

Copeland Borough 2011 Strategic Housing Market Assessment

**Final report for Copeland Borough Council
February 2011**



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1. Introduction

Background and objectives

- 1.1 arc⁴ Limited was commissioned in May 2010 to carry out a comprehensive Strategic Housing Market Assessment (SHMA) for Copeland Borough Council.
- 1.2 This research conforms to the Department of Communities and Local Government (CLG) Strategic Housing Market Assessment Guidance and provides a robust and defensible evidence base for future policy development. The research focuses on four core areas: a review of housing markets; an assessment of housing need and affordable requirements; a review of general market requirements; and provides policy recommendations.

Definitions

- 1.3 A series of terms are used in work of this nature. To avoid ambiguities, these terms are clearly defined as follows (and replicate Planning Policy Statement 3 [PPS3]¹ definitions):

Housing demand is the quantity of housing that households are willing and able to buy or rent.

Housing need is the quantity of housing required for households who are unable to access suitable housing without financial assistance.

Housing markets are geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work.

Housing requirement is the combination of both housing need and housing demand.

¹ Planning Policy Statement 3, December 2006, Department of Communities and Local Government

Government requirements: SHMA and PPS3

SHMA Guidance

- 1.4 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).
- 1.5 The CLG states that the guidance should be read in conjunction with the 'Identifying Sub-Regional Housing Market Areas Advice Note' (CLG, 2007).
- 1.6 Strategic Housing Market Assessments (SHMAs) 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.
- 1.7 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. Table 1.2 presents the process checklist which needs to be adhered to in SHMA research. Appendix G comments on how each aspect of the process checklist has been adhered to in this research.

Planning Policy Statement 3

- 1.8 Achieving a mix of housing to promote mixed communities is a national planning policy set out in PPS3. PPS3 states (p.9) that Local Authorities need to set out in their Local Development Frameworks (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.
- 1.9 Outputs required under PPS 3 (December 2006) have been delivered as part of this research.

Table 1.1 Strategic Housing Market Assessment core outputs

Strategic Housing Market Assessment core outputs	
1	Estimate 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 including: families, older people, key workers, black and minority ethnic groups, disabled people, young people, Gypsies and Travellers.

Table 1.2 Strategic Housing Market Assessment process checklist

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.

Geography

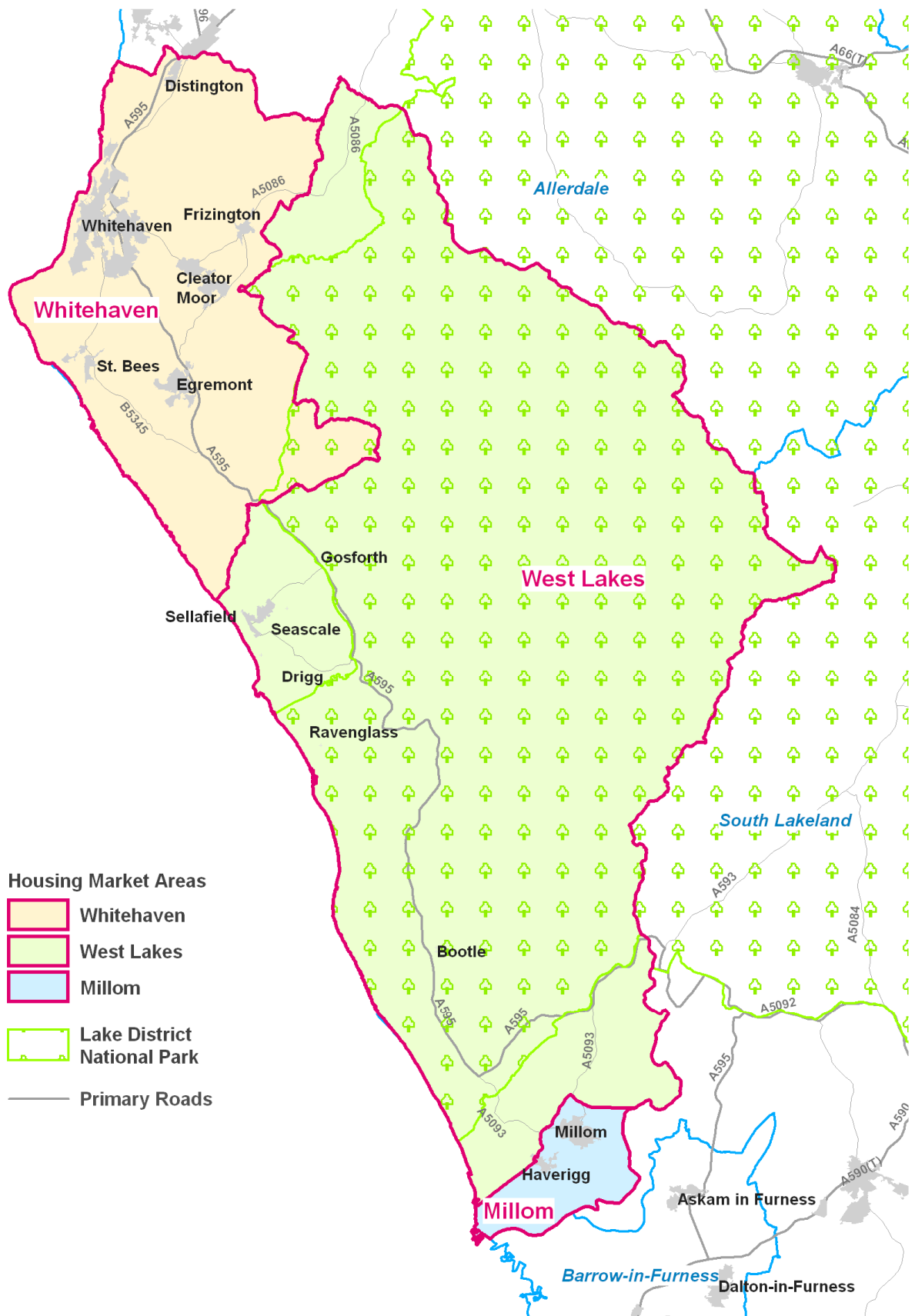
- 1.10 Map 1.1 illustrates Copeland Borough and the location of main settlements and principal roads. Appendix I presents further detailed maps showing Parishes and Wards within the Borough. For planning purposes, Copeland Borough area is split between two Local Planning Authorities: the Lake District National Park and Copeland Borough (see Appendix A for further details).
- 1.11 Table 1.3 summarises the constituent urban areas/parishes for the three Housing Market Areas of Copeland which have been defined in previous research. Using the dataset prepared as part of this SHMA, data can be prepared for any of the geographies listed in Table 1.3. For the purposes of this report, data are presented for the seven localities listed in Table 1.3.
- 1.12 Note that Parishes in the West Lakes HMA are either located in the Lake District National Park Local Planning Authority Area (termed the West Lakes HMA (LDNP) in this report) or the Copeland Borough Planning Authority Area (termed West Lakes HMA (Copeland) in this report).

Table 1.3 Copeland Borough Housing Market Areas, Localities and constituent urban areas/parishes

Housing Market Areas	Locality	Comprising urban areas/parishes of:
Whitehaven	Whitehaven Area	Whitehaven, Sandwith Village
	Cleator Moor Area	Cleator, Cleator Moor
	Egremont Area	Egremont, Bigrigg, Moor Row
	Whitehaven Rural parishes	Arlecdon and Frizington, Distington, Haile, Lowca, Lowside Quarter, Moresby, Parton, St. Bees, St. Bridget Beckermest*, St. John Beckermest, Weddicar
West Lakes	LDNP Area	Bootle, Ennerdale and Kinniside, Eskdale, Gosforth*, Irton with Santon*, Ponsonby*, Ulpha, Waberthwaite, Wasdale, Whicham
	Copeland Area	Drigg and Carleton*, Lamplugh, Millom Without* Muncaster, Seascale
Millom	Millom	Millom, Haverigg

* Parishes split between the Lake District National Park and Copeland Borough Planning Authority Areas but box shows the area where the majority of households live (e.g. Drigg and Carleton is split between the two planning authority areas but the majority of households are in the Copeland Planning Area)

Map 1.1 Copeland Borough Geography



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Research methodology

- 1.13 The Copeland SHMA has been overseen by a Housing Market Partnership comprising Council housing and planning officers.
- 1.14 To deliver the SHMA, a multi-method approach was adopted, consisting of:
- A survey of households across Copeland Borough, with samples in urban areas and 100% surveying of rural parishes. A total of 20,431 households were contacted and 3,802 questionnaires were returned and used in data analysis. This represents an 18.6% response rate overall and total number of questionnaires returned was well in excess of the 1,500 specified in Government guidance;
 - Interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Social Landlords (RSLs), Estate Agents, Lettings Agents, Developers, Supporting People representatives;
 - A review of relevant secondary data including the 2001 census, house price trends, CORE lettings data and CLG Statistics.
- 1.15 Further information on the research methodology is presented at Appendix A.

Presentation of data

- 1.16 Data presented in this report is based on the 2010 household survey carried out as part of the Strategic Housing Market Assessment unless otherwise stated.
- 1.17 It is important to note that survey responses have been weighted to correct for response bias and then grossed up to reflect the total number of households and this process is explained in Appendix A. The 3,802 responses are therefore weighted and grossed up to 30,443 occupied dwellings. All survey information presented in this report is for weighted and grossed responses which are rounded up to the nearest 100 where appropriate.

Report structure

1.18 The Copeland 2011 SHMA 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 Copeland Borough **housing market context**, in particular linkages with other Districts in Cumbria. This is achieved by reviewing migration and travel to work patterns and house price trends;
- Chapter 4 presents **SHMA core outputs** and summarises more detailed information presented in technical appendices accompanying this report;
- Chapter 5 reviews **general market demand** and summarises material of relevance to PPS3; and
- Chapter 6 **concludes** the report with a view on the current and future housing market and strategic issues.

1.19 The report is accompanied by a substantial technical appendix, which provides detailed material that underpins the core outputs of the SHMA. The technical appendix presents material relating to:

- General methodology (Appendix A);
- The current housing market (Appendix B);
- The future housing market (Appendix C);
- Housing need (Appendix D);
- Housing requirements of specific household groups (Appendix E);
- Monitoring and updating (Appendix F);
- Statement of conformity to SHMA guidance (Appendix G); and
- Affordable housing policy considerations (Appendix H).
- Maps of Copeland Borough (Appendix I)

2. Policy and strategic review

National policy

- 2.1 The new coalition Government's 'Programme for Government' sets the scene for a radical devolution of power to local authorities and community groups. The forthcoming Decentralisation and Localism Bill will formalise the position on regional governance structures (including the abolition of Regional Development Agencies and the position on Regional Strategies) and devolve greater powers to Councils and neighbourhoods. The Bill seeks to give local communities control over housing and planning decisions including setting local housing targets.
- 2.2 The Department for Communities and Local Government has outlined what the Government wants to achieve in housing:
 - Increase the number of houses available to buy and rent, including affordable housing;
 - Improve the flexibility of social housing (increasing mobility and choice) and promote homeownership;
 - Protect the vulnerable and disadvantaged by tackling homelessness and support people to stay in their homes; and
 - Make sure that homes are of high quality and sustainable.
- 2.3 To date, the Coalition Government has presented its investment plan for housing in its Comprehensive Spending Review, has outlined changes to Housing Benefit and published several consultation documents, responses to which will feed into the Decentralisation and Localism Bill during 2011.

Comprehensive Spending Review

- 2.4 Investment plans for the period April 2011 to March 2015 have been outlined in the Comprehensive Spending Review of 20th October 2010. A summary of housing investment is presented in Table 2.1.
- 2.5 The investment in new affordable housing will be met through capital investment (of up to £2.5Bn) with the balance raised through new Affordable Rent tenancies. These will be offered to new social rented tenants at 80% of Local Housing Allowance rates and will be for a minimum of two years, but could be longer in particular circumstances. Tenants would be eligible to apply for Housing Benefit.
- 2.6 Where this combination of higher rent and lower grant is insufficient to make new schemes viable, Registered Providers (RPs) will be expected to convert existing social rent tenancies to affordable rent (or intermediate tenure for sale) when properties are vacated.

