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Cumbria Housing Strategy

Cumbria Local Enterprise Partnership

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Contents

1.0	Rationale for the Study	1
	Introduction	1
	Objectives of the Cumbria Housing Strategy	1
	Report Structure	1
2.0	Housing the Labour force in Cumbria	3
	Introduction	3
	Key Demographic and Housing Challenges facing Cumbria	3
3.0	Strategic Policy Context	10
	Introduction	10
	National Housing Context	10
	Housing and the role of Cumbria LEP	10
4.0	Overarching Vision and Objectives	20
	Introduction	20
	Vision of the Housing Strategy	20
	Objectives of the Housing Strategy	20
	Objective 1: Increasing Housing Supply	21
	Objective 2: Making the housing offer more attractive and affordable to younger residents	26
	Objective 3: Managing the impact of second homes and holiday lets	29
	Objective 4: Housing a seasonal and temporary workforce	31
	Objective 5: Facilitate and support the reorganisation of the local government	33
5.0	Delivering the Strategy	34
	Partnership Arrangements	34

1.0 Rationale for the Study

Introduction

- 1.1 Lichfields has been commissioned by the Cumbria Local Enterprise Partnership [CLEP] to Draft a high-level Housing Strategy that CLEP can put before the two new Unitary Authorities, Cumberland and Westmorland & Furness, to help frame the debate and inform decision making on housing across the sub-region.
- 1.2 The Strategy focuses on several contemporary issues and challenges facing Cumbria today. The Strategy is a product of collaborative working between the CLEP and its various stakeholders including the LDNPA and the six Local Authorities [LAs] that will transition to two Unitary Authorities in April 2023.
- 1.3 The Strategy is the product of close working between CLEP and an array of stakeholders. CLEP acknowledges that statutory responsibility for the housing agenda will reside with the two new Unitary Authorities. However, CLEP is committed to working with them and other housing partners to ensure the Cumbrian housing offer meets the needs of existing and future residents, whilst supporting the County's growth aspirations. There is also a clear business rationale for the CLEP in engaging with the needs of local businesses from a housing perspective.

Objectives of the Cumbria Housing Strategy

- 1.4 This strategy aims to respond to the key issues raised by the Action Plan produced by Lichfields in 2022. By setting out how CLEP can support the Unitary Authorities to achieve new housing ambitions for Cumbria.
- 1.5 The Housing Strategy underlies a positive vision for the future of Cumbria from a housing perspective with a series of objectives focusing on housing supply; helping people find and keep homes they can afford in places they want to live; and supporting a vibrant and diverse economic future for Cumbria.
- 1.6 The report includes a summary of how the strategy would be delivered and how CLEP can work alongside the housing authorities and providers to achieve its objectives.

Report Structure

- 1.7 This report is structured as follows:
 - 1 **Housing the labour force in Cumbria:** provides an overview of the key demographic / housing and socio-economic concerns from the 2022 Action Plan and sets out the existing housing offer and how this varies across the County by Housing Market Area [HMA];
 - 2 **Policy Context:** demonstrate how housing fits within CLEP's remit, and reviews the existing housing evidence-base at Local Authority and County Council level to identify any gaps;

- 3 **Change Across Cumbria:** sets out the change required to ensure that Cumbria has a resilient workforce in the years ahead that can access suitable and affordable housing to meet their needs;
- 4 **Delivery Objectives:** provides a thematic summary of priority outcomes and actions for delivery at a high level; and,
- 5 **Delivering the Strategy:** summarises the partnership arrangements, timeframe, and role of CLEP in delivering its strategy.

2.0 Housing the Labour force in Cumbria

Introduction

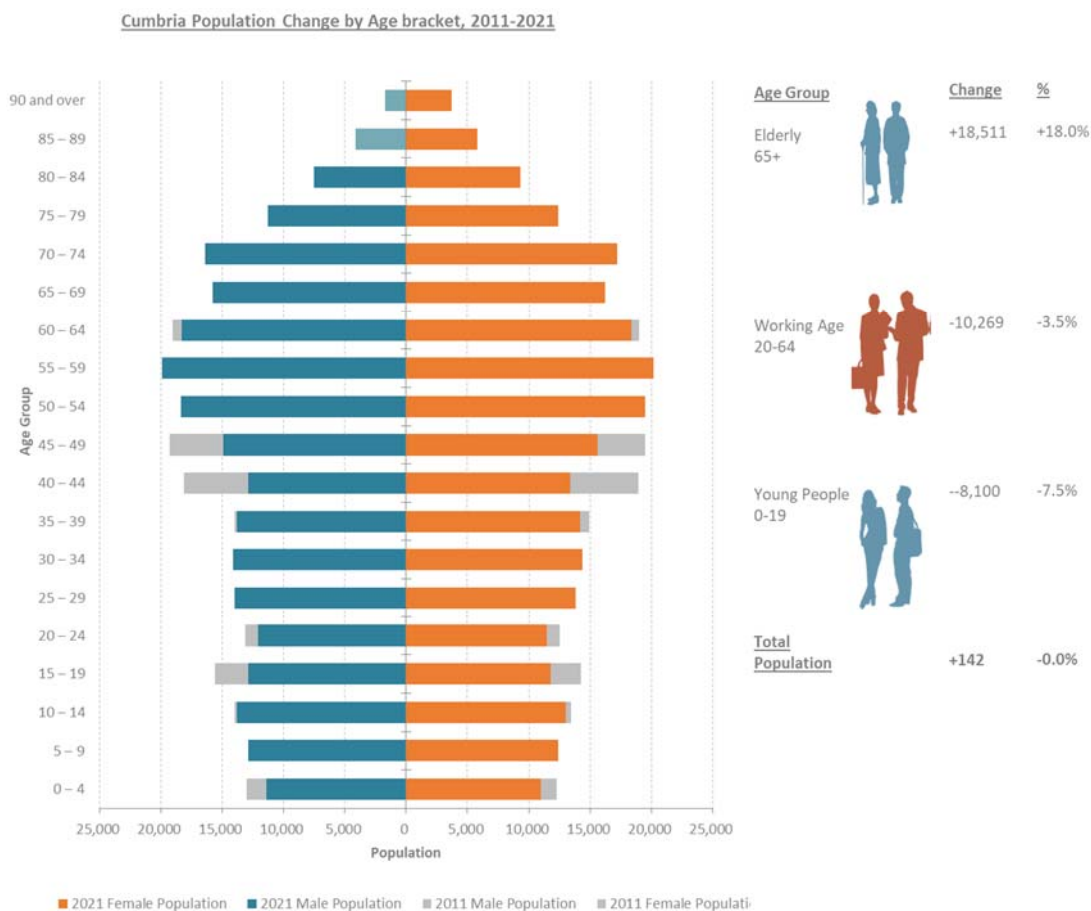
2.1 This section summarises the key demographic, socio-economic and housing challenges across Cumbria and discusses the existing housing offer across the County.

Key Demographic and Housing Challenges facing Cumbria

Demographic Challenges

2.2 Between the 2011 and 2021 censuses, the population of Cumbria stagnated, increasing by just 142 residents (0.03%) over the period, from 499,858 to 500,000. Figure 2.1 demonstrates the change in the population of Cumbria over the decade by sex and age cohort. The change across age cohorts is concerning and is indicative of some challenging structural shifts in the local demography.

Figure 2.1 Population change by sex and age cohort (2011 – 2021)



Source: Census 2011, 2021

2.3 The number of young people (those aged 0 to 19 years old) decreased by 8,100 (7.5%) over this period and the number of working-aged people (those aged 20-64 years old) also fell by

10,269 (3.5%). Conversely, the number of residents over the age of 65 increased significantly by 18,511 (18.0%)¹.

- 2.4 Furthermore, the Census data also provides a demographic breakdown by local authority and similar trends are apparent. The total population change within each local authority is provided in Table 2.1 and indicates, in very broad terms, that the populations of Cumbria's more peripheral coastal authorities has declined whilst those predominantly inland have increased.

Table 2.1 Change in Population by Local Authority (2011 – 2021)

	2011	2021	Change	% Change
Allerdale	96,422	96,300	- 122	- 0.1%
Barrow	69,087	67,800	- 1,287	- 1.9%
Carlisle	107,524	110,000	+ 2,476	+ 2.3%
Copeland	70,603	67,400	- 3,203	- 4.5%
Eden	52,564	54,800	+ 2,236	+ 4.3%
South Lakeland	103,658	104,700	+ 1,042	+ 1.0%
Cumbria	499,858	500,000	+ 142	+ 0.0%
England	53,012,456	56,489,900	+ 3,477,444	+ 6.6%

Source: Census 2011, 2021

- 2.5 The number of younger residents fell in every district, although the fall was most pronounced in Copeland. In contrast, the number of younger residents in England increased by +6.6%. compared to Cumbria's overall decline of -7.5%.

Table 2.2 Change in 0-19 year olds across Cumbria (2011 – 2021)

	2011	2021	Change	% Change
Allerdale	20,887	19,300	- 1,587	- 7.6%
Barrow	15,873	14,300	- 1,573	- 9.9%
Carlisle	23,871	23,100	- 771	- 3.2%
Copeland	15,334	13,600	- 1,734	- 11.3%
Eden	10,904	10,100	- 804	- 7.4%
South Lakeland	20,431	18,700	- 1,731	- 8.5%
Cumbria	107,300	99,200	- 8,100	- 7.5%
England	12,712,275	13,257,500	+ 545,225	+ 4.3%

Source: Census 2011, 2021

- 2.6 Table 2.3 shows that the change in the working age population by local authority follows a similar trend, with data illustrating a decline in all districts except for Eden (where the cohort increased marginally by 269 people, or just 0.9%). This is particularly concerning given that the working age population in England increased by +4.3%, over the same period.

¹ The young persons and working age cohorts are defined as 0-15 years old and 20-64 years old to remain consistent across Census periods.

