



# **Harrogate 2008 Strategic Housing Market Assessment**

## **Final Report**

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# Harrogate 2008 Strategic Housing Market Assessment

## 1.0 INTRODUCTION

### Background

- 1.1 In March 2007, David Cumberland Housing Regeneration Ltd published a Local Housing Needs Assessment for Harrogate Borough Council. As the research was nearing completion, the CLG published its Strategic Housing Market Assessment Guidance which specified a range of core outputs for which Local Authorities need to provide robust evidence.
- 1.2 Arc4 has been commissioned by the Council to prepare a Strategic Housing Market Assessment (SHMA) building upon analysis already carried out in the Housing Needs Assessment.

### Government requirements: SHMA and PPS3

### Strategic Housing Market Assessment

- 1.3 In August 2007, the CLG published Strategic Housing Market Assessments: Practice Guidance version 2. This is the frame of reference for this report. The guidance brings together and builds upon the key elements of existing guidance on housing market and housing needs assessments and replaces the following Government guidance:
  - Local Housing Needs Assessment: A Guide to Good Practice (DETR, 2000);
  - Housing Market Assessment Manual (ODPM, 2004)
- 1.4 The CLG states that the guidance should be read in conjunction with the 'Identifying Sub-Regional Housing Market Areas Advice Note' (CLG, 2007).
- 1.5 Strategic Housing Market Assessments are particularly valuable in assisting policy development, decision making and resource allocation, in particular by:
  - Thinking regionally and long-term about housing need and demand;
  - Providing robust evidence to inform policy debate, particularly around the provision of both market and affordable housing, including type, size and tenure mix;
  - Understanding the drivers and trajectories of housing markets.
- 1.6 SHMAs are considered robust and credible if, as a minimum, they provide all of the core outputs and meet the requirements of the process criteria presented in the SHMA Guidance. Table 1.1 summarises the core outputs which are required through the SHMA guidance and Table 1.2 the process checklist which needs to be adhered to.

**Table 1.1** Strategic Housing Market Assessment core outputs

1	Estimates of current dwellings in terms of size, type, condition, tenure
2	Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market
3	Estimate of total future number of households, broken down by age and type where possible
4	Estimate of current number of households in housing need
5	Estimate of future households that will require affordable housing
6	Estimate of future households requiring market housing
7	Estimate of the size of affordable housing required
8	Estimate of household groups who have particular housing requirements e.g. families, older people, key workers, black and minority ethnic groups, disabled people, young people, etc.

**Table 1.2** Strategic Housing Market Assessment process checklist

1	Approach to identifying housing market area(s) is consistent with other approaches to identifying housing market areas within the region
2	Housing market conditions are assessed within the context of the housing market area
3	Involves key stakeholders, including house builders
4	Contains a full technical justification of the methods employed, with any limitations noted
5	Assumptions, judgements and findings are fully justified and presented in an open and transparent manner
6	Uses and reports upon effective quality control mechanisms
7	Explains how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken

### **Planning Policy Statement 3**

1.7 Achieving a mix of housing to promote mixed communities is a national planning policy objective set out in PPS3. PPS3 states (p.9) that Local Authorities need to set out in their LDFs:

- The likely overall proportions of households that require market or affordable housing;

- The likely profile of household types requiring market housing; and
  - The size and type of affordable housing required.
- 1.8 Outputs required under Planning Policy Statement 3 (November 2006) have been delivered as part of the Harrogate research. This revised report provides further detail of market requirements evidenced across the District.

### Geography

- 1.9 For the purposes of the 2006 Housing Needs Assessment, Harrogate was divided into 16 sub-areas. The sub-areas were based on those adopted by the Council for housing and planning policy purposes. Their location and constituent wards is presented in Map 1.2. Harrogate District is influenced by various market dynamics. It is therefore important that data are available for smaller sub-areas so that particular market interactions and drivers can be explored.

### Methodology

- 1.10 The SHMA draws upon a range of information which includes:
- Findings from a household survey carried out as part of the 2006 housing needs survey (referred to as the 2006 household survey in this report) All households living in rural areas and a sample of households in Harrogate, Knaresborough & Scriven and Ripon were sent a questionnaire. A total of 5,309 were returned representing a 20% response rate.
  - Interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Social Landlords (RSLs), Estate Agents, Lettings Agents, Developers and Supporting People representatives.
  - A review of relevant secondary data including the 2001 census, house price trends, CORE lettings data and DCLG Statistics.
- 1.11 Further information on the research methodology is presented at Appendix A.

**Map 1.2** Harrogate District sub-areas and constituent wards



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David Cumberland Housing Regeneration 2006

## Report structure

- 1.12 The Harrogate Strategic Housing Market Assessment report is structured as follows:
- Chapter 2 reviews the national and regional policy context within which the research needs to be positioned;
  - Chapter 3 considers the Harrogate housing market context, in particular linkages with the Leeds city-region, travel to work and house price change;
  - Chapter 4 presents Strategic Housing Market Assessment core outputs and summarises more detailed information presented in technical appendices accompanying this report;
  - Chapter 5 concludes the report with a view on future strategic policy and issues and how the requirements of PPS3 have been met.
- 1.13 The report is accompanied by a substantial technical appendix which provides detailed material which underpins the core outputs presented in Chapter 4. The technical appendix presents detailed material relating to:
- Research methodology;
  - The current housing market;
  - The future housing market;
  - Housing need;
  - Housing requirements of specific household groups;
  - Affordable housing policy considerations; and
  - Updating the SHMA
- 1.14 In line with SHMA guidance, a Housing Market Partnership was established to develop the SHMA and oversee wider stakeholder consultation. The Housing Market Partnership comprises representatives from:
- Harrogate Borough Council (planning, housing and the Cabinet Member for Housing), RSLs, the HCA, Supporting People, private developers, planning consultants, land valuers/estate agents, Ministry of Defense and a park home provider.
- 1.15 The Housing Market Partnership has met three times to discuss the evidence base underpinning the SHMA core outputs. An online survey focusing on key questions relating to the evidence base was prepared and widely publicised.

## 2.0 POLICY AND STRATEGIC REVIEW

### INTRODUCTION

- 2.1 This report provides a valuable opportunity to reflect upon the rapidly changing policy and market context within which the findings of the Strategic Housing Market Assessment research will need to be positioned. Over the past five years:
- There has been a fundamental revamp of the planning system through the replacement of Planning Policy Guidance notes with Planning Policy Statements and the requirement for local authorities to prepare Local Development Frameworks;
  - The government has established a new policy framework within which an increase in housing supply and delivery is paramount;
  - A Regional Spatial Strategy has been published and forms the basis of future spatial development of Yorkshire and the Humber;
  - Regional Economic and Housing Strategies have been prepared and updated to reflect a wider strategic approach to regional advancement; and
  - Work is underway to develop a new single integrated regional strategy for Yorkshire and the Humber.
- 2.2 During 2007/2008, several documents have been published that have far-reaching consequences for strategic decision making and the delivery of housing, key amongst them being:
- The Housing Green Paper (July 2007) - Homes for the future: more affordable, more sustainable;
  - Review of sub-national economic development and regeneration;
  - The New Performance Framework; and
  - The Housing and Regeneration Act 2008.
- 2.3 More generally, the CLG are keen to emphasise the enabling and strategic role that local authorities have in relation to housing and the significant impact that housing has on the place-shaping agenda.
- 2.4 Having set out what is a relatively complex policy background, this chapter proceeds with a review of how a regional strategic context has emerged with particular reference to key regional strategy documents.

## NATIONAL POLICY

### Housing Green Paper

- 2.5 The Housing Green paper, “Homes for the future: more affordable, more sustainable”, established the Government’s new policy context for housing, which focuses on delivering new housing and increasing supply. The core themes of the Green Paper are:

#### *Increasing Provision*

- Increasing the number of new homes. Figures quoted nationally are to build an additional two million homes by 2016 and three million by 2020, requiring an additional 240,000 new homes per year to 2016;
- Establishing 50 growth points and at least five new eco-towns delivering between 5,000 and 20,000 homes; and a more general emphasis on environmental sustainability in development;
- Releasing public sector land;
- Balancing new housing developments with ongoing housing market renewal, with Pathfinders being scaled back to focus on areas with deep-seated problems;
- Increasing the provision of affordable homes by increasing resources by 50% over the next three years (to £8billion) and affordable rented specifically by £6.5billion to ensure delivery of 45,000 new affordable homes for rent each year to 2011.
- Increasing the diversity of low-cost home ownership products to meet a range of needs including first-time buyers.

#### *Improving delivery*

- Revisions to Regional Spatial Strategies to incorporate additional homes to be made by 2011;
- From 2008, Housing and Planning Delivery Grant will reward authorities that meet their agreed development targets for new housing (PPS3 required authorities to identify a 15 year land supply to deliver the required level of housing identified through RSS).
- Local housing companies are proposed which will be joint ventures between local authorities (providing land and planning consent) and English Partnerships (providing financial and technical assistance).

- Continued emphasis on the use of brownfield land and making the best use of empty properties.

### *Design and well-being*

- New homes and neighbourhoods should be well designed and meet the needs of society;
- Good design and mix to be delivered through PPS3;
- Strategic Housing Market Assessments to identify community needs;
- Encouragement in the use of lifetime homes standards, particularly given the changing demography of the nation and the growing numbers and proportions of older people;
- The provision of Greenspace is an important consideration;
- All new homes to be built to zero carbon standards from 2016 onwards.

### **Review of sub-national economic development and regeneration**

- 2.6 In July 2007, a review of sub-national economic development and regeneration was published by CLG. In effect, this eclipses the Northern Way, widens the debate around regional economic performance and places Regional Development Agencies at the heart of regional strategic decision making.
- 2.7 This document reflects upon the need for the economy to be competitive and responsive to change; and ensure that all areas are able to contribute to and benefit from economic growth. The review argues that regions and localities need to have greater flexibilities, powers and incentives to respond to these challenges.
- 2.8 The Government supports a devolved approach, giving local authorities and regions the powers to respond to local challenges and improve economic outcomes. Regional Development Agencies (RDAs) will play a strategic role and will be responsible (from 2009) for a Single Integrated Regional Strategy setting out the Region's economic, social and environmental objectives – this will supersede the current Regional Economic, Spatial and Housing Strategies.
- 2.9 Each region is to have a regional economic growth objective and will need to set out plans for housing growth that meet regional demographic pressures, help tackle affordability, and the national under-supply of housing. Strong linkages will be needed with the forthcoming Homes and Communities Agency, which will focus on housing, housing-related interventions and the transformation of deprived communities.

## Securing prosperity in a changing economy

- 2.10 The consultation document put forward proposals aimed at:
- Streamlining the regional tier, with RDAs taking on the regional planning role and the executive duty to prepare a single integrated regional strategy;
  - Strengthening the role of local authorities in economic development with a new statutory duty to assess local economic conditions;
  - Supporting collaboration by local authorities over economic areas.

## Stronger partnerships for regional growth

- 2.11 Under the new arrangements responsibility for regional planning and developing a single integrated regional strategy will lie with the RDA. However, under the new proposals local authorities will collectively be responsible for signing off the single integrated strategy and ensuring accountability, scrutiny and delivery. The proposals place a strong emphasis on stakeholder involvement by the RDA in developing the new strategy.
- 2.12 The consultation paper emphasises the need for the RDA and local authorities, through sub regional partnerships, to work together to establish the most appropriate way of implementing the new arrangements at a regional and local level.

## Regional Funding

- 2.13 An increased second round of regional funding allocations is imminently anticipated, which will include housing and regeneration in growth areas, as well as other programmes to be managed by the new Homes and Communities Agency.

## Integrated Regional Strategies

- 2.14 Proposals to integrate all regional strategies into one, seek to establish a long-term (15-20 year), high level vision for each region to facilitate growth – the primary aim of the move being to better align spatial and economic planning. The single integrated strategy is intended to guide all future investment decisions of the RDA, local authorities and other key partners. Local housing needs assessments and strategic housing market assessments will play a pivotal role in informing the strategy's housing priorities, particularly in respect of locational issues and opportunities for growth.

## The role of local authorities

- 2.15 New duties for local authorities are proposed, through which they would assess economic conditions, this assessment would then inform local, sub regional and regional strategies and targets.
- 2.16 The role of sub regional partnerships is embedded within the new proposals, and the use of Multi Area Agreements (MAAs) to deliver growth and improvement across local authority areas is encouraged. The paper also encourages the exploration of options for developing a statutory basis for collaborative working.

## The New Performance Framework

- 2.17 Linked to the Comprehensive Spending Review, in October 2007 CLG set out the 198 indicators that underpin its new performance framework; the new framework reflects the Government's priorities. Effective from April 2008, this set of performance indicators are the only measures *'on which central government will performance manage outcomes delivered by local government working alone or in partnerships.'* (*The New Performance Framework for Local Authorities and Local Authority Partnerships, page 4*).
- 2.18 Targets against the new national indicators are negotiated at a local level through new Local Area Agreements (LAAs). Each LAA has 35 indicators selected from the list of national indicators, which sit alongside 17 statutory education targets. Key housing related indicators are:
- Net additional homes provided (NI154);
  - Number of affordable homes delivered (gross) (NI155);
  - Number of households living in Temporary Accommodation (NI 156);
  - % decent council homes (NI158);
  - Supply of ready to develop housing sites (NI159); and
  - Local Authority tenants' satisfaction with landlord services (NI160).

## Lifetime Homes, Lifetime Neighbourhoods

- 2.19 In February 2008 the Government published its National Strategy for Housing in an Ageing Society, which aims to 'future proof' housing so that it is inclusive for all, regardless of age. The Strategy aims to provide a coherent and 'joined-up' plan to deliver appropriate housing and effective care for older people.
- 2.20 The Strategy:

- Reiterates commitments made in both the Green Paper and Comprehensive Spending Review (CSR) to build more 'specialised and mainstream' homes for older people;
- Outlines plans to provide a new national housing advice and information service for older people, linked to local housing information services;
- Introduces new rapid repairs and adaptation services to support handyperson schemes;
- Increases funding for Disabled Facilities Grant (DFG) by 31% by 2011 (increasing to £146 million in 2008/09, £156 million in 2009/10 and then £166 million in 2010/11);
- Aims to improve the DFG means test and give local authorities greater flexibility to pool resources and increase client choice;
- Seeks to ensure that by 2011 all public housing is built to Lifetime Homes Standards; and that all new housing be built to these standards by 2013;
- Will encourage good design through beacon schemes on inclusive planning;
- States that all Eco-towns will be designed to be lifetime neighbourhoods;
- Requires regional and local plans to take 'proper account' of ageing;
- Aims to improve joined-up assessment, service provision and commissioning across housing, health and care services;
- Through Personal Budgets, to deliver greater personalisation;
- Aims to boost preventative housing services, and pilot a new approach that seeks to transform prevention;
- Seeks to deliver more homes and more choice;
- Encourage innovation through a commissioned Innovation Panel.

## Housing and Regeneration Act

- 2.21 In September 2008, the Housing and Regeneration Bill received Royal Assent and became an Act of Parliament. The Act established both the Homes and Communities Agency (HCA) and the new social housing regulator, the Tenant Services Authority (TSA).
- 2.22 The Homes and Communities Agency will be responsible for delivering 180,000 new affordable homes by 2011; it will also have a role to play in supporting and accelerating the regeneration of under-performing towns and cities. The Agency represents a new opportunity for local authorities in terms of new working arrangements and approaches to investment. Authorities, through sub regional partnerships and working arrangements, are encouraged to have a 'single conversation' with the HCA to establish and agree funding priorities and arrangements for their local areas. The HCA is likely to take

new approaches to development, prioritising investment through regional investment plans and concentrating resources on fewer, larger programmes.

- 2.23 The information set out within this SHMA will enable the Council to make an informed contribution both to the wider sub regional debate within North Yorkshire, and direct discussions with the HCA.

### The Credit Crunch

- 2.24 Whilst not a specific area of policy the economic downturn is having a marked impact upon the housing sector. In many urban areas development work on schemes that were considered viable twelve months ago has stopped; and there is anecdotal evidence to suggest that developers are pulling out of schemes and off-loading land assets in an attempt to manage risk.

- 2.25 The economic downturn has had a dramatic effect upon both housing markets and the house building industry. It will be a particular challenge to meet Government and RSS targets for new homes in the current economic climate. With rising repossessions, falling house prices and sales, a dramatic reduction in new build activity and the inaccessibility of mortgage finance, the full impact and extent of the downturn in housing terms remains to be seen.

- 2.26 Recent research by Steve Wilcox (Summer 2008) into the affordability of private housing in Great Britain (*Can't Supply: Can't Buy*) stated that:

*'It is now apparent that 2007 was the peak year in the current housing market cycle. Post the 'credit crunch', there is clear evidence that average property prices are falling back. The greatest falls are being seen in measures of market activity, in particular, levels of new mortgage advances. .... The credit crunch has also imposed new constraints on the availability of mortgage finance in a far more severe way than was the case in the downturn post 1990. ...*

*In the short term, it is limited supply of affordable mortgage finance that is the key constraint on housing market affordability rather than the shortfall in the supply of new housing that has, until recently, been the primary focus of government policy.'*

- 2.27 The Government has recently announced (September 2008) a series of measures both to help re-invigorate the housing market and maintain affordable housing delivery, these include:

- Increasing the stamp duty threshold from £125,000 to £175,000;
- Free loans to assist first time buyers of up to 30%;
- A mortgage rescue scheme;
- Reducing the time that claimants must wait before receiving assistance with mortgage interest payments;

- Bringing forward spending on affordable housing – with £270million, the Homes and Communities Agency (HCA) is to deliver an additional 3,800 homes for social rent and 1,500 for shared ownership by 2011;
  - Increased flexibility in bidding for resources from the National Affordable Homes Programme;
  - A national clearing house for developers to approach the HCA to sell unsold private homes for affordable housing;
  - Enabling the HCA to offer more of the grant funding available ‘up front’ at the start of a scheme;
  - The sixth round of the Private Finance Initiative;
  - A Rent to HomeBuy scheme to assist people in saving for a deposit whilst renting at below market rates.
- 2.28 Given this, it is important that the Council continues to observe the local market, and adopts a flexible approach to housing delivery. It will be important to continue to work in partnership with the HCA, RSLs, developers and lenders to bring forward both social rented and intermediate housing products that are both realistic and accessible to local people in terms of price and finance.

### Housing Reform

- 2.29 The CLG is planning to publish a Green Paper on Housing Reform<sup>1</sup>. It is expected that the Green Paper will address the findings of the Hills’ Report concerning the polarisation of, and inequalities within, social housing. Proposals to improve social mobility and facilitate greater economic independence are anticipated, alongside measures to deliver greater fairness and equity, and make best use of resources.
- 2.30 These measures are likely to be achieved by diversifying both the range of housing options available to people and the providers delivering them; with local authorities, RSLs and the private rented sector all being seen as key members of the ‘family’ of housing providers. These proposals could be pivotal in shaping the delivery of new affordable housing supply post the credit crunch.

### Regional Strategic Context

- 2.31 The vision and strategic framework for Yorkshire and The Humber is presented in the “Advancing Together” document. Its purpose is to inform,

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<sup>1</sup> Publication was initially due by the end of 2008 but is still awaited

integrate and direct strategic decision making in the region and therefore underpin the statutory Regional Spatial Strategy and Regional Economic Strategy and complementary strategies including the Regional Housing and Cultural Strategies.

2.32 The vision for the region is:

“Yorkshire and the Humber will be a recognisably world-class and international region where the economic, environmental and social well-being of all our region and its people advances rapidly and sustainably”

### Regional Economic Strategy

2.33 The Regional Economic Strategy 2006-2015 provides the 10 year blueprint for economic development in the region. The Strategy’s six objectives are:

- 1. More Businesses that last** – because higher levels of enterprise are so important
- 2. Competitive Businesses** – making indigenous businesses more productive because they innovate and invest
- 3. Skilled People benefiting business** – with talents that employers value and which offer due reward
- 4. Connecting People to good jobs** – because levels of employment make a big difference to people and the economy, and we need more people in jobs in deprived areas.
- 5. Transport, Infrastructure and Environment** – a strong economy needs good sustainable transport connections and to make the best of the environment and infrastructure
- 6. Stronger Cities, Towns and Rural Communities** – to ensure they are attractive places to live, work and invest

2.34 The Regional Economic Strategy emphasises the importance of ‘city regions’ and recognises Harrogate as one of the ten districts comprising the Leeds City-Region.

### Regional Housing Strategy

2.35 The Yorkshire and the Humber Regional Housing Strategy 2005-2021 provides the strategic framework within which housing investment decisions are made in the District. The document identifies three regional priorities:

- **Creating better places** - responding to the diversity of markets and improving neighbourhood infrastructure and facilities.
- **Delivering better homes, choice and opportunity** - Delivering choice and opportunity for all our people to meet their housing aspirations, and to

improve housing conditions and services for all.

- **Fair Access** - being sure that the requirements and preferences of all parts of communities are met by sensitive and appropriate housing solutions, and that obstacles faced by specific groups to accessing their housing choices are removed.

2.36 The Regional Housing Strategy includes a review of sub-regional issues and priorities for action. Harrogate District is identified as lying within the North Yorkshire sub-region. The strategy states that the majority of housing issues faced by the North Yorkshire sub-region are a direct result of its high value housing market, and include:

- A shortage of affordable housing;
- The displacement and break-up of communities;
- Increased homelessness;
- The out-migration of young people;
- In-migration of older people retiring;
- A reduced turnover of social rented stock; and
- An increased provision of flats.

2.37 For North Yorkshire, priorities for action are identified as:

- The provision of affordable housing for rent and low cost home ownership across the sub-region, including in market towns and sustainable rural areas;
- Addressing housing decency issues in both the public and private sectors;
- Developing appropriate services for vulnerable people, particularly in rural areas; and
- Developing strategic links with key partners, including Yorkshire Forward, house builders and investors in order to co-ordinate action and maximise opportunities for investment and development.

## 3.0 HARROGATE HOUSING MARKET CONTEXT

### Introduction

- 3.1 Harrogate District is located in North Yorkshire. It has a population of around 151,000 living in 66,263 households. The District includes the main towns of Harrogate, Ripon and Knaresborough. Its transport infrastructure includes the A(1)M to the east of the District and the A61 and A59 routes. The southern part of the District, including Harrogate and Knaresborough, is also served by the railway linking York with Leeds. The Nidderdale Area of Outstanding Natural Beauty lies in the western half of the District.
- 3.2 An overview of housing market areas was prepared by DTZ and presented in the Yorkshire and Humber Regional Spatial Strategy. This suggested that within Harrogate District both Harrogate/Knaresborough and Ripon were distinctive housing markets; the northern part of the District was part of the 'Central North Yorkshire special character area' and the southern parts of the District were part of the wider Leeds market.
- 3.3 Detailed analysis has been prepared as part of this SHMA and informed by a CLG advice note<sup>2</sup>. This defines sub-regional housing market areas as:  
“geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work.
- 3.4 The guidance suggests three core sources of information to assess sub-regional market areas:
- House prices and rates of change;
  - Household migration and search behaviour;
  - Contextual data such as travel to work areas, which reflect the functional relationships between places where people work and live.
- 3.5 It is important to note that Harrogate District is an integral part of the Leeds city-region which comprises ten local authority areas who have a shared vision to:  
“develop an internationally recognised city-region; to raise economic performance; to spread prosperity across the whole of the city-region, and to promote a better quality of life for all of those who live and work here”
- 3.6 This chapter proceeds with a **review of house prices**, rates of change and comparisons with sub-regional and national trends. The **relative affordability** of dwellings and change over time is explored. **Household migration and search** behaviour is analysed, drawing upon national migration data and the characteristics of moving households is reviewed through household survey

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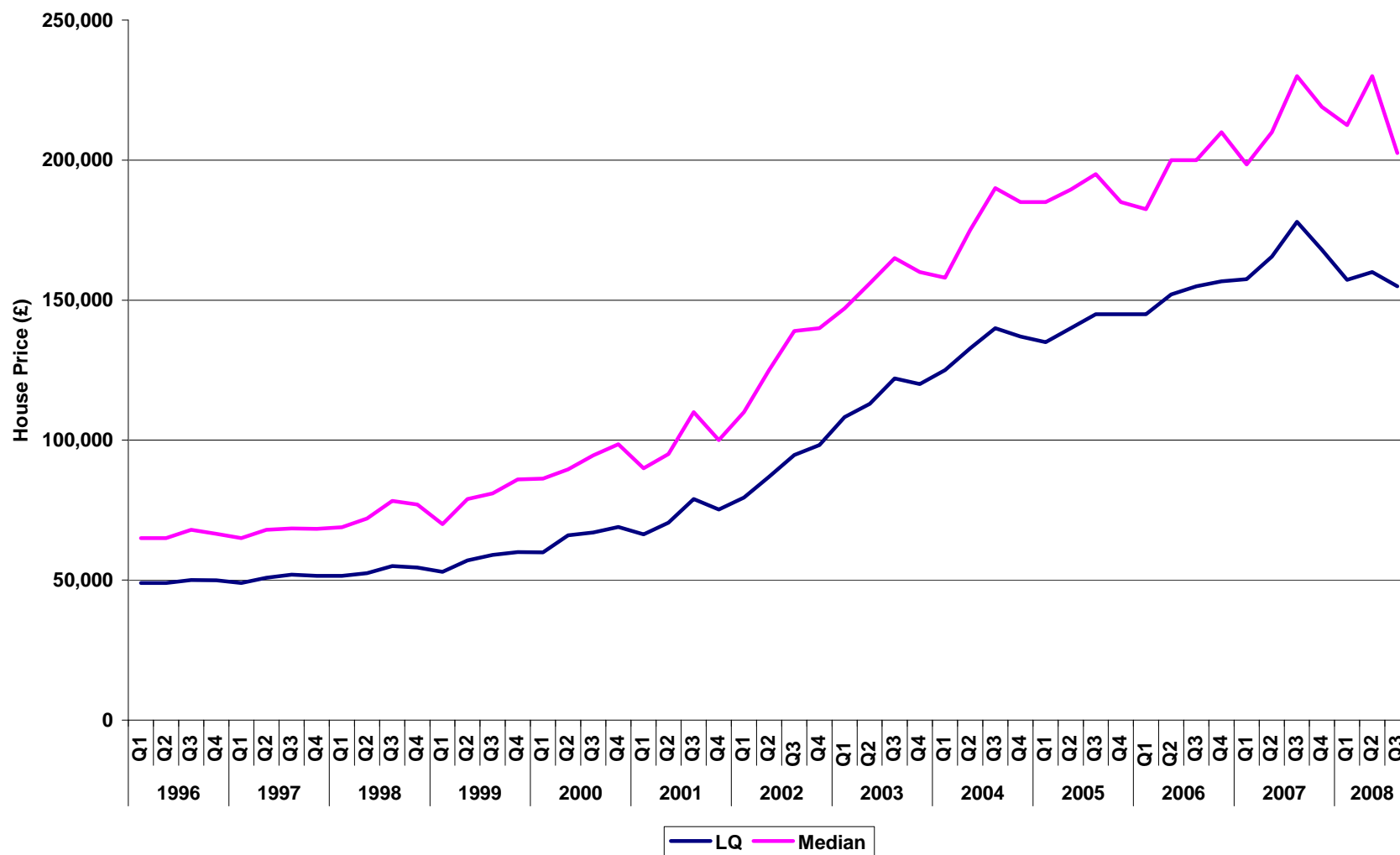
<sup>2</sup> Identifying sub-regional housing market areas, CLG Advice Note April 2007

data. The chapter continues with a review of **travel to work** trends drawing upon 2001 census and household survey evidence. Material in the chapter helps to establish the **general housing market context** of Harrogate District. This is explored in more detail in Technical Appendix B which considers the variations in market attributes by sub-area.

## HOUSE PRICES AND RATES OF CHANGE

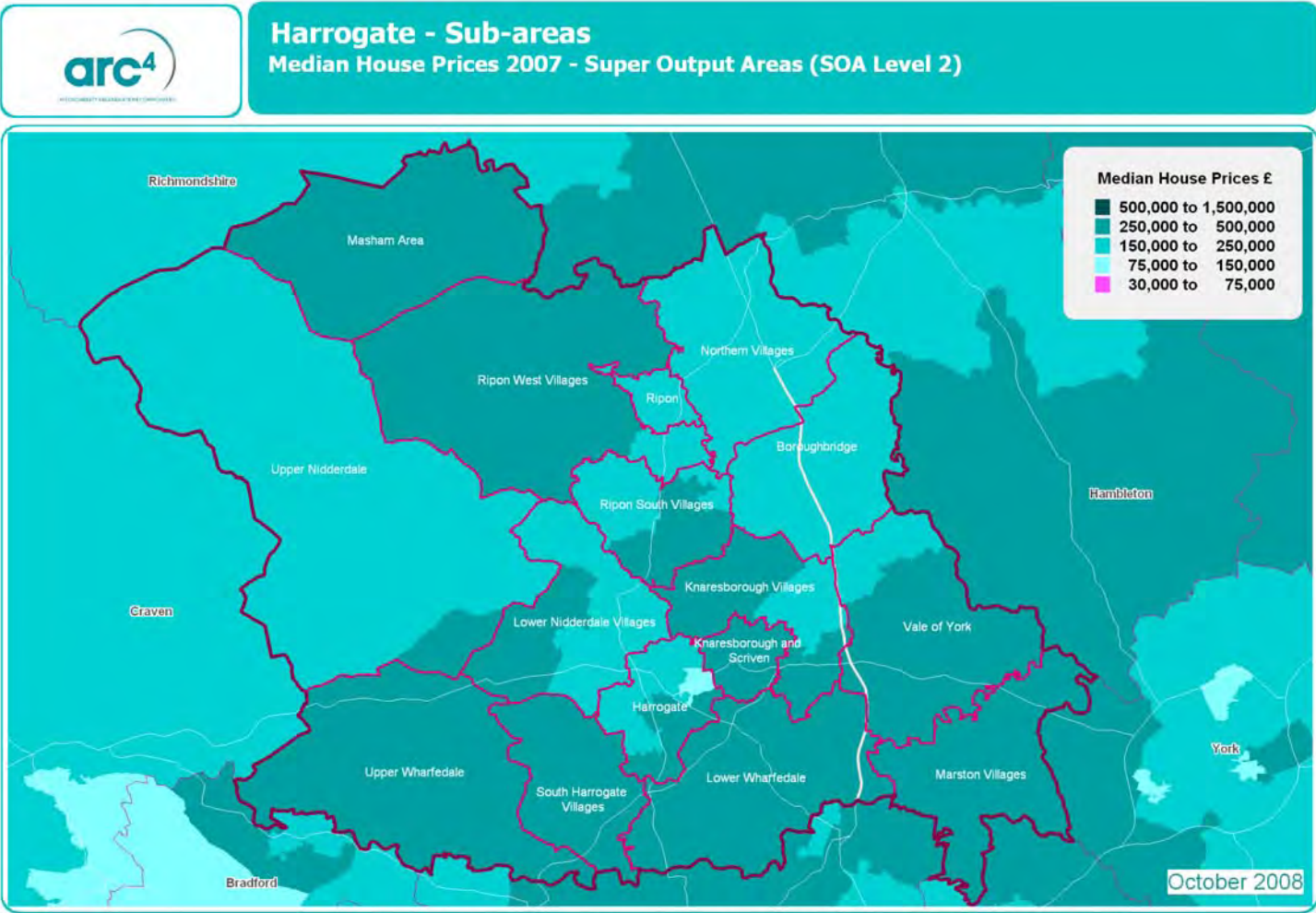
- 3.7 Figure 3.1 illustrates how prices have increased over the period 1996 to 2008. Median prices were below £100,000 until mid 2001, but have more than doubled over the period to 2008. During 2007, median house prices in Harrogate reached a peak of £230,000 and lower quartile prices reached £178,000.
- 3.8 Within Harrogate District, there are considerable variations in house prices as illustrated in Map 3.1 using 2007 house price data (the latest available complete year). This identifies considerable price 'hot spots' across the southern flanks of the District (in closest proximity to Leeds); rural areas to the north-west of Ripon; and areas between Ripon and Knaresborough.
- 3.9 Over the period 1996 to 2008 (Figure.3.2), median prices in Harrogate have been:
- 16.6% higher than the English median price;
  - 60.7% higher than the Yorkshire and Humber median price; and
  - 18.1% higher than the North Yorkshire median price.
- 3.10 Figure 3.3 illustrates the extent to which house prices changed on an annual basis in Harrogate and comparator areas. Overall, this chart illustrates that prices tended to rise more rapidly and quickly in Harrogate, with the rate of increase peaking in 2002 compared with 2004 for the region as a whole. Note that during 2008, prices have fallen in all areas.
- 3.11 Map 3.2 considers house prices in Harrogate relative to other areas. It shows that in a majority of the District, mean prices are in excess of £250,000; how the high value areas extend across North Yorkshire generally; and how the southern part of Harrogate district is a continuation of the high value area of northern Leeds.

Figure 3.1 House price trends 1996 to Q3 2008



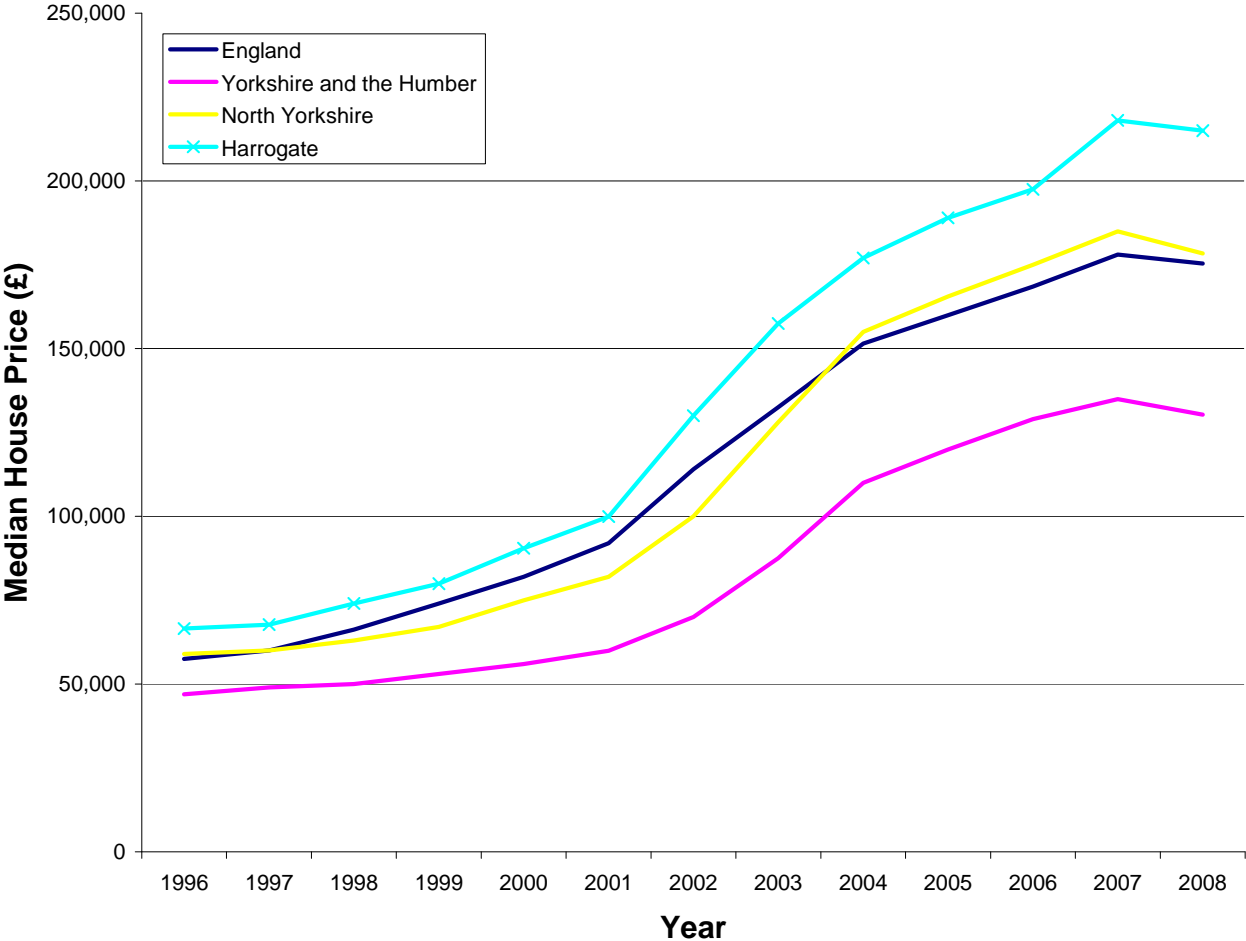
Source: CLG House Price Statistics

**Map 3.1** Median house prices in Harrogate District 2007



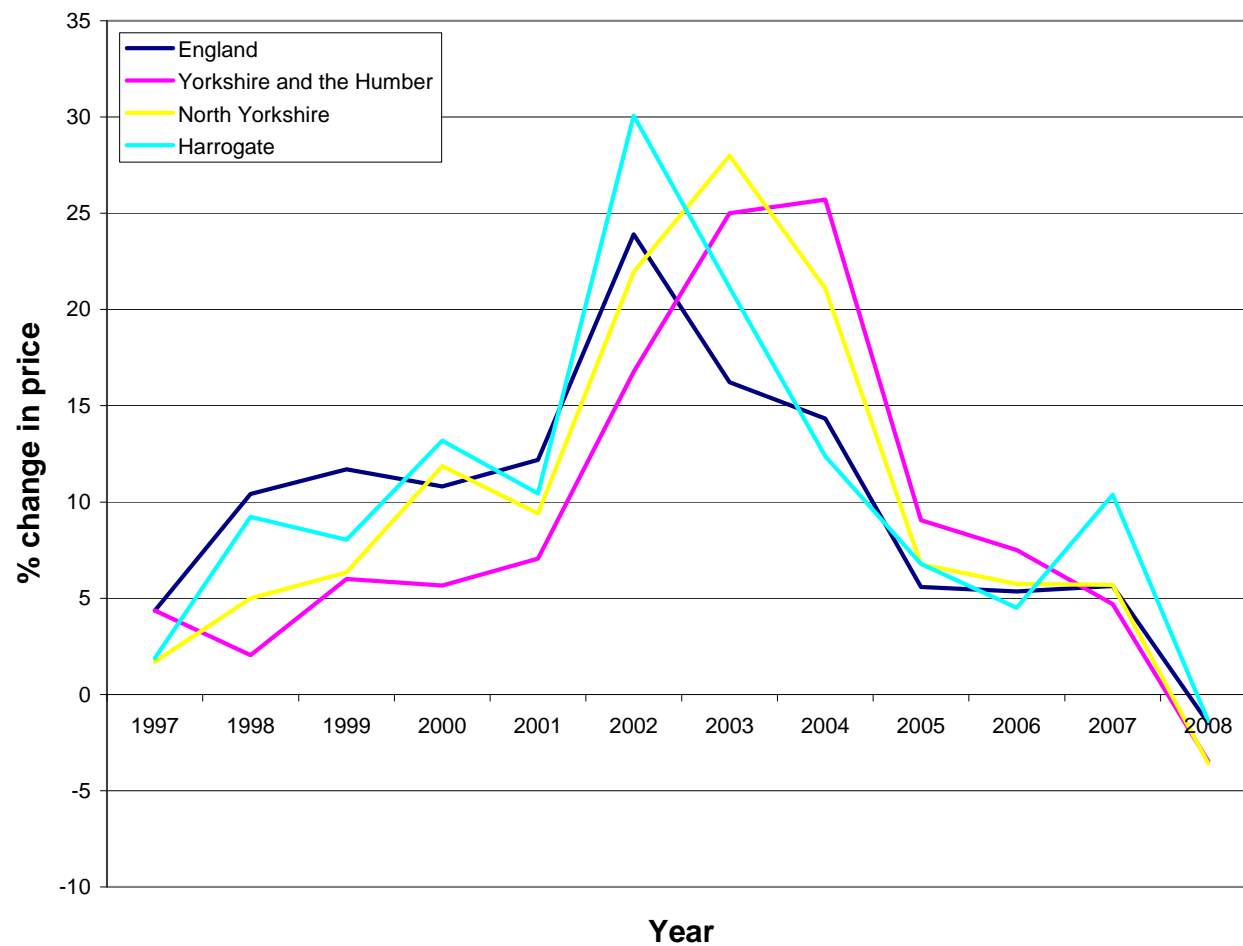
Source: Land Registry

**Figure 3.2** Median house price trends 1996 to 2008: comparative data



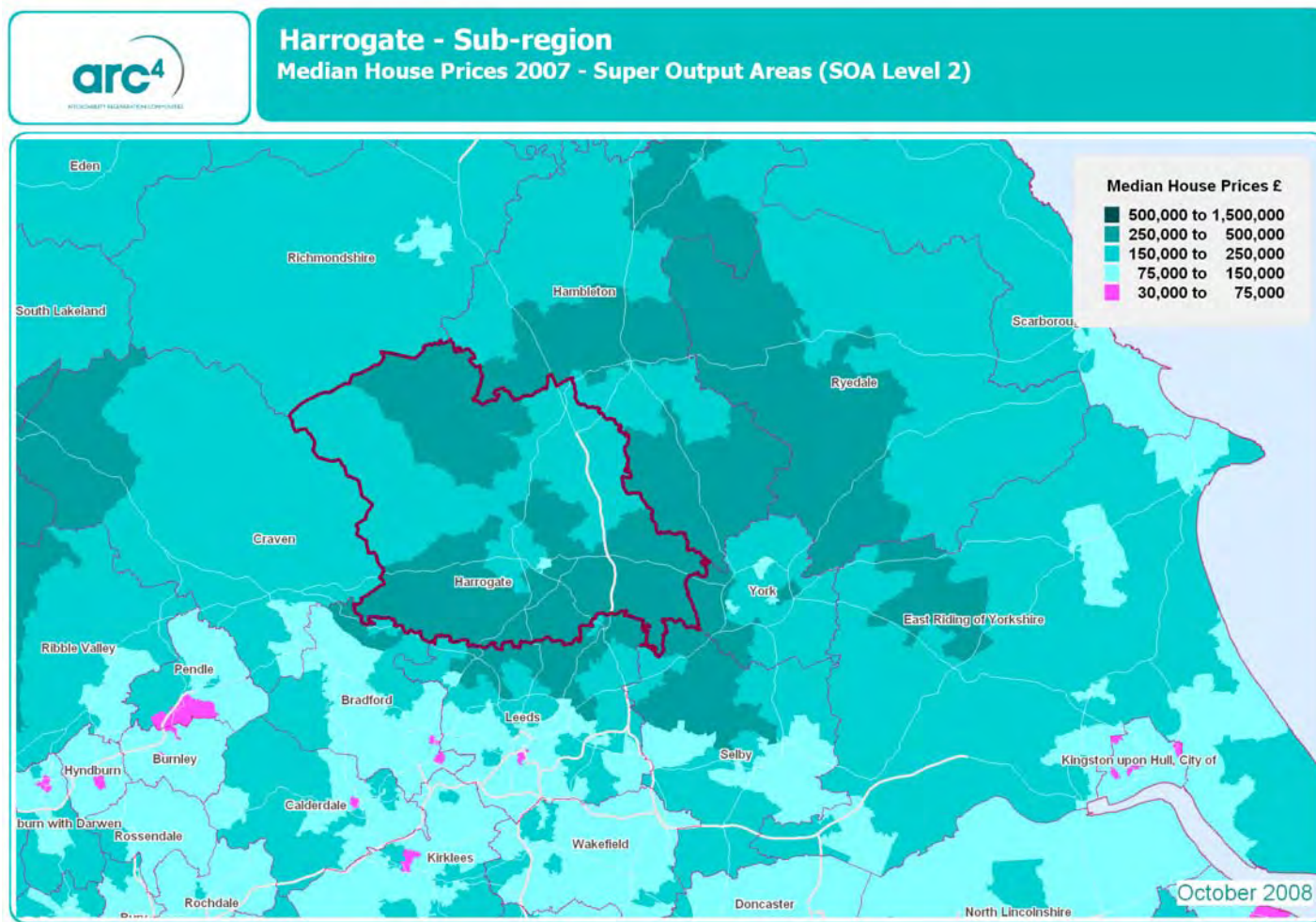
Source: CLG House Price Statistics

**Figure 3.3** Rate of median house price change 1996 to 2008: Harrogate, North Yorkshire, Yorkshire and the Humber and national prices.



