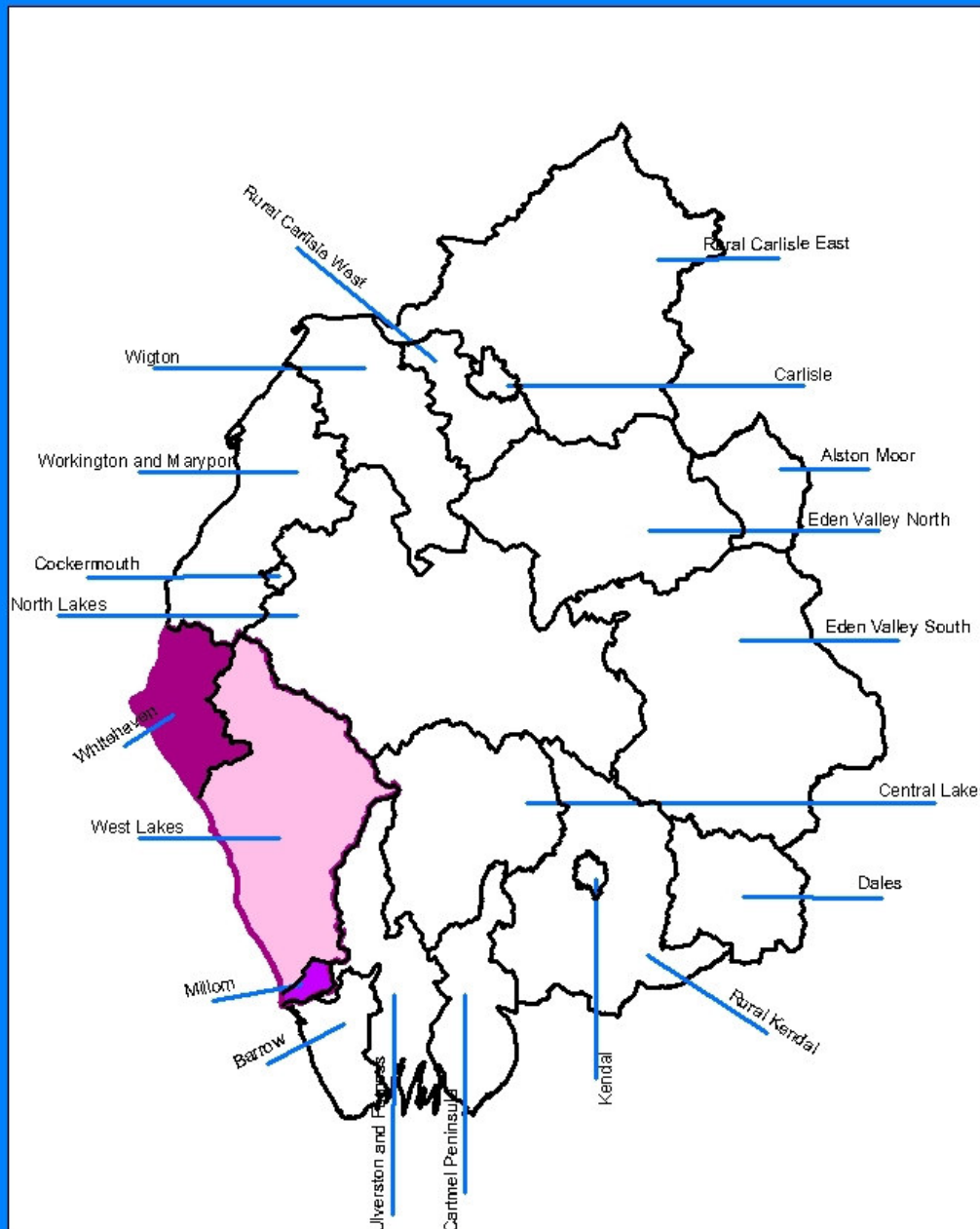


Copeland Interim Strategic Housing Market Assessment 2009

Executive Summary



Introduction

This document provides a summary of the findings of the three Interim 2009 Copeland Strategic Housing Market Assessments. These documents are presented as interim evidence pending a 2010-11 update to the Housing Needs Survey and population forecast data. The overall aim of the Strategic Housing Market Assessment (SHMA) is to provide an evidence base from which future housing and planning policies can be developed.