Table 2.3 Change in 20-64 year olds across Cumbria (2011 – 2021)

	2011	2021	Change	% Change
Allerdale	55,502	53,100	- 2,402	- 4.3%
Barrow	40,259	38,700	- 1,559	- 3.9%
Carlisle	63,756	63,000	- 756	- 1.2%
Copeland	41,915	38,200	- 3,715	- 8.9%
Eden	30,131	30,400	+ 269	+ 0.9%
South Lakeland	58,106	56,500	- 1,606	- 2.8%
Cumbria	289,669	279,400	- 10,269	- 3.5%
England	31,639,652	33,030,900	+ 1,391,248	+ 4.4%

Source: Census 2011, 2021

- 2.7 In contrast, we can see from Table 2.4 that there has been a significant increase in the number of residents of retirement age, particularly in Eden and Carlisle, although overall growth across Cumbria remains below the national growth rate.

Table 2.4 Change in over 65s across Cumbria (2011 – 2021)

	2011	2021	Change	% Change
Allerdale	20,033	23,900	3,867	19.3%
Barrow	12,955	14,800	1,845	14.2%
Carlisle	19,897	23,900	4,003	20.1%
Copeland	13,354	15,600	2,246	16.8%
Eden	11,529	14,300	2,771	24.0%
South Lakeland	25,121	29,500	4,379	17.4%
Cumbria	102,889	121,400	18,511	18.0%
England	8,660,529	10,401,400	1,740,871	20.1%

Source: Census 2011, 2021

- 2.8 The latest population forecasts provide an even more concerning picture, projecting a substantial decline in the working-age population in all seven Cumbrian local authorities and an overall decline of 10%, or 28,853, over the next 20 years. In contrast, the older population is expected to grow by 33% (37,456 people). A net decrease of just 0.1% to the overall population indicates that the demographics of Cumbria will shift significantly over the coming years.²
- 2.9 The demographic shifts will make it increasingly difficult for existing firms to expand and attract workers, and potentially discourage businesses from starting up in Cumbria. The lack of housing and economic incentives for younger people to stay in Cumbria could threaten the viability of local services such as schools and public transport, resulting in a spiral of decline. **We need to make sure that these concerning demographic trends are reversed. This means providing more affordable homes in places younger residents want to live.**

House building and Affordability

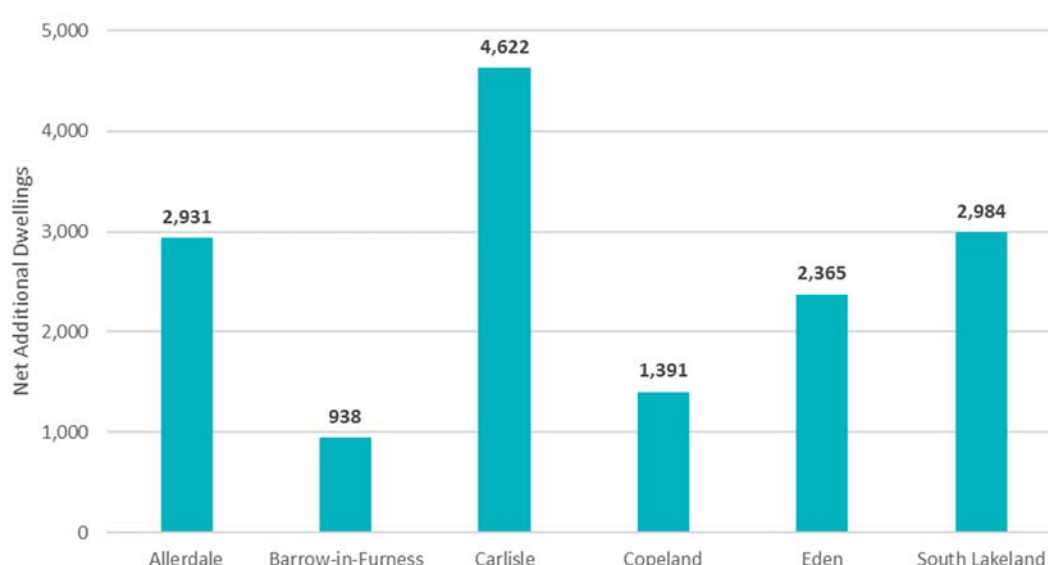
- 2.10 One of the factors behind Cumbria's disappointing population growth has been comparatively low levels of housebuilding in recent years. With the UK widely considered to be in the midst of a housing crisis, this is not a problem unique to Cumbria; however

² ONS (2020): 2018-based Subnational Population Projections

(alongside other factors), the unique and exceptional landscape means that there is often a particularly high bar for housing to be delivered.

- 2.11 Just 15,231 net additional dwellings were delivered across Cumbria over the past decade (see Figure 2.2). The highest proportion of these were built in Carlisle (30.3%) followed by South Lakeland (19.6%), Allerdale (19.2%) and Eden (15.5%) compared to just 6.2% in Barrow-in-Furness and 9.1% in Copeland. This indicates a significant imbalance in housing provision across Cumbria. Moreover, with plans at an advanced stage for the construction of the 10,000 home St Cuthberts Garden Village to the south of Carlisle, the disparity is likely to grow in the coming years.

Figure 2.2 Net additional dwellings by local authority (April 2012 – March 2022)



Source: DLUHC (2023): Table 122: housing supply; net additional dwellings by local authority district

- 2.12 Table 2.5 illustrates that affordable housing provision across Cumbria has been particularly weak with just 3,561 (23% of the total) affordable homes delivered in the past decade. Carlisle (32.2%), South Lakeland (24.6%), and Allerdale (20.3%) account for a disproportionate amount of this provision. Affordable housing provision in Barrow-in-Furness and Copeland is low with 70 and 227 homes delivered over the period respectively (although these are also some of the more affordable parts of the County in which to buy a house). For Cumbria to grow its economy, it remains critically important to create a more balanced housing market across the County.

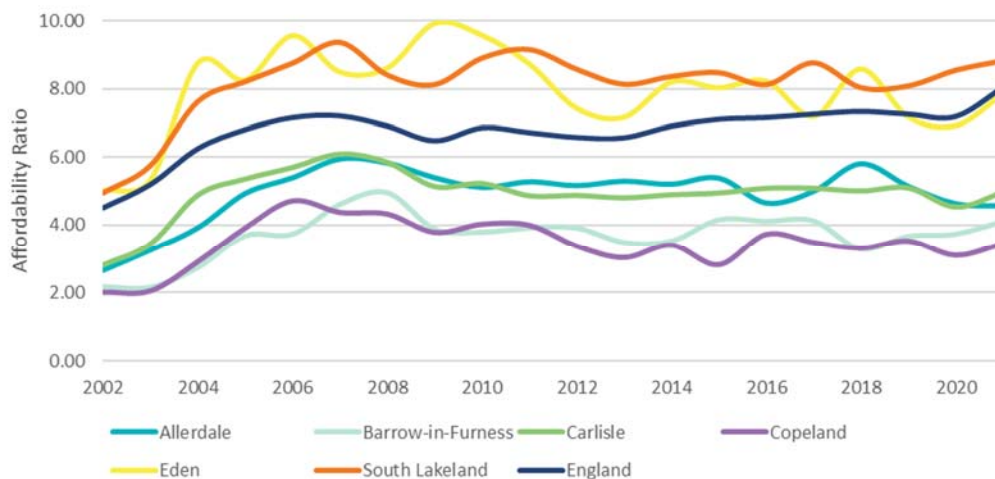
Table 2.5 Affordable housing completions by local authority (April 2012 – March 2022)

District	2012/13 - 2016/17	2017/18 - 2021/22	Total	% Total
Allerdale	499	225	724	20.3%
Barrow	40	30	70	2.0%
Carlisle	454	694	1,148	32.2%
Copeland	199	28	227	6.4%
Eden	250	265	515	14.5%
South Lakeland	548	329	877	24.6%
Cumbria	1,990	1,571	3,561	100.0%

Source: DLUHC (2022): Table 1011C: Affordable housing supply, completions

- 2.13 Figure 2.3 illustrates that in 2021 Eden and particularly South Lakeland, had extremely high affordability ratios in 2021 of 7.91 and 9.33 times the lower quartile workplace-based wage, respectively. In contrast, the affordability ratios in Barrow-in-Furness and Copeland are just 3.57 and 2.46 respectively, the two most affordable areas in the country. This dynamic is caused by relatively low house prices compared to very high average earnings as well as significant in commuting.

Figure 2.3 Ratio of lower quartile house price to lower quartile gross annual workplace-based earnings by local authority (2002 – 2021)



Source: ONS (2022): Ratio of house price to residence-based earnings.

- 2.14 We cannot rely on the ‘sticks and carrots’ provided by Central Government to incentivise housebuilding as the mechanisms perform poorly in the Cumbrian context. An average of 1,328 dwellings per annum [dpa] were delivered across Cumbria over the last six years, a figure that, despite being above the minimum target of 554 dpa³, remains well below the 1,907 dpa target set out in Cumbria’s Local Plans. Given the challenges above, the two new Unitary Authorities will need to take bold action and go above and beyond the weak incentives provided by Government to ensure the County faces a vibrant economic future.
- 2.15 An increase in house building is not just the delivery of more houses, it requires a more holistic approach to ensure that the infrastructure is in place to support delivery. Utilities, transport, and supply chain linkages are some of the key sectors that support housebuilding and the CLEP has a vital role to play in co-ordinating the delivery of these crucial infrastructure projects and to reduce any delays in the process.
- 2.16 There are also a number of strategic constraints that have the potential to delay or even halt altogether, much needed housing delivery in the County. For example, Nutrient Neutrality requirements in the catchment areas of the River Eden, River Derwent (inc. Bassenthwaite Lake), River Kent, and the River Esthwaite require a strategic approach to mitigation in order to build more homes to meet housing needs and protect the environment.

³ Derived from the Standard Methodology set out by the UK Government.

Accommodating a Seasonal and Temporary Labour Force

- 2.17 Gross Value Added [GVA] productivity data from ONS indicates that almost 20% of Cumbria's total GVA productivity comes from industries reliant on seasonal and temporary labour⁴⁵. Not only do these sectors tend to offer low pay and employment security, but they are also often dependent on the seasonality of the tourism and agriculture industries.
- 2.18 This poses a challenge to provide suitable and affordable accommodation for seasonal workers in order to enable the sub-region to take full advantage of the seasonal economic boost and help protect sectors that contribute a sizeable amount to the Cumbrian economy. The provision of affordable living quarters for this temporary labour force in locations in close proximity to the tourist honey pots (which are often in the National Parks), with greater restrictions on development, is a unique challenge with no easy solution.

