Rural Housing Strategy and Action Plan
Cheshire West & Chester Council

September 2011
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For and on behalf of GVA Grimley Ltd
Foreword

The rural areas of Cheshire West and Chester represent a vital part of what makes the Borough a popular place to live and visit, and a pleasant place to do business.

Our Vision for supporting communities in the rural areas in their housing needs and aspirations is to:

“Retain the qualities that make Cheshire West’s rural housing markets ‘markets of choice’, whilst ensuring that all current and future residents have the choice to live locally”.

This is the first Rural Housing Strategy and Action Plan for the Borough and it has been developed in recognition of the unique challenges and opportunities that face the rural communities. It addresses current housing issues across the rural area, identifying and celebrating commonalities but also recognising the unique character of its constituent settlements and communities.

Ensuring that our rural settlements can continue to thrive, and represent vibrant and vital communities, will require careful consideration of the options facing households. This will need to occur both at the beginning of their journey into the housing market, as well as when they make choices based on changing needs as they enter retirement and older age. It is recognised that many households across the rural areas are able to react and respond to opportunities and challenges on their own, however, this Strategy is intended to ensure all members of the community within the rural areas have their housing needs met. We also recognise the need to take a long-term perspective when considering some of the housing issues facing the area.

The Strategy proposes actions to meet the housing needs of the current and future rural populations of Cheshire West and Chester, and has been produced in tandem with the Rural Regeneration Strategy. It recognises the importance of ensuring the housing provision not only meets market aspirations, but also remains affordable and enables rural settlements to maintain sustainable and viable local centres and services.
The Strategy retains, at its heart, the ambition of the Borough to ensure the economic prosperity of its residents through enabling sustainable growth. This reflects the emerging national priorities being introduced by the Coalition Government as they formulate their vision for the future.

Key principles of the emerging national policy framework, including Localism and the ‘Big Society’, sit comfortably with the way that the rural areas have developed over the years and represent integral components of this Strategy. As a Council we have demonstrated that we are at the vanguard of translating these approaches into realities. The commitment to piloting Neighbourhood Plans, the first of which will be in the rural area, indicates our enthusiasm to seize new opportunities to work collectively with communities, the private sector and other partners and stakeholders, who all have a vested interest in the future evolution of the rural areas of Cheshire West and Chester.

We recognise that the successful delivery of the ambitious targets and objectives we have set ourselves within this Strategy will require strong partnership working. The development of this Strategy has involved and been informed by the views of stakeholders from across the Authority and beyond. We are grateful for their enthusiasm in contributing to the Strategy’s development, and we welcome their commitments to support its delivery.

As the Executive Member for Prosperity I am confident that this strategy will form an important part of developing and shaping the rural agenda and shaping the future of housing in our rural areas. On behalf of the Council I look forward to working with others to deliver this strategy over its lifetime.

Executive Member for Prosperity
Executive Summary

The publication of the first Rural Housing Strategy, focusing solely on the rural areas of Cheshire West and Chester Council (CW&CC), comes at a pivotal and exciting time for the Authority. The new political context and the fundamental changes which have occurred within the wider housing market present a dynamic environment from which to develop a new strategic approach to ensuring that the housing needs of all households within the rural area are met in the future.

The rural areas of CW&CC are well placed to respond to these changes and take a lead role in addressing new challenges and emerging opportunities. Embracing new innovative approaches to both the delivery of new homes and associated services, and the use and re-use of the existing stock across our settlements, are important ambitions of this Strategy.

CW&CC has set itself an ambitious agenda around the delivery of economic growth. This ambition has been endorsed by the Government, with the Cheshire and Warrington Local Enterprise Partnership receiving ministerial approval. This Strategy recognises this ambition and is aimed at ensuring that the rural areas of the Authority continue to contribute to delivering economic growth and benefit from the prosperity and improvements to household circumstances it will bring.

At the heart of this Strategy is a commitment to partnership working. The Council has committed to develop and build relationships with our strategic partners, delivering change in a manner which represents good value and plays to the strengths of the various contributors. The new emerging national political framework represents an opportunity to continue and extend this commitment to joint-working. Fostering wider relationships with each and every member of the communities of the rural area is an important aspiration of this strategy, with the principles of Localism, Neighbourhood Planning and the ‘Big Society’ deeply embedded within its objectives and actions.
The Role of the Housing Strategy

The Rural Housing Strategy and Action Plan represents the Council’s response to delivering its roles and responsibilities, of housing and housing services, within the rural areas of the Authority.

The development of the Strategy has involved the assembly of a detailed evidence base to identify both strengths and weaknesses of the current housing market and offer across the rural area. This has resulted in the identification and prioritisation of a series of challenges associated with housing issues which are currently limiting the ability of the rural area to provide suitable housing for all of its current population; or attract future generations of local people into rural neighbourhoods, who can contribute to their future in terms of demand and provision of services, employment, transport and community facilities.

The Housing Strategy and Action Plan is itself not a statutory document; however, it plays a complementary role alongside the Rural Regeneration Strategy and the emerging statutory Local Development Framework (LDF) and will form an important contribution towards the development of Strategy across the economic sub-region and CW&CC.

The Rural Housing Vision

Our Vision for supporting communities in the rural areas, in terms of their housing needs and aspirations, is to:

“Retain the qualities that make Cheshire West’s rural housing markets ‘markets of choice’, whilst ensuring that all current and future residents have the choice to live locally”

This Strategy sets out our understanding of the housing challenges facing the rural area and our strategic priorities for delivering against this vision. It is important that this is monitored against the Action Plan objectives to ensure that the Strategy is responsive to current, new and emerging opportunities and challenges.
Cheshire West and Chester Council, as well as other partners, has developed a robust evidence base that sits behind this Strategy. This provides a significant asset to which the Strategy and Action Plan can respond.

This evidence base identifies a number of significant challenges and opportunities facing the rural area of CW&CC over the next 15 years. These include:

- **Responding to a New Planning and Economic Context**: In a time of political and economic change, this Strategy presents the opportunity to align and respond to these changes and take a lead role in addressing new challenges and emerging opportunities. Many of the other challenges can be addressed by opportunities presented through Neighbourhood Planning.

- **Meeting Future Household Demand**: The evidence behind the Rural Regeneration Strategy identifies that, by 2030, demographic, market and economic trends will lead to increasing demand for housing in the rural area.

- **Enabling Growth**: Retaining the next generation and attracting new households to create a balanced population is vitally important in safeguarding local services and maintaining and improving local economies.

- **Affordability**: High house prices and the current mortgage initiatives mean that the rural areas exhibit acute issues of affordability. Going forwards, the absence of grants and public funding support will represent significant challenges to the delivery of new affordable and specialist housing.

- **Meeting Specific Needs**: Key parts of the current housing offer are deficient, in terms of the balance between supply and demand, including the provision of smaller ‘affordable’ family housing and accommodation suitable for older person households looking to ‘downsize’.

- **Promoting Quality and Sustainability**: Growth in the rural areas needs to add value to the communities that host it – it should be strategically informed but shaped and delivered locally. Growth must meet needs rather than simply accommodate new people, as well as contribute positively to the landscape.


**Strategic Priorities**

In responding to these challenges the Strategy has established four Strategic Priorities. Each of these Priorities is supported by a series of SMART\(^1\) objectives which address the identified challenges and opportunities over the lifetime of the Strategy, and against which future progress can be judged. The Strategy is accompanied by a comprehensive Action Plan which sets out a series of deliverables for the Council and its Partners.

The four Strategic Priorities, shown below, will be used to shape service delivery and the allocation and utilisation of public and private investment regarding Housing Services and Strategy across the Council.

Figure: CW&CC Rural Housing Strategy and Action Plan-Strategic Priorities

\(^1\) SMART stands for Specific, Measurable, Achievable, Realistic, Time
Strategic Priority 1-Revitalise Communities by Enabling Growth

It is clear from the assessment of demographic drivers and the current commercial and economic status of some smaller settlements in the rural area, that the rural area needs housing growth in order to ensure a sustainable and vibrant future for its communities. The Rural Regeneration Strategy identifies that by 2030 the number of homes in the rural area will need to increase by around 8,000 (a growth of 12 - 15%) to accommodate the growth of the population by 15,000 to 20,000.

Retaining the next generation and attracting new households to join rural communities is critical in ensuring a ‘balanced’ population. Creating this balance is vitally important in safeguarding local services and maintaining and improving their local economies - and their wider economic contribution to the Authority as a whole. This Strategy is intended to assist the Council and partners to help deliver the sustainable growth of the rural area over the short, medium and long-term.

Growth in the rural areas needs to add value to the communities that host it – it should be strategically informed but shaped and delivered locally. Growth needs to meet needs rather than simply accommodate new people. The growth advocated through this strategy is therefore aimed at improving the population balance of the population, safeguarding local services and enhancing the long-term sustainability of communities.

The rural areas of Cheshire West and Cheshire Council border Wales, The Wirral, Cheshire East and Shropshire. It has a relationship in employment and travel terms with Liverpool and Manchester to the north and east, Wrexham to the west and Crewe and Shrewsbury to the south. It contains two market towns-Neston and Frodsham-as well as 25 other settlements over 500 people. Many of these border or sit with the greenbelt which runs across the Authority area.

The Council, partners and local communities will need to work with private house builders and developers to deliver new housing stock. The Council will play a vital role in enabling this
partnership working and providing the opportunity for the private sector to respond with innovative proposals. The identification of a sufficient and suitable supply of land is a fundamental prerequisite in enabling growth. Through the development of Neighbourhood Plans the opportunity exists for local communities to re-define and identify the supply of land in their settlement, which will be used to deliver the growth required to meet their current and future needs. CW&CC has already seized the opportunity to be at the forefront of implementing the new planning structures, with a bid submitted to Central Government to be one of a limited number of ‘Vanguards’ to assist a self-nominated community to produce a Neighbourhood Plan.

This strategy sets out the actions and approaches required to build upon this established momentum to enable the managed and sustainable growth of the rural areas, helping secure a sustainable and vibrant future for each and every settlement.

**Strategic Priority 2-Delivering Housing to Meet Specific Needs**

Analysis of the ‘health’ of the rural area and its communities has identified that the current housing stock is not meeting the needs – current or future – of all sections of the local community, including the provision of smaller ‘affordable’ family housing and accommodation suitable for older person households looking to ‘downsize’.

The 2010 Strategic Housing Market Assessment (SHMA) update indicated that there is a gross annual shortfall, in the rural wards, of 408 affordable homes per annum.\(^3\)

This Strategy sets out approaches and potential new delivery mechanisms to be tried and assessed by the Council to build on existing schemes and deliver a significant and required uplift in the delivery of affordable housing.

\(^2\) The Technical Appendix baseline study indicated that the rural areas of CW&CC contain a higher proportion of elderly people, and this section of the population is projected to increase substantially over the next 20 years.\(^3\) This includes the wards of Chester Villages, Davenham and Mouton, Dodleston and Huntington, Elton, Farndon, Frodsham, Gowy, Helsby, Kingsley, Little Neston and Burton, Malpas, Marbury, Neston, Parkgate, Saughall and Mollington, Shakerley, Tarporley, Tarvin and Kelsall, Tattenhall, Weaver and Cuddington, and Willaston and Thornton (New Wards, May 2011)
The Strategy recognises the growing requirement for housing which will meet the needs of older persons households. Delivering appropriate types and tenures of housing to meet the diverse needs of this particular group is an important priority going forward. Delivering a greater choice of property which is attractive and accessible to existing and emerging older person households will assist in freeing up existing family stock, again contributing to the overall Vision of the Strategy.

The needs of a range of other specific household groups and types are also considered within the Strategy, with the distinct issues associated with living within the rural area, including transport and service provision, are recognised as requiring a separate strategic response.

Going forward, the absence of grants and public funding support will represent significant challenges to the delivery of new affordable and specialist housing. This Strategy evaluates the range of existing and newly emerging products and mechanism for delivery, identifying a range of actions for the Council and partners to undertake to achieve the ambitions set out above.

**Strategic Priority 3-Realising the Potential of Existing Stock**

The existing housing offer in the rural areas, on the whole, represents a product in high demand but is clearly a finite resource. In order to retain the character and vibrancy of settlements and their communities, realising the potential of each and every existing and potential property should be viewed as a neighbourhood priority.

The Strategic Housing Market Assessment (2009) recognised under-occupancy as an important issue across the Authority. In total, 11.4% of households are severely under-occupied, meaning a household has three or more spare bedrooms.

The current demographic profile of the rural area, detailed in the preceding objective, coupled with current housing stock profile which is skewed towards larger and detached homes when compared against Authority and national averages, confirms that this issue is even more pronounced in the rural areas. A mis-match in the choice available to older person households and younger families has led to a silting up of stock which could be more appropriately used.
Whilst addressing under-occupancy represents one way of realising the potential of the existing stock, addressing empty properties and investing in existing stock provides another important strand of meeting the Vision for the Strategy. Re-using empty properties reduces the need for new development and helps to ensure that a lack of investment in properties over extended periods of time doesn’t serve to undermine the quality and viability of areas. In parallel, investing in the existing stock has the potential to extend its potential and contribute to wider environmental targets set through the Rural Regeneration Strategy.

In addition to empty homes, the strategy recognises that there is a small but consistent issue across the rural area of underused or vacant commercial or agricultural buildings. These have the potential to be converted into affordable housing but are currently constrained by policy and viability issues. Given the significant impact that this may have at local community level, further work on understanding the scale and causes of this issue, as well as innovative solutions for delivery, must be examined. The Strategy promotes the opportunity for communities in the rural areas to realise their potential powers to reclaim and develop vacant land and buildings through the new ‘Community Right to Reclaim Land’ scheme.

In the social rented sector considerable progress has been made by providers in delivering Decent Homes investment. In the wider context of funding cuts it is vital that any current planned investment is targeted and implemented effectively to ensure the existing rural housing stock represents a good asset for the future.

The Strategy recognises the opportunity for the Council to work to refine further the allocation policy, potentially in a bespoke manner for the rural areas.

This Strategy has adopted as a central principal, the need to improve the process of dialogue between service providers and representatives of the neighbourhoods which make up the rural areas. Strong communication channels are particularly important in times such as these, where new policy and economic factors change on a regular basis.
**Strategic Priority 4-Enabling Innovative Approaches to Delivery**

New and innovative approaches to delivering housing and making best use of the stock which already exists are critical in facilitating a sustainable future for the Authority’s rural communities. This strategy is written in a time of change, and there is an opportunity to be innovative and move beyond the traditional and the conventional methods and approaches.

The identification of suitable and deliverable land for residential development will be critical in the rural areas. Work will be required to realise a sufficient amount of land through the planning processes to deliver growth in a more carefully ‘managed’ way.

There is a need for creative new solutions to the financing of housing and the identification of suitable land to enable delivery, which has a limited cost for the public purse.

The Council’s initiative to pilot Neighbourhood Planning with local communities and stakeholders will ensure that it is in the best possible position to empower rural communities to drive forward local delivery of new market and affordable housing.

Looking forward, this commitment to innovation will need to be maintained and built upon. New approaches will require a new way of doing business for both the Council and its private and public sector partners. This Strategy outlines in more details some of the fundamental proposed changes to the current framework for delivery, and potential delivery mechanisms.

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4 In February 2011, the Government announced that, by Summer 2011, a new one-stop shop will provide citizens with information about empty land and buildings that have development potential. A new online tool will be provided, to combine information from existing databases and also include an improved system for members of the public to request that empty land or buildings are sold off, in order to facilitate development.

5 Market housing is defined as owner-occupied dwellings and those rented privately. Affordable housing includes both intermediate and social housing. Intermediate housing is set at prices and rents above those of social housing but below market price or rents. These can include shared equity (e.g. HomeBuy) and other low cost homes for sales, and intermediate rent. Social rented housing is rented housing owned and managed by local authorities and Housing Associations, for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency as a condition of grant.
for consideration over the next few years, for example the New Homes Bonus and Tax Increment Financing.

The rural area benefits from other assets, including the hosting of a number of large Landed Estates. Harnessing the potential of these Estates to demonstrate innovative approaches to delivery, alongside their long-term commitment to enhance the quality of settlements in their boundaries, represents an important opportunity for this Strategy.

Going forward, rather than delivering development the Council’s primary role in assisting the delivery of the objectives will be one of enabling. A sustained commitment to partnership working will be critical. These partnerships will span a range of levels including potentially public / private partnerships with house builders, developers and Registered Providers, as well as partnerships at the neighbourhood level with individual communities and community leaders.

Each Strategic priority has a number of linked objectives. These are shown over the page.
<table>
<thead>
<tr>
<th>Strategic Priority</th>
<th>Objective</th>
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| Strategic Housing Objective 1: Revitalise communities by enabling growth | 1a Deliver up to approximately a third of the Authority’s housing requirements within the rural area, recognising the existing capacity and the growth potential of individual settlements  
1b Grow the number of households in the rural area by up to 10 - 15% over the next 20 years, contributing to the Authority’s overall ambitions for growth  
1c Develop a strong communication and engagement process with parish councils to jointly work towards delivering growth  
1d Ensure, through the Core Strategy and Neighbourhood Plan process and building upon the SHLAA, a deliverable supply of land in each settlement or grouping of settlements for the next fifteen years  
1e Establish a clear rationale for growth within each settlement / cluster of settlements through the Neighbourhood Planning process  
1f Develop rural policies which enable the growth of settlements in the rural area within the Core Strategy and progress to adoption |
| Strategic Housing Objective 2: Delivering housing to meet specific needs | 2a Deliver a significant uplift in the number of affordable units delivered in the rural areas, meeting and exceeding planning targets set for the Authority: i) enable at least 6 rural schemes to go to planning application per annum; and ii) to complete at least 4 rural schemes per annum (circa 80 units per annum).  
2b Continue to update and monitor the evidence base providing a ‘live’ assessment of the scale and nature of households in ‘need’.  
2c Lead the way in delivering new tenure products and affordable housing solutions introduced nationally where they will contribute towards addressing households in need.  
2d Engage with Registered Providers to understand scale and location of assets and input into the development of their business plans. Identify opportunities to jointly utilize assets to deliver schemes meeting local housing need.  
2e Demonstrate the delivery of new housing schemes targeted at meeting the needs of older persons households where need and demand are identified. |
| Strategic Housing Objective 3: Realising the potential of the existing stock | 3a Use and amend allocation policies to ensure local housing meets the needs of local communities  
3b Reduce the number of households classified as ‘under-occupied’ by 10 – 20% over the next fifteen years  
3c Bring forward 10% of long-term empty properties, through working with landlords / owners, as new affordable properties in the next five years  
3d Reduce the number of privately owned properties classed as non-decent by 10%  
3e Ensure, where support is possible, that households within the rural areas receive support and advice when household circumstances change |
| Strategic Housing Objective 4: Enabling innovative approaches to delivery | A commitment to enabling innovative approaches to delivery is critical in achieving the overall Vision and the objectives set under the other three Strategic Housing Objectives. No SMART objectives are therefore identified under SHO 4. |

6 Strategic Housing Land Availability Assessment
Delivery and Implementation

The CW&CC Housing Strategy team will have principal ownership and responsibility for delivering against the ambition and objectives set within this Strategy. The Prosperity Executive Member will be the lead representative for the Strategy within the Council.