Source: CLG House Price Statistics

**Map 3.2** Median house prices in Harrogate District and surrounding areas 2007



Source: Land Registry

## Relative affordability

- 3.12 The relative affordability of open market dwellings in Harrogate is compared with other districts in Yorkshire and the Humber in Table 3.1. Table 3.1 presents lower quartile house prices, lower quartile gross income of full-time workers and a ratio of lower quartile incomes to house prices. Harrogate is ranked second after Ryedale as having the highest income to house price ratio in Yorkshire and the Humber. Note too that the highest ratios are associated with North Yorkshire districts.

**Table 3.1** Relative affordability of lower quartile prices by Local Authority

District	Lower Quartile House Price (2008*)	LQ Gross Income per week (2008)	Annual Gross Income	Income to House Price ratio
Ryedale	£147,563	£288.40	£14,997	9.8
<b>Harrogate</b>	<b>£158,625</b>	<b>£340.20</b>	<b>£17,690</b>	<b>9.0</b>
Richmondshire	£134,000	£293.10	£15,241	8.8
Hambleton	£146,438	£323.30	£16,812	8.7
York	£148,050	£330.80	£17,202	8.6
Scarborough	£120,000	£303.70	£15,792	7.6
Craven	£133,225	£343.00	£17,836	7.5
Selby	£120,875	£334.30	£17,384	7.0
Leeds	£111,689	£330.50	£17,186	6.5
East Riding of Yorkshire	£118,369	£350.30	£18,216	6.5
Sheffield	£100,921	£312.80	£16,266	6.2
Wakefield	£98,063	£305.60	£15,891	6.2
Bradford	£93,494	£298.60	£15,527	6.0
Kirklees	£102,250	£330.70	£17,196	5.9
North Lincolnshire	£98,500	£323.30	£16,812	5.9
Rotherham	£92,000	£316.40	£16,453	5.6
Calderdale	£89,250	£313.90	£16,323	5.5
Doncaster	£85,000	£314.60	£16,359	5.2
Barnsley	£84,000	£314.60	£16,359	5.1
North East Lincolnshire	£78,500	£316.90	£16,479	4.8
Kingston upon Hull	£70,000	£288.50	£15,002	4.7
<b>Yorkshire and the Humber</b>	<b>£99,000</b>	<b>£317.70</b>	<b>£16,520</b>	<b>6.0</b>

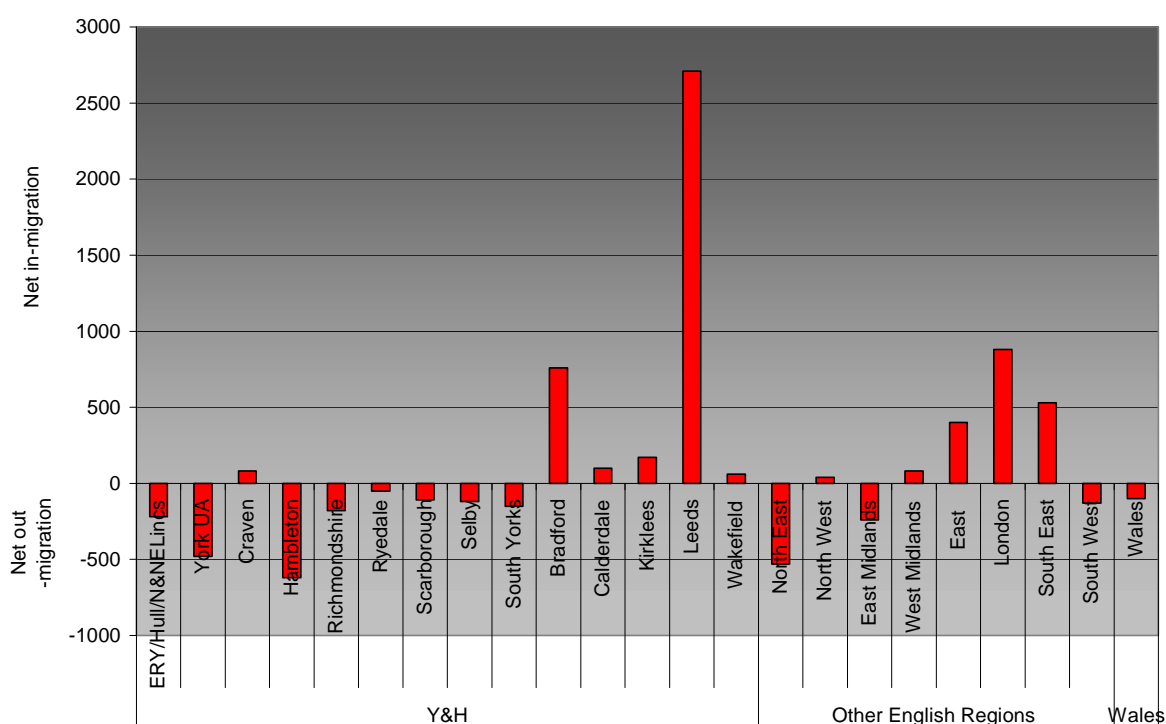
\*Q1 and Q2 2008 data

Sources: CLG House Price Statistics; Annual Survey of Hours and Earnings 2008

## HOUSEHOLD MIGRATION AND SEARCH BEHAVIOUR

3.13 Annual migration flows are recorded in the National Health Service Central Register and show that over the five year period July 2000 to June 2006, there was a net in-migration of 2,800 residents (averaging 560 per year). Figure 3.4 shows that by far the largest in-flow has been from Leeds (2,710 people), London and the South East (1,410) and Bradford (760 people). In contrast, net out-flows are reported to Hambleton (620), York (480) and the North East (530).

**Figure 3.4** Net in-migration to Harrogate for the six years June 2000 to June 2006



Source: NHS Central Register through ONS. Crown Copyright

## Patterns of household mobility and the characteristics of moving households

- 3.14 The housing needs survey indicated that around 21,200 households had moved home in the preceding 5 years. Accurate data was obtained on the movement of 18,284 households (of which 62.7% had moved within Harrogate District and 37.3% moved into the District).
- 3.15 Table 3.2 presents information on the origin of moving households by sub-area, illustrating the extent to which households move within the sub-areas, how sub-areas interact with each other and the relative influence on migration by sub-area.
- 3.16 The CLG suggests that a market is self-contained if at least 70% of households moving originate from the same area. Within Harrogate District, the degree of self-containment is highest in Harrogate town (52.6% of all movers originated within the same sub-area) but this falls short of the 70% threshold. Overall, 62.7% of movers within Harrogate originated from within the District and a further 8.6% originated from Leeds, which would imply that Harrogate is part of wider market area which includes Leeds.
- 3.17 There is some notable movement between sub-areas, particularly driven by out-migration from Harrogate town. For instance, 21.9% of movers to Knaresborough and Scriven originated from Harrogate town; along with 43.9% of movers to Lower Nidderdale Villages; 17.8% of movers to Ripon South Villages; 17.5% of movers to Lower Wharfedale; and 15.7% to Upper Nidderdale.
- 3.18 Households originating in Knaresborough and Scriven accounted for 27.1% of households moving to Knaresborough Villages and 7.2% of movers to Lower Wharfedale.
- 3.19 Households originating in Ripon accounted for 16.8% of movers to Northern Villages, 13.1% to Ripon South Villages and 7.3% of movers to the Masham Area.
- 3.20 Overall, 37.3% of households moving had originated from outside Harrogate District. This is dominated by flows of households from Leeds (8.6%) along with 16.8% of households who moved from elsewhere in the UK. The scale of longer-distance migration reflects the relative desirability of Harrogate District and is commonly observed in high demand/high priced areas.
- 3.21 In-migrant households from Leeds were most likely to settle in the southern sub-areas of Harrogate District. Numerically, the largest number of in-migrants from Leeds moved to Harrogate (around 700 households). However, they accounted for relatively high proportions of all migrants to Upper Wharfedale (57.5% of migrant households originated from Leeds), Lower Wharfedale (33%), Marston Villages (24.5%) and South Harrogate Villages (35.3%).
- 3.22 Regarding migrants from elsewhere in the UK, numerically the largest number (around 950) moved to Harrogate Town, but they accounted for around one-quarter of in-migrant households to the Masham and Ripon West Villages

sub-areas; and around one-fifth of households moving to Boroughbridge and Ripon South Villages sub-areas.

- 3.23 There were some interactions between Harrogate and other North Yorkshire districts, including flows from Hambleton into the Masham and Northern Villages sub-areas; and flows from York to the Vale of York and Marston Villages sub-areas.
- 3.24 In summary, analysis clearly demonstrates the operation of different market dynamics within Harrogate District. Flows between sub-areas are principally driven by households moving out of the main urban areas of Harrogate, Knaresborough & Scriven and Ripon. There are also patterns in terms of where households tend to move to, with households moving from Ripon tending to settle in northern areas; and households moving from Harrogate and Knaresborough tending to settle in southern and western areas. In-migration is primarily from Leeds and the rest of the UK, with in-migrant households tending to settle in specific areas within Harrogate. There is some in-migration from Hambleton and York which is mainly into northern and eastern sub-areas adjoining these districts.

**Table 3.2** Moving households: origin and destination

Sub-area	Harrogate	Knarborough and Scriven	Ripon	Borough bridge	Knarborough Villages	Vale of York	Marston Villages	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Harrogate District
<b>Moves from within District (%)</b>	<b>65.0</b>	<b>73.1</b>	<b>65.9</b>	<b>56.5</b>	<b>57.6</b>	<b>43.6</b>	<b>35.0</b>	<b>45.7</b>	<b>22.4</b>	<b>73.0</b>	<b>60.4</b>	<b>53.1</b>	<b>33.0</b>	<b>58.0</b>	<b>64.3</b>	<b>49.2</b>	<b>62.7</b>
% movers within same sub-area	52.6	45.5	38.6	33.3	2.2	19.9	15.8	12.5	17.8	20.4	34.4	29.0	13.8	19.2	15.0	20.5	40.0
% movers elsewhere Harrogate	12.4	27.6	27.3	23.2	55.4	23.7	19.2	33.2	4.6	52.6	26.0	24.1	19.2	38.8	49.3	28.7	22.7
<b>Origin of movers from within Harrogate:</b>																	
Harrogate	52.6	21.9	3.0	9.2	14.8	2.9	10.5	17.5	0.0	43.9	15.7	0.0	2.3	6.0	17.8	7.7	31.7
Knarborough and Scriven	3.8	45.5	0.9	4.0	27.1	2.0	1.5	7.2	0.0	2.5	0.6	2.3	0.0	0.0	4.7	0.5	6.9
Ripon	0.0	1.5	38.6	5.1	0.0	3.6	0.0	0.0	0.0	0.8	2.2	7.3	0.0	16.8	13.1	8.6	6.1
Boroughbridge	0.0	0.0	4.4	33.3	1.7	8.3	0.0	1.4	0.0	0.0	0.0	4.2	0.0	8.0	2.8	0.5	2.6
Knarborough Villages	0.0	0.0	0.0	0.0	2.2	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Vale of York	0.0	0.0	3.0	0.7	0.0	19.9	2.2	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9
Lower Wharfedale	1.5	2.7	0.0	0.8	4.4	4.0	3.4	12.5	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	1.4
Upper Wharfedale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.8	0.4	1.1	0.0	4.6	0.0	0.0	0.0	0.3
Lower Nidderdale Villages	4.5	0.0	4.4	0.5	3.9	0.0	0.0	1.9	3.4	20.4	3.8	4.2	9.6	1.3	3.3	1.8	4.6
Upper Nidderdale	0.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0	0.0	2.5	34.4	0.0	2.8	2.0	0.0	6.2	2.3
Masham Area	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29.0	0.0	0.0	0.0	0.0	0.4
South Harrogate Villages	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	1.1	0.5	0.0	0.0	13.8	0.0	0.0	0.0	0.2
Marston Villages	1.5	0.0	0.0	0.6	0.0	1.6	15.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.1
Northern Villages	1.1	0.0	3.0	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.9	0.0	19.2	0.0	1.3	1.5
Ripon South Villages	0.0	0.0	1.5	0.5	3.5	0.0	0.0	1.9	0.0	0.5	0.3	0.0	0.0	0.0	15.0	0.7	0.5
Ripon West Villages	0.0	1.5	5.8	0.0	0.0	1.3	1.5	0.0	0.0	0.5	1.8	4.2	0.0	4.6	7.5	20.5	1.9
<b>Moves from outside District (%)</b>	<b>35.0</b>	<b>26.9</b>	<b>34.1</b>	<b>43.5</b>	<b>42.4</b>	<b>56.4</b>	<b>65.0</b>	<b>54.3</b>	<b>77.6</b>	<b>27.0</b>	<b>39.6</b>	<b>46.9</b>	<b>67.0</b>	<b>42.0</b>	<b>35.7</b>	<b>50.8</b>	<b>37.3</b>
<b>Origin of movers from outside District:</b>																	
Bradford	0.0	0.0	0.0	3.0	1.3	1.8	0.0	1.9	10.3	1.1	3.1	2.3	2.3	1.1	3.3	1.3	0.7
Craven	1.1	0.0	0.0	0.7	0.0	1.1	0.0	0.0	0.0	1.5	1.0	0.0	0.0	0.0	0.0	0.0	0.7
Hambleton	3.0	0.0	3.0	3.1	0.0	3.4	2.8	0.0	0.0	0.0	1.3	7.3	0.0	11.9	1.9	7.1	2.7
Leeds	7.5	8.6	6.3	3.6	14.4	10.7	24.5	33.0	57.5	5.1	3.8	4.2	35.3	7.7	1.9	7.9	8.6
Richmondshire	0.0	1.2	0.9	0.7	0.9	0.0	0.0	0.0	0.0	0.0	0.6	2.3	0.0	0.4	0.0	2.4	0.4
Selby	0.0	0.0	0.0	0.0	0.0	1.8	8.7	1.9	0.0	0.0	0.6	3.1	0.0	1.1	0.0	1.1	0.4
York	1.5	1.5	1.5	3.7	1.3	14.5	12.4	1.9	0.0	0.5	4.0	0.0	0.0	0.0	0.0	4.4	2.1
Elsewhere Y&H	2.6	2.7	3.9	5.8	3.9	8.1	2.5	2.2	8.6	1.6	2.3	0.8	2.8	4.9	2.3	0.5	3.0
Elsewhere UK	18.1	11.5	15.6	21.5	17.5	13.4	12.7	11.9	1.1	13.2	19.8	27.1	15.1	13.5	21.6	25.6	16.8
Outside UK	1.1	1.5	3.0	1.3	3.1	1.6	1.5	1.4	0.0	4.0	3.2	0.0	11.5	1.3	4.7	0.5	1.9
<b>Base: All moving households</b>	<b>840</b>	<b>8231</b>	<b>1629</b>	<b>229</b>	<b>1306</b>	<b>361</b>	<b>323</b>	<b>262</b>	<b>452</b>	<b>2160</b>	<b>213</b>	<b>547</b>	<b>218</b>	<b>873</b>	<b>174</b>	<b>447</b>	<b>18265</b>

Source: 2006 household survey

### *Households moving into Harrogate District*

3.25 The 2006 household survey identified around 6,850 households who had moved into Harrogate in the preceding five years. The types of household moving into the District is summarised in Table 3.3. The pattern of origin and destination of in-migrant households was explored in Table 3.2. This section now proceeds with an analysis of the characteristics of two key migration streams: working families and retirement migrants.

**Table 3.3** Household type of in-migrants 5 years to January 2006

Household type	%
Single Person under 60	13.7
Single Person over 60	9.8
Couples under 60	22.9
Couples over 60	11.6
Couples with children	27.9
Lone Parents	4.0
Other type	10.0
Total	100.0
Base	6,854

Source: 2006 household survey

### *Working family in-migrants*

3.26 Some interesting analysis can be run on the 70% of households who have moved into Harrogate District in the past 5 years, where the head of household is economically active:

- 57.3% have moved to the main urban sub-areas of Harrogate (41.1%), Knaresborough and Scriven (6.4%) and Ripon (9.8%);
- Of households moving, 34.7% were families with children, 34.1% couples under 60 (no children), 17.7% singles and 13.4% other types of household;
- 83.1% have moved into houses (30.1% into detached and 25.4% into semi-detached), 13.4% into flats and 3.3% into bungalows;
- Most have moved into private sector accommodation, with 72.6% owning, 26.7% renting and only 0.6% moving into social renting or intermediate tenure
- 34.7% have moved into accommodation with four or more bedrooms; 35% into three bedroomed accommodation, 26.3% into two bedroomed and 3.9% into one bedroomed accommodation;

- The two principal reasons for moving into Harrogate District were to move closer to work / new job (33.6%) and to live in a better neighbourhood (16.5%);
- 62.3% had a weekly gross household income of at least £500, with 41% receiving at least £700 per week.

#### *Retirement in-migration*

3.27 The household survey identified 1,361 households who had moved into Harrogate District and whose head of household was wholly retired. Of these households:

- 64.2% had moved from a location outside the Yorkshire and the Humber region (including 9.3% from overseas);
- 65.7% had moved into the main urban sub-areas of Harrogate (48.1%), Ripon (9.8%) and Knaresborough and Scriven (7.8%);
- 56.1% moved into houses, 16.7% into bungalows and 18.5% into flats;
- 42.3% moved into properties with one or two bedrooms, 38.3% three bedrooms and 19.4% four or more bedrooms;
- Household incomes were relatively high, with 45.1% receiving at least £500 per week;
- By far the main reason for moving (39.6%) was to move close to family/friends to give/receive support.

#### *Residential mobility within Harrogate District*

3.28 The survey identified that 62.7% of households moving within the preceding 5 years had moved within Harrogate District (around 11,450 households). Households moving within the District were doing so for a variety of reasons. Those most frequently reported included moving to a larger/better property (22.6%) and wanting to buy (19.2%).

3.29 Table 3.4 summarises the flow of these households between different property types. It demonstrates that people moving from houses generally choose to move to another house, usually of the same type. Those in bungalows were particularly likely to move into flats. Households moving from flats tended to either move into another flat, into a terraced or semi-detached house, or into a bungalow.

**Table 3.4** Residential mobility – movement between different property types

Current property type	Previous property type (% moving from previous type to current type)							Total
	Detached house	Semi-detached house	Mid-terraced house	End-terraced house	Bungalow	Flat	Caravan/Park Home	
Detached house	45.7	21.4	16.0	33.1	10.8	4.1	0.0	23.0
Semi-detached house	15.8	30.9	42.2	35.1	12.7	13.5	0.0	25.2
Mid-terraced house	14.2	18.2	17.0	2.7	13.5	31.5	0.0	18.6
End-terraced house	3.4	11.3	4.7	19.1	5.3	7.2	7.4	7.2
Bungalow	6.3	5.2	5.1	3.2	12.9	11.9	33.3	7.2
Flat	13.9	11.7	14.9	5.7	43.5	31.6	59.3	18.1
Caravan/Park Home	0.7	1.2	0.1	1.0	1.3	0.1	0.0	0.6
Total	100	100	100	100	100	100	100	100
Base (moving h'holds)	2816	2546	2294	592	379	2304	54	10985

Source: 2006 household survey

3.30 Table 3.5 considers flows between different property sizes. Data suggests that households moving from a one-bedroom property tend to move into properties with up to three bedrooms. Households moving from a two or three bedroom tend to choose a similar sized property. There is some notion of downsizing, with 64.1% of households moving from a four bedroom to a smaller property, increasing to 87.5% of households moving from a five or more bedroom property into a smaller home.

**Table 3.5** Residential mobility – movement between different property Sizes

Current bedrooms	Previous bedrooms (% moving from previous beds to current beds)						Total
	One	Two	Three	Four	Five or More	Bedsit/s studio	
One	20.3	8.8	5.6	8.1	0.3	78.5	9.2
Two	55.6	37.8	26.4	24.2	26.3	18.4	31.8
Three	23.1	48.7	38.3	31.8	22.4	0.0	36.1
Four	1.0	3.3	25.8	24.5	38.2	3.1	17.7
Five or more	0.0	0.6	3.6	11.4	12.8	0.0	4.9
Bedsit/studio	0.0	0.7	0.2	0.0	0.0	0.0	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base (moving h'holds)	1016	2679	3090	2236	878	163	10062

Source: 2006 household survey

3.31 Table 3.6 reviews the tenure choices of households moving within Harrogate District. Owner-occupiers and social renters tend to move within their respective tenures, although there is some movement from social renting into intermediate tenure options. Private renters are likely to move into owner-occupation or another privately rented property. The vast majority of respondents who had previously lived with family and friends (i.e. newly

forming households) moved into owner-occupation or private renting.

**Table 3.6** Residential mobility – movement between different tenures

Current tenure	Previous Tenure (% moving from tenure to current tenure)					Previously living with family/friends
	Owned	Social Rent	Private Rent	Intermediate	Total	
Owned	92.7	9.5	67.6	87.8	81.0	53.0
Social Rent	1.1	60.3	8.2	0.0	6.2	9.5
Private Rent	6.1	2.3	23.9	12.2	11.3	36.5
Intermediate	0.0	28.0	0.3	0.0	1.5	1.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Base (moving h'holds)	5704	443	2632	49	8828	1033

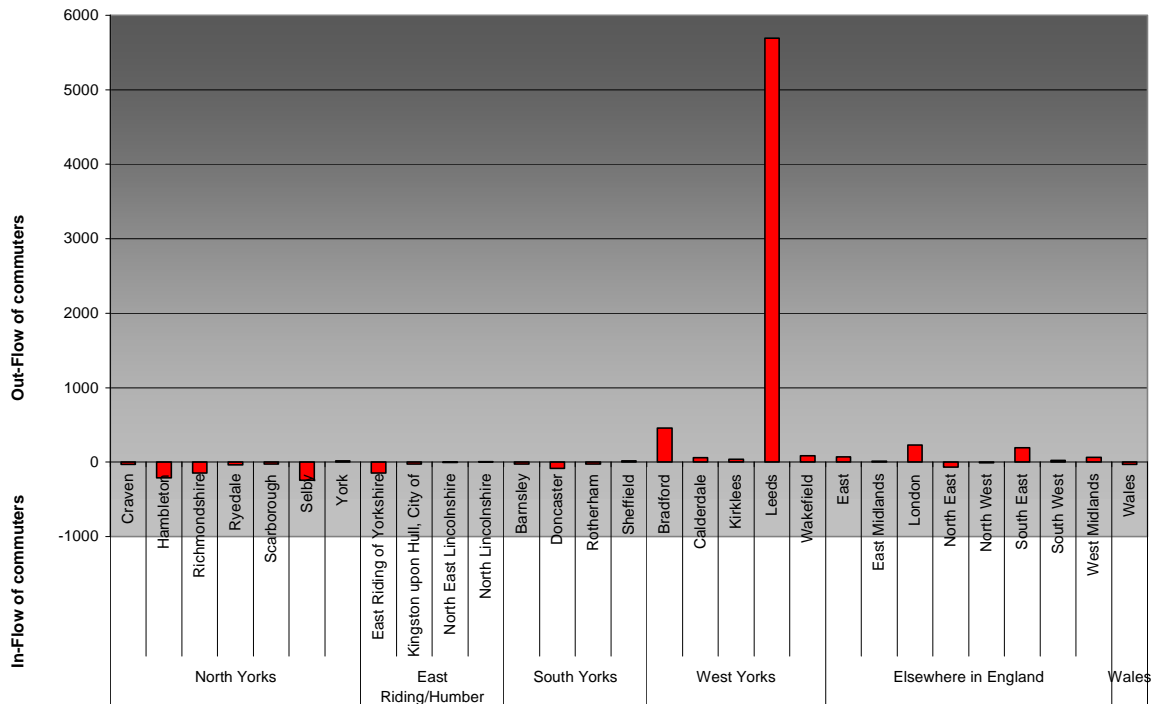
Source: 2006 household survey

- 3.32 A range of household types have moved into Harrogate District over the past 5 years, in particular couples with children and couples (no children). In-migrant households tend to have higher incomes, with 58.2% currently receiving at least £500pw (compared with 54.4% for all households). 70% of the heads of these households (i.e. main earner) are in employment and 21.1% are wholly retired from work (reflecting a retirement migration stream into Harrogate District).

### Travel to work trends

- 3.33 The 2001 census provides an analysis of travel to work patterns and the extent to which residents in Harrogate travel to other areas and how many people commute into Harrogate. The 2001 census identified the travel to work patterns of 88,135 individuals; of these:
- 56,986 lived and worked in Harrogate;
  - 12,642 commuted into Harrogate for work but lived outside the District;
  - 18,507 lived in Harrogate but commuted out of the District for work
- 3.34 Figure 3.5 illustrates net commuter flows between Harrogate and other areas. Data indicates a strong net-outflow of commuters to Leeds (around 5,700 per day) and an overall net-inflow from other North Yorkshire authorities. Travel to work data reinforces the notion that there are strong functional linkages between Harrogate and Leeds in particular.

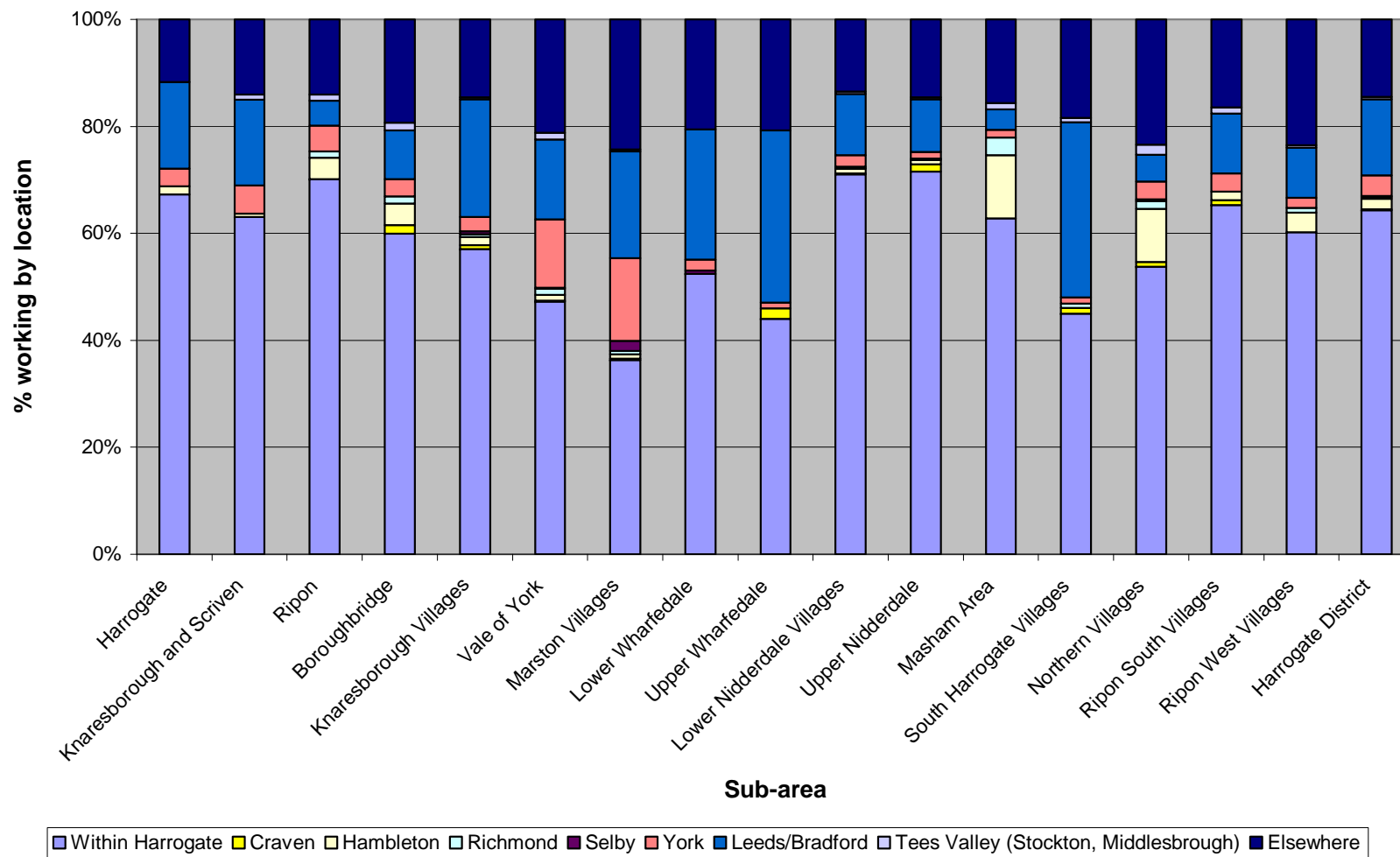
**Figure 3.5** Net commuter flows between Harrogate and other areas



Source: 2001 census

3.35 Figure 3.6 summarises the location of workplace by sub-area and is based on the 2006 household survey data. This suggests that 64.3% of economically active residents live and work in Harrogate and 35.7% commute to other areas. Overall, 14.2% commute to Leeds/Bradford (particularly those living in Upper Wharfedale and South Harrogate Villages), 3.9% work in York (particularly those living in the Vale of York and Marston Villages sub-areas) and 2% work in Hambleton (particular residents in Masham, Northern Villages, Ripon and Bouroughbridge). The remaining 15.2% work in other areas including other districts in Yorkshire and the Humber and other regions.

**Figure 3.6** Place of work of economically active residents



Source: 2006 household survey

## Concluding comments

- 3.36 The purpose of this chapter has been to consider the general housing market context of Harrogate District and inter-relationships between the District and other areas. By reviewing house prices, migration and travel to work patterns, a picture of the market dynamics of Harrogate district emerges. Since 2001, house prices in Harrogate have almost doubled and are consistently higher than regional and national average prices. On the basis of house price to income ratios, Harrogate remains one of the least affordable districts in Yorkshire and the Humber.
- 3.37 Harrogate District is not a self-contained market area. 62.7% of moving households originated from within the District and a further 8.6% originated from Leeds. Longer-distance migration from outside the region is also observed, and accounts for 16.8% of recorded moves. Within Harrogate, mobility between sub-areas is mainly driven by households moving from the urban centres of Harrogate, Knaresborough and Ripon into rural areas.
- 3.38 Overall, evidence suggests that there are four key market dynamics influencing Harrogate District. Firstly, the urban centres of Harrogate and Knaresborough & Scriven are relatively self-contained (but not at the 70% CLG threshold). Secondly, northern areas of the district including Ripon, Boroughbridge and northern rural areas are associated with a North Yorkshire market area which includes Richmondshire and Hambleton. Thirdly, eastern areas have strong linkages with York, in particular the Vale of York and Marston Villages sub-areas. Fourthly, much of the District is strongly influenced by functional linkages with Leeds and part of a wider market area centred on Leeds. This is further reinforced by travel to work patterns which reveal a daily net outflow of 5,700 residents to Leeds from Harrogate District. These findings are consistent with regional work prepared by DTZ<sup>3</sup>.
- 3.39 Further analysis which explores the market attributes of sub-areas within Harrogate District is presented in Technical Appendix B.

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<sup>3</sup> DTZ 2007 Mapping Housing Markets in the Yorkshire and the Humber Region

## 4.0 SHMA CORE OUTPUTS

### Introduction

- 4.1 The purpose of this chapter is to present the core outputs required by the SHMA guidance relating to Harrogate. The chapter provides a summary of more detailed work and evidence which is presented at technical appendices A-E.

### **Core Output 1: Estimates of current dwellings in terms of size, type, condition, tenure**

- 4.2 There are currently 68,494 dwellings in Harrogate District<sup>4</sup>. Around two-thirds of properties are located in the urban areas of Harrogate, Knaresborough and Scriven, and Ripon; one-third are located in the remaining rural and semi-rural localities.
- 4.3 The 2006 housing needs survey assumed a total of 68,197 dwellings of which 1,949 were vacant, resulting in a total of 66,263 occupied dwellings. The overall vacancy rate is around 3%. This varies to some extent within the District, with highest rates in the Masham sub-area (4.5%) and the South Harrogate Villages sub-area (3.8%). It is lowest in the Ripon South Villages sub-area (1.7%).

### **Property size and type**

- 4.4 Table 4.1 reviews the profile of occupied dwelling stock by size and type. Overall, the vast majority (77.3%) of properties are houses and there are similar proportions of flats and bungalows. Of all occupied properties, 30.7% have one or two bedrooms, 39.8% have three bedrooms and 29.5% have four or more bedrooms.

### **Property condition**

- 4.5 The 2006 Housing Needs Assessment reviewed the extent to which households were satisfied with the state of repair of their dwellings. Overall 77.5% of respondents expressed satisfaction (43.7% were satisfied and 33.8% were very satisfied; 13.8% were neither satisfied nor dissatisfied; a total of 8.7% expressed degrees of dissatisfaction, although only 1.1% were

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<sup>4</sup> 2007 Housing Strategy Statistical Appendix

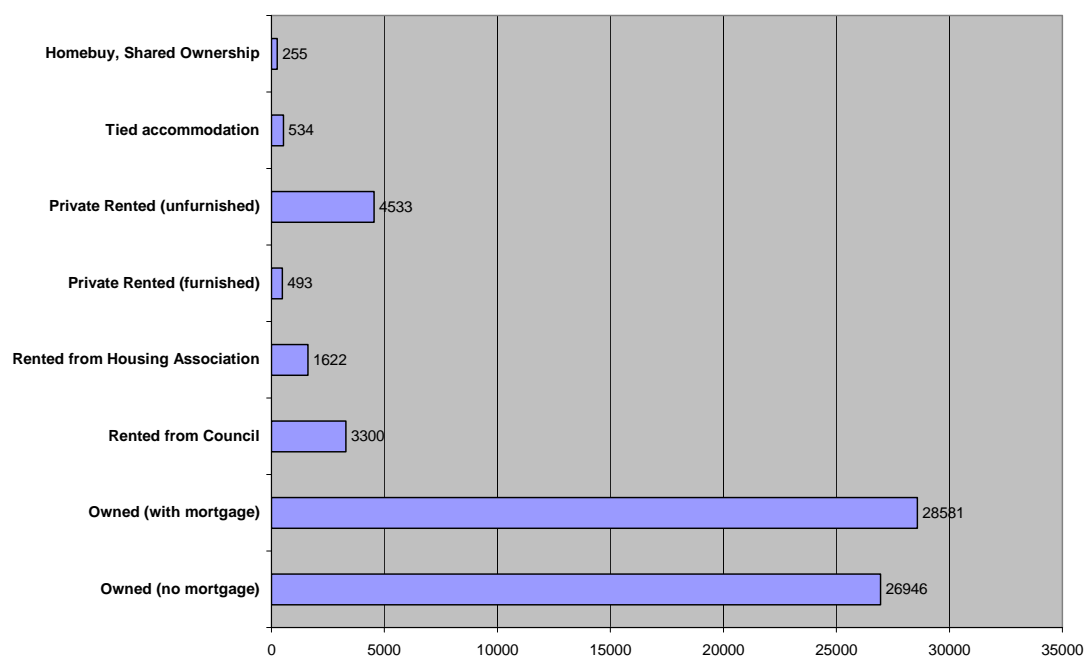
very dissatisfied. Table 4.2 explores how the level of dissatisfaction varied by dwelling tenure, age and type.

- 4.6 Data suggests that private renters, households living in older properties and households living in terraced houses and flats were most likely to express dissatisfaction with state of repair.

### Property tenure

- 4.7 The tenure profile of Harrogate District is summarised in Figure 4.1. Variations in broad tenure groups by sub-area is summarised in Figure 4.2. Overall, based on survey evidence, 84.2% of occupied dwellings are owner-occupied, 8.4% are private rented and 7.4% are social rented. The proportion of social rented properties is one of the lowest in the country; both Craven and Harrogate have the lowest proportions of social rented properties in Yorkshire and the Humber.

**Figure 4.1** Harrogate District tenure profile



Source: 2006 household survey

**Table 4.1** Property type and size

Size (no. Bedrooms)	Property type							
	House			Bungalow	Flat/ Maisonette	Caravan/ Park Home	Total	Base
	Detached	Semi	Terraced					
One/Bedsit	0.1	0.7	0.3	0.5	4.5	0.1	6.2	4081
Two	1.2	3.7	7.4	5.3	5.9	1.0	24.5	16231
Three	8.6	18.8	8.0	4.1	0.4	0.0	39.8	26396
Four	16.2	2.4	2.2	0.8	0.0	0.0	21.7	14362
Five or more	5.4	0.7	1.6	0.1	0.0	0.0	7.8	5193
TOTAL	31.6	26.3	19.4	10.8	10.8	1.1	100.0	
Base	20917	17453	12883	7129	7166	715		66263

Source: 2006 household survey

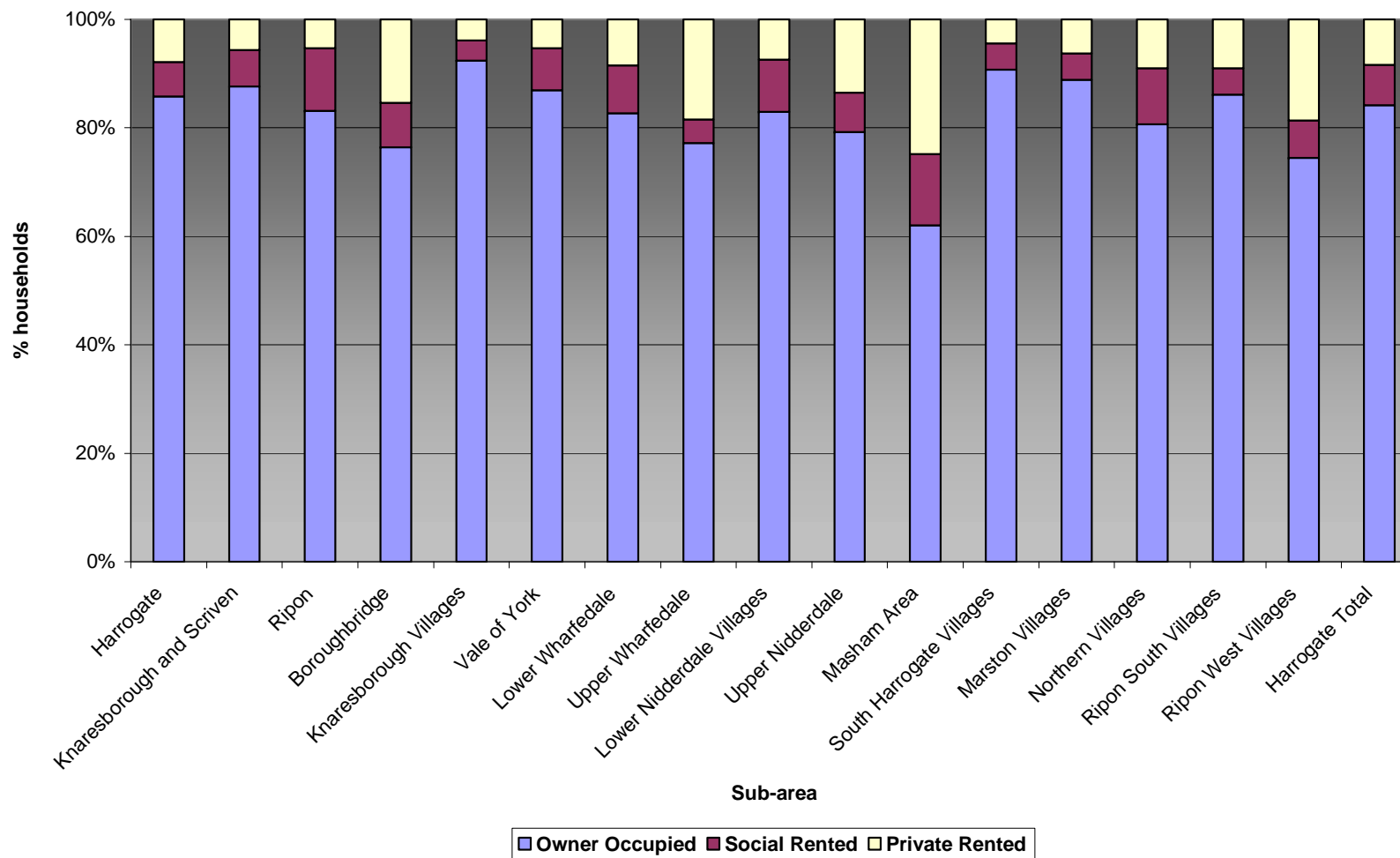
**Table 4.2** Dissatisfaction with state of repair by property tenure, age and type

Tenure	%	Base	Property Age	%	Base	Property Type	%	Base
Owned (no mortgage)	<b>5.1</b>	26946	Pre 1919	<b>14.1</b>	16905	Detached house	<b>6.7</b>	20917
Owned (with mortgage)	<b>10.2</b>	28581	1919-1944	<b>12.9</b>	10544	Semi-detached house	<b>7.9</b>	17453
Rented from Council	<b>8.8</b>	3300	1945-1964	<b>8.0</b>	10994	Mid-terraced house	<b>14.6</b>	8740
Rented from Hsg. Assoc	<b>7.8</b>	1622	1965-1984	<b>5.5</b>	15762	End-terraced house	<b>15.5</b>	4143
Private Rented (furnished)	<b>12.2</b>	493	1985 on	<b>2.8</b>	12058	Bungalow	<b>2.6</b>	7129
Private Rented (unfurnished)	<b>19.5</b>	4533				Maisonette	<b>0.0</b>	427
Tied accommodation	<b>14.0</b>	534				Flat - Ground Floor	<b>10.9</b>	3059
Homebuy, Shared Ownership	<b>2.9</b>	255				Flat - Above Ground Floor	<b>13.3</b>	3617
						Bedsit/studio	<b>0.0</b>	64
						Caravan/Park Home	<b>0.0</b>	715
<b>Total</b>	<b>8.7</b>	<b>66263</b>	<b>Total</b>	<b>8.7</b>	<b>66263</b>	<b>Total</b>	<b>8.7</b>	<b>66263</b>

Source: 2006 household survey

4.8 Tenure profile varies to some extent across the District. The proportion of households living in owner-occupied properties was lowest in Masham, Boroughbridge, Ripon West villages, Upper Wharfedale and Upper Nidderdale sub-areas. In these locations, the proportion of privately-rented properties was noticeably higher. Factors such as the need for private rented accommodation for military households (e.g. associated with Menwith Hill in Upper Nidderdale sub-area) and the growth in demand for renting as market prices have become largely unattainable in some rural communities, influence the tenure profile in these areas.

**Figure 4.2** Variation in tenure profile by sub-area



Note: Owner occupied includes intermediate tenure (shared ownership, discounted home ownership etc.)

Source: 2006 household survey

## Core Output 2: Past and current housing market trends; balance between supply and demand; key drivers

### Total dwelling stock

- 4.9 There are currently a total of 68,494 residential dwellings in Harrogate. This has increased from 60,289 in 1997 or 13.6%.