Second Home Ownership and Holiday Lets

- 2.19 Despite a slight decline in the share of second homes as a share of all homes across Cumbria, the proportion of second homes remains above the national rate in nearly all districts. The levels of second homes in Barrow-in-Furness (1.03%) and Carlisle (1.01%) are mostly comparable to the rates across England (1.01%) whilst in Eden (4.7%) and particularly South Lakeland (6.9%), the presence of second homes far exceeds the national rate.
- 2.20 Rental platforms such as Airbnb make it more difficult to estimate the number of homes that are used as holiday rentals and/or second homes. However, there are concerns that as the number of second homes becomes ever more present these combine to raise the bar to accessing affordable housing for residents across Cumbria. Data from AirDNA that scrapes listings from platforms such as *Airbnb* and *Vrbo*, estimates that (as of August 2022), circa 51% of available rentals in Cumbria were available for rental for at least 180 days of the year.⁶ This suggests that not only is the presence of second homes and holiday lets more of an issue in Cumbria than across England, but that they create a year-round issue of vacant dwellings.
- 2.21 Furthermore, it is also difficult to differentiate between a second home and a holiday lets; with holiday lets generally offering more benefits to the local economy via tourism and increased spending. This makes it challenging for local policymakers to retain the benefits they can generate whilst at the same time controlling the negative impacts often caused by higher voids arising from second homes.

Local Government Reorganisation

- 2.22 The local government restructuring proposals put forward by the six district authorities and the County Council to set up two single tier Unitary Authorities comes into effect from the 1st April 2023 (Cumberland and Westmorland & Furness Councils). It is important that we manage the transition appropriately, and take full advantage of the opportunities to review data and current policies, whilst engaging a wide array of stakeholders in the process. As

⁴ ONS (2022): Regional accounts July 2022: Table E11. Gross Value Added by Sector – Current prices.

⁵ Analysis considers the following sectors to have a disproportionate representation of seasonal and/or temporary workers: Human Health and Social Work; Accommodation and Food Service; Agriculture, Forestry and Fishing; Manufacturing of Food, Beverages and Tobacco.

⁶ AirDNA (2022): Short-Term Rental Data Analytics

part of this there can be a review of the ongoing and inevitable balance associated with the significant reliance on tourism and leisure related economic activity, with the associated positive but sometimes negative consequences.

- 2.23 As the allocation of council resources change, the reorganisation provides a once in generation opportunity to reevaluate our existing priorities, refresh the evidence base underpinning decision-making and create (and deliver) a new vision for the County.

Summary

- Cumbria's population growth has stagnated over the past decade, with a decline in younger residents and working aged people. The increase in residents of retirement age has offset the decline of younger age groups, but the population pyramid is becoming increasingly inverted as a result.
- The latest population projections for Cumbria indicate that the working age population will decline by around 10% over the next 20 years whilst the elderly population continues to steadily increase, this has the potential to result in a downward spiral of economic decline in the long-term.
- Whilst house prices are generally lower than the national average, there are pockets of very high house prices, particularly in the most desirable parts of the National Parks. This, combined with relatively lower wages, has made housing less affordable in many parts of the County than in England. However, this is not true of all areas – Copeland and Barrow-in-Furness remain among the most affordable areas in the Country with relatively low house prices and high wages associated with the nuclear facilities and the Ministry of Defence. This means that there is no 'one size fits all' solution to the challenges, with different housing markets facing very different problems.
- The number of second homes across Cumbria remains significantly higher than the national average, and very high in South Lakeland. There is a concern that the rapid increase in short term lettings advertised on hosting sites such as Airbnb is exacerbating the issue and further depopulating villages, increasing house prices, and making it even harder for first time buyers to access the local housing market.
- The restrictions placed on housebuilding by Nutrient Neutrality requirements has caused significant delays to housebuilding across Cumbria. Given such high affordability ratios across the region, it is crucial that the housing strategy enables a higher level of housebuilding whilst protecting the Cumbrian landscape, particularly within the National Parks.

3.0 Strategic Policy Context

Introduction

- 3.1 This section outlines the key policy influencing housebuilding across England and their relevancy to Cumbria and the CLEP's economic mission more particularly. This section also provides a summary of the existing housing evidence base across the Cumbrian Local Authorities.

National Housing Context

- 3.2 The National Planning Policy Framework [NPPF] draft consultation published as part of the Levelling Up and Regeneration Bill [LURB] sets out the proposed key changes to the NPPF that are expected to be published during Spring 2023. As the Government champion the development and adoption of Local Plans to reach the goal of building 300,000 homes nationally per year by the mid-2020s, this provides an opportunity for the two new Cumbrian Unitary Authorities to refresh the housing vision and make sure we provide quality and affordable homes to those who want to live and work in Cumbria.
- 3.3 The three key areas of change include relate to the overall Housing Requirement, 5 Year Housing Land Supply [5YHLS], and the Housing Delivery Test [HDT]. In terms of the changes to calculating the overall housing requirement, the NPPF consultation sets out that:
- “The overall aim should be to meet **as much housing need as possible** with an appropriate mix of housing types to meet the needs of communities” [§ 60] and that the Standard Methodology is now described as “an advisory starting point” [§ 61].⁷*
- 3.4 The task ahead for the Unitary Authorities is to ensure they can deliver the right number of homes and the right housing mix to reverse the declining demographic trends rather than see the Standard Method as a minimum or maximum target.
- 3.5 In terms of changes to the 5YHLS, Councils would no longer need to demonstrate a five-year supply of housing sites to accommodate speculative planning applications, provided a Local Plan has been adopted within the last five years. This would provide the Cumbrian Unitary Authorities with more control over where homes are built across the County and ensures that housebuilding still takes place whilst protecting for the Cumbrian landscape.

Housing and the role of Cumbria LEP

- 3.6 As one of 38 business-led partnerships between local authorities and private sector businesses across England, CLEP plays a vital role in determining key economic priorities and undertaking work that drives economic growth across Cumbria. Housing delivery is crucial in this and is key to encouraging more people to live in the County and stem the longstanding decline in the working-age population. Delivering housing is not just about volume. It is about ensuring that Cumbria has ‘the right product, in the right place, at the right price’.

⁷ DLUHC (2022): NPPF Consultation document paragraphs 60 and 61.

- Accessible housing in the right locations that are affordable on local incomes is vital to the prospect of economic growth, supporting the local labour supply and guaranteeing the sustainability of local communities and services; and,
- The building of new homes attracts investment both directly via construction and indirectly along the supply chain with the effects rippling through the local economy and causing a greater demand for goods and services.

3.9 The Cumbria Strategic Economic Plan (2014-2024) was adopted in March 2014 and recognises that housing is a key economic driver, both in terms of the jobs it supports through construction and across the wider economy (the sector contributes around £674 million in GVA and around 13,500 jobs).

Cumbria's Local Industrial Strategy

3.12 Target 4 of the LIS seeks to build more homes and to increase the range of housing available through an agenda of collaboration with local partners to ensure more homes are delivered in a range of locations that meet the needs of a growing workforce.

- Ensure the necessary infrastructure is in place for major developments such as the St Cuthbert's Garden Village.

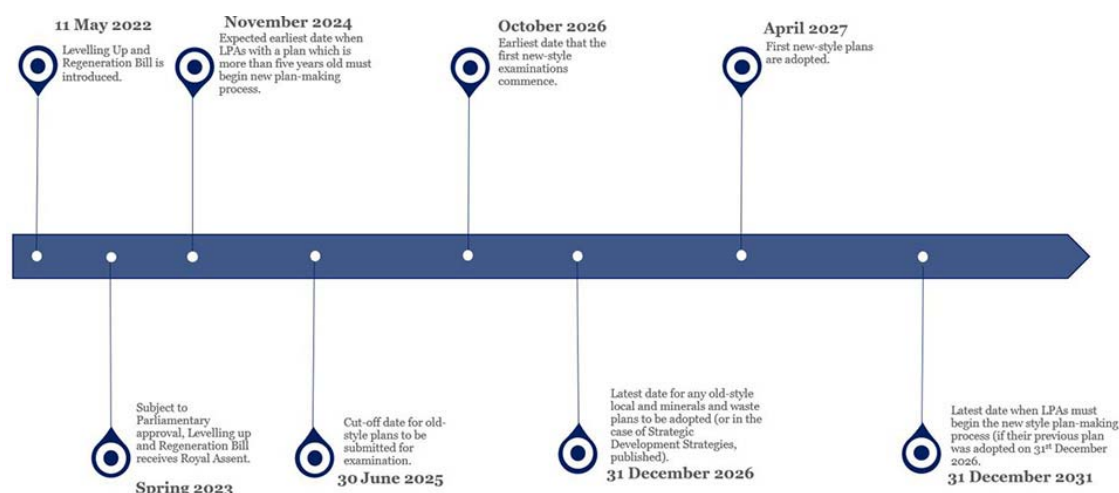


- Increase affordable housing supply, particularly in the more rural areas in districts such as South Lakeland and Eden.
- To expand the range and mix of housing, to appeal to all residents.
- Encourage a wide-ranging mix of developers and to explore alternative construction techniques that improve delivery and accommodate Cumbria's environment.

Cumbria's Housing Context

- 3.14 The current NPPF consultation centres on the adoption of Local Plans as the main way for Councils to deliver more homes. New-style Local Plans will be clearer about how local constraints should be considered and that taking a more proportionate approach to the evidence base in local-plan examinations should speed up plan-making. It is vital that there are strong Local Plans in place for Cumbria, that respond to these issues despite the emerging move away from the Government's top-down figures. Figure 3.1 sets out the proposed timeline for transitioning to the reformed system.