The successful implementation of this Strategy will require a clear distribution of roles and responsibilities. Delivering the ambition set within this Strategy will be beyond the capability of the Council alone. Enhanced partnership working will be critical to the delivery of this Strategy.

These delivery partners will include:

- Other Council Departments, in particular Strategic Planning, Regeneration, Land and Property, Economic Development, Adult and Social Care and Transport;
- Registered Providers;
- Local Landed Estates;
- Parish Councils and other Community Representatives;
- Developers and House Builders

The principles of Localism, and the importance of the ongoing process of genuine engagement with communities across the rural area, runs throughout this Strategy. This will be encapsulated through the proposed changes to the planning framework, as well as other emerging strategy documents. Vitally, these processes and the plans which emerge will need to provide a supportive framework within which the required levels of delivery and investment, envisaged through this Strategy, can be successfully delivered.

The interaction and communication channels between delivery partners, the Council and the rural communities will be important going forward. The potential reforms to the Area Partnership Board structure outlined within the Rural Regeneration Strategy, coupled with the new Neighbourhood Planning approach, will provide a strong framework within which to build these channels.
PART A: THE RURAL HOUSING STRATEGY IN CONTEXT
1. Introduction - A Housing Strategy for the Rural Area

1.1 The publication of the first Rural Housing Strategy focussed solely on the rural areas of Cheshire West and Chester (CW&CC) comes at a pivotal and exciting time for the Authority. A new political context and the fundamental changes which have occurred within the wider housing market, and indeed the economy, present a dynamic environment from which to develop the new strategic approach to addressing challenges and seizing opportunities to improve the housing offer to all the current and future residents of the area.

1.2 This Strategy is being written at a time where the rules around planning and strategic housing priorities are being fundamentally rewritten. The ultimate outcome of this process will be the emergence of a new framework within which the Strategy will operate.

1.3 The rural areas of CW&CC are well placed to respond to these changes and take a leading role in addressing new challenges. Realising the value of emerging opportunities to adopt innovative approaches to both the delivery of new homes and associated services, and realising the potential of its existing housing stock, are important ambitions of this Strategy.

1.4 CW&CC has set itself an ambitious agenda around the delivery of economic growth. This ambition has been endorsed by the Government, with the Local Enterprise Partnership receiving ministerial approval, and this sub-regional partnership is now embarking on delivering the targets it has set itself.

1.5 This growth is intended to ensure the creation of sustainable communities across the Authority and improve the economic well-being of every resident. It is vital that the rural areas both participate in delivering this growth but also more importantly benefit from the investment and advantages it will bring. Balancing growth with consideration of the value of the natural qualities of the environment and its communities is even more important in the rural area and this is an important area for this Strategy to address.
The Role of the Rural Housing Strategy

1.6 The Rural Housing Strategy represents the Council’s response to delivering against its role and responsibilities regarding housing and housing services within the rural areas of the Authority.

1.7 The Rural Housing Strategy covers all parts of the rural area – town, village, farmland, woodland, hill and river. It considers the rural area as a constituent part of the Authority. Critically, it considers the housing markets of the rural area in the context of the wider functional housing market areas across the Authority and beyond its boundaries. The Rural and Market Towns area represents approximately 85% of the total land area, roughly 597 square km, include 27 settlements of over 500 people and is home to 133,000 people (40% of the Authority).

1.8 The wealth of evidence collected by the Authority illustrates the distinct nature of many of the characteristics which define the rural area, when contrasted with the urban areas of the Authority. This has been recognised through the development of policy within the Authority, with this geography identified as one of four regeneration programme areas. This Strategy therefore represents an important opportunity to raise the level of understanding of the issues and opportunities facing the area, the intention being to help provide a focus for the established ‘rural voice’ routed in the local communities from which it is constructed.

1.9 The tools and approaches for responding to these distinct challenges and opportunities therefore need to be tailored and bespoke to the rural area. The second half of this Strategy is intended to provide a delivery framework or toolkit for the Council and Partners, to enable investment and development required to ensure the future sustainability of the rural area.

1.10 The Rural Housing Strategy itself is not a statutory document; however, it plays a complementary role alongside the Rural Regeneration Strategy and the emerging statutory Local Development Framework (LDF) and will form an important contribution towards the development of Strategy across the economic sub-region and CW&CC. For CW&CC and its partners, it also represents a core strategic document in delivering against the overall Vision for the Authority established within the emerging Local Investment Plan.
1.11 Finally, in the spirit of ‘the Big Society’ and Localism it is vital that the Strategy is owned by not only the council and its partners but also the households and individuals which make up the rural community of CW&CC. Whilst primarily its focus is on establishing the actions required of the Council and its partners to ensure the future sustainability of the rural area’s housing offer, it also has a far wider audience including:

- Ward / Parish Councillors who will be at the vanguard of the delivery of planning and housing decisions at a neighbourhood or local level;
- Local residents choosing to play an active role in the development of their locality, to ensure it represents a sustainable location for themselves and their neighbours;
- Private sector representatives who will be primarily involved with delivering investment and change within the rural area, including house builders, developers and landowners; and
- Partner organisations including Registered Providers and the Homes and Communities Agency (HCA), who will have a key role in assisting the Council in enabling the Vision set within this Housing Strategy for the rural area to be delivered.

1.12 The Strategy is founded on evidence and consultation. A summary of this evidence is available in an accompanying technical appendix, with live data tables and updates available through the Council’s web page. This information resource, as well as the Strategy, will present an important tool for communities and neighbourhoods as they shape their own futures as well as for the Council in the formulation of further Local Planning Policy.

**Establishing our Vision**

1.13 The Rural Housing Strategy sets itself a clear Vision responding to the wider changing context, but also the characteristics that make the rural areas of CW&CC a unique place to live.
1.14 The vision is to:

“Retain the qualities that make Cheshire West’s rural housing markets ‘markets of choice’, whilst ensuring that all current and future residents have the choice to live locally.”

1.15 Housing clearly represents an important enabler and key foundation for delivering a wider ambition of change in the rural parts of Cheshire West and Chester. The Vision set through this Strategy therefore complements the Rural Regeneration Strategy’s core Vision:

“In 2030 Cheshire West & Chester’s rural area will be a successful and vibrant place. Its working countryside and thriving communities will retain its share of the Authority’s population and host over a quarter of its economy. Its high quality natural environment and built heritage will be accessible and enjoyed by all.” (Rural Regeneration Strategy, 2011)

1.16 This Strategy sets out our principal strategic objectives for delivering against this Vision and the measurables against which performance will be closely monitored and managed. In routing these objectives it sets out our understanding of the wider context informing the Strategy, as well as the challenges and opportunities facing the rural area.

1.17 A detailed Action Plan accompanies the Strategy. This translates the Strategy into a series of timetabled actions with assigned responsibilities, which will collectively deliver the Vision we have set ourselves.

**Strategic Context**

1.18 This Housing Strategy sits within a wider strategic context which includes national, sub-regional and local housing policy.

1.19 The following diagram serves to illustrate the different layers of informing strategy and policy to which this Strategy must both respond but also help to shape going forward. This highlights the critical role this strategy has in linking the priorities set at a national, sub-regional and Authority-wide level to firstly the rural area, but also more importantly the new building block of the emerging planning framework, the neighbourhood.
1.20 The underlying ambition of delivering sustainable growth permeates through all levels of the Strategy. This growth needs to be carefully ‘managed’ and this is an underlying principle of the Rural Regeneration Strategy. This concept is unpicked further in the summary below, with this Housing Strategy providing a route map to the delivery of a sustainable housing offer in the rural area in the future. A fuller overview of the wider policy context is included within the Rural Regeneration Strategy.

A National Housing Agenda

1.21 The Coalition Government has, through a series of white paper’s, draft bills and policy announcements, set out its reform of housing strategy and policy.

1.22 This process of reform is far-reaching in its scope and represents a fundamental departure from the framework over the last ten years.
One of the first major pieces of legalisation, the Localism and Decentralisation Bill and the preceding Local Growth White Paper ‘Local Growth: realising every place’s potential’ contain a series of key commitments and policy reforms which present an important backdrop for the ambitions and the approaches to delivery set out in this Strategy. In summary these include:

- A commitment to Localism which puts people and communities at the heart of making decisions about how their neighbourhoods change, including the location, design and tenure of new housing;
- Radical changes to the Spatial Planning System, integrating the principles of Localism above, and including a new planning framework based upon the relationship between a National Planning Framework, simplified Local Development Plans and a suite of Neighbourhood Plans. The delivery of a balanced housing offer will remain a fundamental objective to all levels of this planning structure, with the overall amount set through the LDP and built upon through Neighbourhood Plans;
- A responsibility for local authorities to set and evidence their own local housing requirements to be integrated in the LDP. These targets were previously set regionally through the RSS, but greater flexibility is now encouraged at a local level to develop these targets using local information and evidence; and
- The introduction of new approaches to leveraging planning gain, including the introduction of a Community Infrastructure Levy which allows local authorities to set charges which developers must pay when bringing forward new development, in order to contribute towards new infrastructure.

Importantly at the heart of the Localism Bill is an ambition for growth: “The Localism Bill is unashamedly pro-growth. Everything within it is designed to unlock the barriers to growth that led to a crisis in development, with housebuilding at its lowest level in any peacetime year since 1924” (Greg Clark, speech to the Adam Smith Institute, February 2010).

The Localism Bill is not yet on the statute book. Through the interim period the Strategy has to be cognisant of existing national policy on spatial planning and the development rules specifically set for rural areas, as set out in the existing and updated PPS 3.
PLANNING POLICY STATEMENT 3 HOUSING

PPS3 sets out specific requirements for housing provision, including affordable housing for rural areas and villages, as well as local service centres and market towns, with the aim to enhance or maintain their sustainability. Specifically it states that:

“Key characteristics of a mixed community are a variety of housing, particularly in terms of tenure and price and a mix of different households such as families with children, single person households and older people”.

PPS3 requires that consideration be given to the relationship between settlements, so that growth supports informal social support networks, assists people live near their work and benefit from key services, minimises environmental impacts and where possible encourages environmental benefits.

PPS3 enables local authorities to allocate small open market housing sites in rural areas where a higher proportion of affordable housing will be sought, within the requirement that the scheme as a whole remains viable. This enables schemes to be developed where “profit” from open market housing can be used to subsidise the affordability of the remainder. PPS3 also states that sites can be allocated for the development of 100% affordable housing in communities that would not otherwise be considered for development. This supplements the windfall rural exception site policy where sites are not allocated but will be given planning consent if the development provides affordable housing to meet local housing needs in perpetuity.

In addition to the policy directives set out above, at the heart of the Coalition Governments national political ideology is an overarching commitment to rapidly reduce the UK’s budget deficit. The reduction in public sector funding represents an intrinsic element of achieving this goal. In delivery terms this presents new challenges, particularly around the delivery of affordable housing. This Strategy, through Part C, presents a clear framework to the Council, of alternative approaches which will need to be considered.
Sub-Regional Context

1.27 CW&CC has, over a number of years, worked sub-regionally with Cheshire East and Warrington. This has culminated recently in the ministerial approval of the sub-regional Local Enterprise Partnership (LEP).

1.28 Housing is an important component of the sub-regional partner’s agenda and is recognised as a fundamental aspect of delivering the ambitions for growth set out in the original application to the government ‘Cheshire and Warrington Means Business’. Of particular importance for this Strategy is the ambition to build an additional 38,500 homes across the sub-region, leading to an increase in the population of a further 55,000 people.

1.29 The importance of a balanced housing offer to facilitate and enable growth is recognised as an important strand within the emerging Local Investment Plan for the LEP. Further objectives at this strategic level will be set through this Plan as it emerges, including further clarity on the levels of growth envisaged and the implications for housing delivery and tenure diversification.

1.30 In advance of the publication of further sub-regional strategies the existing ‘Cheshire Sub-Regional Housing Strategy 2009 – 2012’ represents an important strategic framework at this spatial level. This Strategy recognises the central Vision and Objectives, as set out in Figure a. and the Rural Housing Action Plan, and ensures an alignment with wider priorities for change.

Local Policy

1.31 Cheshire West and Chester Council has inherited the existing Local Plans from the three district authorities that previously covered the territory. These plans remain in place, with policies “saved” and carried forward for the purpose of development management.

1.32 The Council is in the process of putting in place a new Local Development Framework – currently under the auspices of the Planning and Compulsory Purchase Act 2004.

1.33 Cheshire West and Chester’s Core Strategy is the key document within the Local Development Framework. In light of recent political announcements, Cheshire West
and Chester is now responding to the Government White Paper on local growth in developing its planning framework. Although the role of the Core Strategy is now being reviewed, its role remains to set out the spatial vision for the area over the whole plan period (up to 2026), together with objectives and policies designed to achieve the Vision. It will be made up of a number of key parts, including the Vision and Objectives for the area, together with a spatial strategy, policies and a framework to monitor the effectiveness of the plan. The Core Strategy will provide the framework for the production of other, more detailed, Local Development Documents that will cover specific areas and topics.

1.34 As the strategic diagram on page 7 identifies, a crucial new layer of local planning will be encapsulated within a suite of Neighbourhood Plans. The ambition by the Government is to have full coverage of these plans by 2014, the intention being for them to add a further locally built layer of detail to the high-level framework set through the LDF.

1.35 This Strategy will represent an important informing document for the future development of this Plan and the linked Neighbourhood Plans. Part C of this Strategy sets out a number of policy and delivery recommendations which will need to be considered as the policy documentation is developed.

The Relationship with the Rural Regeneration Strategy

1.36 This Strategy has been prepared alongside the Rural Regeneration Strategy. The Regeneration Strategy forms the Business Plan for the Rural Area Regeneration Team and the proposed Rural Area Partnership Board structure. Primarily, the Strategy has an economic focus and sets out the rural areas response to the sub-regional growth ambitions and the desire to create sustainable communities across the rural area.

1.37 Housing is recognised as one of the foundations required to deliver this ambition, and there is therefore clearly a direct relationship between the objectives and actions set through this Strategy. Indeed this Strategy is intended to represent a ‘sister’ document setting out the expectations of the Council and partners to deliver against the key ambitions set in the Rural Regeneration Strategy.

1.38 Fundamentally this includes the following housing-related ambitions which are listed at 3.2 of the Rural Regeneration Strategy:
• To retain and attract an additional 17,000 young people, families and people of working age within the rural area; and

• To meet the housing needs of the rural population through the provision of new homes which are well designed, energy efficient, affordable and suitable for young people, families and the elderly.

1.39 Housing is identified as one of seven thematic priorities within the Strategy and there is direct read across between the objectives set under this priority with those included in Part 2 of this Strategy.
2. **Understanding the Rural Housing Market of Cheshire West and Chester**

2.1 In order to determine the key issues to be addressed and the most effective mechanisms to deliver change, the Rural Housing Strategy must respond to the dynamics and characteristics of the local housing market.

**The Rural Area - A Complex Geography**

2.2 The rural area of Cheshire West and Chester comprises 85% of the local authority area, and borders Shropshire, Merseyside, Cheshire East and Wales. It includes the market towns of Frodsham and Neston, as well 27 smaller settlements with populations of 500 and over, running along the key arterial routes.

Figure 1: The defined rural area of CW&CC
2.3 For the purposes of the analysis supporting this strategy, the rural area has been split into five sub-areas. These are based upon the functional geographies of the area and are Chester and Ellesmere Port Hinterland, Frodsham and Helsby, Neston & Parkgate, Rural Corridor (which includes the areas of Kelsall, Tarporley and Malpas) and Weaver Valley. A full description of the spatial and socio-economic characteristics of these sub-areas is included within the Rural Regeneration Strategy. Within this section these sub-areas have been used to assess and compare the housing market trends, characteristics and opportunities within the rural area. These boundaries have been established through the Rural Regeneration Strategy and Rural Housing Strategy. They have been established through an analysis of a series of socio-economic data and travel patterns.

Figure 2: The rural sub-area boundaries

Source: Amion
2.4 The analysis has used data across a range of spatial levels, from postcode to ward level. However, using the DORIC system currently being set up with CW&CC, all data supporting this analysis will be available to members of the public at parish or settlement level, as appropriate. This system is due to be launched in March 2011.

The Wider Context: Summarising the Challenges

2.5 The evidence presented through the Rural Regeneration Strategy clearly identifies that the rural areas of CW&CC share a number of serious threats to their long-term sustainability, these include:

- Population imbalance;
- A shortage of the right sort of housing;
- Unaffordable housing;
- Withdrawal of services;
- Limited economic opportunity;
- Shortage of appropriate economic infrastructure; and
- Increasing cost of fuel and energy

2.6 This section draws out in more detail the scope and scale of the challenges outlined above, to which housing or housing related issues are a key contributor. This draws on the extensive technical document which accompanies this Strategy.

The Current Housing Offer

2.7 The rural areas, based on the Census 2001, include a total of 56,969 dwellings. Across the Cheshire West and Chester area the number of households has increased from 132,887 (2001) to 137,000 (2008), and completions data suggests that approximately 2,750 of these additional dwellings have been constructed within the rural area. Using Council Tax data it is possible to estimate that there are now 146,649 dwellings in the Cheshire West and Chester area.

2.8 Within the rural area the majority of the housing stock is owner-occupied, with 82% falling into this category compared to a national average of 68%. Over 85% of properties across Neston and Parkgate, Chester Hinterland, Frodsham & Helsby and
Weaver Valley areas are owner-occupied and this has implications for the dynamism and turnover of housing stock, particularly in the current economic climate. Social housing makes up 10% of the total stock compared to an authority average of 14% (national 19%). The private rented sector makes up the remainder of stock constituting 4% against an Authority average of 3% (national 4%).

2.9 In terms of dwelling type, the rural area of Cheshire West and Chester departs somewhat from the Authority and national averages.