### Owner-occupied market

- 4.10 Over the period 1996 to the start of 1999, median house prices in Harrogate were around £70,000. The sustained rise in average house prices began in the second quarter of 1999 and by 2007, when prices peaked at £218,000, median prices had risen by 172.7%. Table 4.3 summarises how average property prices have changed over the period 1996 to 2008 and how rates of change have varied annually, peaking at 30.1% in 2002. The rate of house price increase has generally been slowing since 2004; rose again during 2007 but since then prices have started to fall.

**Table 4.3** Median property prices in Harrogate 1996-2008 and annual rate of change

Year	Median Price (£)	Price inflation: % change on previous year	Income required (£)*
1996	£66,500		£19,000
1997	£67,750	1.9	£19,357
1998	£74,000	9.2	£21,143
1999	£79,950	8.0	£22,843
2000	£90,500	13.2	£25,857
2001	£99,950	10.4	£28,557
2002	£130,000	30.1	£37,143
2003	£157,500	21.2	£45,000
2004	£177,000	12.4	£50,571
2005	£189,000	6.8	£54,000
2006	£197,500	4.5	£56,429
2007	£218,000	10.4	£62,286
2008	£215,000	-1.4	£61,429

\*To be affordable, a property should cost no more than 3.5x household income

\*\* Q1, Q2 and Q3 2008

Source: CLG Housing Statistics

- 4.11 It is interesting to note that in 1996, a household income of around £19,000 was required to ensure that a median-priced property was affordable. By 2007, an income of £62,286 was required, an increase of over 200% and far outstripping wage inflation over this period.

### **Private rented sector**

- 4.12 Over the past three to four years, the role of the private rented sector has changed dramatically. The overall number of private rented properties is generally increasing and it is becoming an important alternative to the dominant tenures of owner occupation and social renting. The 2006 household survey reported a total of 5,559 private rented dwellings across Harrogate district.
- 4.13 There are many factors currently driving the private rented sector. From a supply side perspective, speculator activity through buy-to-let has resulted in an increase in rented activity, particularly in newbuild apartment-type developments. However, this market has been largely sustained by relatively higher yields compared with other asset classes; this has now changed and the buy-to-let market is being increasingly affected through the impact of mortgage interest rate rises and saturation of the market in particular.
- 4.14 Demand for private rented accommodation is being fuelled by barriers to entry of the well-established owner occupied and social rented sectors. Owner occupation has become increasingly unaffordable to households, particularly in high-value markets such as Harrogate. In contrast, demand for social rented accommodation is very strong but there is limited supply: the private rented sector is therefore becoming the only viable tenure into which people can secure accommodation.

### **Social rented sector**

- 4.15 Over the past 10 years, the number of social rented properties has only reduced by 107, although the proportion of social rented stock has changed from 10.3% in 1997 to 8.9% in 2007.

### **Open market demand and supply**

- 4.16 It is possible to review the extent to which open market demand and supply is balanced. Using 2006 survey data, it is possible to ascertain market demand from existing households, newly-forming households and in-migrant households. This can then be reconciled with the likely supply based on turnover rates in the preceding five years (to June 2006).
- 4.17 This analysis helps to identify areas where there are imbalances in the provision of general market accommodation and is illustrated in Table 4.4. In summary, analysis of general market supply and demand suggests that:
- Market pressure i.e. demand is greater than supply in all sub-areas, but most acute in the Knaresborough Villages, Vale of York, Lower and Upper Wharfedale, South Harrogate Villages, Marston Villages and Ripon South Villages sub-areas;

- There are shortfalls in all property sizes and types across most areas, particularly for smaller dwellings (one/two bedroom), flats and bungalows.

4.18 This information can help inform development priorities in specific areas to help maintain the relatively balanced housing markets across Harrogate District.

### Key market drivers

4.19 The factors underpinning housing markets in Harrogate are explored in detail at Appendix B. Essentially, there are three key primary drivers influencing the current (and future) housing market: demographic, economic and dwelling stock characteristics, as summarised in Table 4.5.

**Table 4.5** Primary market drivers

Primary Driver	Attributes	Impact on overall demand through:
Demography	Changing no. of households, household structure, ethnicity	Natural Change
Economy	Jobs, income, activity rates, unemployment	Economic migration
Housing stock and aspirations	Quality vs aspirations, relative prices, accessibility, development programmes	Residential migration

**Table 4.4** Review of general market supply and demand

		Sub-Area								
		Harrogate	Knaresborough and Scriven	Ripon	Boroughbridge	Knaresborough Villages	Vale of York	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages
Tenure	Total	0.59	0.69	0.73	0.58	0.62	0.76	0.49	0.78	0.87
	Owner Occupied	0.45	0.31	0.36	0.67	0.16	0.37	0.41	0.36	0.60
	Private Rented	0.56	0.58	0.66	0.60	0.52	0.68	0.47	0.64	0.80
Property size	One	0.45	0.23	0.86	0.46	0.11	0.13	0.00	0.00	0.28
	Two	0.59	0.62	0.64	0.61	0.37	0.43	0.33	0.43	0.69
	Three	0.56	0.78	0.68	0.54	0.37	0.83	0.44	0.62	0.88
	Four or more	0.56	0.40	0.62	0.73	1.06	0.88	0.79	1.07	1.09
Property type	Detached Hse	0.48	0.66	0.60	0.91	0.98	1.12	0.83	1.13	1.17
	Semi Det Hse	0.75	0.75	0.61	0.80	0.28	0.73	0.54	0.51	1.44
	Terraced Hse	0.87	0.78	1.23	0.75	0.65	0.71	0.54	0.62	0.70
	Flat (inc bedsits)	0.59	0.60	0.79	0.27	0.13	0.06	0.11	0.00	0.15
	Bungalow	0.13	0.20	0.16	0.12	0.44	0.39	0.08	0.00	0.38

		Sub-Area							
		Upper Nidderdale	Masham Area	South Harrogate Villages	Marston Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Harrogate District Total
Tenure	Total	0.59	0.48	0.69	0.65	0.63	0.56	0.65	0.64
	Owner Occupied	0.63	1.26	0.19	0.31	0.42	0.35	1.02	0.47
	Private Rented	0.60	0.67	0.61	0.58	0.59	0.50	0.74	0.60
Property size	One	0.27	1.23	0.00	0.10	0.00	0.09	0.33	0.39
	Two	0.36	0.73	0.43	0.29	0.64	0.20	0.60	0.58
	Three	0.61	0.53	0.46	0.66	0.55	0.73	0.56	0.62
	Four or more	0.97	0.64	0.98	0.95	0.79	0.78	1.26	0.68
Property type	Detached Hse	0.96	0.72	1.05	1.00	0.95	0.62	1.05	0.70
	Semi Det Hse	0.72	0.90	0.86	0.62	0.61	0.65	0.69	0.76
	Terraced Hse	0.72	1.08	0.52	0.41	0.86	0.88	0.97	0.86
	Flat (inc bedsits)	0.23	0.25	0.00	0.00	0.00	0.06	0.39	0.50
	Bungalow	0.23	0.25	0.22	0.45	0.35	0.36	0.26	0.19

<0.5 Demand exceeds supply and there is particular pressure on stock  
0.5 - <1 Demand exceeds supply and there is some pressure on stock  
1 > Demand equals supply; demand likely to be satisfied

4.20 In summary, the following demographic drivers will continue to underpin the operation of Harrogate district's housing market:

- The current population of around 157,800 is expected to increase to 201,800 by 2031<sup>5</sup>;
- Over the next few decades, there will be a 'demographic shift' with the proportion of older people increasing;
- There is some ethnic diversity amongst the District's population, but the vast majority (94.8%) of residents describe themselves as White British;
- The number of households is expected to increase from 67,000 in 2006 to 95,000 by 2031<sup>6</sup>; a 41.7% increase and an additional 28,000 households; the proportion of households headed by someone aged 60 or over is expected to increase from 33% in 2006 to 40.2% by 2031;
- Official data indicates that in 2006/7, there were around 1,210 non-UK nationals working in Harrogate of whom 47.1% were Polish and 5% were Slovakian;
- Currently, 37% of households comprise a couple with no children. A further 23.6% are single person households and 19.3% are couples with dependent children. A further 16.6% are multi-person households (e.g. a couple with non-dependent children) and 3.5% are lone parent families. Household projections indicate that the proportion of singles and other household types is likely to increase.

4.21 The following economic drivers will continue to underpin the operation of Harrogate district's housing market:

- Harrogate is an integral component of the Leeds City Region which is a key driver for regional economic growth;
- Economic activity rates are slightly higher than the regional and national figures;
- Harrogate District has a high proportion (47.3%) of employees in managerial and professional occupations;
- The District has a highly-skilled population, with around 90% of households having some form of qualification and 31.6% having a qualifications equivalent to NVQ4 and above.; and
- Median incomes are higher than the regional and national median figures

4.22 In terms of dwelling stock drivers:

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<sup>5</sup> ONS 2006-based population projections

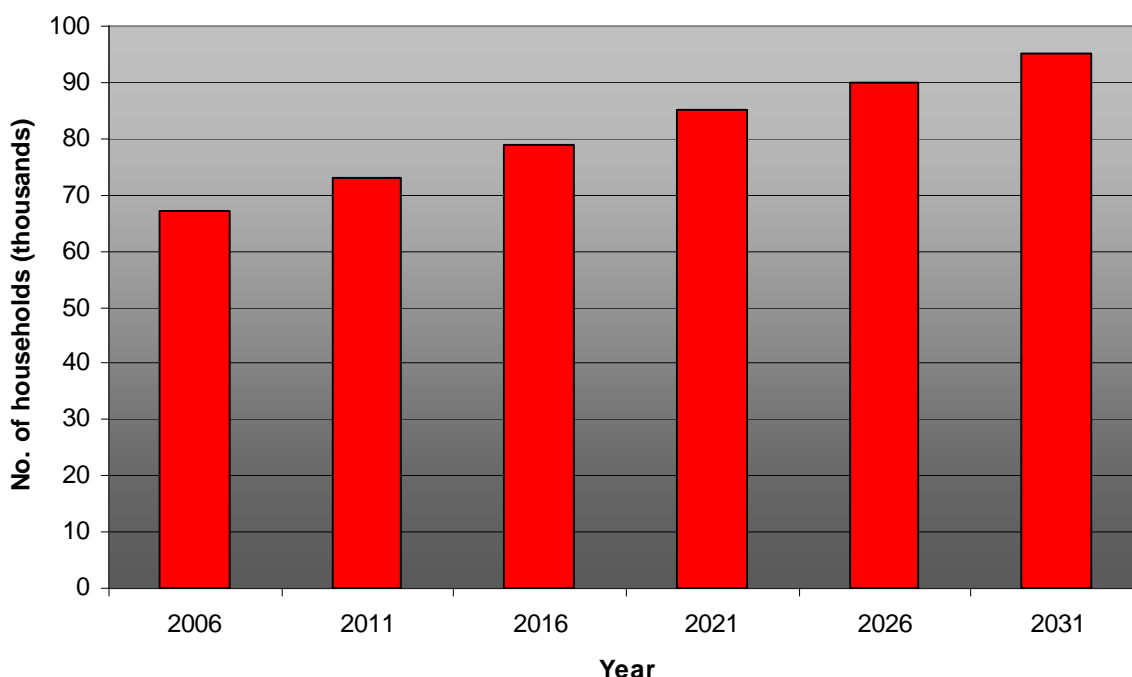
<sup>6</sup> CLG 2006-based sub-regional household projections

- 77.8% of properties are houses, 10.7% bungalows, 10.6% flats/maisonettes and 0.9% are other property types (e.g. caravans);
  - 25.8% of properties were built before 1919 and 18.1% of properties have been built since 1984;
  - 84.2% of properties are owner-occupied, much higher than regional and national averages. A further 8.4% are private rented and 7.4% are social rented. The proportion of social rented stock is very low at only around 40% of the national average, but demand for the stock is very high. The private rented sector plays an important role in providing an alternative to owner-occupation and is increasingly the only viable option open to many households;
  - There is a particularly strong aspiration for houses and some age-specific aspirations which are explored in more detail in discussions relating to Core Output 6
- 4.23 Secondary drivers are broadly defined as drivers that help to influence residential location. They include local amenities such as healthcare, schools, and transport links. Material relating to secondary drivers is presented at Appendix B Table B34.
- 4.24 Across Harrogate District, there was a high level of satisfaction expressed for schools, shops, healthcare, parks/open space and general reputation. Dissatisfaction was particularly pronounced for transport (particularly public transport in Upper Wharfedale and Marston Villages sub-areas) and access to cycle and pedestrian paths (Northern Villages). The degree of satisfaction with amenities was generally lower in South Harrogate Villages, Northern Villages and rural sub-areas in general. A high degree of overall satisfaction was recorded in Harrogate and Knaresborough/Scriven sub-areas.
- 4.25 Overall, residents in Harrogate and Knaresborough & Scriven were most satisfied with their areas and amenities.

### Core Output 3: Future households

4.26 The number of households in Harrogate is expected to increase from 67,000 in 2006 to 95,000 by 2031, an increase of 41.8% (Figure 4.3). This equates to an average annual increase of 1,120 households. However, it should be noted that this average annual increase contrasts with a net addition of 390 dwellings based on RSS targets.

**Figure 4.3** Projected household change 2006-2031



Source: ONS sub-national household projections 2006-based

4.27 Over the next few decades, the profile of households in Harrogate is expected to change dramatically. The population is aging and the proportion of households headed by an older person is likely to increase. Further analysis of likely demographic change suggests that the number of households headed by an older person may increase by around two-thirds. By 2031, of the projected 95,000 households, 40.2% may be headed by an older person (compared with 33% in 2006).

## Core Output 4: Current households in need

- 4.28 A robust and defensible assessment of housing need is essential for the development of affordable housing policies which need to be articulated in Local Development Frameworks. PPS3 defines housing need as:
- ‘the quantity of housing required for households who are unable to access suitable housing without financial assistance’.
- 4.29 The 2006 housing needs survey provides the robust and transparent evidence base required to assess housing need across Harrogate district. This is presented in detail at Appendix D of this report and follows CLG modelling guidance.
- 4.30 Across Harrogate District, there are 4,336 existing households in need. Reasons for housing need are summarised in Table 4.6.

**Table 4.6** Housing need in Harrogate District

Category	Factor	No. Households
Homeless households or with insecure tenure	Under notice, real threat of notice or lease coming to an end	254
	Too expensive, and in receipt of housing benefit or in arrears due to expense	723
Mismatch of housing need and dwellings	Overcrowded according to the 'bedroom standard' model	522
	Too difficult to maintain	1539
	Couples, people with children and single adults over 25 sharing a kitchen, bathroom or wc with another household	101
	Household containing people with mobility impairment or other special needs living in unsuitable accommodation	1110
Dwelling amenities and condition	Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	155
	Subject to major disrepair or unfitness and household does not have resource to make fit	318
Social needs	Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	306
Total Need		4336
As % all households		6.5

Source: 2006 household survey

- 4.31 Table 4.7 summarises the range of housing needs experienced by sub-area and how the overall proportion of households in need varies to some extent across the District. This proportion is highest in Knaresborough and Scriven sub-area (10.5%) and lowest in the Vale of York and Marston Villages sub-areas (3.2%).
- 4.32 Table 4.8 demonstrates how the proportion of households in housing need varies by tenure and household type. Private renters, social renters, lone parents with 1 or 2 child(ren) and singles under 60 are more likely to experience housing need.

**Table 4.7 Housing need by sub-area**

Housing Need Factors		Sub-area							
		Harrogate	Knaresborough and Scriven	Ripon	Boroughbr idge	Knaresborough Villages	Vale of York	Lower Wharfedale	Upper Wharfedale
Need1	Under notice, real threat of notice or lease coming to an end	0	44	32	33	21	0	13	12
Need2	Too expensive, and in receipt of housing benefit or in arrears due to expense	247	121	159	18	16	7	7	15
Need3	Overcrowded according to the 'bedroom standard' model	124	121	64	31	5	10	17	6
Need4	Too difficult to maintain	651	202	209	62	26	28	40	9
Need5	Couples, people with children and single adults over 25 sharing a kitchen, bathroom or wc with another household	0	24	32	6	0	0	0	0
Need6	Household containing people with mobility impairment or other special needs living in unsuitable accommodation	528	227	52	44	20	26	23	20
Need7	Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	124	0	32	0	0	0	0	0
Need8	Subject to major disrepair or unfitness and household does not have resource to make fit	124	68	32	14	16	6	6	0
Need9	Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	247	24	0	15	0	0	0	0
<b>Total households with one or more housing needs</b>		1951	666	463	193	47	56	86	48
Total no. households		30469	6356	6871	2466	1120	1750	1564	861
% Households in need		6.4	10.5	6.7	7.8	4.2	3.2	5.5	5.6

Housing Need Factors		Sub-area								
		Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Marston Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Total
Need1	Under notice, real threat of notice or lease coming to an end	8	48	17	6	0	20	0	0	155
Need2	Too expensive, and in receipt of housing benefit or in arrears due to expense	46	15	6	0	15	26	6	20	589
Need3	Overcrowded according to the 'bedroom standard' model	75	35	0	0	9	11	5	11	377
Need4	Too difficult to maintain	86	78	16	30	12	35	35	20	1227
Need5	Couples, people with children and single adults over 25 sharing a kitchen, bathroom or wc with another household	13	27	0	0	0	0	0	0	61
Need6	Household containing people with mobility impairment or other special needs living in unsuitable accommodation	53	55	16	10	3	20	5	10	940
Need7	Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	0	0	0	0	0	0	0	0	155
Need8	Subject to major disrepair or unfitness and household does not have resource to make fit	7	5	19	0	0	10	0	12	265
Need9	Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	6	4	0	0	0	4	0	6	286
<b>Total households with one or more housing needs</b>		253	224	63	41	40	95	51	59	4336
Total no. households		4781	2973	870	771	1251	1482	976	1702	66263
% Households in need		5.3	7.5	7.3	5.3	3.2	6.4	5.2	3.5	6.5

Source: 2006 household survey

**Table 4.8** Housing need by tenure and household type

Tenure	%	Base	Household type	%	Base
Owner Occupied	4.2	55527	Single person under 60	11.0	7560
Council	10.5	3300	Single person 60 or over	3.5	8276
RSL Rented	16.5	1622	Couple under 60 (no children)	4.5	11216
Private Rented	21.9	5560	Couple (one or more over 60)	5.6	13216
Intermediate	2.2	255	Couple with 1/2 dependent child(ren)	4.5	10772
			Couple with 3+ dependent children	5.6	1966
			Lone Parent with 1/2 Child(ren)	21.2	2065
			Lone Parent with 3+ Children	9.0	268
			Other type of household	7.6	10924
Total	6.5	66263	Total	6.5	66263

Source: 2006 household survey

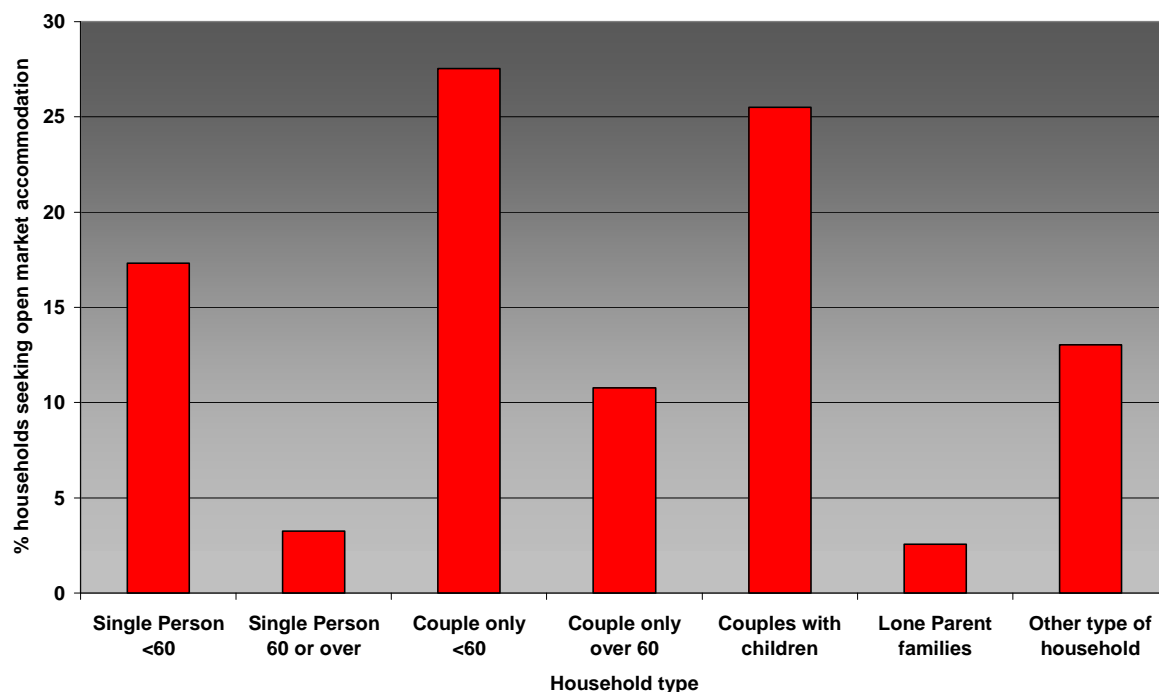
### Core Output 5: Future households requiring affordable housing

- 4.33 A detailed analysis of household formation rates based on a review of past trends and future intentions is presented at Appendix D. Survey evidence suggests a household formation rate of 964 per annum, of whom 83% cannot afford to buy or rent in the open market (800 per annum).

### Core Output 6: Future households requiring market housing

- 4.34 The 2006 housing needs survey provided a range of valuable evidence on general market requirements. The vast majority of households (around 90%) live in the open market and overall demand for market accommodation will be sustained as the District is a popular area in which to live.
- 4.35 Information on turnover rates suggests that across the District, around 3,666 private sector dwellings come onto the market on an annual basis. Around 4,081 existing households are intending to move in the open market over the next year and figure 4.4 indicates that couples under 60 and couples with children are particularly likely to be moving in the open market.

**Figure 4.4** Types of household intending to move in the open market over the next year



Source: 2006 household survey

4.36 Of households moving, most (87.7%) are considering a house, 38.5% are considering a bungalow and 17.6% a flat. Table 4.9 provides further detail on the relative preferences households have for particularly property types and sizes by age cohorts and Table 4.10 by household type. Table 4.11 considers the extent to which household aspirations vary by sub-area.

**Table 4.9** Market preferences by age band

Property characteristics	Age Band of respondent and % who would consider property type/size				
	16 to 39	40 to 59	60 to 74	75 and over	All
<b>House</b>	<b>94.5</b>	<b>90.3</b>	<b>68.3</b>	<b>13.1</b>	<b>87.7</b>
Detached	72.3	63.4	52.9	11.1	65.3
Semi-Detached	61.8	60.1	10.8	3.4	53.3
Larger Terraced	9.3	25.0	16.6	0.0	15.0
Smaller Terraced	42.9	23.3	1.7	1.4	30.3
2 Bed	18.2	32.0	20.5	3.4	22.6
3 Bed	69.2	42.4	41.9	9.1	55.1
4 Bed	38.6	34.2	6.9	0.0	32.4
5+ Bed	3.3	12.7	2.0	0.0	6.1
<b>Flat</b>	<b>14.4</b>	<b>21.1</b>	<b>11.5</b>	<b>68.8</b>	<b>17.6</b>
Ground Floor	5.4	7.4	5.0	6.6	6.1
First Floor	11.7	9.5	5.0	66.8	11.6
Above First Floor	10.5	12.3	4.3	0.0	10.2
One	7.7	0.4	0.0	3.2	4.2
Two	12.8	12.4	7.1	68.8	13.4
Three	3.3	10.6	5.0	1.4	5.9
Bedsit/Studio	0.0	0.0	0.0	0.0	0.0
<b>Bungalow</b>	<b>31.2</b>	<b>40.1</b>	<b>52.9</b>	<b>91.5</b>	<b>38.5</b>
Detached	24.6	34.7	51.5	91.5	33.0
Semi-Detached	26.6	14.5	5.5	64.6	20.9
Terraced	16.5	2.8	1.3	2.4	9.8
One	1.4	0.7	1.9	0.0	1.1
Two	12.9	13.1	26.3	81.9	16.5
Three	25.9	24.1	25.8	11.0	24.9
Four or more	5.8	16.3	1.5	0.0	8.5
<b>Base</b>	<b>2154</b>	<b>1360</b>	<b>461</b>	<b>106</b>	<b>4081</b>

Source: 2006 household survey

**Table 4.10** Market preferences by household type

Property characteristics	Household type and % who would consider property type/size							
	Single Person <60	Single Person 60 or over	Couple only <60	Couple only over 60	Couple with 1 or 2 child(ren)	Couple with 3 or more children	Lone Parent	Other type of household
<b>House</b>	<b>74.8</b>	<b>19.8</b>	<b>94.8</b>	<b>70.2</b>	<b>99.6</b>	<b>100.0</b>	<b>96.5</b>	<b>98.2</b>
Detached	39.8	17.2	80.4	48.8	78.4	100.0	41.3	71.6
Semi-Detached	43.0	12.6	68.4	6.1	51.3	70.2	78.7	85.7
Larger Terraced	9.0	7.0	19.0	21.5	2.1	0.0	50.0	31.3
Smaller Terraced	19.2	3.7	44.8	4.5	36.9	21.8	45.1	30.2
2 Bed	31.3	10.8	19.3	25.4	14.2	0.0	27.8	37.4
3 Bed	35.5	9.6	71.9	45.5	59.3	42.2	79.7	55.6
4 Bed	15.6	5.2	43.4	3.9	47.5	80.3	13.9	33.3
5+ Bed	1.9	0.0	11.7	1.2	6.2	42.1	7.1	1.8
<b>Flat</b>	<b>39.8</b>	<b>63.3</b>	<b>7.8</b>	<b>11.2</b>	<b>11.0</b>	<b>0.0</b>	<b>31.3</b>	<b>15.3</b>
Ground Floor	7.9	14.8	4.0	3.3	2.1	0.0	31.3	11.6
First Floor	18.8	56.8	6.0	9.7	10.3	0.0	7.1	9.5
Above First Floor	29.4	0.0	3.4	1.8	10.7	0.0	7.1	9.5
One	17.6	2.6	1.9	0.0	0.0	0.0	0.0	4.8
Two	23.8	60.6	6.9	11.2	8.6	0.0	31.3	11.2
Three	14.2	5.8	3.5	0.0	2.4	0.0	24.2	8.2
Bedsit/Studio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Bungalow</b>	<b>28.6</b>	<b>89.2</b>	<b>40.1</b>	<b>55.9</b>	<b>33.6</b>	<b>20.5</b>	<b>30.4</b>	<b>32.6</b>
Detached	22.0	86.5	39.8	54.3	22.9	20.5	5.9	25.8
Semi-Detached	11.2	61.4	27.5	2.9	23.5	20.5	27.8	20.9
Terraced	5.2	4.3	9.9	1.6	18.4	7.6	27.8	5.9
One	2.4	6.4	0.0	0.0	0.0	0.0	0.0	4.1
Two	10.8	64.4	12.9	27.9	12.0	0.0	27.8	16.8
Three	6.4	23.3	36.6	29.7	23.8	13.3	26.8	24.6
Four or more	12.8	2.6	18.0	0.0	1.1	20.5	0.0	6.4
<b>Base</b>	<b>707</b>	<b>133</b>	<b>1124</b>	<b>440</b>	<b>983</b>	<b>58</b>	<b>104</b>	<b>532</b>

Source: 2006 household survey

**Table 4.11** Market aspirations by sub-area

Sub-area	Property type										Total Aspirations Stated
	House			Flat			Bungalow			Total	
	1-2 Bed	3+ Bed	Total	1-2 Bed	3+ Bed	Total	1-2 Bed	3+ Bed	Total		
Boroughbridge	15.5	50.3	<b>65.8</b>	8.3	1.1	<b>9.5</b>	16.2	8.5	<b>24.7</b>	<b>100</b>	655
Harrogate	12.7	47.9	<b>60.6</b>	11	3.8	<b>14.7</b>	8.2	16.4	<b>24.7</b>	<b>100</b>	9031
Knaresborough	15.4	41.9	<b>57.3</b>	10.5	3.1	<b>13.5</b>	13.3	15.8	<b>29.2</b>	<b>100</b>	1893
Knaresborough Villages	12	41.1	<b>53.1</b>	12.6	2.4	<b>15</b>	17.4	14.5	<b>31.8</b>	<b>100</b>	208
Lower Nidderdale Villages	10.5	49.1	<b>59.6</b>	7.4	2.9	<b>10.3</b>	14.2	15.9	<b>30.1</b>	<b>100</b>	1196
Lower Wharfedale	16	38.8	<b>54.8</b>	11.4	2.6	<b>14</b>	16.3	14.9	<b>31.2</b>	<b>100</b>	359
Marston Villages	8.9	64.2	<b>73.1</b>	5.9	0	<b>5.9</b>	9.7	11.3	<b>21</b>	<b>100</b>	165
Masham Area	17.6	44.5	<b>62.2</b>	10.3	1.8	<b>12.1</b>	15.3	10.4	<b>25.7</b>	<b>100</b>	276
Northern Villages	9.5	45	<b>54.5</b>	5.6	2.4	<b>8</b>	14.1	23.4	<b>37.5</b>	<b>100</b>	378
Ripon	8.5	45.5	<b>53.9</b>	10.4	6.9	<b>17.4</b>	11.4	17.3	<b>28.7</b>	<b>100</b>	1946
Ripon South Villages	10	45.9	<b>55.9</b>	12.2	3.9	<b>16.1</b>	12.7	15.3	<b>28</b>	<b>100</b>	207
Ripon West Villages	13.3	53.6	<b>67</b>	6.3	3.6	<b>9.9</b>	13.2	9.9	<b>23.1</b>	<b>100</b>	388
South Harrogate Villages	17.1	34.8	<b>51.8</b>	3.1	10.1	<b>13.2</b>	16.6	18.4	<b>35</b>	<b>100</b>	157
Upper Nidderdale	11.9	38.3	<b>50.3</b>	12.5	3.9	<b>16.4</b>	18	15.3	<b>33.3</b>	<b>100</b>	706
Upper Wharfedale	9.7	32.4	<b>42.2</b>	13.8	1.7	<b>15.5</b>	28	14.3	<b>42.3</b>	<b>100</b>	108
Vale of York	20.3	43.2	<b>63.5</b>	7	2.7	<b>9.6</b>	18.8	8.1	<b>26.9</b>	<b>100</b>	270
<b>HARROGATE DISTRICT</b>	<b>12.5</b>	<b>46.5</b>	<b>59</b>	<b>10.2</b>	<b>3.9</b>	<b>14</b>	<b>11.1</b>	<b>15.8</b>	<b>27</b>	<b>100</b>	<b>17943</b>

Base: A total of 17,943 aspirations of households intending to move in the open market

Source: 2006 household survey

4.37 The data presented in Tables 4.9, 4.10 and 4.11 provides a useful review of how market demand varies by age group and household type. The information reflects 'common sense' i.e. :

- younger households and households with children are most likely to consider houses;
- older people are most likely to consider flats and bungalows.

4.38 Additionally:

- households headed by people aged 16-39 are most likely to consider smaller terraced properties and most likely to consider a three-bedroom house;
- both the 16-39 and 40-59 age cohorts are particularly likely to consider detached and semi-detached properties;
- properties with four or more bedrooms are most likely to be considered by 16-39 and 40-59 age cohorts;
- older singles and respondents aged 75 and over are particularly likely to consider two bedroom flats along with more traditional bungalows;
- couples with no children would consider a range of properties, most notably detached and particularly three bedroomed properties;
- singles under 60 and lone parents were particularly likely to consider flats, with ground floor preferences expressed by lone parents;
- Overall, the dwelling type and size aspirations of households across Harrogate District are similar. That said, there are some sub-area variations. For instance, higher proportions of households aspiring houses in Ripon West, Marston Villages, Boroughbridge, Vale of York sub-areas relative to the District average; and higher proportions of households in Upper Wharfedale, Northern Villages and Upper Nidderdale aspiring towards bungalows relative to the District average.

4.39 The general market aspirations of newly-forming households are summarised in Table 4.12. This shows a particular aspiration towards flats/apartments, followed by houses. Aspirations were strongest for one and two bedroom properties.

**Table 4.12** Household aspirations (newly-forming households)

Property Type	%	Property Size	%
Flat	60.1	One/Studio	51.3
House	35.0	Two	44.5
Bungalow	4.9	Three or more	4.2
Base: 4,822 newly forming households			

Source: 2006 household survey

## Core Output 7: Size of affordable housing required

- 4.40 A detailed analysis of the following factors determines overall affordable housing requirements:
- Households currently in housing which is unsuitable for their use and who are unable to afford to buy or rent in the market (backlog need);
  - New households forming who cannot afford to buy or rent in the market;
  - Existing households expected to fall into need;
  - The supply of affordable housing through social renting and intermediate tenure stock.
- 4.41 The needs assessment model advocated by the CLG has been used and detailed analysis of each stage of the model is presented at Appendix D.
- 4.42 In addition to establishing the overall affordable housing requirement, analysis breaks this requirement down by sub-area, property designation (i.e. general purpose and older person) and property size (number of bedrooms) as shown in Table 4.13.

**Table 4.13** Annual affordable housing requirement 2006-2011

Sub-Area	General		Older Person (1/2 Beds)	TOTAL
	Smaller (1/2 Bed)	Larger (3/4 Bed)		
Harrogate	359			<b>359</b>
Knaresborough and Scriven	111	13		<b>124</b>
Ripon	46	7		<b>53</b>
Boroughbridge	48	2	2	<b>52</b>
Knaresborough Villages	15	1		<b>16</b>
Vale of York	20	2		<b>22</b>
Lower Wharfedale	4	1		<b>5</b>
Upper Wharfedale	14	1	1	<b>16</b>
Lower Nidderdale Villages	33	3		<b>36</b>
Upper Nidderdale	51	4		<b>55</b>
Masham Area	15			<b>15</b>
South Harrogate Villages	10			<b>10</b>
Marston Villages	16	1		<b>17</b>
Northern Villages	15			<b>15</b>
Ripon South Villages	15		1	<b>16</b>
Ripon West Villages	14	5		<b>19</b>
<b>Total</b>	<b>786</b>	<b>40</b>	<b>4</b>	<b>830</b>

Source: 2006 household survey

- 4.43 Households were asked to state tenure preferences. Table 4.14 summarises the preferences of both existing households in need and newly forming

households by sub-area. Overall, this gives a tenure split of 34% intermediate and 66% social rented, although this varies by sub-area.

**Table 4.14** Affordable housing tenure split by sub-area

Sub-Area	Tenure Split (%)			Summary		
	Social Rented	Intermediate	Total	Total Need	Social Rented	Intermediate
Harrogate	68.4	31.6	100.0	359	246	113
Knaresborough and Scriven	65.4	34.6	100.0	124	81	43
Ripon	62.2	37.8	100.0	53	33	20
Boroughbridge	53.7	46.3	100.0	52	28	24
Knaresborough Villages	68.3	31.7	100.0	16	11	5
Vale of York	63.4	36.6	100.0	22	14	8
Lower Wharfedale	49.7	50.3	100.0	5	2	3
Upper Wharfedale	71.6	28.4	100.0	16	11	5
Lower Nidderdale Villages	61.0	39.0	100.0	36	22	14
Upper Nidderdale	58.5	41.5	100.0	55	32	23
Masham Area	67.7	32.3	100.0	15	10	5
South Harrogate Villages	68.2	31.8	100.0	10	7	3
Marston Villages	57.0	43.0	100.0	17	10	7
Northern Villages	70.1	29.9	100.0	15	11	4
Ripon South Villages	76.4	23.6	100.0	16	12	4
Ripon West Villages	57.6	42.4	100.0	19	11	8
<b>Total</b>	<b>66.0</b>	<b>34.0</b>	<b>100.0</b>	<b>830</b>	<b>541</b>	<b>289</b>

Source: 2006 household survey

- 4.44 Table 4.15 applies information relating to overall requirements and tenure split to establish a blueprint for affordable housing development in Harrogate over the five year period April 2006 to March 2011.

**Table 4.15** Affordable housing requirements by location, tenure, size and designation per year for the five year period April 2006 to March 2011

**SOCIAL RENTED: ANNUAL SHORTFALL**

Sub-Area	General		Older Person (1/2 Beds)	TOTAL
	Smaller (1/2 Bed)	Larger (3/4 Bed)		
Harrogate	246			246
Knaresborough and Scriven	72	9		81
Ripon	29	4		33
Boroughbridge	26	1	1	28
Knaresborough Villages	10	1		11
Vale of York	13	1		14
Lower Wharfedale	2			2
Upper Wharfedale	9	1	1	11
Lower Nidderdale Villages	20	2		22
Upper Nidderdale	30	2		32
Masham Area	10			10
South Harrogate Villages	7			7
Marston Villages	9	1		10
Northern Villages	11			11
Ripon South Villages	11		1	12
Ripon West Villages	8	3		11
<b>Total</b>	<b>513</b>	<b>25</b>	<b>3</b>	<b>541</b>

**INTERMEDIATE: ANNUAL SHORTFALL**

Sub-Area	General		Older Person (1/2 Beds)	TOTAL
	Smaller (1/2 Bed)	Larger (3/4 Bed)		
Harrogate	113	0	0	113
Knaresborough and Scriven	39	4	0	43
Ripon	17	3	0	20
Boroughbridge	22	1	1	24
Knaresborough Villages	5	0	0	5
Vale of York	7	1	0	8
Lower Wharfedale	2	1	0	3
Upper Wharfedale	5	0	0	5
Lower Nidderdale Villages	13	1	0	14
Upper Nidderdale	21	2	0	23
Masham Area	5	0	0	5
South Harrogate Villages	3	0	0	3
Marston Villages	7	0	0	7
Northern Villages	4	0	0	4
Ripon South Villages	4	0	0	4
Ripon West Villages	6	2	0	8
<b>Total</b>	<b>273</b>	<b>15</b>	<b>1</b>	<b>289</b>

Source: 2006 household survey

- 4.45 Table 4.16 considers the range of affordable property types households would consider based on the aspirations of existing households in need and newly-forming households requiring affordable accommodation. Overall, analysis suggests that primarily, delivery of houses and flats is a priority, with an additional need to provide bungalows.

**Table 4.16** Affordable property type preferences

Property type	Property type preferences		
	Existing HHs in Need	Newly-forming Households	TOTAL
House	50.1	32.0	40.5
Flat	16.0	55.0	36.6
Bungalow	33.9	13.0	22.9
Base (HHs in need of affordable accommodation)	323	800	1123

Source: 2006 household survey

### Updating the evidence on affordable requirements

- 4.46 Having established a view on the imbalance between affordable housing supply and requirement, future updating should be carried out on a regular basis. Appendix G suggests ways in which this can be achieved.

### Comparison with housing register

- 4.47 A total of 2,829 households were recorded on the Housing Register as at 1<sup>st</sup> April 2007. Table 4.17 summarises the property size requirements of these households.

**Table 4.17** Dwelling size requirements of households on Housing Register as at 1<sup>st</sup> April 2008

Requirement	No. of households	% of households
1 Bedroom	1,771	59.4
2 Bedrooms	866	29.1
3 bedrooms	305	10.2
3+ bedrooms	37	1.2
Total	2,979	100.0

Source: Housing Strategy Statistical Appendix

- 4.48 The Housing Register information broadly corroborates the findings of the needs assessment. The vast majority of households in need require smaller accommodation (88.5% of households on the Housing Register vs 95.1% from the needs assessment).

- 4.49 It follows that the vast majority of newbuild social rented stock should be smaller (one/two bedrooed) but the need for larger properties with three or more bedrooms should be planned for as part of an appropriate mix.
- 4.50 Generally speaking, households in need tend to be smaller and this is borne out in the housing needs modelling. Notwithstanding this, it is important to maintain flexibility in who can potentially live in properties and building two/three bedroom dwellings can help address the needs of a wider range of household types compared with a one bedroom dwelling.

### **National Affordable Housing Programme 2008-2011**

- 4.51 Public investment in affordable housing is channelled through the National Affordable Housing Programme (NAHP) which is managed by the Housing Corporation. Any future affordable development programme in Harrogate district must reflect upon the criteria for bids outlined in the NAHP prospectus for 2008-11. For North Yorkshire, the prospectus states that:
- 80% of development should be for rent and 20% for shared ownership;
  - 100% of new development should be to address difficulties in accessing housing, which includes the provision of new affordable homes;
  - Specific sub-regional priorities are:
    - Additional affordable housing should be focused in urban areas and market towns;
    - Provision of extra care housing for the growing elderly population
    - Development in the Green Corridor (which includes Harrogate)

### **Implications for planning**

- 4.52 Appendix F provides further information on the implications for the development of planning policies for both market and affordable housing.

## 4.52 **CORE OUTPUT 8: ESTIMATES OF HOUSEHOLD GROUPS WHO HAVE PARTICULAR HOUSING REQUIREMENTS**

### **Introduction**

- 4.53 There are a range of household groups who have particular housing requirements. The evidence presented at Appendix E focuses on families, older people, homeless households and support issues. This section also considers the role of intermediate tenure and low cost market housing in the Harrogate housing market context.

### **Families**

- 4.54 Families account for around 22.8% of households across Harrogate. This is a relatively low proportion and compares with 29% nationally<sup>7</sup>. Although families are moving into the district, a particular barrier is prevailing house prices, particularly for family-size accommodation. Two parent families have strong preferences for houses (particularly with two and three-bedroom) and single parents also have a preference for flats. It is important that particular care is taken to ensure that properties are built to reflect the demand from families in the interests of long-term community sustainability.

### **Older people**

- 4.55 A major strategic challenge for the Council is to ensure a range of appropriate housing provision, adaptation and support for Harrogate District's growing older population. The number of people aged 60 or over is projected to increase from 37,600 in 2006 to 64,900 by 2031.
- 4.56 The vast majority of older people want to stay in their own homes with help and support when needed and the vast majority are owner occupiers. Particularly noted is the need for help with gardening, repair/maintenance and cleaning. Better insulation and adaptations to bathrooms stand out as particular requirements from older people. Resources for aids and adaptations remain tight, particularly for households in the private sector. Alternative sources of funding, such as equity loans, should be seriously considered to finance remedial measures required by older person households.
- 4.57 There is a degree of interest in new forms of older persons' accommodation, for instance older persons' apartments and properties in a retirement/care village. Providing a wider range of older persons' accommodation has the potential to free-up larger family accommodation (although price could still remain a barrier to entry).
- 4.58 North Yorkshire's Supporting People Strategy focuses on the need to provide additional extra care schemes and developing telecare services. The

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<sup>7</sup> ONS Social Trends 37 (2007)

provision of extra care schemes has emerged as a strategic priority presented in the National Affordable Homes Programme 2008-2011.

### General support requirements

- 4.59 The 2006 household survey provided evidence of the need for particular adaptations by area, tenure and household type. Overall, households are tending to require remedial measures to their property to provide better heating and insulation; the requirement for kitchen and bathroom adaptations was also frequently cited (Table 4.18)

**Table 4.18** Adaptations required either now or in next 5 years

Adaptation	% h'holds stating	No. stating	Adaptation	% h'holds stating	No. stating
Better heating	14.1	9618	Stairlift	3.9	2658
Insulation	25.1	17119	Internal door widening	1.5	1003
Adaptations to kitchen	15.6	10663	External ramp	2.2	1478
Adaptations to bathroom	16.9	11515	External handrails	3.0	2063
Internal handrails	4.5	3087	Security alarm	8.5	5816
Downstairs WC	4.6	3114	Increase property size e.g. extension, loft conversion	11.0	7479
Base 66263					

Source: 2006 household survey

- 4.60 The household survey also provides information on the need for other forms of assistance, such as assistance with cleaning, other practical tasks etc. (Table 4.19). This provides valuable evidence to support interventions such as Home Improvement Agencies.

