIP will need to reflect these changes.

3.13 A key element of the changes is the requirement for local authorities to develop tenancy strategies which set the objectives that Registered Providers will in turn be expected to reflect in their individual tenancy management policies. These strategies need to be completed 12 months after the relevant sections of the Localism Bill enter into force. However, partners in Worcestershire have recognised the need to give Registered Providers an early steer on local tenancy strategies in view of the May deadline for the submission of package proposals to the HCA.

3.14 Alongside funding for the Affordable Rent product, the HCA has made indicative allocations to four other elements of the programme: Mortgage Rescue Scheme, Homelessness Change Programme, Traveller Pitch Funding and Empty Homes. Registered Providers have the opportunity to demonstrate how they might provide this wider range of products as part of their package proposals.

3.15 Partners in Worcestershire are already compiling data on potential demand for mortgage rescue in the County which will inform how lead provides and local authorities manage allocations over the next 3 years. The level of funding available for Mortgage Rescue is likely to support fewer completions than has been the case in Worcestershire over the past 2-3 years. This puts greater onus on the development of a strategy to prioritise households, and work on this is now underway.

3.16 Partners are also considering their approach to the availability of Empty Homes funding, with the HCA having indicated that £100 million is earmarked to address this problem from April 2012. Further information on this scheme is expected shortly, but Registered Providers have already been asked to signal their interest in bringing empty homes back into use in preparing package proposals.

Economic Development and Regeneration Policies

3.17 The second half of 2010 has been marked by a series of significant changes to the government's approach to economic development and regeneration. Responsibility for economic development and regeneration is now shifting from regional organisations to local partnerships, with a bigger role sought for the private sector in new governance arrangements. This is changing the context for the delivery of the LIP, particularly the mechanisms through which partners will set objectives and secure funding to deliver them.

3.18 For the LIP, the key changes are:

- Local Growth White Paper. October 2010 saw the publication of *Local Growth: Realising Every Place's Potential* which provided further clarity about many of the government's proposals for economic development and regeneration. Along with detail on the LEPs and the closure of the RDAs, the White Paper set out how the government proposes to provide localities with new financial incentives to promote growth. These may have a significant part to play in the way that local authorities and their partners are able to fund housing and regeneration schemes in future. Of particular importance are:

  - Tax Increment Finance. The White Paper outlined new powers for local authorities to borrow against future additional income generated from local business rates. This funding could be used to support key infrastructure and other capital investments, and may prove in time to be a source of funding for LIP priorities.

  - New Homes Bonus. From April 2011, local planning authorities will receive payments based on the annual net increase in dwellings in the area, with the level of payments related to Council Tax bands. This has the potential to contribute to the pooling of resources across several local authority areas.

- Regional Growth Fund (RGF). The White Paper also set out proposals for the £1.4 billion Regional Growth Fund which will operate between 2011 and 2014. This fund has been designed to support the creation of private sector employment in those areas of the country likely to face the most substantial fall in public sector employment. The emphasis is on the direct involvement of the private sector in formulating bids to the RGF, and LEPs are expected to be among the organisations developing proposals. The RGF has the potential to support a wide range of priorities identified in the LIP.

- Abolition of Regional Development Agencies – The imminent closure of Advantage West Midlands and the other Regional Development Agencies is intended to further shift the focus of sub-national economic development and regeneration policy towards localities. Advantage West Midlands has been a key source of funding for economic development and regeneration in the county.

- New Local Enterprise Partnerships. In September 2010, local authorities and business leaders were asked to submit their proposals for new Local Enterprise Partnerships that better represent functional economic areas, and there are expectations that LEPs will take a policy lead on economic development and regeneration issues. The expectation is that LEPs will take on some of the responsibilities previously exercised by the Regional Development Agencies, although the position in relation to funding and assets is not yet clear.

Worcestershire Policy and Strategy

3.19 This initial LIP is complementary to a web of policies and strategies that are in place across Worcestershire.

County Housing Strategy

3.20 The LIP is identified as a supporting mechanism to enable delivery of the emerging Worcestershire Housing Strategy, which is expected to be completed in early 2011. The vision in the draft Housing Strategy is a simple and persuasive one: *The Right Home, At The Right Time, In The Right Place.* This is largely consistent with the key messages in the individual district housing strategies which have been developed over the past decade, but promotes a cross authority/joint approach to service delivery and highlights the importance of striking a balance between sub-regional needs and opportunities and those of local communities.

3.21 Partners have identified four primary goals in the draft strategy to which LIP priorities will be expected to make a key contribution:

- Better use of existing homes - To maximise the use of the existing housing stock by ensuring that a high percentage of homes are suitably occupied by 2016
- Delivering new homes - Enable 1,830 new market and 450 affordable homes which meet local needs in terms of property type, size, tenure and affordability by 2011
- Improving the condition of existing homes - Increase the number of existing homes across all tenures meeting the Decent Homes Standard by a target percentage by 2016 to improve peoples' quality of life
- Providing housing related support -Increase the social benefit from housing related support by a target percentage by 2016 to meet the changing and growing needs of vulnerable people.

Sustainable Community Strategy

3.22 Worcestershire's Sustainable Community Strategy (SCS) *Partnership Towards Excellence* sets the overarching strategic vision for Worcestershire and identifies the activity that partners will need to carry out to achieve it between 2008 and 2013. The SCS plays a key part in setting the framework for the LIP, since its key purpose is to improve the quality of life for all Worcestershire's communities and to make the county a great place to live, work and visit.

3.23 The SCS vision is of *a county with safe, cohesive, healthy and inclusive communities, a strong and diverse economy and a valued and cherished environment.*

3.24 The Local Strategic Partnership, which has overall responsibility for the strategy, has set out six themes which will guide the actions of partners and the outcomes they are seeking to achieve. While the LIP contributes to all 6 themes, it has particularly significant contributions to make to achieving outcomes for the health, economic success and strong communities themes.

Table 3-1: Worcestershire Sustainable Community Strategy Themes and Priority Outcomes	
Theme	Priority Outcomes (most relevant to LIP highlighted)
Communities that are safe and feel safe	• To continue to improve community safety and build confidence in communities • To reduce the harm caused by illegal drugs and alcohol
A better environment for today and tomorrow	• To protect and improve Worcestershire's natural and historic environment • To promote the re-use, recycling and recovery of waste • To address issues of water quality, supply, and consumption and land drainage in Worcestershire • To increase energy efficiency and increase the proportion of energy generated from renewable sources
Economic success that is shared by all	• To promote technology-led growth benefiting all sectors and parts of the county • To support the sustainable development of the county through infrastructure development (in particular transport infrastructure) and establish Worcester as a growth point • To remove barriers to employment and improve skills • To ensure that Worcestershire's economic interests are effectively represented at all levels
Improve health and well being	• To support adults to lead healthier lifestyles • To reduce health inequalities • To improve the quality of life and independence of older people and those with a long-term illness • To improve mental health and wellbeing
Meeting the needs of children and young people	• To support children, young people and families to lead healthy lifestyles • To identify and deal effectively with bullying and support all children, young people and families who have been affected by it • To raise the educational achievement of all children and young people • To ensure children, young people and their families have access to positive things to do and enjoy in their communities
Stronger communities	• To provide decent, appropriate and affordable housing that meets the diverse needs of Worcestershire • To improve quality of life in Worcestershire by providing vibrant cultural and sporting opportunities for all • To support effective volunteering that is accessible to all • To reduce income deprivation including child and pensioner poverty • To deliver an accessible, affordable, safe, convenient, sustainable and integrated passenger transport network

3.25 The Worcestershire Partnership has agreed to move to a single Sustainable Community Strategy for the County that will run from 2011. Revision of the strategy is currently taking place and future updates of the LIP will need to reflect the themes and priorities agreed by the Partnership.

Worcestershire Economic Strategy

3.26 The LIP has an important supporting contribution to make to the delivery of the refreshed Worcestershire Economic Strategy (2010-20). The strategy sets out a long term vision and focus for economic development and regeneration within the county:

In ten years time, technology-led growth will have contributed to the sustainable development of Worcestershire and strengthened its role as an economic driver for the region – acting as a catalyst for all sectors of the economy and areas of the County to benefit and providing well paid and highly skilled jobs and high quality of life for residents

3.27 The strategy sets out three strategic objectives:

- Business: to support the development of a dynamic and diverse business base through engagement with existing businesses and encouraging growth of new businesses
- Place: Supporting the sustainable development of the county through infrastructure development especially transport, and continue supporting Worcester as an accessible West Midlands Growth Point
- People: To enhance employability levels removing barriers to employment and improving skills.

3.28 There are a number of important spatial dimensions to the strategy, highlighting:

- Areas of market failure and disadvantage – Rural Regeneration Zone
- Concentrations of knowledge assets – Central Technology Belt
- Strategic Growth Point– Worcester City, which is identified as a key economic development priority
- Towns undergoing economic restructuring – Kidderminster, Redditch
- Larger towns providing a focus for economic activity – Bromsgrove, Droitwich, Malvern
- Market towns as a focus for rural regeneration – Pershore, Evesham, Bewdley, Stourport, Tenbury Wells, Upton-on-Severn.

3.29 While the strategy recognises that Worcestershire's economic strength lies in its diversity, it recognises that the recession has had a deep impact on the county's economy, and that recovery has been slow and modest. Cuts in public funding following CSR 2010 are expected to prolong the effects of recession, given the role of the public sector as a major employer and buyer of goods and services in Worcestershire.

3.30 The strategy recognises that the recession has an impact on housing and regeneration in Worcestershire. The number of new housing starts has fallen significantly and it is noted that a failure to meet future housing need/demand, including affordable housing will have an impact on the county's economy.

3.31 Priorities identified in the LIP have a potentially important part to play in ensuring that the county attracts and retains the skilled workforce it needs to sustain its business base. In broader terms, the LIP directly responds to the opportunities and needs identified in the spatial dimension of the economic strategy.

Local Enterprise Partnership

3.32 Worcestershire partners have successfully navigated the first stage in creating a new LEP for the county, having had its *Worcestershire Works* bid approved in December 2010. The bid set out the following priorities for the partnership:

- Deliver the strategic employment sites and related infrastructure (services, highways access, utilities etc) needed to secure sustainable economic growth and a low carbon economy. It has a strong focus on high technology and knowledge based industries eg. the early delivery of the Worcester Technology Park, Worcester Bosch facility and building on existing companies such as QinetiQ in Malvern.

- Ensure there is the right support for business start up, business growth, business retention and inward investment.

- Deliver the right infrastructure for businesses including broadband, improving access from the M5 to the Malvern Hills Science Park and QinetiQ, improvements to east west links and the A449.

- Invest in skills, ensuring that provision is responsive to business needs, and relevant to future growth and business opportunities.

3.33 While the precise role and function of LEPs is still emerging, the *Worcestershire Works* bid document sets out a number of commitments on housing and regeneration reflected in the LIP:

- Ensure an approach to strategic planning that is responsive to the aspirations of Worcestershire's communities and that helps to create a thriving environment for jobs and enterprise.

- Continue a proactive joint approach to housing, particularly on innovative approaches to affordable housing, with locally initiated schemes to meet local needs.

3.34 As the LEP develops its agenda, the delivery of LIP priorities should in turn have a significant role in enabling partners to create the conditions for the private sector to flourish in Worcestershire. In addition to Worcestershire Works, North Worcestershire has also become part of the Birmingham and Solihull Local Enterprise Partnership, reflecting the strong economic ties across the boundaries of the component local authority areas. With major sites including Longbridge straddling the border of the two LEP areas, developments in Worcestershire and on the Birmingham/Solihull side of the boundary are treated as common investment priorities.

Local Transport Plan 3

3.35 The efficiency and effectiveness of Worcestershire's existing transport infrastructure and priorities for future investment in transport are critical to the county's aspirations for housing and regeneration. Following a period of consultation, Worcestershire's LTP3 was published in February 2011. It sets policies that will have a key part to play in the location, scale and type of development that takes place over the period from 2011 to 2026.

3.36 The LTP3 will be followed by a sequence of 5 year delivery plans. The County Council and its partners are clear that constraints on public funding for transport means tough choices about future investments, and the LTP3 points to the maintaining of existing transport infrastructure and services being the immediate priority for Worcestershire. The plan identifies five major schemes and packages that are being considered for inclusion which would absorb the full allocation of LTP funding and require additional investment to be realised. These cover measures to tackle current problems on the infrastructure network as well as measures to support future growth. They include:

- Evesham Abbey Bridge & Viaduct Replacement
- Worcester Transport Strategy - Phase 1
- Worcester Parkway Interchange
- Kidderminster Town Package
- Redditch Town Centre Package.

3.37 LTP3 policies will influence the location, type and scale of future housing developments in Worcestershire, as well as wider economic development and regeneration schemes. At the same time, many potential LIP investments will help to support the delivery of LTP3 objectives, whether through contributions secured through developments (eg. Section 106 agreements) or simply by encouraging living/working patterns that meet one or more of LTP3's objectives. The creation of the £560 million Local Sustainable Transport Fund, which will operate over a 4 year period to 2015, also has the potential to be an important source of investment for this type of initiative in Worcestershire.

Worcestershire Infrastructure Delivery Plan

3.38 Worcestershire County Council is currently leading the preparation of a County wide infrastructure delivery plan, scheduled for completion in spring 2011. The delivery plan builds on work to comprehensively identify the county's infrastructure requirements, and will provide the framework for the prioritising and then the delivery of the full spectrum of infrastructure investment (energy, water, telecoms, waste, access, transport, social and community).

3.39 The LIP will feed into the final stages of preparing the county infrastructure delivery plan. As far as possible, partners must seek to ensure that the infrastructure needs of key priorities for housing and regeneration are captured in the plan. At the same time, reduced funding for investment infrastructure will in turn affect the deliverability of housing and regeneration schemes, and this will need to be reflected in the way that LIP priorities are taken forward.

Capital and Asset Pathfinder

3.40 Worcestershire is one of several pilot areas for the national Capital and Asset Pathfinder initiative. This initiative has been designed to enable partners to explore new ways of pooling budgets to secure efficiency savings, primarily through the better management of buildings and other assets. Partners have already undertaken a detailed asset mapping exercise, and the pathfinder may assist in identifying potential solutions to the use of publicly owned assets to support housing and regeneration schemes.

3.41 The Pathfinder is required by the Department for Communities and Local Government to complete a long term strategy to establish a coordinated approach to service delivery and asset management by public sector partners on an area wide basis over a 10 year period. The strategy will identify reductions in the portfolio of estate properties, environmental sustainability objectives, reductions in revenue costs and the potential to draw on capital receipts.

Key District Policies and Strategies

3.42 The preparation of the LIP has been informed by an extensive range of district level policies and strategies agreed by partners in Bromsgrove, Malvern, Redditch, Wyre Forest, Worcester, and Wychavon. These provide the detail about specific local priorities for housing, regeneration and economic development, but also local planning policies relating to the scale, type and location of affordable, social rented and special needs

Core Strategies

3.43 Core strategies set out the long term vision, objectives and key policies for development in Worcestershire. In the north, Wyre Forest district already has in place an adopted core strategy while Bromsgrove and Redditch will issue draft core strategies for consultation early in January 2011. The three south Worcestershire districts are in the process of completing the South Worcestershire Development Plan with preferred options scheduled to be issued in September 2011.

3.44 Of particular importance to the LIP will be the policies set out by core strategies on housing provision, approaches to affordable housing, regeneration priorities and commercial development. Priorities identified in the LIP will need to be consistent with policies set out in the core strategies, and the location, scale and characteristics of housing developments will be driven in part by local authority planning policies on developer contributions, the preferred composition of affordable housing schemes and the allocation of land for housing.

3.45 Local Area Action Plans (AAPs) and a number of Supplementary Planning Documents (SPDs) have also informed the preparation of the LIP. They are essential to understanding the mix of development that local authorities are seeking to deliver in specific localities.

Local Housing Strategies

3.46 In addition to the draft Worcestershire Housing Strategy, some local authorities have had in place district housing strategies which have informed both potential priorities for the LIP and their broader objectives for housing provision in their localities.

3.47 Much of the work of planning authorities on housing is underpinned by a substantial evidence base on the dynamics of local housing markets, housing needs and the availability of land for future housing development. This has informed the preparation of the LIP and includes the Strategic Housing Land Availability Assessments (SHLAAs), Housing Market Assessments (HMAs) and accessibility studies, together with a wider range of studies on employment land, retail provision etc.

Economic Development and Regeneration Strategies

3.48 A key criterion in identifying priorities in the LIP has been their connection to key local economic development and regeneration priorities in each of the 6 Worcestershire districts. In some cases (eg. Bromsgrove Economic Development Strategy, Redditch Economic Development Strategy) these set objectives covering the entire district. In many other cases (eg. Kidderminster Regeneration Prospectus, Worcester Library and History Centre project), these take the form of plans for specific places or sites in which housing and/or employment have a central part to play. Alongside priorities for short term investment, the LIP also captures long term investment priorities that partners have identified for particular localities.

3.49 For some of these schemes, initial investments in housing, with or without funding from the HCA, will help to unlock future development or ensure that a component of affordable housing is provided. However, at this stage, several of the largest schemes are still at an early masterplanning stage and the role of the LIP is to help ensure that they are highlighted as priorities in advance of the submission of more detailed plans, the assembly of land and steps to secure funding packages.