Table 2.1 Summary of housing investment April 2011 to March 2015

Element	2011-15 Investment	Purpose
Total investment in new affordable housing	£4.5Bn	Deliver 150,000 new affordable homes
Empty homes	£100m	Bringing empty homes back to use
Mortgage rescue	£200m	Protecting vulnerable homeowners
New Homes Bonus	£900m	Encourage communities to accept new housing
Regional Growth Fund	£1.4Bn	Capital funding – supports economic growth especially where areas are currently dependent on the public sector
Decent Homes	£2Bn	Halve the backlog of non-decent council housing
Homelessness Grant	£400m	To support homelessness prevention initiatives and reduce homelessness presentations
Supporting People	£6.5Bn	To help vulnerable people live independently
Disabled Facilities Grants	£725m	Help towards the cost of adapting homes to enable residents to continue to live there

Source: Chartered Institute of Housing Briefing Paper on Comprehensive Spending Review

Housing Benefit changes

2.7 Changes² to Housing Benefit were outlined in the emergency budget of 22 June 2010:

Across the private rented sector

- Capping the maximum Local Housing Allowance payable for each property size and applying a four-bed limit. This mainly affects households living in London (from April 2011);
- Calculating LHA rates using the 30th percentile of market rents rather than the 50th percentile (from October 2011);

² Chartered Institute of Housing Briefing Paper on the impact of changes to Housing Benefit and Local Housing Allowance in the budget, July 2010

- Linking LHA increases to the Consumer Price Index (from April 2013) rather than the Retail Price Index.

Across the social rented sector

- Limiting housing benefit for working age tenants so that it only covers the size of property they are judged to need (from April 2013)

Across both the private and social rented sectors

- Increasing deductions for non-dependents (no longer frozen at £7.40 per week for non-earners and will be linked to prices) (from April 2011);
- Time limiting full HB and LHA payable to people on Job Seekers' Allowance so that after 12 months HB is reduced by 10% (from April 2013);
- Increasing discretionary housing payments (from October 2010); and
- Resourcing additional bedroom for carers (from April 2011).

- 2.8 Additionally, from April 2011, the age at which the single room rate is applied will increase from 25 to 35. This increases the age that single people can qualify for housing benefit for a self-contained property.

Local Growth White Paper

- 2.9 This paper sets out a new approach to local growth. Fundamentally this paper is about economic growth and proposes new ways of achieving this: it is about how to make locally led, owned and managed economic growth happen and housing needs should be seen within this context. Regional Development Agencies are being replaced with Local Enterprise Partnerships (LEPs) and a Regional Growth Fund of £1.4Bn has been introduced to create jobs and growth in places currently heavily dependent on the public sector (and could support activities such as housing growth and market renewal).
- 2.10 The paper refers to delivering 'a fairer and more balanced economy' that is 'evenly balanced across the country and between industries', with the Government making 'strategic investments where there is a market failure and where it makes sense for it to do so, prioritising public spending to ensure that investments have a long-term impact on growth, such as tackling congestion and increasing our housing supply.'
- 2.11 The new approach to local growth includes:
- 8 core city regions (as previously);
 - mayors in the 12 largest English cities to strengthen leadership (mayors can chair LEPs);
 - Tax increment financial powers; and
 - Prioritising investment and reforming the planning regime.

- 2.12 To 'shift power to the rights levels' the role of LAs in supporting growth is specified, with the need to support growth through a responsive supply of land, use of land assets to lever in private cash and the need to support local people and businesses, including regeneration. The Paper also makes reference to LAs 'leading efforts to support and improve the health and well being of the local population.
- 2.13 The role of LEPs is not prescribed but 'envisaged' – this does include them taking on the role of strategic housing delivery, including 'pooling and aligning funding streams to allow this'. It is envisaged that LEPs will be chaired by a private sector partner/agency, that they will have to fund their day to day running costs, and that they can submit bids to the Regional Growth Fund.
- 2.14 In terms of 'increasing confidence to invest', the agenda is
- reforming the planning system; and
 - Incentivising LAs to deliver sustainable economic development.
- 2.15 Key points relating to planning reform include:
- Planning seen as a barrier to development;
 - New presumption in favour of development, which will apply on all planning applications 'This will support the strategic provision of new homes';
 - Passing power to communities – giving communities the chance to develop Neighbourhood plans. These will need to 'respect national presumption in favour of development, as well as other strategic priorities such as ... meeting housing need';
 - Local communities have new right to build powers to deliver new small-scale development without need for planning application;
 - LAs to produce Local Development Plans but procedures to be simplified and streamlined;
 - Where communities choose not to have a neighbourhood plan then local development plan used to guide development in the area;
 - Reforms to planning system will make it light touch, fast and responsive – all national policy and guidance will be streamlined with a National Planning Framework to go before Parliament;
 - Planning costs to be reduced;
 - Localism Bill to put statutory duty on LAs, public bodies and private bodies involved in plan making to cooperate;
 - Developers to carry out pre-app consultations with communities;
 - LEPs free to work with LPAs to develop strategic planning frameworks to address economic development and infrastructure issues.
- 2.16 Local authority initiatives to support growth include:
- The New Homes Bonus, which is seen as the cornerstone for incentivising housing growth. Commences 2011/12 – now a 'permanent feature of local govt finance system.'
 - Business Increase Bonus to reward LAs where business rates grow above a predetermined threshold; and a
 - Tax increment finance – to give LAs new borrowing powers to enable them to generate finance from future tax revenues.

Local decisions: a fairer future for social housing

2.17 This document sets out the Government's key objectives of social housing reform and proposals to achieve them. The five key objectives of social housing reform are:

- Localism, fairness and focusing social housing on those most in need in a way that enables them to use it as a springboard to opportunity;
- Social housing is flexible and available to more people and to those that genuinely need it;
- Make the best use of the four million social rented homes;
- Increase the freedoms available to all social landlords to determine the type of tenancy they grant to new tenants;
- Protect the rights of existing tenants.

2.18 Proposals to achieve these objectives are summarised as:

- The introduction of a new more flexible local authority affordable rent tenancy with a minimum fixed term of two years (this will be in addition to secure and introductory tenancies);
- Investment of £100m to bring empty properties in to use as affordable housing;
- Reforming the social housing allocations system by giving Local Authorities the powers to manage their housing waiting lists;
- Introduction of a nationwide social home swap programme;
- Enabling local authorities to fully discharge a duty to secure accommodation by arranging an offer of suitable accommodation in the private rented sector without requiring the applicant's agreement;
- Seeking views on the reforms needed to enable local authorities and landlords to tackle overcrowding

Summary

2.19 A new policy framework for housing and planning is emerging. The Coalition Government's housing priorities are being established and set within the context of local decision making and accountability; reduced capital expenditure on housing; fundamental changes to the benefit system; a changing role for social rented housing; and a need for future housing investment to support economic growth.

2.20 Economic uncertainty, job security and restricted mortgage lending exacerbate the challenges being faced by housing and planning professionals. It is expected that the forthcoming Decentralisation and Localism Bill will confirm Government priorities and confirm the mechanisms for delivering them.

National planning policy

- 2.21 Planning Policy Statement 3 sets out the national policy framework for delivering housing objectives. Although this may change in the future, the current PPS3 provides a framework for delivering the former Government's housing policy objective of ensuring that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. The requirements of PPS3 are discussed in more detail in Chapter 5.

Regional Strategic Context

Regional Housing Strategy

- 2.22 The 2009 RHS was launched in March 2009. The overarching driver of the strategy is to ensure the Region's housing offer supports sustained long-term economic growth, inclusion and regeneration, while playing a central role in delivering the benefits of this to all communities. The overall vision of the strategy is:

"To create balanced housing markets across the North West that support economic growth, strengthen economic and social inclusion and ensure that everyone has access to appropriate, well-designed high quality, affordable housing in sustainable, mixed and vibrant communities."

- 2.23 To deliver this vision, the strategy focuses on three inter-connected objectives:

- Achieving the right quantity of housing;
- Continuing to raise the quality of the existing housing stock;
- Connecting people to the improved housing offer.

- 2.24 The Strategy aims to align housing with other key strategies including economic, planning, health, environment and transport. It also provides a framework for the sub-regions of the North West to shape their housing strategies and deliver locally determined solutions. Strategic Housing Market Assessment will play a pivotal role in evidencing local issues which sub-regional strategies will need to respond to.

Regional Economic Strategy

- 2.25 The RES provides the region with a 20 year strategy for economic growth. The aim is to close the gap between the economic outturn of the region with the rest of England. It is being implemented sub regionally through the City Region development programme, which prioritises investment at the core of the conurbation and clearly links economic growth with housing and transport issues.

- 2.26 The RES identifies three main drivers to improving the North West's economic performance. These are:
- Improving productivity and market growth;
 - Growing the size and capability of the workforce;
 - Creating the right conditions for sustainable growth and private sector investment.
- 2.27 It is anticipated that these drivers will inform the activities of forthcoming Local Enterprise Partnerships which will replace Regional Development Agencies in 2012.

Sub-Regional Strategic Context

- 2.28 Copeland Borough is one of the six local authority districts located in Cumbria. The county-wide housing strategy for 2006-2011 identifies five key housing issues facing the sub-region:
- A shortage of affordable housing;
 - Creating decent homes and environments;
 - Housing the homeless;
 - Regeneration; and
 - Providing homes with support or additional facilities.
- 2.29 The overarching vision of the strategy is that Cumbria will have balanced housing markets supporting the social and economic changes that our county will undergo over the next 20 years.

Local strategic context

- 2.30 The Copeland Strategic Housing Plan (2009-2011) identifies five inter-related issues:
- Private and public sector housing renewal and regeneration;
 - Need for new affordable homes;
 - Making best use of stock;
 - Reducing homelessness; and
 - Supporting vulnerable people.

Concluding comments

- 2.31 The main purpose of this chapter has been to consider the general policy and strategic context within which this research needs to be positioned. The national policy agenda for housing and planning remains uncertain. Regional Spatial Strategies have been abolished and local authorities are being tasked with determining their own development plans. More clarity over the policy agenda will ensue with the Comprehensive Spending Review in October 2010 and the reading of the Decentralisation and Localism Bill in 2011.
- 2.32 The importance of having robust and up-to-date information to help inform decision making at the local authority level is becoming increasingly essential. This SHMA provides the Council and its partners with an excellent range of material to inform policy debate and help shape the strategic responses to a range of issues in an uncertain political climate.

3. Copeland Borough Housing Market Context

Introduction

- 3.1 Copeland Borough is located on the western fringe of Cumbria in the North West of England and around two-thirds of the Borough is located in the Lake District National Park. Copeland has a population of around 69,700³. 77.1% of the population live in the Whitehaven area; a further 12.5% in the West Lakes area and 10.5% in the Millom area. Whitehaven is the largest town which is home to around 25,000 people (35.7% of the Borough's population). The nuclear industry centred on Sellafield is a key employer (with around 12,000 employees) and economic driver for the Borough.
- 3.2 This study provides an opportunity to review the housing market dynamics of the Borough. Housing market areas are:

“defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work.”⁴
- 3.3 CLG guidance on assessing market areas suggests three core sources of information:
 - 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.
- 3.4 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 data.
- 3.5 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 Copeland. This is further explored through Estate Agent interviews.

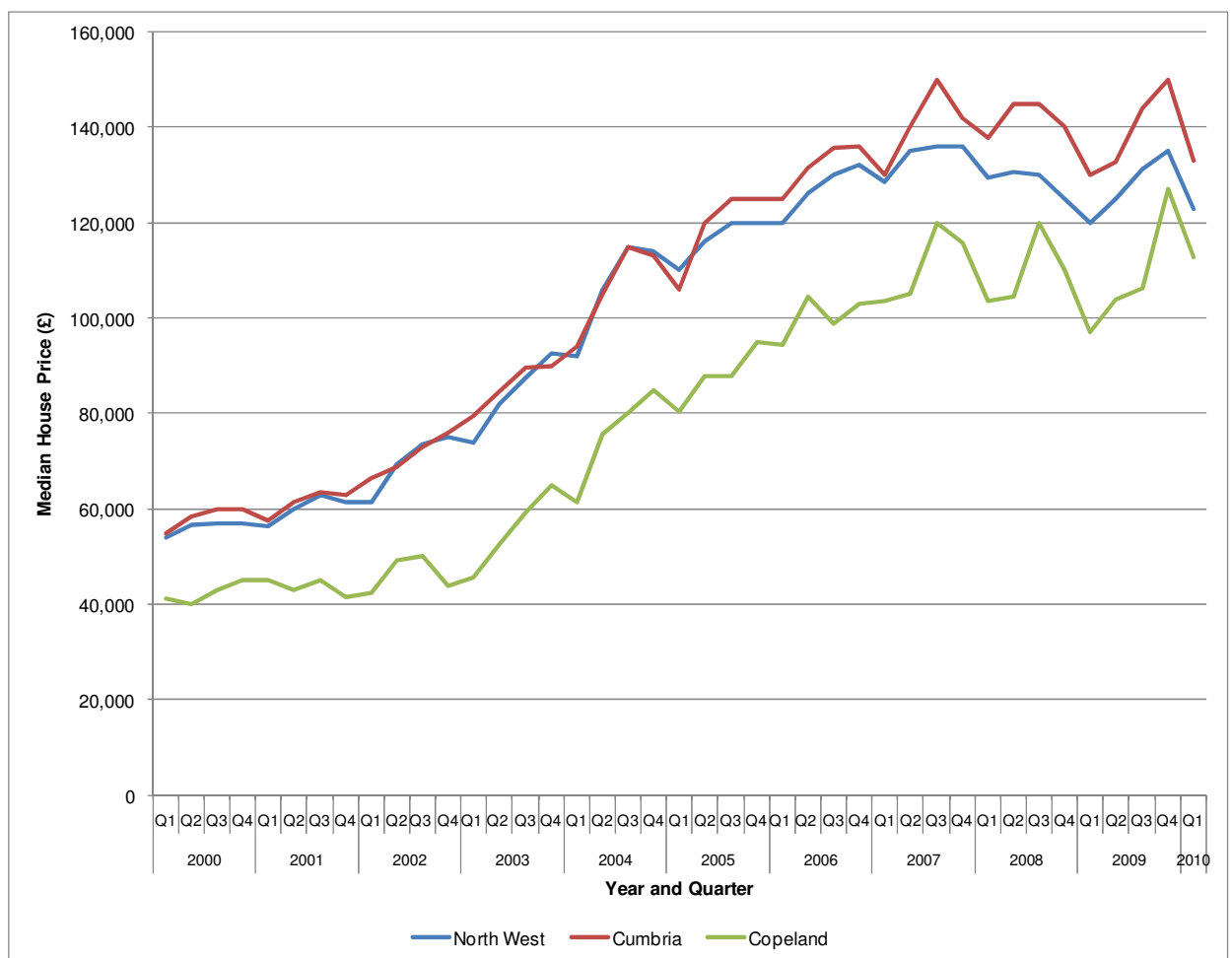
³ ONS 2009 mid-year population estimates