Figure 3: Breakdown of house type across the rural area

<table>
<thead>
<tr>
<th>House Type</th>
<th>Rural Area</th>
<th>CW&amp;C Average</th>
<th>National Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>45%</td>
<td>36%</td>
<td>23%</td>
</tr>
<tr>
<td>Semi-detached</td>
<td>35%</td>
<td>35%</td>
<td>32%</td>
</tr>
<tr>
<td>Terraced (including end terrace)</td>
<td>14%</td>
<td>19%</td>
<td>26%</td>
</tr>
<tr>
<td>Flats</td>
<td>6%</td>
<td>8%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Source: Census 2001

2.10 There are a higher proportion of detached houses in the rural area (45%) than the local authority (36%) or national averages (23%). Whilst the rural area contains a proportion of semi-detached homes (34%) similar to the local authority (35%) and national averages (32%), the number of flats and terraced houses are markedly less. In total, the average proportion of terraced homes in the rural area (14%) is below the local authority average of 19% or national average of 26%. In terms of flats, the rural area contains a lower proportion of flats (6%) than the local authority average (8%), and both of these are much lower than the national average of 19%.
2.11 In relation to house size, there are notable differences within the rural sub-areas. For example, the rural corridor contains a much lower proportion of 1 room houses and much higher proportion of 6-8 room houses (63%) than the Weaver Valley (43%) or Chester and Ellesmere Port Hinterland (47%).

Figure 4: Breakdown of house size across the rural area

Source: Census 2001

2.12 Conversely, the proportion of 1-3 room houses in the rural corridor area (4%) is much lower than within the Weaver Valley (24%). However, as an overall average the rural area is broadly aligned with the Cheshire West and Chester average, both containing a proportion of 77% of homes with 5+ rooms, although the rural area does contain marginally more houses with 7+ rooms (32% compared to 30%).

People in the Rural Area

2.13 The demographic profile of an area has an important bearing on the housing market and the manner in which it operates.

2.14 Cheshire West and Chester’s rural household profile is currently dominated by families, with all but one sub-area (Neston & Parkgate) having a higher than average
proportion of family households (71%) compared to the CW&CC average (68%), and all higher than the UK average (63%). There are a lower number of one person households across the CW&CC area compared to the UK average. Spatially, these are particularly concentrated in the Rural Corridor, Weaver Valley and Chester/Ellesmere Port Hinterland areas.

2.15 The rural area as a whole also includes a higher than average number of pensioner households. On average just over 26% of households across the rural areas are occupied by pensioners, compared to an average of 24% across CW&CC as a whole and 23% nationally. However this masks disparities across the rural area, with 29% of households occupied by pensioners in Neston & Parkgate, and 28% in Frodsham & Helsby.

2.16 The population of CW&CC currently totals 330,000, of which the rural area comprises 133,000, or 40% of the resident population. This makes the rural area the most populous of the CW&CC key regeneration areas, with a population of more than twice that of either Ellesmere Port or the Weaver Valley key areas.

Figure 5: Population distribution of CW&CC

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rural Area</th>
<th>CWaC</th>
<th>England</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-15</td>
<td>11%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>16-29</td>
<td>27%</td>
<td>28%</td>
<td>24%</td>
</tr>
<tr>
<td>30-44</td>
<td>21%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>45-59</td>
<td>24%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>60+</td>
<td>24%</td>
<td>22%</td>
<td>24%</td>
</tr>
<tr>
<td>65+</td>
<td>22%</td>
<td>19%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: Amion

2.17 Overall, population levels within the rural area have remained relatively stable within recent years. However, as illustrated in Figures 5 and 6 above, the analysis clearly
demonstrates that the population of the rural area is skewed towards older age groups, which will have an impact on the evolution of the demographic profile of the area in the future.

2.18 In 2009, 25% of the rural population was of retirement age, compared to an average for CW&CC of 21% and a national average of 20%. Recent trends suggest that this proportion is increasing at a faster rate than across the Local Authority area, as the retirement age population within the rural area grew by 20% between 2001 and 2009, compared to 24% across CW&CC and 10% across England.

2.19 Looking at the next age band down, the existing population structure shows that a relatively high proportion of the working age population are aged 45 or over. Going forward the large number of people in this age grouping will have an important role in elevating the share of the population which are of retirement age, out-stripping the pace of change of other areas across CW&CC. Indeed over recent years there has been a protracted decline in the working age population within the rural area. Between 2001 and 2009 the working age population of the rural area declined by 5%. By comparison, this group increased by 5% across England, while within CW&CC the working age populations of Chester and the Weaver towns increased by 4% and 9% respectively. The latest data shows the working age group constituting 57% of the total population of the rural areas, relative to averages for CW&CC (62%) and England (63%). The school age population of the rural area is, at 18%, broadly in line with that for CW&CC and England as a whole.

2.20 Whilst the working age population is smaller than that of other parts of the authority the rural area benefits from a resident population with a strong skills base. In 2009 almost 32% of the resident population were qualified to NVQ Level 4 or 5 compared to the national average of 30%. Further to this, the proportion of the working age population with no qualifications was much lower within the rural area compared to CW&CC at 23% and 27% respectively. The strong skills profile of residents of CW&CC can be linked to an occupational profile that, relative to national trends, is skewed towards the higher order managerial and professional groups. Evidence from the 2001 Census suggests that in 2001 48% of the resident population of the rural area was classified within occupational groups 1 (manager or senior official), 2 (professional) or 3 (associate professional and technical) compared to 42% across CW&CC as a whole.
Demographic Drivers of Future Delivery

2.21 Changing demographics create a pressure on the current housing supply, driving the demand for new housing as well as the need for different types of housing in the rural area. From a base of 330,000, the population of Cheshire West and Chester is predicted to rise by 11% by 2031, with the number of residents over 75 expected to double to 50,000 by 2031. This will significantly alter the demographic profile of many rural areas. This forecast trend is backed up by population projections for the existing Rural West Area Partnership Board (APB) which anticipate a 29% increase in the pensioner population over a ten year period from 2007. Conversely, the school age population of CW&CC is projected to decline, but only by 6%. However, this decline is projected to be more severe in the rural area, with the Rural West APB anticipating a decline in the school age population of around 17% over a ten year period from 2007. These projections are based upon recent trends which show that the school age population of the rural area declined by 6% between 2001 and 2009.

2.22 ONS Mid-year estimates set out that households within Cheshire West and Chester are set to grow by 28,000 between 2004 and 2029, a 20% increase over the period.

Economic Ambitions

2.23 The link between housing and the economy is a fundamental one in driving both the overall demand for housing as well as the need for different types and tenures. Over recent years CW&CC has benefited from the successful attraction of new business and employment opportunities which have increased pressure on its housing stock. In addition to locally derived employment growth the Authority, as a result of functional linkages with the regional economic hubs of Manchester and Liverpool, has also seen households migrate into the area to access housing, and then commute to these employment centres. CW&CC’s commitment to sustained economic growth is set out in the ‘Unleashing the Potential’ strategy document which outlines the level of housing growth which will be targeted. This includes the aspiration to deliver 22,000
additional jobs across the sub-region. Whilst the latest forecasts\(^7\) suggest this remains an ambitious goal, this will clearly place additional pressure on the overall number of houses required across the Authority area in the future. This is an issue recognised within the latest version of the Core Strategy.

2.24 The occupational forecasts show that the total net occupational requirement in Cheshire West and Chester over the whole period is 64,400 jobs. Almost a quarter (24.2\%) of these net jobs will be created within the higher order occupations of corporate managers and managers and proprietors in agriculture/services. A total of 17\% of the net occupational requirement will be created within professional occupations such as teaching/research and business/public service.\(^8\) At the other end of the occupational scale, sales and customer service occupations are also expected to provide high employment growth (5,500 and 2,300 net jobs respectively). Limited employment growth is forecast with regards to skilled trade occupations in agriculture and construction.

**Housing Demand and Need**

2.25 Growth in the number of households within the Authority, driven by an increasing population, falling household size and economic ambitions, presents an increasing pressure on demand for housing of all tenures.

2.26 This demand is recognised through the previous RSS housing targets and the identification of CW&CC as a Growth Point Authority. The concept of growth is enshrined in objectives of the Borough and the sub-region. The term Growth Point is being superseded by new initiatives such as the Local Enterprise Partnerships, Regional Growth Fund and New Homes Bonus. However, the drive and commitment to growth remains with the objective of finding solutions to achieve growth within a new political and economic climate.

2.27 Housing need as well as demand is a key issue in the rural areas. Affordability ratios indicate that across the rural area of CW&CC house prices are very unaffordable

\(^7\) Chester Prosperity Study, Cheshire West and Chester, September 2010

\(^8\) September 2011 I gva.co.uk
when compared to income levels. This is supported by the SHMA and most recent CACI income data and Hometrack House Price data. This indicates that average house prices in parts of the rural area, in some cases, over ten times higher than average income. For example, in the Frodsham and Helsby sub-area, average lower quartile incomes are £21,974, and August-October 2010 average lower quartile house prices are £224,524. Housing waiting lists indicate that priority housing need is greatest in the urban areas, although across all medium to high categories there are more rural households in need. Households in need are particularly focussed around smaller family housing and couple/singles across all age groups. The Strategic Housing Market Assessment (2009) also indicated that there is a gross annual shortfall of 1,204 affordable homes with the CW&CC area, with a rural annual demand within this of 408 units. This demand is broken down by ward in the following figure.

---

8 This forecast was produced pre-CSR.
Figure 7: Annual net affordable housing shortfall by rural ward

<table>
<thead>
<tr>
<th>Designation</th>
<th>General Needs</th>
<th></th>
<th>Older Person</th>
<th></th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. Bedrooms</td>
<td>One</td>
<td>Two</td>
<td>Three</td>
<td>Four+</td>
</tr>
<tr>
<td>Chester Villages</td>
<td>1</td>
<td>4</td>
<td>10</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Davenham and Moulton</td>
<td>22</td>
<td>22</td>
<td>-2</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Doddleston and Huntington</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Elton</td>
<td>1</td>
<td>8</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Forddon</td>
<td>2</td>
<td>3</td>
<td>7</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Frodsham</td>
<td>-2</td>
<td>15</td>
<td>-1</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Gowy</td>
<td>1</td>
<td>5</td>
<td>6</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Helsby</td>
<td>-1</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Kingsley</td>
<td>4</td>
<td>-2</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Little Neston and Burton</td>
<td>0</td>
<td>7</td>
<td>7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Malpas</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Marbury</td>
<td>4</td>
<td>-7</td>
<td>-4</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>Neston</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Parkgate</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Saughall and Mollington</td>
<td>0</td>
<td>8</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Shakerley</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Tapton</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Tarvin and Kelsall</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Tattenhall</td>
<td>2</td>
<td>3</td>
<td>7</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Weaver and Cuddington</td>
<td>21</td>
<td>-2</td>
<td>5</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Willaston and Thornton</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78</strong></td>
<td><strong>88</strong></td>
<td><strong>79</strong></td>
<td><strong>47</strong></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>

Source: CW&CC Strategic Housing Market Assessment, 2010

2.28 In terms of demographics, the analysis has indicated that CW&CC will face the challenge of accommodating the housing needs of an increasingly ageing population. The Strategic Housing Market Assessment indicated that the elderly population was set to increase from 24.5% of the population to 32% between 2009 and 2031.

**Assets and Opportunities**

2.29 Whilst the above sections have stressed the challenges to the rural area, posed by the current housing market and the long-term drivers of change which will shape its evolution going forward, it is also important to recognise that the area has a wealth of assets from which it can draw to start to address these challenges and deliver the
Vision set in Section A. These assets present opportunities if managed correctly and enabled through both the Council and partners.

2.30 These assets range in scope from physical factors such as land, to market factors and importantly a key asset going forward, the people of the rural area.

Physical Assets

2.31 Looking first at physical assets the Strategic Housing Land Availability Assessment (SHLAA) identified that the rural area has a notable potential supply of land. The realisation of this land to deliver housing is dependant upon gaining support through local policy and therefore the support of local communities, however, it provides a compelling case regarding the potential to deliver new housing within the rural area.

2.32 The capacity of this land is set out in the table below under the three phases of potential delivery which are defined through the SHLAA.

<table>
<thead>
<tr>
<th></th>
<th>Capacity (housing numbers)</th>
<th>Supply within 5 years</th>
<th>6-10 years</th>
<th>11-15 years</th>
<th>16+ years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural In Planning System</td>
<td>2256</td>
<td>2037</td>
<td>219</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rural Additional Sites</td>
<td>12702</td>
<td>119</td>
<td>3186</td>
<td>5193</td>
<td>4204</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14958</strong></td>
<td><strong>2156</strong></td>
<td><strong>3405</strong></td>
<td><strong>5193</strong></td>
<td><strong>4204</strong></td>
</tr>
<tr>
<td>Urban In Planning System</td>
<td>11116</td>
<td>3927</td>
<td>3721</td>
<td>1757</td>
<td>1711</td>
</tr>
<tr>
<td>Urban Additional Sites</td>
<td>9917</td>
<td>174</td>
<td>4095</td>
<td>3875</td>
<td>1773</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21033</strong></td>
<td><strong>41018</strong></td>
<td><strong>7816</strong></td>
<td><strong>5632</strong></td>
<td><strong>3484</strong></td>
</tr>
<tr>
<td><strong>Overall Total</strong></td>
<td><strong>35,991</strong></td>
<td><strong>6,257</strong></td>
<td><strong>11,221</strong></td>
<td><strong>10,825</strong></td>
<td><strong>7,688</strong></td>
</tr>
</tbody>
</table>

Source: Cheshire West and Chester Council

2.33 It is important to note that these figures are draft, and are a broad assessment of sites, not all of which will actually be developed for housing. A more detailed assessment of land in rural areas is needed in order to establish the true capacity of housing land which exists in the rural area. For example, a thorough assessment of land in and around key rural settlements will be required to explore all options of future development and meet true need in the rural area, and to assist in the creation of Neighbourhood Plans. These sites must be considered in light of where housing need and demand are most acute, and supported by the planning framework.
At a headline level it is evident that there is considerable potential for identified land in rural areas to deliver housing in the short to long term (approximately 370ha). This represents approximately 40% of the total land identified as having potential to deliver housing across the Authority area.

However, importantly the majority of this land is not yet in the planning system. Looking beyond the next five years it is clear that whilst capacity exists, translating potential into outputs will be important. Significantly, whilst the five year pipeline appears healthy on those sites within the planning system, wider economic issues continue to affect the financial viability of delivery. Bringing sites forward that are both able and most suitable for development will require sensitive assistance through policy.

In addition, considering only the headline numbers masks the geographic concentration of a significant proportion of these sites in a relatively small geography. This is illustrated in the following map.

Figure 9: Map of SHLAA sites across Cheshire West and Chester

Source: CW&CC
2.37 A number of large sites contribute disproportionately over the short term to the planning pipeline. In addition, whilst the pipeline includes a large number of sites the coverage does not represent a geographically even picture and without carefully constructed locally-derived planning there is a distinct possibility that local needs in many of the smaller settlements will not be addressed in line with the overall Visions of this Strategy and the Rural Regeneration Strategy.

2.38 Within this supply of land the Council owns a small proportion in the rural area, approximately 16 has. The Council’s assets, however, potentially stretch further than this initial assessment of land ownerships and it will be important to consider other potential land and building assets should they become surplus to operational requirements.

2.39 Whilst the above assessment demonstrates the potential availability of land to deliver ‘growth’, this growth needs to be delivered in a manner which does not compromise the physical assets which make the rural areas of CW&CC unique. These physical assets include the beautiful natural environment which pervades the rural area. This clearly represents a fundamental asset of the area and one which needs to be carefully preserved in line with the recommendations of the Rural Regeneration Strategy. This ‘asset’ is a central factor in ensuring that the rural areas continue to remain ‘markets of choice’ and any ambitions to grow settlements and rural neighbourhoods will need to recognise the need to achieve this balance.

A Strong Market Context

2.40 The NLA report ‘Changing Places’ (November 2010) stressed that the housing market was particularly strong in rural areas across the sub-region, including CW&CC. Indeed this review highlighted the ‘prime market’ values recorded in parts of these areas, including CW&CC, which compare with those seen in the highest performing markets in the UK, primarily located in London and the South East. This reinforces the messages around the current market outlined above.
2.41 Whilst these values pose a challenge in exacerbating housing need and affordability issues, they also present an important opportunity. Developers and Housebuilders consulted through the production of the Strategy continue to highlight the attractiveness of the area as a context in which to bring forward high quality and innovative housing solutions. The elevated values which can be expected to be returned on market housing represent an important asset in terms of generating planning gain to invest in the delivery of other tenures and / or other improvements to areas. New solutions to delivery can be tested in these areas where ‘risk’ is perceived as being relatively low. Managing and realising this process is a key challenge going forward, and one which later sections of this Strategy look to address.

A New Emerging Planning Framework

2.42 As the policy context in Section A identifies, fundamental reforms to the planning framework are underway. Greater flexibilities and opportunities to develop locally-
specific strategies will need to be seized-upon to ensure that changes to the housing markets of the rural area reflect and respond to those challenges identified above.

The People, Communities and Stakeholders of Rural CW&CC

2.43 The development of this Strategy has involved the inputs of a significant number of interested parties within the rural area. This has included community leaders, private sector stakeholders and key organisations with significant vested interest in the area.

2.44 The rural areas of CW&CC are on the whole covered geographically by Parish Councils, which provide an elected local governance structure capable of co-ordinating local activity, engaging people in decision-making and raising money through local taxation. This represents a significant asset for the area in terms of providing a key opportunity for partnership working which can ensure that the best interests of local communities are represented.

2.45 Indeed the demographic and socio-economic structure of the population of the rural areas clearly in itself represents an important asset. The summary in this section has highlighted the prevalence of highly skilled individuals which have been attracted to live in the area. Tapping into this local skill base, including representatives of local businesses as well as residents of the area, represents a key opportunity for ensuring the delivery of a process of ‘managed’ growth, a concept which sits at the heart of this Strategy.

2.46 Finally, the rural areas of CW&CC include a number of landed estates. These are long established businesses that are rooted in the landscape and embedded within their local communities. These estates can be powerful drivers of local investment and have the potential to provide exemplar additions to the housing stock of their communities, which can form a template for delivery elsewhere across the area.
Part B: STRATEGIC PRIORITIES
1. Revitalise Communities by Enabling Growth

2. Delivering Housing to Meet Specific Needs

3. Realising the Potential of Existing Stock

4. Enabling Innovative Approaches to Delivery

STRATEGIC HOUSING OBJECTIVES
3. **Revitalise Communities By Enabling Growth**

**Strategic Rationale**

It is clear from the assessment of demographic drivers and the current vitality of some smaller settlements in the rural area, that the rural area needs housing growth in order to ensure a sustainable and vibrant future for its communities. To ensure a ‘balanced’ population it is critical to encourage the next generation to remain in the area and attract new households to join rural communities. Creating this balance is vitally important in safeguarding local services and maintaining and improving their local economies - and their wider economic contribution to the Authority as a whole. It will be important to enable a process of carefully managed growth across the rural area to address this challenge.

