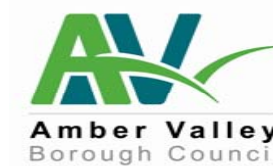


Derby Housing Market Area & Homes and Communities Agency (HCA)



Local Investment Plan Executive Summary January 2011



Executive Summary - Derby Housing Market Area - Local Investment Plan

The Derby Housing Market Area (HMA) Local Investment Plan (LIP) is part of our work with the Homes and Communities Agency (HCA). The LIP is underpinned by a range of strategies and provides a structure for future investment, including possible HCA investment, and is integrated with all aspects of regeneration and growth.

The LIP takes a 'whole area' approach to commissioning and investment by all partners in sectors such as housing, health, education and transport. This comprehensive investment approach will ensure the delivery of sustained regeneration and place-making in the HMA, creating places where people want to live and work. It enables coordination in a period of constrained resources.

The LIP provides a coherent foundation for determining investment on a long-term basis. The plan covers the period 2010 to 2014 in greater detail. However, market conditions will also affect the viability and deliverability of the ambitions of the LIP. This has influenced the way the LIP is currently structured. Flexibility has been built into the LIP so that partners can adapt to future changes and refine their investment priorities to respond to new challenges ahead.

The LIP has been developed through the Derby HMA coordination arrangements. Its preparation has been overseen by the member level HMA Joint Advisory Board and an officer steering group involving the HCA. The LIP has been informed by recent consultation undertaken by the local authorities on their housing, planning and other strategies and by targeted consultation with developers and other housing partners. The LIP is an evolving document and aims to reflect our existing strategies to attract investment to the Derby HMA area. It aims to target current and future public sector funding to maximise private sector investment in order to achieve partner aspirations of bringing prosperity and positive change for the people of the Derby HMA area. The LIP will also operate as a source of information to give prospective developers and investors an opportunity to gain a better understanding of the Derby HMA's aspirations for growth and highlighting the existing priorities and investment opportunities.

The LIP will be fully endorsed by Derby City, Amber Valley, South Derbyshire and Derbyshire County Council and the HCA respectively. The LIP and subsequent Local Investment Agreements (LIAs) will provide an agreement between HCA and the HMA constituent authorities in terms of broad priorities and direction of investment but with no commitment of funding.

Derby, Derbyshire, Nottingham and Nottinghamshire acting as a strong functional economic area have collectively formed a Local Enterprise Partnership (LEP) to work with the private sector to support and enhance the conditions for future economic prosperity and resilience. Shadow board arrangements have recently been established. The LEP has been invited to bid for the new Regional Growth Fund. The deadline for submissions for the first round of funding is January 2011. Further information about the LEP can be found at Appendix 7.

The LIP has been developed during a time of considerable change and uncertainty following the formation of the Coalition Government. The Comprehensive Spending Review announced in October 2010 indicates decreased levels of public sector resources and future funding. Partners have therefore agreed that the LIP will be subject to regular review and to refresh the LIP when the implications of the Comprehensive Spending Review and government policy are better understood, to ensure alignment with the emerging Localism agenda, and to reflect the arrangements and economic priorities of the LEP.

Derby Housing Market Area

The Derby Housing Market Area (HMA) covers the local authority administrative areas of Amber Valley Borough Council, Derby City Council and South Derbyshire District Council which collectively cover an area of around 68,000 hectares, with a population of just fewer than 450,000.

The HMA councils have chosen to come together as a partnership to facilitate joint working on the alignment of spatial planning policy and to deliver growth funding in a co-ordinated and effective way, for the benefit of existing and future residents of the area. The development of the Local Investment Plan has built upon and extended the remit of the existing work of the HMA in response to the emerging challenges of the place shaping and localism agendas.

The Derby HMA is located within the East Midlands Region with strong links with adjacent areas including North West Leicestershire, Erewash and parts of Nottinghamshire, and Burton-upon Trent in the West Midlands Region.

Highlights from the Evidence Base:

HMA Economy: The area's economy has historically performed well. Average earnings for people working in Derby are the highest of any city outside of London and the south east. The area is a hub for highly skilled people and specialised jobs. Much of the area's success is based on its strong manufacturing base including the aerospace and rail engineering sectors and the presence of large firms. However, business start-ups are at a low-level. The current economic climate poses a challenge to the area's economic performance as cuts in public spending will affect jobs and businesses in the area.

HMA Population: According to the latest Office of National Statistics (ONS) figures, the resident population of the Derby Housing Market Area was estimated at 457,900 of which 244,100 people were living in Derby, 121,000 in Amber Valley and 92,800 in South Derbyshire.¹ Experian

¹ Mid-2009 Population Estimates, 2010, Office of National Statistics

population projections indicate that in 2009 the largest proportion of the HMA's population (27.5%) was in the 25 to 44 age bracket with 21.7% being children and young adults aged less than 18. The proportions for all age groups closely follow regional proportions.²

Ethnicity: The mid-2007 population estimates by Ethnic Group (experimental) indicate that 12.6% of the HMA's population belong to a Black and Minority Ethnic (BME) group. Of the estimated 56,700 people belonging to a BME group, the majority – 44,400 - live in the City of Derby. South Derbyshire is now estimated to have 7.5% of its population belonging to a BME group, while Amber Valley is estimated to have the lowest proportion of its population belonging to a BME group at 4.6%³.