**Table 4.19** Type of assistance required either now or in next 5 years

Type of assistance	% h'holds stating	No. stating
Help with repair/maintenance	14.9	10,180
Help with gardening	16.5	11,267
Help with cleaning home	12.2	8,288
Help with other practical tasks	6.0	4,062
Help with personal care	4.6	3,107
Want company/friendship	3.5	2,353
Want a social alarm (call for help alarm)	3.6	2,455
Base (all households)	66,263	

Source: 2006 household survey

### Specialist support requirements

- 4.61 The Supporting People team have a particular responsibility to ensure that there is adequate accommodation and support provision for a range of specialist client requirements e.g. domestic violence, HIV/Aids, Offending/Ex-Offending and Teenage Pregnancy. North Yorkshire's Supporting People Strategy provides detailed information on the characteristics of current provision and future requirements.
- 4.62 RSL specialist provision in Harrogate particularly focuses on supporting women at risk of domestic violence and the frail elderly

### Homeless households

- 4.63 Given the acute shortage of affordable accommodation and the financial barriers to accessing owner occupation, it is not surprising that there has been an upwards trend in the number of homelessness applications across Harrogate. Over the period 2000/01 to 2005/6, the number of homeless applications has averaged 246. Of these households, a majority (63% average over the period) have been allocated a social rented property.
- 4.64 The 2006 Housing Needs Assessment provided a valuable opportunity to assess the extent of 'hidden homelessness' across Harrogate District. Respondents were asked if they had provided temporary accommodation for someone in the previous year. Results were staggering:
- 9.9%** of all households (5,880) across the District had provided some form of temporary accommodation for a total of **7,643 people**.

### Black and minority ethnic households

- 4.65 Across Harrogate, according to the 2001 census around 5.2% of households are non-White British. The largest groups include White Other (3.1%), White

Irish (0.6%), Asian/Asian British (0.3%) and Black/Black British (0.3%). Since the 2001 census was published, there has been a noticeable shift in ethnic diversity through international migration, particularly from the nationals of countries who became part of the EU in 2004 (A8 migrants), most notably Poles.

- 4.66 Overall, 10.3% of BME households were in some form of housing need, slightly higher than the overall proportion; affordability and overcrowding were most likely to be cited.
- 4.67 Of the Eastern European residents identified in the survey (740 living in 356 households), most lived in urban areas and privately rented. Three-quarters earned less than £300 per week and over one-third (38.7%) were in some form of housing need, almost exclusively due to overcrowding.
- 4.68 The needs of Gypsies and Travellers have been assessed in a North Yorkshire-wide study which was published in 2008. In Harrogate, there is a current shortfall of 14 pitches.

### Intermediate and low-cost market housing

- 4.69 Analysis has demonstrated that there is a market for intermediate tenure dwellings across Harrogate. In the delivery of affordable housing, a tenure split of 34% intermediate and 66% social rented is suggested at District-level. There is a broad range of intermediate tenure products which can be developed as affordable housing which are summarised at Table 4.20.

Table 4.20 Examples of intermediate tenure products

Tenure option	General description
Newbuild homebuy (Shared ownership)	Property is owned jointly between household and an RSL. A mortgage is paid on the part owned and rent on the RSL share (normally between 25% and 75%). A service charge is also normally paid. It is usually possible to 'staircase' up to a 100% equity share.
Leasehold Scheme for the Elderly	Property is owned jointly with a Housing Association. Specifically for older people. 'Staircasing' to full value not normally possible.
Shared equity	Property is jointly owned with someone else e.g. a housing association or private developer; the household only pays a mortgage on the share they own.
Open market homebuy	Equity loan scheme to help households buy on the open market allowing eligible households to borrow between 15% and 50% of the property value at a low, or no, interest rate. Any change in property value would be shared with the loan provider.
Social homebuy	Allows social housing tenants to buy their current home either outright or on shared ownership terms.
Discounted home ownership	Property is bought and resold at below open market value in perpetuity.

- 4.70 An additional tenure option to consider is low-cost market housing. In summary, “Low cost market housing” (LCMH) is not within the definition of ‘affordable housing’ and not ‘intermediate affordable housing’. It sits outside of these two policy definitions, because even if the price is low enough for eligible household to afford, LCMH does not offer a subsidy that can be passed on to subsequent purchasers or recycled (the “perpetuity” criteria). However, LCMH may have a role in meeting the needs of households who cannot normally access market housing, if these homes are made available at a price which is below the those normally available in the housing market.
- 4.71 How does this arise? We can see two main circumstances. Firstly, developers are sometimes prepared to provide starter homes / small units at low purchase prices, such as the Redrow Homes “debut” range. These may be attractive to single people or couples looking for a first home and offer an option that they could not otherwise afford. In some cases, this type of property may not be optimum development mix, from a developer’s perspective, but would be helpful from the LA perspective. Therefore, there is a case to take it into consideration (whilst being wary of endorsing probable low space standards).
- 4.72 Secondly, developers offer a range of incentives to assist initial purchase at price less than the full market value, by way of retaining part of the equity as a charge or loan. This is widespread in current market conditions. Typically a property may be offered at 75% of full price with the balance repayable after 10 years or when the purchaser sells if earlier, based on 25% of the value at that time.
- 4.73 This may make a property initially affordable to the eligible client group, but there are serious questions about whether a LA should be encouraging people to enter into a commitment that they may not be able to afford in 10 years.
- 4.74 Other types of product have been described as LCMH, including sale at discounted sale prices. If the discount is retained by way of a covenant on resale prices, this type of product may be “affordable” if the price is low enough. If there were no such provision, this product would be LCMH.

### **Within Harrogate, what could LCMH mean?**

- 4.75 The threshold for assessing access to the owner-occupation market is set, within the SHMA calculations, at the lower quartile house price; within Harrogate this was £142,500 in 2005 (base year for SHMA). In 2008 Q2 this meant the lower quartile house price was £167,500<sup>8</sup>.

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<sup>8</sup> Land Registry data

- 4.76 The value of such offers of LCMH will depend partly on whether the Council consider it to be an appropriate offer, based on whether the specification and price will make it accessible to the target groups of households in need. Therefore, if the LCMH is priced at or below this LQ level it may have a helpful role in meeting needs. This would be strengthened if the Council were able to nominate or determine priorities for purchasers of such properties (when demand starts to revive in the market). It would have to be judged on a case-by-case basis, as it cannot be assumed that all low-cost products will be attractive or suitable.
- 4.77 It also has to take into account the size of property, as the cost of market options is less for small properties. As an example, consider the following figures: a property sold at 75% of the lower quartile house price in 2006 would have been £114,377. The weekly cost of this at a 6% mortgage interest rate<sup>9</sup> would be approx £163.50. But this figure would need to vary according to the size of the property. The comparable prices across the various tenures in Harrogate District at 2006 prices are summarised in Table 4.21.

**Table 4.21** Relative costs, with reference to Low Cost Market Housing

Tenure	Size		
	One Bedroom	Two Bedrooms	Three Bedrooms
RSL Rented	£62	£69	£73
Market Rented	£115	£138	£173
Homebuy	£118	£150	£182
Shared ownership	£110	£135	£158
Market Purchase (6%)	£157	£200	£243
Market Purchase (8%)	£188	£240	£291
Weekly cost at which LCMH may be expected to be useful	£157-£110	£200-£135	£243-£158

Sources: Land Registry, RSR, Private Lettings data

- 4.78 Therefore, LCMH could potentially providing an option that would be affordable to part of the target group if the costs to the purchaser are in a range between the lower quartile house price and the cost of intermediate housing options.

#### **How might LCMH provision be taken into account?**

- 4.79 LCMH clearly is not the same as affordable housing as it is not available for eligible groups in perpetuity, and does not satisfy the definitions in PPS3. We would argue that, in some cases, it is what a developer would provide commercially. However, in other cases smaller low-priced homes may not be

<sup>9</sup> 6% interest, 5% deposit, 25 year finance at 75% of LQ price.

the commercially optimum product, even though there would be a local demand from lower income groups. It will not always be clear-cut.

- 4.80 The extent of the demand for smaller dwellings amongst the existing population suggests that low cost market housing may be a useful part of the mix, especially on larger urban sites. But there is little practical experience and it will probably be prudent, before setting a firm policy, to gather some actual evidence of the impact of LCMH from actual schemes. This should help Harrogate District to make a judgement about how much demand there would be for LCMH products as part of the overall demand for market housing.

## 5.0 CONCLUSION: STRATEGIC POLICY AND ISSUES AND REQUIREMENTS OF PPS3

### Introduction

- 5.1 This document has been prepared to equip Harrogate Council with robust, defensible and transparent information to help inform strategic decision making and the formulation of appropriate housing and planning policies. It has delivered core outputs required under the CLG Strategic Housing Market Assessment Guidance which have been underpinned by comprehensive technical appendices.
- 5.2 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets; core issues identified in Regional Housing Strategy; a comparison with findings from the 2003 Housing Needs Survey Update; and a summary of PPS3 requirements and discussion on balancing affordable and market requirements.

### The current housing market

- 5.3 A range of material has been gathered to help identify market drivers and the characteristics of housing markets across Harrogate District and linkages with other areas. In summary:
- Housing is expensive across the District, particularly in the most desirable/accessible rural areas;
  - Demand for housing is high and the area is popular with longer-distance migrants, including households retiring and high income international migrants settling in the UK;
  - There are strong links with the Leeds housing market. Net in-migration from Leeds is the most significant flow of households into the District; Net out-flows to other North Yorkshire districts are apparent;
  - The characteristics of several market areas are explored in Technical Appendix B. Analysis indicates that there are some distinctive migration and travel to work attributes associated with different sub-areas. Although these sub-areas cannot be described as distinctive housing market areas, their geographical location does influence how they interact with other areas. It is therefore important that policy does take into account the differing roles sub-areas have within Harrogate District.

### Future housing market

- 5.4 The uplift in market prices over the past few years is being sustained by high demand as the District is accessible and a desirable place in which to live. A

critical issue for the District is a lack of affordable housing, which is already impacting on the long-term sustainability of many communities. However, the impact of the recent downturn in the national housing market and availability of credit will need to be monitored closely.

- 5.5 The result of recent trends is an increasing divergence within the District generally: prices are being sustained through the in-migration of higher income households, which include both economically active and also retirement migrants. However, existing residents are simply priced out of the market, resulting in significant out-migration and leading to an increasingly imbalanced population in terms of socio-economic and demographic factors.
- 5.6 ONS household projections indicate an increase in the District of around 12,300 households by 2021. This compares with a RSS Panel Report housing allocation of 400-per year (6000 over the 13 year period 2004 to 2021). Although additional housing provision is required, managing demographic change will become an increasingly important issue for Harrogate District. ONS projections suggest that the proportion of the population in the District aged 60 and over will continue to grow, so that by the 2020s, over 30% will be in this age group. Projections will have not reflected more recent market trends, so this proportion may increase even further.
- 5.7 Delivering an increasing range of services to older people and providing a wider range of choice in housing options for them will become more important over the next few decades.

### **Strategic issues**

- 5.8 The research has helped identify key priorities that reflect those in the Yorkshire and Humber Regional Housing Strategy.

### **Creating better places**

- 5.9 Across Harrogate District, there is generally a high degree of residential satisfaction. However, there are issues of accessibility to amenities such as shops, healthcare and public transport that are particularly apparent in rural areas.
- 5.10 Increasing the provision of affordable housing is one of the most important challenges facing Harrogate Borough Council. Increasing provision will help counteract market forces that are continuing to undermine long-term community sustainability.
- 5.11 Virtually all newly-forming households are unable to afford market prices, and it is not surprising that the incidence of hidden homelessness and out-migration is so high.
- 5.12 An annual shortfall of 830 affordable dwellings across the District has been calculated for the 5-year period April 2006 to March 2011, equating to 4,150

over the five years. This calculation takes into account CLG-recognised demand and supply-side factors, and the assumptions made are clearly articulated in this report (and in Appendix A and in further technical appendices). This should be viewed as a measure of the imbalance which exists between the requirement for affordable housing and existing supply. It is difficult to project further than 2011, but on-going monitoring will help assess the extent to which demand for affordable accommodation changes in the future.

- 5.13 The study suggests a need to diversify affordable housing tenure by increasing the provision of intermediate stock. An overall tenure split for new affordable provision of roughly one-third intermediate/ two-thirds rented is suggested, based on the findings of the 2006 household survey.

### **Delivering better homes, choice and opportunity**

- 5.14 A key issue facing Harrogate District is the ongoing need for affordable housing. It is important that the Council has strong planning policies to help meet affordable housing needs.
- 5.15 A variety of affordable housing should be provided, with a particular emphasis on delivering affordable housing for general needs (i.e. singles under 60, couples under 60 and families). Research has also illustrated the types of open market properties that should be constructed to reflect household aspirations and existing supply.
- 5.16 Harrogate BC is on target to deliver its decent homes target by 2010. A more significant issue is decency in the private sector, in particular in private rented accommodation. Overall, 18.3% of private renters were dissatisfied with the state of repair of their accommodation, compared with 8.5% of social renters and 7.8% of owner-occupiers.

### **Fair access**

- 5.17 Delivering an increasing range of services to older people and providing a wider range of choice in housing options will become more important over the next few decades. Overall, 86% of older people want to remain in their homes with support when required. The need for help with repair/maintenance and gardening were particularly noted.

### **Comparisons with previous survey**

- 5.18 The 2006 Housing Needs Survey refreshes research undertaken in 2003. The 2003 survey identified an annual requirement of 978 dwellings per annum, compared with 830 derived in the 2006 survey. Both surveys demonstrate a significant need for additional affordable accommodation. Results differ due to

variations in the assumptions made (for instance a higher annual supply of social rented lettings was assumed in the 2003 survey) and changes in methodological approaches between the 2000 Housing Needs Assessment and 2005 Housing Market Assessment guidance, primarily due to different assumptions over what constitutes housing need.

### PPS3 requirements

- 5.19 Planning Policy Statement 3 sets out the national policy framework for delivering the Government's housing objectives. The Government's key housing policy objective is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. Policies need to be grounded in robust and transparent evidence and there are three key components of the evidence base: a Strategic Housing Market Assessment; a Strategic Housing Land Availability Assessment; and a review of the likely economic viability of delivering affordable housing on development sites.
- 5.20 This report provides the first key piece of evidence to underpin planning policy, namely a Strategic Housing Market Assessment which delivers the core outputs required through CLG SHMA guidance. Specifically, this research reflects upon the key PPS3 objective of achieving a mix of housing to promote mixed communities.
- 5.21 PPS3 (para.22) states that Local Authorities need to set out in their Local Development Frameworks:
- The likely overall proportions of households that require market or affordable housing;
  - The likely profile of household types requiring market housing; and
  - The size and type of affordable housing required (including a view on tenure split between social rented and intermediate tenure i.e. shared equity, shared ownership and intermediate rent).
- 5.22 Evidence which reflects PPS3 requirements is now summarised.

#### *The likely overall proportions of households that require market or affordable housing*

- 5.23 The scale of market demand has been estimated by considering demand from:
- existing households who are planning to move in the open market within Harrogate in the next five years;

- newly-forming households who can meet their needs in the market, based on the same affordability criteria as used for affordable housing requirements, and
- in-migrant households; the estimate is based on the actual numbers of such households over the previous five years, based on the survey evidence.

5.24 The figures for open market demand are shown in Table 5.2, with estimates excluding and including the demand of in-migrants. When compared against annual capacity, that is the number of houses that come on to the market each year, this shows a shortfall of 579 homes each year not allowing for in-migrant demand, and 1819 each year if this demand is included.

**Table 5.2** Open Market Demand in Harrogate District (annual)

<b>Open Market Demand</b>			
	<b>5 yr figure</b>	<b>Annual figure excl in-migrants</b>	<b>Annual figure incl in-migrants</b>
<b>Market Demand</b>			
Existing household requirement	20,401	4081	4081
In-migrant requirement	6198		1240
Newly-forming HH requirement	820	164	164
<b>TOTAL DEMAND</b>		4245	5485
Annual Capacity		3666	3666
Annual shortfall		579	1819

Source: The five-year figures and capacity figures are from the 2006 Household Survey

- 5.25 There was an average of 1240 in-migrant households each year moving into open market housing in Harrogate District. This comprises a substantial part of overall moves in that sector, which were 3666 each year over the same period. In comparison, the assessment of affordable housing requirements allows for only very small numbers of in-migrants, allowing for only the numbers who have been allocated tenancies on the basis of housing need linked to Harrogate (usually due to strong local connections).
- 5.26 In the context of this very limited supply of additional housing and the need to manage the release of land for housing in a manner which will support interventions to address nearby fragile and failing housing markets (RSS policies LCR1, H3) there is an argument for the LDF to focus new provision on the needs of local existing and newly-forming households.
- 5.27 Detailed analysis in line with SHMA guidance indicates that there is an annual shortfall of affordable dwellings across the District of 830. Detailed calculations underpinning this figure are presented in Technical Appendix B and summarised in Chapter 4.
- 5.28 The overall proportions of demand and need for housing (excluding demand from in-migration) indicate a split of 41% market housing (579) and 59%

affordable housing (830). If in-migration figures are included this changes to 68% (1819) market housing and 32% affordable housing (830).

- 5.29 The Regional Spatial Strategy to 2026, The Yorkshire and Humber Plan, was published in May 2008 and sets the overall framework for housing delivery across the Region. It requires in Harrogate District an annual average net addition to the dwelling stock of 390 each year to 2026. When this annual RSS average provision is compared with the high levels of both market demand and affordable housing need it is clear that only a limited amount of demand and need will be met and as such the figures should be considered to illustrate the degree of imbalance between supply and need/demand.
- 5.30 RSS Policy H4: The provision of affordable housing states that the region needs to increase its provision of affordable housing to address the needs of local communities. LDFs should set targets for the amount of affordable housing to be provided and for North Yorkshire Authorities a provisional estimate of over 40% is provided. This figure is subject to review in light of findings emerging from strategic housing market assessments. The adopted Harrogate Core Strategy sets a district wide target of 160 dwellings per year for affordable housing, equating to 41% of annual supply. This is also an interim target subject to the completion of a SHMA and economic viability appraisal.
- 5.31 Table 5.3 compares the ability of three different balances between affordable and market housing to meet the need and demand for housing in the District.
- 5.32 Scenario 1 uses the adopted Core Strategy interim target of 41% affordable housing with 59% market housing. Under this scenario 160 dwellings per year would be delivered as affordable housing and 230 as market housing. Scenarios 2 and 3 look at the impact of higher proportions of affordable housing and lower numbers of market housing provision. Underneath the annual dwelling figure a percentage is given which represents the proportion of the annual need (affordable) or demand (market) that might be met under each scenario.
- 5.33 The HMP discussed these scenarios at its meeting on 19 March 2009. It was recognised that due to the circumstances of market demand/housing need and the District's housing requirement, the decision on what is the appropriate split between market and affordable housing is essentially a policy decision based on priorities and viability. Nevertheless, the HMP gave a clear steer that in its view scenario 3 was not appropriate in that it was unlikely to assist in the creation of mixed and balanced communities and limited too greatly the amount of market housing.
- 5.34 However, there is a case to be made for increasing the Core Strategy target up from 41%. Given that the overall proportions set out at para 5.27 indicate a split of 41% market housing/59% affordable housing there is a case to be made for looking at a target up to a maximum of 59%. However, as noted above any final figure will be subject to economic viability appraisal.

**Table 5.3 Meeting market and affordable shortfalls**

	Market Requirements		Affordable Requirements
	Excl. in-migration	Incl. in-migration	
Annual shortfall in current supply	579	1819	830
<b>Scenario 1:</b>			
Dwellings delivered based on RSS annual requirement figure at 41% affordable/59% market	230	230	160
Proposed delivery as a % of annual shortfall in requirements/demand	39.7%	12.6%	19.3%
<b>Scenario 2:</b>			
Dwellings delivered based on RSS annual requirement figure at 50% affordable/50% market	195	195	195
Proposed delivery as a % of annual shortfall in requirements/demand	33.7%	10.7%	23.5%
<b>Scenario 3:</b>			
Dwellings delivered based on RSS annual requirement figure at 75% affordable/25% market	97	97	293
Proposed delivery as a % of annual shortfall in requirements/demand	16.8%	5.4%	35.3%

*The likely profile of household types requiring market housing*

5.35 Evidence from the 2006 housing needs survey suggests that 4,081 existing households were intending to move in the open market each year. Couples under 60 and couples with families were the largest proportion of households requiring market housing. The profile of household types and age groups requiring market housing is summarised in Table 5.1.

**Table 5.1** Likely profile of household types requiring market housing

Household type	%	Age profile	%
Single Person <60	17.3	16 to 39	52.8
Single Person 60 or over	3.2	40 to 59	33.3
Couple only <60	27.5	60 to 74	11.3
Couple only over 60	10.8	75 and over	2.6
Couple with 1 or 2 child(ren)	24.1	Total	100.0
Couple with 3 or more children	1.4		
Lone Parent	2.6		
Other type of household	13.0		
Total	100.0		
<b>Base</b>	4081		

Source: 2006 household survey

5.36 Further analysis of how market requirements vary by household type and age profile are presented in Chapter 4 and Tables 4.9 and 4.10.

#### *The size and type of affordable housing required*

5.37 A full breakdown of the size of affordable housing required for both general needs and older people is presented at Table 4.13. In summary, data suggests the requirement for:

- 786 smaller general needs (one and two bedroom) properties;
- 40 larger general needs (three or more bedroom) properties;
- 4 older persons (one and two bedroom) properties.

5.38 Note however that analysis was based on CLG modelling which assesses household requirements based on the bedroom standard model. This is particularly strict in assessing the number of bedrooms a household requires (e.g. a family with two children only requires a two bedroom property if both children are the same gender or are mixed gender and under 10). Therefore, it would be prudent to increase provision of larger (three or more bedroom) properties where possible.

5.39 Table 4.16 summarises the type of properties required by households based on a review of their stated preferences. In summary, this suggests an overall split of:

- 40.5% houses;
- 36.6% flats;
- 22.9% bungalows.

5.40 It should be noted that it is newly forming households who showed a significant preference for flats (55% compared to 16% of existing households in need). The importance of flats as part of future stock needs to be given careful consideration as those in greatest need tend to be families which ideally should be in houses as opposed to flats. Similarly, careful consideration should be given to the preference for bungalows as the likelihood of delivery is limited.

## INTRODUCTION TO TECHNICAL APPENDICES

The SHMA guidance establishes a framework for the analysis of local housing markets from which core outputs can be derived.

There are six technical appendices accompanying this report which provide further background information on the following areas:

- Technical Appendix A Research methodology
- Technical Appendix B The current housing market;
- Technical Appendix C The future housing market;
- Technical Appendix D Housing need;
- Technical Appendix E Housing requirements of specific household Groups; and
- Technical Appendix F Affordable housing policy considerations
- Technical Appendix G Updating the research

## TECHNICAL APPENDIX A: RESEARCH METHODOLOGY

- A.1 A multi-method approach was adopted to consider housing needs and wider market demand issues in Harrogate District consisting of:
- A.2 A survey of households across the District, with:
- A sample of households contacted in the urban areas of Harrogate, Knaresborough and Ripon; and
  - surveying of 100% of households in all other areas.
- A.3 Interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Social Landlords (RSLs), Estate Agents, Lettings Agents, Developers and Supporting People representatives.
- A.4 A review of relevant secondary data including the 2001 census, house price trends, CORE lettings data and ODPM/CLG Statistics.

### **Baseline information and sample errors**

- A.5 Table A1 shows the total number of dwellings by sub-area, broken down into vacant and occupied stock. It indicates a total dwelling stock of 68,212 of which 66,263 is occupied.
- A.6 Survey questionnaires were sent to a total of 27,068 occupied dwellings across Harrogate District. A residential address list was provided by the Council based on the Council Tax register. A summary of households contacted by sub-areas is shown in Table A1.

**Table A1** Households surveyed, response rates and sample errors

Sub-areas	Total dwellings	Voids	Occupied (Households)	Sampling	Households Contacted	Actual Responses	Response Rate	Sample Error (where applicable)
Harrogate	31406	937	30469	Sample	1500	276	0.18	5.87%
Knarborough and Scriven	6521	165	6356	Sample	1500	289	0.19	5.63%
Ripon	7062	191	6871	Sample	1501	253	0.17	6.05%
<b>Urban Sub-total</b>	<b>44989</b>	<b>1293</b>	<b>43696</b>	<b>Sample</b>	<b>4501</b>	<b>818</b>	<b>0.18</b>	<b>3.39%</b>
Boroughbridge	2523	68	2466	100%	2466	466	0.19	
Knarborough Villages	1161	28	1120	100%	1120	242	0.22	
Lower Nidderdale Villages	4901	120	4781	100%	4781	942	0.20	
Lower Wharfedale	1602	51	1564	100%	1564	290	0.19	
Marston Villages	1288	37	1251	100%	1251	288	0.23	
Masham Area	911	41	870	100%	870	167	0.19	
Northern Villages	1475	30	1482	100%	1482	309	0.21	
Ripon South Villages	993	17	976	100%	976	188	0.19	
Ripon West Villages	1761	59	1702	100%	1702	348	0.20	
South Harrogate Villages	794	30	771	100%	771	128	0.17	
Upper Nidderdale	3066	93	2973	100%	2973	578	0.19	
Upper Wharfedale	891	23	861	100%	861	156	0.18	
Vale of York	1843	59	1750	100%	1750	389	0.22	
<b>Rural Sub-total</b>	<b>23209</b>	<b>656</b>	<b>22567</b>	<b>100%</b>	<b>22567</b>	<b>4491</b>	<b>0.20</b>	
<b>Total</b>	<b>68197</b>	<b>1949</b>	<b>66263</b>	<b>Mix</b>	<b>27068</b>	<b>5309</b>	<b>0.20</b>	

Note: Harrogate sub-area includes Pannal village

- A.7 A total of 5,309 questionnaires were returned and used in data analysis. This represents a 20% response rate. The total number of questionnaires back was well in excess of the 1,500 specified by CLG in its SHMA guidance. In order to proceed with data analysis, it is critical that data are weighted to take into account non-responses and grossed up to reflect the total number of households. Weighting was based on a comparison between 2001 census households and 2006 survey results, by parish. The total number of households was derived from 2006 Council tax data. For the purposes of this research, the same procedures were adopted whether 100% or sample surveying was undertaken.
- A.8 Ultimately the survey element of the assessment is sufficiently statistically robust to undertake detailed analysis and underpin core outputs of the study down to Parish level.

## TECHNICAL APPENDIX B: THE CURRENT HOUSING MARKET

### Underpins core outputs 1 and 2

#### Summary of contents

<b>Stage 1: Demographic and economic context</b>	
Step 1.1	Demography and household types
Step 1.2	National and regional economic policy
Step 1.3	Employment levels and structure
Step 1.4	Incomes and earnings
<b>Stage 2: The housing stock</b>	
Step 2.1	Dwelling profile
Step 2.2	Stock condition
Step 2.3	Shared housing and communal establishments
<b>Stage 3: The active market</b>	
Step 3.1	The cost of buying or renting a property
Step 3.2	Affordability of housing
Step 3.3	Overcrowding and under-occupation
Step 3.4	Vacancies, turnover rates and available supply by tenure
<b>Stage 4: Bringing the evidence together</b>	
Step 4.1	Mapping market characteristics
Step 4.2	Trends and drivers
Step 4.3	Issues for future policy/strategy

## Introduction

- B.1 Essentially, there are three key primary drivers influencing the current (and future) housing market: demographic, economic and dwelling stock characteristics, as summarised in Table B1. This technical appendix specifically considers demographic and economic drivers in the context of Harrogate District; dwelling stock characteristics are discussed in Stage 2.

**Table B1** Primary market drivers

Primary Driver	Attributes	Impact on overall demand through:
Demography	Changing no. of households, household structure, ethnicity	Natural Change
Economy	Jobs, income, activity rates, unemployment	Economic migration
Housing stock and aspirations	Quality vs aspirations, relative prices, accessibility, development programmes	Residential migration

## Stage 1: Demographic and economic context

### Step 1.1 Demography and household types

#### Age profile

- B.2 The age profile of Harrogate District has several distinctive differences to the regional and national profiles (Table B2), notably a lower proportion of children and younger persons and a relatively higher proportion of older persons.

**Table B2** Age profile

Age Group	Harrogate District (%)	Y&H (%)	England (%)
0-14	16.8	17.7	17.7
15-39	30.4	34.1	34.1
40-59	29.0	26.9	27.0
60-74	15.0	13.7	13.5
75+	8.8	7.6	7.7
Total	100.0	100.0	100.0
Base (000s)	157.8	5,142.5	50,763.0

Source: ONS 2006 Mid-Year Population Estimates

B.3 There are some interesting observations to be made relating to age and housing tenure evidenced through the household survey. 94.7% of residents living in mortgaged properties and 91.8% of private renters are under 60. In contrast, 53.4% of residents living as outright owners are aged over 60. The social rented sector accommodates a broader range of age groups, with 45.9% under the age of 40, 27.7% between 40 and 59 and 26.3% aged 60 or over.

### Household type

B.4 Compared with regional and national data, Harrogate District has a higher proportion of couples (no children) than both the Yorkshire and Humber region and England. It also has lower proportions of couples with dependent children, single persons and lone parents (Table B3).

**Table B3** Household structure

Household type	Harrogate District	Y&H	England
Single Person	23.6	29.7	28.8
Couple (no children)	37.0	30.4	28.8
Couple (with dependent children)	19.3	21.2	22.8
Lone Parent (with dependent children)	3.5	6.3	6.5
Other multi-person household	16.6	12.4	13.1
Total	100	100.0	100.0
Base	66,263	2,158,000	20,904,000

Source: 2006 Household Survey, 2004 ONS Regional Trends

B.5 Single people account for 27.5% of households in the Harrogate and 25.3% in the Knaresborough and Scriven sub-areas. Couples (with no children) account for around 45% of households in Vale of York, Lower Wharfedale, Upper Wharfedale and Northern Villages sub-areas. Couples with children accounted for around one-quarter of households in Boroughbridge, Vale of York, Lower Wharfedale and Marston Villages sub-areas. The proportion of lone parent families was highest (4.7%) in both the Ripon and Knaresborough and Scriven sub-areas.

B.6 Single person households accounted for 63% of private furnished renters, 61.2% of intermediate tenure households and 54% of Housing Association renters. Couples with no children account for 51.3% of outright owners and 37.3% of tied/estate renters. Couples with children accounted for 33% of all

owner occupiers with a mortgage. Lone parents account for 15.2% of council renters, 14.3% of unfurnished renters and 11% of RSL renters.

## Ethnicity

- B.7 Table B4 summarises the ethnic profile of Harrogate District's residents. 94.8% of the population describe themselves as White British, the largest single ethnic group. Other groups include White Other (3.1%) and White Irish (0.6%). By comparison 8.3% of the population of Yorkshire and the Humber and 13% of the population in England are from ethnic groups other than White British.

**Table B4** Ethnicity of Harrogate District's population

Ethnicity		No.	%
White	British	143,472	94.8
	Irish	855	0.6
	Other	4,663	3.1
Mixed	White/Black Caribbean	232	0.2
	White / Black African	110	0.1
	White / Asian	372	0.2
Asian or Asian British	Indian	275	0.2
	Pakistani	196	0.1
	Bangladeshi	56	0.0
	Other	44	0.0
Black or Black British	Black Caribbean	83	0.1
	Black African	86	0.1
	Other	125	0.1
Chinese or other	Chinese	130	0.1
	Other	412	0.3
Base		151,373	100.0

Source: 2001 Census Standard Tables S101

- B.8 Since the 2001 census was published, there has been a noticeable shift in ethnic diversity through international migration, particularly from the nationals of countries who became part of the EU in 2004 (A8 migrants). The Department for Work and Pensions has produced the only official data relating to the number of migrant workers in the UK. This is based on National Insurance Number allocation to overseas nationals. Table B5 shows that for Harrogate District, people from 2004 EU Accession countries were by far the largest cohort of overseas nationals working in the District. Of these, Polish nationals are the largest single group (360 in 2005/6 and 570 in 2006/7).

**Table B5** Overseas nationals working in Harrogate District 2005/06 and 2006/07

Origin	2005/6	2006/7
Africa	100	60
Australasia	30	40
Eastern Europe	30	10
EU A8	680	810
Indian Sub-continent	40	30
North America	60	40
South America	10	10
South East Asia	40	40
Western Europe	150	120
All (reported)	1,140	1,160
All (official base)	1,160	1,210

Source: Department for Work and Pensions. National Insurance Number Registrations in respect of non-UK Nationals in 2005/06 and 2006/07 by country of origin.

N.B. Numbers rounded up to nearest 10 and totals may not add up due to rounding

B.9 The household survey identified 6,818 residents living in 4,098 households who described themselves as an ethnic group other than white British. This included 740 residents who described themselves as Eastern European. Some facts relating to non-white British residents include:

- 61.7% lived in Harrogate, 9.1% in Ripon and 6.4% in Lower Nidderdale sub-areas;
- A majority (79.1%) were owner occupiers, 18.5% rented privately and only 2.3% were social renters;
- 31.9% had a gross income of less than £300 per week and 40.3% received more than £700 per week;
- 421 BME (Black and Minority Ethnic) households were in some form of housing need (10.3%); affordability and overcrowding were most likely to be cited;
- 13.4% were dissatisfied with the state of repair of their homes. Repair problems most likely to be cited included bathroom and dampness;

B.10 Of the Eastern European residents identified in the survey (740 living in 356 households):

- 90.5% of Eastern Europeans lived in the urban sub-areas of Harrogate (66.9%), Ripon (17.1%) and Knaresborough/Scriven (6.5%);
- 76.6% rented privately;
- 73.4% received less than £300 per week;
- 38.7% households were in some form of housing need, almost exclusively due to overcrowding.

## **Step 1.2 National and regional economic policy**

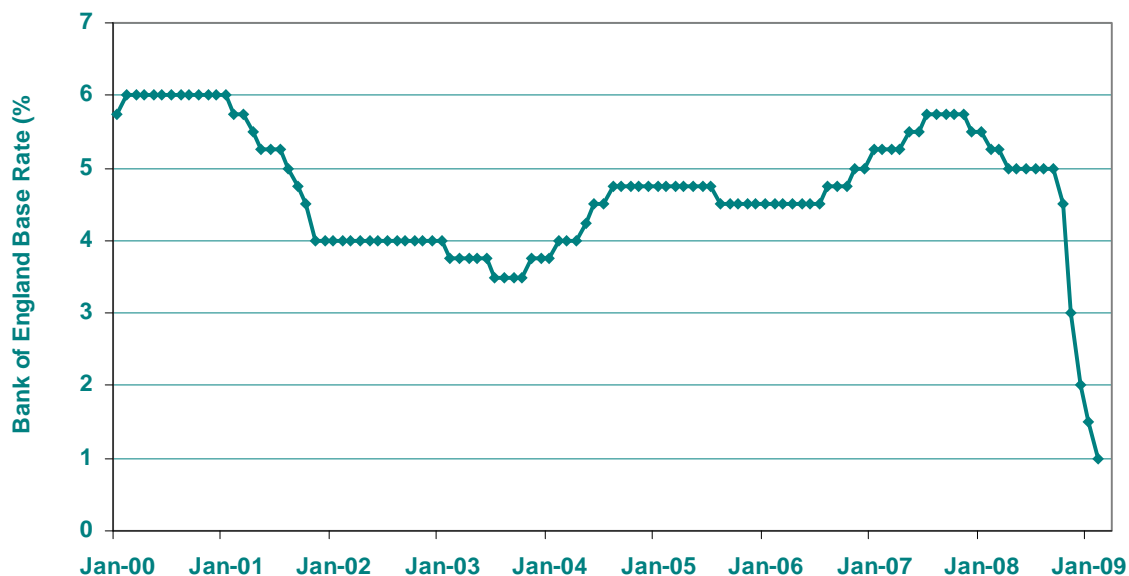
### **Overview**

- B.11 Macroeconomic factors such as interest rates, inflation and national economic growth all impact on the operation of the housing market.
- B.12 The national economy went into recession during 2008, with GDP contracting during the third and fourth quarters. Commentators (such as PriceWaterhouseCoopers) suggest that UK GDP will fall by just over 3% during 2009, with a possibility of recovery during 2010. This prediction reflects slow earnings growth, rising unemployment, falling house prices, reduced credit availability and slower global growth. PWC predicts that interest rates will remain close to zero during 2009 and in the medium term there is a risk that inflation and interest rates will increase as and when the economy recovers.
- B.13 At a regional level, the broad strategic policy framework is underpinned by the sub-regional economic review, Regional Economic Strategy and Leeds City-Region Development Plan. The policy framework is summarised in Chapter 2 of this report.

### **Interest rate trends**

- B.14 Figure B1 summarises interest rate trends over the period 2000 to 2008. Since 2000, the average monthly interest rate has been 4.73%. Over most of this period, interest rates fluctuated between 3.5% and 6%, but since September 2008 have fallen and currently stand at 0.5%. This is against a long-term average over the period 1987 to 2007 of 7.1%.

**Figure B1** Interest rate trends 2000-2008



Source: Bank of England

### **Step 1.3 Employment levels and structure**

#### **Economic activity rates**

B.15 Across Harrogate, 81.8% of the working age population are economically active and 18.2% are economically inactive (Table B6). Employment rates are slightly higher than the regional and national averages and unemployment is considerably lower (around half the regional rate).

**Table B6** Labour supply in Harrogate

	Harrogate	Harrogate	Yorkshire and The Humber	Great Britain
<b>Economically active</b>	<b>78,700</b>	<b>81.8</b>	<b>78.1</b>	<b>78.6</b>
In employment	77,600	80.5	73.7	74.3
Employees	67,200	70.7	65.3	64.6
Self employed	10,000	9.4	8.1	9.2
Unemployed	2,400	3.0	5.5	5.3
<b>Economically inactive</b>	<b>16,700</b>	<b>18.2</b>	<b>21.9</b>	<b>21.4</b>
Wanting a job	#	#	5.8	5.4
Not wanting a job	15,000	16.4	16.1	16.0
Imputed Base (econ act+ econ inact)	95,400			

Data relates to population aged 16 to pensionable age

Source: ONS Annual Population Survey 2006; # sample size too small for reliable estimate

### Employment by occupation group

- B.16 Employment by broad occupational groups is summarised in Table B7. This indicates that compared with Yorkshire and the Humber and Great Britain, the proportion of residents in higher managerial and professional occupations is significantly higher, along with proportions in personal service/sales occupations. Proportions in administrative, skilled trades and semi-skilled occupations are lower. The importance of digital and bioscience industries in Harrogate is particularly noted in the Regional Economic Strategy.
- B.17 Compared with regional data, Harrogate has 27.7% more residents in professional/managerial occupation and 58.5% fewer residents in lower-skilled occupations.

**Table B7** Occupation of Harrogate residents

	Harrogate	Harrogate	Yorkshire and The Humber	Great Britain
	(numbers)	(%)	(%)	(%)
<b>Soc 2000 major group 1-3</b>	<b>37,200</b>	<b>47.9</b>	<b>37.5</b>	<b>42.3</b>
1 Managers and senior officials	17,800	22.9	13.2	15
2 Professional occupations	11,800	15.2	11.4	13
3 Associate professional & technical	7,600	9.8	12.8	14.3
<b>Soc 2000 major group 4-5</b>	<b>14,600</b>	<b>18.8</b>	<b>23.3</b>	<b>23</b>
4 Administrative & secretarial	8,900	11.5	11.4	12.1
5 Skilled trades occupations	5,600	7.3	11.9	10.9
<b>Soc 2000 major group 6-7</b>	<b>15,400</b>	<b>19.9</b>	<b>16.6</b>	<b>15.7</b>
6 Personal service occupations	11,200	14.4	8.4	8.0
7 Sales and customer service occs	4,300	5.5	8.2	7.7
<b>Soc 2000 major group 8-9</b>	<b>10,100</b>	<b>13.1</b>	<b>22.4</b>	<b>18.7</b>
8 Process plant & machine operatives	4,300	5.5	9.3	7.3
9 Elementary occupations	5,900	7.5	13.2	11.4

Source: ONS Annual Population Survey; 2006

### Qualifications

- B.18 Education and skills are critical elements of sound economic performance. Harrogate has a particularly high proportion of residents with qualifications and in particular qualifications equivalent to NVQ3/4 and above.
- B.19 Table B8 illustrates that the proportion of residents without qualifications is lower than the regional and national averages. In reflection of the occupational profile of residents, Harrogate has 39.2% more residents with NVQ4 and above qualifications compared with the regional average (and 15% more than the national average).

**Table B8** Educational attainment of Harrogate's economically active population

Qualification	Harrogate	Harrogate	Yorkshire and The Humber	Great Britain
	(numbers)	(%)	(%)	(%)
NVQ4 and above	29,000	31.6	22.7	27.4
NVQ3 and above	48,000	52.4	41.4	45.3
NVQ2 and above	65,000	71	60.7	63.8
NVQ1 and above	76,700	83.7	76.3	77.7
Other Qualifications	5,300	5.8	8.3	8.5
No Qualifications	9,700	10.6	15.3	13.8

Source: ONS Annual Population Survey; 2006

## Step 1.4 Income and earnings

B.20 In 2008, the median income for full-time employees living in Harrogate was £470.50 or £24,466 per year<sup>10</sup>. This compares with:

- £443.80 or £23,077.60 for Yorkshire and the Humber; and
- £484.00 or £25,168 for England

B.21 Individual incomes in Harrogate are therefore 6% higher than the regional median but 2.8% lower than the national median.

B.22 The distribution of household income across Harrogate District is summarised in Table B9 and this is compared with regional and national data. Nearly two-fifths of households (37.5%) receive an income of less than £350 per week. In contrast, 25.2% receive more than £750 per week.

**Table B9** Harrogate District Income Profile

Gross Household Income per week	Harrogate	Y&H <sup>1</sup>	England <sup>1</sup>
Under £100	3.3	9.0	9.0
£100 to <£150	7.1	10.0	9.0
£150 to <£250	11.3	16.0	15.0
£250 to <£350	15.8	14.0	12.0
£350 to <£450	11.0	12.0	11.0
£450 to <£600	16.6	14.0	14.0
£600 to <£750	9.7	10.0	10.0
£750 or over	25.2	14.0	20.0
Total	100.0	100.0	100.0
Base	66,263	Not Specified	Not Specified

<sup>1</sup> Source Regional Trends 38

B.23 The housing needs survey provided details on household incomes and can be used to illustrate how income levels vary by sub-area, tenure and household type (Table B10).