**Summarising the ‘Need’ for Growth**

3.1 The review of contextual policies and strategies, as well as the underpinning analysis of the demographic, economic and housing evidence base for CW&CC, clearly point to the importance of enabling and encouraging the sustainable growth of settlements in the rural area.

3.2 A full rationale for the growth of the rural areas is provided within the Rural Regeneration Strategy and this Strategy aligns itself with the important headline ambitions and targets set through the wider rural strategy. At the heart of the Vision and Objectives of the Rural Regeneration Strategy is the importance of ensuring an uplift in population, and therefore a growth in households and housing, which will allow the rural area to retain and attracts more young people, families and people of working age to ensure its future sustainability and vitality.

3.3 A series of scenarios are presented which assess the appropriate quantum of growth to meet this objective, using demographic, economic and land capacity information. The recommendation is arrived at is that **by 2030 the number of homes in the rural area will need to increase by around 8,000** (a growth of 12 - 15%) to accommodate the growth of the population by 15,000 to 20,000.
3.4 Growth of this scale will serve to address the challenges outlined in Section B, in terms of the implications of allowing the current demographic population to continue on-trend, and allow the rural areas to contribute positively to the economic growth ambitions of the Authority.

3.5 This Strategy recognises the importance of delivering growth in a sensitive and sustainable manner. The location and distribution of development will need to be built through a combination of top-down and bottom-up approaches. The evidence base assembled for this Strategy and the Rural Regeneration Strategy presents a wealth of information on individual settlements which should be built upon further to generate a clear rationale for growth in each neighbourhood. This should consider the current demographic make-up of an area as well as the connectivity framework and the distribution of community hubs identified through the Regeneration Strategy. Growth will need to be considered not only in terms of potential, i.e. the existence of land capacity, but also with consideration to economic linkages, commuting and service provision. Proximity to key employment-generating locations such as Chester, and critical with the rural hinterlands of this vibrant economic centre likely to play a critical role in accommodating demand generated through economic investment and success.

3.6 Growth of this scale does not represent a significant uplift from that seen over recent years, as demonstrated below under this Objective. However, if areas are to grow they need to grow in a manner which will ensure the future sustainability of areas and not serve to exacerbate current challenges.

**Adding Value through Growth**

3.7 This Strategy is intended to assist the Council and partners to help deliver the sustainable growth of the rural area over the short, medium and long-term. It is vital that growth is viewed as a positive, an opportunity not a burden, with the long-term benefits of growth fully understood and maximised.

3.8 Growth in the rural areas therefore needs to add value to the communities that host it – it should be planned strategically but shaped and delivered locally. Growth needs to meet needs rather than simply accommodate new people. The growth advocated through this strategy is therefore aimed at **improving the demographic**
profile of the population, ensuring the safeguarding of local services and enhancing the long term sustainability of communities. Growth of population, and therefore housing, in the right amounts and in the right places will help to significantly increase economic output and the economic well-being of residents whilst protecting the natural environment and heritage assets of the rural area.

3.9 Carefully considering demand and supply at a local settlement level will clearly be critical. This will require a careful consideration of needs, explored in more detail in Objective 2, and the identification of a deliverable and locally appropriate supply of land. Enabling growth is therefore a key strand of this objective, with the Council having a key role to play going forward.

A Strong Foundation on which to Build

3.10 Growth in the rural area is not a new phenomenon. Over the years settlements across the area have undergone processes of renewal and expansion, with economic and demographic drivers requiring change.

3.11 This growth has been sustained over recent years with Council Tax records indicating that around 2,000 new homes were completed in the rural area between 2001 and 2007. This equates to growth (in the number of dwellings) of around 3.5% over this six year period. Only a small increase on this pace of growth is required to deliver the targets set above over the next 20 years.

3.12 The positive impacts of growth can be observed in settlements such as Burwardsley, part of the Bolesworth Estate. One recent development by the estate at Harthill Road included the creation of 9 homes for rent, 3 of them affordable. These units have been built at no cost to the public purse, to a design standard that is acceptable to the local community and the development is fully occupied by people that make a contribution to the community and the local economy. The homes are owned and managed by the Bolesworth Estate. Nomination rights for the three affordable units are shared with the community and local authority. Successful developments of affordable housing have also been completed in other villages such as Tattenhall, and Tarvin.

3.13 Going forward, exciting new developments such as the provision of 14 affordable homes in Tattenhall, and the planning permission for development of 8 affordable
housing units in Aldford, within the Grosvenor Estate, will make fundamental positive changes to the settlements in which are they located.

3.14 Whilst there clearly exists a strong foundation of growth and development activity in the rural areas, and the current planning framework has aimed to manage the location and quantum of this growth, the evidence suggests that the type and location of development has not overall sufficiently accorded with local needs. New developments in many cases have delivered further large executive housing which has served to elevate local house prices rather than create an opportunity for first time buyers or lower income households to move into or stay within the area. The Rural Regeneration Strategy identifies that in a number of areas, local services have closed as a result of insufficient usage and high-levels of out-commuting remain a characteristic of rural areas.

Enabling Development

3.15 The Council, partners and indeed local communities are certainly not able themselves to build the levels of housing envisaged above. Development responsibilities will largely rest with private house builders and developers. Critically therefore the role going forward for the Council is to enable development, ensuring that new housing serves to revitalise the communities in which it is located.

3.16 The overview of the assets and opportunities in Section B introduced the key tools at the disposal of the Council to achieve this aim. Fundamentally, in delivery terms the strength of the market across the rural area represents a real asset, the potential of which needs to be captured through any enabling processes, in particular the planning framework.

CASE STUDY: CONSTRAINTS ON NEW BUILD IN RURAL AREAS

Shropshire Council (formerly South Shropshire Council) previously adopted a policy which restricted the construction of new homes outside the main six settlements in their area. The District Council would only allow homes to be built outside these areas if it retains a 1% share of the property. Therefore, the Council retained an ability to influence the price of property and ensure that if the property is re-sold it is only made available to residents living with the District.
3.17 Whilst the Authority itself has a small land asset holding, a strong planning framework, whilst encourages development and also ensures that benefits are maximised and locally focussed, represents a valuable tool in shaping the housing offer through new development.

3.18 Whilst this Strategy has set a goal for the number of houses required, the Core Strategy, through further analysis of evidence and processes of consultation, will set a locally derived housing requirement. This in tum will be translated into spatial contributions with a separate target for the rural area envisaged. This target will form a critical benchmark for neighbourhood plans being developed across the rural area, with the opportunity presented to settlements to ascertain suitable locations to deliver new housing and opportunities to exceed this target for delivery. CW&CC will have a central role and responsibility in enabling or assisting community representatives, likely in many cases to be Parish Councils, to develop their Neighbourhood Plan, a key part of which will be providing them with sufficient information, on sites as well as demand analysis, to produce informed and representative plan documents.

3.19 The importance of a supportive planning framework in realising the long-term potential of suitable land in the rural areas is clear with only 2,256 of the potential 15,000 potential units in the rural area identified through the SHLAA located on sites within the planning system.

3.20 CW&CC has already seized the opportunity to be at the forefront of implementing the new planning structures, with a bid submitted to Central Government to be one of a limited number of ‘Vanguards’ to assist a self-nominated community to produce a Neighbourhood Plan. The piloting of this approach will be critical in learning lessons for future waves of Neighbourhood Plans. The potential to gain experience from the Neighbourhood Plan Vanguard will be important in assessing key issues and solutions to delivery, to facilitate development and achieve further planning permissions in the rural area going forward.

3.21 Part C of this Strategy provides further details regarding the importance of the new emerging planning framework in enabling development.

3.22 The identification of a sufficient and suitable supply of land is also a fundamental prerequisite in enabling growth. Through the development of Neighbourhood Plans, the SHLAA needs to be viewed as an important resource and starting point, but the
opportunity exists for local communities to re-define and identify the supply of land in their settlement which will deliver the growth required to meet their current and future needs. This will represent a fundamental departure from the traditional approaches to planning with greater flexibility required and fewer red lines around sites. Carefully managing and enabling this process will again represent an important role for the Council, and in particular the Housing and Planning teams, with the knowledge accumulated through the development of the planning and housing evidence base an important asset to be drawn upon by communities.

**Maintaining a Commitment to Quality**

3.23 Finally, whilst this objective has focussed on enabling growth to ensure the future sustainable development of rural areas, it is critical that no compromise is made in ensuring that new housing in the rural areas adheres to the highest design and environmental standards.

3.24 The importance of good quality design has been established through government policy and promoted by bodies such as the Commission for Architecture and the Built Environment. A commitment to build quality is particularly important in the historic context of much of the rural area of Cheshire West and Chester, which is integral to its appeal as a place to live and work.

3.25 Neighbourhood Plans offer an important opportunity for communities to set down in policy their own expectations of design and environmental features. The Council, as well as housebuilders and developers, will have a responsibility to help educate communities regarding best practice and exemplar developments to ensure that opportunities are seized and not lost for the rural areas of CW&CC. This will lead the way in showing that new development can contribute positively to the vibrancy and feel of an area, as well as meeting important needs and demand.

3.26 Strong lines of communication and trust will be important in achieving consensus for new development. A commitment to quality by all parties will be an important initial starting point to enter this dialogue.
SMART Objectives

1a Deliver up to approximately a third of the Authority's housing requirements within the rural area, recognising the existing capacity and the growth potential of individual settlements.

1b Grow the number of households in the rural area by up to 10 - 15% over the next 20 years, contributing to the Authority's overall ambitions for growth.

1c Develop a strong communication and engagement process with parish councils to jointly work towards delivering growth.

1d Ensure, through the Core Strategy and Neighbourhood Plan process and building upon the SHLAA, a deliverable supply of land in each settlement or grouping of settlements for the next fifteen years.

1e Establish a clear rationale for growth within each settlement / cluster of settlements through the Neighbourhood Planning Process.

1f Develop rural policies which enable the growth of settlements in the rural area within the Core Strategy and progress to adoption.
4. Delivering Housing to Meet Specific Needs

Strategic Rationale

Analysis of the ‘health’ of the rural area and its communities has identified that the current housing stock is not meeting the needs – current or future – of all elements of the local community. Key parts of the offer are deficient, including the provision of smaller ‘affordable’ family housing and accommodation suitable for older person households looking to ‘downsize’.

Understanding ‘Need’ in greater detail

4.1 The preceding objective recognised the importance of meeting need through enabling growth. However, in order to ensure that the growth of settlements, and in particular the development of new housing to realise this growth ambition, addresses one of the fundamental changes facing the rural area - affordability and access to housing - it is important to have a clear understanding of ‘need’ in its broadest sense. This understanding must include an identification of those households whose needs are not currently being met through the existing housing offer.

4.2 Within the rural context, this strategy has highlighted particular areas of need around affordability and demographics. The cost of housing compared to income levels is very high across CW&CC, and even greater in the rural area.

4.3 The SHMA (2009), used a representative survey of households alongside other data sources to assess the level of need for affordable housing. The 2010 update to this indicated that across the Authority there is a gross annual shortfall of 1,204 affordable homes. The update also included a more detailed breakdown of need using ward
geographies. Looking specifically at the rural wards this need totals approximately 408 per annum\(^9\).

4.4 In addition to evidence drawn from the SHMA, a local level of analysis of the most recent CACI income data and Hometrack House Price Index provides an important insight into changing affordability issues at the neighbourhood level. Whilst house prices have not risen recently at the rates seen in the first half of the last decade, tightening mortgage finance criteria and a general context of economic uncertainty have in reality served to make the comparatively high house prices represented across the rural area even further out of the reach of newly forming households and/or low income households. The inability of these households to have their needs met in the rural area presents a fundamental obstacle to ensuring a choice for existing and future residents.

4.5 The last few years have shown both the volatility of the housing market as well as the wider employment context. Whilst it is clear that issues around affordability have continued to increase over recent years it will be important to monitor in detail, firstly the scale of the issue but also the broad types of households particularly affected. A benchmarking exercise using the approach and datasets presented in the accompanying technical report should be undertaken at a local level on a regular basis, in order to maintain a current understanding of housing affordability.

4.6 A further indication of the scale of need in the rural area is provided through analysis of housing waiting lists. These indicate that, in the rural areas, need is particularly focussed around smaller family housing and couples/singles across all age groups. The future monitoring and recording of information through waiting lists should be improved to enable an easy filtering of data at a settlement level to understand the locally derived level of need as well as a detailed breakdown of requirements.

4.7 Linked to the current and future demographic of the rural area, another important potential mis-match of demand with the current offer is the requirement for housing

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\(^9\) This includes the wards of Chester Villages, Davenham and Mouton, Doddleston and Huntington, Elton, Famdon, Frodsham, Gowy, Helsby, Kingsley, Little Neston and Burton, Malpas, Malbury, Neston, Parkgate, Saughall and Mollington, Shakerley, Tarporley, Tarvin and Kelsall, Tattenhall, Weaver and Cuddington, and Willaston and Thornton.
which will meet the ‘needs’ of older person households. The elderly population in CW&CC is forecast to significantly change in size up to 2027. The number of people aged 65 or over will increase by over 50% from 57,000 in 2007 to almost 88,000 in 2027. The number of people aged 85 or over will double, from around 7,000 to 14,000 in 2027.

4.8 The expansion of this demographic and the unprecedented level of households in these older brackets will represent a key challenge for the housing offer in the rural area. Ensuring that older residents are able to remain in the vicinity of the areas they know and their extended families has a significant impact on their future quality of life. Currently the ‘offer’ to meet their needs, whilst it has expanded marginally over recent years, remains insufficient. New development will be required to meet this demand, with new properties provided across a range of tenures.

4.9 In encouraging accommodation for older person households it is important to have regard to their preferences, financial circumstances and specific need requirements. A detailed understanding of these factors will assist in ensuring that the right types and tenures of housing are provided to serve this demographic. This will require a process of joint working between different departments within the Council, including Adult Services, Housing Strategy and Planning as well as other front line providers such as GPs. Reference will also need to be made to other important audits of data and information including the findings of the Joint Strategic Needs Assessment (JSNA).

4.10 Consideration of the findings of the JSNA, alongside other sources of research is required across the rural area to understand in greater detail the scale of need from other potentially vulnerable groups. This will include households that need specific support, for example those with physical and learning disabilities or vulnerable young persons and young person households.

4.11 In addition, CW&CC is committed to addressing the accommodation needs of Gypsies and Travellers. A report published in March 2007, ‘The Cheshire Partnership Area Gypsy and Traveller Accommodation and Related Services Assessment’ established the accommodation needs of Gypsies and Travellers. The Cheshire Chief Executive’s Advisory Group on Gypsies and Travellers was set up in 2003 to consider the rights of Gypsies and Travellers and their accommodation needs. The group has employed a Cheshire Gypsy and Traveller Co-ordinator, based at CW&CC, covering
the whole partnership area. It will be important going forward that the Co-ordinator is assisted by Housing Strategy to engage as required with local communities in which current or potential sites are located through the development of Neighbourhood Plans.

4.12 Addressing the needs of these specific households and groups is a priority across the Authority and one which is being addressed corporately. Clearly within the rural area this Strategy has an important future role linked to the wider Rural Regeneration Strategy in promoting specific needs and lobbying for the required resources to support. The more remote nature of some of the settlements in the rural area poses additional challenges for households with specific needs, and therefore needs to be considered and monitored in greater detail in the future.

**Acknowledging Successes to Date**

4.13 The specific needs identified above have represented challenges over recent years and are not new issues. Whilst the development response in the rural areas has not kept pace with need there has been progress through the delivery of a number of schemes and projects within the rural area. Recent examples include:

- A development by Arena Housing of 12 affordable houses in Malpas (2 and 3 bedrooms) for social rent completed in January 2011;
- Affordable Housing units delivered alongside market units in Burwardsley, by the Bolesworth Estate. Of the nine units, three were affordable and the affordability of the houses has been secured in perpetuity, with the rents of the affordable housing units pegged to rents charged for social housing in the area and the criteria for occupation defined in the s106 agreement. The units are fully occupied;
- The “Gracke Croft” development by Arena Homes of 14 x 2 and 3 bedroom affordable homes for rent off Ravensholme Lane in Tattenhall; and
- The new Plus Dane Housing Group scheme at Kingsley to develop 5 houses for shared ownership sale and 8 houses for affordable rent for local residents.

4.14 In addition to these examples of recent delivery there has been a considerable elevation in the level of interest from developers and Registered Providers in bringing forward affordable housing and exception schemes over the last eighteen months.
Interest has been registered in development opportunities in many of the rural settlements including Ashton Hayes, Christleton, Hampton Heath, Rowton, Kelsall and Farndon.
CASE STUDY: TATTENHALL (NEAR CHESTER) – DELIVERING AFFORDABLE HOUSING LED BY THE PARISH COUNCIL

The Parish Council decided to develop a Parish Plan for Tattenhall and District Parish primarily as a result of an announcement by a Registered Provider to build affordable housing which faced strong local opposition. The development of the Parish Plan:

- enabled the Parish Council and the community to establish a direction for the Village, retaining an element of control over any future development, particularly housing, in the Parish; and
- involved significant community consultation and identified an acceptance for appropriate affordable housing for local people, primarily the young and elderly.

Following the development of the Parish Plan, the Parish Council met with two local Registered Providers expressing an interest to work with them to develop a site. As a result Arena Housing, who had access to funding from the Housing Corporation, agreed to work with the Parish Council members to develop affordable houses. However, before any development could be considered, the Parish Council wanted to ascertain the level of need in the Parish and held an ‘open day’ where local people came and registered their need for housing and talked to housing providers about available housing options. As a result the level of need surpassed the expectations of the PC:

‘We did not want to build until the local need for housing was established - we knew there was a need but not to this extent!’

Subsequently, the Parish Council undertook a call for and assessment of potential sites, and identified the site for development. The PC asked the Local Authority Planning Department to assist in the assessment of the sites but they did not consider it appropriate to provide advice on specific sites. This caused some issues for the Parish Council and slowed the process down. The Parish Council, in partnership with Arena and the Local Authority, developed a Section 106 which formed the basis of the local allocation policy.