4. Worcestershire's Story

Key Points

- A large and diverse county with a complex urban and rural settlement pattern including Worcester city, larger strategic centres (Redditch, Kidderminster), towns, rural villages and hamlets.
- High quality living environments with historic built environment and an outstanding natural environment, including Areas of Outstanding Natural Beauty (AONBs).
- Population of 556,500 after growth of 9% between 1991 and 2009, with higher than average proportion of population in the 50-70 age group, and lower than average proportion of young people.
- Projected population growth of 12% to 2026, and a 50% increase in number of people over the age of 65 during the same period.
- Significantly self-contained, with 75% of population living and working in Worcestershire although some areas (eg. Bromsgrove, Wyre Forest, Redditch) have substantial numbers of people out-commuting to other parts of West Midlands.
- Worcestershire's housing markets saw sustained, strong demand during the 2000s leading to problems of affordability across the county.
- The recession had significant impact on housing markets, with falling sales and falling completion rates further exacerbating the shortage of affordable homes to buy and rent.
- The draft Worcestershire Housing Strategy points to a need for more than 2,200 new affordable housing units a year to meet demand.
- Population projections suggest a need for substantial new and remodelled provision for older people, including extra care and specialist care schemes.
- Strong economic performance during 2000s with higher than average rates of entrepreneurship and lower than average levels of unemployment.
- Higher than average proportion of resident population qualified to NVQ Levels 3 and 4.
- Mixed economy with manufacturing the largest sector (16% of employment) and health, retail, education and other public sector also significant employers.
- Strong innovation base including QinetiQ and Bosch, with strengths in defence, aerospace, security and related information technology.
- Potential to expand high tech manufacturing through further development of business parks and investment in environmental technologies sector.
- Recession has had adverse impact on business birth and survival rates, and seen increases in unemployment with more deprived areas of county most affected.
- Areas of Kidderminster, Redditch, Stourport, Great Malvern and Worcester rank amongst most deprived 20% in the country, with nine areas in the top 10% most income deprived in England.
- Good quality road infrastructure with motorway network providing efficient access to wider UK network but rail under used and requiring further investment in facilities and capacity. Some key pinch points on road infrastructure require substantial investment.
- Need for further investment to extend coverage of broadband to rural towns and other settlements, particularly as superfast broadband starts to be rolled out.

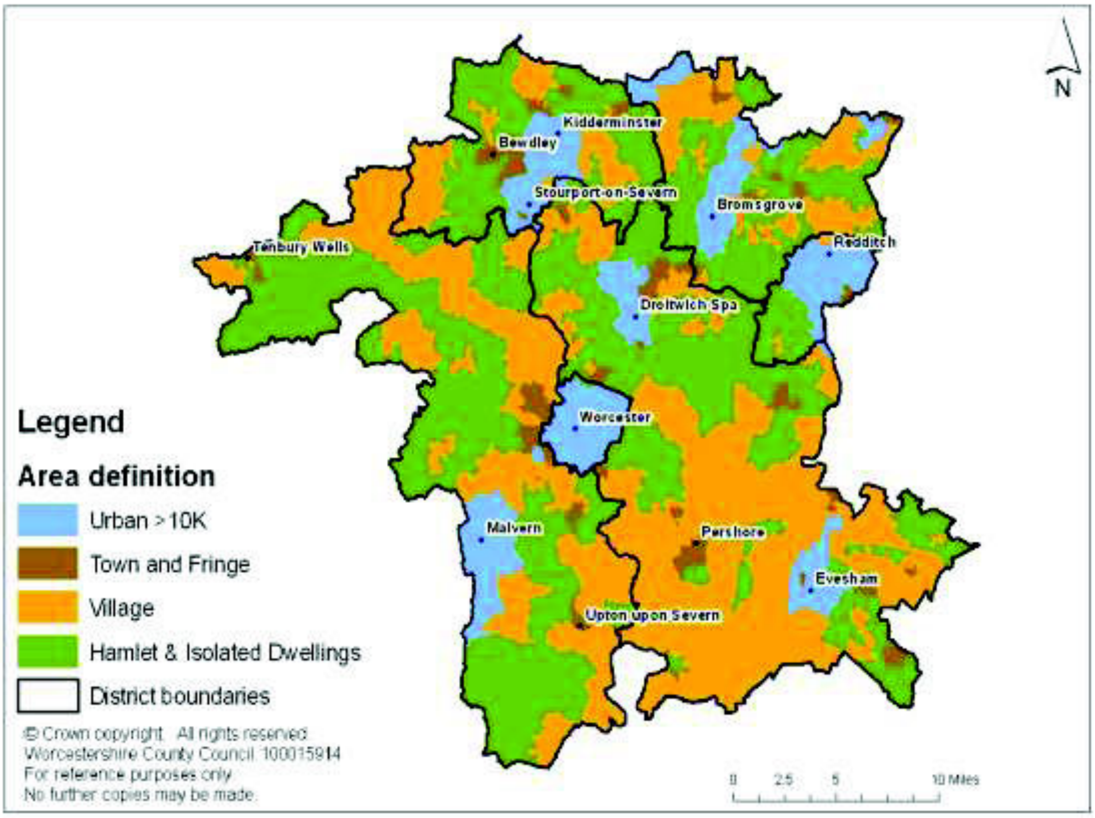
Worcestershire's Key Characteristics

4.1 Worcestershire is a large and diverse county, noted in the UK for its historic built environment and an outstanding natural environment. The key features of the county's geography, economy and population have played a critical part in shaping its housing markets, and in turn they provide the context for the priorities partners have identified in the Local Investment Plan.

Worcestershire's Geography

4.2 Worcestershire covers a total area of 173,529 hectares extending across seven local authority areas comprising Bromsgrove, Malvern Hills Redditch, Worcester City, Wychavon and Wyre Forest, together with the County Council area as a whole. A population density of 3.2 people per hectare reflects an area in which the city of Worcester, larger towns (Redditch and Kidderminster[1]), towns (Bromsgrove, Droitwich, Evesham and Malvern, Pershore, Stourport, Upton, Tenbury, Bewdley) and smaller village/hamlet settlements are interspersed with significant tracts of sparsely populated rural landscape.

Figure 4-1: Worcestershire's Settlement Pattern



Source: Worcestershire Local Economic Assessment 2010-11

4.3 The county's high quality living environments have been an important factor in the trajectory of its housing markets during the past decade. Many areas of the three northern districts have seen strong demand for housing resulting from in migration from the Birmingham conurbation. While the south is more geographically self-contained, centring on the role of the city of Worcester, southern districts have seen strong, sustained levels of demand for housing, driven in part by urban and rural settings which have proved to be a strong draw for house buyers, particularly in older age groups.

4.4 Worcestershire's geography is an important driver of both future opportunity and need in housing and the wider economic development and regeneration of the area. Despite the

[1] Worcester, Redditch and Kidderminster were designated as Worcestershire's Strategic Centres in the West Midlands Regional Spatial Strategy.

recession, upward pressure on house prices and land values has contributed to significant affordability problems and constrained development (housing and employment land). Substantial green belt allocations together with tight restraints on rural development have created challenging conditions for the growth of settlements and the construction of new housing stock. Ensuring access to housing in this complex environment of market and planning constraints will remain a long term priority for the county.

Population

4.5 The population of Worcestershire was estimated to stand at 556,000 in 2009. The County has seen growth of just under 9 per cent in its population since 1991, above average for the West Midlands but on par with the national growth rate. Growth rates fell between 2001 and 2009, although there were significant differences amongst the districts over this period with Bromsgrove in particular having seen continued strong growth rates from in-migration. Rurality is especially pronounced in the south; more than 40% of residents of both Wychavon and Malvern Hills districts live in rural villages and hamlets.

Table 4-1: Key Population Data for Worcestershire

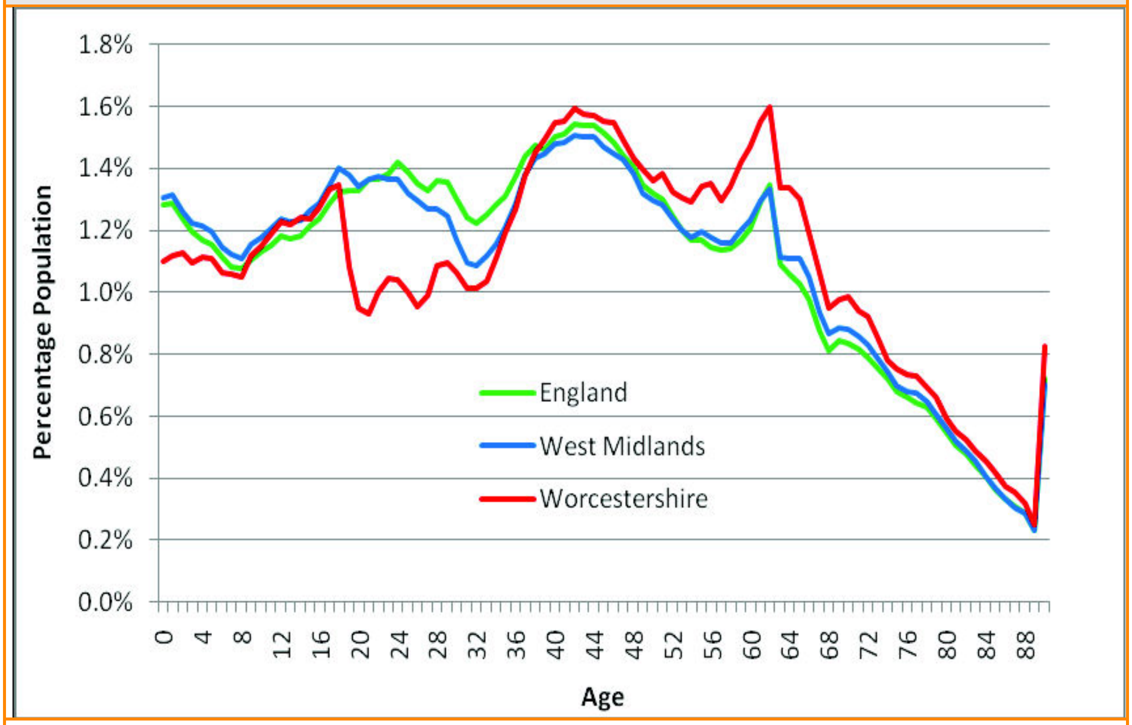
	Population (2009 mid year estimate)	% of Worcestershire total	Change 2001-09	% out commuting (2001 census)	Projected Growth (2006-26
Bromsgrove	93,400	17%	6.2%	58%	16.3%
Malvern Hills	75,000	13%	3.8%	42%	11.8%
Redditch	78,700	14%	-0.1%	39%	9.8%
Worcester City	94,700	17%	1.4%	32%	7.3%
Wychavon	116,700	21%	3.2%	43%	14.6%
Wyre Forest	98,100	18%	1.3%	36%	9.0%
Worcestershire	556,500	100%	2.6%	42%	11.8%

Source: Worcestershire Local Economic Assessment 2010-11
Data sources include 2001 Census, ONS mid-year estimates

4.6 While 75 per cent of residents live and work in Worcestershire, commuting is a key feature for living-working patterns in many parts of the county and the economic connections it has with other areas. As an attractive location for commuters, the three northern districts in particular have seen significant increases in travel to work into the Birmingham conurbation over the past decade. Only 42 per cent of Bromsgrove's residents work in the district, whereas 68% of Worcester's population also work in and around the city. The city forms (with Malvern) one of two specific travel to work areas within the County, the other being Kidderminster.

4.7 The age structure of the county's population and expectations about the way it might change are important drivers of the scale and nature of housing that the area will need to provide in future. Population estimates for 2009 clearly show that the county is over-represented in older age groups (particularly 50-70 year age group) but underrepresented in younger age groups. This is a critical issue both for Worcestershire's future workforce and the pressure it places on services (increased demand for health care, smaller tax base), and it needs to be addressed in the approach to investment in housing.

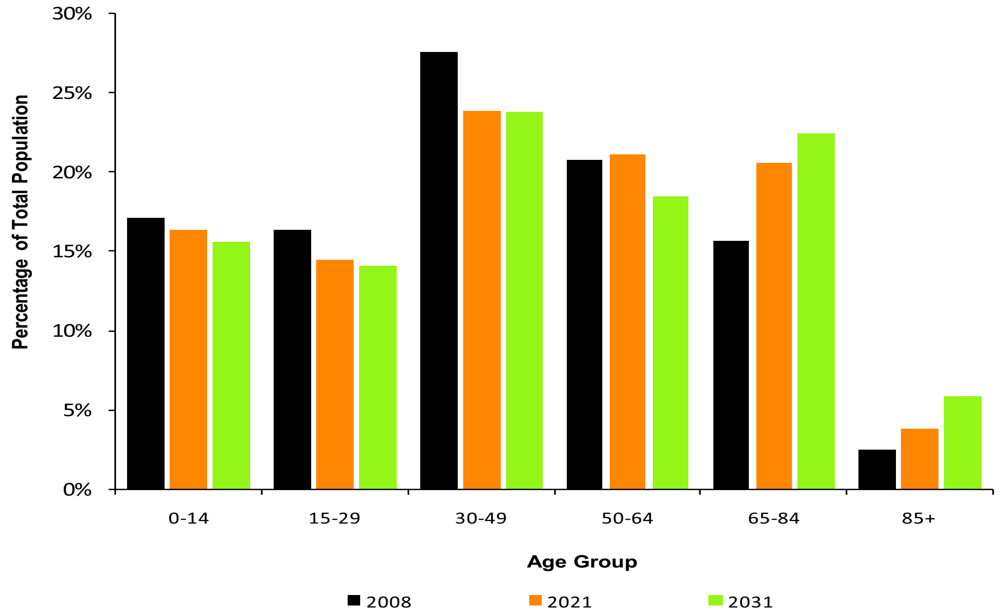
Figure 4-2: Worcestershire's Population Profile



Source:Draft Local Economic Assessment, 2010-11. ONS mid year population estimates, 2009

4.8 In common with many areas of the UK, Worcestershire can expect to see significant further growth in the number of older residents in the county over the next decade. Population projections data suggest overall population growth of 9 per cent to 2031, but an increase in the number of people over the age of 65 which exceeds 70%. Over the same period, the county's working age population is projected to fall slightly. These trends have significant implications for the size of the County's future workforce and for the provision of public services in the area.

Figure 4-3: Population Projections for Worcestershire, 2008-31



Source: Annual Population projections (2008 based). ONS Nomis (www.nomisweb.co.uk) © Crown Copyright material is reproduced with the permission of the controller of HMSO

4.9 Offering the right housing in the right places will have an important part to play in attracting more working age people to live and work in the county in the long term.

Worcestershire's Economy

4.10 Worcestershire's economy thrived throughout much of the 2000s. Many parts of the county have comparatively high rates of entrepreneurship and business formation, a healthy mix of service and manufacturing industries and lower than average unemployment and economic inactivity. The median gross annual earnings of residents in 2009 stood at £25,500, slightly below the England average but higher than that of the West Midlands.

4.11 Higher than average skill levels amongst its resident population are also a feature of many parts of the county, with significant proportions of young people entering further and higher education and a generally well qualified resident population. Ensuring that the county's economy continues to shift from lower to higher value business activity remains a priority for partners.

4.12 Manufacturing remains the largest employer of people who work in Worcestershire. Around 16% of the workforce is employed in the sector, with health, retail, education and other public sector employment accounting for a significant majority of all employment. The county has a strong innovation base: QinetiQ at Malvern is a globally recognised player in the development of innovative technologies, while the Malvern Hills Science Park, and emerging developments at Bromsgrove Technology Park and Longbridge are expected to provide a substantial infrastructure for high tech business to grow along a corridor which broadly follows the A38. Emerging markets for environmental technologies are seen as a key area for development by partners, while defence, aerospace, security and related information technology are identified as key industries in the LEP proposal.

4.13 The rural economy remains an important part of the way that parts of Worcestershire earn their living. The agricultural sector, including food and drink production, is a significant source of employment for rural towns and villages, and the sector has been identified as a priority in the LEP proposal. In Malvern Hills and Wychavon districts, agricultural businesses comprise 14% and 10% of the business base respectively. Ensuring that affordable housing problems are addressed in rural areas, and addressing low rates of public transport use are identified as key challenges for rural Worcestershire.

4.14 The visitor economy is also an important contributor to Worcestershire's prosperity. Around 19,000 people are employed in the visitor economy across the County, representing 8% of the total workforce. Alongside well known destinations including the West Midlands Safari Park, Severn Valley Railway, the Malvern Hills (Area of Outstanding Natural Beauty) and the historic city of Worcester, much of the County offers a mix of attractions to visitors including its countryside, canal network, market towns and rural villages.

4.15 The county also has a broadly strong skills base, reflected in a resident population which has a higher than average proportion of residents with more advanced NVQ Level 3 and 4 qualifications. Ensuring that more of these people choose to remain and work in the county is a key issue for partners. However, there are areas of the County where skills attainment level and the take up of training are particularly low, and partners must continue to support a range of measures to secure improvement in these locations.