<sup>10</sup> ONS Annual Survey of Hours and Earnings 2008

**Table B10** Mean and Median Gross household income by sub-area, household type and tenure

Sub-Area	Weekly Income (£)		Annual Income (£)	
	Mean	Median	Mean	Median
Harrogate	£525	£475	£27,283	£24,700
Knaresborough and Scriven	£508	£425	£26,424	£22,100
Ripon	£471	£375	£24,483	£19,500
Boroughbridge	£499	£475	£25,927	£24,700
Knaresborough Villages	£662	£623	£34,431	£32,375
Vale of York	£615	£575	£31,995	£29,900
Lower Wharfedale	£642	£625	£33,406	£32,500
Upper Wharfedale	£698	£675	£36,301	£35,100
Lower Nidderdale Villages	£538	£475	£27,985	£24,700
Upper Nidderdale	£550	£475	£28,577	£24,700
Masham Area	£416	£325	£21,634	£16,900
South Harrogate Villages	£726	£775	£37,776	£40,300
Marston Villages	£604	£575	£31,415	£29,900
Northern Villages	£530	£475	£27,568	£24,700
Ripon South Villages	£631	£575	£32,802	£29,900
Ripon West Villages	£538	£475	£27,988	£24,700
Household Type	Mean	Median	Mean	Median
Single Person <60	£379	£325	£19,704	£16,900
Single Person 60 or over	£250	£225	£13,022	£11,700
Couple only <60	£669	£625	£34,780	£32,500
Couple only over 60	£471	£425	£24,488	£22,100
Couple with 1 or 2 child(ren)	£652	£575	£33,908	£29,900
Couple with 3 or more children	£804	£825	£41,823	£42,900
Lone Parent with 1 or 2 child(ren)	£302	£225	£15,696	£11,700
Lone Parent with 3 or more children	£280	£225	£14,536	£11,700
Other type of household	£652	£625	£33,928	£32,500
Total	£532	£475	£27,688	£24,700
Tenure	Mean	Median	Mean	Median
Owned (no mortgage)	£482	£375	£25,084	£19,500
Owned (with mortgage)	£653	£575	£33,949	£29,900
Rented from Council	£177	£125	£9,217	£6,500
Rented from Housing Association	£183	£125	£9,497	£6,500
Private Rented (furnished)	£290	£225	£15,095	£11,700
Private Rented (unfurnished)	£373	£325	£19,401	£16,900
Tied accommodation	£407	£325	£21,148	£16,900
Homebuy, Shared Ownership etc	£300	£275	£15,583	£14,300
<b>ALL Households</b>	<b>£532</b>	<b>£475</b>	<b>£27,688</b>	<b>£24,700</b>

**Notes on statistics:**

Mean = average

Median = Mid-point of income distribution i.e. 50% incomes are above this figure and 50% are below

- B.24 Within Harrogate District there are considerable variations in income levels by area and tenure (see Data Tabulations accompanying this report). The proportion of households receiving less than £250 per week is highest in the Masham Area (36.4%), Boroughbridge (24.9%), Upper Nidderdale (23.8%) and Ripon (23%) sub-areas. Highest income households (receiving at least £750 per week), are particularly apparent in South Harrogate Villages (50.8%), Upper Wharfedale (45.5%) and Knaresborough Villages (43.1%) sub-areas.
- B.25 84.3% of Council House renters, 74.5% of Housing Association renters and 67.4% of furnished private renters receive less than £250 per week. 85.8% of social renters have an income of under £300 per week along with around 55% of private renters. In contrast, 35.8% of households with a mortgage received at least £750 per week.

## Stage 2: The housing stock

### Step 2.1 Dwelling profile

B.26 The 2006 Housing Needs Survey provided a wealth of information on current dwelling profile which can be used to review dwelling size, type, condition and tenure. The characteristics of residents living in particular tenures are also explored in more detail to consider the general markets that tenures are serving. This analysis is needed to help inform priorities for development for affordable and market housing, explore demand trends for social rented stock and explore inter-relationships between tenures.

#### Total dwelling stock

B.27 As illustrated in Table B11, over the past ten years (1997 to 2007), total dwelling stock has increased by 8,205 dwellings (13.6%). The total amount of social rented stock (Council and Registered Social Landlord) has fallen slightly (by 1.7%), implying that most growth has been through private sector newbuild.

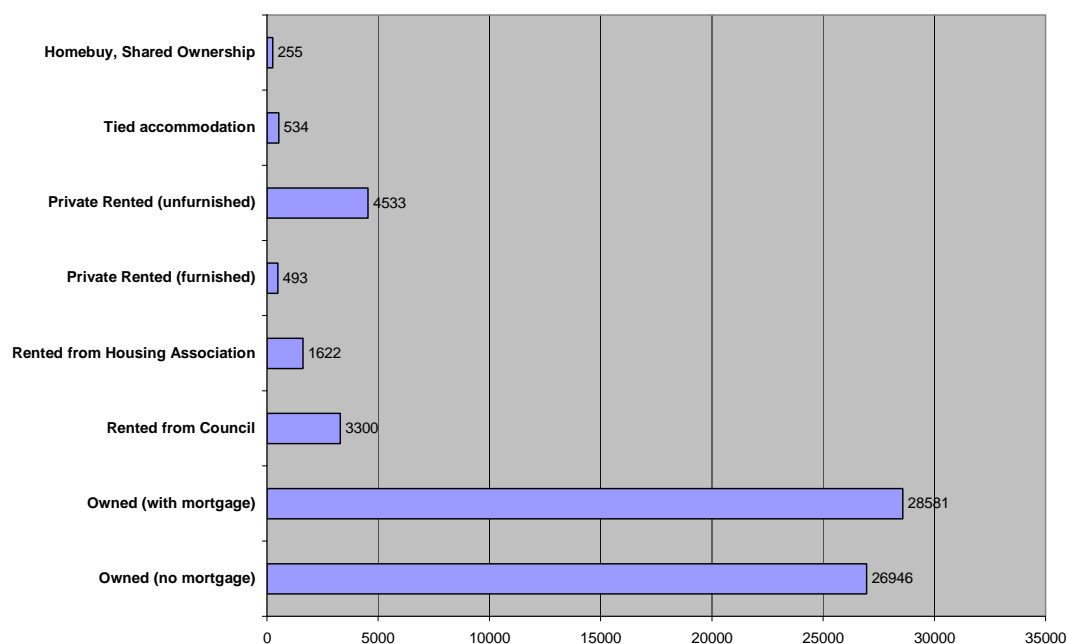
**Table B11** Stock profile trends 1997-2007

Dwelling Stock	As at 1 Apr:		
	1997	2002	2007
<b>Tenure</b>			
LA	4,806	4,162	3,895
RSL	1,413	2,132	2,217
Other Public	377	667	154
Private	53,693	59,473	62,138
Total	60,289	66,434	68,494
<b>Vacant Stock</b>			
LA	57	20	12
RSL	31	29	17
Other Public	70	100	9
Private	3,002	2,297	2,011
Total	3,160	2,446	2,048
<b>Difficult to Let</b>			
LA	0	64	0
RSL	68	23	0
<b>Low Demand</b>			
LA		99	0
RSL		0	6
<b>Unfit</b>			
LA	0	0	0
RSL	0	0	0
Private	3,617	2,603	2,723
Total	3,617	2,603	2,723

Source: HIP/HSSA Returns published by ODPM/DCLG

B.28 The overall tenure profile of Harrogate District is summarised in Figure B2. Table B12 compares this tenure profile with the region.

**Figure B2** Harrogate District tenure profile 2006



Source: 2006 household survey

**Table B12** Comparison of national and regional tenure profiles with Harrogate District

Tenure	Harrogate District	Y&H	England
<b>Owner-occupied*</b>	84.2	69.0	71.0
<b>Social Rented</b>	7.4	21.0	19.0
<b>Private Rented</b>	8.4	10.0	10.0
<b>Total</b>	100.0	100.0	100

Source: 2006 Household Survey; 2004 Regional Trends

\* includes shared ownership

B.29 The majority of stock in Harrogate District is owner-occupied and the proportion is much higher than for the Region and England. In contrast, the proportion of social rented stock is lower (only 35.2% of the Y&H average), and proportions of private rented stock are below the regional figure.

### Newbuild activity

- B.30 Table B13 summarises newbuild activity over the period 1999/00 to 2005/6 in terms of dwelling completions by broad tenure. Completions have averaged 377 each year and mostly private sector.

**Table B13** Newbuild activity in Harrogate District

Year	Harrogate Completions		
	Private	RSL	Total
1999/00	509	8	517
2000/01	547	22	569
2001/02	279	8	287
2002/03	415	30	445
2003/04	311	64	375
2004/05	258	15	273
2005/06	288	17	305
2006/07	176	69	245
Total	2783	233	3016
Average per year	<b>348</b>	<b>29</b>	<b>377</b>

Source: ODPM/DCLG Housing Statistics

### Right to buy<sup>11</sup>

- B.31 At the time of the 1980 Housing Act which gave Council tenants the right-to-buy their homes, a total of 7,458 Council dwellings existed in Harrogate District. By the end of March 2006, 3,039 dwellings had been sold under right-to-buy, representing 40.7% of Council dwelling stock. The level of sales has exacerbated the shortage of affordable accommodation across the District. However, more recently, the ability for tenants to buy their homes has become more difficult as house prices have increased and therefore the price paid after available discounts are taken into consideration, has increased too.

### Second home ownership

- B.32 The 2001 census identified 1,300 second homes across Harrogate District (1% of dwelling stock). Proportions exceeded 3% of stock in four wards: Pateley Bridge (5.4%), Mashamshire (4.2%), Nidd Valley (3.7%) and Lower Nidderdale (3.2%).

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<sup>11</sup> Based on CLG information

### Owner occupation: stock information

B.33 The majority of households in Harrogate District (83.8%) live as owner-occupiers<sup>12</sup>; 40.7% own outright (26,946) and 43.1% own with a mortgage (28,581). Table B14 provides a summary of a range of data associated with owner-occupied stock. Key observations include:

- Most owner-occupied properties are either houses or bungalows; around two-thirds of owner-occupied stock have three or more bedrooms;
- Around one-quarter of owner-occupied stock was built pre-1919 and 42% has been built since 1965;
- Although the vast majority (79.5%) of owner-occupier households are satisfied with the condition of stock, 7.7% of owner-occupied households overall were dissatisfied or very dissatisfied. Of households expressing dissatisfaction, this is principally due to problems with windows, roofing, brick/stone work and kitchen.

**Table B14** Attributes of owner-occupied stock

Property Type	OO(O)	OO(M)	All Stock	No. Bedrooms	OO(O)	OO(M)	All Stock
	%	%	%		%	%	%
Detached House	36.6	35.4	31.6	One (inc. bedsit)	1.2	4.4	5.9
Semi-Det House	25.1	30.7	26.6	Two	24.2	17.1	24.1
Terraced House	12.8	22.9	19.6	Three	40.6	43.6	39.9
Bungalow	18.5	4.2	10.7	Four	27.1	23.9	22.2
Flat	5.3	6.8	10.6	Five	6.9	10.9	7.9
Caravan/Park Home	1.7		0.9				
Total	100.0	100.0	100.0	Total	100.0	100.0	100.0
Base	26946	28581	66263	Base	26946	28581	66263
Age	OO(O)	OO(M)	All Stock	Satisfaction with condition	OO(O)	OO(M)	All Stock
	%	%	%		%	%	%
Pre 1919	22.3	29.0	25.8				
1919-44	15.6	15.1	15.5				
1945-64	18.0	16.0	17.0	Very	85.0	74.3	77.5
1965-85	28.6	21.4	23.6	Neither	9.9	15.5	13.8
1985+	15.4	18.6	18.1	Dissat./V Dissat	5.1	10.2	8.7
Total	100.0	100.0	100.0	Total	100.0	100.0	100.0
Base	26946	28581	66263	Base	26946	28581	66263

Note: OO(O) = Owned Outright OO(M) = Owned with a mortgage

### Owner occupation: household characteristics

B.34 A range of socio-economic and demographic information on residents has been obtained from the household survey. Some interesting observations

<sup>12</sup> excluding intermediate tenure

relating to owner-occupiers include:

- There are disparities in the income profile of owner-occupiers. Outright owners tend to be older and therefore more likely to be living on a retirement income (36.4% receive an income of under £300 per week). This could have implications for the ability of households to maintain their home. In contrast, 13.6% of owners with a mortgage receive under £300 per week and 62.8% receive at least £500 per week;
- 69.9% of outright owners have lived in their home for at least 10 years (and of these 49% have lived there for at least 20 years), indicating a high degree of residential stability. This compares with 45.5% of mortgaged owners, again reflecting the different age profiles of households who own outright or have a mortgage;
- 53.4% of residents living in a property owned outright are aged 60 or over and 82.6% of all residents aged 75 or over are outright owners; in contrast, 94.7% of residents living in a mortgaged property are aged between 16 and 59;
- Couples with children account for 33.3% of owner-occupiers with a mortgage and 28.8% are couples with no children; 51.3% of outright owners are couples with no children and 20.7% are single people over 60;
- Of all residents aged 16-39, 82.3% are owner-occupiers;
- 94.1% of BME households are owner-occupiers;
- 87% of all economically active residents live in owner-occupied stock; and
- 90% of all retired residents are owner-occupiers along with 52.5% of people who are permanently sick or have a disability.

### **Social housing: stock information**

B.35 The total social rented housing stock in Harrogate District is 6,112, comprising 3,895 Council and 2,217 RSL properties<sup>13</sup>. Observations relating to social housing based on the household survey are presented in Table B15. This shows:

- Flats account for 35.7% of Council and 65.5% of RSL stock; bungalows are mainly provided by the Council (19.5% of stock) and houses account for

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<sup>13</sup> 2007 CLG Housing Strategy Statistical Appendix

44.8% of Council and 33.1% of RSL stock;

- Over half of RSL stock (57.5%) has one bedroom, and 40.5% has either two or three bedrooms. The vast majority (79.6%) of Council stock has two or three bedrooms;
- 46.9% of Council stock was built 1945-64, with a further 26.3% built from 1965 to around 1980; 71.3% of RSL stock was built after 1985; and
- There is a high degree of satisfaction with the state of repair of Council stock (74.2%) and RSL stock (80.6%). 8.5% of social rented tenants were dissatisfied with state of repair, slightly lower than the average of 8.7% across all tenures. Council tenants were most likely to state problems with the bathroom/toilet (20.3% of all households) and dampness/mould growth (15.2% of all households); RSL renters particularly cited cold/heating problems (10.1%) and windows (7.8%).

**Table B15** Attributes of social rented stock

Property Type	Council	RSL	All Stock	No. Bedrooms	Council	RSL	All Stock
	%	%	%		%	%	%
Detached House	5.0	0.7	31.6	One (inc. bedsit)	16.6	57.5	5.9
Semi-Det House	18.1	12.5	26.6	Two	50.5	20.4	24.1
Terraced House	21.8	19.9	19.6	Three	29.1	20.1	39.9
Bungalow	19.5	1.3	10.7	Four	0.2		22.2
Flat	35.7	65.6	10.6	Five	3.7	2.0	7.9
Caravan/Park Home	0.0	0.0	0.9				
Total	100.0	100.0	100.0	Total	100.0	100.0	100.0
Base	3300	1622	66263	Base	3300	1622	66263
Age	Council	RSL	All Stock	Satisfaction with condition	Council	RSL	All Stock
	%	%	%		%	%	%
Pre 1919	5.9	2.4	25.8				
1919-44	21.0	1.4	15.5				
1945-64	46.9	4.8	17.0	Very	74.2	80.6	77.5
1965-85	22.8	20.1	23.6	Neither	17.0	11.6	13.8
1985+	3.5	71.3	18.1	Dissat./V Dissat	8.8	7.8	8.7
Total	100	100	100.0	Total	100.0	100.0	100.0
Base	3300	1622	66263	Base	3300	1622	66263

- Overall, 37.9% of Council stock is either designated for older persons' use (over 60) or sheltered accommodation; 18.4% is designated for specific age groups (e.g. over 55s) and 43.7% is general needs accommodation.

### **Social housing: household characteristics**

B.36 Key observations relating to the characteristics of households living in social rented accommodation include:

- Although a variety of household types live in social rented properties, they tend to be either singles or couples with no children (collectively accounting for 73% of Council and 84% of RSL renters). This is a reflection of the type of social rented stock available in Harrogate District i.e. stock tends to be smaller. In addition, couples with children account for 5.4% of Council and 19.2% RSL renters, whilst lone parents comprise 15.5% of Council and 11% of RSL renters.
- 45.5% of Council renters and 31.7% of RSL renters have lived in their accommodation for 10 years or more compared with 11.5% and 12.7% respectively who have lived there for less than two years. This suggests a degree of residential stability amongst social renters;
- 31.2% of all social renters are working either full- or part-time, 30.3% are retired, 13.6% are unemployed and 24.9% are not working for some other reason (e.g. caring for someone, permanently sick/disabled or in full-time education);
- Incomes are generally low, with 90.7% of households in Council and 77.3% of households in RSL housing receiving less than £300 gross per week. A further 20.2% of households in RSL properties receive between £300 and £500 and 2.6% receive at least £500 per week.

### **Private rented sector: stock information**

B.37 The household survey estimated that there are around 5,560 privately renting households across Harrogate District, representing 8.4% of households. Of these:

- 4,533 rent unfurnished;
- 493 rent furnished; and
- 534 rent tied accommodation.

B.38 Table B16 summarises a range of data relating to private rented properties. Key observations include:

- Houses account for the majority of private rented stock (67.8% overall, including), with flats accounting for a further 25.6% and bungalows 4.5%.

Detached houses account for almost half of tied accommodation. The majority of private furnished property is one bedroom/bedsit (60.7%) and private unfurnished stock tends to have two or three bedrooms (79.9%). Tied accommodation tends to be larger, with 34.3% of dwellings having 4 or more bedrooms;

- Private rented stock tends to be proportionately older than stock overall. Most noticeably, 69.5% of private furnished accommodation was built before 1919. In contrast, 22.5% of unfurnished rented stock was built after 1985;
- Levels of dissatisfaction with property condition were notably low amongst private renters (12.2% of furnished, 19.5% of unfurnished and 14% of tied renters). Problems commonly reported included windows (e.g. 37.5% tied renters), cold/heating problems and dampness/mould growth (25% of unfurnished renters).

**Table B16** Summary of key data relating to private rented stock in Harrogate District

Property type	Private Furn.	Private Unfurn.	Tied	All Stock	Number of Bedrooms	Private Furn.	Private Unfurn.	Tied	All Stock
	%	%	%	%		%	%	%	%
Detached House	3.4	10.5	54.0	31.6	One/Bedsit	60.7	11.7	3.4	5.9
Semi-Det House	35.0	20.4	22.0	26.6	Two	14.2	51.2	22.2	24.1
Terraced House	11.3	36.5	12.1	19.6	Three	18.9	29.7	40.1	39.9
Bungalow	10.9	3.7	5.0	10.7	Four	6.2	6.4	27.9	22.2
Flat	39.4	26.7	3.8	10.6	Five		1.0	6.4	7.9
Caravan/Park Home		2.2	3.0	0.9					
Total	100.0	100.0	100.0	100.0	Total	100.0	100.0	100.0	100.0
Base	493	4533	534	66263	Base	493	4533	534	66263
Age	Private Furn.	Private Unfurn.	Tied	All Stock	Satisfaction with condition	Private Furn.	Private Unfurn.	Tied	All Stock
	%	%	%	%		%	%	%	%
Pre 1919	69.5	41.7	46.7	25.8					
1919-44	3.4	20.1	21.1	15.5					
1945-64		5.1	9.7	17.0	Very	58.6	59.7	52.4	77.5
1965-85	19.1	10.6	14.5	23.6	Neither	29.2	20.8	33.6	13.8
1985+					Dissat./V				
	8.0	22.5	8.0	18.1	Dissat	12.2	19.5	14.0	8.7
Total	100	100	100	100	Total	100.0	100.0	100.0	100.0
Base	493	4533	534	66263	Base	493	4533	534	66263

## Private rented sector: characteristics of tenants

B.39 The characteristics of private renting households vary to some extent between the three renting types:

- Private renters are particularly mobile. 43.2% of all renters had lived in their accommodation for less than two years, with furnished renters being the most mobile (51.3% had lived in accommodation for less than two years);
- There is a diversity of household types living in private rented accommodation, particularly amongst unfurnished renters. Singles account for 64.4% of furnished renters. Couples (no children) account for 28.8% of unfurnished and 37.3% of tied renters;
- 12.8% of all 16-39 year olds in the District privately rent (mainly unfurnished properties);
- 78.7% of renters are in either full-time or part-time employment, 5.8% are in full-time education/training and 2.8% are unemployed;
- 49.4% of all renters (75.6% of furnished renters) have an income of less than £300 per week. A further 28.1% receive between £300 and £500 and 22.5% receive in excess of £500 per week; higher income renters tend to rent unfurnished or through employment.

B.40 The household survey provided data on 3,194 households who have moved into private rented accommodation over the past 5 years. Data suggests that:

- Around 22.2% were emerging households (either younger people forming their first independent home or household formation resulting from relationship breakdown etc.);
- Roughly half of the households had moved from within Harrogate District (49.7%), whilst the other half moved into the District (50.3%). Those moving into Harrogate District were particularly likely to have moved from Leeds (6.9%), York (6.1%), from elsewhere in Y&H (8.6%) and from elsewhere in the UK (28%);
- 54.8% of these households had moved within the private rented sector, 21.8% had moved from owner-occupation, 0.9% from social rented stock and 22.2% had been living with family/friends;
- The main reasons for people moving into rented accommodation included to be close to work/new job (27.4%), being forced to move (13.6%) and marriage/living together (11.2%).

## **Intermediate tenure**

B.41 Intermediate affordable housing is defined in PPS3 as 'housing at prices and rents above those of social rent, but below market price or rents'. Intermediate tenure includes shared equity products (e.g. Homebuy), discounted for sale houses etc. There are currently relatively few intermediate tenure properties in Harrogate District. The 2006 household survey estimated 255, but this is likely to reflect weighting of responses rather than absolute numbers. However, whilst the intermediate tenure is currently the smallest tenure in Harrogate District, it is likely to expand over the next few years through new development.

## **Concluding comments**

B.42 In order to maintain balanced communities, there is a need for a variety of tenure options which people can choose to reflect their household circumstances. Owner-occupation is the dominant tenure and this is most likely to be aspired towards. However, accessing the tenure has become increasingly difficult given house price increases over the past few years.

B.43 The social rented sector plays a vital role in providing affordable accommodation to Harrogate. However, the number of lettings made to new renters is far outweighed by households on the housing register and properties tend to be small, thereby limiting the range of households who can rent them.

B.44 The private rented sector in Harrogate District is playing a very important role in providing accommodation for a variety of households and income groups. Although it is a relatively small tenure (8.4% of households privately rent which is below the regional average of 10%), it has an important transitory role to play, for instance by providing accommodation to households moving to the District for work. However, state of repair of private rented stock is a particular concern to occupants.

## Step 2.2 Stock Condition

B.45 The 2006 Housing Needs Survey asked respondents how satisfied they were with the state of repair of their accommodation (Table B17). Overall, 8.7% of residents expressed dissatisfaction. 75% of households expressing dissatisfaction with state of repair were owner occupiers, 17.7% were private renters (particularly unfurnished renters) and 7.2% were social renters.

**Table B17** Satisfaction with state of repair

Tenure	Number expressing dissatisfaction	% expressing dissatisfaction	Base (all households)
Owned Outright	1,385	5.1	26,946
Owned with a mortgage	2,925	10.2	28,581
Rented from Council	289	8.8	3,300
Rented from another Housing Association	127	7.8	1,622
Provided with job	75	14.0	534
Rented privately (furnished)	60	12.2	493
Rented privately (unfurnished)	882	19.5	4,533
Intermediate	7	2.9	255
Total	5750	8.7	66,263

Source: Housing Needs Survey 2006

## Step 2.3 Shared housing and communal establishments

B.46 Harrogate Council should have up to date information on shared accommodation from HMO registration data. Information from the 2001 census indicates that a total of 5,159 people living in communal establishments in Harrogate District. The largest numbers were in defence establishments (e.g. Menwith Hill), educational establishments, nursing homes and residential care homes (Table B18).

**Table B18** Residents in Communal Establishments

Type of communal establishment	No. People
<b>Medical and Care Establishments</b>	
NHS - Psychiatric hospital/home	31
NHS - Other hospital/home	33
LA - Childrens home	6
LA - Residential Care Home	133
HA - Home/Hostel	49
Other - Nursing Home	846
Other - Residential Care Home	890
Other - Other medical and care home	86
<b>Other establishments</b>	
Defence establishments	1720
Educational establishments (inc Halls of residence)	1002
Hotel, Boarding House, Guest House	212
Other establishments	151
<b>Total</b>	<b>5,159</b>

Source: 2001 Census Standard Table 126

### Stage 3: The active market

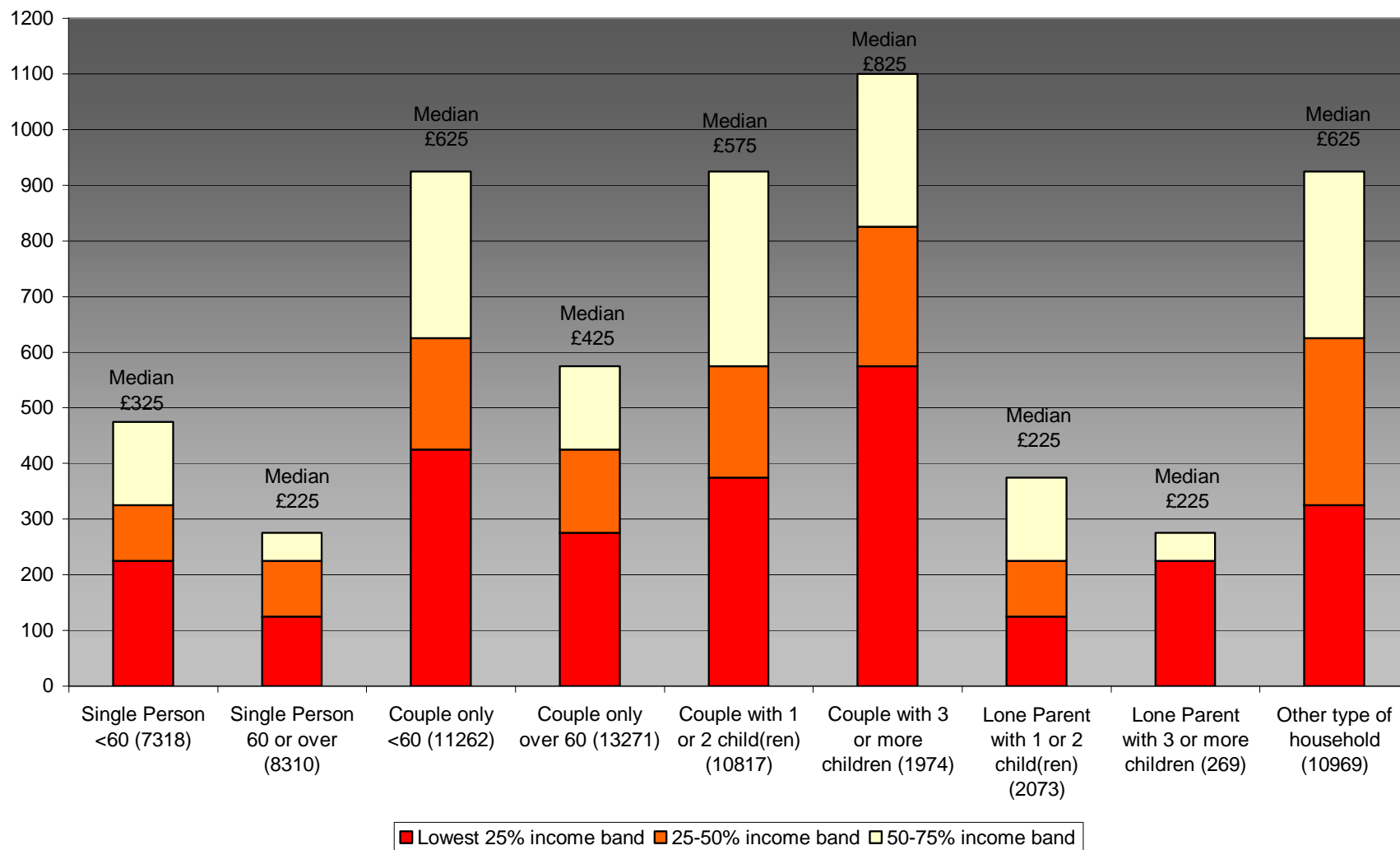
#### Steps 3.1 and 3.2 The cost of buying or renting a property and affordability

- B.47 Detailed analysis has been carried out regarding the relative cost of different housing options for the District as a whole. This helps to identify the extent to which different household types could afford different tenure options.
- B.48 Table B19 summarises the income profile by household type across Harrogate District in quartile bands and demonstrates the considerable variation in income by household type. This is further illustrated in Figure B3.
- B.49 The costs associated with different tenure options by property size are summarised in Table B20.

**Table B19** Distribution of household income by household type

Income	Household type									
	Single Person <60	Single Person 60 or over	Couple only <60	Couple only over 60	Couple with 1 or 2 child(ren)	Couple with 3 or more children	Lone Parent with 1 or 2 child(ren)	Lone Parent with 3 or more children	Other type of household	All Households
Median income excluding benefits	£325	£225	£625	£425	£575	£825	£225	£225	£625	£475
The most well-off 25% in the group have a weekly income of:	£475+	£275+	£925+	£575+	£925+	£1100+	£375+	£275+	£925+	£775+
The next 25% in the group have a weekly income of between:	£325-£475	£225-£275	£625-£925	£425-£575	£575-£925	£825-£1100	£225-£375	£225-£275	£625-£925	£475-£775
The next 25% in the group have a weekly income of between:	£225-£325	£125-£225	£425-£625	£275-£425	£375-£575	£575-£825	£125-£225	£225-£225	£325-£625	£275-£475
The least well-off in the group have a weekly income of:	<£225	<£125	<£425	<£275	<£375	<£575	<£125	<£225	<£325	<£275
Base	7318	8310	11262	13271	10817	1974	2073	269	10969	66263
Approximate number of households in each 25% band	1829	2078	2815	3318	2704	493	518	67	2742	16566

**Figure B3** Distribution of income by household type



**Table B20** Weekly cost of properties by size and tenure

Tenure	Property size and cost (per week)			
	One Bedroom	Two Bedrooms	Three Bedrooms	See Notes
RSL Rented	£62	£69	£73	1
Market Rented	£115	£138	£173	2
Homebuy	£118	£150	£182	3
Shared ownership	£110	£135	£158	4
Market Purchase (6%)	£157	£200	£243	5
Market Purchase (8%)	£188	£240	£291	6

**Notes**

1. Based on 2006 RSL RSR Return;  
occupiers may be eligible for assistance with rent payments through Housing Benefit
2. Based on an analysis of lettings agents' websites
3. Based on 25% Homebuy grant on a property purchased at entry-level market price
4. Based on 50% property share on entry-level market price, with 95% mortgage and rental element based on 50% of RSL rented figure
5. Based on the cost of a 95% mortgage on entry-level market price assuming a 6% interest rate
6. Based on the cost of a 95% mortgage on entry-level market price assuming an 8% interest rate

B.50 From these costs, it is possible to calculate a notional weekly income required for each option to be affordable (Table B21). This is based on an affordability threshold of 25% of income for renting (i.e. if a rented property costs more than 25% of household income, it is unaffordable) and 30% for owner-occupation.

**Table B21** Weekly income required for property to be affordable by size and tenure

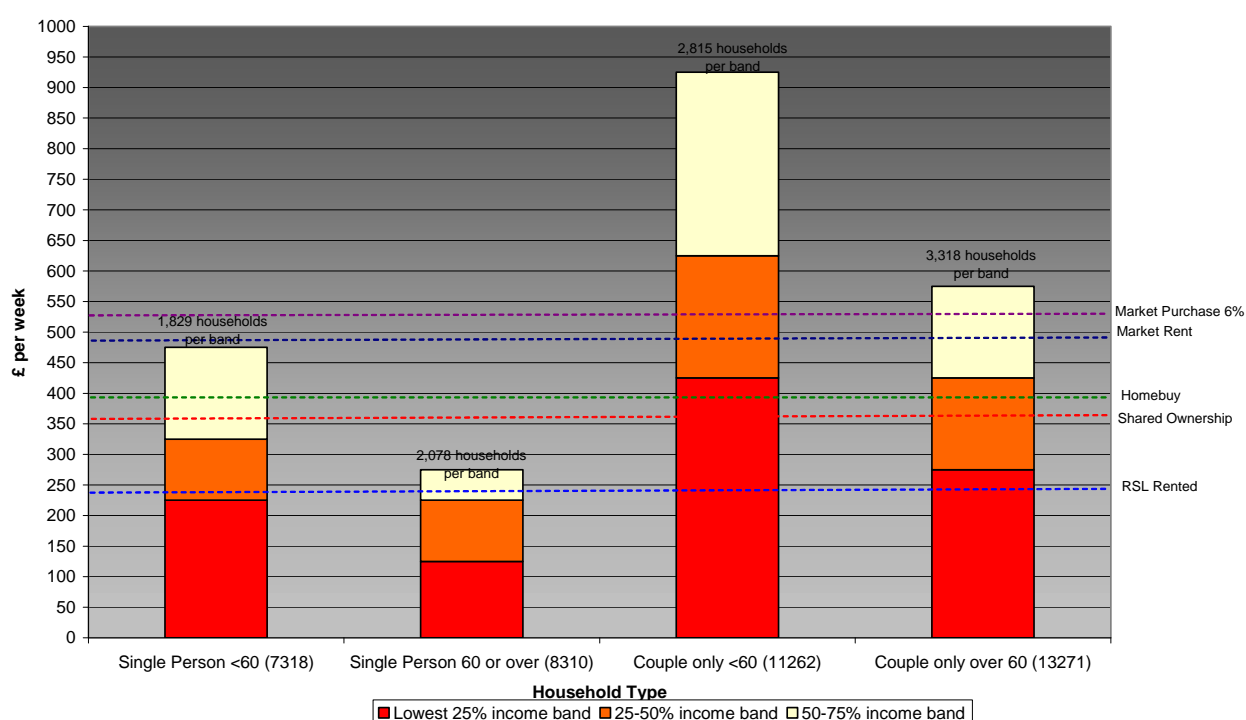
Tenure	Property size and weekly income required			See Notes
	One Bedroom	Two Bedrooms	Three Bedrooms	
RSL Rented	£248	£276	£292	7
Market Rented	£462	£554	£692	
Homebuy	£393	£500	£607	8
Shared Ownership	£366	£448	£527	
Market Purchase (6%)	£524	£667	£810	9
Market Purchase (8%)	£628	£799	£970	

**Notes**

7. Occupants on lower incomes likely to be eligible for full assistance through Housing Benefit
8. Occupants on lower incomes may be eligible for partial or full assistance through Housing Benefit
9. Occupants may be eligible for assistance for the rental element through Housing Benefit

B.51 By superimposing information about the notional weekly income required to make each tenure option affordable on graphs showing the lowest three quartiles of household income for each household type, it is possible to get an impression about the relative affordability of the different tenure options to each household type. Figures B4 to B6 reconcile household income with housing costs for different property sizes.

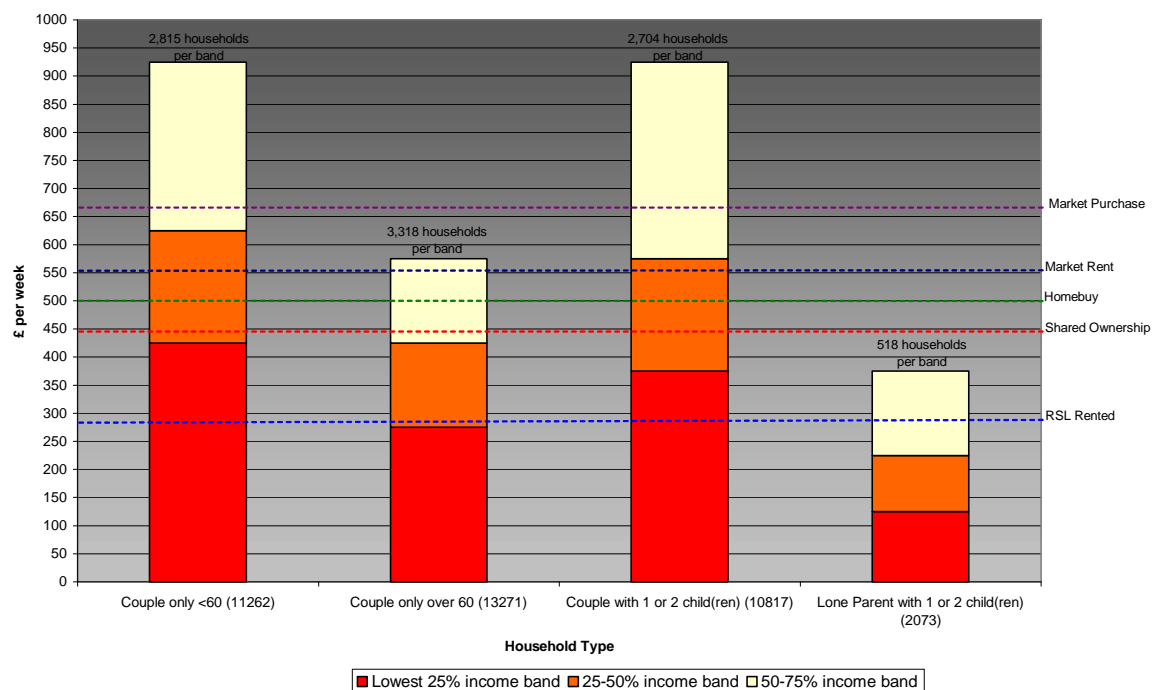
**Figure B4** Relative affordability of one bedroomed properties by tenure and household type (based on lowest 75% of households)



B.52 An analysis of the affordability of one bedroomed properties on the basis of income alone suggests that:

- The open market is only realistically affordable to couples, particularly those under 60;
- Older singles can only realistically afford RSL rented properties;
- Singles under 60 require social rented or intermediate tenure properties

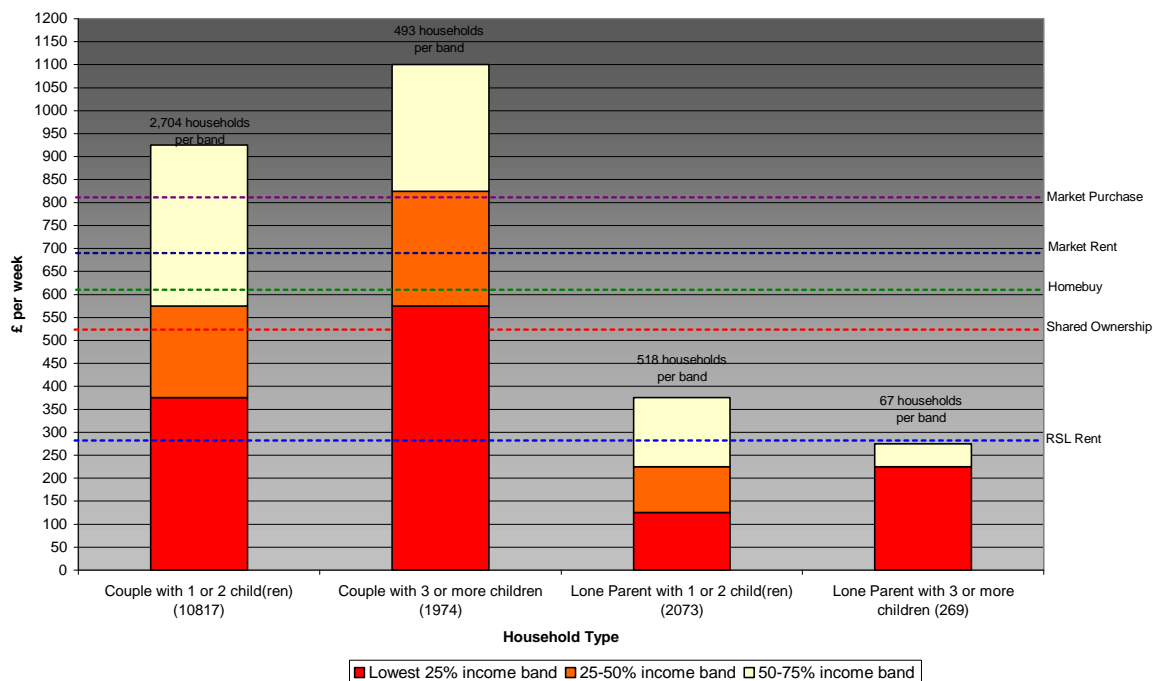
**Figure B5** Relative affordability of two bedroomed properties by tenure and household type



B.53 An analysis of the affordability of two bedroomed properties on the basis of income alone suggests that:

- The open market is relatively affordable to couples (under 60) and couples with children;
- Social renting remains the only viable option for many couples over 60, couples with 1 or 2 children on lower quartile incomes and lone parents;
- The intermediate tenure market is clearly viable, particularly for couples under 60 and couples with 1 or 2 children.

**Figure B6** Relative affordability of three bedroomed properties by tenure and household type



B.54 An analysis of the affordability of three bedroomed properties on the basis of income alone suggests that:

- Social renting is the only realistic option for lone parent families;
- Open market purchase remains viable for couples with children as long as they are earning at least £800 per week;
- The intermediate tenure market is clearly viable for couples with children.

### Affordability of accommodation for households in need

B.55 Detailed analysis has been carried out using the CLG needs assessment model which has identified a shortfall (or an imbalance) of 830 dwellings per year. It is possible to consider the extent to which households in housing need could afford different tenure options and this is presented in Table B22.

**Table B22** Affordability of different tenures by households in need by household type

Tenure	Household type and number in need who could afford								
	Single Person <60	Single Person 60 or over	Couple only <60	Couple only over 60	Couple with 1 or 2 child(ren)	Couple with 3 or more children	Lone Parent with 1 or 2 child(ren)	Other type of household	Total
Min. size	1B	1B	1B	1B	2B	3B	2B	2B	
RSL Rent	87	127	361	571	309	75	51	757	2339
Market Rent	18	32	200	277	203	7	7	112	856
Homebuy	18	42	278	446	209	18	15	119	1147
Shared Ownership	18	42	278	446	242	18	15	164	1225
Market Purchase	18	8	48	262	171	7	7	87	609
Base	846	298	519	752	491	113	470	847	4336
Tenure	Household type and % in need who could afford								
	Single Person <60	Single Person 60 or over	Couple only <60	Couple only over 60	Couple with 1 or 2 child(ren)	Couple with 3 or more children	Lone Parent with 1 or 2 child(ren)	Other type of household	Total
Min. size	1B	1B	1B	1B	2B	3B	2B	2B	
RSL Rent	10.3	42.7	69.6	76.0	62.9	66.4	10.9	89.4	53.9
Market Rent	2.2	10.9	38.6	36.8	41.2	6.4	1.4	13.2	19.7
Homebuy	2.2	14.1	53.7	59.3	42.5	16.4	3.3	14.1	26.5
Shared Ownership	2.2	14.1	53.7	59.3	49.3	16.4	3.3	19.4	28.3
Market Purchase	2.2	2.8	9.2	34.9	34.8	6.4	1.4	10.3	14.0
Base	846	298	519	752	491	113	470	847	4336

B.56 Table B22 illustrates that:

- 53.9% of households in need could afford to rent an appropriately-size social rented property;
- A further 26.5% could afford Homebuy and 28.3% Shared Ownership, although this is most likely to be affordable to couples and couples with children;
- Only 14% of households could afford market purchase on the basis of income alone and couples/couples with children were most likely to be able to afford open market prices;
- 19.7% of households could afford open market rents, again this was mainly couples/couples with children;
- Singles under 60 and lone parents are most likely to require housing benefit to pay for their accommodation as only around 10% could actually afford an RSL rent.

B.57 Analysis also confirms that the tenure split of 65% social rented and 35% intermediate tenure<sup>14</sup>.

## Overcrowding and under-occupation (Step 3.3)

### Overcrowding

B.58 The Housing Needs Survey 2006 identified that a total of 522 households across Harrogate District were living in overcrowded conditions. Analysis was based on the number of bedrooms the household had access to compared with the number required according to the bedroom standard model. Table B23 shows that the proportion of households who were overcrowded averaged 0.8% across Harrogate District and was highest in the rural sub-areas of Lower Nidderdale (1.6%), Upper Nidderdale (1.2%) and Lower Wharfedale (1.1%).