⁴ Identifying sub-regional housing market areas, CLG Advice Note April 2007

House prices and trends

- 3.6 Figure 3.1 shows how house prices across Copeland Borough have changed over the period 2000 to 2009. Median prices increased from £41,250 in Q1 2000 to £120,000 in Q3 2007, an increase of 191%. Prices subsequently decreased but rose to a new peak of £127,000 in Q4 2009. Despite the considerable uplift in median prices, they have been consistently lower than those for Cumbria and the North West
- 3.7 Following their peak in Q4 2009, median prices have fallen by around 10% and by Q1 2010 they were £112,750.

Figure 3.1 Median house price trends 2000 to 2010: Copeland Borough, Cumbria and the North West

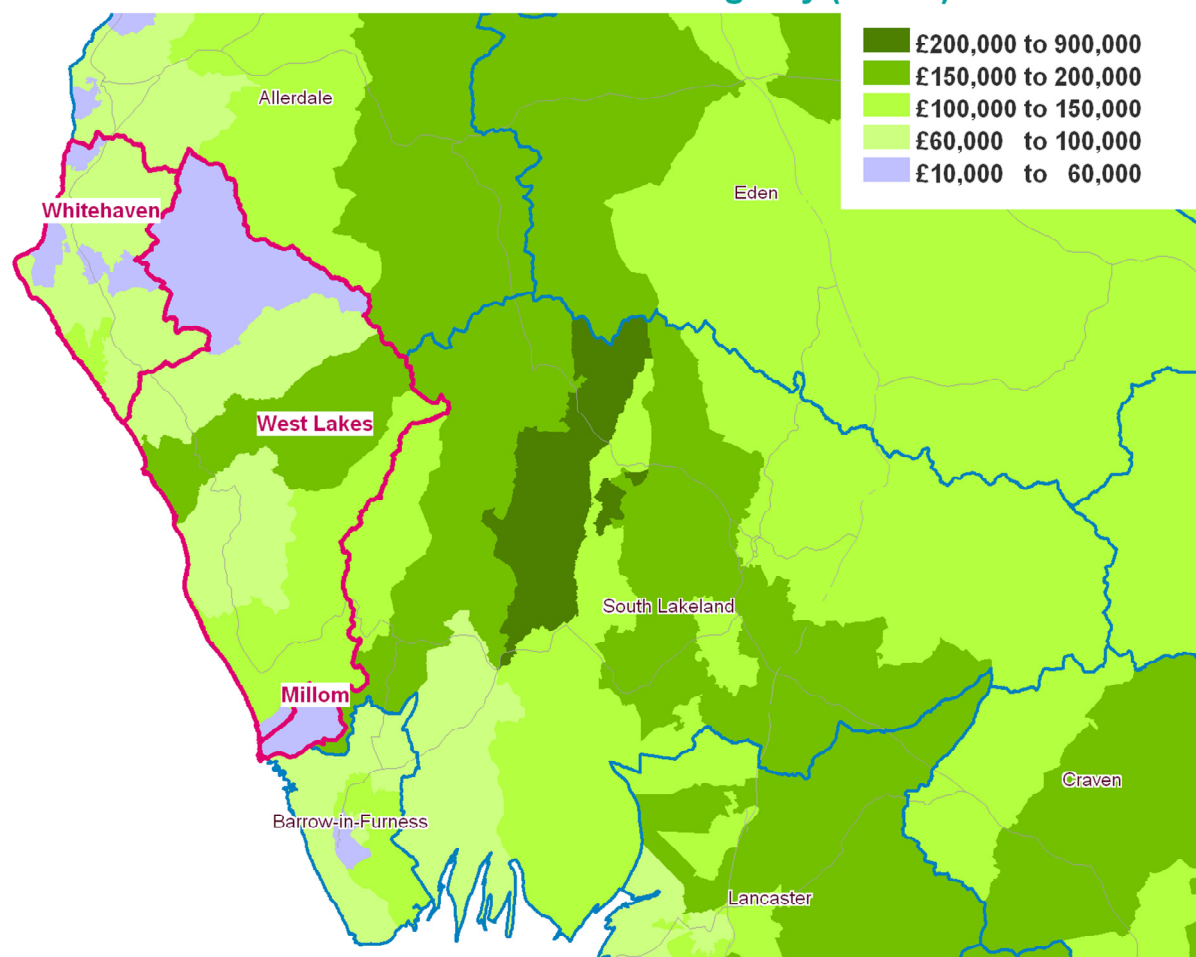


Source: Land Registry

- 3.8 The distribution of lower quartile house prices during 2009 is illustrated in Map 3.1. This indicates a considerable variation in prices across Copeland, with highest priced dwellings in the West Lakes HMA and relatively low prices in the urban areas of the Whitehaven HMA and the Millom HMA.

Map 3.1 Lower Quartile house prices in 2009

2009 Lower Quartile House Prices - Land Registry (LSOA)



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Source: Land Registry

Relative affordability

- 3.9 The relative affordability of open market dwellings in Copeland is compared with the other 39 districts in the North West 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. Note that Copeland Borough has one of the highest lower quartile income levels in the North West which reflects the higher incomes achieved by people working on the Sellafield site.
- 3.10 In terms of relative affordability, Copeland is one of the most affordable Local Authority Districts in the North West. However, this masks the considerable price variations between urban and rural areas.

Table 3.1 Relative affordability of lower quartile (LQ) prices by Local Authority (residence based)

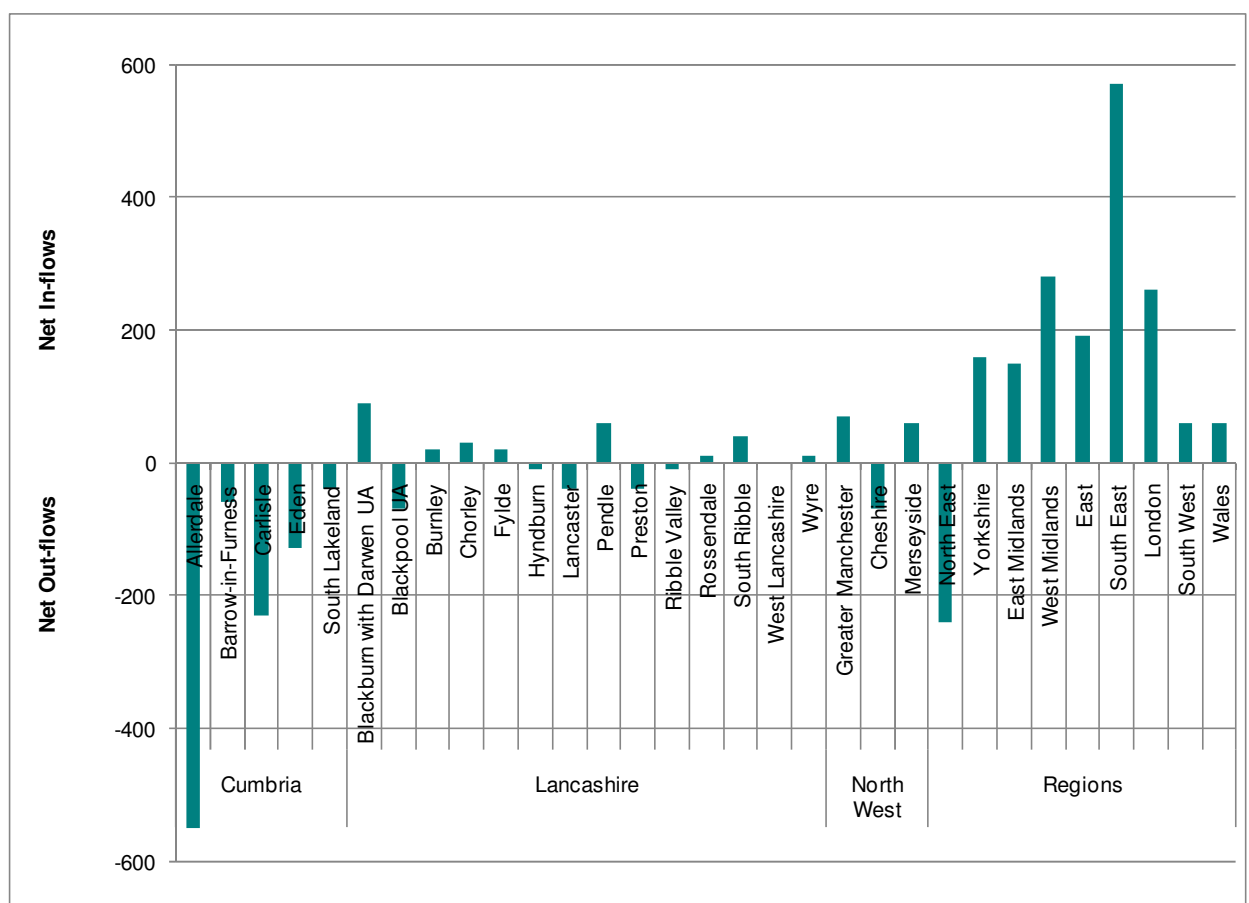
District	LQ House Price 2010 Q1	LQ Gross Income per week 2009	Annual Gross Income 2009	Income to House Price ratio
Eden	£124,750	£316	£16,406	7.6
South Lakeland	£130,000	£337	£17,511	7.4
Cheshire East	£119,950	£325	£16,885	7.1
Sefton	£115,000	£320	£16,636	6.9
Fylde	£120,000	£348	£18,114	6.6
Wyre	£104,000	£308	£16,023	6.5
Trafford	£126,375	£379	£19,715	6.4
West Lancashire	£115,500	£356	£18,496	6.2
Cheshire West and Chester	£115,000	£357	£18,577	6.2
South Ribble	£105,250	£331	£17,218	6.1
Stockport	£110,000	£347	£18,059	6.1
Ribble Valley	£117,000	£372	£19,357	6.0
Lancaster	£100,000	£344	£17,862	5.6
Wirral	£100,000	£345	£17,960	5.6
Allerdale	£87,000	£320	£16,649	5.2
Chorley	£97,375	£363	£18,886	5.2
Carlisle	£85,000	£318	£16,559	5.1
Manchester	£85,000	£325	£16,909	5.0
NORTH WEST	£87,000	£334	£17,355	5.0
Preston	£80,000	£311	£16,196	4.9
Blackpool	£80,000	£312	£16,224	4.9
Warrington	£93,500	£371	£19,275	4.9
St Helens	£80,000	£321	£16,673	4.8
Tameside	£80,000	£322	£16,758	4.8
Oldham	£76,875	£311	£16,192	4.7
Salford	£80,000	£326	£16,965	4.7
Wigan	£80,000	£329	£17,114	4.7
Bolton	£79,125	£327	£16,987	4.7
Bury	£85,000	£353	£18,376	4.6
Rossendale	£73,000	£315	£16,389	4.5
Knowsley	£75,000	£324	£16,855	4.4
Blackburn with Darwen	£69,995	£309	£16,086	4.4
Barrow-in-Furness	£75,000	£341	£17,724	4.2
Halton	£79,225	£367	£19,087	4.2
Liverpool	£70,000	£327	£16,997	4.1
Rochdale	£72,151	£339	£17,618	4.1
Copeland	£80,000	£380	£19,785	4.0
Hyndburn	£55,833	£275	£14,282	3.9
Pendle	£53,000	£305	£15,869	3.3
Burnley	£50,000	£294	£15,293	3.3

Sources: CLG House Price Statistics; Annual Survey of Hours and Earnings 2009

Household migration and search behaviour

- 3.11 Annual migration data is prepared by the Office of National Statistics (ONS) based on patient re-registrations with the National Health Service (NHS). Although it has limitations, it is the best annual source of internal migration from within England and Wales. Over the period July 2000 to June 2009 (9 years) a total of 15,800 people have moved into Copeland (particularly from the South East, London and the West Midlands). 15,200 have moved out (most noticeably to Allerdale District). The result is a net in-flow of 600 people (around 67 each year).