4.16 The recession has clearly bitten into Worcestershire's economy, although the county has generally fared better than other parts of the UK. Over the period since 2008, business birth rates have fallen and business failure rates have risen, with knock on effects in the form of rising unemployment. With around 26% of Worcestershire's workforce employed in the public sector, cuts in public spending are likely to trigger further and substantial redundancies over the next few years. The recession has led to an increase in the proportion of young people (18-24) who are unemployed, with Worcestershire now having a higher than average number of people in this category following the deep recession.

4.17 The recession's effects have been most pronounced in those areas of the county which already faced higher than average levels of deprivation, unemployment and disadvantage, and this pattern is set to continue as public sector unemployment rises. Areas of Redditch, Worcester and Wyre Forest rank amongst the most deprived 10% nationally in the 2007 Index of Multiple Deprivation. Although deprivation tends to be concentrated in urban areas, a small number of rural areas of Wyre Forest are also ranked amongst the most deprived 20% in the country. Around 6% (36,000 people) of Worcestershire's population live in households with a median income less than 60% of the England average, a key indicator of poverty.

4.18 The LIP has an important enabling role to play in securing sustainable economic growth in Worcestershire. The priorities partners have identified will help in the process of targeting resources towards economic opportunities for the county and in tackling key problems that will hinder economic progress, notably the need to provide the right mix of housing and employment to meet the needs of businesses and residents.

Table 4-2: Key Economic Data for Worcestershire					
	Largest employment sector (% of workforce, 2008)	Business births per 10,000 of population over 16 (2008)	Economic activity rate (April 2009-March 2010)	Claimant Count Unemployment Rate (September 2010)	% of population with NVQ Level 4 + (2009)
Bromsgrove	Education (13%)	63	86%	3%	30%
Malvern Hills	Manufacturing (15%)	61	82%	2.2%	33%
Redditch	Manufacturing (25%)	51	76%	4.2%	19%
Worcester City	Health (16%)	45	80%	3.6%	30%
Wychavon	Manufacturing (19%)	56	82%	2.4%	33%
Wyre Forest	Manufacturing (18%)	47	81%	3.6%	22%
Worcestershire	Manufacturing (16%)	54	81%	3.2%	28%
Source: Worcestershire Local Economic Assessment 2010-11 Data sources: Annual Business Inquiry 2008, Office for National Statistics Claimant Count Rate, Office for National Statistics, 2010					

Worcestershire's Infrastructure

4.19 The performance of Worcestershire's economy and the quality of life of its residents is strongly influenced by its infrastructure. Transport provision, land and property, ICT infrastructure, social and community infrastructure and green space all contribute significantly to the way that Worcestershire functions. Future investment in housing, economic development and regeneration needs to be underpinned by the right level of investment to improve and maintain a strong infrastructure in the county

4.20 Generally, Worcestershire has an extensive and effective highways infrastructure. The three motorways that run through Worcestershire (M5, M42, M50) provide good north-south and east-west connections, while major urban areas tend to be well served by an effective principal road network. However, further investment to tackle pinch points on the road network (eg. Worcester southern link) and make critical improvements (eg. Abbey Bridge, Evesham) will be essential to maintaining the standard of the network and increasing its capacity where further growth occurs.

4.21 Use of the county's rail network has not reached the level sought by partners. This is partly attributed to the quality of services and facilities on the network, with links to Birmingham, Gloucester, Bristol and South Wales seen as requiring improvement, including the development of the Worcester Parkway. The capacity of the network around Birmingham to absorb increased rail traffic remains a key constraint on the growth in the number of services into other parts of the West Midlands.

4.22 North Worcestershire has a good supply of employment land to meet demand in the long term. Employment land reviews for Bromsgrove, Redditch and Wyre Forest have indicated that each district has a range of allocated employment sites to accommodate growth in demand for office and warehousing uses, and a supply to meet replacement requirements for the manufacturing sector. There are a number of sites (eg. 24Ha former British Sugar site, Kidderminster) earmarked for regeneration.

4.23 South Worcestershire's draft joint core strategy identifies a shortfall of around 61 Ha of employment land for the period between 2006 and 2026. The allocation of additional land is required in each of the 3 districts, with Worcester city requiring the most substantial increase in supply. Further development of the Bosch operation in Worcester and the future expansion of QinetiQ are among the factors expected to generate strong demand for employment land.

4.24 The quality and coverage of the county's broadband infrastructure will be an increasingly important issue in the growth of its economy. While provision in urban areas is generally good, partners have given priority to improving broadband infrastructure in rural towns and settlements. With the roll out of superfast broadband expected to commence in 2011, partners are gearing up to ensure that maximum access to the network is achieved in all parts of the county.

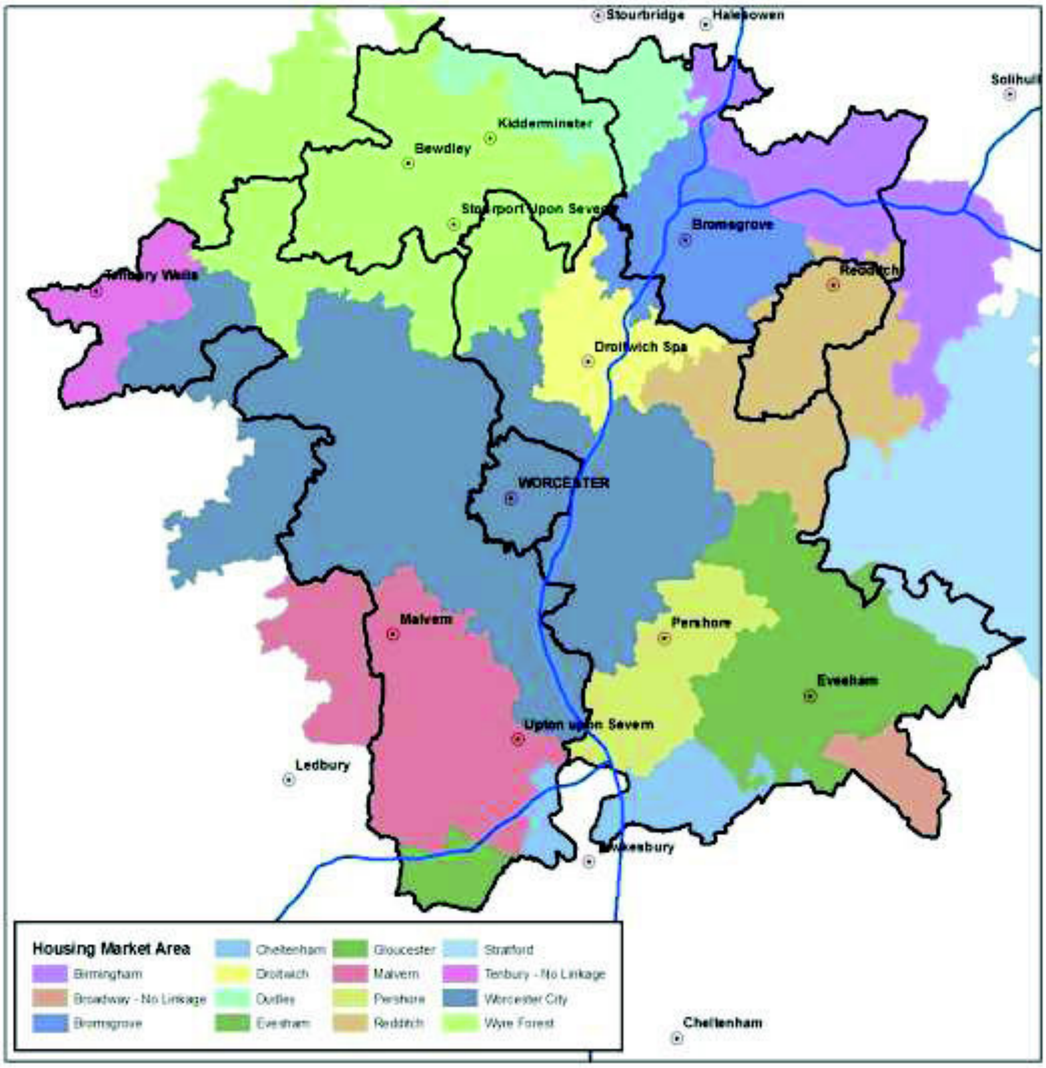
4.25 Worcestershire's green infrastructure is both an increasingly important source of employment (environmental economy) and a key factor in the characteristics that have given much of the county a good reputation for the quality of life it offers. An estimated 91,000 people work in the environmental economy in sectors ranging from environmental technologies to tourism. These industries are seen as a vital part of the future economy of Worcestershire, and partners are seeking to invest in ways which will support their growth. At the same time, striking a balance between pressure to develop in attractive edge of town/rural areas with the need to protect the natural environment and areas of outstanding natural beauty is a key challenge for planners in the county, and one which is reflected in the LIP.

Worcestershire's Housing Markets

4.26 In a large county covering an area of 1,471 sq km, Worcestershire's housing markets are characterised by a northern area which has a strong relationship with Birmingham, Solihull and the Black Country and by a more economically self-contained area in the south in which the growth and strong economic performance of Worcester City has been a key factor in determining the size and value of local housing markets.

4.27 The draft Local Economic Assessment for Worcestershire (2010-11) identifies eight housing markets in the county highlighted in the map below.

Figure 4-4: Worcestershire's Housing Market Areas



Source: Worcestershire Local Economic Assessment, 2010-11

4.28 Worcestershire's housing markets have been through a sustained period of buoyant demand during the 2000s. Between August 2001 and July 2010, average prices in the county rose from £100,000 to £167,000, peaking at £190,000 in December 2007. Detached house prices almost doubled between August 2001 and December 2007. Over a decade which saw unprecedented rates of growth in house prices, the six Worcestershire districts contributed to the southern housing market area (HMA) of the West Midlands experiencing the highest price inflation of any of the region's HMAs.

4.29 However, the housing sector in Worcestershire has been particularly hard hit by the recession. Sales have fallen dramatically from their peak in 2006, while the completion of new homes also fell sharply after 2007 as house builders bore the brunt of the credit crunch. In a county in which lower quartile affordability ratios are significantly higher than both the national and West Midlands averages, the recession has further exacerbated the impact of affordability problems on Worcestershire's economy.

4.30 Despite the recession, one of the main effects of the recent period of strong demand is that Worcestershire now has some of the highest value housing markets in the West Midlands. Local housing markets within parts of south Worcestershire have some of the highest cost housing in the West Midlands, with prices having risen particularly sharply during the mid 2000s. For example, Malvern Hills has seen substantial price increases allied to higher than average increases in average household income in recent years. This reflects a combination of the area's AONB status, a reputation for its high quality of life and high levels of well paid knowledge workers with the location of QinetiQ in the district.

4.31 In common with much of the UK, price inflation has resulted in significant affordability problems in Worcestershire, and this has become an important issue for the county's economy. Data for 2009 shows a county wide lower quartile affordability ratio of 7.3, well above the regional (5.8) and England (6.3) averages. The affordability issue is most pronounced in those areas which have seen strong rates of in-migration in recent years (eg. Wychavon and Malvern Hills) in the south of the county, but even in lower cost local housing markets (eg. Redditch), the lower quartile income-price ratio still stands at 6.4, ie above average. This issue reflects the characteristics of local housing markets in an area which is seen as a desirable place to live with good standards of living, good quality services and easy access to large employment centres in both the Midlands (Birmingham) and, increasingly, the south east.

4.32 Affordability problems are especially acute in the starter homes market. For South Worcestershire, housing market data point to a mismatch between incomes and house prices which is especially acute in the family starter homes market (2 bedroom). At the same time, Worcester, Droitwich and Evesham have been identified as having the biggest current and projected shortages of affordable housing. Redditch and Wyre Forest have the biggest stock of more affordable property with 24.2% and 25.7% of properties sold in 2008/09 for under £120,000 compared to just 5% in Pershore.

4.33 A key outcome of high housing costs has been difficulties for particular population groups in securing a foothold on the housing ladder and their ability to climb the ladder. Evidence generated for the strategic housing needs assessment for South Worcestershire underlines particular problems faced by young families seeking to purchase a first house or rent a property, and those with expanding/growing families. For those who cannot afford to buy property, the challenge is exacerbated by a supply shortage of property for rental in the £500-600 per month category. For Worcestershire's economic development, this is an issue both for the growth and prosperity of its town and for the sustainability of rural communities, where prospects of living and working in the same location are severely restricted by a lack of affordable property and limited employment opportunities.

4.34 High levels of demand for housing in some areas of Worcestershire have been fuelled by its position as an attractive location for commuters. Data for earnings in Bromsgrove show that resident average earnings are £8,000 higher than workplace earnings, underlining the extent to which the area has attracted well paid commuters who are working in Birmingham and the surrounding area. However, the pattern is not replicated across the County. While parts of Wyre Forest have seen increases in out-commuting, this has not been matched by strong demand for new homes in the district, and house builders have shown comparatively limited interest in the area.

4.35 The high level of in-migration to Worcestershire has presented a complex challenge for south Worcestershire's housing markets, where evidence suggests that in-migration by buyers with the financial means to purchase family homes is crowding out potential local buyers on lower incomes. Travel to work data produced by the West Midlands Regional Observatory (March 2010) show that in managerial and professional occupations, Worcestershire has a very strong relationship with Birmingham. Mobility within local housing markets is further restricted by a tendency (identified in the Strategic Housing Needs Assessment) for older people to retain family housing because of a shortage of stock and development aimed at ageing residents.

4.36 Local housing market areas faced with high demand have been constrained in their ability to develop new housing, although the pattern has not been a consistent one across the county. For example, Worcester's geographic expansion has been bounded by controls on new development on the edge of the town. Clearly, market forces have also played a critical role in supply side issues, with a preference for higher value developments and apartment schemes inevitably overriding pressure for more affordable supply in lower value locations.

4.37 Despite these constraints, the county has a good recent record of delivering new homes, reflecting the commercially attractive environment it continues to offer private sector developers and Registered Providers. During the 2000s, the county achieved a house building rate of 1,900 units a year on average. However, the recession has resulted in a marked fall in new completions, and the county fell well short of the Local Area Agreement target for completions in 2008-09. While there are some signs of recovery in the market, it has been slow to emerge and continued economic uncertainty makes it a difficult climate in which to bring forward new housing schemes.

4.38 Following the decision to revoke the Regional Spatial Strategy for the West Midlands, housing targets will be set by the core strategies currently being produced by each of the county's district authorities. However, maintaining the level of new build required to meet demand is a key challenge for partners. The draft housing strategy for Worcestershire indicates that 2,277 additional affordable homes are needed each year to keep pace with demand. The housing strategy also points to the need for sustained investment in new housing stock to meet demand from older people, including extra care and specialist care provision. Projected increases in the number of people over the age of 65 also require a remodelling of the existing stock to offer more aspirational homes for purchase and rent.

5. Strategic Priorities for Worcestershire

5.1 This section of the LIP sets out a series of **twelve strategic priorities** for Worcestershire. These priorities have been identified as critical to shaping the long-term future of the county, spanning economic development and regeneration, housing and the principal infrastructure requirements to underpin the place shaping process. They have been informed by the analysis in the preceding section and by the aspirations already identified across Worcestershire in strategies ranging from town centre regeneration plans to the newly formed Local Enterprise Partnership proposals.

5.2 The priorities contribute to the delivery of **three overarching objectives**. These are:

- First, creating the environment for Worcestershire's businesses to sustain and generate new employment. During a period which has seen rising unemployment UK wide, there is a need for a period of sustained private sector job creation in Worcestershire to tackle the impact of recession and expected falls in public sector employment. There is a particular need to continue generating more knowledge-intensive, high value employment in the county, investing in the sites, premises and skills and supporting measures that enable partners to continue the transition from lower to higher value business activity. A supply of the right sites and premises and the broader attractiveness of the area to business investors are critical.