Density: There is a high population density in the area as a whole with an average of 6.7 people per hectare against 2.8 people per hectare regionally. Density in South Derbyshire mirrors the regional figure whilst Amber Valley is higher - 4.6 - and Derby much higher at 30.6 people per hectare.

Population Projections: According to the latest ONS projections, the HMA's population is expected to grow by some 94,200 people from 2008 to 2034. This represents an increase of just over 20%, which is marginally higher than the projected growth for the East Midlands. Within the HMA the projected growth for South Derbyshire is 27%, Amber Valley is 16.3% and Derby is 20.4%.⁴

Older people: Of the population increase from 2008 to 2033 more than half - 52,100 people – is projected to be in the over 65 age bracket. The largest percentage increase is in the over 85 age bracket although the projected numbers are much smaller.

General age categories: The increase in the number of children and young adults is not projected to be as great as the population as a whole. The number of children under 14 is projected to increase by 14.7% and the number young adults aged 15 to 24 is projected to see an increase of only 4.4%. Aside from the increase in the over 60's populations, the greatest proportionate increases are projected in 25 to 34 and 45 to 54 age groups at 14.9% and 15.4% respectively.

Vision and Overall Principles

The LIP provides a strategic framework detailing partner priorities and principles of investment to deliver our emerging Derby Housing Market Area vision of: ‘

Creating a prosperous area for residents in the HMA, improving housing choice and offer, and enhancing the quality of our key places’

² 2009 Experian Population Projections, 2008, Hi4em © Experian

³ Mid-2007 based Population Estimates by Ethnic Group (experimental), 2010, Office of National Statistics

⁴ Mid-2008 based Population Projections, 2010, Office of National Statistics

The Vision will be refined as Local Development Frameworks and other key strategies are progressed in the coming months in line with the Coalition Government's 'localism' agenda and the views of local communities. It will also need to support the emerging objectives of the Local Enterprise Partnership. In the meantime, the vision is underpinned by the following overall principles which will guide our work:

- The Derby HMA will be an area of economic prosperity and sustainable growth
- We will sustain and build upon our existing economic base in line with the emerging vision of the new Local Enterprise Partnership
- Derby, Swadlincote and the market towns of Alfreton, Belper, Heanor and Ripley will be strengthened through regeneration and sustainable rural development will be provided where it is needed
- Sufficient new homes will be provided, in the right places, to meet local needs and support sustainable economic growth
- The highest possible design and sustainability standards will be achieved, working towards zero carbon development, minimising water and energy usage and maximising opportunities for renewable energy generation.
- Biodiversity will be increased and we will protect and enhance green infrastructure, open spaces, landscape and townscape character and our cultural and heritage assets
- We will support safe, healthy and prosperous communities, provide opportunities for investment in and provision of infrastructure, including community facilities.
- Accessibility by a range of modes of transport will be improved in both urban and rural areas

The range of projects and initiatives set out in the LIP are important to secure the delivery of the partners' vision for the Derby HMA. The partners have set out 4 key criteria which will be used to prioritise projects against available investment:

- Impact, outputs and outcomes
- Deliverability
- Risks
- Spatial and thematic fit to the Local Investment Plan

Priority Themes and Key Issues

The Local Investment Plan is structured around the priority themes which embody some of the key issues facing the Housing Market Area:

- **Neighbourhoods & Settlements** - Place making to transform and regenerate neighbourhoods and settlements to provide communities that are mixed and balanced, safe, accessible and appealing places to live and work and visit.
- **Supply** - Deliver an increase in the supply and choice of good quality, well designed appropriate housing to ensure local housing needs are met and to help deliver regeneration ambitions by provision of infrastructure to support sustainable growth across the HMA
- **Quality** - Explore incentives to improve standards of housing in the private sector and endeavour to improve upon Decent Homes Standards in public sector housing
- **Inclusion** Create wealth and broaden inclusion, with support for existing and emerging communities and all vulnerable groups. Endeavour to tackle and prevent homelessness, and support interventions that reduce worklessness

The fifth theme: **Plan delivery and support** – concerns measures and structures to support the HMA partners for effective delivery of the Local Investment Plan provision of the necessary support required to achieve this.

Next steps

This first version of our HMA Local Investment Plan is to be approved by the Local Authorities by early 2011. The Derby HMA Joint Advisory Board will endorse the LIP at the meeting at the end of January 2011. The LIP will then be live in April 2011 with an early review undertaken later in 2011 which will include wider consultation on the Plan.