Figure 3.1 Net flows of population between Copeland and other areas July 2000 to June 2008



Source: ONS Migration Flow Data via NHSCR

Characteristics of moving households

Mobility and migration trends

- 3.12 Data from the household survey indicated that around 7,600 households had moved home in the preceding 5 years. Accurate origin data was available for 7,095 households, of whom 77% originated within Copeland Borough and 23% originated from outside the District.
- 3.13 Table 3.2 presents information on the origin of moving households by sub-area illustrates a series of relationships between areas and the relative impact of in-migration. The CLG suggests that a housing market is self-contained if at least 70% of households moving originate from the same area. On this basis, Copeland can be described as a self-contained housing market area as 77% of moving households originated from within the Borough.
- 3.14 Within Copeland, only Whitehaven town can be described as a self-contained housing market area, with 71.1% of moving households originating from the town. Millom is relatively self-contained at 63.3% of moving households originating from Millom. In Egremont and Cleator Moor, the majority of households originated from within Copeland and they are part of the Copeland-wide market.
- 3.15 The rural areas have different housing market characteristics and are more likely to be influenced by in-migration. In the West Lakes HMA (LDNP), almost half (46.1%) of households originated from outside the Borough. In the West Lakes HMA – Copeland the proportion was 45.2%. In contrast, the Whitehaven Rural area was more likely to accommodate households moving within the Borough (66% originated from within and 34% were in-migrant households).
- 3.16 Of the 23% of households who moved into the Borough, 6.3% originated from elsewhere in Cumbria, 4% from elsewhere in the North West, 11% from elsewhere in England and 1.8% from locations outside England. These households were most likely to move to rural areas, for instance in the West Lakes HMA, 21% of households moving to West Lakes HMA – LDNP area and 27.9% moving to the West Lakes HMA – Copeland originated from Elsewhere in England (i.e. from regions other than the North West or North East).
- 3.17 Analysis clearly demonstrates how migration flows affect particular localities within Copeland. A key migration flow is longer-distance movement and although a majority of movers settle in Whitehaven, they account for a greater proportion of movers in rural areas.

Table 3.2 Moving households: origin and destination

Previous location	Sub-area							
	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (C)	Millom	Copeland Borough
Whitehaven	71.1	11.3	15.3	16.2	1.2	8.0		31.5
Cleator Moor	4.4	48.8	5.0	2.8	0.6			8.1
Egremont	5.6	6.9	36.3	4.5	1.8	2.9		8.7
Whitehaven Rural Parishes	7.4	9.7	18.6	35.7	2.1	7.7		14.2
West Lakes (LDNP)		1.0	1.7	3.8	36.2	15.1	4.5	4.0
West Lakes (C)	1.6	1.7	2.8	2.2	3.9	14.7	3.1	2.8
Millom				0.8	8.1	6.4	63.3	7.8
Allerdale	0.5	1.7	3.4	9.7	7.2	0.3		3.2
Barrow			0.3	0.1			4.7	0.6
South Lakeland			0.3	1.2	7.2	5.1	1.8	1.1
Eden		2.2	0.3	0.8	2.4			0.6
Carlisle	1.6			0.9	1.8			0.8
Lancaster				0.9	0.3			0.2
Elsewhere NW	0.5	3.3	5.5	4.9	2.7	9.6	8.4	3.8
Elsewhere NE	1.6		0.6	1.6		2.2		1.1
Elsewhere England	5.3	11.6	9.5	10.1	21.0	27.9	11.2	9.9
Scotland	0.5	1.7		3.9	0.3		1.4	1.4
Wales			0.3	0.1	3.3			0.2
Abroad							1.5	0.2
Total	100	100	100	100	100	100	100	100
Base (moving households)	2430	764	955	1520	334	312	783	7098
Total within Copeland	90.0	79.5	79.8	66.0	53.9	54.8	70.9	77.0
Total outside Copeland	10.0	20.5	20.2	34.0	46.1	45.2	29.1	23.0

Note: Column% shows the proportion of households in a sub-area originating from different locations

Source: 2010 Household Survey

Characteristics of in-migrant households

- 3.25 The household survey identified around 1,630 households who had moved into Copeland Borough in the preceding five years. Information relating to these households includes:
- Most moved into a house, particularly terraced (29.5%), semi-detached (26.9%) and detached (23.3%); and a further 9.3% moved into a flat/apartment and 5.9% to a bungalow; bungalow, 6.9% into detached houses and 5.0% to other property types;
 - 40.8% moved into a three bedroom property, 27.6% into a property with more than three bedrooms and 31.6% into a smaller properties with one (4.5%) or two bedrooms (27.1%);
 - 73.2% moved into owner occupied properties; 16.5% into private renting and 10.2% moved into social rented properties;
 - A majority (67.9%) of in-migrant households moved to the Whitehaven HMA, a further 18.1% to the West Lakes HMA and 14% to the Millom HMA;
 - Singles accounted for 34.8% of in-migrant households, couples (with no children) 34.4%, couples with children (22.6%) and other household types 8%;
 - The majority of heads of household of in-migrant households were in employment (43.1% full-time, 12.1% part-time and 6.6% self-employed), with a further 17.7% wholly retired from work, 7.9% unemployed, 7.1% permanently sick/disabled and 5.5% were looking after the home/caring for someone;
 - 51.4% of households had a weekly income of at least £500 (with 20.4% receiving at least £800 each week); a further 17.6% received between £300 and £500 each week and 7.5% received less than £300 each week;
 - 75% of in-migrant heads of household worked in Copeland Borough (with 19.6% working at Sellafield). A further 22% worked elsewhere in Cumbria (particularly Workington and South Lakeland) and 3% worked elsewhere;
 - The two main reasons for moving to Copeland Borough were to move closer to work/new job (29.2%) and to move to a better neighbourhood (17.7%). Other reasons included: to move closer to family/friends (12.9%), divorce/separation/family stress (6.9%) and wanting a larger property/better in some way (6.2%)
- 3.26 In summary, migration into Copeland is strongly linked to the local economy, with longer-distance migration of higher income households which is particularly (although not exclusively) linked to employment at Sellafield. Most households are moving to owner occupied or private rented properties, with two-thirds moving to the Whitehaven HMA. A retirement migration stream is also noted, driven by a desire to move to a better area.

Residential mobility within Copeland Borough

- 3.27 The household survey identified that 77% of households moving within the preceding 5 years had moved within Copeland Borough (around 5,450 households).
- 3.28 Households moving within Copeland Borough were doing so for a variety of reasons. Those most frequently reported moving to a larger / better property (18.5%), being forced to move (10.6%), wanting to buy (10.4%), wanting own home/live independently (9.1%), divorce/separation/family stress (7.5%) and needing a home suitable for an older/disabled person (6.7%)..
- 3.29 Table 3.3 reviews the tenure choices of households moving within Copeland Borough. Owner-occupiers and social renters are most likely to remain in the same tenure. Private renters are likely to move into an alternative tenure, with 39.6% moving into owner occupation and 30.8% into social rented accommodation. Respondents who had previously lived with family and friends (i.e. newly forming households) tended to move into social renting (61.7%), with a further 23.3% moving into owner occupation and 15% into private rented accommodation.

Table 3.3 Residential mobility – movement between different tenures

Current tenure	Previous tenure (Column %)			Living with family, friends	Total	Base
	Owner Occupied	Social Rented	Private Rented			
Owner Occupied	77.3	3.7	39.6	23.3	58.0	3163
Social Rented	13.7	84.5	30.8	61.7	27.9	1522
Private Rented	8.6	11.8	29.5	15.0	13.9	759
Intermediate	0.4	0.0	0.0	0.0	0.2	13
Total	100.0	100.0	100.0	100.0	100.0	
Base	3393	748	1256	60		5457

Source: 2010 Household Survey

- 3.30 Table 3.4 considers the profile of dwellings being moved into by households moving within Copeland Borough. Households are moving into a variety of dwelling types and sizes, most notably to: two (41.3%) and three (37.2%) bedroom dwellings; semi-detached houses (26.7%), terraced houses (25.4%) and flats/apartments (16.9%).

Table 3.4 Residential mobility – profile of properties moved into by type and size

No. bedrooms	Property Type							Total	Base
	Detached house/cottage	Semi-detached house/cottage	Terraced house/cottage	Bungalow	Maisonette	Flat/apartment	Other		
One			0.5	0.1	0.9	5.7	0.0	7.3	401
Two	0.4	7.5	12.8	9.2	0.3	10.7	0.3	41.3	2256
Three	6.1	15.8	10.8	3.7		0.4	0.3	37.2	2030
Four	6.3	2.9	0.9	0.7			0.0	10.7	584
Five or more	2.3	0.5	0.4	0.3			0.0	3.5	193
Total	15.1	26.7	25.4	14.0	1.2	16.9	0.6	100.0	
Base	827	1459	1390	766	68	921	33	5464	

Source: 2010 Household Survey

Households planning to move out of Copeland Borough

- 3.31 Around 5,500 households plan to move in the next five years. Of these, 1,140 stated a preference to move out of Copeland Borough. Table 3.5 summarises the moving intentions of households based on the first preference they stated. Overall, 79.6% of households intend on remaining in the Borough and 20.4% intend to move out. Of all households planning to move out, 10.6% were planning to move elsewhere in Cumbria (particularly Allerdale 5.4% and South Lakeland 2.6%), 1.8% were planning to move elsewhere in the North West, 6.5% elsewhere in the UK and 1.2% abroad. Residents in the West Lakes Parishes were most likely to intend moving out of the Borough.
- 3.32 The main reasons why household planned to move out of Copeland Borough included: to move to a better neighbourhood/more pleasant area (20.5%), closer to work/new job (15%) and to be closer to family/friends to give/receive support (8.8%).

Table 3.5 Location preferences of households intending to move in the next two years by current place of residence

First Preference destination	Location							Total
	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (CD)	Millom	
Whitehaven Town (inc. Sandwith)	71.0	22.5	20.2	23.0	1.9	5.1		37.9
Cleator/Cleator Moor)	0.0	36.8	2.5	1.7	0.0	0.0	0.0	4.2
Egremont (inc. Bigrigg and Moor Row)	4.1	13.8	31.0	5.8	0.0	2.8	0.0	8.2
Whitehaven Rural Parishes	7.6	17.2	11.7	41.2	1.9	5.9	0.6	15.0
West Lakes	3.5	1.7	7.4	4.2	41.8	49.6	14.5	8.8
Millom (inc. Haverigg)							65.5	5.5
Allerdale	4.1	7.4	8.0	8.1	1.9	7.9		5.4
Barrow-in-Furness					6.1		0.6	0.3
Eden				2.1	4.2			0.6
Carlisle	2.3		2.0	1.9	1.9			1.6
South Lakeland	0.5			2.1	19.9	9.1	7.0	2.6
Lancaster			2.4					0.3
Lancashire							5.8	0.5
North West	0.5		4.2	0.4	2.3	4.7	2.3	1.4
UK	6.4	0.8	6.6	8.4	9.6	12.2	3.6	6.5
Abroad			3.9	1.0	8.4	2.8		1.2
Total	100.0	100.0	100.0	99.9	100.0	100.0	100.0	100.0
TOTAL WITHIN	86.2	91.9	72.9	75.9	45.6	63.4	80.6	79.6
TOTAL OUTSIDE	13.8	8.1	27.1	24.0	54.4	36.6	19.4	20.4
Base	2204	530	712	1145	261	254	469	5575