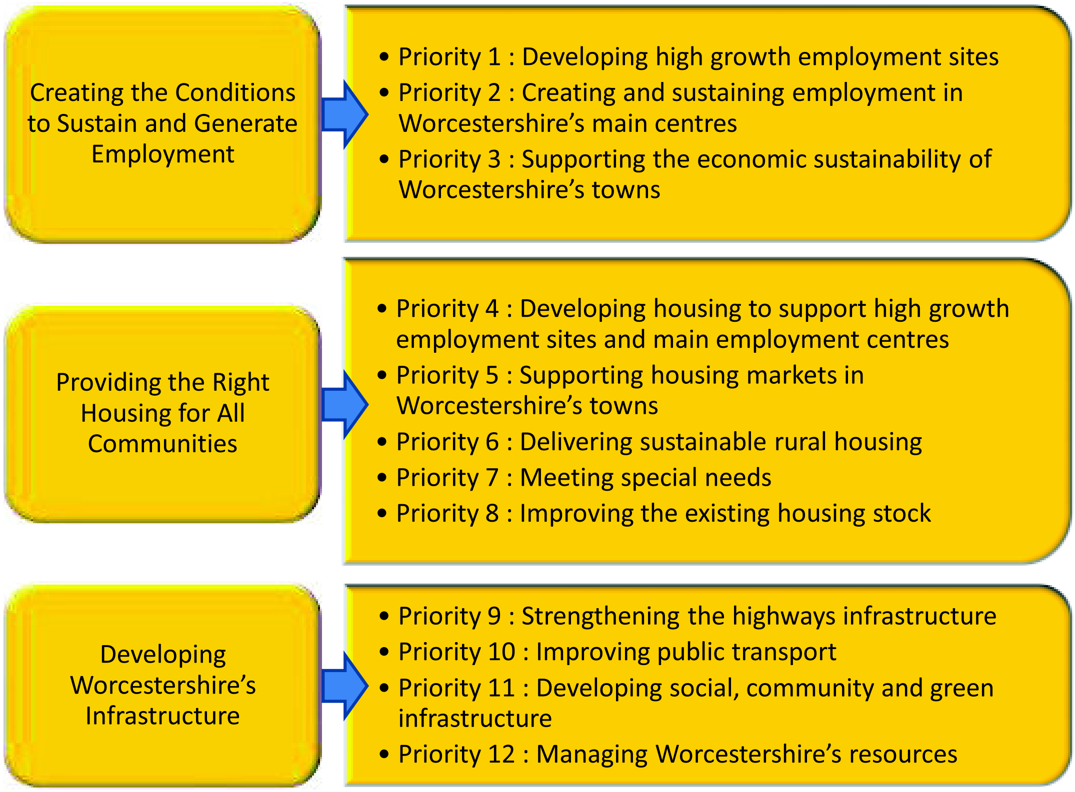
- Second, providing housing that meets the needs of all communities. Worcestershire needs to provide a choice of housing that meets the needs of all its resident communities and its employers, wherever they are located. The importance of developing more affordable housing options is widely recognised, with many areas facing particular shortages of 2-3 bedroom family homes. Partners have also signalled the priority they continue to attach to the provision of social rented housing, while the provision of new and improved special needs accommodation, including supported housing for vulnerable people, will continue to be a key issue for partners. To create employment and generate wealth, Worcestershire needs to ensure that it attracts and retains a workforce with the right skills in the right locations, and housing has an important part to play in achieving this objective.

- Third, developing Worcestershire's infrastructure. The drive to generate employment and secure the county's future workforce has to be underpinned and enabled by high quality infrastructure. There are already well established strategic infrastructure requirements across Worcestershire, while future development will require new investment to upgrade and add to infrastructure provision. These range from investment in maintaining and developing the highways infrastructure to Worcestershire's ability to provide the social and community infrastructure (eg. schools, community buildings) that is essential for well functioning communities. Partners are now in the process of determining their future requirements for infrastructure through the Worcestershire wide strategic infrastructure delivery planning process.

5.3 Each of the twelve priorities are described in more detail in the remainder of this section. Identified within each priority are some of the **individual schemes** that partners believe are required to deliver change. These schemes are presented on an area by area basis at the conclusion of Section 5.

5.4 As the LIP is updated over time, partners will clearly refine their lists of individual schemes to reflect the delivery of sites and schemes, new investment opportunities that emerge and the availability of public and private sector funding.

Figure 5-1: Worcestershire LIP : Summary of Strategic Priorities



Creating the conditions to sustain and generate employment

Priority 1: Developing High Growth Employment Sites

5.5 There are a number of key employment sites across the county which are critical to delivering a high volume of employment opportunities, particularly in higher skilled, knowledge intensive sectors of the economy. Partners will continue to invest in these sites to secure their long term future, as well as bringing forward other sites through LDF processes. Clearly, the release of some key sites may be determined by the availability of investment (including infrastructure investment), and partners will need to continue to be flexible in their approach to future supply.

5.6 Key high growth employment sites for Worcestershire, on which planning consents have already been granted, include:

- Enabling the development of Worcester Technology Park, including provision for the expansion of Worcester Bosch, is a key priority for the County. Proposals to develop a 30 Ha site to the south east of J6 of the M5 in Wychavon district will provide a new headquarters and R&D location for Bosch Thermotechnology, and in turn anchor the business park as a nationally recognised hub for knowledge intensive business activity and low carbon technologies. This development is a key scheme for Worcestershire's Local Enterprise Partnership and is the subject of a bid to the Regional Growth Fund.

- Continued investment in Malvern Hills Science Park following the completion of phase 3 of the development in 2009. The site's proximity to QinetiQ and the growing number of technology driven businesses operating on the site make it a primary location for higher value business activity in Worcestershire. Supporting future business activity driven by QinetiQ is also central to partners' aspirations for the economy.

- Support for the future development of other locations on or around the A38 corridor for technology intensive business activity, including Bromsgrove Technology Park and potential development of the Longbridge Technology Park as part of the wider regeneration of the former Rover site at Longbridge. The Longbridge development is key priority for the Birmingham and Solihull Local Enterprise Partnership, and a £22 million bid for Regional Growth Fund support has been submitted by St. Modwen, the developer. The scheme has the potential to create up to 4,000 new jobs, many of which are likely to be taken up by residents of North Worcestershire.

5.7 Together, these sites broadly follow the A38 corridor extending from the southern Birmingham conurbation through to Worcester and Malvern. Over the past decade this has been identified as a key area for the growth of high technology industry in the West Midlands, and further investment in these sites is a priority for the County.

Priority 2: Creating and Sustaining Employment in Worcestershire's Main Centres

5.8 The city of Worcester and the towns of Kidderminster and Redditch will continue to function as key centres for employment in the county.[2] Partners are seeking to invest in each of these locations to generate new employment (new and improved sites and premises, improved environment for existing businesses), sustain existing employment and ensure they are linked to supporting investment in housing and infrastructure:

- In Worcester, expansion of the University of Worcester and Worcester College of Technology have been earmarked as important catalysts for generating additional skilled employment in the city. Growth of the city's economy will be fuelled by both knowledge intensive industry and a service sector in which the visitor economy makes a particularly important contribution. The exciting £60 million development of the Worcester Library and History Centre will be a further stimulus for regeneration and employment in the city.

- For Kidderminster, there are opportunities for major new mixed use developments

[2] Worcester, Redditch and Kidderminster were defined as the County's three strategic centres in the West Midlands Regional Spatial Strategy.

in the town identified in the ReWyre prospectus for regeneration. The town centre is the focus of a 30 year vision to restructure the economy and revitalise the area, with a strategy in place to significantly improve retail and leisure provision and develop new office space, allied to investment to improve the living environment. Bromsgrove Street and Worcester Street, together with the Weavers Wharf area, will be the focal point for redevelopment. There are also major opportunities for employment development on the former British Sugar site and the wider South Kidderminster Business and Nature Park initiative, connecting the Severn Valley Railway and the surrounding countryside to an employment location that could create up to 2,000 new jobs on the strategically important Kidderminster-Stourport corridor. Plans for the further development of two key tourism assets - West Midlands Safari and Leisure Park and the Severn Valley Railway – are also seen as opportunities to create new employment for the area.

- The challenge for Redditch is one of economic restructuring, with investment in housing and regeneration needed to sustain and further develop the town's position as an economic centre. Large scale redevelopment of the town centre and its infrastructure is a key priority for the district and the subject of a number of Supplementary Planning Documents. The strategy for the town centre includes new mixed use residential, retail, cultural and leisure development and significantly improved transport provision and public realm. Proposals include major expansion of retail space to complement the Kingfisher Centre, the development of new office space and residential units in the Prospect Hill area and a remodelling of parts of the town centre (particularly Church Green) to improve the image of the area and encourage a more dynamic evening and night time economy. There are also proposals to regenerate Redditch's district centres, with Church Hill having been identified by the Council as a pioneer scheme to secure long term improvements in retail provision, residential and leisure uses in these areas of the town.

Priority 3: Supporting the Economic Sustainability of Worcestershire's Towns

5.9 Ensuring the economic sustainability of each of the County's towns has been identified as a key thematic priority by partners. While the towns are marked by their diverse characteristics and needs, they are united by the important functions they perform as local service centres, their contribution to sustaining vibrant local communities and their economic roles as places for employment and tourism.

- Alongside the presence of Longbridge and Bromsgrove Technology Park, investment in Bromsgrove town centre is a priority for the district to reinforce the key economic role the town plays in the area. Further improvements to retail provision in what is already an attractive town centre and the development of new, small office space to meet demand from small businesses will generate new employment. Proposals for Bromsgrove town centre include a potentially innovative high density residential complex (Recreation Road site) of up to 100 units targeted at retired people with on site facilities such as shops, restaurants, services and communal facilities.

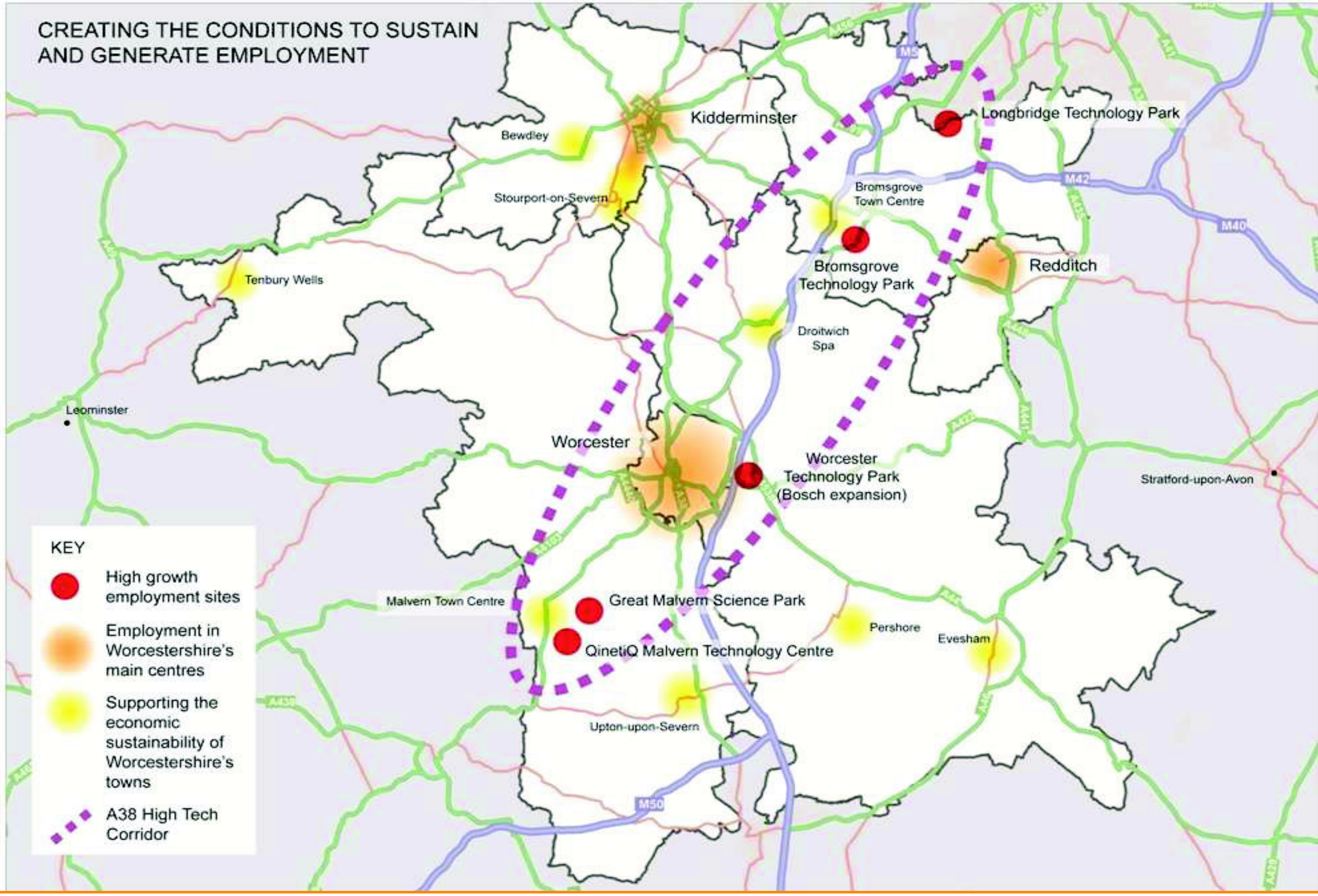
- Alongside major locations for high value employment around the town, further investment to maintain and improve Malvern town centre is seen as a priority by partners. This includes the quality of its retail provision, the availability of office space to meet demand in what has proved to be a popular location for SMEs and continued investment to maintain a high quality public realm, in turn strengthening the town's role as a visitor destination.

- There is a dual need in Droitwich Spa to secure new employment to enhance its role as a local commercial centre and to enable it to fulfil its wider market town role in rural regeneration. Investment in new, small office accommodation will help to build on its platform of service sector employment. Restoration of the canal network is a key regeneration priority for the town, contributing to its continued ability to attract visitors to the area. This is expected to create new development opportunities for the town, and attract investment in local hotels and other visitor facilities.

- Following floods in 2007/8, a priority for Evesham has been clearing and dredging the flood plain in the town. Alongside this, regeneration of the riverside area includes developing the Evesham Water Sports Centre, and a range of path and walkway improvements. Support to local businesses during the construction phase of the Abbey Bridge replacement is seen as a key priority for the local economy. The Market Town Partnership prioritises the promotion of Evesham and the wider Vale area to retain and attract inward investment. This focuses on presenting Evesham as a business and tourism destination. New investment opportunities from the Vale business park, restoration of the Regal cinema and proposals for major new investment at Evesham Country Park have also been identified as local priorities.

- Stourport's close proximity to Kidderminster and the importance of the South Kidderminster Business and Nature Park initiative means that the northern side of the town will have a key role to play in providing employment. For Pershore, Upton and Tenbury, continuing to invest in attractive town centre environments and provide a good supply of small office space are common priorities. In Pershore, there are opportunities to expand the Keytec 7 business park.

Figure 5-2: Creating the Environment for Worcestershire's Businesses to Sustain and Generate New Employment



Providing the Right Housing for All Communities

Priority 4: Housing to Support High Growth Employment Sites and Main Employment Centres

5.10 An overwhelming majority of the sites and schemes identified for housing across Worcestershire have the potential to contribute to the provision of homes that will support aspirations for employment growth in Worcester and the county's major employment locations. This is about offering the right housing product in the right place, at the right time.

5.11 It is essential to provide a good, long term supply of housing located close to or within reasonable travelling distance of the main locations for employment growth, including Worcester city, Kidderminster, Redditch and the specific sites identified as the focal points for future employment generation in the county. It is particularly important that, where there is potential to significantly increase employment over the next few years, this is not constrained by a lack of housing to accommodate an expanding workforce. Wyre Forest's adopted core strategy, the draft core strategies for other districts and the draft LTP3 all underline the importance of new employment development taking place in sustainable locations, where public transport and short journeys are the available best option for travel.

5.12 Partners have identified a wide range of schemes which together would deliver significant and sustained increases in the supply of homes to underpin Worcestershire's economic growth aspirations. Among the key locations identified by the LIP are:

- Growth in Worcester city's housing stock, where there is strong demand for significant new development to take place over the next decade and beyond. This growth in housing supply, including a substantial component of affordable property, is vital to support employment growth in the city and in surrounding settlements, including Malvern. It will play an important role in underpinning future economic growth in Worcester, a key strategic priority for the County's economy. New housing development to accommodate growth in both Worcester and Greater Malvern is seen as particularly important to the planned expansion of Worcester Bosch, and both the local authorities and Registered Provides will have a key part to play in ensuring that the company has access to the workforce it needs.

- Large scale proposed developments in Kidderminster, which are essential both in maintaining the town's status as an important employment centre and in the regeneration of the town centre and surrounding area. The adopted core strategy identifies a need for 4,000 net additional dwellings from 2006-2026, with 60% of this to be delivered in Kidderminster. There are plans for major housing developments in the Churchfields regeneration area, which will deliver around 350 units, including a key affordable housing development of 97 units on Hurcott Road which help to unlock the wider development of the area. There is potential to develop a further 300 houses on the former British Sugar site, which is currently the subject of a masterplanning exercise.

- There are large scale development opportunities of several key sites in Redditch, including the Brockhill East site (825 units), development at Brockhill West (167 units), land to rear of Alexandra Hospital (145 units) and the Woodrow strategic sites (Dingleside Middle School & Playing Fields, Auxerre Avenue, 220 units). These would deliver around 60% of the net additional dwellings requirement for the district identified in the draft core strategy.

- Both the Longbridge development and the Bromsgrove Technology Park reinforce the position of Bromsgrove as an important residential location for both Worcestershire's workforce and people commuting to other employment locations in the West Midlands. Priority housing locations include the Sustainable Urban Extension (Perryfields, Norton Farm, Whitford Road) which has the potential to deliver 1,850 housing units, the Longbridge East site (524 units) and major development sites at Alvechurch, Frankley, Hagley, Barnt Green, Catshill, Wythall and Wagon Works (936 units).

- With key employment sites located on the edge of the town, Malvern will continue to need new housing to meet the needs of the local economy, major employers and Worcester. There are opportunities for larger scale development (250-300 units) to be accommodated on part of the QinetiQ site.

Priority 5: Supporting the Vitality of Housing Markets in Worcestershire's Towns

5.13 It is essential that there is continued investment in Worcestershire's towns because of the key role they play in sustaining communities, including the large rural areas which many serve. The vitality of these towns is integral to Worcestershire's Sustainable Communities Strategy, particularly to the priority of ensuring that economic success is shared by all. They are also highlighted as a key spatial focus in the county's economic strategy.