Moreover, there was ongoing consultation with the community throughout the design and build process, with the developer (McInerney Homes) and Arena providing significant levels of support to the Parish Council.

The PC identified the following three critical success factors:

(i) Good communication – ensure the Parish Council and the local community are kept informed and are able to influence at all stages of the developments.

(ii) Positive working relationships – the constructive relationship between the Parish Council, Registered Provider and the developer enabled the delivery of the development. However, the weak relationship between the Planning department of the Council and the Parish Council proved to be an obstacle, slowing the progress of the development.

(iii) Local allocations – ensuring that local people in need of housing benefit from the development, provides a positive basis for any future development.
4.15 Going forward it is critical that the pace of delivery is increased and that emerging opportunities and demand is realised. The modelling and projection data around affordability suggest that housing needs are only set to increase.

4.16 Lessons need to be learnt from recent delivery successes and shared both within and between Council teams but also with other wider partners and stakeholders who will ultimately be delivering the products. In addition, it is important that best practice from around the country continues to be monitored and evaluated and again used to raise the bar in terms of delivery and standards for products in the rural area.

**Responding to New Products and Tenure Options**

4.17 Whilst the challenges to meet the needs of those households and demographic groups identified above are not new, the introduction of a new political ethos by the Coalition Government has heralded the launch of a series of consultations on new approaches and products to address affordable housing needs.

4.18 These potential reforms are broad in nature and include a number of potential new products and tenure options to deliver housing between the traditional social rented tenure and market housing.

4.19 This includes the introduction of affordable rental properties, which are viewed nationally as representing a means to deliver ‘affordable’ housing viably. In strong market areas such as the rural areas of CW&CC, the additional returns to developers generated through this tenure product when compared to traditional social rented properties should be favourable in delivery terms. Rental levels are able to be set at up to 80% of market rent at the discretion of local authorities and Registered Provider.

4.20 In order to consider not just the viability of these schemes but also their ability to meet the needs of the households in the localities of the rural areas, it will be important for the Council to analyse in detail the income data held at a low spatial geography and consider the quality of financial capacity information collected through waiting list applications to assess future suitable benchmarks for rental levels.

4.21 Establishing locally set market rents will also be important, with decisions required around introducing flexibility in different ‘market’ areas where the original Local Reference Rent was set across a much wider spatial area.
This will be important in the areas where income information suggests that there are households with low savings and capital but relatively healthy income levels whose needs could be met through new intermediate products. These households are unlikely to register through Choice Based Lettings applications and therefore alternative approaches to identify and evidence their ‘needs’ will need to be piloted. This could include the collation of information through the development of Neighbourhood Plan documents.

In addition to changes to tenure products, the Coalition Government has also proposed a number of significant changes to the Housing Benefits system and flexibilities to alter allocations policies. This includes, for example, the capping of Local Housing Allowance rates and the restriction of the bedroom entitlement from five bedrooms to a maximum of four. The introduction of fixed tenancies as opposed to tenancies for life, and the option to change allocations policies to re-appraise those in priority need are also proposed.

 Principally the increased flexibilities in a number of areas present the opportunity to generate more locally-bespoke processes which can address the needs more specifically of rural communities. A process of analysis of local data sets and local consultation will be required to assess the response the Authority will take to these new opportunities. In terms of the rural areas, it will be important that local datasets and information are considered to ensure that proposals are shaped to match the different challenges in the geography as opposed to be simply being driven by solutions appropriate to the urban areas. In addition, in line with the objectives in the Rural Regeneration Strategy, ensuring the ‘rural voice’ is heard sufficiently on these issues will be important.

Looking at older person’s accommodation, improvements continue to be made in design terms in creating housing which can be termed ‘Lifetime Homes’. Continuing to promote the principles of Lifetime Homes within new development is critical to ‘future-proofing’ the new generation of housing within the Authority. As service providers are now finding, retro-fitting properties to incorporate the best practice principles endorsed through Lifetime Homes, which sustain the shelf-life of properties for their inhabitants, is very costly and often inhibited through the integral structure of the property, an issue particularly true of much of the older stock in the rural areas.
Therefore these principles will be encouraged, where it is possible, to be adopted from the design stage of development to ensure greater flexibility in the future.

**Considering Critical Success Factors for Delivery**

4.26 The overall objective is to deliver housing which meets specific needs. This strategy recognises that whilst progress has been made, a significant uplift is required in delivery terms to meet both a backlog of need and also an increasing projection of need from a range of household groups and demographics.

4.27 Principally the focus going forward will need to be on delivering housing which is affordable and can meet locally-generated need and also attract new households to the rural areas. In addition, housing schemes directly aimed at providing accommodation for elderly households will be increasingly required to meet the needs generated by this group.

4.28 A full evaluation is required of planning applications for recent schemes for both these types of housing to understand in greater detail what has worked and what has created delays / obstructions. Overcoming the latter will be critical in elevating the pace of delivery.

4.29 Going forward, the absence of grants and public funding support will represent significant challenges to the delivery of, for example, Extra Care facilities or supported older persons accommodation. Alternatives will need to be found to lever in private investment through new delivery approaches and mechanisms.

4.30 Part C of this Strategy presents a number of delivery routes and options which will need careful consideration and, where potential is identified, piloting. The enabling role identified for the Council, particularly in terms of the future planning framework, will be critical to deliver a housing offer which addresses the needs and challenges facing the rural area.

4.31 As referenced above the successful delivery of schemes will require close partnership working. With regards to the delivery of affordable housing, new partnership arrangements are likely to be required with Registered Providers (RP), developers and potentially landowners. Close partnerships with RPs in particular will be important over the short to medium term. A transparent consideration of their assets and internal...
capacities for assisting in the delivery and management of stock will be critical. New partnership arrangements being considered by the Council are introduced in Part C.

4.32 The delivery of more specialised housing will also require improved joint-working, including representatives from adaptations, planning, social services and health services. Partnership working should be formalised across the rural area through the Rural Area Partnership Board, in line with the governance arrangements proposed through the Rural Regeneration Strategy.

**SMART Objectives**

2a Deliver a significant uplift in the number of affordable units delivered in the rural areas, meeting and exceeding planning targets set for the Authority

i) Enable at least 6 rural schemes to go to planning application per annum and to complete at least 4 rural schemes per annum (circa 80 units per annum).

2b Continue to update and monitor the evidence base providing a ‘live’ assessment of the scale and nature of households in ‘need’.

2c Lead the way in delivering new tenure products and affordable housing solutions introduced nationally where they will contribute towards addressing households in need.

2d Engage with Registered Providers to understand scale and location of assets and input into the development of their business plans. Identify opportunities to jointly utilize assets to deliver schemes meeting local housing need.

2e Demonstrate the delivery of new housing schemes targeted at meeting the needs of older persons households where need and demand are identified.
5. **Realising the Potential of the Existing Stock**

**Strategic Rationale**

The existing housing offer in the rural areas, on the whole, represents a product in high demand but is clearly a finite resource. In order to retain the character and vibrancy of settlements and their communities, realising the potential of each and every existing and potential property should be viewed as a neighbourhood priority.

**Addressing Under-Occupancy - Encouraging Movement along the Housing Ladder**

5.1 The Strategic Housing Market Assessment (2009) recognised under-occupancy as an important issue across the authority. In total, 11.4% of households are severely under-occupied, meaning a household has three or more spare bedrooms.

5.2 The current demographic profile of the rural area, detailed in the preceding objective, coupled with the current stock profile which is skewed towards larger and detached homes, confirms that this issue is even more pronounced in the rural areas. A mis-match in the choice available to older person households and younger families has led to a silting up of stock which could be more appropriately used.

5.3 Realising the SMART objectives set through Strategic Housing Objectives 1 and 2 will work towards contributing to addressing this under-occupancy issue. The growth of the housing offer, including a strong focus on the provision of smaller family housing as well as housing solutions suitable for older persons will serve to ‘free-up’ future family stock.

5.4 For some elderly households a larger property can become unmanageable and therefore the inability to move into something more suitable can genuinely affect quality of live. Understanding the needs of these households is often difficult. In many cases in the rural areas of CW&CC households have purchased their property and have no mortgage, they are often not interested in other tenures and do not therefore register on waiting lists.
5.5 Close working with other partners with which older person households engage therefore represents an important source of information, including GPs and NHS colleagues. Further work will be required to audit and evidence requirements of this group. The neighbourhood planning process could represent an important avenue for capturing the views of this group. An important part of the Council’s enabling role will therefore involve making sure that they are represented and their views are registered. Linking community representatives with providers of private older person’s accommodation will also represent an important part of ensuring that housing is delivered which meets the needs and aspirations of households, therefore freeing up much needed family stock in the settlements.

Understanding Latent Supply

5.6 Whilst addressing under-occupancy represents one way of realising the potential of the existing stock, addressing vacancy and investing in existing stock provides another important strand of meeting the Vision for the Strategy.

5.7 Re-using empty properties reduces the need for new development and helps to ensure that a lack of investment in properties over extended periods of time doesn’t serve to undermine the quality and viability of areas. In parallel, investing in the existing stock has the potential to extend its potential and contribute to wider environmental targets set through the Rural Regeneration Strategy.

5.8 Vacancy does not represent a major issue in the rural areas. The Empty Homes Strategy (2010-13) for the Authority identified that, in January 2010 there were 4,473 empty homes in CW&CC. Of the 2,292 private empty properties, 996 (43%) were in the rural area. Whilst these numbers are relatively low and across the Authority the vacancy rate is below 3%, in a small settlement a single long-term vacant property can firstly have an affect on a wider neighbourhood in terms of its appearance and secondly can actually represent an important potential opportunity to house a new family.

5.9 The Empty Homes Strategy aims to bring these homes back into use and primarily bring them forward as private rental units. The opportunity now also exists for the Authority to actively bring them back into use, in partnership with developers or Registered Providers as Affordable rental properties. This Strategy supports the wider
Authority approach to tackling this issue and highlights the importance of pursuing this in the rural areas where vacant properties, as a result of a lack of concentration, are often overlooked. Through the relationship developed in the production of Neighbourhood Plans the opportunity exists to work in partnership with communities to target specific properties and assemble local evidence.

5.10 In addition to empty homes, the strategy recognises that there is a small but consistent issue across the rural area of underused or vacant commercial or agricultural buildings. These have the potential to be converted into affordable housing but are currently constrained by policy and viability issues. Given the significant impact that this may have at settlement level, further work on understanding the scale and causes of this issue, as well as innovative solutions for delivery, must be examined. In the era of Neighbourhood Planning this needs to be driven from a local level - led by the community and supported by CW&CC where necessary.

**CASE STUDY: HOME ON THE FARM**

A scheme pioneered by South Lakeland MP Tim Farron to turn redundant farm buildings into homes for local families has been adopted by the coalition government. Mr Farron’s Home on the Farm scheme is designed to create affordable housing from disused or underused farm barns.

The aim is to help young families remain in their communities rather than be forced to move to towns or cities where suitable housing is cheaper and more plentiful. It is hoped the scheme, which has already been supported in the planning process by South Lakeland District Council, will help ensure the survival of schools, post offices, shops and pubs in small rural communities.


5.11 Consideration will be required as to enabling communities in the rural areas to realise their potential powers to reclaim and develop vacant land and buildings through the new ‘Community Right to Reclaim Land’ scheme. In order to aid this process CW&CC, as part of the audit of assets and ownership, will need to provide on-line information linked to the Council’s data portal (DORIC) to enable communities to view the vacant assets in their neighbourhoods / settlements.
CASE STUDY: PURCHASE AND REPAIR – NORTH YORKSHIRE

Purchase and Repair is an initiative in North Yorkshire in which non-decent homes are purchased and repaired and given back to the community in the form of social housing. They work well in times when the market cannot provide new housing, such as following a recession, when development from the private sector is not occurring.

In Craven a scheme between the Homes and Communities Agency and Yorkshire Housing established a programme of purchase and repair, funded by grants. The project resulted in a total of 9 affordable homes being made available. An extension of this is the Care and Repair scheme that helps to modify homes to meet the needs of the elderly for safe, adapted housing without forcing them to move to new housing outside the rural housing area that they’ve lived in.

http://www.careandrepair-england.org.uk/mission.htm

5.12 In terms of addressing the quality of the existing occupied stock, the private sector stock condition survey\(^{10}\) provided an indication of the quality of the housing stock and in particular the prevalence of non-decent stock as well as the reasons for this classification.

5.13 With the exception of disrepair, private housing conditions locally are better than the national average. Across the rural area there is a higher proportion of homes not meeting the Decent Homes standards (25% non-compliance), compared to the urban area (19.1%). In addition, the proportion of households categorised as vulnerable who are living in homes considered non-compliant, is 22.5% in the rural area.

5.14 For the vast majority of households in owner-occupied housing within the rural area public sector grants and funding are unlikely to be available in sufficient quantity to assist, especially given the additional costs often associated with improving old, potentially listed properties. Signposting residents to other private finance solutions, as well as signposting to national initiatives and energy saving advice, will be important.

\(^{10}\) Private Sector Stock Condition Survey 2010, prepared on behalf of Cheshire West and Chester Council by David Adamson and Partners Ltd
5.15 In the social rented sector considerable progress has been made by providers in delivering Decent Homes investment. In the wider context of funding cuts it is vital that any future investment is targeted and implemented effectively to ensure the existing rural housing stock represents a good asset for the future. This will require close working with Registered Providers active in the rural area to understand their setting of priorities in the development of business plans.

**Efficiently Managing Affordable Stock**

5.16 The introduction by the Coalition Government of new flexibilities around housing allocation policies, identified under SHO 2, has the potential to alter the way in which housing is allocated within localities. The potential exists to place greater priority on local lettings ensuring a greater link between local need and the delivery of new affordable housing development.

5.17 CW&CC’s housing allocation policy is currently based on a grading of need but also includes an element of local lettings within it. This policy covers 20,000 of the 23,000 properties in the Authority, and there is scope for local lettings to be introduced for specific developments.

5.18 CW&CC has produced a draft S106 agreement relating to development in rural areas. This includes criteria and definition for eligible people giving a priority to local connection. In this context, “eligible person” means any person in need of affordable housing and who satisfies the criteria set out in selection of people for social rent. For shared ownership eligible persons are First Time Buyers and who are unable to solve their housing situation in the locality within the existing housing stock.

5.19 The criterion includes the following local connection criteria in order of priority and who are in Housing Need:

- Connection with the parish including resident in the Parish for the 12 months, or have a strong local connection with the Parish, including close family association or employment
- In the second instance a strong local connection with a wider number of parishes
- In the third instance eligible persons who are resident in or have a strong local connection with the Ward
In the fourth instance the unit of accommodation shall be allocated to a person or persons who in the opinion of the Council have a need for such accommodation.

**SHROPSHIRE COUNTY COUNCIL AFFORDABLE HOUSING ALLOCATION POLICY**

The Shropshire Affordable Housing Allocation Policy, adopted in December 2008 for the new Unitary Authority, aims to assist the Council to achieve a range of strategic objectives. These include:

- **Access to affordable housing for local people;**
- **Development of sustainable communities;**
- **Development of a sustainable rural economy; and**
- **Provision of choice and housing options for local people.**

The Shropshire Affordable Housing Allocation Policy complies with statute and with Government Guidance with respect to housing allocations and choice-based lettings. However, the Policy also sets out a range of mechanisms to balance statutory requirements with local needs and communities:

- **Local Lettings Policies** can be implemented to meet local housing needs and balance local communities.
- **Planning conditions/s106 agreements** override the Housing Allocation Policy with respect to new affordable housing. These are relevant in rural areas and aim to ensure that people with a local connection and local housing need are given priority for rehousing.
- **Priority banding** for people losing agricultural tied tenancies.
- **Applicants within the same needs band** are allocated in date order.
- **There is a 25% target allocation** for transfer applicants.
- **There is a 10% target allocation** for people moving on from supported housing.
- **‘Sensitive lets’ may be made to take account of local considerations.**

5.20 Further consideration will need to be given by the Authority as to the potential to refine further the allocation policy, potentially in a bespoke manner for the rural areas, if new national policy is implemented following the consultation on the ‘Local Decisions – a fairer future for social housing’ paper. It would be of particular value if the local lettings criteria took into account the future sustainability of rural settlements.
5.21 In addition, the potential removal of tenancies for life presents an opportunity to introduce a new dynamic into the social housing sector, and has implications for churn and ongoing monitoring and assessment of housing need. It may for example allow landlords of affordable rented housing to address under-occupancy by moving long term residents into new accommodation designed to meet their changing needs.

5.22 An innovative approach to the management of affordable occupancy via S106 agreements, in terms of encouraging investment in maintenance and upkeep, on new build would help to ensure that private landlords (particularly landed estates) make the optimum use of their housing stock.

5.23 The delivery of a significant quantum of affordable rent properties available on fixed term tenancies would have the potential to meet local need more flexibly, but would require careful monitoring and to ensure the implementation of new allocations policies did not undermine community stability due to a high turnover of properties.

5.24 The efficient management of available stock through fixed term tenancies, including affordable rent properties, also has the potential to address the short-term issues associated with households who are capital and savings poor but income rich. Anecdotally a notable proportion of households falling into this group in the rural area are forced to move out to other markets, such as the rental markets in Chester, rather than stay in their preferred local locations. The use of ‘affordable’ stock to address this interim need will require further amendments to allocations policies and the ranking of ‘need’. These are issues which will need to be carefully considered by the Council through dialogue with local communities.
CASE STUDY: MANCHESTER ALLOCATIONS SCHEME

Manchester allocations scheme adopted in 2010 is a marked departure from the previous Allocations Scheme and has been designed to meet the following objectives:

- provide housing applicants in Manchester with a fair and transparent system by which they are prioritised for social housing;
- help applicants most in housing need;
- promote the development of sustainable mixed communities and neighbourhoods of choice;
- encourage residents to access employment and training;
- recognise residents who make a contribution to a local community;
- make the best use of Manchester’s social housing; and
- make efficient use of resources and those of partner Registered Providers.

The key features of the new scheme are:

- it adopts a banding approach to the allocation of homes and uses waiting time to prioritise within bands. There will be no more backdating under this scheme;
- it identifies applicants in housing need as requiring a head start over other applicants, and only differentiates between levels of need where there is a threat to life. The scheme will not award extra points for cumulative need in the way the current scheme does;
- the only enhancement of priority for re-housing that can be achieved, once need had been determined, is through satisfying the criteria for working households or community contribution. This is a marked departure for the City and is, from a national perspective, a trailblazing approach; and
- it awards priority for households that may not be in need but who are making a positive contribution to their communities through employment or some other form of community contribution. This builds upon the current community connection criteria and takes it further still by incentivising working households through the housing offer.