The 2009 SHMAs apply new population forecast data to the results of the 2006 Copeland Housing Needs Survey to provide updated information on housing requirements in the borough.

Each SHMA covers a geographical area based on groupings of wards, known as Housing Market Areas (HMAs). A list of the corresponding wards is included within the appendix of each SHMA. In Copeland there are 3 HMAs. Copeland's HMAs comprise:

- Millom
- West Lakes
- Whitehaven

The methodology for choosing the above was largely based on topography and the extent to which respective wards were linked. The 2009 SHMAs are produced in accordance with Government Guidance Version 2, August 2007.

Key Issues

Affordability –

Average house prices higher than they should be in relation to average incomes in all HMAs except Whitehaven.

Economic impact –

Lack of affordable housing in some areas may be a barrier to sustainability of some settlements. Lack of executive housing in some areas may present a barrier to some investment in the borough.

Ageing Population -

The table below shows population projections at District level from 2006-2031 using Popgroup, a forecasting model. This shows the substantial increase forecast in the older age groups, particularly in the 75+ age group and significant decrease in younger age groups, based on fertility rates, deaths, and migration. This has massive implications on the available working age population and therefore economic growth and stability, including the ability to recruit and an impact on the reliance of migrant workers.

Table District Age Range Changes 2008-2031

	2006	2031	District Count Increase/Decrease	% Increase/Decrease
0-4	3,582	2,982	-600	16% Decrease
5-14	8,237	6,813	-1424	17% Decrease
15-29	11,822	10,093	-1729	15% Decrease
30-44	14,812	12,068	-2744	19% Decrease
45-59	15,347	12,557	-2790	18% Decrease
60-74	11,109	15,428	4319	39% Increase
74-90	5,402	15,403	10001	185% Increase
Total	70,311	75,345	5034	7% Increase

Data supplied by CCC using PopGroup software

How things have changed since 2006

❑ **Affordability –**

Revised results of the most recent Copeland Housing Needs Survey, supplemented by the findings of Cumbria Rural Housing Trust Copeland parish surveys and research into West Cumbria housing markets by West Lakes Renaissance, would suggest that housing is less affordable in Copeland in 2009 than it was in 2006.

❑ **Affordable Housing Completions –**

Affordable Housing completions in the borough have not met need identified by the 2006 Housing Needs Survey, which stated that 45 units were required in the West Lakes Housing Market Area only.

❑ **Impact of Economic Downturn on tenure, affordability and homelessness-**

Research into housing needs indicates that the greatest need in social housing is for social rented accommodation. Increases in applications to Housing Association waiting lists since 2006 indicate increasing difficulties for households in finding affordable market housing. Demand for privately rented accommodation has increased in many areas of the borough since 2006 and more recently since the economic downturn. Local Homelessness services anticipate an increase in households seeking housing advice as a result of the downturn.

❑ **Decent Homes –**

Copeland Borough Council's 2007 Private Sector Stock Condition Survey indicated that 67% of private sector housing in the borough meets the Decent Homes Standard. 66.6% of

economically vulnerable households live in private sector housing that meets the Decent Homes Standard. 58% of properties in the Social Rented Sector currently meet the Decent Homes Standard.

Housing Markets in Copeland

Millom

The Millom Housing Market Area is a small market area in comparison with others in Copeland and includes the key service centre of Millom town.

Key Findings

- Median income to house price ratio is 3.9:1, which is that same as it was at 2006.
- Median house price £93,000, £83,000 in 2005
- Annual affordable housing requirement is to be determined. The interim suggested range for the number of units required is 19-49 per annum, 95- 245 over five years.
- 0 new affordable homes have been provided in the period 01.04.06- 01.04.09.
- The percentage of the population that is working is very much lower than the county average and much lower than borough and regional averages.
- 76% of all homes in the private sector meet the Decent Homes Standard.
- 71% of properties in the social rented sector meet the Decent Homes Standard.
- 2.4% of properties are second homes.

West Lakes

The West Lakes Housing Market Area is the most rural of Copeland's HMAs and mostly lies within the Lake District National Park.