- There are opportunities for significant new housing development in Stourport. New housing provision in the town is important both to strengthen its role as a local employment centre and visitor destination, and to its strategic connection with Kidderminster (Kidderminster to Stourport employment corridor, South Kidderminster Business and Nature Park). Bewdley also has a smaller but still important contribution to make to housing provision in Wyre Forest, with potential for residential development in the Load Street regeneration area.

- There are significant housing development opportunities in Evesham, with a range of sites capable of delivering in excess of 1,500 homes and mixed uses. Large developments include those at Offenham Road and Pershore Road.

- There are opportunities for significant new housing development in Droitwich Spa to support the key role the town plays as Wychavon's largest settlement. New housing provision is key to meeting local housing needs, natural increases in the population and in supporting the economic development ambitions of the district and county.

- There is potential for Pershore to accommodate significant new housing demand, through a number of Registered Provider owned and privately owned sites in the town. The LIP has identified several small brownfield sites which have the potential to provide a mix of market and affordable housing in a town that has faced strong demand pressures.

5.14 The needs of these towns are multi-faceted, but all are linked by a need to provide more affordable housing, to secure the regeneration of brownfield sites (housing, employment and other uses) and improve the quality of the environment they offer to residents and visitors. Deliverability in these areas is an issue, with greenfield sites and development boundaries (eg. Pershore) strongly influencing the scale and type of housing that could be delivered.

Priority 6: Delivering Sustainable Rural Housing

5.15 With large rural areas, the provision of sustainable housing development in Worcestershire's many villages and hamlets represents a thematic priority for the county in its own right. There are established rural regeneration programmes across the County, together with significant pressures for Worcestershire to sustain a thriving rural business base, including a significant agricultural sector. In a period which has seen strong demand for rural housing from higher paid people commuting from villages and hamlets or setting up small businesses, affordability for lower paid residents has continued to be a problem. Together with higher transport costs and limited public transport provision, these are key factors in rural deprivation and exclusion.

5.16 While the required numbers of affordable homes to buy or rent are comparatively small and are dispersed over a wide area, their importance to the viability of communities in many of Worcestershire's villages and hamlets cannot be underestimated. This theme is common to all of Worcestershire's constituent districts, and partners are already seeking to address needs through a range of mechanisms including the Rural Housing Enabler and closer working with existing rural communities to look at how barriers to development in sensitive areas might be lifted. In compiling the LIP, partners have identified more than 60 individual sites which would contribute to sustainable rural housing. These fall under the following broad categories of priority:

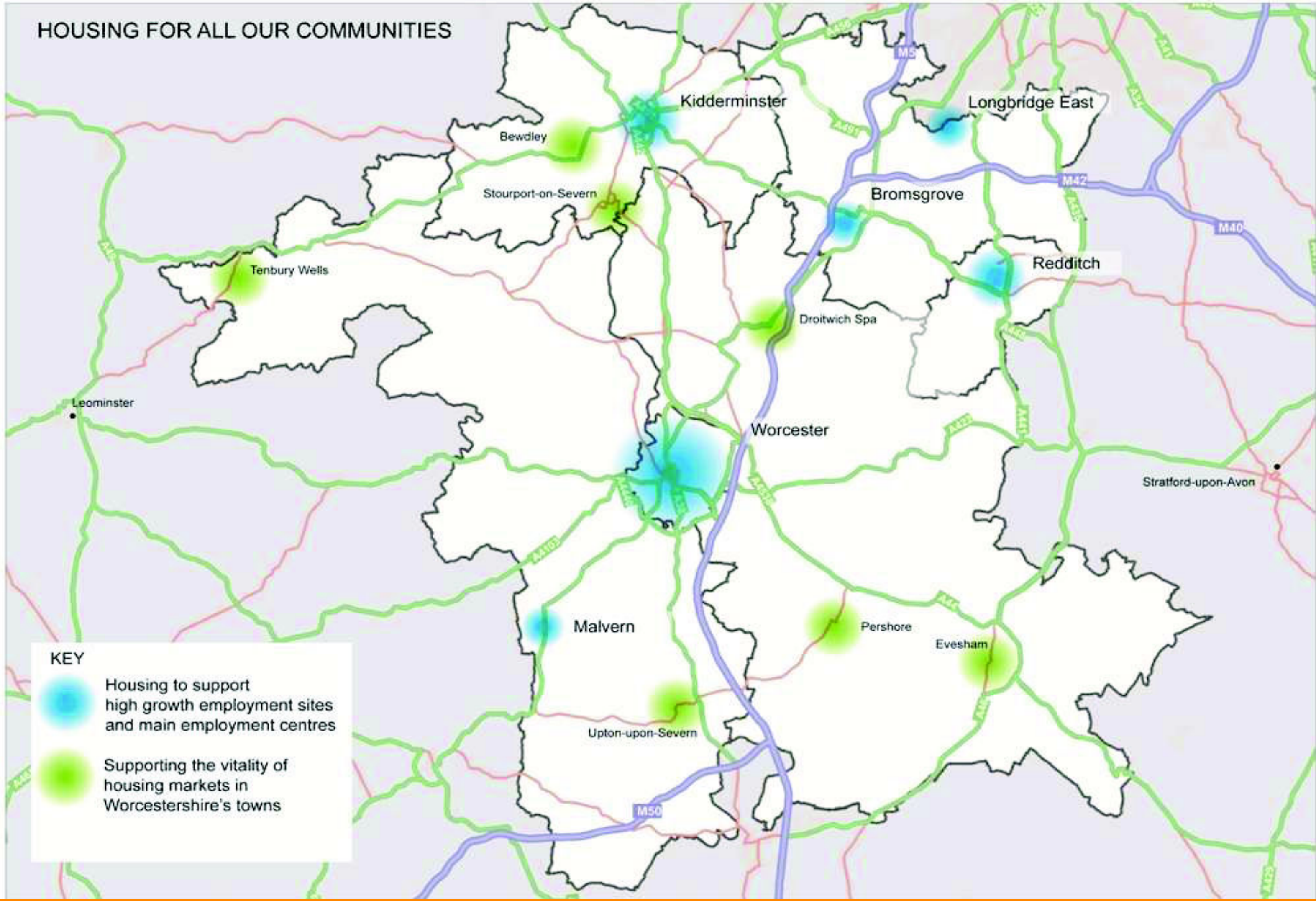
- Affordable homes for purchase or rent, including shared ownership properties. Partners have identified many sites owned by either Registered Providers or a local authority with potential for development to take place between 2011 and 2015. There are additionally privately owned sites with planning consents in place or in progress which will also contribute. With limited grant funding available to subsidise such development, the key here will be to assemble packages of sites with the potential to generate cross-subsidy.

- A continued need to provide socially rented properties for residents of rural communities on lower incomes or who are economically inactive.

- A limited volume of specialist housing, particularly for elderly residents of rural communities.

5.17 Relatively small investments can have a significant impact in meeting highly localised rural housing needs and tackling the broader issues faced in rural economies. However, partners recognise that in a changed funding environment, securing critical grant funding to enable the development of affordable rural housing will be particularly challenging given requirements to maximise returns on investment in affordable housing schemes. They will seek to work with the HCA and other partners to explore how land assets, planning powers and funding resources can best be brought together to increase the supply of affordable rural housing. For example, a number of local authority districts are reviewing their commissioning arrangements to ensure greater efficiencies in the development of affordable homes in rural areas.

Figure 5-3: Providing the Right Housing for All Communities



Source: Digital Mapping Solutions from Dotted Eyes, Licence number 100019918

Priority 7: Meeting Special Needs

5.18 Partners across Worcestershire are clear that they will continue to seek to provide housing which meets the needs of an extensive range of particular needs. This is about both upgrading existing stock and the supply of new stock in response to the changing needs of Worcestershire's communities. The key issues covered under this thematic priority include:

- Housing for older people. There is a need to improve and develop the range of housing products available for older residents in Worcestershire. Existing extra care and sheltered housing schemes require re-investment, while there is evidence of rising unmet demand for extra care provision from an expanding population of older people. There is also a growing need to ensure that older people are offered greater choice in the housing available to them, ranging from homes to buy to those which offer the most intensive forms of care. County wide research is currently being prepared to assess the areas of most acute need for this type of housing, and a number of districts are developing proposals for extra care housing schemes in partnership with Registered Providers.

- Supported housing for people with disabilities. There is a continued need to provided supported accommodation for people with physical and learning disabilities. Worcestershire's growing population of older people means that demand for this type of accommodation is likely to increase significantly in the long term, both to enable people to live independently and to meet rising demand from conditions that are most common in elderly residents (eg. people suffering from dementia).

- Supported housing for young people. There is an identified need for accommodation targeted at young people including support to tackle homelessness and to address the issues faced by the growing number of young people not in education, employment or training. Key examples include the requirement for a new Foyer development in Kidderminster, additional accommodation in Worcester City and provision across the County for young people with chaotic lifestyles.

- Supported housing for other vulnerable groups. Partners have clearly identified needs for supported housing for vulnerable residents including homeless people, women experiencing domestic abuse, people with mental health problems, people with substance abuse problems and ex-offenders. Partners have made good progress in reducing instances of homelessness amongst vulnerable groups, but want to build on successful schemes (eg. Stonham) and offer the mix of specialist accommodation that will continue to be required.

- The provision of sites for gypsies and travellers, with requirements for the allocation of additional pitches identified in planning policies in several of Worcestershire's local authority districts. A modest volume of new provision is needed over the period to 2017, although it is anticipated that a substantial proportion of this could be accommodated on existing sites owned by Registered Providers or the local authorities.

5.19 Achieving partners' wide ranging objectives under this thematic priority is a challenging task.

Nationally, the HCA is expected to have limited funding to invest in accommodation in this category, and there is also uncertainty about the future availability of the revenue funding which is essential to provision of this kind. The onus will be on partners to find creative ways to assemble the land and capital investment to bring forward new schemes or invest in existing schemes. It is also essential to ensure that there are strong links to the main County wide strategic plans. In this respect, the Worcestershire Supporting People programme is particularly significant, since it strategically commissions and then provides substantial revenue funding for new and existing housing schemes and initiatives.

Priority 8: Improving the Existing Housing Stock

5.20 The overwhelming majority of social rented housing stock in Worcestershire is now classified as decent, the outcome of sustained investment over a long period. However, partners have a continued and pressing need for investment to raise the standard of private rented stock across the county. Homes in multiple occupancy represent a particular challenge for partners, with Worcester city and Redditch having a relatively high proportion of private rented accommodation in this category. In developing indicative priorities for the LIP, partners have identified a number of cross-cutting priorities under this theme.

- Improved thermal comfort standards, including grant schemes to enable home owners and tenants to fit insulation, and multi-agency work to tackle the risk of hypothermia in elderly people. In a number of cases (eg. thermal insulation grant schemes), local authority funding is available.
- Energy efficiency measures, including the retrofitting of cladding and condensers, or support for the installation of renewable energy technology in new build and existing homes.
- General grants and loans for home repairs and improvements to private sector stock. In some districts (eg. Redditch) there is a particular focus on improvements to homes in multiple occupancy.
- Continued investment to bring empty homes into active use.

5.21 This is a difficult issue for partners to tackle. The county's draft housing strategy estimates around £635 million of investment is required to achieve the Decent Homes standards to which partners are committed. Local authorities have limited scope to provide capital investment for this segment of the market, since it requires direct financial assistance to be provided to owners for improvement. Partners will need to look to the expertise and wider resources of the HCA in this area to assist in finding new and innovative mechanisms to deal with this issue.

Developing Worcestershire's Infrastructure

5.22 Strong infrastructure is vital if Worcestershire is to achieve the aspirations it sets out in the LIP. This means both improving and upgrading the existing infrastructure and securing investment in the development of new infrastructure. Securing this investment is a particularly challenging task at a time when the supply of new public sector investment for infrastructure will be limited, and it underlines the importance of both prioritising and finding innovative ways to bring together public and private sector resources.

5.23 At this juncture, the LIP presents only an initial list of infrastructure investment priorities. Partners are currently engaged in assessing or reassessing their requirements, and there are a number of processes underway which are not yet complete. Worcestershire County Council is preparing a county wide delivery plan for infrastructure that will identify priorities for investment and provide a comprehensive picture of the range of infrastructure that is required over the next decade and a half. A first draft is expected in Spring 2011. Long term infrastructure requirements for Worcestershire to 2026 identified in the West Midlands Regional Spatial Strategy are now under review following the revocation of RSSs nationally. These requirements were based on housing growth targets for each district that may be reformulated or rejected through continuing work on Local Development Frameworks.

5.24 To reflect this continuing process of planning for infrastructure investment, the specific infrastructure requirements identified in this section are drawn from several sources:

- Studies carried out by Baker Associates during 2008 and 2009 which informed the infrastructure assessment for the West Midlands Regional Spatial Strategy.

- The revised draft LTP3, published by Worcestershire County Council in February 2011. This provides a comprehensive picture of infrastructure priorities.

- District authority planning documents, including adopted core strategies, draft core strategies and associated infrastructure studies.

- Initial assessments of infrastructure requirements associated with employment, housing and regeneration schemes identified by the LIP. Where schemes are at an advanced stage in the planning process, there is a reasonable degree of certainty involved. In other cases, infrastructure requirements are yet to be firmly established, and there will be additional uncertainty about funding mechanisms in some instances.

Priority 9: Strengthening the Highways Infrastructure

5.25 Maintaining and improving the road network is critical to Worcestershire's capacity to accommodate further housing and employment growth. A substantial list of schemes are in need of investment ranging from improvements to the motorway and major road infrastructure. This is about replacing ageing infrastructure, dealing with significant congestion problems (eg. central Worcester, Kidderminster-Stourport corridor) and developing new infrastructure to facilitate growth. Where possible, the LIP has sought to identify schemes that are critical to sustaining and creating employment, to large scale housing schemes and to the broader functioning of Worcestershire's economy.

5.26 The key source for investment priorities in the highways infrastructure is Worcestershire's Local Transport Plan 3, which was published in February 2011. Partners across the County seek investment in an extensive range of highways schemes and individual employment and housing sites will require new or improved highways infrastructure. However, the LTP3 presents the results of a comprehensive process of prioritising highways schemes based on criteria including deliverability/costs, economic and environmental impacts, benefits to quality of life, equality, public health and safety. It identifies a number of major schemes which require investment over £5 million, essentially the strategic priorities for the County for the next 15 years at a time of uncertainty about the scale and type of funding available to support such schemes. These are important to the delivery of LIP priorities and include:

- Evesham Abbey Bridge and Viaduct Major Scheme - Key project for the County which is expected to be delivered by 2014-15 and which is essential to maintaining road access to Evesham.

- Worcester Transport Strategy (Phase 1) Major Scheme – Includes highways improvements along with a package of measures to improve rail and other public transport infrastructure.

- Kidderminster Transport Strategy Major Scheme – A major package of investments including improvements to the town's central road network.

- Redditch Transport Strategy Major Scheme – Investment package which includes improvements to the town's ring road and other parts of the highways network.

5.27 The LTP3 also identifies a series of packages for a number of areas of the County which include highways improvement schemes and will be funded through major scheme investment plus a variety of sources of public and private sector funding. Where possible, the LIP has sought to highlight schemes which are particularly important in delivering housing growth and employment development priorities. Examples include:

- A range of improvements across Worcester and its surrounding area including M5 improvements at Junction 6, junction improvements on the southern link road, improvements to the city's arterial network and city centre loop, junction enhancements on the A4440 and B4550, the North West and Southern Link Road schemes, Park and Ride Sites (Crown East and Ketch), improvements in the Shrub Hill area.

- Key schemes in Redditch including the Bordesley Bypass.

- Schemes in Kidderminster as part of the Wyre Forest Transport Strategy including the Hoo Brook link road and ring road improvements. Key schemes for Stourport include the A451/Minster Road junction improvement scheme and the Stourport relief road. A package of rural road improvements is also earmarked in the LTP3 for Wyre Forest covering the A456 (Kidderminster to M5 Junctions 3 and 4), the A448 and A449.

- The Bromsgrove Eastern Bypass scheme.

- A series of rural package schemes for the north of the County including improvements on the A38 (Wychbold-Bromsgrove-Crofton Hackett), A448 (Redditch to Bromsgrove), A441 (Redditch-Hopwood), A456 (Redditch-Maypole Roundabout).

- Rural package measures for the south of the County including improvements to the A422, A449, A38 linking Tenbury Wells, Droitwich Spa, Alcester and Malvern with Worcester and improvements to the B road network.

- Improvements to 2 link roads in Pershore (Racecourse Road to Station, Keytec).

Priority 10: Improving public transport infrastructure and services

5.28 Continuing to invest in improving the County's public transport infrastructure and services is a priority for partners. The list of schemes is extensive, ranging from large scale investment in railway stations to minor schemes to improve access to information and the safety of public transport networks. Key investments identified by LTP3 which are particularly important in the context of the LIP include:

- Railway station redevelopment or enhancement schemes in Worcester (Shrub Hill and Foregate Street), Bromsgrove and Kidderminster. There are also enhancement schemes identified for Droitwich, Pershore and other smaller stations in the County.

- Rail line upgrades, including Barnt Green-Redditch, capacity improvements for Worcester, Worcester-Evesham dualling, Droitwich-Bromsgrove dualling, Stourbridge enhancement and Honeybourne-Stratford line reinstatement.

- The Worcestershire Parkway scheme.