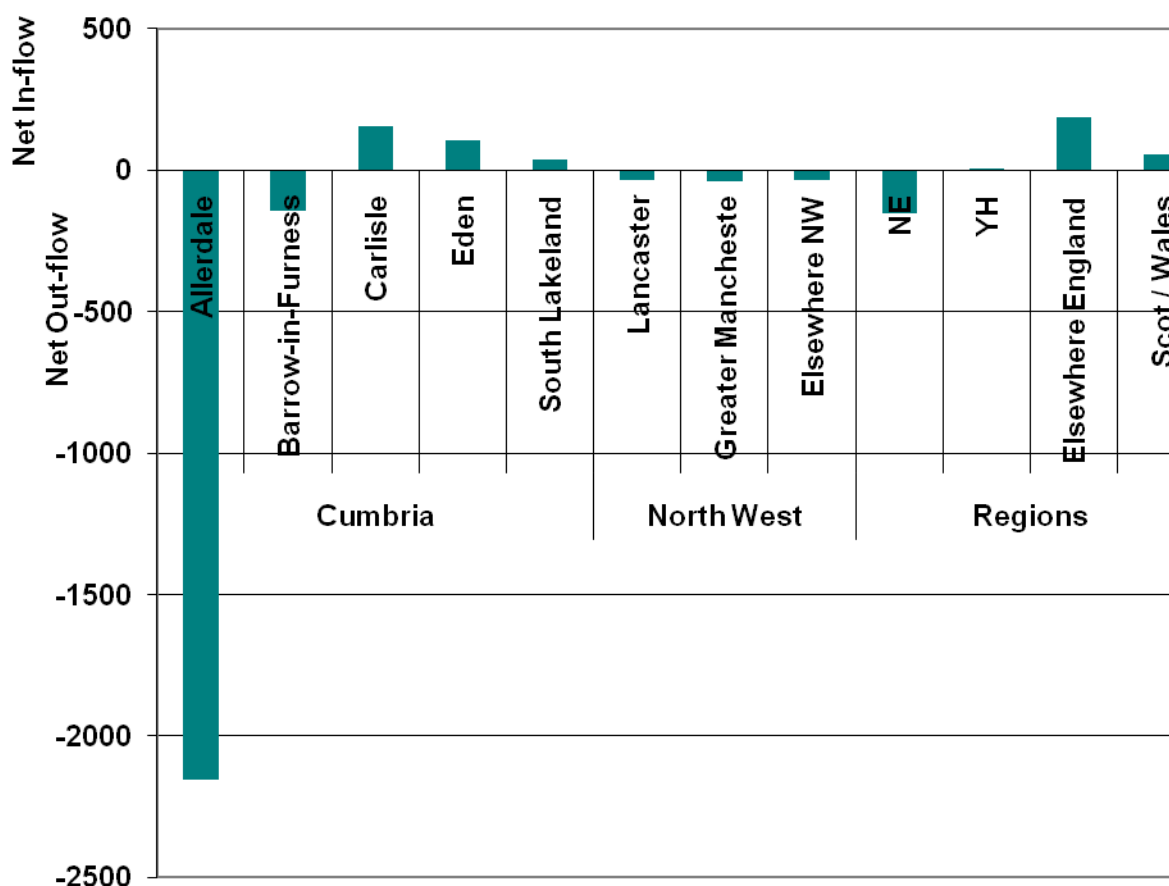
Source: 2010 Household Survey

Travel to work trends

- 3.33 The 2001 census provides an analysis of travel to work patterns and the extent to which residents in Copeland Borough travel to other areas together with details of how many people commute into the District. The 2001 census identified the travel to work patterns of 35,980 individuals and of these:
- 24,278 lived and worked in Copeland Borough;
 - 6,858 commuted into Copeland Borough for work but lived outside the Borough; and
 - 4,844 lived in Copeland Borough but commuted out of the Borough for work.
- 3.34 Therefore, 83.4% of Copeland Borough's residents in employment work in the Borough and there is a net out-flow of 2,014 employees on a daily basis. Figure 3.3 illustrates net commuter flows between Copeland Borough and other areas. The pattern of commuting is dominated by an outflow to Allerdale; with some net inflows from Carlisle and Eden.
- 3.35 Further information on location of workplace was obtained in the 2010 Household Survey. Based on data from 34,200 economically active residents:
- 27,650 (80.8%) lived and worked in Copeland Borough; and
 - 6,550 (19.2%) lived in Copeland Borough but worked outside the District.

- 3.36 Of those working outside the District, 16.2% worked elsewhere in Cumbria (most notably Workington (9.9%)) and 3% worked outside Cumbria.
- 3.37 The proportion of economically active residents working outside Copeland Borough was highest in Millom (23.2%, with 10% working in Barrow District) and in the rural areas of Whitehaven Rural (23.1%) and West Lakes HMA (Copeland) (21.5%).

Figure 3.3 Commuting flows between Copeland Borough and other areas



Source: 2001 census

Concluding comments

- 3.38 The purpose of this chapter has been to consider the general housing market context of Copeland Borough and its inter-relationships with other areas. By reviewing house prices, migration and travel to work patterns, a picture of the market dynamics of Copeland emerges.
- 3.39 The Department of Communities and Local Government (CLG) suggests that a housing market is self-contained if upwards of 70% of moves (migration and travel to work) take place within a defined area. An analysis of migration data

suggests that 77% of households move within the Borough. In terms of travel to work patterns, 80.8% of residents work in the Borough and 19.2% commute out to work. On the basis of these data, Copeland Borough can be defined as a self-contained housing market area.

- 3.40 Within Copeland, Table 3.6 suggests that no sub-area within the Borough can be described as a self-contained housing market areas as fewer than 70% of moving households originated from within the same area. The most self-contained area is Millom. Elsewhere, nearly half of moving households to properties in the West Lakes HMA originated from outside the Borough; and in the Whitehaven area there were a similar proportion of households originated from within Whitehaven and from elsewhere in the Borough. That said, although these localities cannot be defined as self-contained housing markets, they do have distinctive characteristics which are explored in greater detail in Appendix B. In terms of travel to work, the majority (greater than 70%) worked in the Borough and therefore demonstrated a strong degree of self-containment.

Table 3.6 Origin of households by HMA

Origin	Whitehaven HMA	West Lakes HMA	Millom HMA	Total
Same sub-area	38.9	35.1	63.3	41.3
Elsewhere Copeland	41.5	19.2	7.5	35.7
Outside Copeland	19.6	45.7	29.1	23.0
TOTAL	100.0	100.0	100.0	100.0
Base	5666	646	783	7095

Source: 2010 Household Survey

4. Strategic Housing Market Assessment Core Outputs

Introduction

- 4.1 The purpose of this chapter is to present the core outputs required by the SHMA guidance relating to Copeland Borough. The chapter provides a summary of more detailed work and evidence, which is presented at Technical Appendices A-F.

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

- 4.2 This study assumes a total of 32,847 dwellings in Copeland Borough of which 2,404 are either vacant or holiday/second homes, resulting in a total of 30,443 occupied dwellings⁵. Based on HSSA data, around 1,600 dwellings are vacant and around 800 are holiday/second homes. The overall vacancy/second/holiday home rate is 7.3%. This varies within the Borough and is highest in the West Lakes HMA at 11.9%, 9.1% in Millom HMA and 6.3% in the Whitehaven HMA.

Property size and type

- 4.3 Table 4.1 reviews the profile of occupied dwelling stock by size and type. Overall, the vast majority (78%) of properties are houses, 12.4% are bungalows 8.3% are flats (including maisonettes), and 1.3% are other types of property including park homes/caravans. Of all occupied properties, 3.6% have one bedroom, 26.7% have two bedrooms, 48.6% have three bedrooms and 21.1% have four or more bedrooms. How property type varies by sub-area is illustrated in Figure 4.1 and variations in number of bedrooms by sub-area in Figure 4.2.

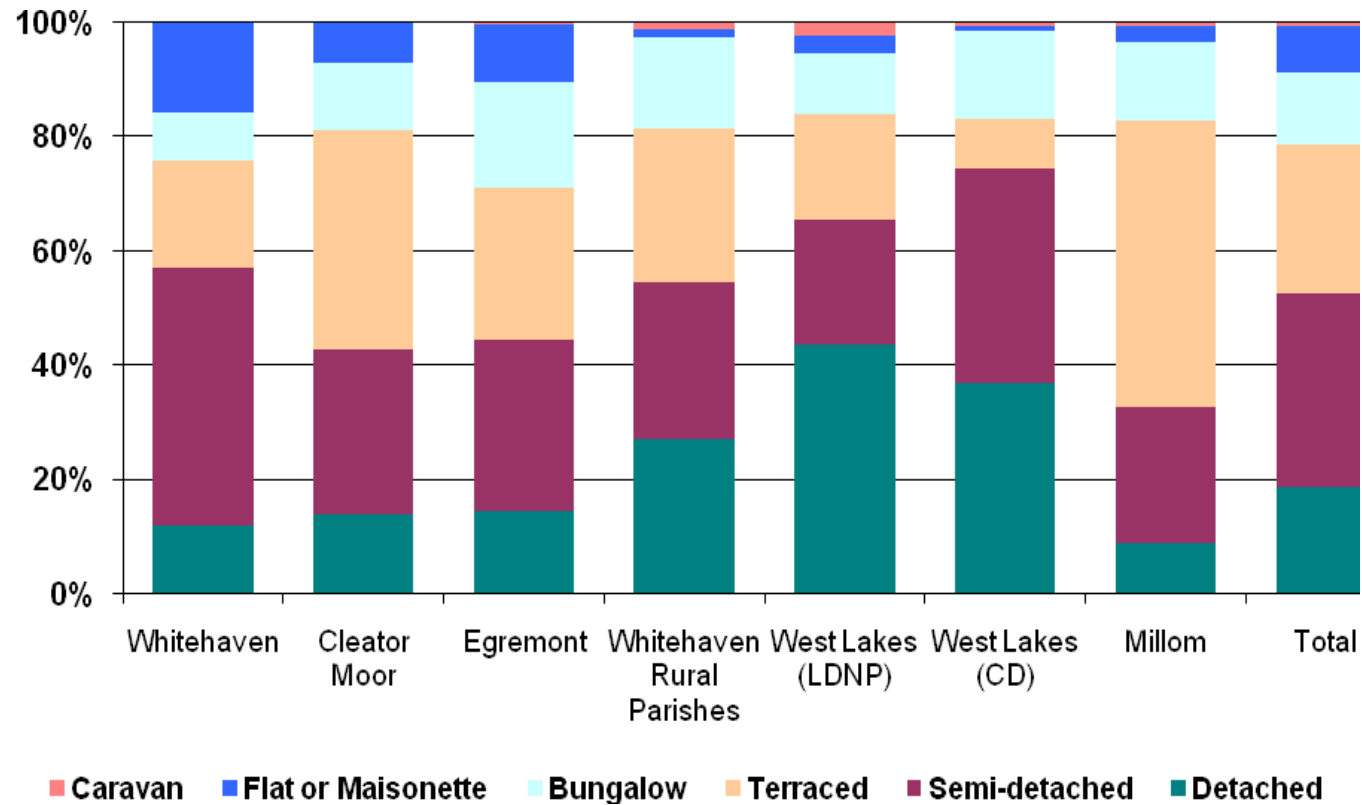
⁵ 2010 Council Tax data

Table 4.1 Property type and size

Property Type	No. Bedrooms (Table %)					Total	Base
	One	Two	Three	Four	Five or more		
Detached house/ cottage	0.0	0.8	6.6	8.2	2.8	18.4	5,588
Semi-detached house/ cottage	0.1	5.3	22.4	4.7	1.4	33.9	10,319
Terraced house/ cottage	0.2	9.0	13.9	1.5	1.1	25.8	7,839
Bungalow	0.2	6.0	5.0	1.3	0.1	12.4	3,782
Maisonette	0.3	0.1	0.1	0.0	0.0	0.6	174
Flat/apartment	2.8	4.8	0.1	0.0	0.0	7.7	2,351
Caravan/Park Home	0.0	0.5	0.0	0.0	0.0	0.5	166
Other	0.0	0.2	0.5	0.1	0.0	0.7	224
Total	3.6	26.7	48.6	15.7	5.4	100.0	
Base	1,093	8,135	14,794	4,782	1,639		30,443