Key Findings

- Median income to house price ratio is 7.3:1, an increase from 6.7:1 in 2005.
- Median house price £216,000, £193,000 in 2005
- Annual affordable housing requirement is to be determined. The interim suggested range for the number of units required is 5-91 per annum, 25-455 over five years.
- 0 new affordable homes have been provided in the period 01.04.06-01.04.09
- Median and Lower Quartile incomes higher than in other Copeland HMAs.
- 51% of all properties in the private sector meet the Decent Homes Standard.
- 44% of properties in the social rented sector meet the Decent Homes Standard.
- 7.3% of properties are second homes.
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Whitehaven

77% of Copeland's population lives within the Whitehaven HMA, the most urban of the borough's housing market areas.

Key Findings

- Median house price to income ratio is 3.5:1, as it was in 2006. However the Lower Quartile house price to income ratio is higher at 4.2:1.
- Median house price £94,000, 82,000 in 2005.
- The interim suggested range for the number of affordable housing units required is 129- 213 per annum, 645-1065 over five years.
- 10 new affordable homes have been provided in the period 01.04.06-01.04.09
- Median and Lower Quartile incomes higher than the district and county averages
- 69% of properties in the private sector meet the Decent Homes Standard.
- 57% of properties in the social rented sector meet the Decent Homes Standard.
- 2.1% of properties are second homes.

Updated Net Annual Affordable Housing Requirements

A revised District wide Needs Survey is due to be undertaken in 2010-11 which will further update the figures projecting the need over a 5 year period.

Interim figures for affordable housing requirements have been based on the 2006 Housing Needs Survey. The 2006 survey gave a district- wide annual affordable housing requirement of 5 per annum or 45 over 5 years. The 2009 SHMAs update this figure by taking into account projected population growth figures, completions since 2006 and homeless figures. The table below gives an updated Affordable Housing Need figure for each HMA contrasting population growth figures from each scenario from Chapter 5, Stages 1 and 2 of the SHMAs. This gives a range of results. As can be seen the annual figures have increased significantly from the 2006 figure.

Millom HMA

	Millom				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
	No change	Experian baseline job	Aspirational growth	West Case Scenario	Migration led – Labour force impact
1. Current Need as per 2006 HNS	36	36	36	36	36
2. Incorporating future Need 2006-2008	38	18	48	22	28
3. Supply 2006-2008	39	39	39	39	39
4. Net Loss 2006-2008	4	4	4	4	4
NET ANNUAL AFFORDABLE HOUSING NEED (2 – 3 + 4)	39	19	49	23	29

West Lakes

	West Lakes				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
	No change	Experian baseline job	Aspirational growth	West Case Scenario	Migration led – Labour force impact
1. Current Need as per 2006 HNS	22	22	22	22	22
2. Incorporating future Need 2006- 2008	113	53	139	65	82
3. Supply 2006-2008	70	70	70	70	70
4. Net Loss 2006- 2008	---	---	---	---	---
NET ANNUAL AFFORDABLE HOUSING NEED (2 – 3 + 4)	65	5	91	17	34

Whitehaven

	Whitehaven				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
	No change	Experian baseline job	Aspirational growth	West Case Scenario	Migration led – Labour force impact
1. Current Need as per 2006 HNS	224	224	224	224	224
2. Incorporating future Need 2006- 2008	242	113	297	139	176
3. Supply 2006-2008	340	340	340	340	340
4. Net Loss 2006- 2008	132	132	132	132	132
NET ANNUAL AFFORDABLE HOUSING NEED (2 – 3 + 4)	258	129	313	155	192

General Market Demand

The SHMAs provide information pertaining to the general market demand arising from the 2006 District Wide Housing Needs Survey, particularly in relation to demand versus supply shown. Additionally, the SHMAs show in Chapter 4 future housing demand based on Popgroup, a population forecasting tool. This takes account of demographic change and migration. Economic factors including the number of jobs that would potentially arise in a worst case, aspirational and baseline scenario, are then built in to this model in Chapter 4 to estimate general market requirements. It should be noted that this does not take into account those people who are already in unsuitable housing. As can be seen the requirements are over and above that allowed through the Regional Spatial Strategy and the evidence suggests that the level could potentially be higher. However, the deliverability of increasing the Regional Spatial Strategy thresholds needs to be borne in mind. The following tables outline the various scenarios.

Scenario 1: Labour Force Led, No Change

This scenario uses the labour force as a constraint and forecasts what the population, household and dwellings requirement would need to be to satisfy specified job levels. In this case, it is assumed that the net gain in jobs, year on year, is nil. Prior to 2006 actual population is used as a constraint.