- Consultations for the LIP have highlighted rail schemes including the improvement of services on the Cross City Rail Line (South), of particular significance to Redditch and Bromsgrove. Potential to better connect the Severn Valley railway to the national network has been highlighted by Wyre Forest.

- Both the LTP3 and submissions to the LIP have highlighted many requirements across Worcestershire for investment to improve bus stations and bus service provision. Most are integrated into package scheme for urban and rural areas in LTP3, although partners have identified a need for specific routes to be introduced or improved to connect housing and employment sites to town centres and transport interchanges. These are identified in the tables at the end of this section.

- A similarly wide ranging set of requirements to improve walkways, cycleways and public realm in Worcester and each town across the County.

5.29 The LIP reflects the key principles that underpin Worcestershire's approach to public transport investment. As far as possible, new housing and employment development in the County should take place on sites which are in or around urban centres, are served by the public transport network, cycling and walking routes and which contribute to more sustainable travel patterns.

Priority 11: Developing Social, Community and Green Infrastructure

5.30 It is essential to continue investing in maintaining a good quality social and community infrastructure, a wide ranging category that covers schools, hospitals, emergency services, leisure, culture and recreational facilities and green space. New developments and a changing population will trigger a need for new social and community infrastructure, and this will be critical to securing the viability of developments.

5.31 Much of Worcestershire's future infrastructure requirement will be driven by the scale and location of employment and housing growth delivered in the County. It is therefore difficult at this stage to be precise about some types of infrastructure investment that will be necessary in future, partly because full planning consents etc. are not yet in place, and partly because of uncertainty about future sources of investment. Where possible, the LIP has sought to identify significant infrastructure needs associated with specific sites and schemes. However, it is important to highlight the range of County wide infrastructure requirements that partners regard as critical to facilitating development and growth. They include:

- Schools and other education facilities – New housing developments and population increases trigger requirements for new schools and other educational facilities. A number of specific investment requirements responding to this need are identified in the tables below. As new and revised housing growth targets are established across Worcestershire, there will be greater clarity about the volume and location of this provision. However, there is a broader requirement for Worcestershire to ensure that educational facilities continue to be improved, whether through investment to maintain/upgrade existing facilities (eg. sites identified for Building Schools for the Future investment, Wyre Forest) or through the development of new facilities to accommodate growth.

- Health care provision – There are similar trigger points for the development of new health care facilities to respond to housing/population growth, and the tables below identify a number of schemes identified by partners. Beyond specific schemes and locations, the need to respond to an ageing population which is expected to place higher demand on health services, together with the need to invest in maintaining or improving Worcestershire's existing stock of healthcare facilities are priorities for partners.

- Policing and fire service – Large scale housing developments put additional pressure on key emergency services and may trigger requirements for additional capital and revenue investment. For example, development of the Brockhill East site in Redditch is assessed as requiring an additional police post to serve the area.

- Development of parks and other types of green space. Green infrastructure is now firmly embedded in planning policy in Worcestershire, a commitment reflect in core strategies (adopted and draft). Clear standards are applied through local planning policy to the type and volume of parks, open spaces and other forms of green infrastructure secured through development, often through the use of obligations attached to planning consents. Outside of developer contributions, partners will continue to look to invest in improving and maintaining green infrastructure, although it is clear that fewer resources will be available exclusively for this type of scheme. Where possible, partners have identified in the LIP key green infrastructure requirements linked to major developments.

Priority 12: Managing Worcestershire's Resources

5.32 Maintaining a well functioning utilities infrastructure (water management, electricity, telecommunications) will also require additional investment, with new housing developments and employment sites placing further pressure on the network. The impact of climate change and extreme weather events is playing an increasingly important part in the type of investment Worcestershire needs, with flood management and drainage demanding a growing share of infrastructure investment.

- Utilities – Specific requirements for investment in the utilities infrastructure will be determined by the scale, location and type of development that takes place. A series of electricity, gas and water/sewage infrastructure requirements were identified in studies which supported the West Midlands RSS. These were based on the RSS preferred option for growth, and the assessments are being revised as growth targets for development are reviewed. However, partners have highlighted a number of requirements including:

  - Further development of the County's broadband network, which will have a key part to play in the future of Worcestershire's economy. BT has begun the process of rolling out superfast broadband in a number of locations across Worcestershire and additional investment in the network planned in the short term. For example, BT is scheduled to upgrade Worcester's exchanges by 2011. While high speed broadband availability is an asset for Worcestershire's economy as a whole, broadband coverage in general is a particular problem in some of the County's rural areas. Improving coverage will have benefits both to rural communities and to businesses based in these areas. Although some funding has been available to improve coverage in rural Worcestershire (eg. Rural Regeneration Zone funds), securing further investment is important.

  - Studies carried out by south Worcestershire partners to inform the joint core strategy identify a need to reinforce the electricity network (132kV and 11kva) supply in a number of locations including Worcester, Malvern, Droitwich, Evesham and Pershore. While no equivalent source of data is available for north Worcestershire, partners will need to assess whether large developments put excessive pressure on a Central Network which is ageing.

  - Gas supply network reinforcement in Worcester (West and South), Redditch (North, North West and North) and North West Bromsgrove. This is based on the assessment of need carried out for the West Midlands RSS, so assumes the RSS housing growth trajectory.

  - Substantial investment in water treatment infrastructure, with Severn Trent water having identified a number of plants for improvement and investment in new plants where developments are of a scale that requires it.

- Measures to safeguard against flood risk and manage surface water. This has become an increasingly important infrastructure issue for the County. A number of areas are already at risk of flooding, with housing and other forms of development already present in those areas. Planning policy across the County does not favour further development on floodplain areas, although several districts have indicated that future development may take place in areas known to be at higher risk of flooding (Flood Zone 3a). A combination of Sustainable Urban Drainage Systems, related forms of water management plans and other mitigation measures (barriers) are now integrated into local planning policy in Worcestershire. Future developments, including some of those identified by the LIP, will be expected to be accompanied by investment in measures of this type.

5.33 It is important that this initial LIP plays a part in informing the planning of future infrastructure provision that will in turn be vital to the success of employment, housing and regeneration schemes. Its contribution will be particularly crucial where schemes will deliver significant levels of growth in resident populations or employment. However, it is also important to recognise that new housing developments will continue to be a significant source of funding for infrastructure through developer contributions (eg. new Community Infrastructure Levy mechanism), sources including private owner/operator investments and public funding such as LTP3.

Summary of Strategic Priorities, by Area

5.34 Each of the twelve priorities have been described above, together with **some of the key individual investment schemes** that partners believe are required to deliver change. These schemes are summarised below on an area by area basis. Clearly certain priority themes (rural housing for example) are more important for some districts than others.

MAIN INVESTMENT SCHEMES FOR BROMSGROVE	
Creating the conditions to Sustain and Generate Employment	
Developing High Growth Employment Sites	• Bromsgrove Technology Park • Longbridge Technology Park and mixed use regeneration scheme
Supporting the Economic Sustainability of Worcestershire's Towns	• Bromsgrove Town Centre – Development of new office and mixed use schemes: improve retail provision: Recreation Road retirement living complex (Extra Care Scheme)
Housing for All Communities	
Housing to Support High Growth Employment Sites and Main Employment Centres	• Sustainable Urban Extension (Perryfields, Norton Farm, Whitford Road - 1,850 units), including mixed tenure housing for older people (up to 150 units, including Extra Care provision) • Longbridge East (700 units) • Major development sites at Alvechurch, Frankley, Hagley, Barnt Green, Catshill, Wythall and Wagon Works (936 units)
Supporting the Vitality of Worcestershire's Towns	• New residential developments including Broad Street, Cobnal Road, former garage sites in Bromsgrove, former garage sites in Alvechurch (c. 70 units)
Sustainable Rural Housing	• Affordable housing schemes in rural villages including Clent and Beoley
Special Housing Needs	• Sheltered housing scheme at Windsor Gardens, Bromsgrove • Recreation Road retirement complex (Extra Care Housing Scheme) • Bungalow development for older people, Bromsgrove • Supported housing for disabled people aged 18-50 • Supported housing for young people with chaotic lifestyles
Improving the Existing Housing Stock	• Retrofitting condensers and cladding in Sidemoor and Charford • Tackling hypothermia risks (with Primary Care Trust)
Developing Worcestershire's Infrastructure	
Strengthening the Highways Infrastructure	• Improvements to M5 Junction 4 • Improvements to M42, Junction 1 • Eastern bypass enhancement scheme • Junction improvements for access to sustainable urban extension site including Birmingham Road, Perryfields Road/Stourbridge Road, Perryfields Road/Kidderminster Road and Whitford Road

	• A448 Bromsgrove to Redditch improvements
Improving Public Transport Infrastructure and Services	• New bus link from Perryfields to town centre and station • New station scheme for Bromsgrove • Extension of Cross City Line South
Developing Social, Community and Green Infrastructure	• Improved walking and cycle links • Enhanced bus network for Bromsgrove town and district • Town centre public realm enhancement scheme • New local centre for sustainable urban extension, including retail facilities, community hall, play areas, sports pitches
Managing Worcestershire's Resources	• Potential reinforcing of gas supply network in North West Bromsgrove • SUDS measures for new developments

MAIN INVESTMENT SCHEMES FOR REDDITCH	
Creating the Conditions to Sustain and Generate Employment	
Creating and Sustaining Employment in Worcestershire's Main Centres	• Redditch Town Centre redevelopment (office and retail) • Brockhill East employment site (offices) • Brockhill West employment site (offices and retail) • Land to rear of Alexandra Hospital (offices)
Housing for All Communities	
Housing to Support High Growth Employment Sites and Main Employment Centres	• Church Hill centre regeneration (57 units) • Major housing development at Brockhill East (825 units) • Development at Brockhill West (167 units) • Land to rear of Alexandra Hospital (145 units) • Woodrow strategic sites (Dingleside Middle School & Playing Fields, Auxerre Avenue, 220 units) • Range of small scale developments including purchase and development of Roxborough House, Clifton Close, Wirehill Drive, Loxley Close, Marfield School, Easemore Road, Castleditch, Widney Works, Millfields
Meeting Special Housing Needs	• Specialist care housing for elderly people with dementia, Redditch • Replacement refuge for victims of domestic violence, Redditch • Affordable housing for vulnerable young people, Redditch • St.Gregory's Church development for vulnerable young people • Conversion of ex –offender housing (Stonham)
Improving the Housing Stock	• Insulation and renewable energy grant scheme • Grant and loan scheme for improvements to HMOs and private housing
Developing Worcestershire's Infrastructure	

Strengthening the Highways Infrastructure	• Weights Lane Link Road (Brockhill East) • Access from B4184 Brockhill Drive • Redditch Transport Strategy Major Scheme • Inner Ring Road scheme • Bordsley Bypass Scheme • Windsor Road/Middlehouse Lane Junction Improvement Scheme • Junction enhancements and access to Nine Days Lane for development of land to rear of Alexandra Hospital • New access road to Church Hill district centre (Tanhouse Lane to Rickyard Lane)
Improving Public Transport	• Increased rail services on Cross City Line South (Longbridge to Bromsgrove), providing additional services for Redditch • Rail infrastructure enhancements on Barnt Green-Redditch branch • Enhanced Redditch bus network • Sustainable transport provision for all strategic development sites
Developing Social, Community and Green Infrastructure	• Shared school/community facility including school and playing field for Brockhill East • Improvements to cycling and walking network • Implementation of green infrastructure concepts for all strategic development sites identified in Core Strategy
Managing Worcestershire's Resources	• Reinforcing the gas supply network in Redditch • SUDS measures for new developments

MAIN INVESTMENT SCHEMES FOR WYRE FOREST	
Creating the Conditions to Sustain and Generate Employment	
Developing High Growth Employment Sites	• South Kidderminster Business and Nature Park (Kidderminster-Stourport corridor)
Creating and Sustaining Employment in Worcestershire's Main Centres	• Kidderminster Town Centre • West Midlands Safari and Leisure Park
Supporting the Economic Sustainability of Worcestershire's Towns	• Load St. regeneration area, Bewdley
Housing for All Communities	
Housing to Support High Growth Employment Sites and Main Employment Centres	• Churchfields regeneration area, Kidderminster (350 units) • Former British Sugar Site, Kidderminster (300 units) • Other sites in Kidderminster including Wolverley Park (72 open market and affordable units)
Supporting the Vitality of Housing Markets in Worcestershire's Towns	• Steatite Way and Bewdley Road, Stourport (272 units) • Carpets of Worth, Stourport (159 units) • Parson's Chain, Stourport (3-400 units) • Other sites including Harriers Trading Estate, Wolverly Park, Clent Avenue (all Kidderminster) • STC.4 Bridge St. Basins Link, Stourport (housing as part of wider regeneration scheme)
Delivering Sustainable Rural Housing	• Rural sites including Chaddersley Corbett, Sebright Road (Wolverly), Former Nursery Site, Blakedown (30+ units)
Meeting Special Housing Needs	• Bromsgrove St. foyer scheme, Kidderminster • Supported affordable housing for young people with chaotic lifestyles • Remodelling of housing stock for elderly people • Gypsy and traveller pitches (30 additional pitches over 5 years)
Improving the Housing Stock	• Insulation grant scheme (up to 400 p.a.) • Bringing empty homes back into use
Developing Worcestershire's Infrastructure	
Strengthening the Highways Infrastructure	• Kidderminster Transport Strategy Major Scheme. LTP3 package may include specific measures outlined below. • Hoo Brook Link Road (A451) • Kidderminster Town Centre Ring Road (including access to Churchfields) • Stourport Relief Road • Stourport and Bewdley package measures

Improving Public Transport	• Kidderminster station improvement package • Kidderminster Town Centre Pedestrianisation - including new bridges in Churchfields and Town Centre • Enhanced Kidderminster and Stourport Bus Networks • Severn Valley Railway to national rail network, including possible halts at British Sugar and West Midland Safari Park • Improved Kidderminster and Stourport cycling and walking links
Developing Social, Community and Green Infrastructure	• Wyre Forest Schools Review - fit for purpose school buildings - review following closure of the BSF programme WF BSF programme was fairly advanced • Medical - Consolidation and fit for purpose modern GP Practices including proposed replacement/ consolidation of at least 4 practices in Kidderminster; • Stourport Community Facilities Project - on-going review of facilities • Bewdley Community Facility Project including new arts and medical (health centre) facilities • Civic administration - Wyre Forest District Council single site office accommodation
Managing Worcestershire's Resources	• SUDS measures for new developments

MAIN INVESTMENT SCHEMES FOR WORCESTER	
Creating the conditions to sustain and generate employment	
Developing High Growth Employment sites	• Supporting the expansion of Worcester Bosch • Expansion of University of Worcester and Worcester College of Technology
Creating and sustaining employment in Worcestershire's main centres	• Providing strategic leisure, retail and cultural services for wider catchment
Providing the right housing for all communities	
Developing housing to support high growth employment sites and main employment centres	• Strategic growth centred on the release of urban capacity within the City and consideration of possible urban extensions through the South Worcestershire Development Plan (SWDP) process (South Worcester and Worcester West) • Housing development in St John's Area of the city (Bransford Road sites, 284 units) • Earls Court Farm housing development • Estate renewal and regeneration in Dines Green
Meeting special needs	• Detox Centre to support people with alcohol and substance issues • Extra care schemes to meet the needs of older people in the city and develop alternative housing options • Gypsy and Traveller pitches • YMCA Young Persons housing scheme to provide move on accommodation and supporting services (10 units) • Night shelter scheme for people with chaotic lifestyles and rough sleepers (15 units)
Improving the existing housing stock	• Innovative working with Worcester Bosch • Reconfiguration of existing sheltered housing stock • Upper Floor Conversion grant scheme • Under occupation initiatives
Developing Worcestershire's infrastructure	
Strengthening the highways infrastructure	• Enhancements to the Southern Link Road • Worcester Transport Strategy • M5 Junction 6 enhancements • Worcester Shrub Hill and Lowesmoor area improvements
Improving public transport	• Worcester Transport Strategy • Worcester Foregate Street and Shrub Hill Enhancement Schemes • Central loop improvements • Park and ride sites • Worcestershire Parkway

Developing social, community and green infrastructure	• Open space enhancements • Swimming pool/Sports Centre • Pedestrian and cycle bridges • Sustainable drainage schemes • Green network
Managing Worcestershire's resources	• Actions to mitigate and adapt to climate change (as set out in emerging Core Strategy) • Managing flood risk