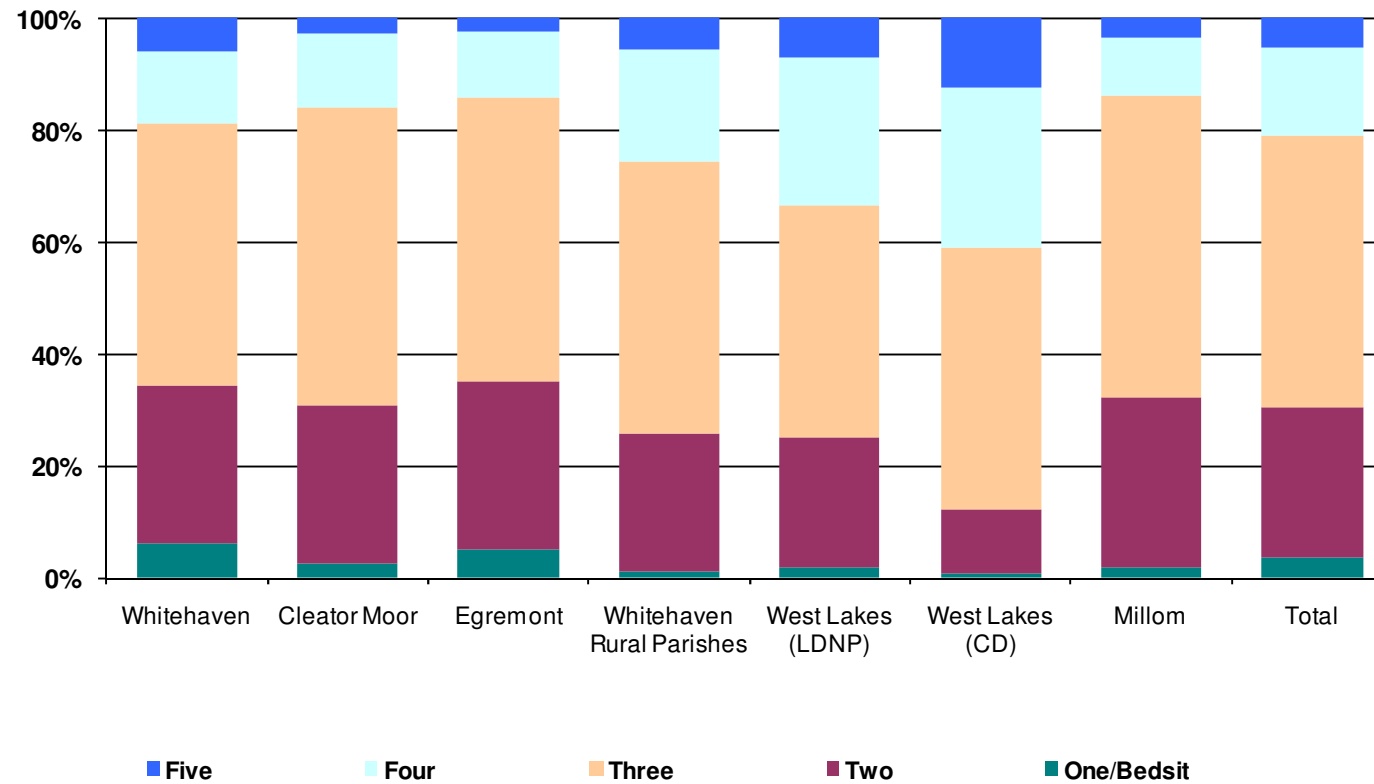
Source: 2010 Household Survey

Figure 4.1 Property type by sub-area



Source: 2010 Household Survey

Figure 4.2 Property size by sub-area



Source: 2010 Household Survey

Property condition

- 4.4 The 2010 Household Survey reviewed the extent to which households were satisfied with the state of repair of their dwellings. Overall 73% of respondents expressed satisfaction (31% were very satisfied and 41.9% were satisfied); 14.7% were neither satisfied nor dissatisfied; a total of 12.4% expressed degrees of dissatisfaction, of whom 2.7% were very dissatisfied. Table 4.2 explores how the level of dissatisfaction varied by dwelling tenure, age and type.
- 4.5 Data suggests that social and private renters, households living in flats/apartments, semi-detached and terraced houses and households living in properties built before 1945 were most likely to express dissatisfaction with state of repair.

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

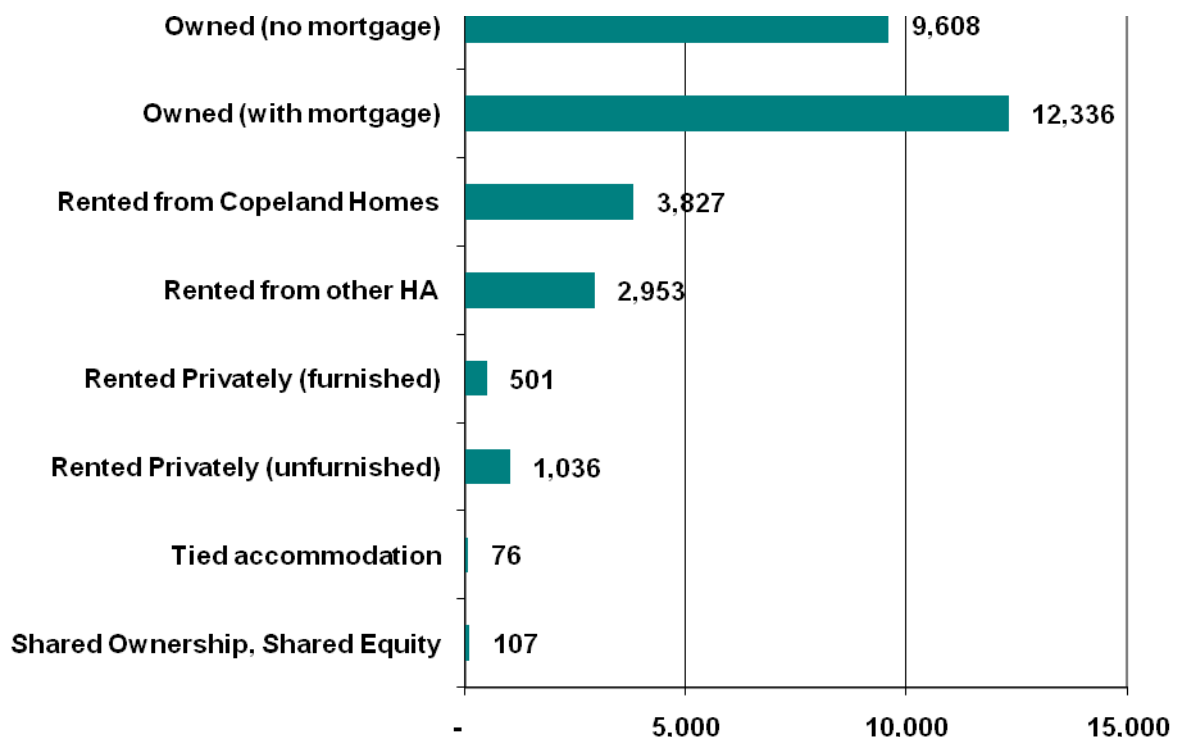
Tenure	No. Dissatisfied	% Dissatisfied	Base
Owned (no mortgage)	691	7.2	9,608
Owned (with mortgage)	967	7.8	12,336
Rented from Copeland Homes	787	20.6	3,827
Rented from other HA	824	27.9	2,953
Rented Privately (furnished)	160	31.9	501
Rented Privately (unfurnished)	223	21.5	1,036
Tied accommodation	14	18.4	76
Shared Ownership, Shared Equity	42	39.3	107
Property Type	No. Dissatisfied	% Dissatisfied	Base
Detached house/cottage	428	7.7	5,589
Semi-detached house/cottage	1,375	13.3	10,319
Terraced house/cottage	961	12.3	7,839
Bungalow	324	8.6	3,781
Maisonette	16	9.2	174
Flat/apartment	556	23.6	2,351
Caravan/Park Home	0	0.0	165
Other	45	20.1	224
Property Age	No. Dissatisfied	% Dissatisfied	Base
Pre 1919	1,068	14.1	7,580
1919-1944	610	15.8	3,866
1945-1964	975	13.3	7,306
1965-1984	532	8.8	6,028
1985-2004	162	3.5	4,597
2005 onwards	39	3.6	1,096
Total	3708	12.4	30,443

Source: 2010 Household Survey

Property tenure

- 4.6 The tenure profile of Copeland Borough is summarised in Figure 4.3. Variations in broad tenure groups by sub-area are summarised in Figure 4.4. Overall, based on survey evidence, 72.1% of occupied dwellings are owner-occupied, 22.3% are social rented, 5.3% are private rented and 0.4% are intermediate tenure (e.g. shared ownership).

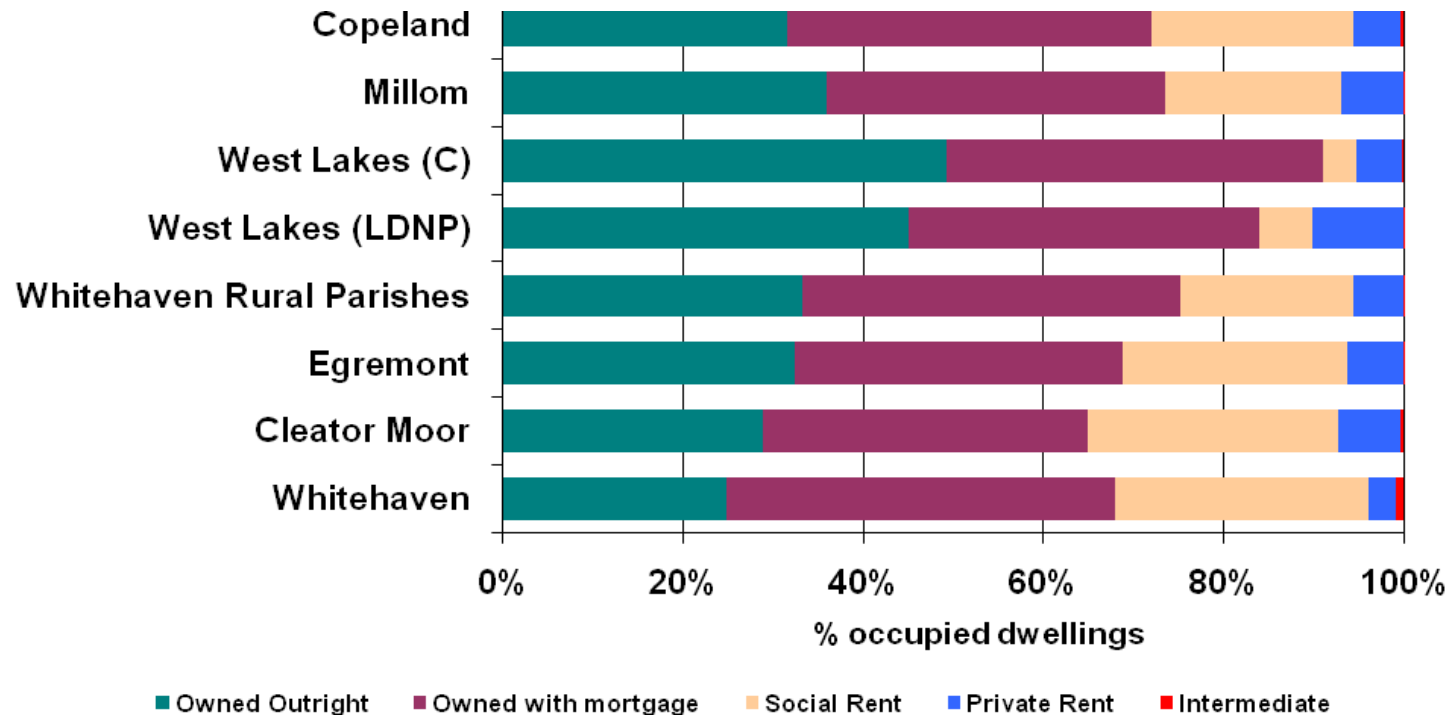
Figure 4.3 Copeland Borough: tenure profile of occupied dwellings



Source: 2010 Household Survey

- 4.7 Tenure profile varies to some extent across the Borough (Figure 4.4). The proportion of owner occupied dwellings is highest in the West Lakes HMA – Copeland (91%) and 83.9% in the West Lakes HMA (LDNP), with proportions of social rented properties highest in the Whitehaven (28.1%) and Cleator Moor (27.8%) areas. The proportion of households privately renting is highest in the West Lakes HMA – LDNP area at 10.1%.

Figure 4.4 Copeland tenure profile by sub-area



Source: 2010 Household Survey

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

Total dwelling stock

- 4.8 There are currently a total of 32,847 residential dwellings in Copeland Borough of which 30,443 are occupied by individual households⁶. The total number of dwellings has increased from 31,407 in 2000 (of which 30,135 were occupied)⁷.