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<sup>14</sup> Based on Table B22 data, 53.9% could afford RSL renting and 28.3% shared ownership (equals a base of 82.2% which can be expressed as a ratio of 65% renting:35% shared ownership

**Table B23** Overcrowding by sub-area

Sub-area	No. Overcrowded Households	Total Households	% Overcrowded
Harrogate	124	30469	0.4
Knaresborough and Scriven	121	6356	1.9
Ripon	64	6871	0.9
Boroughbridge	31	2466	1.2
Knaresborough Villages	5	1120	0.4
Vale of York	10	1750	0.6
Lower Wharfedale	17	1564	1.1
Upper Wharfedale	6	861	0.7
Lower Nidderdale Villages	75	4781	1.6
Upper Nidderdale	35	2973	1.2
Masham Area	0	870	0.0
South Harrogate Villages	0	771	0.0
Marston Villages	9	1251	0.7
Northern Villages	11	1482	0.7
Ripon South Villages	5	976	0.5
Ripon West Villages	11	1702	0.7
<b>Total</b>	<b>522</b>	<b>66263</b>	<b>0.8</b>

Source: Housing Needs Survey 2006

B.59 There are variations in the level of overcrowding by tenure (Table B24) and household type (Table B25). Overall, 46.8% of all overcrowding households are owner occupiers, 23% are social renters and 30.8% are private renters. The table also shows that 3.4% of all households renting from the Council and Privately renting (unfurnished) are overcrowded. This compares with 0.2% of outright owners and 0.5% of RSL renters.

**Table B24** Overcrowding by tenure

Tenure	No. Overcrowded Households	% of total overcrowded by tenure	Total Households	% all households in tenure who are overcrowded
Owned Outright	53	10.2	26944	0.2
Owned with a mortgage	190	36.4	28580	0.7
Rented from Council	112	21.5	3300	3.4
Rented from Housing Association	8	1.5	1623	0.5
Rented privately (furnished)	7	1.4	493	1.3
Rented privately (unfurnished)	152	29.1	4532	3.4
<b>Total</b>	<b>522</b>	<b>100.0</b>	<b>66263</b>	<b>0.8</b>

Source: Housing Needs Survey 2006

B.60 Overcrowding is particularly prevalent amongst households consisting of a couple with three or more children (Table B 24). Numerically, other types of

household (e.g. couples with adult children living at home) are most likely to experience overcrowding.

**Table B25** Overcrowding by household type

Household type	No. Overcrowded Households	Total Households	% Overcrowded
Couple with 1 or 2 child(ren)	26	10817	0.2
Couple with 3 or more children	105	1972	5.3
Other type of household	392	10970	3.6
<b>Total</b>	<b>522</b>	<b>66263</b>	<b>0.8</b>

Source: Housing Needs Survey 2006

### Under-occupation

B.61 Using the bedroom standard model methodology, it is possible to identify households that are under-occupying i.e. there are more bedrooms than needed. Overall, 52,524 households (77%) in Harrogate District are technically under-occupying e.g. a couple in a two or three bedroom house or a single person in a two bedroom house. However, it is more appropriate to consider more severe under-occupation, whereby a household has 3 or more 'spare bedrooms': a total of 9897 households are severely under-occupying. Table B26 summarises the number and proportion of households where there is severe under-occupation by sub-area, indicating that this is a particular issue for rural areas. In the South Harrogate Villages sub-area, 30.8% of households are severely under-occupying, along with an excess of 20% of households in the sub-areas of Knaresborough Villages, Vale of York, Lower Wharfedale, Upper Wharfedale and Ripon South Villages.

**Table B26** Under-occupation by sub-area

Sub-area	No. Severely under-occupying Households	Total Households	% severely under-occupying
Harrogate	4248	30469	13.9
Knaresborough and Scriven	715	6356	11.3
Ripon	914	6871	13.3
Boroughbridge	293	2466	11.9
Knaresborough Villages	256	1120	22.9
Vale of York	406	1750	23.2
Lower Wharfedale	351	1564	22.4
Upper Wharfedale	179	861	20.8
Lower Nidderdale Villages	653	4781	13.7
Upper Nidderdale	527	2973	17.7
Masham Area	146	870	16.8
South Harrogate Villages	237	771	30.8
Marston Villages	191	1251	15.3
Northern Villages	260	1482	17.6
Ripon South Villages	214	976	21.9
Ripon West Villages	306	1702	18.0
<b>Total</b>	<b>9897</b>	<b>66263</b>	<b>14.9</b>

Source: Housing Needs Survey 2006

B.62 Table B27 considers severe under-occupation by tenure. Severe under-occupation is most prevalent in the owner occupied market (accounting for 97.2% of severe under-occupation). Overall, 23.3% of outright owners severely under-occupy along with 11.7% of owners with a mortgage. Although severe under-occupation is less prevalent in the social rented sector, the survey identified 97 households currently renting from the Council who are severely under-occupying.

**Table B27** Under-occupation by tenure

Tenure	No. of households Underoccupying	Total households	% Households
Owned Outright	6274	26944	23.3
Owned with a mortgage	3341	28580	11.7
Rented from Council	97	3300	2.9
Rented from another Housing Association	0	1623	0.0
Tied accommodation	79	534	14.8
Rented privately (furnished)	54	493	10.9
Rented privately (unfurnished)	0	4532	0.0
Part owned & part rented	10	257	3.8
<b>Total</b>	<b>9897</b>	<b>66263</b>	<b>14.9</b>

Source: Housing Needs Survey 2006

B.63 Table B28 illustrates the relationship between severe under-occupation and household type. This shows that severe under-occupation is most prevalent amongst pensioner couples, followed by couples under 60. This suggests that severe under-occupation may be a market choice amongst non-pensioner households (i.e. a couple may want a large property), or evidence of 'empty nesting' whereby children have left the family home. Overall, 22% of older person households have 2 or more 'spare bedrooms'.

**Table B28** Under-occupation by household type

Household type	No. of households Underoccupying	Total households	% Households
Single Person <60	467	7320	6.4
Single Person 60 or over	688	8312	8.3
Couple only <60	3145	11261	27.9
Couple only over 60	4069	13270	30.7
Couple with 1 or 2 child(ren)	815	10817	7.5
Lone Parent with 1 or 2 child(ren)	37	2071	1.8
Other type of household	492	10970	4.5
Total	9897	66263	14.9

Source: Housing Needs Survey 2006

### Step 3.4 Vacancies, turnover rates and available supply by tenure

#### Vacancy rates

B.64 Vacancy rates reported in April 2008<sup>15</sup> were 0.62% in the social rented sector, 3.8% in the private sector and 3.5% overall. This compares with a regional vacancy rate of 2.5% in the social rented sector, 4.4% in the private sector and 4.1% overall. To put these rates into a wider context, it is useful to consider 'transactional vacant' rates i.e. the proportion of stock which should be vacant at any one time to allow mobility within the dwelling stock: these are 2% for the social rented and 4% for the private sector. The Regional Housing Strategy suggests a target vacancy rate of 3% across all tenures. No social rented stock is classed as difficult to let/low demand. There are 1,080 private sector properties that have been vacant for more than six months, accounting for 45.5% of all private sector vacant stock in Harrogate District.

B.65 Within Harrogate District, the proportion of vacant properties is highest in the Masham sub-area (4.5%), South Harrogate Villages sub-area (3.8%), Ripon West Villages sub-area (3.4%) and Lower Wharfedale (3.2%).

<sup>15</sup> 2008 HSSA Return

## Turnover rates

- B.66 The 2006 housing needs survey identified length of residence, from which annual turnover rates can be derived by sub-area (Table B29) and tenure (Table B30). Overall, 7.2% of households had resided at their current address for less than 12 months. Within Harrogate District, there were some areas where turnover rates were lower than this (e.g. the sub-areas of Knaresborough Villages, Knaresborough and Scriven, and Lower Wharfedale).
- B.67 Table B30 shows that there are strong relationships between turnover and tenure, with the private rented sector exhibiting strong rates of turnover and the owner-occupied sector the least; this is entirely consistent with national trends.

**Table B29** Household turnover rates by sub-area

Area	% residing at current address for less than 12 months	Base
Harrogate	7.8	30469
Knaresborough and Scriven	4.7	6356
Ripon	8.4	6871
Boroughbridge	7.9	2466
Knaresborough Villages	3.6	1120
Vale of York	7.6	1750
Lower Wharfedale	5.2	1564
Upper Wharfedale	6.2	861
Lower Nidderdale Villages	6.4	4781
Upper Nidderdale	6.2	2973
Masham Area	6.3	870
South Harrogate Villages	6.9	771
Marston Villages	5.7	1251
Northern Villages	8.4	1482
Ripon South Villages	6.9	976
Ripon West Villages	9.1	1702
<b>Total</b>	<b>7.2</b>	<b>66263</b>

**Table B30** Household turnover rates by area and tenure

Tenure	% residing at current address for less than 12 months	Base
Owned (no mortgage)	2.3	26946
Owned (with mortgage)	8.3	28581
Rented from Council	2.7	3300
Rented from Housing Association	7.3	1622
Private Rented (furnished)	47.5	493
Private Rented (unfurnished)	25.1	4533
Tied accommodation	3.1	534
Homebuy, Shared Ownership	53.1	255
<b>Total</b>	<b>7.2</b>	<b>66263</b>

Source: Housing Needs Survey 2006

### Supply by tenure

#### Owner occupied

- B.68 On the basis of household turnover rates presented in Table B 30, around 3,000 owner occupied dwellings become available for purchase on an annual basis. Around 4.1% of properties moved into were newly built or converted.

#### Private rented

- B.69 There is a high degree of turnover in private rented properties which results in a good overall supply. Data suggests around 1,400 private rented lets become available each year. Around 13% of new lettings are in newly-built properties, reflecting buy-to-let activity in the District

#### Social rented

- B.70 The likely annual capacity of the social rented sector to accommodate new renters can be derived from published sources (the annual Housing Strategy Statistical Appendix), Council sources and RSL CORE lettings data. Table B31 summarises available information from each of these sources and it is important to note that:

- Council allocations data reports slightly higher numbers of lettings to new renters compared with HSSA data;
- RSL CORE data differs to that reported in the HSSA return, particularly in 2004/5;

- The number of RSL lettings to new renters is not available from the HSSA return.

B.71 Analysis assumes an average annual capacity in the social rented sector of 428 dwellings per year. This is based on:

- Council lettings to new renters for the three years 2003/4 to 2005/6; and
- RSL CORE lettings to new renters for the three years 2002/3 to 2005/6.

**Table B31** Expected annual capacity for new renters in social rented sector

	2002/03	2003/04	2004/05	2005/06	3 year average	New Data 2006/07
<b>HSSA Data</b>						
LA lettings to new tenants	261	234	237	227	233	223
RSL Total lettings	300	304	344	232	293	205
<b>TOTAL</b>	561	<b>538</b>	<b>581</b>	<b>459</b>	<b>526</b>	<b>428</b>
HBC Data - lettings to new tenants		255	257	236	249	
RSL CORE - Total Lettings	317	299	263	312	291	
RSL CORE - Lettings to new tenants	190	163	164	209	179	
<b>TOTAL Lettings (used in analysis)</b>		<b>418</b>	<b>421</b>	<b>445</b>	<b>428</b>	

Sources: HSSA; CORE (General) Lettings; Harrogate BC Allocations Data

Notes: Lettings to new tenants = lettings to households who were not previously social renters (either from the Council or a housing association)

B.72 During 2006/7, the total number of social rented lettings was 428 (which corresponds with the three year average figure used in housing need modelling work).

B.73 Further details of social rented capacity is summarised in Table D5.

## Stage 4: Bringing the evidence together

### Step 4.1 Mapping market characteristics

#### *Introduction*

B.74 Material presented in Chapter 3 of the main report established that Harrogate District cannot be described as a self-contained market but rather it is a component of a wider market area which is centred on Leeds. Material

presented in Chapter 3 also suggests that within Harrogate, the proximity to other districts influences market dynamics. Therefore, the purpose of this section is to explore the extent to which sub-areas within Harrogate vary in terms of:

- Function (through the review of travel to work, migration patterns); and
- Typology (through the review of dwelling stock and socio—economic and demographic characteristics)

### *Sub-area variations*

B.75 Analysis of migration patterns suggests that no sub-area can be described as a self-contained housing market area. For self-containment, at least 70% of movers originate from the same sub-area. Survey data suggests that around 40% of movers originate from within the same sub-area overall, but this varies dramatically from 2.2% of movers in Knaresborough Villages to 52.6% of Harrogate movers. However, it is also important to consider the extent to which the sub-areas vary in social, economic, demographic and dwelling stock characteristics; and how migration and travel to work patterns vary within the District.

B.76 Tables B32 A to C provide a summary of the distinctive attributes of each sub-area. For each variable, a District mean has been calculated. Results for each sub-area are then compared against this mean to indicate the extent to which the sub-area result varies against the district mean. The degrees of variation are summarised by colour:

0.0	<75% of District mean
75.0	75% to <125% of District mean
126.0	>125% District mean

B.77 Noteworthy comments relating to each sub-area are summarised in Table B33.

**Table B32A** Attributes of sub-areas: property and household information

Attribute	Sub-area % variation from District Mean value																
	Harrogate	Knarborough and Scriven	Ripon	Boroughbridge	Knarborough Villages	Vale of York	Marston Villages	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Harrogate
Owner Occupied	101.9	104.1	98.8	90.8	109.8	103.3	105.6	98.3	91.7	98.6	94.2	73.6	107.8	95.8	102.4	88.5	84.2
Social Rented	85.8	89.6	154.9	110.4	49.6	105.3	64.7	118.5	59.2	129.0	96.7	177.7	65.0	139.4	64.4	92.8	7.4
Private Rented	93.6	67.9	63.5	183.1	46.1	62.7	75.1	101.1	219.8	88.7	161.4	295.6	52.8	106.9	107.8	221.8	8.4
<b>Property Type</b>																	
Detached	80.3	100.2	71.5	129.0	159.0	174.6	166.0	152.0	220.5	101.7	133.3	80.1	148.8	117.1	138.0	141.1	31.6
Semi	105.6	120.2	84.7	87.0	60.3	74.4	71.2	80.0	52.8	126.5	82.6	125.3	124.8	80.3	77.5	82.2	26.3
Terraced	114.5	76.7	138.9	84.3	68.0	59.3	44.0	88.5	49.8	66.5	89.5	113.0	76.4	81.6	81.2	76.0	19.4
Bungalow	71.1	83.4	134.4	124.4	169.4	115.8	177.2	74.4	52.9	141.7	131.5	112.9	34.0	238.2	178.6	123.6	10.8
Flat/Maisonette	143.7	104.2	123.5	60.8	15.2	0.0	8.0	37.6	0.0	59.4	37.2	70.4	15.1	3.8	9.3	9.0	10.8
Caravan	128.6	145.0	26.3	0.0	80.0	121.0	36.3	156.5	105.6	0.0	54.6	0.0	0.0	0.0	0.0	440.9	1.1
<b>No. Bedrooms</b>																	
One/Two	112.0	99.3	116.9	94.7	65.4	60.8	54.8	81.0	61.2	93.6	71.3	111.0	49.2	90.5	51.4	84.8	30.1
Three	100.5	111.9	97.1	101.6	74.5	91.2	101.8	86.7	83.6	99.5	109.5	99.1	65.4	99.1	108.6	98.2	40.1
Four or more	87.2	84.7	86.9	103.2	169.2	151.4	143.0	137.1	161.1	107.2	116.1	90.0	197.7	110.8	137.4	117.8	29.8
<b>Property Prices</b>																	
2005 Average	63.0	88.0	72.2	89.5	107.3	112.8	106.4	114.4	114.4	75.2	93.7	93.5	127.0	77.1	118.4	100.8	£287,523
<b>Household Income</b>																	
<£300pw	104.5	105.3	111.7	109.1	71.0	69.6	74.4	68.2	56.5	89.6	103.0	144.7	48.5	97.9	64.1	99.6	30.5
Between £300 and £500pw	100.6	109.7	117.0	95.6	85.4	89.3	80.2	71.7	53.6	108.7	84.6	112.2	76.8	92.0	85.9	95.2	23.5
>£500pw	96.7	91.5	83.5	96.2	126.7	125.7	127.1	135.6	152.7	102.4	105.9	64.0	146.1	105.5	131.0	102.7	46.0
<b>Satisfaction with Neighbourhood</b>																	
% Very Satisfied	89.1	93.7	84.5	82.1	126.1	142.4	117.9	131.4	138.4	105.4	149.1	107.7	135.4	104.2	131.5	143.4	42.6
<b>Economic Activity (16+)</b>																	
In Employment	97.6	101.7	98.3	106.3	102.6	107.7	112.9	100.5	96.9	104.5	97.9	104.2	102.0	104.1	95.7	100.6	61.0
In training	98.0	88.5	106.9	83.0	163.3	74.0	134.5	76.6	131.6	123.1	96.7	56.4	170.8	64.3	113.9	82.9	6.3
Unemployed	129.9	83.6	99.0	67.3	57.5	68.8	40.9	81.8	87.7	83.9	47.2	26.5	34.6	80.7	50.9	72.2	2.7
Retired	103.8	104.5	107.5	90.8	79.4	89.2	69.0	101.5	89.1	77.8	108.4	106.6	80.3	102.6	106.6	102.7	23.7
Look after home	82.8	87.9	81.2	113.9	146.2	127.5	99.2	128.2	195.3	140.7	124.8	134.2	161.6	99.7	141.5	133.0	4.3
Permanently sick, carer	130.1	77.5	82.9	83.2	28.1	58.0	46.0	102.3	32.2	88.2	90.8	53.9	13.0	80.0	84.9	66.8	2.0
<b>Household type</b>																	
Singles <60	124.6	88.9	70.0	84.6	60.2	59.8	42.4	76.0	56.1	108.5	78.1	94.5	75.6	75.8	61.3	63.0	11.4
Couples <60	93.6	90.0	110.9	104.7	124.3	121.7	151.1	95.8	86.2	93.9	118.4	108.3	108.7	119.5	101.3	94.6	16.9
Older	100.6	106.1	98.5	89.2	96.6	97.8	73.3	107.7	107.5	87.2	99.0	119.1	99.6	111.9	116.0	109.9	32.4
Two parent families	95.2	71.3	102.5	136.3	117.7	137.4	133.9	129.8	90.1	114.5	88.5	90.5	104.5	100.8	93.0	119.1	19.2
Lone Parents	104.0	133.4	133.4	58.2	40.0	32.1	32.6	62.1	94.4	93.6	76.4	112.1	65.9	117.9	56.4	106.5	3.5
Other multi-person household	93.1	132.3	102.5	93.6	101.4	80.8	114.8	79.1	142.5	110.0	116.5	66.1	110.9	68.5	111.6	88.0	16.5
<b>Black, Asian and Minority Ethnic Households</b>																	
BAME Households	126.2	73.8	87.2	48.8	54.5	52.4	50.4	66.5	91.6	95.8	90.1	25.6	146.7	64.3	73.8	95.5	6.0
<b>Total Households</b>	<b>31406</b>	<b>6521</b>	<b>7062</b>	<b>2523</b>	<b>1161</b>	<b>1843</b>	<b>1288</b>	<b>1602</b>	<b>891</b>	<b>4901</b>	<b>3066</b>	<b>911</b>	<b>794</b>	<b>1475</b>	<b>993</b>	<b>1761</b>	<b>68197</b>

Source: 2006 household survey; Land Registry

**Table B32B** Attributes of sub-areas: migration

	Sub-area % variation from District Mean value																
	Harrogate	Knaresborough and Scriven	Ripon	Boroughbridge	Knaresborough Villages	Vale of York	Marston Villages	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Harrogate
<b>% households moving in past 5 years</b>	97.9	93.3	114.2	124.3	73.6	90.6	93.6	84.2	72.9	99.5	106.3	107.4	102.5	114.5	80.1	116.0	26.8
<b>% movers within same sub-area</b>	131.5	113.8	96.5	83.3	5.5	49.8	39.5	31.3	44.5	51.0	86.0	72.5	34.5	48.0	37.5	51.3	40.0
<b>% movers elsewhere Harrogate</b>	54.8	121.4	120.4	102.4	244.2	104.5	84.5	146.3	20.3	231.9	114.4	106.0	84.7	170.8	217.3	126.3	22.7
<b>Moves from within Harrogate (%)</b>																	62.7
Harrogate	165.8	69.1	9.3	28.9	46.8	9.2	33.2	55.0	0.0	138.3	49.5	0.0	7.2	18.8	56.2	24.2	31.7
Knaresborough and Scriven	54.6	656.8	13.4	58.4	390.9	29.1	22.4	104.0	0.0	36.5	8.3	33.1	0.0	0.0	67.8	7.9	6.9
Ripon	0.0	24.1	631.2	83.8	0.0	58.6	0.0	0.0	0.0	13.8	35.6	118.7	0.0	275.2	215.1	140.6	6.1
Boroughbridge	0.0	0.0	168.4	1276.4	66.9	317.0	0.0	53.0	0.0	0.0	0.0	160.8	0.0	305.0	107.9	21.0	2.6
Knaresborough Villages	0.0	0.0	0.0	0.0	3067.7	0.0	0.0	0.0	0.0	860.6	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Vale of York	0.0	0.0	314.6	75.9	0.0	2114.3	230.1	176.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9
Lower Wharfedale	104.2	186.9	0.0	57.7	302.1	278.6	235.6	862.4	0.0	26.5	0.0	0.0	0.0	0.0	0.0	0.0	1.4
Upper Wharfedale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5810.9	124.9	373.6	0.0	1496.2	0.0	0.0	0.0	0.3
Lower Nidderdale Villages	97.2	0.0	94.8	10.3	84.8	0.0	0.0	41.8	74.4	440.9	81.5	90.5	207.7	28.6	70.9	39.4	4.6
Upper Nidderdale	0.0	0.0	65.4	0.0	0.0	0.0	0.0	0.0	0.0	111.5	1516.1	0.0	121.4	87.8	0.0	274.2	2.3
Masham Area	0.0	0.0	0.0	134.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6541.0	0.0	0.0	0.0	0.0	0.4
South Harrogate Villages	0.0	0.0	0.0	0.0	0.0	0.0	0.0	674.6	466.5	217.6	0.0	0.0	5585.6	0.0	0.0	0.0	0.2
Marston Villages	141.8	0.0	0.0	56.0	0.0	147.4	1486.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	120.5	1.1
Northern Villages	76.4	0.0	200.4	80.5	0.0	0.0	0.0	0.0	0.0	0.0	31.0	129.1	0.0	1302.1	0.0	86.6	1.5
Ripon South Villages	0.0	0.0	281.9	90.6	664.7	0.0	0.0	368.9	0.0	87.4	65.4	0.0	0.0	2858.4	139.1	139.1	0.5
Ripon West Villages	0.0	78.7	309.1	0.0	0.0	71.7	82.7	0.0	0.0	24.5	97.9	224.2	0.0	248.1	401.2	1093.5	1.9
<b>Movers from outside Harrogate District (%)</b>																	37.3
Bradford	0.0	0.0	0.0	411.8	181.3	247.6	0.0	268.3	1431.4	148.3	428.0	316.9	317.4	153.1	454.7	177.1	0.7
Craven	155.2	0.0	0.0	98.1	0.0	153.6	0.0	0.0	210.3	141.6	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Hambleton	112.3	0.0	110.9	115.8	0.0	125.6	104.3	0.0	0.0	47.2	271.4	0.0	447.2	70.3	266.9	2.7	2.7
Leeds	87.2	99.9	73.2	41.5	167.4	124.8	284.2	383.0	667.8	58.7	43.9	48.8	410.4	90.0	21.8	91.3	8.6
Richmondshire	0.0	291.8	231.7	178.7	218.5	0.0	0.0	0.0	0.0	143.3	573.0	0.0	110.7	0.0	594.6	0.4	0.4
Selby	0.0	0.0	0.0	0.0	0.0	487.9	2363.2	528.6	0.0	0.0	156.1	832.4	0.0	301.6	0.0	299.0	0.4
York	70.2	68.6	69.0	172.0	61.0	677.5	577.0	90.3	0.0	25.0	186.8	0.0	0.0	0.0	0.0	204.4	2.1
Elsewhere Y&H	87.7	89.9	129.4	194.1	130.8	267.9	82.4	73.7	286.8	53.5	76.2	25.4	91.6	161.9	78.1	18.2	3.0
Elsewhere UK	107.3	68.6	92.5	128.1	103.8	79.8	75.4	70.8	6.8	78.3	117.8	161.1	90.0	80.2	128.4	152.1	16.8
Outside UK	60.7	79.1	159.2	70.3	164.2	84.1	83.2	74.4	0.0	213.9	172.3	0.0	616.1	71.3	252.2	29.5	1.9
<b>Total Households</b>	<b>31406</b>	<b>6521</b>	<b>7062</b>	<b>2523</b>	<b>1161</b>	<b>1843</b>	<b>1288</b>	<b>1602</b>	<b>891</b>	<b>4901</b>	<b>3066</b>	<b>911</b>	<b>794</b>	<b>1475</b>	<b>993</b>	<b>1761</b>	<b>68197</b>

Source: 2006 household survey

**Table B32C** Attributes of sub-areas: travel to work

Workplace	Sub-area % variation from District Mean value																
	Harrogate	Knaresborough and Scriven	Ripon	Boroughbridge	Knaresborough Villages	Vale of York	Marston Villages	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Northern Villages	Ripon South Villages	Ripon West Villages	Harrogate
Same town/village	115.1	73.4	115.8	85.1	52.4	68.6	61.8	70.2	88.7	97.0	94.2	129.2	62.8	88.1	59.0	97.3	39.9
Elsewhere in Harrogate	87.6	138.6	98.0	106.7	148.7	81.6	47.9	100.0	35.5	132.6	139.4	46.1	81.9	76.2	171.6	87.6	24.4
Richmond	0.0	0.0	329.3	386.8	153.4	312.0	172.5	0.0	0.0	29.0	41.2	907.9	224.2	389.4	0.0	241.9	0.4
Craven	0.0	0.0	0.0	656.1	291.4	72.9	95.3	0.0	846.2	80.8	551.0	0.0	468.4	394.4	374.3	0.0	0.2
Bradford	140.3	42.6	45.7	26.8	99.4	50.9	24.6	66.8	262.4	96.4	79.0	0.0	264.1	28.0	92.9	109.5	2.3
Leeds	109.3	126.6	30.3	71.3	166.1	115.7	163.1	191.7	220.8	77.4	67.1	32.1	224.6	36.7	76.1	58.3	11.9
Selby	0.0	0.0	0.0	0.0	534.0	167.1	1801.3	602.8	0.0	218.8	143.4	0.0	0.0	338.9	0.0	0.0	0.1
York	85.6	135.5	123.3	82.9	69.6	328.6	398.6	51.3	25.9	56.7	32.2	37.0	28.7	86.1	87.2	47.7	3.9
Hambleton	75.3	33.3	203.0	203.8	74.2	55.3	40.4	0.0	0.0	44.5	42.5	600.9	0.0	502.1	81.7	188.7	2.0
Tees Valley (Stockton, Middlesbrough)	0.0	208.4	253.0	311.0	73.7	258.1	60.2	0.0	0.0	96.6	76.0	239.7	172.2	386.4	246.0	76.5	0.5
Elsewhere	80.7	96.8	96.8	133.2	100.6	146.7	168.5	142.3	143.6	93.2	100.7	108.2	127.3	162.1	113.8	162.9	14.5
<b>Total Households</b>	2523	31406	6521	1161	4901	1602	1288	911	1475	7062	993	1761	794	3066	891	1843	68197

Source: 2006 household survey; Land Registry

**Table B33 Summary of distinctive market attributes**

Attribute	Distinctive Attributes by Sub-area															
	Harrogate	Knarborough and Scriven	Ripon	Boroughbridge	Knarborough Villages	Vale of York	Marston Villages	Lower Wharfedale	Upper Wharfedale	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Northern Villages	Ripon South Villages	Ripon West Villages
<b>Tenure</b>	Reflects District profile		Higher % social rented	Higher % private rented					Higher % private rented	Higher % social rented		Higher % social and private rented		Higher % social rented		Higher % private rented
<b>Property type</b>	Higher % flats and caravans	Higher % caravans	High % terraced and bungalows	High % detached	High % detached and bungalows	High % detached	High % detached and bungalows	High % detached	High % detached	High % semi-det and bungalows	High % detached and bungalows			High % bungalows	High % detached and bungalows	
<b>Number of bedrooms</b>	Reflects District profile	Reflects District profile	Reflects District profile	Reflects District profile	High % larger properties	High % larger properties	High % larger properties	High % larger properties	High % larger properties				High % larger properties		High % larger properties	
<b>Property prices</b>	Lowest median price												Highest median price			
<b>Household income</b>					High income area	High income area	High income area	High income area	High income area				High income area		High income area	
<b>Satisfaction with Neighbourhood</b>									Highest % of satisfaction			Lowest % of satisfaction				
<b>Employment activity</b>	Highest % unemployed and permanently sick/disabled						Highest rate of employment				Highest proportion retired					
<b>Household type/age BAME HHs</b>	Reflects District profile	Higher % lone parents and multi-person hholds					High % couples under 60		High % multi-person households					Highest %	Highest % older	
<b>Self-containment</b>	Most self-contained (52.6%)	45.5% moving from within sub-area	38.6% moving from within sub-area	33.3% moving from within sub-area	Least self contained: 2.2%	19.9% moving from within sub-area	15.8% moving from within sub-area	12.5% moving from within sub-area	17.8% moving from within sub-area	20.4% moving from within sub-area	34.4% moving from within sub-area	29.0% moving from within sub-area	13.8% moving from within sub-area	19.2% moving from within sub-area	15.0% moving from within sub-area	20.5% moving from within sub-area
<b>Migration from outside District (top origins)</b>	Elsewhere UK, Leeds, Hambleton	Leeds, Elsewhere UK, Elsewhere Y&H	Elsewhere UK, Leeds, Elsewhere Y&H	Elsewhere UK, Elsewhere Y&H, York, Leeds	Elsewhere UK, Leeds, Elsewhere Y&H	York, Elsewhere UK, Leeds	Leeds, York, Selby, Elsewhere UK	Leeds, Elsewhere UK, Elsewhere Y&H	Leeds (57.5%), Craven, Elsewhere Y&H	Elsewhere UK, Leeds, Outside UK	Elsewhere UK, York, Leeds, Bradford	Elsewhere UK, Hambleton, Leeds	Leeds, Elsewhere UK, Outside UK	Elsewhere UK, Hambleton, Leeds	Elsewhere UK, Bradford, Outside UK	Elsewhere UK, Leeds, Hambleton
<b>Workplace</b>	Harrogate, Leeds/Bradford, York, Elsewhere	Harrogate, Leeds, York, Elsewhere	Harrogate, Leeds, York, Hambleton, Elsewhere	Harrogate, Leeds, York, Hambleton, Elsewhere	Harrogate, Leeds, Elsewhere, York	Harrogate, Leeds, York, Elsewhere	Harrogate, Leeds, York, Elsewhere	Harrogate, Leeds, York, Elsewhere	Harrogate, Leeds, Elsewhere, Bradford	Harrogate, Leeds, Elsewhere	Harrogate, Leeds, Elsewhere	Harrogate, Hambleton, Elsewhere	Harrogate, Leeds, Bradford, Elsewhere	Harrogate, Hambleton, Elsewhere	Harrogate, Leeds, Bradford, York	Harrogate, Leeds, Hambleton, Elsewhere

Source: 2006household survey; Land Registry

- B.78 The data analysis presented in Tables B32 and B33 suggests that within Harrogate, there are variations in market typology i.e. dwelling type, tenure and household characteristics and functional linkages with other areas i.e. travel to work and migration patterns.
- B.79 There is variation in the tenure, property type and size profile within Harrogate, illustrated in particular by variations in the proportions of detached bungalows and terraced properties. There are notable variations in the proportions of large (4+ bedroom) properties in several sub-areas. Across Harrogate, proportions of private and social rented stock varied, with highest proportions in, for instance, Northern Villages and Masham areas.
- B.80 The characteristics of households vary to an extent across Harrogate, with higher proportions of lone parent households in Harrogate relative to the district average; higher proportions of older person households in Northern Villages; and higher proportions of couple only households in Marston Villages. Harrogate and South Harrogate Villages had the highest proportion of BAME residents.
- B.81 By considering migration and travel to work, there are a series of functional linkages evidenced between sub-areas and localities outside of the District. Migration flows into the District from Leeds and elsewhere in the UK are evidenced in most sub-areas. Migration from York is pronounced in the urban centres along with the Vale of York, Marston Villages and Lower Wharfedale and Ripon South Villages sub-areas. Migration from Hambleton is pronounced in Ripon, Boroughbridge, Masham and Northern Villages.
- B.82 Across Harrogate, residents working outside the district were most likely to work in Leeds. Commuters to York tended to live in Ripon, Ripon South Villages and Lower Wharfedale. Commuters to Hambleton tended to live in Ripon, Boroughbridge and Masham.
- B.83 Overall, analysis suggests that there are some distinctive attributes associated with different sub-areas. Although these sub-areas cannot be described as distinctive housing market areas, their geographical location does influence how they interact with other areas. It is therefore important that policy does take into account the differing roles sub-areas have within Harrogate District.

### *Sub-area variations: views of estate agents*

B.84 The distinctive nature of sub-areas within Harrogate was further explored through discussions with Estate Agents<sup>16</sup>. Discussions provided a range of information relating to:

- Market prices;
- Market segmentation (i.e. the types of households the markets service);
- Market drivers (i.e. factors helping to underpin market activity, such as a pleasant environment, access to schools); and
- Second home ownership

B.85 Key observations relating to the District and particular market areas are now summarised. Note that this information is the collective view of Estate Agents operating in Harrogate District.

### **District**

- Summer 2006 was a buoyant period of activity in the housing market, with small rises in prices compared with the previous year. There is high demand throughout the market, with high pressures in the southern commuter areas and where there are high numbers of economically active households. Estate Agents are expecting a small growth in market values into 2007/8.
- New-build demand sales remain strong. Location tends to be the overriding factor, with property type factors of less importance. Due to planning policy density issues, builders are increasingly developing three storey town house properties with market values around the higher (3%) stamp duty threshold (of £250k).
- New-build properties intended as market entry level or affordable homes are required within close proximity of the urban town cores of Harrogate, Knaresborough and Ripon. Ideally, these should be within walking distance of town centres for access to employment, services and amenities.
- The first time buyer market, which is largely unaffordable to many younger households looking to purchase their first property, is severely restricted in choice and location. Areas to the north east of Harrogate town centre

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<sup>16</sup> Collective views from branches of Carter Jonas, Dacre Son & Hartley, Joplings, Beadnall Copley, reported

provide the only real means for a few emerging households, who are often assisted by parents in raising a sizeable deposit (£7.5k / 5% for a £150k entry-level 2 bedroom terraced property). This has led to ever increasing demands on the private rented sector to provide affordable homes for emerging households. Prices in the private rented sector have greatly increased and are difficult for younger and emerging households to afford. The knock-on effect is for younger and emerging households to look outside of the District for affordable accommodation, which in the long-term will have severe implications for the population distribution and the sustainability of local services and amenities.

- The intermediate housing options recently introduced as 'new affordable accommodation' are highly desirable among emerging and younger households. Agents comment of properties 'flying off shelves' within hours, not even reaching brochure print. Demand for shared ownership, discounted home ownership etc. is expected to remain strong for the foreseeable future.

## **Sub-Markets**

B.86 Information on sub-markets within Harrogate District was obtained through discussions with Estate Agents. The sub-markets are based on amalgamations of the sixteen sub-areas used in the research.

### **A. Harrogate and Knaresborough market** (comprising Harrogate and Knaresborough/Scriven sub-areas)

#### **Market prices**

- Offers the lowest entry level property prices in the District, but prices remain relatively high for the region
- The minimum price of a property is around £140k (for a 1bed flat/terrace), with prices more generally in the range £180-300k
- £100k very poor condition properties available
- Prices have remained buoyant over the previous 12 months

#### **Market characteristics**

- Market offers the lowest entry level prices, but still remains unaffordable for most first time buyers (FTBs)
- Some FTBs are assisted by parents to fund a deposit
- Younger urban market
- Investment market for private landlords

- Local first time buyers don't have much chance of accessing the market

### **Market drivers**

- Good secondary school attainment levels
- Retail/economic/administration core
- Large affluent market, broader range of house types
- Good amenities
- Retirement market for persons downsizing to apartments in the town (both old and new)

## **B. South Harrogate market area** (comprising Lower and Upper Wharfedale, South Harrogate Villages, Marston Villages and Vale of York sub-areas)

### **Market prices**

- Very high priced area (highest in District)
- Minimum of £220k generally (e.g. terraced), many larger detached properties £400k+
- Rural area particularly exclusive to wealthy households
- Prices continue to increase in line with high consumer demand

### **Market characteristics**

- Top end of the market mainly serves economically affluent older families, relocating from Leeds and York
- First time buyers priced out of market; younger people rent in Harrogate only (if affordable)
- Shrinking numbers of local residents who can afford to access the market

### **Market drivers**

- Location – commuting proximity to Leeds and York
- Very desirable area, rural but with good access to urban areas
- Peace/quiet alternative to city living
- Transport links – A1, A61, A58
- Most new residents are commuters (to Leeds/York)
- Very good school attainment levels

## **C. Ripon market** (comprising Ripon sub-area)

### **Market prices**

- High priced market area

- Entry level prices start at £170k, larger properties 2/3 detached £270k+
- Stable prices in past year or so after period of high growth
- Very few first time buyers

#### **Market characteristics**

- Affluent market town
- Economically active older families
- Element of second home ownership

#### **Market drivers**

- Rural town setting, smaller in size compared to Harrogate
- Location – proximity to nearby army / government bases
- Proximity to A1 transport network
- Good school attainment levels

### **D. Ripon Villages and Masham Market** (comprising Masham, Ripon West Villages and Ripon South Villages sub-areas)

#### **Market prices**

- £200k is the entry-level price for terraced properties
- Detached properties sell for £350-£450k
- Some growth

#### **Market characteristics**

- Rural - Top end of the market mainly serves economically affluent older families, and retiring couples
- There is no first time buyer market
- Shrinking numbers of local residents who can afford to access the market

#### **Market drivers**

- Small rural market – seen as ideal for retirement
- Home of two tourist attractions (Fountains Abbey and Lightwater Valley)
- Very desirable area, rural

## **E. North East Villages market** (comprising Northern Villages, Boroughbridge, Knaresborough Villages sub-areas)

### **Market prices**

- Entry level prices in the area are between £140k and £160k
- Typical detached market prices £350k
- Some price growth, expected to continue
- Very difficult for younger buyers to enter the market

### **Market characteristics**

- Possible increase in private rented sector
- Not a younger/ first time buyer market, more for established households

### **Market drivers**

- Proximity to A1 transport links to the East and North
- Rural setting

## **F. Rural hinterland and West** (comprising Lower/Upper Nidderdale sub-areas)

### **Market prices**

- £160k-£200k entry level prices for smaller property
- General market prices £250k - £350k
- Historic strong growth in market, expected to continue

### **Market characteristics**

- Not a market for first time or younger buyers
- Rural - strong retirement market, rural hinterland of several urban settlements (e.g. Pateley Bridge, Knaresborough)
- Moderate level of second home ownership

### **Market drivers**

- Rural desirable setting
- Proximity to Yorkshire Dales National Park
- Retirement couple/households
- Not suited as an economic commuter market

## Step 4.2 Trends and drivers

### Primary drivers

B.87 The main drivers affecting housing markets relate to demography, economy and dwelling stock attributes. Key observations relating to Harrogate District are now summarised.

- Demographic drivers
  - The current population of around 157,800 is expected to increase to 201,800 by 2031;
  - Over the next few decades, there will be a ‘demographic shift’ with the proportions of older people increasing;
  - There is some ethnic diversity amongst the District’s population, but the vast majority (94.8%) of residents describe themselves as White British;
  - The number of households is expected to increase from 67,000 in 2006 to 95,000 by 2031; a 41.7% increase and an additional 28,000 households;
  - Official data indicates that in 2006/7, there were around 1,210 non-UK nationals working in Harrogate of whom 47.1% were Polish and 5% were Slovakian;
  - Currently, 37% of households comprise a couple with no children. A further 23.6% are single person households and 19.3% are couples with dependent children. A further 16.6% are multi-person households (e.g. a couple with non-dependent children) and 3.5% are lone parent families. Household projections indicate that the proportion of singles and other household types is likely to increase.
  
- Economic drivers
  - Economic activity rates are slightly higher than the regional and national figures;
  - Harrogate District has a high proportion (47.3%) of employees in managerial and professional occupations;
  - The District has a highly-skilled population, with around 90% of households having some form of qualification and 31.6% having a qualifications equivalent to NVQ4 and above.; and
  - Median incomes are higher than the regional and national median figures

- Dwelling stock drivers
  - 77.8% of properties are houses, 10.7% bungalows, 10.6% flats/maisonettes and 0.9% are other property types (e.g. caravans);
  - 25.8% of properties were built before 1919 and 18.1% of properties have been built since 1984;
  - 84.2% of properties are owner-occupied, much higher than regional and national averages. A further 8.4% are private rented and 7.4% are social rented. The proportion of social rented stock is very low at only around 40% of the national average, but demand for the stock is very high. The private rented sector plays an important role in providing an alternative to owner-occupation.

### **Secondary drivers**

B.88 Secondary drivers are broadly defined as drivers that help to influence residential location. They include local amenities such as healthcare, schools, and transport links. The household survey asked how satisfied respondents were with these amenities and overall, residents in Harrogate and Knaresborough & Scriven were most satisfied.

### **Satisfaction with area**

B.89 An important underlying market driver relates to satisfaction with area. The household survey asked all respondents to state how good or bad access to a range of amenities were (Table B34) and whether they felt there were particular problems being experienced in their area (Table B35). This helps in an assessment of relative satisfaction of specific sub-areas.

B.90 Across Harrogate District, there was a high level of satisfaction expressed for schools, shops, healthcare, parks/open space and general reputation. Dissatisfaction was particularly pronounced for transport (particularly public transport in Upper Wharfedale and Marston Villages sub-areas) and access to cycle and pedestrian paths (Northern Villages). The degree of satisfaction with amenities was generally lower in South Harrogate Villages, Northern Villages and rural sub-areas in general. A high degree of overall satisfaction was recorded in Harrogate and Knaresborough/Scriven sub-areas.

**Table B34** Net satisfaction scores for amenities (% of households)

Amenity	Net satisfaction by sub-area							
	Harrogate	Knaresborough and Scriven	Ripon	Boroughbridge	Knaresborough Villages	Vale of York	Lower Wharfedale	Upper Wharfedale
Schools	91.1	97.4	92.2	87.5	69.7	76.2	84.8	65.2
Shops	69.8	72	71.4	64.9	-17	13.8	32.4	8.8
Healthcare	73.4	84.3	73.7	81.1	35.7	80.3	53	52.9
Leisure Facilities	41	38.4	42.1	16.2	11.2	-2.9	19.1	-9.9
Parks/open space	74.8	70.1	77.8	41.1	60.7	70.3	64.1	80.1
Public Transport	68.1	76.5	63.6	-25.7	-10.5	-27.8	26.6	-33.9
Car parking	24.3	16.7	-24.2	45	15.9	31.2	8.9	4.4
Cycle and pedestrian paths	34.1	20.9	-15.4	-6.1	2.2	4.2	32.8	-7.9
General reputation	68.5	84.4	73	81.7	91.6	96.6	90	96.2

Amenity	Net satisfaction by sub-area							
	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Marston Villages	Northern Villages	Ripon South Villages	Ripon West Villages
Schools	87.5	88.8	86	82.6	80	66.1	84.4	80.5
Shops	49	41.2	65.4	-58.5	14.2	-37.7	21	15.1
Healthcare	72.5	79.9	79.3	20.4	63.8	39.4	34.5	59.5
Leisure Facilities	29.4	60.6	8.6	-16.5	-8	-5	36	10.7
Parks/open space	73.3	87.9	89.5	50.9	39.4	51.4	74.4	78.3
Public Transport	51	2.8	-7.3	-3.1	-33.4	-26.2	-5.8	-27.6
Car parking	23.2	23.9	51.1	10	4.8	7.5	19.2	8.2
Cycle and pedestrian paths	24	12.4	-9.7	-12.6	-15.2	-24.1	11.1	-6.8
General reputation	81.4	93.3	88.9	94.6	90.8	82	91.1	90.6

Note: Net satisfaction score = total satisfied/very satisfied – total dissatisfied/very dissatisfied

	High level of satisfaction (score 70% or more)
	Medium level of satisfaction (score between 40 and 70%)
	Low level of satisfaction (score less than 40%)

B.91 Table B35 considers the extent to which neighbourhood-problems were experienced by households across Harrogate District. Traffic (volume/speeding) was found to be a particular problem in all sub-areas, with rubbish also a significant problem in the urban sub-areas. Overall, problems were most likely to be experienced in more urban sub-areas, particularly Ripon, Boroughbridge and Masham Area. Rural areas were least likely to experience problems and Ripon West villages indicated the least amount of problems.