Figure 3.1 Timeline for transitioning to the reformed plan-making system

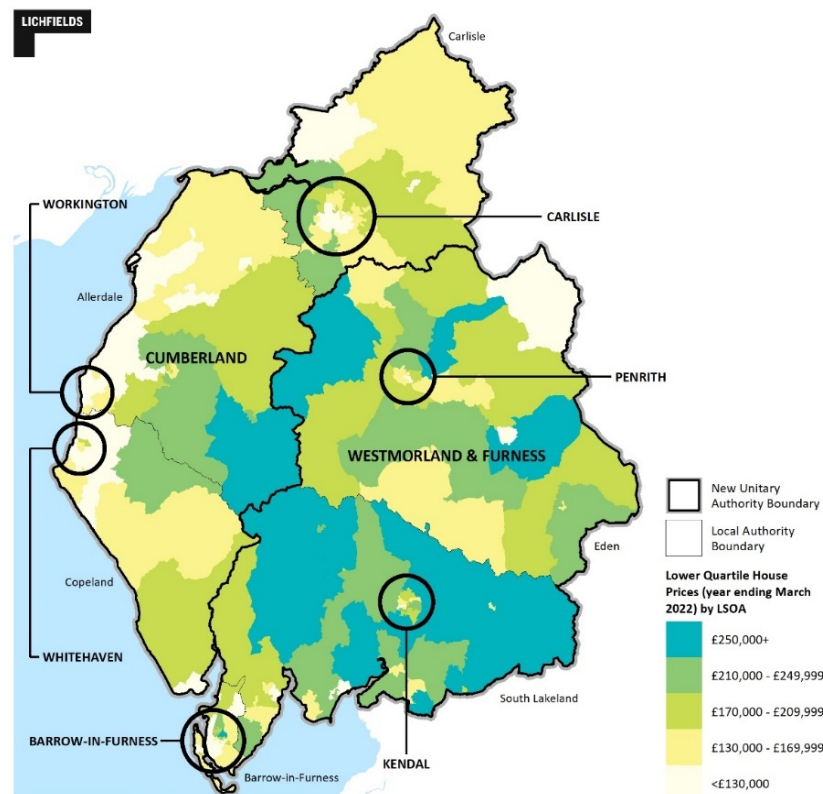


Source: DLUHC (2022): Levelling-up and Regeneration Bill: reforms to national planning policy

- 3.15 On 5th January 2023, the ONS released the housing tranche from Census 2021 which demonstrate some clear challenges for Cumbria. In terms of tenure:
- The number of homes owned outright across Cumbria increased 12.0%, or 10,471 from 2011 to 2021 and is only slightly below the 13.0% increase observed across England.
 - Homes owned with a mortgage or private loan fell 8.8%, or 6,156, compared to a fall of just 3.4% across England.
 - Although the rates of social and private renting increased by 1.1% and 24.5%, they remain below the 2.6% and 29.9% increases at a national level, respectively.
- 3.16 In terms of the change in housing type across Cumbria between the two Census periods, data indicates:
- A slight shift in focus to the delivery of larger detached and semi-detached dwellings with both types increasing by 7.6% and 5.3%, respectively.
 - A fall of 2.3% in the share of terraced properties.

- The share of homes with 2+ vacant bedrooms increased from 40.6% to 43.5% and remains much higher than the national average (34.3% to 35.6%).
- The number of households that were neither over- nor under-occupied in Cumbria fell from 18.9% to 17.8% compared to a minimal change across England (26.7% to 26.8%).

Figure 3.2 Lower Quartile House Price by LSOA, March 2022



Source: DLUHC (2023) HPSSA dataset 48 / Lichfields Analysis

- 3.17 Figure 3.2 demonstrates lower quartile [LQ] house prices by Lower Layer Super Output Areas [LSOA] in the year to March 2022. There are clear differences in LQ house prices across the County with relatively low prices in Copeland, Barrow and Carlisle at an average of around £106,400, £120,700, and £121,100, respectively. Carlisle delivered almost 1,000 more dwellings than any other Cumbrian local authority from 2018-19 to 2021-22 and therefore has been able to partially offset inflationary house prices with a relatively strong level of supply.⁸
- 3.18 LQ house prices in Allerdale are relatively mixed with patches of high affordability to the west along the coast in towns such as Workington and those to the north, whilst affordability is much lower in the south-east of the County, on approach to the National Park. The Borough has a median LQ house price of around £132,300.
- 3.19 Eden and South Lakeland both have significantly higher LQ house prices with median averages of around £188,500 and £214,500, respectively. The demand for holiday homes, given the proximity of the National Parks, combined with a relatively modest level of recent housing completions, has inflated house prices across the two districts.

⁸ DLUHC (2023): Live Table 253 2018 – 2022

- 3.20 The difference in house prices emphasises the need to respond to the challenges in each of the districts in unique way and affordability issues include more than simply providing more affordable housing. The local economy and housing market of each district are key factors that should be considered when developing solutions.

Allerdale

- 3.21 Allerdale Borough Council's adopted Local Plan comprises the part 1 Strategic and Development Management Policies, adopted in July 2014. The Local Plan Part 2 site allocations DPD was adopted on 22nd July 2020. These plans are underpinned by housing evidence presented in the Council's Housing Study, dating from May 2016. This identifies a total of 3,135 households in housing need, representing 6.8% of all households across the Borough. It also reveals a net imbalance of 175 affordable dpa across the borough. The Study confirmed a need for smaller one and two-bedroom general needs (55%), three or more bedroom dwellings (29.8%) and older person dwellings (15.2%).
- 3.22 The Allerdale Housing Strategy (2016-2021) was refreshed in 2019 and describes a poor-quality private housing stock across the borough and a pressing need to upgrade dwellings with many constructed before 1919 and a proportion built post-1990 that is smaller than the national average. Poor quality housing has led to a host of socio-economic challenges within Allerdale such as a 12.3% rate of fuel poverty, exceeding the national rate of 11.1%.
- 3.23 **Allerdale's key housing challenges include:**
- A key need for smaller one and two bedroom homes that are affordable to younger families.
 - Replacing existing poor-quality housing to improve the housing offer.

Barrow-in-Furness

- 3.24 Barrow Borough Council's Local Plan was adopted in June 2019 and forms part of the Development Plan. The latest SHMA addendum published in March 2017 by Barrow Borough Council, sets out how house prices and monthly rents in the district are consistently lower than county, regional and national averages and have been relatively unchanged since 2008 however despite the relative affordability, there has been little uplift in property sales since 2011. The SHMA sets out a housing requirement within the range of 63 to 133 dwellings each year and a need for 101 affordable dwellings per annum.
- 3.25 **Barrow's key housing challenges include:**
- The need to develop three and four-bedroom houses to encourage larger, younger families to the district to help unlock Barrow's economic potential.
 - The need for a better range of housing and support products for older residents that include larger three-bedroom bungalows.

Carlisle

- 3.26 Carlisle City Council's Local Plan was adopted in November 2016 and sets out the strategic vision for growth up to 2031. The 2019 SHMA identifies a need to focus on the provision of one, two, and three-bedroom homes. The SHMA also sets out the importance of delivering St Cuthbert's Garden Village [SCGV] development for Carlisle to meet the City's housing

needs over the Local Plan period and beyond. Without SCGV it would be significantly more challenging for Carlisle to realise its economic growth ambitions.

3.27 The SHMA states how Carlisle's tenure profile includes a relatively large proportion of outright owners and a small private rented sector when compared with the regional and national position. Furthermore, the number of mortgage owners fell 7% whilst the private renting grew 89% - this may reflect the difficulties faced by younger households in accessing market housing to buy, particularly in rural areas. In terms of housing need, the SHMA sets out a need for 158 affordable homes per annum over the plan period.

3.28 **Carlisle's key housing challenges include:**

- A need for all sizes of housing within all tenure groups. For market housing there is a focus on smaller two and three-bedroom family homes as well as some larger dwellings.
- A large and growing older person population that will likely drive the need for additional specialist accommodation in both the affordable and private sectors.

Copeland

3.29 Copeland Borough's Local Plan covers the period 2021 to 2038 and was submitted to the Secretary of State on 16th September 2022 and examination is currently underway. The Local Plan is underpinned by housing evidence including the Council's SHMA Update published in October 2021. It identifies a housing stock that is dominated by three-bedroom properties (52% of all housing) and semi-detached homes (38%). In terms of the social stock, the supply of supported housing for older residents and low cost homeownership is very low when compared to the regional and national comparators.

3.30 The SHMA sets out how Copeland has relatively low house prices, a low level of housebuilding reflecting a relatively low level of housing demand. The Copeland Housing Strategy, published in December 2018, recognises the importance of the Nuclear Sector to the local economy indicating as much as 55% of Copeland's workforce is employed by Sellafield Ltd. For every job created, an estimated further 2.8 jobs are sustained in the local economy. In this context, the Strategy acknowledges the need to provide attractive, modern, and suitable housing to attract and retain this skilled workforce. In terms of housing need, the SHMA sets out a need for around 194 dwellings per annum.

3.31 **Copeland's key housing challenges include:**

- Limited availability of supported housing for senior residents of Copeland.
- The need to provide smaller one and two-bedroom to incentivise younger couples to live and work in the Borough.

Eden

3.32 The Eden Local Plan was adopted in October 2018 and covers the period 2014 to 2032. The plan is underpinned by housing evidence presented in the Council's Housing Study, dating from 2021 to 2026. The Strategic Housing and Economic Needs Assessment [SHENA] was published in May 2021 and demonstrates a need for a mix of house sizes including larger three-bedroom (43%) and two-bedroom (26-27%) as well as larger properties with at least

four-bedrooms (24-25%). Conversely, the need for additional one-bedroom properties is much lower and comprises just 6% of the recommended size-mix.

3.33 The report highlights how a lack of affordable housing has made it more difficult for local employers to recruit and retain staff, impacting on businesses, services, and the local economy. Furthermore, approximately 5% of total residential housing stock within Eden District are considered second homes, of which an excess can crowd out first-time buyers and create a shortage of available properties whilst remaining vacant for large periods of the year.

3.34 The SHENA sets out a net affordable housing need for 45 dwellings per annum over the plan period.

3.35 **Eden's key housing challenges include:**

- The need to provide three-bedroom properties across the district to attract younger families.
- High affordability ratios and a lack of affordable homes across the District is preventing many younger couples from living and working in Eden.
- A high share of second homes in the District when compared to the regional and national average.

South Lakeland

3.36 The South Lakeland's adopted Local Plan covers the period 2003 to 2025 and contains four main Development Plan Documents. Local Plan Part 1 comprises the South Lakeland Core Strategy adopted in 2010; Part 2 comprises land allocations and was adopted in 2013; part 3 comprises Development Management Policies adopted in March 2019; and part 4 comprises the Development Management Policies for the Areas of Outstanding Natural Beauty [AONB] in Arnsdale and Silverdale. The current suite of Local Plan documents will be combined into a single local plan covering the period 2016 to 2036.