Responding to Changing Household Circumstances

5.25 This Strategy, whilst recognising the importance of realising the potential of the existing physical stock, also recognises the value in ensuring that households are able to cope
with changing household circumstances, be they financial or in terms of specific needs.

5.26 This Strategy has adopted as a central principal the need to improve the process of dialogue between service providers and individual members of the neighbourhoods which make up the rural areas. Strong communication channels are critical in times such as these, where macro economic and financial changes manifest in rapid and serious changes to household circumstances.

5.27 The NLA report ‘Changing Places’ (November 2010) stressed that, as a result of high house prices now, many first time buyers who had been able to purchase property in the Authority (with the rural areas being the most extreme in terms of prices) are likely to have been forced to over-mortgage relative to their income / or property value. Potentially this makes these households more vulnerable to further falls in house price or increases in interest rates, as well as changes to personal economic circumstances. If circumstances change further for the worse in the housing market the number of people experiencing difficulties would be expected to increase. This would have implications for the housing advice services. In addition, as fuel and energy bills continue to rise further, households could be put at risk, particularly older person households with lower incomes.

5.28 The Council clearly has a vital role to play in effectively and efficiently signposting households towards the support, be it advice or products that are available. The Council has been involved in piloting the Local Integrated Services approach which aims to provide a ‘total place’ perspective to service delivery. The roll out of this across the authority will clearly have important implications for the delivery of service, with the approach being to tailor service delivery to meet local needs. It is anticipated that this approach will cover all areas of the authority by 2012.

5.29 The Localism Bill recognises that capturing and understanding the views and needs of all members of the community, including hard-to-reach groups, is important in delivering services and outputs that meet the needs of local households. Giving hard-to-reach groups opportunities to respond discreetly and independently will be essential if localism is to assist in delivering integrated services.

5.30 The levels of engagement proposed through the introduction of Neighbourhood Plans will represent an important opportunity for both Communities and the Council to learn
lessons regarding the approaches to information dissemination which work and those which don’t.

5.31 The Council will not be solely responsible for providing improved information and signposting households to key services. Registered Providers will need to be encouraged and monitored for the quality of advice and information they are able to signpost existing and potential tenants to. Housing often forms an important entry point for other services, with the provision of a property one of the initial areas of interaction for households new to systems. It is therefore vital that front-line housing providers are supplied with information not only around housing services for vulnerable households but other key information as well, including for example routes into work and key health service contacts. This is particularly important in rural areas where communication, as a result of poor connectivity, can be more difficult.

5.32 Other areas where the Council has traditionally played a role alongside Registered Providers, in commissioning and delivering services to assist households to adapt to changing circumstances, has been in providing adaptations to properties. This Strategy recognises the recommendations in the Authority-wide Private Sector strategy (including disabled adaptations and loans) which is out for consultation, as well as an assessment of the supply and condition of supported housing being undertaken. It is anticipated that this will recommend a range of products including home improvements and adaptations. Ensuring rural residents gain fair and equal access to resources will be an important task in the delivery of this Strategy.

**SMART Objectives**

3a Use and amend allocation policies to ensure local housing meets the needs of local communities

3b Reduce the number of households classified as ‘under-occupied’ by 10 – 20% over the next fifteen years

3c Bring forward 10% of long-term empty properties, through working with landlords/owners, as new affordable properties in the next five years

3d Reduce the number of privately owned properties classed as non-decent by 10%
3e Ensure, where support is possible, that households within the rural areas receive support and advice when household circumstances change.
6. **Enabling Innovative Approaches to Delivery**

**Strategic Rationale**

Whilst a track record of delivery has been achieved over recent years, the delivery of new housing in many areas has not been of a scale, or indeed the type or tenure, which has met the needs of the communities of the rural area. New and innovative approaches to delivering housing and making best use of the stock which already exists are critical in facilitating a sustainable future for the Authority’s rural communities. This strategy is written at a time of change, and the opportunity to be innovative and move beyond the traditional and the conventional routes and approaches must be seized.

**The Importance of Delivery**

6.1 Throughout this Strategy the importance of delivery is a fundamental principal. Without the delivery of new housing which meets peoples’ needs, it will be very difficult to achieve the overall Vision set through this Strategy and the umbrella Rural Regeneration Strategy.

6.2 Strategic Housing Objectives (SHOs) 1 – 3 have highlighted the importance of ensuring that growth needs to be carefully managed in order to achieve growth used to encapsulate the aspiration for change across the rural area.

6.3 As identified in Section B, a gross annual shortfall of 1,204 affordable dwellings for CW&CC has been identified with a substantial proportion of this need generated within the rural area. A failure to address this need and the creation of a more balanced housing offer across the rural areas will undermine the ability of settlements to develop sustainability and continue to provide a high quality of place and life for residents.
6.4 The aftermath of the global financial crisis, and the resulting deep recession and associated public spending cuts, have created a uniquely difficult environment in which to develop housing and in particular affordable housing.

6.5 This “unique” environment has been created as a result of some key certainties on which the housing industry has been built, being called into question, in particular the price and availability of private finance and bank debt and the trend in recent years for significant public investment in the delivery of affordable housing. Levels of completions have been heavily curtailed as the block of the financial viability hurdle has stopped development throughout the country.

6.6 These problems, coupled with the significant cuts delivered through the Comprehensive Spending Review (CSR) and subsequent significant housing policy changes ranging from the introduction of the new “Affordable Rent” model to the reforms of the HCA have led to further challenges in the delivery of housing development. This has resulted in the need for organisations to look at new innovative delivery solutions, which use assets more efficiently and maximise the use of private sector finance. Initiatives such as the New Homes Bonus may help address these challenges but there is a need for more.

6.7 The identification of suitable and deliverable land for residential development will be critical in the rural areas. As the statistics in Section B identify, considerable work will be required to realise a sufficient quantum of land through the planning processes to deliver growth in a more carefully ‘managed’ way.

6.8 Evidently, there is a need for creative new solutions to the financing of housing and the identification of suitable land to enable delivery in line with SHO’s 1 and 2, which have a limited cost for the public purse. A number of initiatives have been launched to try to tackle this, ranging from discounted market value homes to shared equity, and from shared ownership to local housing companies. These alternative models are explored in greater detail in Part C.
A Rich Context in which to Encourage Innovation

6.9 This Strategic Housing Objective recognises that the delivery of housing and other services is not going to be easy over the forthcoming years as a result of wider macro financial and economic challenges beyond the scope of this Strategy. Whilst this macro context presents a challenge, it is clear that the strength of the market in the rural areas of CW&CC, coupled with the commitment nationally to explore new ideas to enable development, present a relatively unique environment within which to explore and try new innovative delivery mechanisms and approaches.

6.10 The Council has already demonstrated its appetite to try new approaches and stay abreast of current challenges in the housing market. This has included the launching of a new support service to first time buyers by the Housing Strategy team. This service is aimed at those planning to take up intermediate homeownership products and seeks to signpost potential occupiers to a comprehensive list of approved financial and mortgage advisers. Indeed, in the short-term the availability of finance to potential purchasers, many of which are first time buyers, represents one of the key obstacles to achieving growth and change in this area, as with all other areas across the country.

6.11 Other areas of innovation currently being advanced by the Council include the joint working the HCA on a Public Land Initiative. This is targeted at one of the fundamental challenges noted above, namely bringing forward deliverable development land. CW&CC is looking at its own asset base to bring serviced sites to the market with the HCA providing funding to evaluate the remediation costs required to bring the land to the market. Currently the focus is on urban sites but going forward this will need to be extended to the rural areas as well.

6.12 The Council’s initiative to pilot Neighbourhood Planning with local communities and stakeholders will ensure that it is in the best possible position to empower rural communities to enable and drive forward local delivery of new market, intermediate and affordable housing.

6.13 Looking forward, this commitment to innovation will need to be maintained and built upon, critically new approaches will require a new way of doing business for both the Council and its private and public sector partners. Key areas are explored below, with
Part C of this Strategy outlines, in more detail, some of the fundamental proposed changes to the framework for delivery, and potential delivery mechanisms for consideration over the next few years.

6.14 In assessing the applicability and deliverability of various new and innovative delivery mechanisms in the rural area, a number of key factors need to be taken into consideration. These include elements such as the costs of establishment, procurement processes, scale issues, availability of land, levels of infrastructure costs and the potential funding streams that could assist CW&CC in achieving its aims.

6.15 The consideration of these factors needs to be placed in the context of the scale of the ambition set through this Strategy, and more importantly the levels of ‘need’ which drives this ambition. The rural areas demonstrate a strong average house price, with the average in excess of £250,000, which whilst fuelling affordability issues also represents a significant ‘pull’ to private sector investment and finance, with land values comparatively protected when compared to other areas in the North West.

6.16 Section B also highlighted the other assets rural areas benefit from including, the hosting of a number of large Landed Estates. Harnessing the potential of these Estates to demonstrate innovative approaches to delivery, alongside their long-term commitment to enhancing the quality of settlements in their boundaries, represents an important opportunity for this Strategy.

6.17 New models such as Community Land Trusts (CLTs) will increasingly come to the forefront as a result of the commitment nationally to locally driven development. It is recognised that in the current funding climate this approach could provide one of a number of solutions to housing delivery and economic development. CLTs are organisations that seek to address issues of affordability through securing land and building houses that are partly owned, in perpetuity, by the local community. The value of the land, planning gain and any other equity benefits are permanently locked in on behalf of the local community and future occupiers. The Council has an important role in exploring means of overcoming the initial obstacles which have been cited to date in the implementation of CLTs elsewhere. This has included a lack of technical support during the early stages of development and a lack of access to development capital. This is one element of an overall wider enabling approach which will need to be adopted by the Council.
OXFORDSHIRE COMMUNITY LAND TRUST

Oxfordshire Community Land Trust has been set up to promote locally-designed, community-controlled housing developments. It was set up to make housing affordable through taking out the land value (in Oxfordshire around 50% of the cost of a house). OCLT is a non-profit local organisation registered as an Industrial and Provident Society regulated by the Financial Services Authority. It is specifically designed to hold land on behalf of local people, and has an asset lock to stop any privatisation of its land assets. OCLT’s mission is to acquire small packets of land in the villages and towns of the county, and to hold that land in perpetuity for the benefit of local people.

The homes are kept affordable because the land is not included in any sale or rental of the homes.

How it works in practice:
OCLT receives land and holds it forever-
- local community forms a mutual home ownership society and leases land from OCLT;
- mutual home ownership society takes mortgage against the land and works with the builder/developer (such as CDS Co-operatives Ltd.);
- residents join the mutual home ownership society and buy equity shares or pay rent to cover the mortgage;
- residents manage and maintain their homes with input from local community;
- people leave taking any equity they have and a share in any increase in value; and
- home is available for new resident at low cost.

Creating an Enabling Environment

6.18 Going forward rather than delivering development, the Council’s primary role in assisting the realisation of the SMART objectives set through this Strategy will be one of enabling. In developing policy, strategy responses and in its dealing with other partners, both public and private it will need to be flexible and seek every opportunity to encourage innovation.

6.19 A sustained commitment to partnership working will be critical. These partnerships will span a range of levels including potentially public / private partnerships with house builders, developers and Registered Providers as well as partnerships at the neighbourhood level with individual communities and community leaders.
6.20 An important part of creating this enabling environment will be the establishment of a new planning framework in line with the national proposals for reform of the planning system. Although these have not yet been finalised, they will include a new Core Strategy with a suite of Neighbourhood plans below, and additional development plan documents sitting below. The relationship between these two tiers of spatial planning will be critical and will require careful consideration as the policy documents emerge. The outputs of the proposed Vanguard Neighbourhood Plan covering the Tattenhall area will present an opportunity to refine the approach to be taken.

6.21 The undertaking of this Vanguard project in the rural area will help ensure that the new policy agenda responds to rural issues and in particular the delivery challenges noted above. This Strategy clearly establishes the importance of developing bespoke policy solutions as required, to ensure the delivery of the objectives set to improve the housing environment and offer in the rural area.

**CASE STUDY: VOLUNTARY SECTION 106 AGREEMENTS**

North Wiltshire District Council has entered into a voluntary agreement with a local developer. The agreement applies a covenant to properties developed on a specific site and classifies them as ‘restricted dwellings’. If or when the properties are sold, the owners must notify the Local Authority, which has the opportunity to nominate a prospective buyer in housing need. If no nominee is provided the seller may offer the property to a person with a local connection as defined in the agreement. The maximum price that the property can be sold for is the Nationwide House Price Index (average house price) for the region.

6.22 Other critical areas where the Council will have an enabling role will be a careful consideration of the use of public building and land assets located in the rural areas. As Section B notes, the information available from the early audit of assets undertaken by the Council suggests that the available asset base in the rural areas is relatively limited. Further work will be required by the Council to continue to reappraise the availability of larger public land ownerships in the rural area, where the potential does exist to contribute significantly to the delivery ambitions set through this Strategy.

6.23 Other emerging areas requiring consideration include responding to the incentivisation proposals of the new planning framework, and in particular the New Homes Bonus. Critically for the rural area, the Council will need to arrive at an agreed mechanism for distributing the New Homes Bonus secured through a development
within a settlement. It will be important to demonstrate to local areas the potential benefits which can be gained from accommodating development beyond the improvements to the housing offer and the addition of new stock to meet local demand and need. This may require a commitment to retain up to 50% of the NHB generated in a locality within the locality. This will need to be considered by the Council alongside the spatial ‘catchment’ in which the locally derived bonus could be spent and used.

SMART Objectives

6.24 This Strategy is principally delivery focussed. A commitment to enabling innovative approaches to delivery is critical in achieving the overall Vision and the objectives set under the other three Strategic Housing Objectives. No SMART objectives are therefore identified under SHO 4. However, the success of this Strategy will be judged on the ability of these new approaches to delivery to result in the required change and the overall strengthening of the rural areas Housing Offer, for all current and future residents.
Part C: IMPLEMENTATION AND DELIVERY
7. Leading Delivery

7.1 The successful implementation of this Strategy will require a clear distribution of roles and responsibilities. Delivering the ambition set within this Strategy will be beyond the capability of the Council alone. Enhanced partnership working will be critical to the delivery of this Strategy.

7.2 The principles of Localism and the importance of the ongoing process of genuine engagement with communities across the rural area run throughout this Strategy. This will be encapsulated through the proposed changes to the planning framework, as well as other emerging strategy documents. Vitally, these processes and the plans which emerge will need to provide a supportive framework within which the required levels of delivery and investment, envisaged through this Strategy, can be successfully delivered.

Roles and Responsibilities

7.3 The CW&CC Housing Strategy team will have principal ownership and responsibility for delivering against the ambition and objectives set within this Strategy. The Executive Member for Prosperity will be the lead representative for the Strategy within the Council.

7.4 Whilst Housing Strategy will occupy this central lead role, the scope of the works outlined will require partnership working with a range of wider delivery partners.

7.5 These delivery partners will include:

- Other Council Departments, in particular Strategic Planning, Regeneration, Land and Property, Economic Development, Adult Social Care and Transport;
- Registered Providers;
- Local Landed Estates;
- Parish Councils and other Community Representatives;
- Developers and House Builders
7.6 Encouraging partnership working between these key partners will be an important role for the Housing Strategy team and in particular the strategic housing enabler responsible for the rural area within the team.

7.7 Disseminating key messages, research, policy and strategy changes across all of these partners will be important in ensuring that the Strategy is dynamic and responds to new opportunities. A Strategic Housing Partnership is already in existence for the Authority. It is a recommendation of this Strategy that the scope of invitees of this Board is refreshed, to provide a greater balance between public and private stakeholders. In addition, where specific rural issues are to be discussed, the attendance list should include a wider range of rural stakeholders drawing from those engaged in the delivery of the Rural Regeneration Strategy.

7.8 Going forward, it will be important for the strategic housing enabler and other key officers tasked with leading the rural agenda to promote core rural issues at a strategic level. This will include representations through the Local Economic Partnership and other key strategy boards primarily focussed on housing, including the Cheshire and Warrington Housing Alliance.
7.9 The interaction and communication channels between delivery partners, the Council and the rural communities will be critical. The potential reforms to the Area Partnership Board structure outlined within the Rural Regeneration Strategy, coupled with the new Neighbourhood Planning approach, will provide a strong framework within which to build these channels.

**Responding to Wider Governance Changes**

7.10 Governance changes proposed through the Rural Regeneration Strategy are intended to provide a simpler governance framework within which to deliver local place-based services, and ensure a strong process of dialogue between communities, the Council and external service providers.

7.11 The Rural Regeneration Strategy provides a description of the full recommendations. Primarily the recommendation is for the creation of a single a Cheshire West Rural Area Partnership Board.

7.12 This new Board would be reflective of the rural agenda and stakeholders across the Authority. This would help to ensure that the rural voice was elevated and therefore important common challenges and opportunities are addressed and responded to.

**Embracing an Enabling Role – Partnership Working**

7.13 The delivery of new housing, including affordable housing, is a core central objective of this Strategy.

7.14 Central to the successful delivery of this objective will be the creation of strong partnerships with housing developers, land owners, communities and Registered Providers who have the capacity and capability to deliver.

7.15 New structures for formalising partnership arrangements are being explored by the Council and the outcomes of this process could fundamentally alter the roles and responsibilities of the Council and those tasked with delivering and managing properties. Further information on potential options being considered by the Council are introduced in the next Section of the Strategy.
7.16 In this partnership arrangement the Council will need to adopt an enabling role. This will involve providing the conditions and professional support to assist the delivery process.

7.17 This enabling role will need to stretch to other forms of partnerships as well-in particular partnerships with local communities interested in delivering small scale housing projects or interventions. This could, for example, include providing support, capacity and assistance in the setting up of Community Land Trusts or providing advice to communities interested in exercising the ‘Right to Reclaim Land’.

**Supportive Planning Framework**

7.18 Throughout the consultation exercises conducted as part of the development of this Strategy, the importance of a supportive planning framework was highlighted as one of the key prerequisites or enablers of development in the rural areas.

7.19 As identified in Section B, the current Government is leading a fundamental reform of the planning system. The principles of Localism are being embedded within a pro-growth and pro-development planning system. This has led to emerging views on the changing relationship between a simpler strategic Core Strategy document and a series of locally built Neighbourhood Plans. However, these emerging views are subject to change pending the implementation of the Localism and Decentralisation Bill.