MAIN INVESTMENT SCHEMES FOR MALVERN HILLS	
Creating the conditions to sustain and generate employment	
Developing High Growth Employment sites	• Continued investment at Malvern Hills Science Park and links with QinetiQ • Emerging SWDP proposals for additional employment land • Foster the development of research and high technology businesses
Supporting the economic sustainability of Worcestershire's towns	• Supporting the vitality of Malvern as a main centre with improvements to retail provision and high quality public realm • Supporting the growth of SMEs and other businesses in and around Malvern • Supporting the regeneration and enhancement of market towns (Tenbury and Upton)
Providing the right housing for all communities	
Developing housing to support high growth employment sites and main employment centres	• Emerging SWDP considering a sustainable mixed use urban extension to the north and/or east of Malvern town • Possible redevelopment of surplus land at QinetiQ for housing/mixed uses
Supporting housing markets in Worcestershire's towns	• Ensuring that a range of housing types and tenures are provided in Malvern • Housing development at Malvern Vale
Delivering sustainable rural housing	• Providing a range of housing types in rural areas to aid affordability • Supporting development that meets local needs and supports the prosperity of rural areas by maintaining the viability of services/amenities
Meeting special needs	• Urban extra care scheme in Malvern (Alexandra Gardens, 101 units) • Supported housing in Malvern (Sherrards Green Road and Court Road, 14 units) • Increasing the range of housing options to meet the needs of the ageing population in Malvern Hills district • Meeting the needs of gypsies and travellers
Improving the existing housing stock	• Bringing empty homes back into use
Developing Worcestershire's Infrastructure	
Strengthening the highways infrastructure	• Malvern, Tenbury and Upton urban packages (LTP3) • Traffic and parking management strategy • Link to the M5 / Worcester Transport Strategy / Worcester Southern Link Road enhancement • A449 Malvern to Worcester inter urban corridor scheme • A443 Tenbury Wells to Worcester inter urban corridor scheme
Improving public transport	• Malvern Link station enhancement • Malvern Link/Worcester Road maintenance and improvement scheme
Developing social, community and	• Malvern Town Centre Public Realm Enhancement Scheme

green infrastructure	• Tenbury Wells Town Centre Public Realm Enhancement Scheme • Upton upon Severn Town Centre Public Realm Enhancement Scheme • Improvements to cycle and pedestrian network, including bridge over River Severn • Upton upon Severn to Malvern cycle route • Open space provision and maintenance • Community centres
Managing Worcestershire's resources	• Actions to mitigate and adapt to climate change (as set out in emerging SWDP) • Managing flood risk in Upton upon Severn and Tenbury Wells

MAIN INVESTMENT SCHEMES FOR WYCHAVON	
Creating the conditions to sustain and generate employment	
Developing High Growth Employment sites	• Supporting the expansion of Worcester Bosch and the proposed Worcester Technology Park
Supporting the economic sustainability of Worcestershire's towns	• Supporting new employment opportunities in Droitwich Spa to enhance its role as a local commercial and visitor centre, including opportunities for new investment linked to canal restoration project and its potential within the A38 High Technology Corridor • Continued regeneration/development in Evesham including support to local businesses during construction phase of Abbey Bridge replacement, new opportunities from Vale Business Park, proposed investment in Evesham Country Park and the ongoing • Maintaining the vitality and viability of Pershore, including opportunities for expanding Keytec 7 business park
Providing the right housing for all communities	
Supporting housing markets in Worcestershire's towns	• Housing development in Droitwich including a site capable of delivering 740 units (subject to Development Plan allocation) and Worcester Road Medals Site (c.100 units) • Housing development to the South East of Worcester (300 units, subject to Development Plan allocation) • Housing development in Evesham including Badsey Road (300 units), Offenham Road (508 units) and Cheltenham Road Phase 1 (158 units) • Housing development in Pershore with 2-3 large sites capable of delivering up to 1,000 houses (subject to Development Plan allocation) and Three Springs Road (132 units)
Delivering sustainable rural housing	• Affordable housing and supporting infrastructure in Wychavon's rural areas including schemes in Bevere, Broadway and Badsey • Community Land Trust development in Evesham rural area • Remodelling housing of non traditional build in rural areas • Achieving Code for Sustainable Homes Level 6 in Evesham rural area
Meeting special needs	• Development of housing for those with specialist needs on public sector land in Evesham • Provision of specialist housing (extra care village) • Extension of existing specialist/sheltered housing schemes in Pershore (Cherry Orchard House and Almonry Close • Supporting those with mental health problems and substance misuse • Increasing the range of housing options to meet the needs of an ageing population • Remodelling of EC/Ferry View in Evesham
Improving the existing housing	• Bringing empty homes back into use

stock	• Investment in energy efficiency improvements and retrofitting • Tackling under occupation • Upper floor conversion grant scheme or conversion of garages to living space
Developing Worcestershire's Infrastructure	
Strengthening the highways infrastructure	• Evesham Abbey Bridge and Viaduct Replacement • Traffic and parking management strategy – Droitwich Spa • A38 Worcester – Droitwich Spa – Wychbold inter urban corridor improvements • Pinvin A44 crossroad enhanced capacity scheme • Evesham B4035 junction enhancement / Bengeworth, Evesham infrastructure enhancements • Evesham A4184 Cheltenham Road Junction Enhancement Scheme • Improvements to Southern Link Road (A440)
Improving public transport	• Droitwich Spa Town Centre Public Realm Enhancement Scheme • Droitwich Spa Railway Station Enhancement Scheme and Subway Enhancement scheme • Pershore Station Enhancement Scheme • Hartlebury Station Enhancement Scheme • Rail works – Worcester to Evesham line and a line dualling scheme between Droitwich Spa and Bromsgrove • Honeybourne Station Enhancement Scheme
Developing social, community and green infrastructure	• Evesham walk/cycle bridge over A46 and under River Avon bridge • Community centres and improved utilisation of community facilities • Co location of public services • Open space provision and maintenance • Neighbourhood police station in Droitwich • Enhanced leisure and play provision
Managing Worcestershire's resources	• Actions to mitigate and adapt to climate change (as set out in emerging Core Strategy) • Managing flood risk

6. Funding Delivery

Key Points

- Significant reductions in the availability of public sector funding, including HCA investment, expected to lead to far greater competition for resources.
- New emphasis on finding creative solutions to developing packages of finance to support housing, regeneration and economic development will be key.
- Strong emphasis on extracting more value from public sector assets, including to pool assets and cross subsidise. Measures such as HCA local land initiative, Worcestershire's Capital Asset Pathfinder and new risk and reward mechanisms will underpin future development.
- Importance of partnership activity is reinforced, with the need for local authorities and Registered Providers to work with the HCA, other public sector partners and the private sector to develop investment packages to secure investment in developing new affordable rented housing.
- Local authorities will need to lead development of new tenancy strategies in Worcestershire to reflect mechanisms and availability of funding for affordable housing.
- Local mechanisms including Community Infrastructure Levy, Tax Increment Financing/Accelerated Development Zones and New Homes Bonus will become key sources of funding to support investment in housing, regeneration and infrastructure.
- Partners gearing up to work with a new range of funding mechanisms (eg. Regional Growth Fund, Technology and Innovation Centres) to assist in delivering economic development and regeneration priorities. Regional Growth Fund bids already submitted.

The Delivery Challenge

6.1 Implementation of the thematic priorities set out in the previous section will involve the delivery of a range of different schemes, including:

- Major residential schemes, some of which are targeted at specific groups of residents such as older or vulnerable people, or particular localities where opportunities for new housing developments have been identified.

- Major mixed use developments, some of which will take place in several phases over a number of years. Early investment in infrastructure or housing on a site will unlock future, larger scale development phases.

- Employment led schemes, ranging from major site developments and key town centre investments through to more modest workspace schemes.

- Crucially, the development of infrastructure to underpin housing and wider regeneration activities.

6.2 Partners in Worcestershire recognise that this will take place in an investment climate which has substantially changed. Over the past decade there has been public sector funding to support the delivery of new housing, regeneration schemes and infrastructure improvements. As the recession took hold of the housing industry, mechanisms including the National Affordable Housing Programme and Kickstart became increasingly critical to development activity, accounting for as much as 70% of recorded starts in the year to the second quarter of 2010.

6.3 These favourable funding conditions also extended to wider regeneration and economic development. Regional development agencies, including Advantage West Midlands, channelled substantial funding to local areas through investments in employment sites and premises, together with the extensive range of investments to support specific sectors of the economy, business support, skills development, public realm improvements and other key components of the economy.

6.4 In recent years, emphasis on the development of the knowledge economy has also played a key part in improving and generating new infrastructure including science and technology parks as well as directing investment towards research and development. There has been a strong flow of investment both directly into this infrastructure (eg. through the RDAs) but also through public investment into technology intensive industries such as defence.

6.5 A feature of the period leading up to the recession was the ready supply of credit and the generally relaxed conditions for borrowing. These features extended to local public sector authorities who, in certain parts of the country, secured increasing volumes of unsupported borrowing to help implement major pieces of physical renewal.

6.6 Many of these **funding sources have now radically reduced** and the LIP will be delivered in a substantially different context to that which prevailed through much of the 2000s.

6.7 The HCA has seen a significant reduction in its funding, with £4.5 billion available over the period from 2011-15 for investment in affordable housing, mortgage rescue, empty homes, provision for gypsies/travellers and places of change. It will now operate through a different geographical structure that will see increased competition for resources over much larger areas of the country. Partners can expect much greater emphasis on the alignment of public sector resources, package based approaches to development and the maximising of returns on investment.

6.8 These changes in the HCA's mechanisms for investing in housing present key challenges to which partners in Worcestershire are now responding:

- The need to continually refine and update lists of investment priorities to better reflect the volume and type of public funding available. This first LIP represents the start of this process.
- The need for Registered Providers and local authorities to work together to develop packages of schemes to access HCA investment.
- The need to accelerate activity to find new ways to pool public sector assets in Worcestershire and lever in investment for housing and regeneration through the creative use of these assets.
- The importance of local authorities leading the development of new or updated tenancy strategies, working with Registered Providers and other partners.

6.9 The withdrawal of single programme funding and the closure of the RDAs will reduce the availability of funding to support employment development and regeneration activity in Worcestershire. Between 2008 and 2010, Advantage West Midlands operated with an annual budget of just under £300 million. While new funding will be available, it will be both more limited and more competitive.

Worcestershire's Response

6.10 In this new policy and funding landscape, a number of generic principles are emerging that will determine how partners will approach the housing, wider regeneration and infrastructure investment it requires over the next few years. Strong public and private sector partnership, creative ways of subsidising development and the pooling of public sector assets will be central features of this new approach. Any public sector resource that is available will be fiercely competed for.

6.11 Specifically partners in Worcestershire will seek to:

First, work constructively with the HCA's new affordable rent investment mechanism

6.12 The shift to the affordable rent model will fundamentally change the means by which significant volumes of affordable housing are provided, and will have particularly important consequences for social rented housing. Partners are now responding to the **need for a closer, three-way working arrangement** and dialogue between the HCA, Registered Providers and local authorities based on trust and a full, open book approach to determining what could and should be developed. Key elements of Worcestershire's response include:

- Registered Providers exploring how to work with new flexibilities (eg. potential to reassign stock to affordable rent, which in turn is expected to provide additional revenue which could be used to subsidise further development). The way in which Registered Providers are able to contribute significant equity and funding into project packages, in order to secure HCA funding, could entail various initiatives including:
  - ➢ loan finance (secured against other assets / income)
  - ➢ converting existing socially rented stock into affordable rented accommodation – using the uplift in rentals to fund additional new build, or
  - ➢ putting in land assets upfront at nil value, taking any value / uplifts at a later date.
- Collective dialogue amongst Registered Providers and local authorities about investment priorities, building on existing mechanisms in the County.
- Exploring how the mix of sites proposed by Registered Providers together with an approach which focuses development as much as possible, or feasible, on the HCA's preferred new affordable product (up to 80% of market rent) could help to strengthen the role of the private sector in funding deliverable private housing (for sale and / or to rent) and in contributing to the affordable housing needs of the area.
- Similarly, partners are continuing to create opportunities to cross-subsidise development through Section 106 arrangements or through the use of land and premises assets to generate receipts for reinvestment. This approach is particularly important for special needs special needs developments, since less public funding will be available to support priority schemes of this type across Worcestershire.

- Assessing the contributions that Registered Providers could make in delivering some other housing products (e.g. socially rented or special needs projects) and the scale of such provision.

6.13 Together, these activities will play a critical part in determining how much HCA funding will be available to support the new affordable housing product. At the same time, partners recognise the need to demonstrate the best possible value for money from any proposed investments. As well as simply representing a direct return (e.g. the number of housing units delivered), such considerations also need to take account of procurement and other efficiencies (e.g. through Registered Providers working in consortia, or ensuring their projects develop skills and employment within local communities).

Second, use local assets creatively

6.14 There is now growing emphasis on the **creative use of local land assets** to secure housing, regeneration and economic development priorities. Partners in Worcestershire are now seeking to build on initiatives already underway in this area, and to explore new mechanisms for extracting additional value from shared assets. Their response includes:

- Early dialogue about the HCA's local land initiative (LLI). The HCA will have the leading role in a 10 year programme intended to create a long term pipeline of land for housing to support economic development and other key policy objectives. The initiative will involve the alignment of resources and investment plans including the use of HCA and Advantage West Midlands' assets, local assets and the development of opportunities to cross subsidise between sites in these portfolios. Support for the procurement of delivery partners will be central to the LLI, part of a drive to make the HCA's resources (expertise, influence) available to local partners which will also include work with financial institutions to secure new private sector investment in schemes.

- Starting to explore the potential to recycle receipts from land assets (including HCA land) and the more creative use of land to generate income. This is closely connected to the local land initiative, with the use of mechanisms such as overage aligned to HCA grant funding to fund several phases of development. New approaches to assets might extend to requests to ring-fence receipts from the sale of HCA land for the local area, with those funds then subsiding housing developments elsewhere in the community. It could also include local authorities leasing rather than selling land to generate longer term income streams.

- Further developing Worcestershire's Capital and Asset Pathfinder initiative, which is a good example of how partners are approaching the need to more creatively use either HCA or public sector land holdings, with greater emphasis on creating opportunities for land swaps. Through the Capital and Asset pathfinder, partners in Worcestershire have already made progress in building a comprehensive picture of the availability of public sector land and property assets across the county. Business plans have been developed to promote joint approaches to service delivery, including the sharing of buildings. Over time, this will provide a valuable resource to support further work on the creative use of local assets to secure future development.

6.15 Part of the process of identifying schemes for inclusion in the LIP has included establishing the ownership of sites and the potential for sites to be used as assets to lever other investment or cross-subsidise development elsewhere. Partners will seek to build on this work in future versions of the LIP.

Third, experiment with new risk and reward tools

6.16 The UK government has signalled its intent to introduce a range of risk and incentive tools designed to encourage local housing and business development by expanding the options available to local authorities and their partners to borrow resources to facilitate physical renewal.

6.17 To incentivise areas to accept new house building and to help increase rates of development, the New Homes Bonus policy will take effect from April 2011. This will see local planning authorities receive payments based on the annual net increase in dwellings in its area, with higher payments per dwelling for properties in higher value council tax bands. Although there is no indication that this funding will be ring fenced solely for housing and related infrastructure, it is a further signal of intent on moves to a more localist position on tax and expenditure decisions. Partners in Worcestershire are now considering how best to use this to support priorities identified in the LIP, with the potential for some NHB funding to be pooled across several local authority areas.

6.18 The 2010 White Paper on Local Growth gave a clear commitment by the government to introduce a Tax Increment Finance (TIF) model. This would give Worcestershire's local authorities the potential to borrow additional funds to invest in capital and infrastructure projects leveraged against projected increases in local revenues from local business rates. As development takes place and new revenues are generated, these would be ring fenced to enable the local authority to meet its borrowing obligations (debt and interest). The expectation is that this would be based on an Accelerated Development Zone model, where an area is designated within which a local authority or groups of local authorities will invest in the expectation of securing growth in income from business rates.

6.19 Partners recognise that retaining a flexible approach to future housing and regeneration priorities in Worcestershire will be important, since detail about how these mechanisms will work and the opportunities they will create is still emerging.

Fourth, adopt new approaches to capturing developer value

6.20 In November 2010, the government announced its intention to retain the Community Infrastructure Levy. The CIL mechanism is intended to simplify the process of capturing value from development for reinvestment in local communities, through the setting of local levy rates based on infrastructure plans. This ties the returns from development to their scale – essentially through the use of a charging schedule which will be clear to developers in advance of any development.

6.21 The expectation about the CIL mechanism is that it will provide local areas with a flexible mechanism to fund an extensive array of infrastructure to underpin development. In delivering the local investment plan for Worcestershire, the CIL is likely to be an important contribution to the wider package of funding required to make new developments work, and to ensure that local infrastructure improvements keep pace with new housing schemes.

Fifth, gear up early for competitive funding regimes

6.22 Partners in Worcestershire have moved quickly to respond to a number of new funding regimes introduced during the latter part of 2010. In the context of delivering the LIP, two funding sources in particular have an important part to play:

- Bids are currently being submitted for the first round of the new Regional Growth Fund (RGF). A total of £1.4 billion has been earmarked for the RGF over the next 3 years, with its primary purpose to encourage bids by private-public partnerships to support initiatives that will create new private sector jobs over a sustained period. While housing is not an explicit priority for RGF, successful first round bids and submissions to future rounds have the potential to be a significant source of funding to support the creation of new employment opportunities in Worcestershire, and to underpin priorities identified in the LEP and in Worcestershire's economic strategy. The government's intention is that RGF will be directed to those areas where there are both the biggest opportunities for new employment and which are most heavily dependent on public sector employment. Six first round bids have already been submitted including:

    - A major package of improvements to Kidderminster Station (East Midlands Trains)
    - The purchase of land for development in Evesham
    - Proposals for the development of the Bosch led technology centre.