3.37 The latest South Lakeland SHMA was published in October 2017 and identifies a high level of outright home ownership and a small social rented sector. Between 2001 and 2011, the number of mortgage owners declined by 14% compared to a 34% increase in the private sector. The dwelling stock predominantly comprises larger homes, with a greater than average number of bedrooms and a higher proportion of detached homes (31%). The District also has significant levels of under-occupancy with 45% of all households having at least two-spare bedrooms.

3.38 The SHMA also identifies relatively significant affordability challenges across the District, estimating that 29% of all households have an income below that which would be required to afford social rental prices. In terms of affordable housing need, the SHMA sets out a net deficit of 153 dwellings per annum.

3.39 **South Lakeland's key housing challenges include:**

- A significant over representation of second homes in the District.
- High levels of under-occupancy.
- Relatively significant housing affordability challenges.

Lake District National Park

- 3.40 The Lake District National Park [LDNP] continues to be a popular area for second homeowners making it more difficult for locals to get onto the housing ladder with excess vacant homes threatening the resilience local communities and services. The new Lake District Local Plan was adopted by the LDNP Authority in May 2021 and covers the period from 2020 to 2035.
- 3.41 The LDNP Housing Need Assessment published in 2019, sets out a need for 1,200 dwellings (80 dpa) over the plan period. In terms of affordable housing need, the Housing Need Assessment identifies an overall need for 113 affordable dpa, though this figure remains unsupported with evidence as to its deliverability.
- 3.42 **The Lake District National Parks key housing challenges include:**
- Housebuilding in a way that protects the natural landscape.
 - Reducing the share of second homes across the authority.
 - A lack of affordable housing.

Yorkshire Dales National Park

- 3.43 At the time of writing, the Yorkshire Dales National Park [YDNP] Local Plan has passed through a Preferred Options consultation stage that will inform a draft Local Plan to be published in Autumn 2023. The YDNP Authority's latest SHMA was published in November 2019 and indicates an overall housing need of 50 dwellings per annum over the plan period to reverse to projected decline in population and households. The SHMA also demonstrates a need to focus on two (35.5%) and three-bedroom (37.5%) properties as well as the need for 20% share of homes comprising bungalows. In terms of affordable housing, the SHMA identifies a shortfall of 30 dpa.

Summary

- 3.44 In summary, the housing evidence base for the seven main local planning authorities across Cumbria identify a total need for 1,987 dpa. This is significantly more than the Local Housing Need [LHN] of 555 dpa identified by the Government's Standard Methodology (see Table 3.1). Such a marked variance demonstrates how the use of the LHN is not optimal for positive planning for most, if not all the districts across Cumbria.

Table 3.1 Identified Housing Need across Cumbria

	Local Plan Housing Requirement	Affordable Housing Need	SM 2023
Allerdale	304 dpa	175 dpa	85 dpa
Barrow	119 dpa	101 dpa	0 dpa
Carlisle	565 dpa	158 dpa	183 dpa
Copeland	277 dpa	132 dpa	0 dpa
Eden	242 dpa	45 dpa	84 dpa
South Lakeland	400 dpa	153 dpa	174 dpa
LNDP	80 dpa	113 dpa	n/a
YDNP	50 dpa	30 dpa	n/a
Total	2,037 dpa	907 dpa	555 dpa

Source: Local Authorities' housing evidence-base/ Local Plans / Lichfields' analysis

- 3.45 Affordable housing need remains high across Cumbria at 907 dpa across the local authorities. Though there may be a degree of overlap with the LNDP figure, this remains 44.5% of the entire housing provision for the County.
- 3.46 Common themes across the Cumbrian districts include:
- A significant ageing population and decline in the working-age population.
 - A high level of outright home ownership, a falling level of mortgages and a growing private rental sector.
 - A housing stock comprising larger, detached homes with a greater than average number of bedrooms and a high level of under-occupancy across the County.
 - The housing evidence base across Cumbria indicates a strong level of unmet demand for elderly accommodation that can sufficiently meet the needs of an ageing population.
 - The presence of second homes across Cumbria and the LNDP has increased the pressure on the local housing market, with the demand for second homes threatening the viability of community services and restricting housing access for younger households.
- 3.47 Table 3.2, provides a red, amber, green [RAG] rating to summarise the housing evidence base for the seven Cumbrian districts to highlight gaps in the evidence base and where existing documents can be updated.
- A red rating indicates that the evidence document was published more than five years ago and therefore should be updated as soon as possible.
 - An amber rating indicates that the evidential report was published at least 3.5 years ago but less than five years ago and should be updated in the medium term.
 - A green rating indicates that a report was either published within the last 3.5 years and only needs to be updated in the long term or is currently under development.

Table 3.2 Summary of the housing evidence base by Local Authority

	SHMA	SHLAA	Housing Strategy	5 Year Housing Land Supply	Other relevant documents
Allerdale	May 2016	Mar 2013	Nov 2019	Jul 2022	Stock Condition Survey (June 2016); Homelessness Prevention & Rough Sleeping Strategy (2022-2027)
Barrow	Mar 2017	Jan 2015	No Adopted Strategy	May 2017	Affordable Housing & Developer Contributions SPD (Jul 2022)
Carlisle	Jul 2019	Dec 2014	No Adopted Strategy	Apr 2020	Affordable & Specialist Housing SPD (Feb 2018); Affordable Housing Economic Viability Assessment (Jun 2013);
Copeland	Oct 2021	Sept 2022	Dec 2018	Sept 2022	Housing Needs Survey Report (Jul 2020)
Eden	May 2021	Oct 2015	Jun 2021	Jan 2023	Housing SPD (Apr 2020); First Homes Position Statement (Mar 2022)
South Lakeland	Oct 2017	Mar 2009	No Adopted Strategy	Dec 2022	Affordable Housing Planning Policy Guidance Note (Mar 2020); First Homes Position Statement (Apr 2022)
LDNP	Reliant on other Cumbrian SHMAs	May 2021*	No Adopted Strategy	Nov 2022	Housing SPD (May 2021)
YDNP	Nov 2019	July 2022	No Adopted Strategy	Nov 2021	Design Guide SPD (Sept 2017)

Source: Lichfields Analysis

* Contained within Policy 14 of the Lake District Local Plan

3.48

Although Table 3.2 indicates there to be an abundance of evidence, most of it is outdated and none is strategic. There is a demonstrable opportunity for CLEP to assist the two new Unitary Authorities to update and produced a holistic evidence base to inform decision-making with regard to housing.

4.0 Overarching Vision and Objectives

Introduction

- 4.1 This section sets out the vision of CLEP's Housing Strategy and recommends a series of objectives and accompanying priority outcomes that will enable partners to fulfil the vision for housing.

Vision of the Housing Strategy

- 4.2 This Housing Strategy sets out how we can help build more homes and make sure that we have the right number, type and tenures of homes that are needed across Cumberland and Westmorland & Furness. We recognise the importance a strong housing offer brings to driving forward economic growth across Cumbria and, as such, set out the following vision:

“To stimulate and sustain the economic opportunity across all of Cumbria by facilitating the delivery of more high quality homes that are attractive and affordable to younger households in places they want to live. This will boost the local labour force into the longer term and ensure Cumbria’s economy remains sustainable and vibrant by providing the right housing product, in the right place, at the right price. This Housing Strategy sets out how CLEP can assist the new Unitary Authorities with housing delivery, add value to the existing housing offer and help fulfil the economic ambition set out in the vision.”

Objectives of the Housing Strategy

- 4.3 To deliver this vision, four key objectives and priority outcomes have been developed. These are summarised below:

Objective 1: Increasing Housing Supply

- Work together to increase the supply of housing across all parts of Cumbria.
- Highlight opportunities to increase the provision of affordable housing across Cumbria.
- Identify where we can help to ensure the Unitary Authorities have an up-to-date and robust evidence base.
- Help the Unitary Authorities to meet the needs of elderly and disabled residents in Cumbria.

Objective 2: Making the housing offer more attractive and affordable to younger residents

- Establish an appropriate housing mix of types, sizes, and tenures to appeal to a range of younger households.
- Develop a stronger understanding of the existing partnership agreements as well as new opportunities to provide affordable housing and attract younger families to Cumbria.
- Explore the role of community-led projects to meet housing needs at the local level.

Objective 3: Managing the impact of second homes

- Quantify the economic costs and benefits of second homes and holiday lets in Cumbria.
- Understand the levers available to the Unitary Authorities to reduce the negative impacts of second homes in Cumbria.
- Policy recommendations that provide greater control to manage the number of second homes.

Objective 4: Housing Seasonal and Temporary Workers

- Understand the housing needs and obstacles to hiring seasonal and temporary workers.
- Identify potential solutions to cost effective, short-term housing through Pop & Drop schemes.

Objective 5: Facilitate and support the reorganisation of the local government

- Produce a Cumbria-wide development prospectus that demonstrates Cumbria is ‘open for business’ for investors, developers and businesses.

Objective 1: Increasing Housing Supply

- 4.4 Housing is a key driver of Cumbria’s recent and projected demographic shifts. The Standard Methodology [SM] set out by the Government is largely not fit for purpose given that most of the County has under-performed over the past five years compared to Local Plan targets.
- 4.5 Although all seven Cumbrian LPAs would have technically overdelivered on housing compared to the government targets, these figures do not do enough to address many of the underlying issues caused by a lack of housebuilding. The low housing need figure set out in the SM is based on a declining population which will only perpetuate long-term concerning trends and risks exacerbating the situation. The new Unitary Authorities need to break this cycle of decline, with higher levels of housing delivery a fundamental element of any solution.
- 4.6 Indeed, the current NPPF consultation sets out the importance of Local Plans and an appropriate evidence base as the best way to boosting housing delivery:
- “We know that the best way to secure more high-quality homes in the right places is through the adoption of Local Plans. At present, fewer than half of local authorities have up-to-date plans. Our proposed reforms create clear incentives for more local authorities to adopt plans. And our analysis shows that having a sound plan in place means housing delivery increases compared to those local authorities with an out-of-date plan or no plan at all.”⁹*
- 4.7 Weak housebuilding has a range of impacts across many areas of the Cumbrian economy. There are fewer workers to hire for local businesses, pushing up wages, raising business costs and threatening profitability. Fewer new homes inflate the price of existing properties

⁹ DLUHC (2022): Open Consultation – Levelling-up and Regeneration Bill: reforms to national planning policy.

and is more likely to price-out first-time buyers from the market forcing them to move away and set in play a spiral of economic decline.