7.20 The intention is to create a positive planning framework which overcomes current obstacles and delays, with communities often feeling detached from the development process until too late in the day for their views to be properly considered. A key part of this new framework will be the incentivisation of growth through the rewarding of the New Homes Bonus linked to new development, a proportion of which will be retained within the local settlement. In addition, the potential to use the Community Infrastructure Levy to capture additional investment from development for the benefit of the community has the potential to bring wider and welcome benefits to the local area.

7.21 CW&CC is in the process of producing a draft Core Strategy document for publication in late summer 2011. Whilst this document is in the process of being written and consulted upon, it will be important to introduce some strategic parameters for
development. These could set out key elements to be considered through the Core Strategy including envisaged levels of housing required, affordable housing policies and the treatment of rural exception sites.

7.22 Clear guidance on the likely direction of policy on these topics will be critical in overcoming any potential ‘stalling’ of development activity in the rural areas. The Rural Regeneration Strategy has set out an ambition for the delivery of 8,000 houses within the rural area to 2030, and this provides a core objective of this Strategy. Early commitment to this target through the more formal planning process will be important in ensuring the target is met and the ambition to ensure the sustainable growth of the rural areas is achieved.

7.23 At a strategic level the delivery of affordable housing in the rural areas is also particularly pressing. A formal commitment to implementing flexible and variable thresholds and requirements, linked to market performance and site context through the plan process, will be key in maximising potential development opportunities in the rural area to meet rural needs. This will also be vital in guaranteeing the delivery of managed growth.

7.24 In tandem with the production of the Core Strategy, the Council will be preparing information packs where required, to circulate to local communities to help inform the development of Neighbourhood Plans in the future. These packs draw on information assimilated through the development of this Strategy and the Rural Regeneration Strategy.

7.25 The Council has also applied – in partnership with Tattenhall and District Parish Council - to the Department of Communities and Local Government to be a Neighbourhood Planning Vanguard. The outcomes of this year-long process will provide valuable lessons to be applied in the roll out of further neighbourhood plans across the Authority.

7.26 Clearly the production of these Neighbourhood Plans will represent a challenge for both the communities and the Council alike, in terms of capacity and skills. The ambition is to deliver a full suite of plans by 2014. In order to adhere to this timetable it will be important for processes to be focussed in the early days on a limited number of neighbourhoods. The rural areas offer the potential, given their existing Parish Council structures (as shown in the figure below) to be involved heavily in the first ‘wave’ of
these neighbourhood plans. Neighbourhoods should be selected based on a range of criteria which are likely to include; status and quality of current Parish Plan, level of evidenced housing need, potential capacity of land to accommodate delivery and community support.
One of the key lessons to be learnt through the Neighbourhood Planning Pilots will be the establishment of a structure to be followed through subsequent Plans. In particular this will need to set out the expectations of these Neighbourhood documents regarding housing policies.

The emerging national guidance suggests that policy will only be able to identify additional potential housing locations and sites and suggest the optimum spatial distribution of new housing identified as being required through the Core Strategy. These plans will clearly have an important role in identifying a suitable and deliverable supply of land across the rural area, which is a key prerequisite for managed growth across the area.

Going forward, the development of a supportive planning framework will create a greater confidence within the development industry looking to invest in the rural areas. In addition, a positive process of developing Neighbourhood Plans will clearly establish the communities support for housing delivery and the requirements attached
to its delivery in greater detail. The Rural Regeneration Strategy provides an analysis of the sort of planning framework required to enable the objectives of the two strategies to be achieved.
8. New Approaches to Delivery

8.1 This report has highlighted a need for the rural areas to grow in a way that re-vitalises local communities. This will include the provision of approximately 8,000 new homes across a 20 year period. The main challenges to this provision are land availability and viability.

8.2 This study has highlighted significant evidence underpinning the housing needs for the area. There is a need now to turn to the viability of solutions to deliver this. These can range from further utilisation of S106 Agreements, through to the use of capital receipts, prudential borrowing, grants or partnership with the private sector through joint venture arrangements.

8.3 It is crucial for CW&CC to analyse what alternative sources of funding there are to help increase the potential pot of money that can be used to fund the delivery of housing and associated infrastructure, in line with the overall Vision set within this Strategy. This section of the report analyses this potential and has been divided in to three areas:

- Alternative Sources of Funding – an assessment of the more traditional sources of funding and their applicability in assisting in the delivering of housing across the rural area;
- New Initiatives – an assessment of the new policy initiatives announced in the last year that could contribute to housing development; and
- Innovative Solutions – which highlight other potential innovative initiatives that could be explored by the Council and partners.

8.4 This section seeks to highlight these solutions and funding streams, to examine their advantages and disadvantages and to apply them to the local context of CW&CC to potentially prioritise their use.

Alternative Sources of Funding

8.5 The table below highlights the potential sources of funding that could be used to meet the ambitions and objectives of this Strategy. An assessment of the likelihood of
their application for CW&CC is included. This will require careful monitoring in the future as funding criteria or external circumstances change.

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<thead>
<tr>
<th>Option</th>
<th>Explanation</th>
<th>Application</th>
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<tbody>
<tr>
<td>Capital receipts</td>
<td>Where Authorities have capital assets that are surplus to operational requirements there is the potential for these to be sold and applied to finance capital expenditure. In realising funds through the sale of capital assets, there is a sense in which the 'family silver' is being sold. Opportunities should be taken, where possible, to reinvest in land for future operational and investment opportunities. The Council is uniquely placed to take a view on future development opportunities and to use its influence and financial resources to assemble sites and to bring opportunities to market. It has to be recognised that capital receipts are not “free”. They involve giving up Council assets, though if they finance higher value assets the net position can be favourable. It also has to be recognised that the capital receipt may be derived from the disposal of a revenue generating asset. In such circumstances there is a direct revenue cost.</td>
<td>Our work has highlighted that CW&amp;CC does not have significant assets that are surplus to requirements, and whilst there may be some opportunities for asset realisation and reduction, these disposals are unlikely to be significant enough to contribute to the housing and infrastructure needs. Further work could be performed in this area to establish whether there are any other accommodation rationalisations that could contribute, particularly in partnering with other public sector bodies in the area to examine asset rationalisation approaches that could free up potential sites.</td>
</tr>
<tr>
<td>Borrowing</td>
<td>The Council can borrow from a number of sources. Most commonly from the Public Works Loan Board (PWLB) or through the financial markets. Following the CSR Prudential borrowing rates were increased by 80 basis points, however, these rates remain</td>
<td>Whilst this borrowing is cheap, CW&amp;CC need revenue headroom to cover the borrowing repayments throughout the term of borrowing. Initial review has shown that the Authority has not ruled this out as an option, and indeed is in the financial position to potentially borrow,</td>
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<td>Option</td>
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<tr>
<td>Sale and Leaseback</td>
<td>The Council sell assets to an investment body and then leases them back. The rates for the leaseback will depend on the nature of the building. Typically rates of 5.75% are currently being offered, increasing with inflation. The Council could set aside any receipt to offset Minimum Revenue Payment (MRP) liability or fund capital expenditure on infrastructure assets. The Council could use the receipt for other capital purposes without attracting an MRP liability. This could be on short life assets which would otherwise attract a higher proportionate MRP charge.</td>
<td>This is an option for the Council in generating capital receipts that could be utilised to fund housing and infrastructure works. There is clearly, however, still a cost in moving to a lease payment mechanism as lease payments would be through the revenue account. This again makes this option unattractive due to the lack of revenue headroom for the Authorities.</td>
</tr>
<tr>
<td>Government, European and other Grants</td>
<td>Capital grants represent project-specific funding for capital projects from Government or the EU. This could be received from quasi-government sources or other national organisations. In developing capital proposals the Council will always seek to maximise such external contributions, subject to any related grant conditions not being inconsistent with the Council's policy aims and targeted outcomes. Frequently such funding, which enhances the Council's investment capacity, will also be linked to match the current financial climate has led to a dramatic drop in grant funding available from central government and quasi-government sources. The dramatic fall in funding available through the HCA, RDAs and central government departments has led to the cancellation of schemes as varied as Building Schools for the Future, new playground developments and transport infrastructure, as well as the lack of grant funding to be provided in the future for social rent development. As a result it is extremely unlikely that central...</td>
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</table>
### Option Explanation Application

**Capital schemes, even those with 100% grant aid, can become a revenue burden on the Council and it is important to take account of the whole life costs in making the decision whether or not to proceed with a specific project.**

Government funding will be directed towards schemes unless there is a clear exceptional case made.

**HCA Affordable Housing Grant**

Traditionally a significant portion of affordable housing has been funded by affordable housing grant. As has been well publicised, this model for development has been largely discontinued, particularly in funding pure social housing. The significantly lower levels of ongoing grant are likely to be directed towards the provision of the new “Affordable Rent” tenure, and, therefore, any new affordable rent development is likely to be more viable.

The new tenure of “Affordable Rent” will be a key consideration in any new housing provision across the CW&CC area. It has significant advantages in terms of potential grant receipt, higher rent levels, thus increasing viability and is attractive for some of the tenants CW&CC need to cater for. However, there are challenges in its provision, the overriding assumption is that AR needs to be provided through the RP sector and strong partnership working will be required to meet CW&CC’s goals.

8.6 What is clear from this assessment is that the decline in the level of public grant available to support the delivery of affordable housing, coupled with the current challenging financial environment, have significantly reduced the potential for funding from the traditional sources. Whilst there may be some additional funding available from these approaches, there is unlikely to be a significant contribution to the considerable costs of housing and infrastructure for the area. There are, however, a number of new policy initiatives that have been announced by the current government that may provide some funding that should be further examined.

### New Initiatives

8.7 This section examines some of the new initiatives that have been brought in during the last year that could be utilised to help fund enable the delivery of new housing.
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<tr>
<th>Option</th>
<th>Explanation</th>
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<tr>
<td>New Homes Bonus (NHB)</td>
<td>More than £900 million has been earmarked for the New Homes Bonus scheme over the next four years, with £200 million allocated in the first year. The Bonus is the incentive created by the government to encourage local authorities to build new homes - every new home built will attract an annual financial bonus for the local authority for six years equal to the annual council tax payable on that home. The money was announced as part of the chancellor's Comprehensive Spending Review. It is understood that the £900 million will be in addition to the central government grant to local authorities, but - as the amount of New Homes Bonus grows beyond this figure - the extra will be increasingly top sliced from the grant.</td>
<td>This will be a key income stream for the Authority as it develops new housing across the region. Whilst it is difficult to securitise the six year income stream, as any borrowing would need to be repaid over this period, it will provide additional funds to help develop new sites, fund alternative approaches and support the revenue account. A number of authorities have examined the potential to set up a small “fund” with these monies, from which new housing development can be partially funded. However, clearly as this scheme is in its infancy there are no tried and tested approaches in place yet. NHB may be particularly relevant for CW&amp;CC as many of the new housing developments will be on a smaller scale and could be made significantly more viable by the utilisation of these funds.</td>
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<tr>
<td>Tax Increment Financing (TIF)</td>
<td>TIF is based on the ability of local authorities to secure financing on the basis of forecast growth in local non-domestic rates within an area, following the delivery of major public regeneration or transportation improvements. The risk in using TIF initiatives is that revenues will not increase if inward investment in the local area does not materialise and property values do not increase as expected. The Local Growth White Paper released on 28 October 2010 indicated that TIF in England will initially be implemented through a bidding process to Central Government.</td>
<td>TIF will be a key funding tool for schemes with significant commercial elements, with the increased business rates income being retained to repay the funding of the early provision of infrastructure. This is unlikely to be of significant relevance to CW&amp;CC for its housing provision as TIF is only applicable for significant commercial development.</td>
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<td>Option</td>
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<td>Community Infrastructure Levy (CIL)</td>
<td>The Council is empowered to raise a levy on most types of development in their area. CIL is being used for significant infrastructure projects, and through a charging mechanism which sets a predetermined level of charge on a rate per unit or rate per square foot. The level of charge varies depending on the category of development proposed but the charge applies to both large and small scale developments, to ensure that the burden of funding infrastructure projects is more widely spread. The Council is required to ensure that the local development plan identifies what infrastructure will be needed to deliver the plan and also identifies the cost of providing that infrastructure.</td>
<td>CIL is a scheme with strong potential for the funding of housing across the area. It should be noted that the provision of contributions towards “affordable housing” in all its guises, including Affordable Rent is still addressed through S106 Agreement rather than CIL but a combination of both has the potential to be a significant funding source for infrastructure and housing across the area. It is key that a fully costed infrastructure plan is developed and agreed to underpin the development of a local tariff strategy. This will be the key next step for the Authority in approaching CIL as a prospective funding stream. GVA are currently advising Greater Norwich Development Partnership on the use of CIL to fund in excess of £450m of infrastructure. This is an example of a blended approach of CIL in conjunction with s106, a potential asset backed vehicle and funding streams including New Homes Bonus in a rural context.</td>
</tr>
<tr>
<td>Empty Homes Fund</td>
<td>As part of the Comprehensive Spending Review the government announced the new Empty Homes Fund. This is a pot of £100m that forms part of the HCA’s affordability programme and is largely to be directed as a capital pot for renovation and bringing empty homes in to affordable housing use. In addition New Homes Bonus would also be eligible on those homes reclaimed through this route.</td>
<td>RPs within CW&amp;CC would be eligible to bid a portion of this £100m fund, and it is a key approach that could be used to help fund the renovation and reclamation of disused properties. The added incentive of a 6 year income stream coming with these properties make this a viable approach to new housing provision, now detailed in the HCA Framework. Further details of the allocation of this funding are awaited but initial indications</td>
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Cheshire West and Chester
Rural Housing Strategy and Action Plan

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<th>Option</th>
<th>Explanation</th>
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<tr>
<td>Regional Growth Fund</td>
<td>This is a £1.4 bn fund announced by the Coalition government that will operate for 3 years from 2011 to 2014 and is directed to help stimulate enterprise by providing support for projects that deliver increased economic activity and employment opportunities in areas with a significant reliance on public sector jobs</td>
<td>This fund is primarily aimed at increasing employment opportunities, and is not aimed at the provision of housing directly. As a result it will not be a fund that will directly support the provision of new housing. However, the need for increased employment to support new housing and the provision of jobs in the areas of development are relevant and as such the RGF is a potential source of complementary funding.</td>
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<tr>
<td>“Home on the Farm” Scheme</td>
<td>The Home on the Farm scheme was pioneered in Cumbria where South Lakeland District Council has given grants of up to £30,000 to help farmers convert tumble-down or disused barns into housing. The scheme was designed by South Lakes Liberal Democrat MP Tim Farron and has since been adopted by the Government, thus enabling changes in planning to allow the development of affordable housing on these sites. The aim is to provide affordable housing to allow young people to stay in their home area rather than move to cheaper, urban districts.</td>
<td>This scheme enables the Council to promote the use of existing farm buildings for the provision of affordable housing and is thus a strong opportunity to identify smaller sites for the provision of affordable housing. This does not address the issues of viability, however, and the Council will need to establish whether a grant scheme may enable significant delivery and review the viability of these schemes in this context.</td>
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</table>
Government says it intends to "promote Home on the Farm schemes that encourage farmers to convert existing buildings into affordable housing"

8.8 It is clear from this assessment that there are a number of potential income streams that could be utilised for the funding of the development of housing and infrastructure. New Homes Bonus provides a much-needed incentive for new housing development that can be used to help fund additional housing or infrastructure requirements, whilst CIL, in tandem with S106 enables the increased contribution from smaller development sites to infrastructure and housing development. However, whilst each of these will potentially provide a contribution to development, they do not, in themselves, encompass an approach to delivery that would unlock significant development. Instead, it is necessary to examine some more innovative approaches to delivery and the generation of funding.

**Innovative Solutions**

8.9 The delivery of affordable housing, through the traditional model of cross-subsidisation and affordable housing grant, is no longer viable. The collapse in grant funding, coupled with the fall in viability of development for private sale, have coalesced to make this model obsolete. As a result a number of other potential approaches have been developed that aim to share risk and reward between the public and private sector. The private sector has been asked to bring equity investment and development expertise whilst enabling their access to public sector land banks and planning expertise. This section will examine some of these approaches and their applicability for CW&CC.

**Delivery Vehicle / Public Private Partnerships**

8.10 The use of a partnership approach to develop a pipeline of sites across an area is a popular potential route that is being pursued by a number of organisations in the current economic climate. The approach of using an asset backed vehicle is one that has been promoted recently in the public sector with high profile vehicles such as...
Croydon Council’s Urban Regeneration Company. This type of joint venture partnership has been used to harness the value of the public sector’s land holdings to bring in matched private investment from a development partner, to help fund developments on the Council’s land.

8.11 Through this approach the Council invest parcels of land at value into a vehicle which is matched by cash investments from the partner. The sites are then developed together through the vehicle by levering development capital using the public sector assets. The profits are then shared between the two parties or reinvested in further schemes.

8.12 A joint venture such as this is often used to develop a programme of sites, utilising the profits from one to help fund another, and to maximise the skills and resources from the two parties to deliver long-term regeneration. Through this approach it is possible to fund additional infrastructure works for the sites as the financial viability is improved by the Council’s approach to land value, and the partners’ reduction in level of return that can be afforded from the guarantee of a pipeline of development.
CASE STUDY – CROYDON COUNCIL URBAN REGENERATION VEHICLE (CCURV)

CCURV was developed in order to deliver a major new public service delivery hub, and develop initial development schemes and subsequent future projects within Croydon, in a way which allowed and ensured more strategic development, ensuring the sustainable regeneration of key strategic sites and allowed greater flexibility in the use of any funds generated from the portfolio.

The Council wished to procure a strategic development partner to form a joint venture property partnership to take forward and develop out a mixed use development portfolio, with a potential gross development value in excess of £450 million and to address the accommodation requirements of the Council over the short, medium and long term. Following a competitive dialogue process, John Laing signed a partnership to deliver development through a joint venture company over a 25 year period.

This partnership allows them to utilise the value of the sites they own to incentivise an injection of private sector equity and funding, to develop infrastructure and development sites throughout the Borough in an integrated strategic way. This addresses infrastructure requirements, regeneration objectives and provides financial return to the Council.
8.13 This approach is highly relevant for CW&CC as the potential to work with a partner to deliver new housing could be both attractive to development partners due to the strong house prices in the area and access to the Local Authorities land bank and planning skills. In addition there is potential for the Authority to de-risk some aspects of the housing provision such as land assembly, finance risk assessment and land value.