Owner-occupied market

- 4.9 72.1% (21,900) of households across Copeland Borough are owner occupiers. 31.6% of all households (9,600) own outright and 40.5% of all households (12,300) have a mortgage. Most owner-occupied properties (84.6%) are houses (predominantly semi-detached and terraced), a further 11.9% are bungalows, 2.2% are flats and 1.2% are other types including caravans. 0.7% of owner-occupied properties have one bedroom, 19.5% have two bedrooms, 52% have three bedrooms and 27.8% have four or more bedrooms. Further analysis of owner occupied stock and household characteristics can be found at Appendix B.
- 4.10 Over the period 2000 to 2007, median prices across Copeland Borough increased from £43,000 to £111,063, an increase of 158%. Prices subsequently fell and then reached a new peak of £112,750 in Quarter 1 2010. Table 4.3 summarises how median property prices have changed over the period 2000 to 2009 and how rates of change have varied annually, with highest proportionate increases in 2004. The rate of house price increase slowed after 2004, prices have fallen in 2008 and 2009 and increased slightly in the first quarter of 2010.
- 4.11 It is interesting to note that in 2000, a household income of £12,286 was required to ensure that a median-priced property was affordable. By 2010, an income of around £32,214, was required, an increase of 162.2%.
- 4.12 In terms of household type, 24.6% of owner occupiers are couples with children, 22.6% are couples (under 60 with no children), 21.7% are older person households (particularly older couples), 13.2% are single person (under 60) households, 11.1% are couples/lone parents with adult children still living at home, 3.5% are lone parents and 3.3% are other household types. Outright owners tend to be older and 44.2% are either singles or couples aged 60 or over.
- 4.13 The majority of owner occupiers have lived in their accommodation for at least 10 years (27.2% between 10 and 20 years and 31.0% for 20 years or more). 75% of outright owners have lived in their accommodation for at least 10 years.

⁶ Based on Council Tax 2010

⁷ HIP return 2000

- 4.14 The majority of adults aged 16 or over living in owner occupied dwellings are in employment (64.4%) and a further 15.4% are wholly retired from work. The proportion retired is considerably higher for outright owners (67.8%).
- 4.15 Incomes amongst owner occupiers tend to be high, with 59.5% receiving at least £500 each week. That said, incomes amongst outright owners tend to be lower than for mortgaged owners, with 39.8% receiving less than £300 each week compared with 9.9% of mortgaged owners. This reflects the different age profile and economic status of outright owners.

Table 4.3 Median property prices in Copeland Borough 2000-2010, annual rate of change and income required to be affordable

Year	Copeland Median Price (£)	% change on previous year	Income required (£)* 3.5x multiplier
1996	39,000	-	11,143
1997	39,500	1.3	11,286
1998	40,500	2.5	11,571
1999	43,000	6.2	12,286
2000	43,000	0.0	12,286
2001	43,773	1.8	12,506
2002	46,000	5.1	13,143
2003	56,000	21.7	16,000
2004	76,000	35.7	21,714
2005	88,000	15.8	25,143
2006	100,249	13.9	28,643
2007	111,063	10.8	31,732
2008	109,500	-1.4	31,286
2009	108,594	-0.8	31,027
2010 q1	112,750	3.8	32,214

Notes:

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

Source: CLG Housing Statistics

Private rented sector

- 4.16 The sector is diverse in terms of the range of households it accommodates and the types of properties available. A report 'The Modern Private Rented Sector'⁸ provides a useful overview of the sector. Drawing upon 2001 census data, it suggests that the private rented sector has five key roles:
- A traditional housing role for people who have lived in the private rented sector for many years;

⁸ 'The Modern Private Rented Sector' David Rhodes, 2006 University of York with CIH/JRF

- Easy access housing for the young and mobile;
 - Providing accommodation tied to employment;
 - A residual role for those who are unable to access owner occupation or social renting;
 - An escape route from social rented housing (for instance those wanting to move to a different area but unable to do so through their social housing provider).
- 4.17 Given the range of roles of the private rented sector, there is a considerable diversity in the characteristics of private renting tenants. Evidence from the 2001 census (Rhodes, 2006) indicates that households living in private rented accommodation:
- tend to have younger heads of household;
 - are ethnically diverse;
 - singles, lone parents and other multi-adult households are over-represented compared with other tenures;
 - people in professional and higher technical occupations are over-represented compared with other tenures;
 - are more likely to be highly mobile geographically and turnover rates are high;
 - is more likely to accommodate international migrants.
- 4.18 The private rented sector (see Appendix B for full details) accommodates around 5.3% (1,600) of households across Copeland Borough. Of these households, 64.2% (1,035) rent unfurnished properties, 31.1% (500) rent furnished and 4.7% (75) rent tied accommodation.
- 4.19 The characteristics of tenants are diverse and in particular the private rented sector accommodates singles, couples with no children, couples with children and lone parents. 48.8% have lived in their accommodation for less than two years. In terms of income, 49.8% of privately renting households receive less than £300 gross each week and 35% receive at least £500 each week, indicating that the private rented sector accommodates a range of income groups. 62.6% of private renters are employed and 8.6% are unemployed.

Affordable sector

- 4.20 Affordable housing comprises social rented and intermediate tenure dwellings and accounts for 22.7% of all occupied dwellings (22.3% social rented and 0.4% intermediate tenure).
- 4.21 Houses account for 58.2% of occupied affordable dwelling stock, 24.5% are flats/apartments and 15.6% are bungalows. Affordable dwellings tend to have two (46.7%) or three (40.4%) bedrooms, with a further 11.1% having one bedroom and 1.8% having four or more bedrooms.
- 4.22 29.4% of households living in affordable dwellings are singles, a further 25.5% are older person households (particularly singles), 15.7% are lone parent families, 10.9% are couples with children, 7.5% are couples only (under 60),

6.5% are couples and lone parents with adult children living with them and 4.4% are other household types.

- 4.23 29.7% of all people aged 16 or over living in affordable housing are in employment. A further 21.5% are permanently sick/disabled, 20.7% wholly retired from work, 8.2% unemployed and 19.8% other including looking after the family and caring for someone. Incomes are generally low, with 86% receiving an income of less than £300 gross each week and 22.1% receiving less than £100 gross each week.

Open market demand and supply

- 4.24 It is possible to review the extent to which open market demand and supply is balanced. Using household survey data, it is possible to ascertain market demand (as measured by the aspirations 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.
- 4.25 This analysis helps to identify areas where there are imbalances in the provision of general market accommodation relative to expectations, and is illustrated in Table 4.4.

Table 4.4 Review of general market supply and demand

		White haven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (CD)	Millom	Total
Tenure	Total								
	Owner Occupied								
	Private Rented								
Property size	One								
	Two								
	Three								
	Four or more								
Property type	Detached Hse								
	Semi Det Hse								
	Terraced Hse								
	Flat (inc bedsits)								
	Bungalow								
	<0.5	Demand exceeds supply and particular pressure on stock							
	0.5 - <1	Demand exceeds supply and some pressure on stock							
	1 >	Demand equals supply; demand likely to be satisfied							

Source: 2010 Household Survey

- 4.26 In summary, analysis of general market supply and demand suggests that the open market is generally balanced across the Borough. There are some specific imbalances which include:

- Detached properties, particularly in Whitehaven;

- Semi-detached properties in Millom;
 - Bungalows in Whitehaven and West Lakes HMA (LDNP).
- 4.27 Future development should focus on delivering to address identified shortfalls and reflect household aspirations which are discussed in more detail later in this chapter.

Key market drivers

- 4.28 The factors underpinning housing markets in Copeland are explored in detail in 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

- 4.29 In summary, the following demographic drivers will continue to underpin the operation of Copeland Borough's housing market:
- A broadly static or increasing population, with population projections (based on ONS⁹ and modelling carried out using POPGROUP¹⁰) predicting a population in 2029 of between 69,300 and 74,900 compared with a 2009 population of 69,700. POPGROUP models suggest a slight reduction in overall population (ranging between 68,500 and 69,300) and ONS projections suggest 74,900;
 - Over the next few decades, there will be a 'demographic shift' with the number (and proportion) of older people increasing. There are currently 17,905 people aged 60 and over and 5,700 aged 75 and over. POPGROUP scenarios suggest an increase in people aged 60 and over of between 7,600 and 8,400 and ONS projections suggest an increase of 9,000. The number of residents aged 75+ is expected to almost double, with POPGROUP scenarios

⁹ Office for National Statistics 2008-based sub-national projections

¹⁰ See Technical Appendix C for further information

predicting an increase of between 4,600 and 4,800 and the ONS predicts an increase of 4,900.

- ONS trend-based projections¹¹ indicate that the number of households in Copeland Borough is expected to increase by 25.8% from 31,000 in 2006 to 39,000 in 2031. This represents an annual increase of around 320 households. POPGROUP projections suggest a lower increase of between 33,600 and 34,700 households by 2029, with an annual increase of between 116 and 167 households ;
- The 2010 household survey indicates that the largest household groups are singles under 60 (29.4%), older person households (22%), couples with children (21.1%), couples (under 60 with no children), lone parent families 6.9%, couples/lone parents with adult children living at home (9.7%) and other household types 3.4%;
- Regional household projections suggest that the proportion of singles and other household types is likely to increase in the future.

4.30 The following economic drivers underpin the operation of Copeland Borough's housing market:

- 58.4% of all residents aged 16 and over are economically active and are in employment according to the 2010 household survey; a further 15.9% are retired; 3.2% are unemployed and available for work; 6.6% are permanently sick/disabled; and 15.8% are either looking after the home, in training or provide full-time care;
- 2010 household survey data confirms that Sellafield is a key employer, with 28.9% of economically active residents living in Copeland working at the site. An additional 25.5% work in Whitehaven, 5.4% work at home and 21% work elsewhere in Copeland. A further 19.2% of economically active residents work outside the Borough, with 9.9% working in Workington;
- According to the ONS Annual Survey of Hours and Earnings, lower quartile earnings in 2009 were £20,379 which compares with £17,355 for the region and £18,516 for England. Median incomes are £32,517, compared with a regional median of £24,000 and national median of £26,148. The influence of Sellafield on income levels is an important factor to bear in mind when interpreting these income levels. There is considerable income polarisation within Copeland, with 36.7% of households receiving less than £300 each week and 46.2% receiving at least £500 each week.

4.31 In terms of dwelling stock:

- 78% of properties are houses, 12.4% are bungalows, 8.3% are flats/maisonettes, and 1.3% are other property types (e.g. caravans);
- 3.6% have one bedroom, 26.7% have two bedrooms, 48.6% have three bedrooms and 21.1% have four or more bedrooms;

¹¹ Office for National Statistics 2006-based household projections (2008-based not yet published)

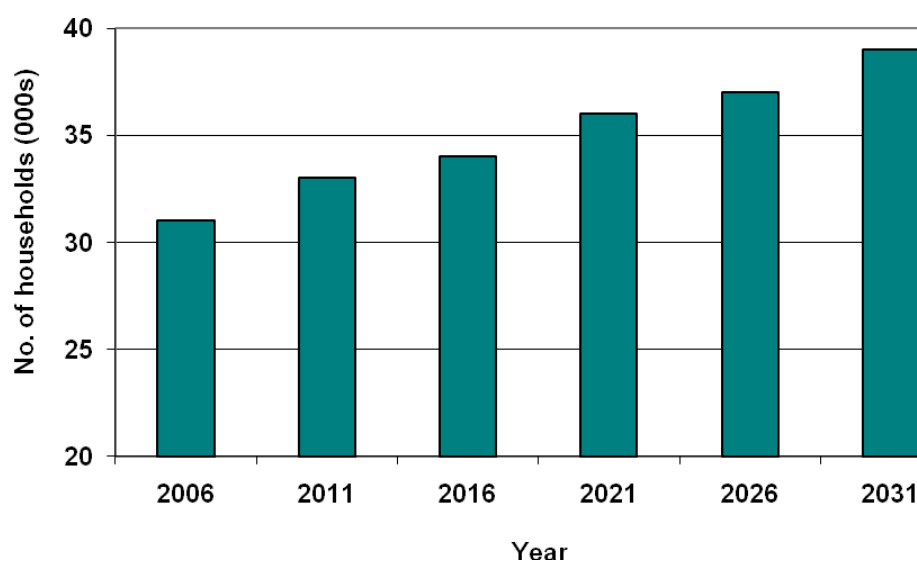
- 24.8% of properties were built before 1919, a further 12.7% were built between 1919 and 1944, 24% between 1945 and 1964, 19.8% between 1965 and 1984 and 18.6% have been built since 1985;
- 72.1% of properties are owner-occupied, 22.3% are rented from an RSL, 5.3% are privately rented and 0.4% are intermediate tenure (e.g. shared ownership). The proportion of social rented dwellings (22.3%) compares with a regional average of 18%;
- There is a particularly strong aspiration for houses and some household type-specific aspirations which are explored in more detail in discussions relating to Core Output 6.

4.32 The vast majority of households were satisfied with their neighbourhood. Net satisfaction levels (the number expressing satisfaction minus those expressing dissatisfaction) averaged 79.3% and exceeded 90% in the West Lakes HMA. The lowest level of satisfaction was in Cleator Moor (63.4%).