- The government has allocated £200 million over a 4 year period to support the development of new Technology and Innovation Centres (TIC), with the Technology Strategy Board tasked with identifying 6-8 centres for investment in sectors including energy & resource efficiency, transport systems, healthcare, ICT and electronics, photonics and electrical systems. With a well established, internationally recognised base of high tech manufacturing businesses and its associated research and development base, Worcestershire partners will consider how the TIC initiative might support their aspirations to further develop the county's strengths in knowledge intensive industries.

Sixth, develop Worcestershire policies on a range of housing issues

6.23 Production of this first LIP and the emergence of new policy and funding mechanisms for housing and wider regeneration reinforce the case for developing Worcestershire wide policies and programmes on housing issues. Partners are making good headway in this regard with the development of the LIP and with their continued work to complete the County Housing Strategy. The Local Enterprise Partnership, work on a new County Sustainable Community Strategy and the development of a County Infrastructure Delivery Plan are all helping to strengthen Worcestershire wide policies for priorities identified by the LIP. However, partners have signalled through the LIP process the need for further work on an extensive range of issues which are common to several areas or in some cases the County as a whole. These are summarised in below:

Table 6-1: Key Housing Issues Identified By Partners	
Issue	**Emerging Responses**
New approaches to tenancy	Highlighted through LIP process and dialogue has commenced, and partners will need to work towards tenancy strategies that reflect the new national tenancy policy framework
Domestic abuse refuges and support	Some potential schemes identified through LIP process. Needs assessment being undertaken across County.
Provision for Gypsies and Travellers	Some schemes identified in LIP, with adopted Core Strategy (Wyre Forest) and draft core strategies identifying need and locations
Connecting LIP to Infrastructure Deliver y Planning process	Discussed through LIP process and recognised as issue to be addressed following completion of first LIP. Place Shaping Group to consider.
Older people and need for more extra care provision	Research undertaken and new work commissioned looking at Extra Care by the Joint Commissioning Unit. Potential for more research to target priority locations. Further research needed on demand for accommodation for people suffering from dementia.
Need for innovative approaches to funding and mix of housing for elderly	Partners have pointed to scope for more subsidising of low rent, extra care and other types of provision through the development of more aspirational market housing for the elderly.
Provision of accommodation for people with mental health needs.	Needs assessment being undertaken across County which may result in reconfiguration of services and development of new provision
Provision for people with physical disabilities and sensory impairment	Needs assessment being undertaken across County which may result in reconfiguration of services and development of new provision
Accommodation for single homeless and young people at risk	Needs assessment being undertaken across South Worcestershire which may result in reconfiguration of services and development of new provision
Need to develop Worcestershire wide approach to Mortgage Rescue	Work already underway to generate data on potential demand for mortgage rescue, which will inform how HCA funding and supporting activity is allocated across the County
Empty homes	Potential to look at new ways to bring empty homes back into use through a toolkit of measures and linking investment to nomination rights
Delivery of renewable technologies in homes and retrofitting of low carbon technologies	Process of developing LIP has highlighted wide range of schemes already being delivered in Worcestershire and need to secure funding to continue programmes. Linked to measures to tackle fuel poverty.
Implementation of code for sustainable homes and new design standards	These will be determined locally under the emerging policy framework, and partners could work with the HCA to respond to this change
Tackling underoccupation	Need to explore incentives for downsizing to promote better use of existing affordable housing provision by enabling downsizing within current social rented homes.
Overcrowding	Need to find innovative ways to increase space available (eg. loft conversion programmes) to enable households to remain living in local communities and to retain existing support networks particularly where larger accommodation is in poor supply - building on pilot project outcomes

6.24 This rapidly changing policy and funding climate presents both opportunities and challenges for partners in Worcestershire in taking forward the priorities they have identified in the LIP. Over the coming months, partners will need to undertake a more detailed assessment of the range of funding and delivery issues they are faced with in delivering key priorities for the County. It will be important to ensure that County wide strategic priorities for accommodation for older and vulnerable people are connected to the Supporting People initiative and other commissioning arrangements. In essence, what is required is a business planning approach to identifying the most deliverable and the highest impact investments with an emphasis on finding creative and innovative ways to deliver them. The Worcestershire Place Shaping Group should be expected to play a key role in coordinating this activity.

7. Working with the HCA

7.1 Local Investment Plans were, and remain, a mechanism to help HCA decide how best it can assist in meeting affordable housing and regeneration needs in local areas. Whilst the scale and nature of the resource which HCA has at its disposal has changed fundamentally from when LIPs were first conceived, there remains a continuing need for the LIP to provide HCA with a framework against which it can assess the case for any investment in Worcestershire.

7.2 As set out in Section 6, HCA's principal investment mechanism for the period 2011-15 in Worcestershire will be its new £4.5 billion affordable rental model.[3]

7.3 Resources under the affordable rental model will be distributed via Registered Provider led investment packages. Each investment package will deliver affordable homes, with a primary focus on affordable rental properties, via a number of funding routes comprising:

- HCA grant funding, with the detail of the process set out in the prospectus on the affordable rent product
- Registered Provider's own resources – which could come from borrowing capacity from new affordable rent homes, or resources generated from conversion (to affordable rent and in some cases, disposal or conversion to shared ownership)
- Other sources, including private sector developer Section 106 contributions and the (anticipated) extensive use of public sector land assets.

7.4 Proposals under HCAs supported housing, empty homes and gypsy and traveller initiatives are also to be included within affordable rent package proposals.

7.5 The HCAs wider enabling role, in terms of the in-house expertise across its teams and access to delivery partner panels for example, will underpin the assembly of package proposals and their implementation. The process of securing grant from HCA has yet to be determined but is likely to be via a competitive bidding process, with the demands for HCA resources being greater than the level of available resources.

7.6 In recent months housing officers from the six local authorities, together with inputs from Worcestershire's Registered Providers, have been assembling a long list of possible investment priorities that could underpin package proposals. These lists have now been refined to comprise schemes that have:

- The potential to provide a significant new supply of affordable homes along with the provision of housing to meet special needs, including those of older and vulnerable people.
- A genuine probability of delivery commencing within the next 4 years. In preparing the LIP, the deliverability of each scheme has been assessed with partners. Any for which barriers exist which make delivery a remote prospect have been excluded.
- Scope to contribute to one or more of the five LIP housing themes set out in Section

[3] Whilst HCA nationally also has £2 bn to deploy on the Decent Homes programme the vast majority of this will be focused on Council Landlords with a backlog of more than 10% non-decent stock, none of which are located in Worcestershire.

5 of this document. This is clearly indicated in the analysis of the list.

7.7 For some schemes there is an anticipated need for public subsidy to deliver affordable housing components - there may be a proven or likely viability gap, or HCA or other public sector land may be involved. This is clearly indicated in the table. For others affordable housing will be delivered through Section 106 contributions, or through resources generated from conversion of existing Registered Provider stock to affordable rental units.

7.8 In utilising these lists of candidate schemes for north and south Worcestershire, a number of caveats should be highlighted. There is a clear need for further financial modelling with Registered Providers to assess whether the affordable rent product will prove to be a viable on sites identified for HCA support.

7.9 Also, the lists have been compiled in dialogue with each of the local authorities and representatives of the Registered Providers using the best information currently available about the schemes. In some cases, there are not yet clear details about the nature of some individual schemes, the volume of housing they will accommodate, their potential start/completion dates and requirements for HCA and other public sector support. This reinforces the need for partners to retain a degree of flexibility in updating and supplementing the list as schemes come forward.

Analysis of Worcestershire Schemes

7.10 Table 7-1 below provides a summary analysis of those schemes for which the LIP has identified a need for subsidy to secure the delivery of affordable housing. These schemes will be central to further discussions between the HCA, local authorities and Registered Providers about the development of package proposals.

7.11 Alongside summary data on the number of schemes under each of the LIP's key housing priorities, Table 7-1 shows the number of housing units and affordable housing units which those schemes have the potential to deliver. It also indicates how many of those schemes have Registered Providers already involved or earmarked for them, and how many would involve the use of public land. The key findings from this analysis are:

- The analysis identifies 103 schemes for which a need for subsidy has been identified.
- Overall, the schemes would deliver just under 3,500 housing units, of which around 2,100 would be affordable.
- A total of 19 schemes deliver just over 2,000 houses (930 affordable) in schemes to support high growth employment sites and the main employment centres in Worcestershire.
- Under the supporting the vitality of housing markets in Worcestershire's towns, 19 schemes have been identified as requiring subsidy. They would deliver around 340 homes, close to 300 of which would be affordable.
- A large number of schemes (42) would deliver sustainable rural housing. The majority (90%) of this housing would be affordable. This reflects the extensive rurality of parts of Worcestershire.
- A total of 23 schemes under the meeting special needs priority, which together would deliver around 620 units ranging from extra care units for elderly people to supported flats for young people with chaotic lifestyles.
- The overwhelming majority of schemes (more than 80%) already have Registered Providers involved in them through land/building ownership, roles as development partners or outline agreements to deliver affordable housing on the site.
- Around 40% of the schemes involve the use of public sector land assets, an increasingly important factor in securing investment. Although 60% of schemes do not appear to involve public sector land assets, many of the sites identified are owned by Registered Providers and have therefore been earmarked for affordable housing, special needs housing etc.

Table 7-1: Count of Schemes with potential to start within 4 years, with requirement for public subsidy identified

Priority	District						Total No. of Schemes	Total No. of Units	Sum of Affordable Units	RP identified Yes/No	Use of public land Yes/No
	Bromsgrove	Malvern Hills	Redditch	Worcester	Wychavon	Wyre Forest					
Housing to support high growth employment sites and employment in main centres	1	1	9	4	0	4	19	2,045	930	Y = 14 N = 5	Y = 10 N = 9
Supporting the vitality of housing markets in Worcestershire's towns	4	1	0	0	12	2	19	345	301	Y = 15 N = 4	Y = 7 N = 12
Delivering sustainable rural housing	2	11	0	0	26	3	42	467	425	Y = 33 N = 9	Y = 14 N = 28
Meeting special needs	4	3	6	2	4	4	23	623	473	Y = 19 N = 4	Y = 7 N = 16
Total	11	16	15	6	42	13	103	3,480	2,129	Y=81 N=22	Y=38 N=65

7.12 Table 7-2 provides a summary analysis of the all schemes identified by partners for consideration in the LIP process. This list includes both those schemes for which a need for public subsidy has been identified and others for which no specific need for subsidy has yet been identified. Many of these non-subsidy schemes are expected to generate affordable housing through developer contributions. The analysis includes only the following types of scheme:

- The potential to commence delivery within 4 years.
- No potentially insurmountable barriers to the scheme being delivered. Partners have identified a number of sites where development is assessed as being unlikely to proceed.
- Schemes where there is a clear start date and data on the number of units that could be accommodated on the site. The analysis therefore excludes those schemes for which this information is not yet available.

7.13 Clearly, partners have an extensive range of specific sites, schemes and initiatives which are expected to contribute to achieving housing targets and policy objectives. A total of 131 specific schemes/sites have been included in this analysis. The list provides a comprehensive picture of the supply and pipeline of sites and schemes in Worcestershire. They range from large scale urban extensions which are expected to generate significant investment in affordable housing from Section 106 contributions through to small scale schemes on which housing provision is likely to be dependent on public subsidy. The key points of this summary analysis are:

- Schemes would deliver 10,400 housing units, 5,000 of which would be affordable.
- Around 65% of site specific schemes (95) already have a Registered Provider involved with them.
- Only around 20% of site specific schemes have involved identified public land. Many sites are owned of sites by Registered Providers, while there are also substantial private sector land holdings across the County.
- An overwhelming majority of the housing units that would be delivered by these schemes have been identified under priorities to support high growth employment sites and employment centres together with housing to support the vitality of housing markets in Worcestershire's towns.
- However, the highest number of schemes (47) falls under the Sustainable Rural Housing priority, reflecting the large number of rural housing sites identified by both Malvern Hills Council and Wychavon Council.

Table 7-2: Count of Schemes with potential to start within 4 years, with requirement for public subsidy identified

Priority	District						Total No. of Schemes	Total No. of Units	Sum of Affordable Units	RP identified Yes/No*	Use of public land Yes/No*
	Bromsgrove	Malvern Hills	Redditch	Worcester	Wychavon	Wyre Forest					
Housing to support high growth employment sites and employment in main centres	10	2	17	5	4	11	49	7,900	3,006	Y=17 N=29	Y=14 N=35
Supporting the vitality of housing markets in Worcestershire's towns	4	3	0	0	2	2	11	1,061	860	Y=18 N-9	Y=8 N=25
Delivering sustainable rural housing	2	11	0	0	31	3	47	792	646	Y=40 N=7	Y=10 N=37
Meeting special needs	4	3	6	2	5	4	24	662	491	Y=20 N=4	Y=6 N-18
Total	20	19	23	7	42	20	131	10,415	5,003	Y=95 N=49	Y=38 N=115

* Information on public land and Registered Provider involvement not known for small number of schemes.

7.14 This full list of schemes that partners have identified through the LIP process provides partners in Worcestershire with **a strong platform for dialogue about the development of packages** of proposed investments with housing. The potential for schemes to cross-subsidise other schemes (eg. through developer contributions, land swap mechanisms, reallocations) is already being explored by partners, and this process will be critical in achieving the objectives identified by the LIP.

7.15 It is important to note that partners identified a total of 243 schemes and sites through the LIP process. In summary, those which do not feature in the analysis above include:

- 40 schemes/sites for which no start date was available
- 40 schemes/sites for which no housing unit data was available
- 24 non-site specific initiatives (eg. energy efficiency schemes, retrofitting schemes)
- A number of sites which partners specifically indicated should not be included in the analysis.

7.16 Registered Providers will continue to play a central role in delivering affordable housing across Worcestershire. Further analysis of those scheme for which a need for subsidy has been identified indicates that the County is well-served by a wide range of Registered Providers that are already involved with many of the schemes listed in the LIP. An indicative summary of the specific Registered Providers identified with the schemes summarised in Tables 7.1 and 7.2 is provided in Table 7-3 below.

Table 7-3: Indicative Summary of Registered Providers Identified for Local Investment Plan Schemes									
	BDHT	Stonham Home Group	Accord	Accord/RCH	Festival	WFCH	West Mercia	West Mercia/ BDHT	Various
No. of Schemes with Need for Subsidy Indicated	8	5	1	2	2	7	2	1	1
Overall No. of Schemes	11	5	1	2	2	8	2	1	1
	Festival Housing Group	West Mercia	Worcester Community Housing	Marches-Jephson Group	Rooftop Housing Group	Stonham Home Group	Various		
No. of Schemes with Need for Subsidy Indicated	12	4	3	3	32	1	1*		
Overall No. of Schemes	13	4	4	3	35	1	1		
Note: *Various Registered Providers identified for non-site specific schemes (eg. retrofitting, reconfiguration of sheltered housing stock)									

7.17 This is not intended to represent an exhaustive list of Registered Providers involvement with schemes identified in the LIP. In some cases, agreement with a specific Registered Provider has not yet been reached, while there were information gaps for a number of schemes (eg. no clear start date, numbers of housing units unknown). The substantial number of schemes associated with the Rooftop Housing Group reflects this Registered Provider's significant presence in rural areas of Worcestershire.

8. Consultation and Engagement

8.1 Consultations with Local Authorities, Registered Providers, the Homes and Communities Agency have been essential in compiling the Local Investment Plan. These took place over the period from November 2010 to February 2011 and included:

- North and South Worcestershire Local Investment Plan Task and Finish Group (November)
- Consultation with Worcestershire County Council representatives, 15th November
- Meeting with Worcestershire Place Shaping Group, 29th November
- Scheme review discussion with Ruth Bamford, Daniel Russell (Redditch Council) and Andy Coel (Bromsgrove Council), 29th November
- Site visit and scheme review, Wyre Forest Council, 29th November
- Meeting with North Worcestershire Delivery Group, 29th November
- Scheme review meeting with Andy Coel and Mike Dunphy, Bromsgrove Council, December 2010
- Scheme review meeting with Alison Grimmett, Daniel Russell, Matthew Bough (Redditch Borough Council) and Mike Williams (Worcestershire County Council), December 2010
- Scheme review meeting with Kate Bailey, Wyre Forest Council, 9th December
- Roundtable meeting with Registered Providers, Malvern, 9th December. Attendees from Bromsgrove & District Housing Trust, Rooftop Housing Group, Worcester Community Housing, Community Housing Group, WM Housing Group, Waterloo Housing Group, Bromford Housing Group, Festival Housing Group
- Scheme review meeting with Wychavon Council representatives, January 2011
- Scheme review meeting with Worcester City Council representatives, January 2011
- Scheme review meeting with Malvern Hills Council representatives, January 2011
- Joint meeting with South Worcestershire Registered Providers and Local Authorities, January 2011
- Meeting with North Worcestershire LIP Task and Finish Group, January 19th
- Meeting with South Worcestershire LIP Task and Finish Group, January 19th
- Joint meeting with Local Authority representatives and HCA, Worcester, 19th January

Regeneris Consulting Ltd

Manchester Office
One Ashley Road
Altrincham, Cheshire
WA14 2DT
Tel: 0161 926 9214
Email: manchester@regeneris.co.uk

London Office
70 Cowcross Street
London, EC1M 6EJ
Tel: 0207 608 7200
Email: london@regeneris.co.uk

Web: www.regeneris.co.uk