The Ambition

- 4.8 The ambition is for the two new Unitary Authorities to include aspirational but achievable housing targets within future Local Plans in areas of greatest need. The higher aspirations for growth need to be supported by a reduction in risk and barriers to delivery which could include Local Delivery Companies [LDCs], community-led programmes, and other policy instruments to boost housebuilding.

What We Will Do

Support updates of the housing evidence base

- 4.9 Most of the housing evidence base is significantly out of date and furthermore, does not assess beyond the local context of each individual district. CLEP's role would be to act as a key stakeholder and facilitator in helping Cumberland and Westmorland & Furness Councils to update their housing evidence base to analyse the 2021 Census data, as well as the gap analysis summary in Table 3.2, to work with the Unitary Authorities and update the housing evidence base to ensure a positive plan-making process informed by the most-up-to-date data. We will engage with business partners across key sectors of the economy (such as the Sellafield nuclear site in Copeland and BAE systems in Barrow) to help establish the economic modelling underpinning the Local Plan evidence base.
- 4.10 CLEP can commission new pro-growth jobs forecasts that align with the LEP's aspirations and those of the new Unitary Authorities. This can be provided to the new Councils to ensure that future Local Plans the employment and housing evidence-bases align.
- 4.11 For example, the NPPF states that planning policies should:
- “Set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration”.*¹⁰
- 4.12 CLEP's latest Housing Strategy dates from March 2019 and the evidence underpinning this is being updated. The key outputs of this exercise can be provided to the new Unitary Authorities to underpin future employment land reviews and Housing Needs studies, helping to develop a more robust evidence-base with which to justify the appropriate level of housing intervention and to better capture the specific housing needs of Cumbria's residents and workforce.

Develop Supplementary Plans to sit alongside the new-style local plans

- 4.13 Supplementary Planning Documents [SPDs] currently provide detailed guidance on how policies or proposals in development plan documents should be implemented, for example the building specification of specialist elderly housing or managing an Area of Conservation. They may or may not be phased out as part of the ongoing reforms of the planning system set out in the current NPPF consultation and LURB. They are intended to

¹⁰DLUHC (2022): NPPF Consultation document paragraph 84a.

be replaced by Supplementary Local Plan Documents that will have the same status as the Local Plan. Whatever form they take going forward, these documents have the potential to make addressing complex housing challenges more straightforward and result in a lower level of unmet housing need. For example, an SPD regarding the provision of appropriate housing for older residents would likely set out many of the following:

- The overall quantity of housing need for older residents;
- An appropriate housing type that could include bungalows, adaptable apartments, or dormer bungalows;
- The inclusion of specific features such as ground floor bathrooms, accessible wet rooms, lift access; and,
- The environmental standards that new homes must be built to.

4.14 Assuming the Government follows through with the abandonment of SPDs there will be transition period for new and existing documents. Many of the seven Cumbrian LPAs have a considerable number of SPDs, some of which relate to housing delivery. There is a risk of a policy / guidance vacuum, but also an opportunity to refresh both housing policy and the supporting guidance. As a key consultee, CLEP will support the two new Unitary Authorities with resourcing challenges as well as ensuring that the overarching positive economic and housing vision for Cumbria is threaded throughout the Local Plans and all their supporting documents.

4.15 CLEP can organise focus groups with a range of focus groups and residents such as first-time buyers, elderly residents, or those with disabilities to understand their respective housing needs and provide a level of accountability for the Unitary Authorities.

4.16 Input to future housing Supplementary Plans from the CLEP could include factors not limited to:

- A series of definitions for ‘specialist housing’ and set out the communities with greatest need.
- The location of sites and local amenities, services, and public transport networks.
- Viability guidance.

Support with the creation of Local Delivery Companies

4.17 CLEP can help co-ordinate projects for the two new Unitary Authorities that lead to the creation of local delivery companies that the Councils can use as a means to bring forward housing development directly. CLEP could collate any best practice and lessons learned across different local authorities, both in Cumbria and further afield, and present this to the Unitary Authorities.

4.18 Local Housing Delivery Companies [LHCs] are commercial organisations partly or wholly owned by a council at arm’s length that can buy land and build and manage properties for the local council. There are two main motivations for councils to build through Local Housing Delivery Companies:

- To meet housing need across various tenures; and,

- To generate revenue, replacing lost funding and address growing demands on council resources.

4.19 LHCs can use existing surplus land for development on behalf of the Council to address the under provision of housing in the private market. Indeed, research from Inside Housing indicates that council owned housing companies are a growing trend with more than 80% of local authorities in England delivering housing via an LHC. The research also indicates that an increasing number of councils are entering into Joint Ventures [JVs] at 72% in 2021, compared to 57% in 2019.

4.20 CLEP will engage with Officers at Westfield Housing Association [WHA] in Allerdale to understand how the council continues to meet the housing needs of locals as well as any best practice and lessons learned during operation for the Unitary Authorities to use, should they set up their own LHC.



4.21 WHA's 2020-2021 annual monitoring report [AMR] sets out a development plan to provide up to 180 new homes over the next 10 years that includes the development of over 40 homes on plots of land owned by the Association on the Westfield estate. The AMR also identifies a housing portfolio of 54 one-bed properties, 158 two-beds, 317 three-beds, and 7 four-bed properties. The stock also includes 25 one-bed and 51 two-bed homes specifically for elderly residents and a further 3 two-bed properties built with wheelchair access. WHA also recognises the importance of engaging with private developers to provide affordable homes as part of wider private developments in the area.

Support with Brownfield Land Release Funding bids

4.22 CLEP can support the Unitary Authorities with the development of funding bids for Government monies to bring forward brownfield land for development. As part of the £1.8 billion package announced in the 2021 spending review, the Brownfield Land Release Fund [BLRF] allocates up to £180 million to English councils over a three-year period to support the release of council-owned brownfield land for housing. Although the Cumbrian districts were not included in the first tranche of BLRF2 funding release of £35 million on the 19th November 2022, the second tranche is separated into two further rounds of funding with £140 million to be released over the next two years. Applications for the two funding releases close in March 2023 and March 2024.

4.23 A report from the National Housing Federation (March 2019) conducted a mapping exercise of brownfield land in England. The mapping tool provides an aggregate picture of all brownfield sites that had been published at the time of writing by planning authorities.

Table 4.1 Brownfield sites in Cumbrian authorities, 2019

Local Authority	Number of Sites	Available Hectarage	Minimum net new developable dwellings
Allerdale	22	28	594
Barrow-in-Furness	26	70	1,827
Carlisle	14	37	1,014
Copeland	23	25	658
Eden	40	36	409
South Lakeland	31	14	459
Cumbria	125	196	4,502

Source: National Housing Federation: Mapping Brownfield Sites in England (2019): Table 9

- 4.24 Table 4.1 identifies a total of 125 brownfield sites across Cumbria with a total hectarage of 196 that can support an estimated 4,500 new developable dwellings – 40.6% of which could be developed in Barrow in Furness, a district that could benefit significantly from new, larger homes to unlock its economic potential.
- 4.25 CLEP can offer insight and advice at several stages of the brownfield development process. Firstly, CLEP could commission a review of a number of pilot brownfield sites in selected key locations across Cumbria that could identify:
- The location, size, and current condition of the site including any development obstacles;
 - Any ownership constraints that must be addressed to bring sites forward; and,
 - The number of viable developable and deliverable dwellings on site.
- 4.26 This would allow the Unitary Authorities to build a better picture of brownfield land in Cumbria and inform on any next steps such as delivery timescales and funding bids.
- 4.27 Secondly, once Cumbria’s brownfield stock has been mapped out, along with a delivery timeline, CLEP can coordinate dialogue between developers and the Unitary Authorities via its sector panel to explore key obstacles for developers to enter the market in certain parts of Cumbria and encourage those major volume house builders that do not come further north than Lancaster, to deliver sites in the County.
- 4.28 Thirdly, CLEP can then bring the research and discussion together and, with the Unitary Authorities, develop the business cases for brownfield funding bids. Alongside the case for brownfield development providing a solution to meet the housing needs of Cumbria residents without increasing the pressure on the Cumbrian landscape, CLEP can provide some of the technical and viability evidence to make the case on the Councils’ behalf.

Assist the Unitary Authorities to navigate Nutrient Neutrality policy constraints

- 4.29 Cumbria has some of the most idyllic waterways in the UK that generate a host of environmental and economic benefits for the County. The Nutrient Neutrality [NN] requirement set out by Natural England requires any residential development not to increase the levels of water pollution and to therefore be ‘Nutrient Neutral’. In practice, the requirements have led to significant housebuilding delays. There are a total of four catchment areas that surround the River Derwent & Bassenthwaite Lake, the River Eden, the River Kent, and the River Esthwaite Water.

- 4.30 The CLEP will work in partnership with the LDNPA, the new Unitary Authorities, as well as other important stakeholders such as utility companies and local landowners to create a pathway for housebuilding in a way that protects Cumbria's waterways whilst meeting the housing needs of residents. CLEP will work with the LDNPA, Unitary Authorities, developers, utility companies and other important stakeholders to find solutions to the two conflicting challenges.

In March 2020, Fareham Borough Council published NN advice for new development in the Solent Region and highlights potential roles that CLEP can adopt to help improve housebuilding outcomes in Cumbria. The Solent Region Water Quality Group has been active for several years and comprises Natural England, The Environment Agency, and Chichester District Council. In 2018, the group conducted a review of the catchment areas in the Solent Harbours identifying their unique environmental features including intertidal mudflat habitats, the wildlife they support, and sites that were in poor condition and at particular risk from additional nutrient inputs.