**Table B35** Problems experienced (% of households)

Problem	Net satisfaction by sub-area							
	Harrogate	Knaresborough and Scriven		Ripon	Boroughbridge	Knaresborough Villages	Vale of York	Lower Wharfedale
Vandalism/Graffiti	28.7	24.9	28.2	29.4	88.6	75.6	52	61.4
Rubbish/litter	-6	-5.4	-24.4	-17	39.3	35.4	14.5	9.4
Teenagers hanging around	12.3	0.5	-13.4	-18.2	72.8	67.3	45.7	74
People being drunk/rowdy	46	31.9	13.2	42.5	89.7	90.4	81.5	81.7
People using/dealing drugs	54.4	53.2	51.5	40.9	87.1	83.3	81	82.1
Troublesome neighbours	61	72.5	79.3	68.4	87	82	81.8	87.7
Crime	35.8	20.4	28.1	16.4	36.9	28.6	22.4	4.8
Traffic (volume/speeding)	-27.5	-29.5	-31.5	-34.9	-32.7	-23.4	-40.1	-30.5
Dogs	45.2	36.2	44.3	33.4	52.1	48.1	41.8	64.8
Noise (from traffic, alarms etc.)	36.5	29.2	31.1	24.3	47.3	60.1	44	34.9

Amenity	Net satisfaction by sub-area							
	Lower Nidderdale Villages	Upper Nidderdale	Masham Area	South Harrogate Villages	Marston Villages	Northern Villages	Ripon South Villages	Ripon West Villages
Vandalism/Graffiti	53.2	63.5	14.5	82.1	74.3	62	85.8	75.8
Rubbish/litter	16.8	26.8	-2.8	33.9	29	25.2	42.8	40.5
Teenagers hanging around	33.2	33.3	-34.2	87	38.3	44.7	60.9	66.5
People being drunk/rowdy	73.3	75.4	34.1	96.4	88.7	79.4	91.2	82.3
People using/dealing drugs	84.8	71.6	31	96.3	76.7	85.3	86.1	89.6
Troublesome neighbours	72.5	81.2	76.1	79.9	86.5	82.3	76.1	73.8
Crime	48.1	47.5	27.5	13.2	42.5	50.2	25.5	45.2
Traffic (volume/speeding)	-28.4	-31.5	-20.3	-39.4	-31.4	-25.3	-57.5	-23.8
Dogs	42.9	37.3	33.2	55	43.8	34.9	34.1	41.1
Noise (from traffic, alarms etc.)	37.7	64.1	45.5	26.6	57	37.3	45.2	62.8

Note: Net score = people stating not a problem – people stating a problem (either slight or serious)

	Problem a minor issue (score 40% or more)
	Problem an issue (score between 0% and 40%)
	Problem a major issue (score less than 0%)

### Relative importance of market drivers

B.92 An additional range of evidence on market drivers was obtained from the household survey. Households who had moved were asked to state what factors were considered to be important or very important in influencing their decision of where they moved to (Table B36). A range of factors were identified as being important or very important, in particular property size, general environment, feeling safe, general reputation and affordability. Property size was the most important factor amongst movers within and into Harrogate District (89.1% and 86.7% respectively).

**Table B36** Factors considered important or very important in influencing residential choices

Factor	% considering factor important or very important in influencing their residential choice	
	Movers within Harrogate District	Movers into Harrogate District
Property size	89.1	86.7
General environment	87.8	83.9
Feeling safe	87.1	88.8
General reputation of area	85.6	80.4
Affordability of mortgage / rent	84.8	75.0
Good condition of property	71.7	72.4
Sufficient car parking space	70.2	71.7
Quietness	67.5	69.2
Lack of traffic congestion	62.4	65.1
Affordability of repairs and maintenance	61.0	47.4
General layout of houses and roads	60.5	64.9
Size of garden	59.6	51.5
Access to countryside	47.6	67.9
Closeness to good road links	47.5	43.1
Closeness to shops / post office etc.	44.4	41.3
Access to open space/parkland	43.0	62.7
Availability of public transport	35.4	35.0
Closeness to workplace	34.1	48.2
Closeness to good schools (primary / secondary)	34.0	37.8
Being close to relatives and friends	33.1	40.2
Closeness to leisure/ community facilities	22.0	22.9
Access to support e.g. warden	1.6	6.7
Base	10195	6001

### Step 4.3 Issues for future policy/strategy

B.93 In terms of housing markets and key market drivers in the District, a series of themes emerge from the analysis of migration patterns, house price trends, Estate Agents' consultation and the review of neighbourhood satisfaction:

- There is strong demand for housing, as properties are located in desirable, accessible areas;

- Demand exceeds supply, with no agents reporting areas where properties are difficult to sell;
  - Prices have been sustained at their present levels for at least 12 months and the ratio of median gross household income to property prices exceeds ODPM/DCLG Housing Market Assessment Guidance ratios of 2.9x joint and 3.5x single income across the District. This renders the market relatively unaffordable, particularly to first-time-buyers;
  - The private rented market is increasingly unaffordable and around half of households are paying more than 25% of their gross income on rental costs; (Does this conflict with comments made at para B83 & chap 4)
  - The social rented sector is more affordable, with most properties renting for less than £80 per week. However, likelihood of accessing social rented accommodation varies considerably across the District, and remains limited in high pressure areas (particularly rural areas);
  - First time buyers have been generally priced out of the housing market across the District;
  - There is a strong commuter-relocation market in settlements such as Lower Wharfedale, Pannal and Marston Villages. These are all in the southern half of the District in proximity to Leeds and York;
  - On the whole, there is a high degree of satisfaction in the provision of a range of amenities, although transport issues are a particular concern, notably congestion;
  - Neighbourhood problems were more likely to be experienced in urban rather than rural areas, although traffic and rubbish/litter are particular problems throughout the District.
- B.94 Properties across Harrogate District are highly sought after, resulting from the District having close connectivity with Leeds and York (rail and road), and fantastic scenery: it is a place people want to move to. Prices are therefore very high, restricting choice amongst first-time buyers and lower income households severely.
- B.95 In-migrants originate from across and outside the UK, but there are strong net in-flows into the District from Yorkshire and the Humber and the South East of England in particular. Migration of working and retired households is evident.
- B.96 Factors such as property size, general reputation and affordability are particularly important factors influencing what and where people buy in the District. Households are on the whole satisfied with their neighbourhoods, and problems of greatest concern (e.g. rubbish/traffic) are not insurmountable.

## TECHNICAL APPENDIX C: THE FUTURE HOUSING MARKET

### Underpins core output 3

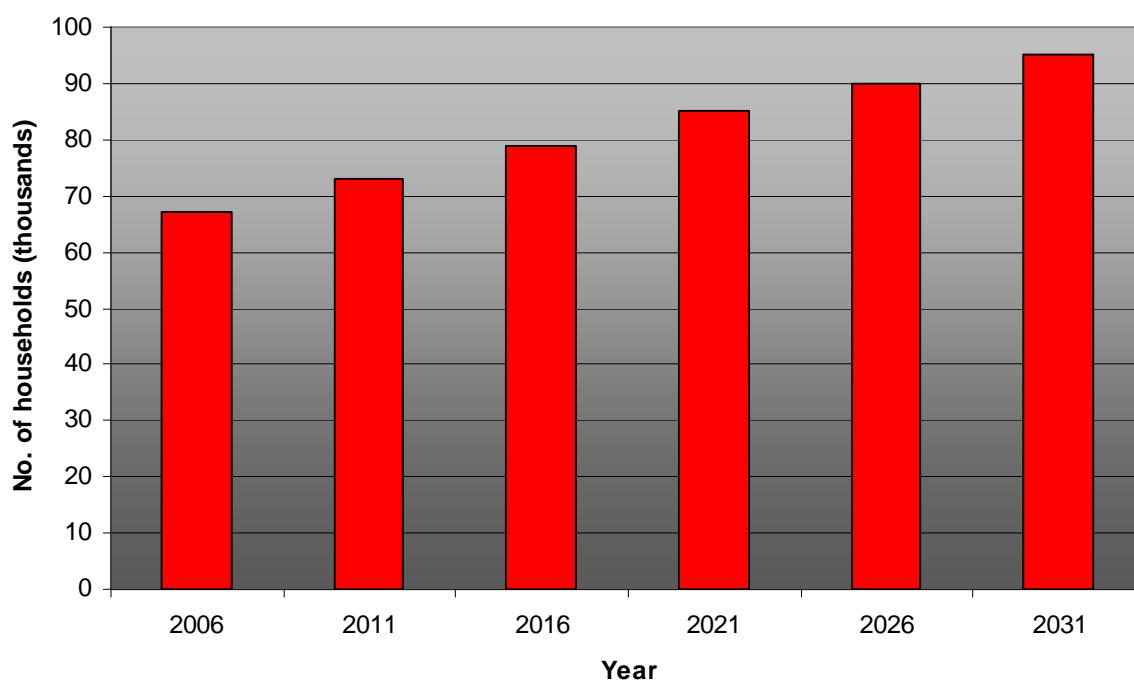
#### Summary of contents

<b>Stage 1: Projecting changes in future number of households</b>	
<b>Stage 2: Future economic performance</b>	
<b>Stage 3: Future affordability</b>	
<b>Stage 4: Bringing the evidence together</b>	

## Stage 1: Projecting changes in future number of households

- C.1 The number of households in Harrogate is expected to increase from 67,000 in 2006 to 95,000 by 2031, an increase of 41.8% (Figure C1). This equates to an average annual increase of 1,120 households.

**Figure C1** Projected household change 2006-2031



Source: Sub-national household projections 2006-based

- C.2 At a regional level a 24.5% increase in households is expected by 2029, mainly due to increases in single person, cohabiting and other multi-person households (Table C1). It is assumed that these trends will be observed in Harrogate District over the next 20 years.

**Table C1** Change in household composition in Yorkshire and the Humber 2006-2029

Yorks and Humberside GOR	2006	2011	2016	2021	2026	2029	% change 2006-29
Household types:							
married couple	971,000	953,000	946,000	944,000	940,000	935,000	-3.7
cohabiting couple	228,000	274,000	309,000	335,000	357,000	370,000	62.3
lone parent	170,000	182,000	191,000	199,000	205,000	208,000	22.4
other multi-person	132,000	144,000	156,000	167,000	178,000	185,000	40.2
one person	670,000	742,000	821,000	898,000	968,000	1,005,000	50.0
<b>All households</b>	<b>2,171,000</b>	<b>2,295,000</b>	<b>2,424,000</b>	<b>2,543,000</b>	<b>2,648,000</b>	<b>2,703,000</b>	<b>24.5</b>
Private household population							
Private household population	5,019,000	5,158,000	5,300,000	5,441,000	5,569,000	5,633,000	12.2
Average household size	2.31	2.25	2.19	2.14	2.10	2.08	

Source: Sub-national household projections 2004-based

C.3 Further analysis of the impact of demographic change suggests that the total number of households headed by someone over 60 will increase from 33% of households in 2006 to 40.2% by 2031 (Table C2)

**Table C2** Impact of demographic change on number of households headed by someone 60 or over 2006-2031

	2006	2011	2016	2021	2026	2031
Total population aged 60 and over	37,600	42,800	46,800	52,500	59,100	64,900
Household size*	1.7	1.7	1.7	1.7	1.7	1.7
Total households headed by older person	22,118	25,176	27,529	30,882	34,765	38,176
All Households	67,000	73,000	79,000	85,000	90,000	95,000
% households headed by someone 60 or over	33.0	34.5	34.8	36.3	38.6	40.2
% households headed by someone under 60	67.0	65.5	65.2	63.7	61.4	59.8

\*2006 household survey: population over 60 / (older single and couple households) = 1.7

## Stage 2: Future economic performance

- C.4 Economic performance forecasting has been carried out for the Leeds City Region by CURS<sup>17</sup> using data provided by Yorkshire Futures from the LAD workplace employment forecasts produced by Experian. The Experian model provides data according to a number of different economic and policy scenarios. Scenarios A and B have been used for this study. Their key features include:
- Scenario A –This scenario is the policy neutral, or base output of the regional econometric model. This reflects longer-term structural trends, and assumes that they will continue.
  - Scenario B - This is also a trend based evaluation, but reflecting the recent upturn in the economy. This scenario assumes for modelling purposes that the strong employment growth over the last 4-5 years will continue into the future, at least over the next decade. This Scenario also reflects the impact of major programmed economic impacts at the regional scale such as York Science City and Leeds city centre development.
- C.5 Some 105,257 net new jobs (part time, full time and self-employed) are forecast to be created in the period 2004-2016 under Scenario A and 119,962 under Scenario B (para 2.3). This represents a growth rate of 7.4% for Scenario A and 8.4% for Scenario B (para 2.3).
- C.6 Growth rates will be uneven across the districts with Harrogate and Wakefield both forecast to grow at 8.7% and 8.8% respectively compared to York at 4.7% and Selby at less than 2%.
- C.7 In absolute terms, the bulk of this employment (78,121 or 74% of jobs) will be created in the existing major employment sites in Bradford, Kirklees, Leeds and Wakefield. Under Scenario B, Leeds will dominate employment creation.
- C.8 Employment growth will be driven by expansion in construction, transportation and communications, business services and other services. The most rapid employment growth is predicted to come from the health sector, which will grow by almost a third (+46,500 jobs); Manufacturing and Utilities will almost halve losing 22,000 jobs.
- C.9 The economic trajectory of the Leeds City Region indicates that a significant proportion of the new job growth will be in lower occupational categories:

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<sup>17</sup> "Housing and Economic Growth in the Leeds City Region" July 2006; Centre for Urban and Regional Studies, The University of Birmingham Alex Burfitt, Peter Lee, & Andrew Tice.

some 26% growth in unskilled, and a steep decline in traditional manufacturing and primary industrial occupations.

- C.10 Overall, economic growth in the Leeds City Region is likely impact on Harrogate in specific ways. Given the relatively high house prices in Harrogate, demand from within the City Region will be most likely from higher-income households who can afford to access the desirable owner-occupied market in Harrogate District. A particular risk is Harrogate not playing its part in attending to the housing requirements of all households driving economic growth, including low and unskilled people.

### Stage 3: Future affordability

- C.11 The ability of household to access affordable accommodation in the future will be significantly influenced by prevailing market prices, interest rate changes and capacity in the social rented sector.
- C.12 The CLG guidance comments that future house prices cannot be simply projected on the basis of past trends. Furthermore, predicting prices is an inherently uncertain process since changes in house prices are cyclical and periods of rapid growth can be followed by slower rates of growth and/or decline.
- C.13 The impact of changes in prices and interest rates has been modelled although there are some considerable challenges, especially in the latter. It is important to note that the base figures for the SHMA are 2005 prices, reflecting that the initial work and the Housing Needs Survey were carried out in 2006.
- C.14 The starting point is therefore 2005 LQ annual house prices, which gave a Lower quartile price for the District of £142,500. Scenarios have then been constructed about the impact of changes based on the assumptions set out in the box below. The resulting pattern of entry-level house prices is then shown in Table C3 for each of the 3 scenarios. They assume that household in need will be able to access a substantial mortgage and this is probably unlikely for many.
- C.15 Although various market reports are followed closely, there is no definitive opinion on how realistic these scenarios are.

## **Assumptions**

Lower Quartile house prices - District - CLG data

Two LTV rates 90% and 85% (10% deposit, 15% deposit)

5 Year sequence of changes

Three scenarios:

- Optimistic - Lower levels of falls and quick recovery
- Most commonly Expected – most commonly forecast rates of fall and then steady rate of recovery
- More Severe - higher levels of falls and slower recovery

The mortgage interest rate is appropriate for the LTV. Taken from live mortgage rates at 4th February 2009

Mortgage providers and details:

- 90% LTV = 2 year fixed rate, 6.39%, Natwest
- 85% LTV = 2 year fixed rate, 5.84%, Nationwide

All products are fixed rates as we consider this to be seen as the most appropriate product for lower income households. Repayment is made over a 25-year period. Full repayment methods (not interest only).

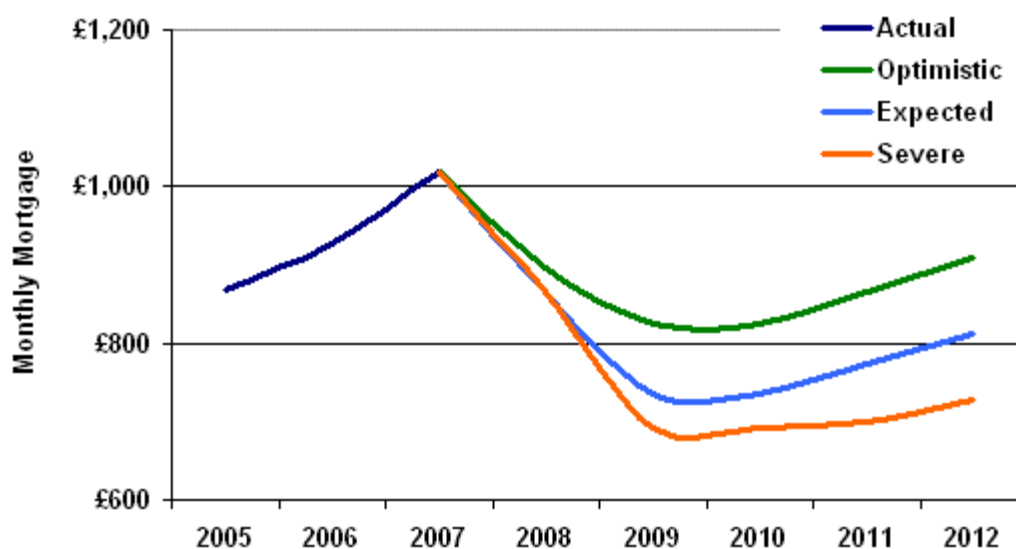
**Table C3** Housing market scenarios

Latest 2008 Q2	House Price Change	6.39%			5.84%	
		Lower Quartile Price	90% LTV	Mortgage (monthly)	85% LTV	Mortgage (monthly)
		£ 160,000	£ 144,000	£ 973	£ 136,000	£ 873
<b>Scenario A: Optimistic</b>						
2005*	~	£ 142,500	£ 128,250	£ 867	£ 121,125	£ 777
2006*	7%	£ 152,450	£ 137,205	£ 927	£ 129,583	£ 831
2007*	10%	£ 167,500	£ 150,750	£ 1,019	£ 142,375	£ 914
2008	-12%	£ 147,400	£ 132,660	£ 897	£ 125,290	£ 804
2009	-8%	£ 135,608	£ 122,047	£ 825	£ 115,267	£ 740
2010	0	£ 135,608	£ 122,047	£ 825	£ 115,267	£ 740
2011	+5%	£ 142,388	£ 128,150	£ 866	£ 121,030	£ 777
2012	+5%	£ 149,508	£ 134,557	£ 909	£ 127,082	£ 815
<b>Scenario B: Most commonly expected</b>						
2005*	~	£ 142,500	£ 128,250	£ 867	£ 121,125	£ 777
2006*	7%	£ 152,450	£ 137,205	£ 927	£ 129,583	£ 831
2007*	10%	£ 167,500	£ 150,750	£ 1,019	£ 142,375	£ 914
2008	-15%	£ 142,375	£ 128,138	£ 866	£ 121,019	£ 776
2009	-15%	£ 121,019	£ 108,917	£ 736	£ 102,866	£ 660
2010	0	£ 121,019	£ 108,917	£ 736	£ 102,866	£ 660
2011	+5%	£ 127,070	£ 114,363	£ 773	£ 108,009	£ 693
2012	+5%	£ 133,423	£ 120,081	£ 812	£ 113,410	£ 728
<b>Scenario C: More severe</b>						
2005*	~	£ 142,500	£ 128,250	£ 867	£ 121,125	£ 777
2006*	7%	£ 152,450	£ 137,205	£ 927	£ 129,583	£ 831
2007*	10%	£ 167,500	£ 150,750	£ 1,019	£ 142,375	£ 914
2008	-15%	£ 142,375	£ 128,138	£ 866	£ 121,019	£ 776
2009	-20%	£ 113,900	£ 102,510	£ 693	£ 96,815	£ 621
2010	0	£ 113,900	£ 102,510	£ 693	£ 96,815	£ 621
2011	+1%	£ 115,039	£ 103,535	£ 700	£ 97,783	£ 627
2012	+4%	£ 119,641	£ 107,677	£ 728	£ 101,694	£ 652

\* Actual prices.

C.16 The changes in mortgage costs arising from these scenarios are shown in the figure C2.

**Figure C3** Change in mortgage costs



### Needs Assessment Impact

C.17 Based on Scenario B (most commonly Expected), the impact of these changes on the needs for affordable housing for existing households in housing need have been modelled. This illustrates the likely impact of these market changes.

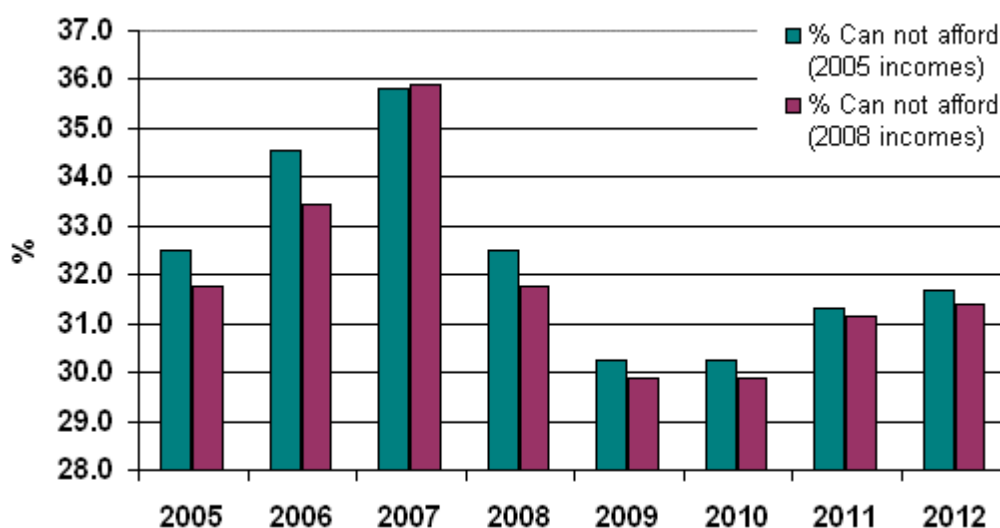
C.18 Table C4 shows the main elements of the calculation. It takes account of changing entry-level house prices, borrowing costs and increases in incomes between 2005 and 2008.

**Table C4** Changes in ability to afford market housing

Year	Change	90% LTV House Price	HHs in Current Need	2005 Incomes		2008 Incomes	
				Can not afford Market prices	% Can not afford Market prices	Can not afford Market prices	% Can not afford Market prices
2005*	~	£128,250	4,721	1533	32.5	1499	31.8
2006*	7%	£137,205	4,721	1632	34.6	1579	33.4
2007*	10%	£150,750	4,721	1690	35.8	1695	35.9
2008	-15%	£128,138	4,721	1533	32.5	1499	31.8
2009	-15%	£108,917	4,721	1428	30.2	1410	29.9
2010	0	£108,917	4,721	1428	30.2	1410	29.9
2011	+5%	£114,363	4,721	1478	31.3	1471	31.2
2012	+5%	£120,081	4,721	1495	31.7	1483	31.4

C.19 The extent of change is shown in Figure C4. Note that this emphasises the amount of change as it is based at 28%, not 0%.

**Figure C4** Change in current need – % who cannot afford market prices



- C.20 The effect of these changes is relatively small, comparing the based 2005 position to that forecast for 2009 onwards. It would clearly have been a more dramatic shift if the baseline for affordable housing requirements had been 2007 house prices and affordability levels.
- C.21 The proportion of existing households in need who cannot afford market housing has fallen, at the income levels applicable in that year, from 32.5% in 2005 to 31.8% in 2008. It is estimated that this figure may fall to just below 30% in 2009 and 2010. If this level of change proves to be an accurate forecast, it will make only a small impact, less than 10%, on the numbers of housing estimated to need affordable housing.

## Stage 4: Bringing the evidence together

- C.22 This chapter has considered the future housing market in Harrogate and reflected on future household numbers, economic trends and future affordability. Some high-level messages from information obtained would include:
- The number of households in Harrogate District is expected to increase over the next few decades, most likely fuelled by an increase in one person and multi-person households (reflecting national and regional trends) but also net in-migration. At the same time, the population is expected to age.
  - Harrogate has an important part to play in providing accommodation for higher-income groups within the Leeds City Region but this needs to be balanced with the provision of more affordable accommodation for other income groups.
  - Over the next few years, the performance of the housing market will dictate the extent to which the current affordability problems are likely to remain, worsen or ease. The potential impact on changes in house prices and interest rates have been explored.
  - The ability for households to access the social rented sector has become increasingly difficult over the past few years. As a result, private renting has become the only viable option for many households, although issues such as stock condition, the short-term length of tenancy and dwelling quality all point to concerns regarding the role of the private rented sector in promoting long-term community sustainability and quality of life.

## TECHNICAL APPENDIX D: HOUSING NEED

### Underpins core outputs 4,5,6,7

Summary of contents

<b>Introduction</b>
<b>Stage 1: Current housing need (gross backlog)</b>
<b>Stage 2: Available stock to offset need</b>
<b>Stage 3: Newly arising need</b>
<b>Stage 4: Future supply of affordable units</b>
<b>Net and Gross requirement calculations</b>

### Introduction

- D.1 A robust and defensible assessment of housing need is essential for the development of affordable housing policies which need to be articulated in Local Development Frameworks. Housing need is a broad term which has many components. It generally refers to households lacking their own housing (or living in housing which is inadequate or unsuitable) who are unlikely to be able to meet their needs in the local housing market without some assistance. Essentially, they need help to obtain suitable accommodation and this is generally provided through social rented or increasingly intermediate tenure housing.
- D.2 PPS3 defines housing need as ‘the quantity of housing required for households who are unable to access suitable housing without financial assistance’.
- D.3 The 2006 Housing Needs Assessment provides a robust range of data to quantify housing need in Harrogate and can be used to develop appropriate affordable housing policies.
- D.4 CLG Guidance identifies the following as groups who should be recognised in an assessment of housing need:
- Households currently in housing which is unsuitable for their use and who are unable to afford to buy or rent in the market (backlog need);

- New households forming who cannot afford to buy or rent in the market; and
- Existing households expected to fall into need.

D.5 A detailed analysis of housing need has been undertaken and the CLG Needs methodology has been followed. In summary, the model reviews in a step-wise process:

- Stage 1: Current Need
- Stage 2: Available stock to offset need
- Stage 3: Newly Arising Need
- Stage 4: Supply of Affordable Units

D.6 Table D1 summarises the different steps taken in assessing housing need and evidencing the extent to which there is a surplus or shortfall in affordable housing across Harrogate District. Modelling has been carried out for sixteen sub-areas and taken into account household types and property size requirements.

**Table D1 CLG Needs Assessment Summary**

Step	Stage 1: CURRENT NEED	Calculation	Base (No. Households)	Source
1.1	Current occupiers of affordable housing in need		644	HNS
1.2	<i>plus</i> Households from other tenures in need		3692	HNS
1.3	<i>plus</i> Households without self-contained accommodation	per annum	385	HNS
1.4	<i>equals</i> Total current housing need (gross)	1.1+1.2+1.3	4721	HNS
	<i>Number of existing households who cannot afford market prices</i>		2260	HNS
	<b>Stage 2: AVAILABLE STOCK TO OFFSET NEED</b>			
2.1	Current occupiers of affordable housing in need		644	HNS
2.2	<i>plus</i> Surplus stock		0	LA
2.3	<i>plus</i> Committed supply of new affordable units		see comments	HSSA
2.4	<i>minus</i> Units to be taken out of management		0	LA
2.5	<i>equals</i> Total stock available to meet current need	2.1+2.2+2.3-2.4	644	HNS
2.6	<i>equals</i> Total current unmet housing need	1.4-2.5	1616	HNS
2.7	<i>Times</i> annual quota for the reduction of current need	Assume 20%		
2.8	<i>Equals</i> annual requirement of units to reduce current need	2.6 x 2.7	323	HNS
	<b>Stage 3: NEWLY ARISING NEED</b>			
3.1	New household formation (gross per year)		964	HNS
3.2	<i>Times</i> Proportion of new households unable to buy or rent in the market	83.00%	800	HNS
3.3	<i>plus</i> Existing households falling into need		50	HNS
	<i>plus In-migrant households requiring affordable accommodation</i>		26	CORE
3.4	<i>equals</i> Total newly arising housing need	(3.1x3.2)+3.3	876	HNS
	<b>Stage 4: FUTURE SUPPLY OF AFFORDABLE UNITS</b>			
4.1	Annual supply of social re-lets (net)		428	LA/CORE
4.2	<i>plus</i> Annual supply of intermediate housing available for re-let or resale at sub-market levels		see comments	CORE
4.3	<i>equals</i> Annual supply of affordable units	4.1 + 4.2	428	HNS
	NET SHORTFALL/SURPLUS OF AFFORDABLE UNITS pa UNADJUSTED	2.8+3.4-4.3	771	HNS
	ADJUSTED TO REFLECT SUPPLY/DEMAND DYNAMICS		830	

**Comments**

There is committed supply which will help offset the 830 shortfall. This is not included in calculations as it is not possible to identify the precise details of dwelling type, designation and location. There are 11 units of intermediate tenure properties likely to be available on an annual basis based on CORE Sales data to help offset the identified requirement of 830 dwellings

## Stage 1: Current need

### Steps 1.1 and 1.2 Current households in need

D.7 The starting point for assessing housing need is to review the extent to which existing households are in need **and** whether they want to move to offset that need. Evidence has been gathered from the household survey questionnaire. The CLG has identified a range of factors that should be used to assess whether or not a household is in need and these are summarised in Table D2. Analysis of survey information indicates that a total of 4,336 or 6.5% of existing households across Harrogate District are in housing need (as at July 2006) and wanting to move to offset that need. Of these households, 644 are currently living in affordable (i.e. social rented) housing and 3,692 are living in other tenures.

**Table D2** Summary of current housing need in Harrogate District

Category	Factor	No. Households
Homeless households or with insecure tenure	Under notice, real threat of notice or lease coming to an end	254
	Too expensive, and in receipt of housing benefit or in arrears due to expense	723
Mismatch of housing need and dwellings	Overcrowded according to the 'bedroom standard' model	522
	Too difficult to maintain	1539
	Couples, people with children and single adults over 25 sharing a kitchen, bathroom or wc with another household	101
	Household containing people with mobility impairment or other special needs living in unsuitable accommodation	1110
Dwelling amenities and condition	Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	155
	Subject to major disrepair or unfitness and household does not have resource to make fit	318
Social needs	Harasment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	306
Total Need		4336
As % all households		6.5

**Note:** A household may have more than one housing need.

D.8 In terms of existing households in need:

- 71% of all housing need is concentrated in the urban sub-areas of Harrogate, Knaresborough and Ripon;
- In the Knaresborough and Scriven sub-area, 10.5% of households are in housing need;

- Across rural areas, proportions of households in housing need in Upper Nidderdale (7.5%) and the Masham (7.3) sub-areas were higher than the District average
- Private renters are most likely to be in housing need (21.9%), with owner occupiers the least (Table D3);
- Lone Parent families are most likely to be in housing need, particularly lone parent families with one or two children (21.2% in need) and singles under 60 (11%).

**Table D3** Housing need by tenure

Tenure	% of households in housing need in tenure	Base
Private Rented	21.9	5560
RSL Rented	16.5	1622
Council Rented	10.5	3300
Owner occupiers	4.2	55526
Intermediate	2.2	255
Total	6.5	66263

D.9 Data Tabulations (N1 to N3) which accompany this report present a detailed breakdown of households in need by location, tenure and household type. Key observations are now reported (note that the proportions relate to the total number of households expressing a particular need).

***Households under notice, real threat of notice or lease coming to an end***

- A total of 254 households were under notice to leave, had a threat of notice or had a lease coming to an end. This situation affected 18.9% of households in the Upper Nidderdale sub-area, along with 17.2% in the Knaresborough and Scriven sub-area, 13.1% in the Boroughbridge sub-area and 12.5% in the Ripon sub-area;
- Most (77.8%) of these households were private renters, 12.8% were RSL renters and the remainder (9.5%) lived in owner-occupied properties;
- 31.9% of these households were singles under 60 and 24% were couples with one or two dependent children.

### ***Too expensive***

- 723 households were identified as being in housing need because they perceived their property to be too expensive. These households were concentrated in the urban sub-areas of Harrogate (34.2%), Ripon (22%) and Knaresborough and Scriven(16.7%);
- 70.5% of these households were private renters and 24.3% were owner occupiers;
- Of those who stated that they were living in unaffordable accommodation, 33.4% were singles under 60, 32.4% were couples with children and 13.9% were lone parents.

### ***Overcrowding***

- Overcrowding affected 522 households, of whom 59% lived in the urban sub-areas of Harrogate, Knaresborough and Scriven and Ripon. 14.3% lived in the Lower Nidderdale sub-area;
- Overcrowding affected households in most tenures, notably owner occupiers (46.6%), private renters (30.4%) and social renters (23.1%);
- Overcrowding mainly affected couples with children (25%) and multi-adult households (75%).

### ***Difficult to maintain***

- 1539 households reported that their accommodation was difficult to maintain (which was the most frequently reported housing need). These households were distributed across the District, but 42.3% were concentrated in the Harrogate sub-area;
- Owner-occupiers were mainly affected (94.7%)
- 35.3% of affected households were couples over 60, 22.9% multi-adult households and 18.6% couples under 60.

### ***Sharing facilities***

- A total of 101 households were sharing a kitchen, bathroom and/or WC with another household. 31.6% of these lived in the Ripon sub-area, 24% in the Knaresborough and Scriven sub-area and 26.4% households lived in the Upper Nidderdale sub-area;
- Households across all tenures were sharing facilities, most notably RSL renters (40.0%), owner-occupiers (29.4%) and private renters (25.6%).
- 31.6% were singles under 60, 24% lone parents and 16.4% couples with dependent children.

### ***Mobility impairment / special need***

- 1,110 households stated that they were in need as a household member had a mobility impairment or special need. Again, these households were distributed across the District, but 47.5% lived in the Harrogate and 20.5% in the Knaresborough and Scriven sub-areas;
- Mobility impairment/special needs was mainly an issue expressed by owner-occupiers (53.5%) and private renters (20.7%). It affected a variety of household types including older couples (31.5%), singles over 60 (20.8%) and couples under 60 (16.5%).

### ***Lacks a bathroom, kitchen or inside WC***

- This was identified by 155 households as a housing need, all of whom lived in either the Harrogate (79.5%) or Ripon (20.5%) sub-areas. They were either private renters (79.5%) or owner occupiers (20.5%); and all were lone parent families

### ***Major disrepair***

- Stated by 318 households, distributed across the District, with 38.8% living in the Harrogate sub-area and 21.3% in the Knaresborough and Scriven sub-area;

- 57.8% of these households were private renters and 42.2% owner-occupiers. Major disrepair mainly affected singles under 60 (55.3%), lone parents (13.7%) and couples with children (11.1%).

### ***Harassment / Threat of harassment***

- Experienced by 306 households of whom 80.8% lived in Harrogate and 7.9% in Knaresborough and Scriven sub-areas;
- Households tended to be either social renters (52.1%) or owner-occupiers (44%); and were most likely to be single people under 60 (44.3%) or couples with dependent children (44.1%).

#### *Step 1.3 Need from households without self-contained accommodation*

- D.10 CLG guidance suggests that homeless households and those in priority need who are homeless should be included as current need, in addition to concealed households unable to meet their needs in the market. The scale of need from these types of household can be derived from statutory P1(E) returns and survey evidence. There are a range of statistics available to help estimate need from households without self-contained accommodation.
- D.11 P1(E) returns for 2005 indicate that a total of 474 decisions were made on households declaring themselves as homeless. Of these households, 193 were classified as homeless and in priority need. In addition, a total of 138 households were classified as “homeless at home” over the course of the year i.e. the household is able to stay on a temporary basis with friends/family as an alternative to going into other forms of temporary accommodation.
- D.12 The household survey provides a broader view on need from households without self-contained accommodation. Households who said that they were previously homeless have been used as the basis for assessing the scale of need from households without self-contained accommodation. On this basis, over the past 5 years, the survey identified 1,923 households headed by someone who had been previously homeless (equivalent to 385 per year).
- D.13 It is important to factor into the modelling a robust statistic to reflect the scale of homelessness which needs to be addressed. In Step 1.3 of the model, we

have therefore used the five-year figure of 1923 (385 per year), to indicate the scale of need from households without self-contained accommodation.

*Step 1.4 Total need and affordability testing*

- D.14 Total current housing need has been calculated to be 4,721 households. However, this figure needs to be adjusted to take into account income and levels of equity/savings relative to house prices. Modelling has assumed different entry-level house prices across the District based on average prices (Table D4). Overall, analysis suggests that 2,260 households could not afford open market solutions to their housing need.

**Table D4** Sub-area entry-level house price assumptions

Sub-area	2005 House Price	
	Average	Lower Quartile*
Harrogate	£181,095	£119,522
Knaresborough and Scriven	£252,945	£166,943
Ripon	£207,683	£137,071
Boroughbridge	£257,389	£169,876
Knaresborough Villages	£308,537	£203,634
Vale of York	£324,407	£214,109
Lower Wharfedale	£329,003	£217,142
Upper Wharfedale	£300,578	£198,382
Lower Nidderdale Villages	£216,146	£142,656
Upper Nidderdale	£269,374	£177,787
Masham Area	£268,742	£177,370
South Harrogate Villages	£365,295	£241,095
Marston Villages	£305,877	£201,879
Northern Villages	£221,575	£146,240
Ripon South Villages	£340,353	£224,633
Ripon West Villages	£289,693	£191,197

\* Based on 66% of Average Price

Source: Land Registry

*Summary of Stage 1: Current need*

- D.15 On balance, a total of 2,260 households are in need based on their current housing circumstances. This stage has taken into account: existing households in need, their current tenure, income, access to equity and savings; and the scale of need for affordable accommodation from households without self-contained accommodation.

## Stage 2: Available stock to offset need

D.16 The CLG model reviews the supply of affordable units, taking into account how many households in need are already in affordable accommodation, stock surpluses, committed supply of new affordable dwellings and dwellings being taken out of management (for instance pending demolition or being used for decanting).

*Step 2.1 Current occupiers of affordable housing in need*

D.17 This is an important consideration in establishing the net levels of housing need as the movement of these households within affordable housing will have a nil effect in terms of housing need<sup>18</sup>.

*Step 2.2 Surplus stock*

D.18 A proportion of vacant properties is needed to allow households to move within housing stock. Across the social rented sector, this proportion is generally recognised as being 2%. Stock above this proportion is assumed to be surplus stock. Across Harrogate District, only 0.9% of social rented stock was vacant (at 1 April 2006) and as this is below the 2% indicator level, no surplus stock is assumed.

*Step 2.3 Committed supply of new affordable units*

D.19 For 2006/7, a total of 94 units of affordable housing are planned to be developed, increasing to 173 units in 2007/08<sup>19</sup>. These units will help offset overall demand, but as specific details on location, type and size are not available, this information has not been factored into the overall model.

*Step 2.4 Units to be taken out of management*

D.20 It is assumed that there are no units planned to be taken out of management,

*Step 2.5 Total stock available to meet current need*

D.21 It is assumed that there are 644 units of social rented accommodation available to meet current need based on current occupiers of affordable housing in need. This is based on the number of households who are currently living in affordable housing and need alternative accommodation.

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<sup>18</sup> CLG SHMA Guidance

<sup>19</sup> Housing Strategy Statistical Appendix

### *Step 2.6 Total current unmet housing need*

D.22 Total unmet need is calculated by subtracting the total stock available to meet current housing needs (644) from the number of existing households in need who cannot afford market prices (2260). On the basis of the CLG model, this is calculated as 1616 units per annum.

### *Step 2.7 Annual quota for the reduction of current need*

D.23 It is assumed that current need from 1616 households reduces at the rate of 20% each year (or 323). This is a standard assumption used in needs assessment modelling suggested in CLG SHMA Guidance.

### *Step 2.8 Annual requirement of units to reduce current need*

D.24 This is calculated by multiplying the total unmet housing need in the District (1616 households) by the annual quota for the reduction of current need (20%). On the basis of the CLG model, this is calculated as 323 dwellings each year.

D.25 If the current need was reduced over a longer time frame i.e. the LDF plan period of 17 years, there would be an annual reduction of 95 households in need. This would still result in a substantial requirement for affordable housing in the order of around 600 each year.

## **Stage 3: Newly arising need**

### **Step 3.1 New household formation (gross per year)**

D.26 The household survey identified a total of 8,048 individuals currently living in Harrogate District who stated that they want to form a household in the next year. In a review of newly arising housing need, it is important to consider:

- how many people were identified in the survey who want to form new households within Harrogate District;
- how this translates into the actual number of new households forming by considering the likely number of people in newly forming households;
- over what time period households are likely to form; and

- how many newly forming households are likely to require affordable housing.
- D.27 Past trends in household formation rates can be used to help establish the likely scale of new household formation. Financial information obtained from the household survey can help establish the scale of need for affordable accommodation.
- D.28 The 8,048 individuals currently living in households across Harrogate District who stated that they want to form a household in the next year will include younger people planning to leave the family home and people moving out of a household due to relationship breakdown. Of these individuals, there is a strong preference to remain in Harrogate District (80.9% or 6,507 individuals).
- D.29 A view needs to be taken on how many households are likely to be formed by these individuals. Based on past trends evidenced from the household survey, over the past five years, 928 households have been formed by 1,524 individuals and of these households:
- 50.1% were single person;
  - 45.9% were couples;
  - 3.4% were larger adult households (comprising of more than two unrelated adults).
- D.30 Based on these trends, it is assumed that the 6,507 individuals identified from the survey will form 4,822 households over the next five years (taken as April 2006 to March 2011) or 964 per year.
- D.31 Survey evidence also suggests that 3,172 individuals have left Harrogate District in the preceding five years to July 2006 as they could not find suitable housing.
- D.32 In summary, household survey data suggests that, over the preceding five years to July 2006:
- A total of 4,696 individuals have emerged to form new households;
  - Of these, 1,524 have stayed in Harrogate District (forming 928 households) and 3,172 moved away;
  - This compares with 6,507 individuals who want to form a household over the next 5 years.
- D.33 A household formation rate of 964 per year has been assumed in the analysis, with all of these households accommodated within Harrogate District.