8.14 This approach relies on the use of public sector land that can attract private investment. Initial discussions with the Council have shown that, whilst there are some significant land holdings, there are relatively few that have been identified as potential sites for partnership development. Further work is therefore needed to establish the opportunities to leverage in private sector finance. Scale of development is also key in pursuing this type of approach. The total provision of 8,000 homes across a 20 year time horizon would be attractive to a development partner as it provides the quantum of development necessary to support the costs of establishing such a vehicle, which are likely to be approaching £1m including all relevant consultancy costs. However, this would depend on a number of factors, including the types of properties that could be supported through this development model i.e. Affordable Rent, outright sale and social rent and development being spread throughout this period and delivering returns on a regular basis.

8.15 The scale of development that would attract private partners clearly will vary, depending on the partner and the tenure of housing to develop, however, in broad terms, current market analysis shows that development programme of 500-1,000 homes are of interest to the types of partner that would be interested in working with CW&CC.

8.16 There are a number of factors that need to be taken into account in developing a JV approach. Some examples of these key factors are included in the table below, each of these will need to be taken into account in developing the most appropriate delivery vehicle for the scheme.
<table>
<thead>
<tr>
<th>Factor</th>
<th>Consideration</th>
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<tr>
<td><strong>Joint Venture Partner Options</strong></td>
<td>At the headline level the JV will be formed most likely from two partners. This is likely to be a 50/50 JV but could include other bodies if necessary such as other LA’s and other bodies such as EIB (e.g. JESSICA) HCA or RDAs. How this investment will flow into the vehicle and how returns are made will need to be discussed and agreed.</td>
</tr>
<tr>
<td><strong>Vehicle options</strong></td>
<td>There are a number of potential company structures for any vehicle developed and sub SPVs. Each has advantages and disadvantages depending on the objectives of the project including tax efficient structuring, profit share arrangements, asset lock provisions and partner suitability.</td>
</tr>
<tr>
<td><strong>Fund Flow</strong></td>
<td>Options include Community Infrastructure Levy-type approaches, roof tax for private residential units, section 106 arrangements, profit shares and enterprise type zones. Each can be structured to recycle funding to the parent for infrastructure development, profit share or investment in further SPVs.</td>
</tr>
<tr>
<td><strong>Vehicle Issues</strong></td>
<td>These include:&lt;br&gt;• Deadlock provision in case of disagreement in the vehicle&lt;br&gt;• Partner default – What happens in this circumstance? Would each partner want share acquisition rights / step in rights / property charges</td>
</tr>
<tr>
<td><strong>Phasing of works</strong></td>
<td>The choice of delivery vehicle will be heavily influenced by the potential returns to investors over the life of the project. It will be crucial to phase the development such that returns are spread over the period and the early years are attractive as well as the completion of the scheme. This will be driven by take up rates for housing and saleability of developments.</td>
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<tr>
<td><strong>Attracting the right partner</strong></td>
<td>The structure of the vehicle and the flow of funds through it will build up a risk profile for members of the venture. The multi-site nature of the vehicle will be of interest to a number of parties, but this will be defined by the level of risk taken and reward received over the short, medium and long term.</td>
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The HCA Investment Framework

8.17 The Affordable Homes Programme 2011-15 aims to increase the supply of new affordable homes in England. The Framework guidance sets out the requirements for social housing providers and other partners to bid for £2.2bn of national funding to deliver affordable housing over this period.

8.18 There are currently 26 housing associations operating in the local authority boundary, with others also keen to work with the authority. Currently the working arrangements between the Council and these RPs are relatively informal, especially with those where the stock numbers are low. There is a recognised need to improve working relationships with this being an integral element of successfully obtaining future funding and therefore delivering affordable housing in the authority.

8.19 The Framework provides a number of important points which will need to be considered in developing a future model for working with social housing providers, these include:

- The formal introduction of the Affordable Rent Product. Significantly now not only new stock will be able to be let at 80% market rent but also existing social rented properties as they become vacant can be re-let using this model;

- Confirmation of new flexibilities for social landlords to determine the types of tenancies they grant to new tenants; and

- Finally and significantly for the rural areas the Framework introduces a new delivery model. This model allows providers to utilise existing assets to help reduce the amount of public funding needed to deliver new supply. This will involve the development of investment programmes rather than detailed scheme-by-scheme appraisals and grant submissions.
8.20 These changes will have a fundamental impact on the delivery route for affordable housing and place further importance on the development of strong relationships between providers and the Council. It will be important that programme applications to the HCA are considered jointly to ensure they reflect the objectives of this Rural Housing Strategy to grow the amount of affordable housing delivered overall but also to ensure that it serves to meet the needs of local households (note paragraph 2.34 of the Framework). This joint working is recognised through the Framework document which states that:

“We expect discussions between providers and local authorities – and the HCA – to be ongoing throughout delivery of the 2011 – 15 Affordable Homes Programme” (Para 2.40 of the HCA Framework)

8.21 Importantly the Framework recognises that in delivering programmes across multi-authority areas, in which most RP’s work, revenue generated through lettings at Affordable Rents will not be ring-fenced to be spent within the authority it is generated. This further serves to highlight the important role the Council will have in contributing to the dialogues around re-investment in the rural areas, where revenues may be able to be generated but where the need for more affordable housing is also acute.

8.22 The Framework identifies that, organisations delivering programmes through the Affordable Housing Programme 2011-2015 must be qualified as HCA Investment Partners. For organisations to qualify for Investment Partner Status, an assessment of the applicant’s financial and technical capacity is undertaken. Those who are accepted are reviewed annually. For community-led organisations, the HCA state that they will they will ensure the assessment process is proportionate to the scale of funding sought to improve access to funding for community organisations where proposals meet an identified need and offer value for money. The Council may have a role in submitting smaller organisations in their submissions and/or following successful application the implementation of delivery.

8.23 Working to ensure the correct RPs are involved in delivering in the rural area will be important going forward, and represent an important part of the enabling role of the Council. There is a general recognition that specialist rural RPs are often better equipped to access and work with rural communities, and therefore have
advantages in delivering affordable housing on rural exception sites. In rural areas there is a need for creative partnerships to capture the determination and creativity between all stakeholders. The capacity of the RP partner to assist the Council in developing neighbourhood plans and engage with communities across the rural area will also need to be considered through the relationships and dialogue noted above.

**Hypothecated increase in Council Tax**

8.24 An option that has been considered and implemented by a number of Authorities has been a hypothecation of an increase in Council Tax for housing and infrastructure development. The Authority includes an increase in Council Tax that is ring fenced specifically for housing and infrastructure provision in the local area. This is set as an increase for a defined period, therefore demonstrating a long-term commitment to the delivery of enhanced infrastructure. This income stream can then be used either for direct delivery or to be securitised to borrow prudentially to fund the additional provision.

8.25 Clearly this is a political decision that needs to be in line with CW&CC’s strategic approach to service delivery, however, it has proved to be an effective tool, particularly when combined with a suite of other approaches such as Asset Backed Vehicles and prudential borrowing.
CASE STUDY – CROYDON COUNCIL

Croydon Council included a 1.9% increase in Council Tax from 2009/10 which was hypothecated for capital projects. There was a demonstrable need for significant capital investment across the Borough, including enhanced infrastructure, as a result the decision was taken to hypothecate the increase.

The local taxation policy for the Council is one of limiting Council Tax increases to less than 4% each year over the term of the current financial strategy. In 2010/11 the overall increase by the Council represented the lowest Council Tax increase in Croydon since the introduction of council tax, indeed the level of council tax paid by Council residents is the 7th lowest for the outer London authorities.

However, the infrastructure need was deemed to be so acute that the hypothecated increase was justified to members and the increased revenues are being used to support a suite of developments through prudential borrowing. The Council has taken an integrated diverse approach to infrastructure provision by utilising the hypothecation approach alongside other initiatives, including the first asset backed vehicle in the public sector to deliver new civic accommodation, housing and other public and private development projects.

CW&CC Application

8.26 In CW&CC this ringfenced funding could be used to form a fund for the delivery of housing and infrastructure projects over time.

Private Rental Model

8.27 There are two main approaches to the development of a rental portfolio of this type. Firstly, external development finance is used to develop the properties in the first instance over a period of 3-5 years. These properties are then sold to an institutional investor who operates the portfolio over a longer time horizon, often 25 to 30 years. Alternatively one investor may be secured to develop and operate across the entire development and initial operation period.

8.28 This model is attractive to larger-scale private rental providers such as Grainger or Wilmott Dixon who have the necessary scale to run an efficient housing management business for these types of schemes, and who have the expertise in efficiently making private rented housing work. The principal entry barriers for these types of scheme are the scale to make them work in dispersed areas and the viability of the development cost vs. the rental streams in the area for these types of homes.
An alternative approach to utilising a larger scale developer / manager such as Grainger or Wilmott Dixon is to take a partnership approach and to let the housing management role out to local providers such as the Council, or RPs. Thus bringing in institutional investors to provide funding predicated on the rental stream but to pay local partners for the difficult task of housing management.

Again it is difficult to interpret the scale of development that would interest private partners, a pure financial appraisal approach would indicate that a level of 500-1,000 units could meet the investor returns thresholds required for a model of this nature. However this is heavily dependent on effectively meeting the ongoing challenges of housing management.

**Community Land Trust Model**

A Community Land Trust (CLT) is a not for profit, community-based organisation committed to the stewardship and affordability of land, housing and other buildings used for community benefit in perpetuity.

CLTs take a variety of forms: they may build on existing organisations such as development trusts or almshouse associations; they may have a very small area of...
interest, or cover an entire urban area; they may manage a handful of properties or an estate of 1000s of units; properties may be on a rental, shared equity ownership, co-operative basis or even sold on the open market in order to cross-subsidise other forms of tenure.

8.33 Where CLTs are used to provide affordable housing they sell an equity share in properties and thus restrict their value to the homeowner. This unsold equity is used to ensure the property remains affordable to benefit others in the community.

CASE STUDY – STONESFIELD COMMUNITY TRUST – OXFORDSHIRE

The Trust has produced 14 affordable homes and 2 workspaces with very little public subsidy. The Trust was established with a donation of a quarter-acre site in the village for the first scheme. A donation of £3000 from an enlightened local company that had grown up in the village covered the setting up costs, legal fees and the planning submission for the scheme of four houses. Planning permission was granted, instantly increasing the value of the land from £3,500 to £150,000 and giving the Trust the security to raise a bank loan to build the first six homes on the site.

A second quarter-acre site in the village was bought with a loan of £80,000 from West Oxfordshire District Council. Five houses were developed with funding from a variety of sources.

The 11 homes are let to people with local connections and modest incomes. They are managed on the Trust’s behalf by a professional letting agent, who for many years supplied a free service and now charges only £80 a month.

Next door to the Trust’s second scheme, an architect has created two houses, a flat and two workspaces, from a former silk-screen factory using bank loans and a grant from the Rural Development Commission for the workspaces. The loans are serviced by rents from the properties.

CW&CC Applicability

8.34 Community Land Trusts are capable of meeting a number of objectives of the Authority. They enable the development of housing that is more affordable for new home owners than homes available on the open market. Their structure allows the development of affordable rent tenures that are subsidised by the removal of land cost from viability appraisals, and they are extremely flexible in terms of scale from the development of units in the single digits, such as the Stonefield example above. They are however generally dependent on the “gifting” of land or resources into
community use that is then held in perpetuity to meet local need. As such they are more likely to be one piece in the puzzle of housing delivery rather than a wholesale solution.

8.35 Community Land Trust models are often best used to meet specific community objectives and in the delivery of specific low-value parcels of land that can be best served through divestment to the local community rather than development directly by the Authority. They would work most effectively when tied together in a delivery strategy that improves efficiency of establishment and operation, perhaps in a group structure with an overriding strategic CLT body and local vehicles for each Trust. This way it is possible to bring in and share the expertise necessary for the complexities of development across a number of bodies rather than individual CLTS who generally do not have the scale to bear the significant costs of such expert advice.

Local Delivery Partnership Model

8.36 Landed estates are major private landlords in CW&CC – for example two of the most well known estates in Cheshire West - Bolesworth Estate and Eaton Estate - own nearly 400 residential properties between them. They hold and manage a wide range of property of all sizes and types. This stock is let on a variety of tenures – some are occupied rent free or as part of an employment contract, some is occupied by protected tenants paying affordable rents and some is let on the open market.

8.37 Landed Estates by their very nature own land suitable for housing development adjacent to and within rural settlements. Their access to land, their business model and long term perspective means that they are able to make a financial case for new housing development in situations where the rest of the market – either public or privately funded – could not. They therefore offer an excellent route to securing new rural housing.

CW&CC Applicability

8.38 The potential offered by estates will be especially valuable in the next few years whilst the current market conditions and funding squeeze impose constraints on mainstream providers. It makes sense therefore for the Council to work closely with Landed Estates in the area to review opportunities, take them into account in its strategic
planning and where appropriate, support estates to bring forward new housing by applying a “development team” approach.

Evolving the Delivery Framework

8.39 This analysis of potential funding and delivery solutions have highlighted a number of approaches that could be used to deliver the ambitions for managed growth set within this Strategy.

8.40 In reality it is likely that following further evaluation of approaches, in particular in light of the updated position around available assets and funding resources, which a number of these approaches may be knitting together.

8.41 The utilisation of a joint venture approach is often predicated on specific income streams being utilised to ensure the viability of the vehicle in the medium to long term, so the use of New Homes Bonus and Empty Homes monies to support the development of sites and the potential use of grants to be brought forward for “Affordable Rent” models will all need to be further investigated in a cohesive strategy for housing delivery in the short to medium term.

8.42 As has been highlighted, the potential scale of development over the 20 year time horizon is significant and would support the potential involvement of one or more private partners in development and rental models. The Action Plan which accompanies this Strategy presents a number of projects to advance the evaluation of this delivery strategy.

8.43 Future steps will include the need to further expand the potential housing delivery strategy to undertake some high level financial modelling of development costs and potential incomes and to undertake an initial soft market testing exercise with potential partners. In this way CW&CC will be able to understand what is attractive to the market and how best to potentially further develop this option.

8.44 In tandem with this approach should be a strategic review of the key sites for development and to categorise these sites by approach, whether this be potential sites for partnership development, for the CLT approach, for “Home on the Farm” or empty property funding and other approaches.
8.45 This process will begin to evolve and firm up this delivery strategy to allow it to be consulted on and tested with the market and partners before a formal market approach is made.

8.46 The Action Plan provides further detail regarding the timetable for identified projects as well as associated risks and mitigation measures. This is intended to complement this section as well as the other projects required to deliver against the objectives set under Part 2 of the Strategy.
9. Monitoring and Review

9.1 The Policy and Strategy context, at the point time in which this Strategy is being written, is evolving at a rapid pace. It is important that this Housing Strategy is subject to a process of regular review to ensure that it reflects up-to-date wider national, sub-regional and local policies and strategies.

9.2 This review process will need to be aligned with the ongoing evaluation of the Rural Regeneration Strategy. This should be co-ordinated through a Rural Partnership Board. Membership of the Rural Partnership Board and terms of reference of which, are set out as part of the monitoring framework outlined in the Rural Regeneration Strategy.

Monitoring Outputs and Outcomes

9.3 With delivery a core element of the Rural Housing Strategy monitoring and evidencing successes will be particularly important.

9.4 Each Strategic Housing Objective includes a number of SMART objectives. These should form the framework for monitoring outputs and outcomes. The Housing Strategy will need to take principal responsibility for accumulating evidence and information regarding the relative success against these objectives. However, clearly information will need to be drawn from other Council departments and external partners as required.

9.5 In developing new targets linked to the SMART objectives, it will be important to reflect not only outputs which are easier to monitor but also take into account the wider outcomes which are achieved. The relative performance against outcomes can be more difficult to monitor and evaluate. However, an underlying ambition and Vision within this Strategy is the focus on wider social as well as physical aspects of housing.

9.6 The Action plans are structured around the Strategic Housing Objectives with each project identified as contributing to at least one SMART objective. An evaluation of progress for each of the projects should be undertaken on a quarterly basis for each
of the projects with a formal position on the relative outputs and outcomes achieved by each, recorded at the end of the year.

9.7 The cumulative impact of projects plus any other attributable outputs will then be noted against each of the SMART objectives. It is proposed that this information should be collated into a short annual monitoring paper which will be published to show relative progress in delivery terms against the Strategy. This will include a short baselining exercise looking at progress against key indicators, including for example house price data, income data, affordability ratios and waiting list turnover and demand datasets.

9.8 This annual monitoring paper should be linked with the similar document proposed for the Rural Regeneration Strategy and could form a chapter within a wider ‘Rural’ monitoring report.

9.9 The results of the 2011 Census will form an important trigger point for undertaking a potentially more detailed review of the baseline information against which performance is judged, Key indicators which will need to be considered once this data is available will include the demographic structure of the area and the stock profile (type and tenure).

9.10 At the end of an agreed period of time, potentially five years, the outputs and outcomes identified through the monitoring reports should be drawn together to produce an interim evaluation report. This is in line with the proposed monitoring procedure for the Rural Regeneration Strategy.

9.11 Further work will be required through the lifetime of the Strategy to develop further appropriate indicators to be used in the evaluation process linked to the Strategic Housing Objectives. Targets will need to be set which align with future iterations of other strategic corporate and council documents including the Core Strategy / Neighbourhood Plans and the Local Investment Plan.

9.12 Critically it will be important, in light of the current financial and budgetary environment, to demonstrate a clear value for money case around projects and the use of internal Council Officer time. The added value associated with the delivery of individual projects and the collective outputs achieved through the strategy will need to be demonstrated.
Monitoring Arrangements

9.13 Recognising the pressures, going forward, on the capacity of internal resources to undertake monitoring, it will be important that there is no duplication of monitoring activities linked to both the Rural Housing and Regeneration Strategies and wider monitoring outputs. These wider monitoring processes include the Annual Monitoring Report, and associated monitoring outputs of other partners including for example Registered Providers and / or other key service providers. This process could be co-ordinated through the Rural Partnership Board, proposed as part of the monitoring framework outlined in the Rural Regeneration Strategy.

9.14 Within this framework Strategic Housing will be responsible for co-ordinating their own monitoring outputs and other organisations directly responsible for monitoring housing related outputs and outcomes.

9.15 Recognising the importance of undertaking this comprehensive evaluation of outputs is particularly important with the Council taking an increasingly enabling rather than delivery-based role in the future. Successfully representing and recording the delivery successes of partners will therefore form a key element of any future evaluation.

9.16 These processes and the clear framework, created through the SMART objectives and the Action Plans, will ensure that real progress can be achieved through completing the objectives set through this Strategy. This in turn will lead to an increased quality of service and user satisfaction for the residents of the rural area, in relation to their housing circumstances and choices.