- 4.31 CLEP would be willing to participate in a comparable working group led by the LDNPA and also including Natural England, the Environment Agency and the two Unitary Authorities to assess the four catchment areas and develop a greater understanding of the challenges to development. Natural England and the Environment Agency would provide expert advice and guidance and enable the Unitary Authorities to ensure Local Plan policy is informed and effective to protect our waterways and remove development restrictions.
- 4.32 CLEP may also have a role to play in engaging and negotiating with local landowners to purchase land for use as wetland and woodland areas that capture nutrient pollution. Where the purchase of land is not feasible, CLEP can use its expertise to work with landowners and come up with mutually beneficial outcomes that reduce water pollution from fertiliser and manure products.
- 4.33 The commitment to creating wetland and woodland sites across Cumbria would also enable CLEP to work with developers to help purchase nutrient credits to make sure homes that are constructed as soon as possible. Furthermore, NN guidance also encourages developers to bring forward their own mitigation schemes should they choose to. As part of the working group, CLEP could engage with Natural England to understand how to evaluate unique mitigation schemes measures to reduce the likelihood of development delays.
- 4.34 CLEP could engage with key stakeholders to help accommodate the proposed legislative changes requiring water companies to upgrade Wastewater Treatment Works [WwTW] by 2030 in NN areas. As part of the working group, CLEP would help bring stakeholders together to plan infrastructure improvements alongside a pipeline of housing development up to 2030. This will ensure that WwTW improvements are more likely to be directed to those areas where housing is required in the first instance.

Objective 2: Making the housing offer more attractive and affordable to younger residents

- 4.35 For Cumbria to reverse the trend of its rapidly ageing population, we need to provide more smaller and affordable homes for younger, more active households and families. Furthermore, though housing is comparatively more affordable in many parts of Cumbria,

at least in a national context, this does not mean that there isn't a need to provide more social housing or more private sector homes more generally.

4.36 Table 2.5 demonstrates the particularly weak level of delivery of affordable homes across Cumbria, particularly in areas such as Barrow, Copeland, and Eden. Affordable housing policy contained within future Local Plans should provide strategic solutions to viability issues, the restrictive nature of the National Parks, and the demographic challenges across the County.

4.37 The long-term implications for economic growth are significant, particularly in areas such as Cumbria where the provision of affordable housing in areas that need it most has been particularly weak over the last decade.

The ambition

4.38 The ambition is to safeguard future economic growth by ameliorating the existing housing barriers and provide a broader range of house types, sizes, and tenures to make Cumbria an even more attractive place for aspirational families to live and work in.

What We Will Do

Facilitate a broader mix of housing types and tenures to support town-centre led regeneration

4.39 The latest 2021 Census data provides the evidence base to develop a new housing-mix within the Councils' updated SHMAs to tackle a number of key challenges. To ensure we can address needs appropriately across the varied housing market areas, CLEP would be happy to participate in a housing mix study that would analyse how best to attract younger families to the County and kickstart town centre regeneration whilst providing more affordable homes in higher value areas such as Eden and South Lakeland. This could involve the production of a Town Centre Living Study for the largest towns across the County (i.e., Carlisle, Penrith, Whitehaven, Barrow and Kendal) which would be led by the UAs with input from CLEP.

4.40 A Town Centre Living Study [TCLS] would explore the need for town centre living, would identify the overall housing need for the County, and would consider the need for different types of housing and provide policy advice.

4.41 The need for town centre living across the County would include an area profile that conducts a review of the existing evidence and analysis of the latest demographic and socioeconomic indicators. A TCLS would identify future demand for town centre housing in the future to determine factors such as the appetite for housing types, housing choice, and key target markets.

4.42 CLEP will engage with its business partners and other relevant stakeholders including major volume house builders to identify the target market for town centre living in Cumbria.

4.43 It could then bring the evidence together and set out a series of strategic recommendations to meet future demand and create a successful town centre living offer.

- 4.44 Furthermore, CLEP can consult with developers to understand the reasons for a lack of affordable housebuilding in the South Lakeland and Eden districts. CLEP can then facilitate discussions between developers and the Unitary Authorities to develop solutions and provide affordable homes in areas that need them.

Assessing the viability of affordable housing delivery

- 4.45 To make sure we build enough affordable houses over a long period of time, the CLEP would work with the Unitary Authorities to assess and include an appropriate percentage threshold of affordable housing on all development above a given size and whether a suitable threshold would be above the 10% set out in the NPPF:

“Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.”

- 4.46 CLEP can commission research to engage with developers to produce a pilot Affordable Housing Viability Assessment [AHVA] that identifies the values, costs, and profitability of social housing development on selected sites in parts of the County that suffer from a particularly high demand for affordable housing to provide an objective assessment of viability. It could consider:

- The existing use value to understand the current value of the site;
- The gross development value to understand the future value;
- The total build costs; and,
- The net economic benefit from the proposed development to the economy, the supply chain, and to council revenues.

- 4.47 This would identify, where possible, developments that can support a level of affordable housing provision above the 10% threshold set out in the NPPF.

Raise the profile of community-led initiatives

- 4.48 The NPPF draft consultation gives greater weight to the role of community-led schemes, particularly in rural areas, to meeting housing needs. Paragraph 80 states that:

“In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs, including development proposals from community-led housing groups. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.”¹¹

- 4.49 CLEP recognises the importance of local community and charity groups such as Friends of the Lake District and Action with Communities in Cumbria [ACT] and their important role—predominately at the hyper-local level—in



¹¹ DLUHC (2022): NPPF Consultation document paragraph 80.

protecting and addressing the housing needs of their communities.

4.50 For example, ACT hosts the Community Led Housing Hub [CLHH] for Cumbria and Lancaster that provides support and access to technical expertise for groups developing new affordable homes for their communities. The CLHH has been set up by a consortium of local councils including Allerdale, Carlisle, Copeland, Eden, Lancaster, and South Lakeland. The group also engages with housing experts and the relevant planning authorities, including the LDNP and YDNP Authorities.

4.51 CLEP will have a role in unifying this community-led approach by sharing the good practice of similar community groups and championing the work carried out to address hyper-local housing needs. CLEP would share resources such as the toolkit provided by Community Led Homes that provides local authorities with a wealth of technical and non-technical information on a broad range of issues relevant to community-led housing schemes.

4.52 Working with the UAs, CLEP can also open a dialogue with landowners with CLH schemes to identify the mutual benefits of bringing land forward for development. This could help to fulfil local housing need that may otherwise be delayed or altogether overlooked by housing policy.

Objective 3: Managing the impact of second homes and holiday lets

4.53 The Lake District National Park now appears on the list of UNESCO's World Heritage sites on the grounds of its 'continuity of traditional farming and local industry in a spectacular mountain landscape. Its world-renowned landscape is the key driver of Cumbria's tourism sector, attracting millions of visitors every year. Its desirability drives the demand for second homes for wealthier households and the booming holiday let sector.



4.54 There is increasing concern that this is having a negative impact on the local economy pushing house prices out of reach of residents and threatening the viability of local services.

4.55 In 2018, Member of Parliament for Westmorland and Lonsdale, Tim Farron acknowledged the impact of second homes in Cumbria:

“A second home is a property owned by someone whose main home is elsewhere and who lives in that second home pretty rarely, maybe for a few weeks or weekends a year. There is no getting away from the fact that high numbers of second homes rob communities of a permanent population and the consequent demand for local services. They rob those communities of life and vitality, and they can rob them of the resources they need to be sustainable.”

4.56 As the dwelling stock affordable to local, first-time buyers diminishes, this puts upwards pressure on local house prices and often pushes those looking to own their first home in Cumbria out of the property market.

The Ambition

- 4.57 The ambition is to reduce the proportion of second homes and holiday lets, as a share of the total dwelling stock across Cumbria, to support the participation of first-time buyers and younger households in the local housing market. The Unitary Authorities would have a more detailed understanding of the cost and benefits of second homes and holiday lets to improve housing accessibility for residents whilst safeguarding the tourism sector and protecting this key source of economic growth.

What We Will Do

Maintaining a second homes and holiday lettings register

- 4.58 CLEP would help produce a Cumbria-wide second home and holiday lettings register with the LDNPA, that could be managed by Visit Lake District as a partner with a key investment in this issue, to provide the Unitary Authorities with the quantitative data needed to develop consistent housing policies in future Local Plans that can address the issue of second homes across the County.
- 4.59 The registration scheme for short-term holiday let properties in England is expected from April 2023 and provides an opportunity for Visit Lake District and / or LDNPA, on behalf of the Local Authorities, to manage an analogous system across Cumbria. This could establish more transparency regarding the magnitude and spatial distribution of second homes and holiday lets and allow Local Plan policy to be more objectively targeted.
- 4.60 To ensure consistency across all levels of plan-making, this information would be made available for the preparation of local Neighbourhood Plans to empower smaller towns and settlements to address their own localised issues.

Quantify the Impact

- 4.61 It is crucial that the Unitary Authorities have a comprehensive evidence base setting out the costs and benefits of second homes and holiday lets across Cumbria. CLEP would engage with business and industry leaders, community groups and local public service providers and undertake a cost / benefit report that objectively assesses the impact of second homes and holiday lets.
- 4.62 The report would explore factors including:
- The economic contribution of second homes and holiday lettings to the Cumbrian economy.
 - The impact on local business activity including which sectors benefit from or are adversely affected by the presence of second homes.
 - How second homes impact first-time buyers in the housing market.
 - The impacts on local public services such as schools, hospitals, and other council services.
- 4.63 Furthermore, there are significant variations in the number of second homes across the County with a particular amount in Eden, South Lakeland and the LDNP whilst comparably fewer in Barrow and Copeland. CLEP could commission independent research to enable

the Unitary Authorities to understand the challenge and produce solutions that benefit the people of Cumbria.

Objective 4: Housing a seasonal and temporary workforce

4.64 Seasonal and temporary employment helps businesses to operate more efficiently at busy times and allows them to be flexible during the down months. It provides a convenient way to cover absent employees to help make sure businesses continue to operate as effectively and efficiently as possible.



4.65 The sectors with a higher than average number of seasonal workers often tend to be relatively low paid making it difficult for workers to secure affordable accommodation from landlords that commonly prefer longer term tenants. By extension, it is impractical for seasonal workers to commit to a twelve, or even six months, rental given the flexible nature of their jobs. Cumbria's seasonal workers need affordable, high quality, but temporary housing solutions that meet their needs.