Copeland District	2006	2008	2010	2012	2014	2016
Population	70,311	70,939	72,725	74,267	75,333	76,054
Households	30,905	31,766	33,191	34,486	35,606	36,523
Dwellings	32,913	33,830	35,347	36,727	37,919	38,896
Annualised Dwelling Requirement		458	759	690	596	489
Average Annualised Dwelling Requirement	598					

(Source: Popgroup)

Scenario 2: Labour Force Led, Experian Baseline

This scenario uses the labour force as a constraint and forecasts what the population, household and dwellings requirement would need to be to satisfy specified job levels. In this case, we have specified a net annual change in number of jobs by district which is based on information from the Experian model baseline forecast provided by Cumbria Vision. Prior to 2006 actual population is used as a constraint.

Copeland District	2006	2008	2010	2012	2014	2016
Population	70,311	70,649	71,265	71,207	70,297	69,406
Households	30,905	31,642	32,563	33,152	33,371	33,537
Dwellings	32,913	33,698	34,678	35,305	35,539	35,716
Annualised Dwelling Requirement		393	490	313	117	89
Average Annualised Dwelling Requirement	280					

(Source: Popgroup)

Scenario 3: Labour Force Led, Aspirational Growth

This scenario uses the labour force as a constraint and forecasts what the population, household and dwellings requirement would need to be to satisfy specified job levels. In this case, we have specified a net annual change in number of jobs by district which is based on information from the aspirational growth scenario provided by Cumbria Vision. Prior to 2006 actual population is used as a constraint.

Copeland District	2006	2008	2010	2012	2014	2016
Population	70,311	70,937	72,666	74,347	76,035	78,912
Households	30,905	31,765	33,167	34,529	35,920	37,804
Dwellings	32,913	33,829	35,322	36,772	38,254	40,260
Annualised Dwelling Requirement		458	747	725	741	1,003
Average Annualised Dwelling Requirement	735					

(Source: Popgroup)

Scenario 4: Labour Force Led, Worst Case Scenario

This scenario uses the labour force as a constraint and forecasts what the population, household and dwellings requirement would need to be to satisfy specified job levels. In this case, we have specified a net annual change in number of jobs by district which is based on information from the worst case scenario provided by Cumbria Vision. Prior to 2006 actual population is used as a constraint.

Copeland District	2006	2008	2010	2012	2014	2016
Population	70,311	70,649	70,979	70,803	70,584	70,685
Households	30,905	31,642	32,440	32,975	33,497	34,115
Dwellings	32,913	33,698	34,548	35,117	35,673	36,331
Annualised Dwelling Requirement		393	425	285	278	329
Average Annualised Dwelling Requirement	342					

(Source: Popgroup)

Scenario 5: Migration Led, Labour Force Impact

This scenario uses population as a constraint and is consistent with the 5 year migration forecast provided in stage 4.1. The scenario shows the number of households and dwellings required to satisfy the growing population.

Copeland District	2006	2008	2010	2012	2014	2016
Population	70,311	70,851	71,248	71,694	72,152	72,619
Households	30,905	31,728	32,554	33,361	34,194	34,985
Dwellings	32,913	33,790	34,668	35,529	36,415	37,258
Annualised Dwelling Requirement		438	439	430	443	421
Average Annualised Dwelling Requirement	435					

(Source: Popgroup)

Key issues for future policy/strategy

Affordable Housing targets –

Targets for affordable housing will be agreed based on the interim evidence presented in the 2009 SHMAs and reviewed to take into account new evidence presented in the 2010-11 Housing Needs Survey.

Tenure –

Further analysis is required in order to determine tenure requirements. It is recommended that analysis of tenure requirements should be incorporated into the 2010-11 survey.

Local occupancy –

The 2009 SHMAs for Copeland do not examine local occupancy requirements. It is recommended that analysis of local occupancy requirements should be incorporated into the 2010-11 survey.

Supporting Economic development –

Policy and strategy development should reflect the necessity of adequate affordable housing and open market housing in facilitating and supporting sustainable economic development.

Supported Housing -

The degree of ageing and projected growth in the older age groups has significant implications for housing services and support. A Cumbria-wide assessment of supported housing requirements is currently being designed.