

**Adoption of the Derby Housing Market Area
Local Investment Plan 2011 - 2014**

SUMMARY

- 1.1 Local Investment Plans (LIPs) are the key Homes and Communities Agency (HCA) business planning processes in respect of informing its funding prioritisation at the Housing Market Area (HMA) level.
- 1.2 The Derby HMA, geographically consists of Derby City Council, South Derbyshire District Council and Amber Valley Borough Council. The County Council is also a key partner. The identification of HMAs has been based upon an analysis of house moves within an area.
- 1.3 The Derby HMA LIP has been developed through the HMA Delivery Coordination Group which consists of Officers from the three relevant local authorities and Derbyshire County Council. The process has been overseen by the HMA Joint Advisory Board which is made up of either the Leader or Deputy Leader of each of the three HMA local authorities, the portfolio lead Member from the County Council, together with a senior manager from each.
- 1.4 Following the emergence of the Derby City, Derbyshire, Nottingham City, Nottinghamshire Local Enterprise Partnership (LEP), which has recently been endorsed by Government, the structure of the Derby LIP has been amended to mirror the Nottingham/ Nottinghamshire LIP. This will thereby provide consistency across the LEP area.
- 1.5 The LIP for the Derby sub-region focuses on five themed priority areas agreed by Joint Advisory Board. These are:
 - Supply
 - Quality
 - Inclusion
 - Neighbourhoods and Settlements
 - Plan support

RECOMMENDATION

- 2.1 That Cabinet endorses the Local Investment Plan for the Derby Housing Market Area.

REASON FOR RECOMMENDATIONS

- 3.1 The LIP provides a broad indication of investment needs and priorities for the HMA and will help to guide HCA activity and support in the area.

SUPPORTING INFORMATION

- 4.1 The HCA was formed in December 2008. A non-governmental public body, it took on responsibility for housing and regeneration, absorbing the roles of the Housing Corporation and English Partnerships, as well as some smaller Communities and Local Government funding streams.
- 4.2 The new agency sought to adopt a more strategic approach to investment and introduced a key business planning process initially known as the 'Single Conversation'. The aim was to establish an overall vision and investment priorities for local areas.
- 4.3 The agency predominantly funds the delivery of affordable housing and regeneration schemes. Following the Comprehensive Spending Review, the housing and regeneration budget has been reduced by 50%, but still amounts to some £4.5 billion from 2011 to 2015.
- 4.4 HCA guidance advises that the overall vision and priorities should be set out in a strategic document known as the Local Investment Plan (LIP). In many parts of the country the HCA has sought to work on LIPs with groupings of local authorities based around defined housing market areas (HMAs). Derby City sits within the Derby HMA which also includes South Derbyshire District Council and Amber Valley Borough Council and part of Derbyshire County Council.
- 4.5 The Derby HMA, as with other HMAs, has been used as the spatial blueprint for a number of key housing related studies over the last few years, including the Strategic Housing Market Assessment and Strategic Housing Land Availability Assessment. It was a logical development and one supported by the HCA to produce a LIP at the sub-regional level.
- 4.6 The LIP has been developed through the existing Derby HMA arrangements established to administer Government growth fund allocations and to coordinate and align planning policies. The process has been overseen by the HMA Joint Advisory Board which includes a senior member from each of the four HMA local authorities. Preparation of the LIP has been informed by previous consultation carried out by the HMA local authorities on their planning policies and housing strategies and targeted HMA level consultation with developers and other parties with housing interests.
- 4.7 Although the LIP is based on the HMA's current priorities, it has been drawn up in a period of substantial uncertainty regarding the longer term strategic planning context and the level of resources that may be available to support delivery. This has been acknowledged by the HCA and so it has been agreed that an early review should be carried out in 2011. This will enable a refreshed LIP to take on board any new

priorities emerging from the work of the new Local Enterprise Partnership and the City's proposed new economic strategy.

4.8 The executive summary of the proposed Local Investment Plan for the Derby HMA is attached in appendix 2. It identifies the existing priorities for development and regeneration across the HMA and focuses on five thematic priorities. These are:

- Supply
- Quality
- Inclusion
- Neighbourhoods and Settlements
- Plan support

Table 1.1

Thematic priority	Summary objectives
Supply	Increasing delivery and choice of housing both through newbuild and making best use of the existing stock
Quality	Improving condition and energy efficiency of the existing housing stock
Inclusion	Ensuring housing access and choice for disadvantaged and minority households, including those with special housing needs
Neighbourhoods and Settlements	Ensuring housing growth is co-ordinated with economic growth and the supporting infrastructure, leisure, retail and public realm development
Plan support	Ensuring the Plan delivery and governance is resourced adequately

4.9 At this stage, the LIP does not attempt to prioritise between different schemes or funding priorities. Instead, the LIP identifies those schemes and Investment opportunities that are likely to become key priorities in the coming months as the regeneration strategies and local development plans of the three local authorities are progressed and the level of available resources becomes clearer.

4.10 This LIP will therefore be an interim strategic document that meets the HCA's requirement to have in place a broad framework for investment decisions from early 2011. The refresh of the document during 2011, as referred to paragraph 4.7 will provide the opportunity for prioritisation of sites and investment opportunities in the light of emerging planning, regeneration and Local Enterprise Partnership proposals.

OTHER OPTIONS CONSIDERED

5.1 The Council could determine not to approve a LIP. It is considered that this could place it at disadvantage when competing for external resources with other areas.

5.2 The Council could identify alternative potential sites, funding priorities and resources within Derby to those currently proposed within the LIP. Those currently identified, have however already been proposed through current regeneration and planning strategies and are supported by a robust evidence including housing and economic related studies and discussions with key partners.

This report has been approved by the following officers:

Legal Officer	Olu Idowu
Financial Officer	Peter Morris
Human Resources Officer	None
Service Director(s)	Mark Menzies, Richard Williams, Christine Durrant
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Background papers:	None
List of appendices:	None

IMPLICATIONS

Financial

- 1.1 The LIP is a document designed to lever in external funding and is not reliant on capital commitment from the Council.
- 1.2 There will be some staff time associated with supporting the resourcing the delivery of the Plan. The cost of the staff time will be met from existing revenue budgets of the Council at the appropriate time.

Legal

- 2.1 None directly arising from this report.

Personnel

- 3.1 None directly arising from this report.

Equalities impact

- 4.1 The provision of additional affordable housing and support for physical regeneration will help meet the needs of all groups, including minority ethnic communities, general needs and older people.

Health and Safety

- 5.1 None specific

Carbon Commitment

- 6.1 New housing developments receiving grant funding from the HCA through the LIP, will be built to a minimum of Code for Sustainable Homes level 3 which is higher than current statutory building regulations required of newly built private market housing.

Value for Money

- 7.1 As outlined in the report, the LIP will provide the strategic framework for additional public and private sector investment within the HMA area.

Corporate Objectives

- 8.1 The provision of affordable housing and support for physical regeneration will help to promote the Council's priorities of **creating a city with Stronger, Safer and Cleaner Communities, a Healthy City and a City of growth, opportunity and innovation.**