4.66 A report published by the Environmental, Food and Rural Affairs Committee in March 2022 details some of the impacts of an undersupply of seasonal workers in the agricultural and hospitality sector:

- 24% of the UK daffodil harvest went unpicked at the start of 2021 due to a 33% shortage of seasonal workers with one firm, Boxford Suffolk Farms Ltd stating it had approximately 44 tonnes of fruit go to waste in 2021.
- A 10% vacancy rate (an estimated 200,000 workers) in the UK hospitality sector has suppressed revenues by between 15 and 20% across the sector.¹²

The Ambition

4.67 The ambition is for the CLEP to support Cumbria's industries that are reliant on seasonal workers to protect and grow our economy. Accommodation for seasonal workers should be inexpensive, timely and have minimal impact on the surrounding Cumbrian landscape.

What We Will Do

Quantify business needs

4.68 We would engage with our private sector partners to undertake a business needs survey across the key leisure, tourism, and hospitality sectors of the economy. This could inform more targeted policy within future Local Plans that highlight barriers for employers that use temporary and seasonal labour. The survey could examine issues such as:

- The quantity and types of employers that struggle to meet the needs of temporary and seasonal workers;

¹² Environment, Food and Rural Affairs Committee (2022): Labour shortages in the food and farming sector.

- A detailed summary of employee housing needs including strengths and weaknesses of the current offer;
- Important pressure points along the process that can delay or prevent any potential hire; and,
- Where businesses need temporary housing solutions to be provided to ensure they can continue to operate efficiently and effectively.

Facilitation dialogue between key stakeholders

4.69 The output from the business survey could form the basis of discussions between CLEP, the Unitary Authorities, temporary accommodation providers and utility companies to develop the right strategy to accommodate a seasonal and temporary workforce. The CLEP would facilitate discussions to make sure sites are identified that:

- Are suitable for temporary ‘Pop & Drop’ schemes.
- Are easily connected to the existing utility networks.
- Are carefully located to be accessible but do not unnecessarily disrupt the Lake District landscape.

4.70 Consistent dialogue and communication could help accelerate any potential provision and make sure that the needs of our temporary workforce remain a key part of the housing agenda.

Support with the creation of planning policies to include staff accommodation in development

4.71 The business needs survey and stakeholder dialogue form a significant part of the evidence base for the new Unitary Authorities to develop planning policies that could require a set percentage of staff accommodation to be provided in new developments in the leisure and care sector. For example, future hotel developments could include one permanent staff accommodation for every 20 rooms.

Liaise with Higher Education providers to explore the use of student accommodation

4.72 CLEP would engage with Cumbria University to explore whether student accommodation can be let out to seasonal workers during the summer months if they are not occupied by students. This would create several benefits that include the ability to provide high quality accommodation solutions without the need to develop any temporary homes across Cumbria. It would also allow the businesses that are dependent on seasonal and temporary labour to guarantee staff accommodation and provide a more attractive employment offer.

Work with providers and champions of ‘Pop & Drop’ schemes

4.73 CLEP recognises the solutions that ‘Pop & Drop’ schemes can provide and will work with providers of such schemes and champion their use across Cumbria. Pop & Drop schemes can deliver timely, cost-effective solutions to accommodate seasonal labour patterns causing a minimal and temporary impact on the surrounding landscape.

Bunkabin provided a Pop & Drop accommodation solution for Charrington Fruit Farms in Kent. The business is acutely dependent on seasonal labour during the harvest period and had a short-term need to accommodate workers on-site. In 2014, Bunkabin was consulted to provide quality, personal accommodation units that included plumbing facilities and quality ventilation and to do so in a safe and timely manner. The cabins were connected to the local mains water and electricity network making it easier for the cabins to be reinstalled at the beginning of future harvests. Bunkabin have subsequently remained the provider of Charrington Fruit Farm's temporary accommodation solutions since 2014.¹³

- 4.74 CLEP could liaise with potential Pop & Drop providers that could deliver temporary accommodation solutions to Cumbria's seasonal sectors and ensure that solutions also prioritise the care and protection of Cumbria's existing landscape.

Objective 5: Facilitate and support the reorganisation of the local government

- 4.75 Allerdale, Barrow-in-Furness, Carlisle, Copeland, Eden, South Lakeland and Cumbria County Councils will be replaced by two new Unitary Authorities, Cumberland and Westmorland & Furness, from the 1st April 2023. Government reorganisation can cause a great deal of uncertainty surrounding the provision of important public services, council tax charges and more. It is crucial to manage the transition appropriately and present the positive opportunities that could arise following the restructuring.

The Ambition

- 4.76 The ambition is for CLEP to develop a Cumbria-wide development prospectus to support the local government restructuring by championing the opportunities for economic growth.

What We Will Do

Develop a Cumbria-wide development prospectus

- 4.77 The overarching aim of a Cumbria-wide development prospectus would be to demonstrate that there has never been a better time for developers to gain a foothold in the County as the new Unitary Authorities re-evaluate the County's economic growth ambitions.
- 4.78 It would set out that in contrast to many other parts of the North West, the two new Unitary Authorities would be keen to work with housebuilders and developers to bring sites forward to deliver the County's ambitious development targets. The prospectus would pitch to developers and investors, the availability of deliverable sites; opportunities for joint working; and evidence of the increasing vitality of Cumbria's residential market for new homes for rent or sale, to convince them that Cumbria is 'open for business' and a place actively wanting to promote development in accordance with the two new Local Plans. CLEP will lead on the development of the prospectus and set out the clear selling points of each housing market area within the Unitary Authorities to attract local developers and major volume house builders to be a part of Cumbria's economic growth ambitions.

¹³ <https://www.bunkabin.co.uk/case-studies/providing-charrington-fruit-farms-onsite-accommodation-seasonal-workers>

5.0 **Delivering the Strategy**

Partnership Arrangements

- 5.1 Neither The CLEP nor the two new Unitary Authorities can respond to the challenges set out in this Housing Strategy alone, we must take a collaborative and multi-faceted response. This section of the Housing Strategy sets out the partnership arrangements and CLEP's role in the solutions to ensure more homes are delivered in Cumbria of the right type, size, and tenure.
- 5.2 This Housing Strategy is an extension of the close working relationship between the local authorities across Cumbria and CLEP and demonstrates the added value of sustaining that relationship following the creation of the Unitary Authorities.
- 5.3 Table 5.1 details an action plan that sets out the CLEP's potential role in supporting the new Cumberland and Westmoreland & Furness Unitary Authorities to meet the housing needs of the County.

Table 5.1 Housing Strategy Delivery Plan

Strategy Objectives	Intervention	Action for CLEP	Key Partners
Objective 1: Increasing Housing Supply	Support the Unitary Authorities to bring forward new Local Plans by updating the housing evidence base for Cumbria	Commission new pro-growth job forecasts	UA - Leading partner CLEP –Key stakeholder
	Develop Supplementary Plans to support Local Plan development	Function as a key consultee to ensure the economic vision for Cumbria set out in the Local Plans cascades through Supplementary Plans	UAs – Leading partner CLEP – Supporting partner
		Organise focus groups with key constituents to capture their respective housing needs	CLEP – Leading partner UAs – Supporting Partner
		Liaise with developers via the sector panel to assess viability of specialist housing	UAs – Leading partner CLEP – support partner
	Support with the creation of Local Housing Delivery Companies	Engage with other local authorities to gather best practice and lessons learned regarding LHCs	CLEP - Leading Partner
		Facilitate between UAs and private sector partners to progress LHC creation	CLEP - Facilitator UAs - Leading partner Affordable home providers - key partners
	Support with the development of Brownfield land across Cumbria	Commission a review of a number of pilot brownfield sites in selected key locations to identify physical characteristics, ownership constraints and deliverability	CLEP - Leading partner UAs – Supporting partner (initially)
		Coordinate between the Unitary Authorities and developers to assess viability and obstacles to development	CLEP -Facilitator UAs - Leading partner Developers - Key partners
		Contribute to business case development for the release of funds from BLRF2 by demonstrating the wider economic benefits to development	UA - Key partner CLEP Supporting partner

	Navigate Nutrient Neutrality Constraints	Participate in a working group to oversee site assessments and develop a greater understand of required NN mitigation	LDNPA – Leading partner CLEP – Supporting partner UAs - Supporting partner Utility providers - Supporting partner
		Establish a dialogue with landowners in catchment areas to help devise mutually beneficial NN solutions	CLEP - Leading partner Landowners - Key partners
		Liaise with developers to identify opportunities to purchase nutrient credits	CLEP - Leading partner
		Engage with Natural England to develop a methodology to appraise bespoke mitigation schemes	LDNPA – Leading partner UAs - Supporting partner CLEP - Participating partner
Objective 2: Making the housing offer more attractive and affordable to younger residents	Help ensure a broad housing-mix to stimulate town-centre regeneration	Identify the target market for town centre living for Cumbria to achieve its economic growth ambitions	UAs – Leading partner CLEP - Supporting partner
	Assessing the viability of affordable housing delivery	Commission Affordable Housing Viability Assessments on a number of pilot sites in areas of high demand to explore cost, value and profitability of anticipated development	CLEP - Leading partner UAs - Supporting partner
	Community-led housing provision	Identify and champion community-led housing schemes	UAs – Leading partner CLEP - Supporting partner
		Coordinate community-led housing initiatives and landowners to identify and realise the mutual benefits of bringing forward land for development	CLEP - Leading partner landowners - Key partners
Objective 3: Managing the impact of second homes	Quantifying the impact of Second Homes and holiday lets	Commission an independent cost / benefit analysis with regard to second homes and holiday lets	CLEP - Leading partner

	Manage a second homes and holiday lettings register	Liaise with LDNPA to develop a Cumbria-wide register to inform more targeted policy in future Local Plans	Visit Lake District and LDNPA – Leading partners CLEP - Supporting partner
Objective 4: Housing a seasonal and temporary workforce	Quantifying business needs	Commission a business needs survey to inform decision-making	CLEP - Leading partner
	Facilitate dialogue between key stakeholders	Establish a working group including the Unitary Authorities, temporary accommodation providers, and utility companies to identify sites, scope deliverability and establish timescales	CLEP - Facilitator UAs - Leading partner Developers - Key partners
Objective 5: Facilitate and support the reorganisation of the local government	Develop a Cumbria-wide Development Prospectus	Demonstrate the benefits for investors, developers, and businesses to be a part of Cumbria's economic growth ambitions	CLEP – Leading partner

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