*Step 3.2 New households unable to buy or rent in the open market*

- D.34 An analysis of likely income and access to financial resources including savings suggests that virtually all of the 4822 new households could not afford owner-occupation regardless of location within Harrogate District. This is assuming that mortgage costs no more than 3.5x expected annual gross household income, a 5% deposit is available, and takes into account varying

house prices across the District. A total of 83% of the 4,822 households (4002) could not afford private sector rents, assuming a rent of £500 per month and no more than 25% of gross household income is spent on rental costs.

- D.35 On balance, it is suggested that at least 83% of newly-forming households could not afford to rent or buy in Harrogate District. Hence, of the 4,822 households intending to emerge within Harrogate District in the next 5 years, 4,002 could not afford to rent privately or buy on the open market (or 800 per year).
- D.36 Assuming that the 4,822 households will emerge over the next 5 years (taken as April 2006 to March 2011), this results in an annual new household formation of 964 per annum of whom 800 (83%) will require affordable accommodation.

### **Step 3.3 Existing households expected to fall into need**

- D.37 Each year, survey evidence suggests that around 50 households originating from within Harrogate District move into social rented accommodation from other tenures as they are in housing need.

### **Step 3.3A In-migrant households requiring affordable accommodation**

- D.38 Each year, at least 26 households move into the District and into social rented accommodation.

### **Step 3.4 Total newly arising housing need**

- D.39 On the basis of the CLG model, this is calculated as 876 units per annum.

## **Stage 4: Future supply of affordable units**

### **Steps 4.1 to 4.3 Annual supply of affordable units**

- D.40 The CLG model considers annual supply of social re-lets and annual supply of intermediate housing available for sale/re-let. Allocations data have been obtained from Harrogate District Council and from RSL CORE lettings data. Some RSL lettings have been made to people requiring supported accommodation, but are excluded from analysis as the properties are not available as general lets. Data on intermediate tenure supply was provided through CORE data.

D.41 It is important to consider variations in stock capacity by both stock designation (i.e. for general or older persons use), property size and location. A review of annual capacity has been undertaken which suggests that across Harrogate District, there is an average overall capacity of 428 social rented (Council and RSL) dwellings (see Table D5) in addition to 11 units of intermediate tenure dwellings. The annual average is based on:

- Harrogate District Council lettings data for financial years 2003/4, 2004/5 and 2005/6;
- RSL stock lettings for 2002/03, 2003/004 and 2004/2005 from CORE data;
- Intermediate tenure sales/lets for 2004/5 from CORE data.

**Table D5** Average annual amount of affordable (social rented) stock available for new residents by area, designation and property size

Sub-area	General lettings				Older Person		Total
	No. Bedrooms				No. Bedrooms		
	1	2	3	4	1	2	
Harrogate	40	29	34	1	81	5	<b>190</b>
Knaresborough and Scriven	7	10	5	0	20	6	<b>48</b>
Ripon	23	24	6	0	18	1	<b>72</b>
Boroughbridge	0	3	3	0	5	2	<b>13</b>
Knaresborough Villages	0	1	1	0	1	1	<b>4</b>
Vale of York	0	3	2	0	1	1	<b>7</b>
Lower Wharfedale	0	1	2	0	1	1	<b>5</b>
Lower Nidderdale Villages	5	13	5	0	7	10	<b>40</b>
Upper Nidderdale	0	3	4	0	1	12	<b>20</b>
Masham Area	0	1	0	0	5	1	<b>7</b>
South Harrogate Villages	0	0	1	0	2	0	<b>3</b>
Marston Villages	1	1	1	1	1	0	<b>5</b>
Northern Villages	0	0	0	0	1	5	<b>6</b>
Ripon South Villages	0	2	1	0	0	1	<b>4</b>
Ripon West Villages	1	1	0	0	0	2	<b>4</b>
<b>Total</b>	<b>77</b>	<b>92</b>	<b>65</b>	<b>2</b>	<b>144</b>	<b>48</b>	<b>428</b>

#### Stage 4: Housing requirements of households in need

D.42 This stage is only relevant where there is an excess supply of social housing.

#### Stage 5: Bringing the evidence together

##### Step 5.1: Estimate of net annual housing need

- D.43 Analysis has carefully considered how housing need is arising within Harrogate by identifying existing households in need (and cannot afford market solutions), newly-forming households in need and existing households likely to fall into need.
- D.44 This has been reconciled with the supply of affordable dwellings which considers location, size and designation (i.e. for general needs or older person). This provides a more accurate assessment of shortfalls in provision and results in a requirement based on an 'adjusted figure'.
- D.45 The total annual shortfall (degree of imbalance) of affordable accommodation is 830 units per annum for the period April 2006 to March 2011 and broken down as shown in Table D6. This should be viewed not as a target as such, but rather the degree of imbalance which exists between the requirement for affordable housing and existing supply.

**Table D6** Affordable housing requirements per annum April 2006 to March 2011

Sub-Area	General		Older Person (1/2 Beds)	TOTAL
	Smaller (1/2 Bed)	Larger (3/4 Bed)		
Harrogate	359			<b>359</b>
Knaresborough and Scriven	111	13		<b>124</b>
Ripon	46	7		<b>53</b>
Boroughbridge	48	2	2	<b>52</b>
Knaresborough Villages	15	1		<b>16</b>
Vale of York	20	2		<b>22</b>
Lower Wharfedale	4	1		<b>5</b>
Upper Wharfedale	14	1	1	<b>16</b>
Lower Nidderdale Villages	33	3		<b>36</b>
Upper Nidderdale	51	4		<b>55</b>
Masham Area	15			<b>15</b>
South Harrogate Villages	10			<b>10</b>
Marston Villages	16	1		<b>17</b>
Northern Villages	15			<b>15</b>
Ripon South Villages	15		1	<b>16</b>
Ripon West Villages	14	5		<b>19</b>
<b>Total</b>	<b>786</b>	<b>40</b>	<b>4</b>	<b>830</b>

Source: 2006 household survey

- D.46 Table D7 considers the range of affordable property types households would consider based on the aspirations of existing households in need and newly-forming households requiring affordable accommodation. Overall, analysis suggests that primarily, delivery of houses and flats is a priority, with an additional need to provide bungalows.



**Table D7** Affordable property type preferences

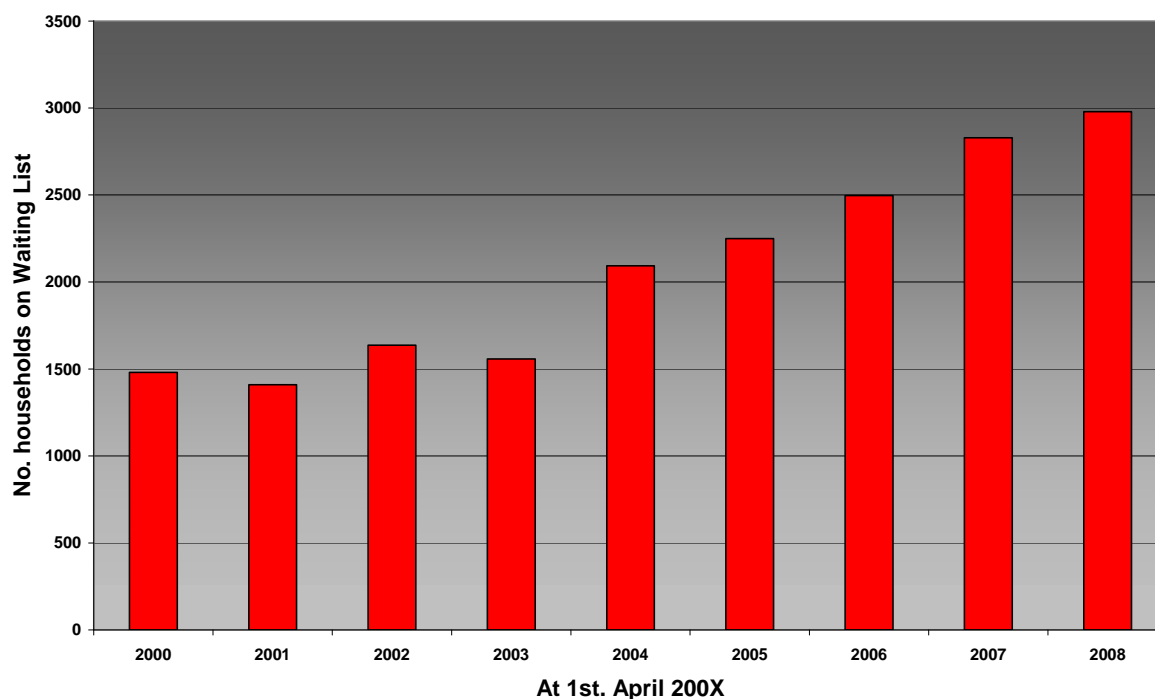
Property type	Property type preferences		
	Existing HHs in Need	Newly-forming Households	TOTAL
House	50.1	32.0	40.5
Flat	16.0	55.0	36.6
Bungalow	33.9	13.0	22.9
Base (HHs in need of affordable accommodation)	323	800	1123

Source: 2006 household survey

### Comparison with housing register

D.47 Over the past 8 years (2000-2008), the number of households on the housing register has been generally increasing. On 1 April 2008, 2,979 households were on the register (Figure D1), the highest number since 2000.

**Figure D1** Households on housing register



Source: HSSA

## TECHNICAL APPENDIX E: HOUSEHOLD GROUPS WHO HAVE PARTICULAR HOUSING REQUIREMENTS

### Underpins core output 8

#### Families

- E.1 Across Harrogate district, 19.3% of households are couples with children and 3.5% are lone parent households (22.8% overall). Families therefore represent a minority of households and in some areas, the proportion is below 22.8% (e.g. Knaresborough and Scriven 18%, Upper Nidderdale 20% and Ripon South Villages 20%).
- E.2 A key strategic issue for the Council is helping to address this population imbalance. Families are moving into the District but these tend to be higher income and can afford to access the open market. The vast majority of households in Harrogate District are singles and couples with no children (60.6%). It is reasonable to assume that markets are being primarily driven by the requirements of singles and couples. Two parent families have strong preferences for houses (particularly with two and three-bedroom) and single parents also have a preference for flats. However, market price is a major barrier to entry. Not addressing the needs of families will have a particular impact on future demographic trends and affect community-based services such as schools. It is therefore important that particular care is taken to ensure that properties are built to reflect the demand from families in the interests of long-term community sustainability.
- E.3 It is particularly noted that although the current waiting list and housing needs modelling points to the need for mainly smaller properties, the need to provide larger family accommodation, particularly as intermediate tenure as well as social rented, should not be overlooked.

#### Older people

##### Overview

- E.4 CLG population projections<sup>20</sup> suggest that there are currently around 37,600 residents in Harrogate District aged 60 or over, representing 23.8% of the population. This is set to increase to 64,900 by 2031, by which time older people are projected to represent 32.2% of the population (Table E1).

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<sup>20</sup> ONS 2006-based population projections

**Table E1** Older people population projections

Age group	No. Older People (thousands) by year						% change 2006-2031
	2006	2011	2016	2021	2026	2031	
Aged 60-74	23.7	27.5	29.4	31.9	34.3	37.2	57.0
Aged 75+	13.9	15.3	17.4	20.6	24.8	27.7	99.3
Total	37.6	42.8	46.8	52.5	59.1	64.9	72.6
Total population	157.8	166.6	175.5	184.9	193.8	201.8	27.9
% population 60+	23.8	25.7	26.7	28.4	30.5	32.2	

Source: 2006-based ONS population projections

E.5 Research into the needs and aspirations of older people<sup>21</sup> provides a valuable insight into key factors which need to be considered in relation to the requirements of older people:

- Most older people do not require specialist accommodation;
- Movement within general housing stock is highly likely and not just moves into sheltered stock;
- A need for space does not necessarily decrease with age;
- Older people however need better access to transport and amenities; and
- A feeling of safety in the home is important.

### **Support requirements and property adaptations**

E.6 The household survey indicates that most residents aged 60 or over are owner-occupiers (76.5%). Of residents aged 75 and over, 84.3% are owner-occupiers, mostly outright owners. There are considerable policy implications resulting from the number of older people living in the private sector. They are increasingly going to require a wide range of support at home. Evidence from the household survey (Table E2) clearly demonstrates the need for support across Harrogate District that includes help with home improvements, gardening and domestic tasks.

<sup>21</sup> Needs and aspirations of older people living in general housing, Joseph Rowntree Foundation Findings Nov 02

**Table E2** Older persons' support requirements

Type of support required either now or in the next 5 years	% of households
Help with repair and maintenance of home	24.4
Help with gardening	33.8
Help with cleaning home	23.7
Help with other practical tasks (e.g. changing lightbulbs, collecting prescriptions)	13.0
Help with personal care	8.4
Want company / friendship	3.8
Want a Social Alarm (call for help alarm)	7.5
Base (older single and couple households)	21582

Source: 2006 Housing Needs Survey

- E.7 Table E3 summarises the range of aid and adaptation requirements identified by older person households. Particularly noted is the need for better insulation and adaptations to bathrooms.

**Table E3** Older persons' requirements for aids and adaptations

Adaptation to property	% requiring either now or likely to need in next 5 years
Better heating	9.9
Better insulation	21.0
Adaptations to Kitchen	8.6
Adaptations to Bathroom	16.8
Internal handrails	8.9
Downstairs WC	5.2
Stairlift	7.3
Internal door widening	1.1
External ramp	3.1
External handrails	6.2
Security alarm	6.3
Increase the size of property e.g. extension	2.0
Base	21,581

Source: 2006 Housing Needs Survey

- E.8 Resources for aids and adaptations remain tight, particularly for households in the private sector. Alternative sources of funding, such as equity loans, should be seriously considered to finance remedial measures required by older person households.

## Household aspirations

- E.9 Crucial to a review of older persons housing needs is a recognition that the aspirations and preferences of older people need to be carefully considered in policy responses. A range of options and solutions to address the needs of older people are available in addition to traditional sheltered accommodation, for instance apartments specifically marketed at older people. Table E4 shows the housing options that are being considered by older people in Harrogate District in the next five years. The vast majority of older people (86%) want to continue to live in their current home with support when needed. In terms of other housing options, a minority would consider other forms of housing such as sheltered accommodation (15.7%) and new forms of older persons' accommodation, for instance older persons' apartments (17.5%) and properties in a retirement/care village (17.9%). It is also important to note that most older people who own a property will have equity in their current home. This should give them access to buy an alternative property on the open market appropriate to their requirements (with the potential to free up properties for other types of household).

**Table E4** Housing options that older people in Harrogate District may consider over the next five years.

Housing option	%*
Continue to live in current home with support when needed	86.0%
Sheltered accommodation	15.7%
Residential Care Home/Extra Care scheme	4.5%
Buying an apartment in a specific development for older people	17.5%
Buying a property in a Retirement/Care Village	17.9%
Total number of responses	34598
Base (number of respondents)	24451

\*Percentages don't add up to 100 as respondents could select more than one option

## Supporting people strategy

- E.10 North Yorkshire Supporting People have adopted a policy of directing support on the basis of need, regardless of the nature or tenure of accommodation. In partnership with the main providers of sheltered accommodation they are aiming to remodel services by targeting very sheltered accommodation (Category II) at the frail elderly and developing telecare services as appropriate for other older or vulnerable people, regardless of tenure. This aim is reflected in the Housing Corporation National Affordable Homes Programme strategic priorities for North Yorkshire.

## Health and general support needs

### Overview

- E.11 The household survey asked households to comment on their general health, the need for adaptations and general assistance in the home. This information will help inform the Supporting People programme in Harrogate District, in particular by identifying the scale of additional support requirements.

### General Health

- E.12 The household survey asked about the general health of residents, and whether in the past twelve months it had been good, fairly good or not good. In summary, 94.8 % of the population described themselves as being in good or fairly good health (Table E5). The self-identified health situation varied significantly by the tenure of the household, with the residents of social housing more likely to indicate that their health was not good.

**Table E5** General health in the last 12 months by tenure (%)

Tenure	Good	Fairly good	Not good	Total
Owned (no mortgage)	64.7	28.3	7.0	100.0
Owned (with mortgage)	79.8	17.7	2.5	100.0
Rented from Council	52.9	30.9	16.3	100.0
Rented from Housing Association	39.2	40.8	20.0	100.0
Private Rented (furnished)	51.5	44.4	4.1	100.0
Private Rented (unfurnished)	68.2	25.0	6.7	100.0
Tied accommodation	72.4	25.3	2.4	100.0
Homebuy, Shared Ownership etc	41.9	48.2	9.9	100.0
Total	71.8	23.0	5.2	100.0
Base = 157,439				

## Illness/disability

- E.13 The specific illnesses and disabilities experienced by local residents were explored in the survey. The results demonstrate the increasing prevalence of illness with age, especially among those aged 75 and upwards (Table E6). This especially applies to physical ailments, strokes and heart disease. Self reported mental health problems are most prominent in the 40 to 59 year age band (4.3%). Accidents in the home fluctuate across the age bands, but disproportionately affect the young and the old (75+) age groups.

**Table E6** Illness suffered in the last year (% within each age group)

Illness	Under 16	16 to 39	40 to 59	60 to 74	75 and over	Total
Long-term illness, health problem or disability that limits	1.2	4.5	8.7	17.5	31.9	8.9
Eczema	9.0	7.1	4.8	4.0	1.8	6.0
Mental health problem	0.1	2.3	4.3	0.4	3.0	2.2
Gastrointestinal infection	1.3	2.6	2.6	3.0	1.7	2.3
Stroke	0.0	0.0	0.2	0.9	5.2	0.5
Heart disease	0.6	0.0	1.9	5.6	15.7	2.6
Respiratory problem	2.7	3.5	4.2	5.0	7.8	4.1
Accident in the home requiring medical attention	2.0	1.4	1.5	0.8	2.2	1.5
Total responses	16.9	21.4	28.2	37.2	69.2	28.1
Base	32287	40368	49460	25908	9416	157439

## Smoking

- E.14 The household survey asked about smoking and whether residents had never smoked, currently smoked or were previous smokers. Over two thirds of people in Harrogate District were reported to be non-smokers and with no history of smoking (Table E7). Those living in rented accommodation were significantly more likely to be smokers than homeowners.

**Table E7** Smoking by tenure (% within each tenure)

Tenure	Never smoked	Current smoker	Previous smoker	Total
Owned (no mortgage)	63.8	8.5	27.7	100.0
Owned (with mortgage)	71.2	9.3	19.5	100.0
Rented from Council	50.7	30.3	19.0	100.0
Rented from Housing Association	47.8	33.6	18.6	100.0
Private Rented (furnished)	36.6	23.9	39.5	100.0
Private Rented (unfurnished)	61.4	22.7	15.8	100.0
Tied accommodation	72.1	14.2	13.7	100.0
Homebuy, Shared Ownership etc.	80.0	8.2	11.8	100.0
Total	66.8	11.3	22.0	100.0
Base = 157,439				

### Property adaptations required

- E.15 The household survey provides evidence on the need for particular adaptations by sub-area, tenure and household type. Better heating/insulation, adaptations to bathroom and kitchen are the most mentioned adaptations required by households. Table E8 summarises the range of adaptations required by households for each sub-area, either now or over the next 5 years.

**Table E8** Property adaptations required either now or over the next 5 years by sub-area

Sub-area	Adaptation required												Base (All H'holds)
	Better heating		Insulation		Adaptations to Kitchen		Adaptations to Bathroom		Internal handrails		Downstairs WC		
	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	
Harrogate	3992	12.7	8482	27	5599	17.8	5915	18.8	1335	4.3	1456	4.6	30469
Knarborough and Scriven	799	12.3	1587	24.3	864	13.2	1006	15.4	348	5.3	402	6.2	6356
Ripon	1103	15.6	1757	24.9	978	13.8	1066	15.1	331	4.7	327	4.6	6871
Boroughbridge	383	15.2	553	21.9	306	12.1	387	15.3	117	4.6	78	3.1	2466
Knarborough Villages	191	16.5	285	24.5	136	11.7	142	12.2	7	0.6	9	0.8	1120
Vale of York	309	16.8	410	22.2	207	11.2	259	14.1	94	5.1	84	4.6	1750
Lower Wharfedale	233	14.5	364	22.7	240	15	242	15.1	88	5.5	58	3.6	1564
Upper Wharfedale	237	26.6	202	22.7	150	16.8	182	20.4	40	4.5	46	5.2	861
Lower Nidderdale Villages	749	15.3	1049	21.4	652	13.3	710	14.5	210	4.3	252	5.1	4781
Upper Nidderdale	467	15.2	788	25.7	452	14.7	519	16.9	202	6.6	140	4.6	2973
Masham Area	156	17.1	201	22.1	90	9.9	113	12.4	31	3.4	37	4.1	870
South Harrogate Villages	142	17.9	173	21.8	149	18.8	125	15.7	15	1.9	24	3.0	771
Marston Villages	177	13.7	257	20	199	15.5	181	14.1	57	4.4	52	4.0	1251
Northern Villages	230	15.6	392	26.6	239	16.2	265	18	99	6.7	69	4.7	1482
Ripon South Villages	99	10	197	19.8	148	14.9	142	14.3	31	3.1	31	3.1	976
Ripon West Villages	351	19.9	422	24	254	14.4	261	14.8	82	4.7	49	2.8	1702
Harrogate District Total	9618	14.1	17119	25.1	10663	15.6	11515	16.9	3087	4.5	3114	4.6	66263

**Table E8 (continued)** Property adaptations required either now or over the next 5 years by sub-area

Sub-area	Adaptation required												Base (All H'holds)
	Stairlift		Internal door widening		External ramp		External handrails		Security alarm		Increase property		
	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	
Harrogate	1272	4.1	495	1.6	652	2.1	995	3.2	3374	10.7	3555	11.3	30469
Knaresborough and Scriven	247	3.8	107	1.6	131	2	242	3.7	507	7.8	454	7.0	6356
Ripon	354	5	157	2.2	241	3.4	209	3.0	547	7.7	858	12.1	6871
Boroughbridge	89	3.5	26	1	65	2.6	65	2.6	125	5.0	342	13.6	2466
Knaresborough Villages	6	0.5	7	0.6	0	0	0	0.0	66	5.7	87	7.5	1120
Vale of York	59	3.2	30	1.6	36	2	45	2.4	112	6.1	205	11.1	1750
Lower Wharfedale	62	3.9	4	0.2	20	1.2	17	1.1	65	4.1	191	11.9	1564
Upper Wharfedale	49	5.5	8	0.9	35	3.9	34	3.8	55	6.2	84	9.4	861
Lower Nidderdale Villages	174	3.6	66	1.3	84	1.7	143	2.9	331	6.8	541	11.0	4781
Upper Nidderdale	146	4.8	46	1.5	88	2.9	127	4.1	176	5.7	335	10.9	2973
Masham Area	36	4	10	1.1	21	2.3	30	3.3	31	3.4	38	4.2	870
South Harrogate Villages	13	1.6	0	0	9	1.1	19	2.4	33	4.2	79	9.9	771
Marston Villages	8	0.6	11	0.9	23	1.8	20	1.6	103	8.0	179	13.9	1251
Northern Villages	36	2.4	25	1.7	41	2.8	55	3.7	118	8.0	195	13.2	1482
Ripon South Villages	38	3.8	0	0	10	1	21	2.1	51	5.1	131	13.2	976
Ripon West Villages	69	3.9	11	0.6	22	1.2	41	2.3	122	6.9	205	11.6	1702
Total	2658	3.9	1003	1.5	1478	2.2	2063	3.0	5816	8.5	7479	11.0	66263

Note: household could tick more than one option

### *Disabled facilities grants*

- E.16 Table E9 summarises the number of mandatory disabled facilities grants completed and their total cost for the period 2001/02 to 2004/05, with planned numbers and expenditure up to 2006/07.

**Table E9** Disabled Facilities Grants

Year	Total grants	
	Completed/proposed	Cost (£)
2001/2	47	227
2002/3	37	192
2003/4	27	172
2004/5	44	229
2005/6 (planned)	48	260
2006/7 (proposed)	48	260

Source: Housing Strategy Statistical Appendix 2006

- E.17 The household survey clearly evidences a need for physical adaptations to properties, as summarised in Table E8. However, demand far exceeds likely resources and therefore most adaptations are likely to be funded by householders themselves or through, for instance, equity loan arrangements.

### **Other forms of assistance**

- E.18 The household survey provides useful information on the need for other forms of assistance, such as assistance with cleaning, other practical tasks etc. Obviously, there will be a strong correlation with the need for assistance by age. Table E10 summarises the types of assistance required by households either now or over the next 5 years. This provides valuable evidence to support interventions such as Home Improvement Agencies, assistance through the Supporting People initiative and Harrogate's Handyman scheme.

**Table E10 Assistance required by Sub-Area**

Sub-area	Type of assistance														
	Help with repair/maintenance of		Help with gardening		Help with cleaning home		Help with other practical tasks		Help with personal care		Want company/friendship		Want a social alarm		Base (All H'holds)
	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	Total need	As % of h'holds	
Harrogate	5243	16.7	5340	17	3880	12.4	2050	6.5	1739	5.5	1239	3.9	1212	3.9	
Knaresborough and Scriven	1054	16.2	1121	17.2	816	12.5	446	6.8	261	4	228	3.5	290	4.4	6356
Ripon	1030	14.6	1085	15.4	722	10.2	455	6.4	331	4.7	156	2.2	249	3.5	6871
Boroughbridge	317	12.6	411	16.3	352	14	132	5.2	102	4	80	3.2	77	3.1	2466
Knaresborough Villages	119	10.2	176	15.2	135	11.6	50	4.3	27	2.3	32	2.8	18	1.6	1120
Vale of York	191	10.4	262	14.2	228	12.4	66	3.6	44	2.4	54	2.9	40	2.2	1750
Lower Wharfedale	204	12.7	250	15.6	238	14.9	97	6.1	50	3.1	33	2.1	45	2.8	1564
Upper Wharfedale	113	12.7	123	13.8	111	12.5	29	3.3	36	4	26	2.9	28	3.1	861
Lower Nidderdale Villages	588	12	740	15.1	573	11.7	267	5.4	158	3.2	175	3.6	172	3.5	4781
Upper Nidderdale	485	15.8	615	20.1	429	14	171	5.6	162	5.3	109	3.6	112	3.7	2973
Masham Area	122	13.4	111	12.2	74	8.1	53	5.8	31	3.4	10	1.1	25	2.7	870
South Harrogate Villages	104	13.1	171	21.5	112	14.1	19	2.4	12	1.5	25	3.1	25	3.1	771
Marston Villages	105	8.2	152	11.8	107	8.3	28	2.2	22	1.7	21	1.6	36	2.8	1251
Northern Villages	159	10.8	222	15.1	140	9.5	73	4.9	59	4	60	4.1	56	3.8	1482
Ripon South Villages	137	13.8	187	18.8	154	15.5	33	3.3	6	0.6	30	3	22	2.2	976
Ripon West Villages	209	11.9	301	17.1	217	12.3	93	5.3	67	3.8	75	4.3	48	2.7	1702
Total	10180	14.9	11267	16.5	8288	12.2	4062	6	3107	4.6	2353	3.5	2455	3.6	66263

Note: household could tick more than one option

## Specialist support requirements

- E.19 The Supporting People team have a particular responsibility to ensure that there is adequate accommodation and support provision for a range of specialist client requirements e.g. domestic violence, HIV/Aids, Offending/Ex-Offending and Teenage Pregnancy. North Yorkshire's Supporting People Strategy provides detailed information on the characteristics of current provision and future requirements.
- E.20 As these are sensitive issues and it would be inappropriate to ask direct questions on the household survey used in this research. However, information on the scale of need being met can be derived from an analysis of available RSL lettings data (Table E11). These data suggest that RSL specialist provision is particularly geared up to support women at risk of domestic violence and frail elderly

**Table E11** RSL lettings to specialist client groups

Client Group	No. RSL Supported Tenancies		
	2003/04	2004/05	2005/06
Learning difficulties	3	3	12
Mental health related problems	3	10	8
Alcohol related problems	6		
From penal estab/Probation referral etc.	6	3	3
Young people at risk/leaving care		1	3
Women at risk from domestic violence	35	56	25
Frail elderly	2	44	37
Single homeless in need of support	7	5	8
Homeless families		2	
No information	2	1	
<b>Total RSL Supported Lettings</b>	<b>64</b>	<b>125</b>	<b>96</b>

Source: RSL Supported Core lettings data

## Homelessness issues

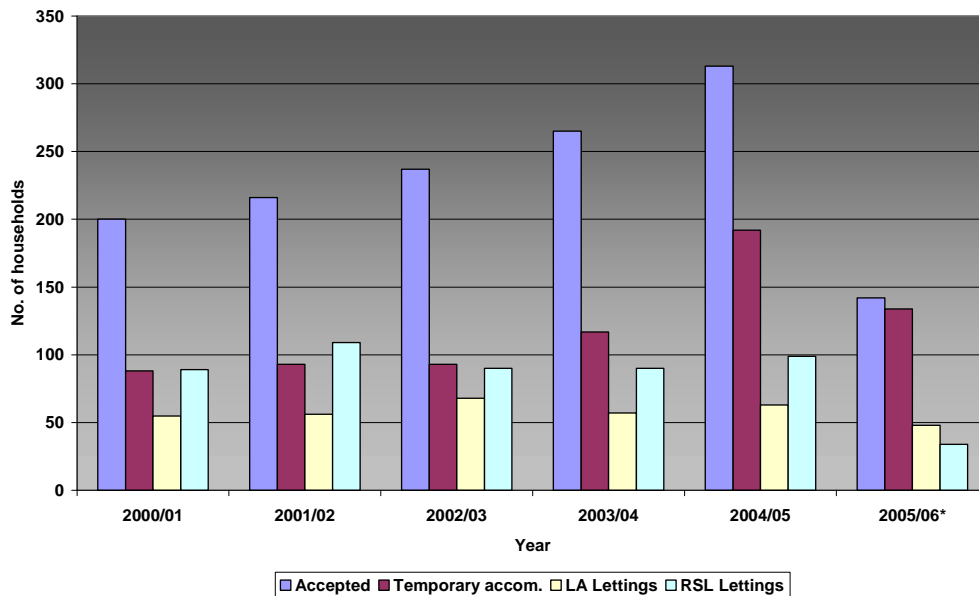
### Homeless acceptances

- E.21 Figure 6.1 summarises the number of households accepted as homeless, total Council dwellings let to homeless people in priority need and number of homeless households in temporary accommodation for the period 2000/01 to 2005/06. Data indicates an increasing trend in the number of households accepted as homeless over the five years 2000/01 to 2005/06. Over this period, the average number of homeless households was 246. In 2005/6, changes were

made to homeless monitoring procedures which results in a lower figure.

- E.22 The number of households living in temporary accommodation at 31 March each year increased sharply in 2004/5 to 192 following three years where the figure averaged 98.
- E.23 Over the period 2000/01 to 2005/6, there has been a consistent allocation of social rented properties to homeless households which has averaged 155 per year. Overall, 63% of homeless households over this period have been allocated a social rented property.

**Figure E1** Homeless acceptances (in priority need) and nos. in temporary accommodation in the District 2000/01 to 2005/06



**Key**

Accepted = Households accepted as homeless and in priority need during the year\*

\*Households accepted as unintentionally homeless, eligible for assistance and in priority need from 2005/06

Temporary accom = Homeless households in priority need in temporary accommodation at 31st March

LA Lettings = Total LA dwellings let to homeless households in priority need

RSL Lettings = Homeless households in priority need taking up LA nominations to RSL dwellings

Source: CLG HIP/HSSA data

- E.24 The Supporting People five year Strategy (2005 – 2010) for North Yorkshire identifies gaps in the provision of temporary accommodation for homeless people, especially single vulnerable people. Supporting People have commissioned the delivery of floating support to allow vulnerable people to sustain tenancies but the shortage of affordable

accommodation options in the District complicates the delivery of these services.

### **Hidden homelessness**

E.25 The 2006 Housing Needs Assessment provided a valuable opportunity to assess the extent of 'hidden homelessness' across Harrogate District. Respondents were asked if they had provided temporary accommodation for someone in the previous year. Results were staggering:

**9.9%** of all households (5,880) across the District had provided some form of temporary accommodation for a total of **7,643 people**.

E.26 Table E12 illustrates the proportion of households by sub-area who have provided temporary accommodation in the past year; and the number of people accommodated. The Harrogate sub-area emerges as the area with the highest proportion of households providing temporary accommodation (accommodating the equivalent of 5.5% of residents), followed by Upper Wharfedale (10.5 % of households and 5.0% of residents). Overall, 54.1% of households providing temporary accommodation were in Harrogate, and a further 9.5% in Ripon.

**Table E12** Households providing temporary accommodation in Harrogate District and number of people accommodated – year to July 2006

Sub-area	H'holds who have provided temporary accommodation in last year		Number of people accommodated	
	Total	As % all households	Total no.	Total no. as % all residents
Harrogate	3184	12.0	3928	5.5
Knarborough and Scriven	454	7.9	589	4.1
Ripon	561	8.8	786	4.7
Boroughbridge	123	5.4	182	3.0
Knarborough Villages	60	5.8	105	3.6
Vale of York	145	8.7	176	3.9
Lower Wharfedale	111	7.8	144	3.8
Upper Wharfedale	81	10.5	114	5.0
Lower Nidderdale Villages	406	9.7	483	4.2
Upper Nidderdale	254	9.2	330	4.7
Masham Area	58	7.5	95	4.8
South Harrogate Villages	65	8.9	128	6.4
Marston Villages	62	5.7	74	2.2
Northern Villages	120	9.1	226	7.0
Ripon South Villages	81	9.6	117	4.9
Ripon West Villages	115	7.4	166	4.0
<b>Total</b>	<b>5880</b>	<b>9.9</b>	<b>7643</b>	<b>4.9</b>

### Households previously homeless

E.27 The household survey identified 1,935 households who had been previously homeless or living in temporary accommodation and had moved to their present accommodation in the past 5 years. Table E13 illustrates that 23.4% had found a home by contacting the Council and small numbers had contacted other providers, statutory and/or voluntary organisations. Half had found their accommodation in other ways (not specified).

**Table E13** Households previously homeless or living in temporary accommodation in the District: How present accommodation found

Method of finding accommodation	Responses	
	N	%
Contacted Council	454	23.4
Contacted other housing organisation	123	6.4
Contacted Social Services	24	1.2
Through family and friends	367	19.0
Other	967	50.0
Total	1935	100.0

E.28 Table E14 presents a range of information relating to the characteristics of previously homeless households and the dwelling choices that they have made. Households previously homeless have generally moved into rented accommodation, particularly private and Council rented. Additionally, around one-third have moved into owner occupied dwellings. They have also been more likely to occupy two and three bedroom dwellings. The incomes of previously homeless households have tended to be low and more than half have formed single person households.

**Table E14** Characteristics of households previously homeless (five years to June 2006)

Current tenure	%	Household type	%	Origin	%
Owner-occupied	33.7	Single Person <60	36.5	Within Harrogate District	54.2
Council	17.6	Single Person 60 or over	16.7	From outside District	45.8
RSL	9.4	Couple only <60	13.7	Total	100.0
Private Rented	32.9	Couple only over 60	4.9		
Other	6.4	Couple with 1 or 2 child(ren)	11.9		
Total	100.0	Couple with 3 or more children	2.0		
		Lone Parent with 1 or 2 child(ren)	9.5		
		Other type of household	4.9		
		Total	100.0		
Property type	%	Property size	%	Current Income (pw)	%
House	64.0	0/1 Bed	24.4	Under £300	59.7
Flat	24.3	2 Bed	44.6	£300 to <£500	19.9
Bungalow	4.1	3 or more Beds	31.0	£500+	20.5
Other	7.5	Total	100.0	Total	100.0
Total	100.0				
Base	1935				

## **Black and Minority Ethnic issues**

- E.29 Issues relating to black and minority ethnic populations in Harrogate district have been discussed in Appendix B.
- E.30 A North Yorkshire-wide study into the accommodation requirements of Gypsies and Travellers identified a current shortfall of 14 pitches.

## TECHNICAL APPENDIX F: HOUSING POLICY CONSIDERATIONS

### Overview

- F.1 Evidence indicates that there is both high demand for market housing and high affordable housing need that outstrips the annual RSS net additions figure for Harrogate of 390 per year. Furthermore, the SHMA has identified a substantial long-term affordable housing need across Harrogate District, which must be addressed if the Council is to deliver balanced and sustainable communities. The strongest possible policy response is necessary if affordable housing shortfalls are to be addressed. The implementation of appropriate planning policy, followed up with consistent and accountable practice, are critical if the supply of affordable homes is to increase.

### Approach to affordable housing

- F.2 The key objective of any new policy should be to ensure that affordable housing secured through the planning system meets identified need, is genuinely affordable, and remains so in perpetuity, except where an occupier exercise their statutory Right to Acquire or, in the case of shared ownership, staircases out to outright ownership, in which case any subsidy should be recycled into affordable housing provision.
- F.3 The high level of housing need across all sub-areas within Harrogate District means that it is essential to maximise all opportunities to increase the supply of affordable homes. On this basis, it is important that the Council retains and enhances its robust approach to affordable housing planning policy.
- F.4 There is a case to be made for increasing the Core Strategy target up from 41%. Given that the overall proportions of demand and need for housing (excluding demand from in-migration) indicate a split of 41% market housing (579) and 59% affordable housing (830) a case can be made to increase the figure up to a maximum of 59%. Any final figure will be a policy decision based on priorities and the outcome of an Economic Viability Appraisal.
- F.5 In line with discussions with the Housing Market Partnership further work should be undertaken to explore the opportunities offered of developing a sliding scale of affordable housing provision across a range of site sizes to secure overall target delivery. This should look at

the opportunity to reduce the qualifying site threshold across the District.

- F.6 Whilst the evidence indicates a higher requirement for smaller affordable housing properties, it will also be important to also secure an increase in provision of larger (3 bedroom plus) properties to ensure flexibility.
- F.7 Evidence from the 2006 Household survey indicates a District-wide split of 66% social rent and 34% intermediate tenure. When delivering intermediate provision it is essential that homes meet the affordability requirements identified within this research.
- F.8 In addition to the above it is recommended that the Council:
- Continue to work closely with neighbouring councils to further develop a consistent approach to affordable housing provision across the sub region through the North Yorkshire Housing Forum;
  - Continue to work closely with housing association partners to improve practice in respect of delivering affordable housing through Section 106 agreements;
  - Consult key stakeholders on the LDF affordable housing proposals (including developers, Parish Councils, housing associations, the Homes and Communities Agency, and Government Office); and
  - Explore with the Homes and Communities Agency the extent of opportunity for using grant to fund Section 106 affordable housing contributions.

## Approach to market housing

- F.9 There is strong demand for market housing across the District in part as a result of connectivity to Leeds and York but also because of the high quality environment and residential amenity offered in the District.
- F.10 In terms of the household profiles of those intending to move within the open market couples under 60 and couples with children were the largest proportion.
- F.11 Evidence indicates the following District wide split in respect of aspirations for market housing that should be taken into consideration when looking at appropriate mix:
- 59% Houses
  - 14% Flats
  - 27% bungalows
- F.12 There is little variation from these District wide percentages within the sub-areas. Careful consideration should be given to the aspiration of bungalows as the likelihood of delivery is limited and what this means for the overall split.

- F.13 In terms of property size, the evidence indicates that for houses there is a greater demand for 3+ bed properties over smaller ones, whilst for flats the split is for a greater number of 1-2 bed properties.
- F.14 Market pressure, i.e. demand is greater than supply in all sub-areas but is particularly acute in Knaresborough villages, Lower Wharfedale and South Harrogate villages. There are shortfalls in all property types across most areas.
- F.15 The research has shown that, subject to the costs to the purchaser being in a range between the lower quartile house price and the cost of intermediate options then low cost market housing would be attractive. Opportunities to secure low cost market housing as part of the overall tenure mix on larger sites should be explored further.

## TECHNICAL APPENDIX G: UPDATING THE SHMA

### A framework for updating the housing needs model and assessment of affordable housing requirements

#### Introduction

- G.1 Having invested considerable resources in obtaining an excellent range of primary and secondary data, it is vital that this information is used to the maximum effect and updated on a regular basis. The purpose of this appendix is to establish a framework for updating the housing needs model and affordable housing requirements. In addition, it recommends the regular monitoring and review of housing market activity and regular reflections on the wider strategic context.

#### Updating of baseline housing needs and affordable housing requirements

- G.2 A baseline assessment of housing need across Harrogate District has been derived from the household survey. This information should be taken as a baseline from which annual reviews of key aspects of the model proceed. It is recommended that the baseline information has a shelf-life of three to five years with a recommended refresh of household information around 2010 through primary surveying, if sufficient secondary data sources are not available.
- G.3 Key elements of the needs assessment model can be readily updated on an annual basis to reflect:
- changes in house prices and rental costs;
  - capacity of the social rented sector;
  - availability of intermediate tenure housing.

#### Changes in house prices and rental costs

- G.4 It is recommended that the annual purchase of address-level house prices to complement the existing dataset continues. This will result in an annual refresh of house price data by sub-area and provide an indication of changing lower quartile prices. In turn, these can be applied to **Step 1.4** of the needs assessment model which considers the extent to which households in need can afford open market prices.

As part of this analysis, updated information on private rented sector rents needs to be secured. Several websites can provide a snapshot of private rents and help inform this element of the update.

- G.5 Lower quartile prices and private sector rents should also be compared with the income profile of newly-forming households at **Step 3.2** of the needs assessment model.

### **Capacity of the social rented sector**

- G.6 The capacity of the social rented sector needs to be reviewed annually using LA and RSL CORE lettings data (**Step 4.1**).
- G.7 A dataset has been prepared for LA and RSL CORE data for 2005/6, 2006/7 and 2007/8 as part of this research. This includes some additional variables identifying the characteristics of households (by designation i.e. under 60 or over 60) and previous housing circumstances (from out of area, previously social renter, previously other tenure and from supported/specialist accommodation). The capacity of the social rented sector is based on the number of lettings to households from within a Local Authority District who were previously living in another (non social rented or intermediate) tenure.

### **Availability of intermediate tenure housing**

- G.8 CORE Sales data can identify the availability of intermediate tenure housing (**Step 4.2**). Data has been assembled for 2005/6, 2006/7 and 2007/8.

### **Annual adjustments to affordable requirements**

- G.9 Datasets can be provided from which annual reviews of affordable requirements can proceed. This will point to any adjustment in net and gross requirements by sub-area, designation and property size.

### **Updating of contextual information**

- G.10 This report has presented a range of contextual information relating to the economy, demography (including population projections and migration) and dwelling stock. This information should be updated where possible and in particular progression with economic growth and diversification should be carefully monitored.

## Reflections on the general strategic context and emerging issues

- G.11 As part of its strategic housing function, all local authorities need to understand the general strategic housing market context and respond to emerging issues. Given the dynamic nature of housing markets, the Central and Local Government policy agenda and bidding for resources, any update of housing needs must be positioned within a wider strategic context.
- G.12 Ongoing stakeholder consultation and engagement with local communities is also vital to maintain up-to-date intelligence on housing market issues.

## Concluding comments

- G.13 It is vital that mechanisms are in place to derive robust, credible and defensible estimates of housing need and affordable requirements across Harrogate District. This study delivers this and has the capacity to be updated.
- G.14 Having established a baseline position on affordable housing and advice on open market provision to reflect aspirations, it is essential that housing market activity is regularly monitored. This is highly relevant given current housing market uncertainty. A range of methods have been suggested to ensure that housing need and affordability modelling is revised on an annual basis. Annual reviews should also take into account the changing strategic context and impact on housing market activity.