Core Output 3: Future households

4.33 Estimates of the number of future households can be derived from two key sources: ONS household projections and POPGROUP scenario modelling. ONS household projections suggest that the number of households in Copeland Borough is expected to increase from 31,000 in 2006 to 39,000 by 2031, an increase of 25.8% (Figure 4.5). This equates to an average annual increase of around 320 households.

Figure 4.5 Projected household change 2006-2031



Source: Sub-national household projections 2006-based

- 4.34 POPGROUP models suggest an annual increase of between 116 and 167 households to 2029, when the total number of households is predicted to be between 33,600 and 34,700.
- 4.35 Over the next few decades, the age profile of residents in Copeland Borough is expected to change dramatically. The population is ageing and the proportion of households headed by an older person is likely to increase. In 2009, around 17,900 residents were aged 60+ and 5,700 aged 75+. ONS projections suggest that by 2029 the number of residents aged 60+ will increase to 27,000 and those aged 75+ to 10,600. POPGROUP scenarios suggest that the number of residents aged 60+ will increase to between 24,800 and 26,300; and the number aged 75+ will increase to between 10,350 and 10,550.
- 4.36 By 2029, around 37% of residents will be aged 60+ and 15% aged 75+ compared with 25.7% and 8.2% respectively in 2009 based on POPGROUP scenarios and ONS projections.

Core Output 4: Current households in need

- 4.37 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'.
- 4.38 The 2010 Household Survey and a range of secondary data provide the robust and transparent evidence base required to assess housing need across Copeland Borough. This is presented in detail at Appendix D of this report and follows CLG modelling guidance.
- 4.39 Across Copeland Borough, there are 1,670 existing households in need. Reasons for housing need are summarised in Table 4.6.

Table 4.6 Housing need in Copeland Borough

Category	Factor	No. Households
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	249
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	147
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	30
	N4 Too difficult to maintain	374
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	96
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	611
Dwelling amenities and condition	N7 Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	5
	N8 Subject to major disrepair or unfitness and household does not have resource to make fit	238
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	286
Total no. households in need		1,670
Total Households		30,443
% households in need		5.5%

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

Source: 2010 Household Survey

- 4.40 Table 4.7 summarises overall housing need (before further analysis to test the extent to which households can afford open market provision to offset their need) by sub-area and the extent to which housing need varies across the Borough. The proportion of households in need is highest in Cleator Moor (7.2% of all households) and Millom (7.1%); and lowest in Egremont and Whitehaven Rural Parishes (4.5% of households).

Table 4.7 Households in need by sub-area

Sub-area	Total h'holds in need	Total h'holds	% H'holds in need
Whitehaven	598	10954	5.5
Cleator Moor	221	3079	7.2
Egremont	156	3463	4.5
Whitehaven Rural Parishes	281	6265	4.5
West Lakes – LDNP	95	1832	5.2
West Lakes – Copeland	93	1731	5.4
Millom	221	3119	7.1
Total	1670	30443	5.5

Source: 2010 Household Survey

- 4.41 Tables 4.8 and 4.9 demonstrate how the proportion of households in housing need varies by tenure and household type. Private renters and people living in affordable (RSL/Intermediate tenure) were proportionately more likely to be in housing need; along with lone parents (particularly those with three or more children), couples with three or more children and older lone parents with adult children.

Table 4.8 Housing need by tenure

Tenure	Total h'holds in need	Total h'holds	% H'holds in need
Owned (no mortgage)	410	9608	4.3
Owned (with mortgage)	350	12336	2.8
Rented from Copeland Homes	272	3827	7.1
Rented from other Housing Association	315	2953	10.7
Rented Privately (furnished)	111	501	22.2
Rented Privately (unfurnished)	155	1036	15.0
Tied accommodation	10	76	13.2
Shared Ownership, Shared Equity	42	107	39.2
Total	1670	30443	5.5

Source: 2010 Household Survey

Table 4.9 Housing need by household type

Household type	Total h'holds in need	Total h'holds	% H'holds in need
Single adult under 60	330	5456	6.0
Single adult 60 or over	146	3136	4.6
Couple only (both under 60)	224	5769	3.9
Couple only (one or both over 60)	162	3560	4.5
Couple (1/2 child(ren))	329	5309	6.2
Couple (3+ children)	102	1108	9.2
Lone parent with 1/2 child(ren)	191	1880	10.2
Lone parent with 3+ children	54	215	24.9
Couple with adult children	68	2349	2.9
Lone parent with adult children	17	626	2.7
Other type of household	43	1036	4.2
Total	1670	30443	5.5

Source: 2010 Household Survey

Core Output 5: Future households requiring affordable housing

- 4.42 Various assumptions regarding the rate of household formation can be derived from a number of sources. These are explored in detail at Appendix D but in summary the study is assuming a household formation rate of 518 households each year. This is based on the national gross household formation rate of 1.7%

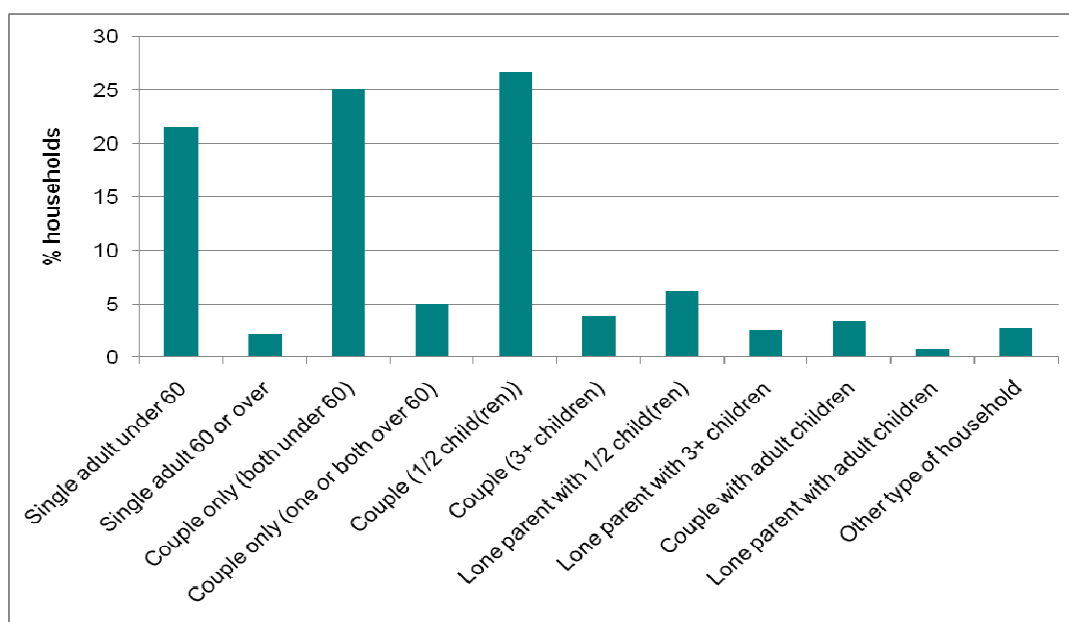
of households. Note this is a gross figure and does not take into account household dissolution. Based on the ability of households who have formed in the past five years to access the open market, it is suggested that 43.7% of newly-forming households could not afford to rent or buy on the open market (226 each year). This figure is used in the modelling of affordable housing requirements which is presented in Appendix D.

Core Output 6: Future households requiring market housing

- 4.43 The 2010 Household Survey provides a range of valuable evidence on general market requirements. The vast majority of households (around 77.5% or 23,500) live in open market property and overall demand for market accommodation is sustained by households moving within the Borough and also households moving into Copeland, primarily to be nearer to work or for retirement.
- 4.44 Turnover rates derived from the household survey suggest that around 1,300 market dwellings become available across Copeland Borough each year. This is based on the level of turnover in the preceding three years. Of the 1,300 properties, 950 are owner occupied and 350 are private rented dwellings. An alternative estimate of turnover can be derived from Land Registry sales data. This indicates that across Copeland Borough an annual average of 1,050 dwellings have been sold (based on a three-year average for 2007, 2008 and 2009)¹². These are most likely to be sold for owner occupation, but some will have been purchased for renting, although precise numbers cannot be ascertained from the data available from Land Registry.
- 4.45 National turnover data derived from the English Housing Survey (2008/9) indicates annual turnover rates of 3.6% for owner occupiers, 36.5% for private renters and 9.3% for all households living on the open market. This compares with 4.3% for owner occupiers in Copeland, 21.7% for private renters and 5.5% for all households. Therefore, compared with national data, turnover is lower overall and this is mainly due to lower turnover across the private rented sector.
- 4.46 Around 600 existing households are intending to move in the open market on an annual basis. Figure 4.6 indicates that the households most likely to be moving in the open market are singles under 60, couples with one or two children and couples under 60 (with no children).

¹² CLG Housing Market Statistics Table 588 Property sales based on Land Registry data

Figure 4.6 Types of household intending to move in the open market in the next five years



Source: 2010 Household Survey

- 4.47 Households intending to move in the open market were asked what type and size of property they would like and expect to move to (Table 4.9). Of households moving, most would like to move to a house (79.4%), 18.2% would like to move to a bungalow and 2.4% to a flat. This compares with 81.9% who expect to move to a house, 15.1% a bungalow and 3.0% a flat. Although households are expecting to broadly achieve their aspirations, a higher proportion would like to move to a detached house (56.7%) but only 34.5% expect to. In contrast, higher proportions expect to move to a semi-detached house (37.6%) than would prefer to (15.1%).
- 4.48 In terms of property size, the majority of respondents expect to move to a property with two (20.6%), three (54%) or four or more (24.6%) bedrooms. A higher proportion of households would like a property with four or more bedrooms (40.7%).

Table 4.9 Market preferences of existing households planning to move

What households moving would like

No. Bedrooms	Property type						
	Detached house	Semi-detached house	Large terraced house	Small terraced house	Flat	Bungalow	Total
One	0.1	0.0	0.0	0.1	0.1	0.1	0.3
Two	1.4	2.1	0.0	1.6	2.4	6.1	13.7
Three	21.3	9.9	4.4	0.1	0.0	9.7	45.4
Four or more	34.0	3.1	1.3	0.0		2.3	40.7
Total	56.7	15.1	5.7	1.8	2.4	18.2	100.0

Base: 2,953 households planning to move in the next 5 years

What households moving expect to move to

No. Bedrooms	Property type						
	Detached house	Semi-detached house	Large terraced house	Small terraced house	Flat	Bungalow	Total
One	0.1	0.0	0.0	0.1	0.3	0.3	0.8
Two	2.1	6.2	2.6	2.4	2.4	4.8	20.6
Three	16.7	24.4	2.9	1.1	0.2	8.8	54.0
Four or more	15.7	6.9	0.8	0.0		1.1	24.6
Total	34.5	37.6	6.3	3.6	3.0	15.1	100.0

Base: 2,953 households planning to move in the next 5 years; Source: 2010 Household Survey

- 4.49 Table 4.10 provides further details on the range of expectations household have for particular property types and sizes by household type.
- 4.50 Table 4.10 provides a useful review of how market demand varies by household type. The table shows the percentage of households by household type who expect to move to a particular property type and size. Data indicates that:
- Houses remain the most popular choice of most households (except for older singles and couples with adult children), particularly detached and semi-detached properties with two, three and four bedrooms;
 - Flats are most likely to be considered by couples over 60;
 - There is a strong preference for bungalows amongst older person households (mentioned by 62.7% of older singles and 42% of older couples), along with 59.6% of couples with adult children and all lone parents with adult children; and

Table 4.10 Market preferences by household type

Property type	Household type											Total
	Single adult under 60	Single adult 60 or over	Couple only (both under 60)	Couple only (one or both over 60)	Couple (1/2 child(ren))	Couple (3+ children)	Lone parent w ith 1/2 child(ren)	Lone parent w ith 3+ children	Couple w ith adult children	Lone parent w ith adult children	Other type of household	
Detached house	33.7	6.0	35.7	20.3	43.8	31.5	42.1	28.4	15.2		15.9	34.5
Semi-detached house	38.9	10.4	40.7	4.2	38.9	55.9	28.4	71.6	25.3		56.1	37.5
Terraced house	19.4	14.9	5.7	4.2	6.4	12.6	25.7	0.0	0.0	0.0	0.0	9.9
Flat	5.7	6.0	0.0	29.4	0.0	0.0	3.8	0.0	0.0	0.0	0.0	3.0
Bungalow	2.3	62.7	17.9	42.0	10.9	0.0	0.0	0.0	59.6	100.0	28.0	15.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
No. Beds												
One	3.2	12.1	0.9									1.2
Two	44.4	53.0	15.8	57.9	7.8	3.5			21.2		8.5	20.7
Three	38.9	34.8	58.1	29.0	65.3	21.2	64.8	62.7	64.6	48.0	75.6	53.7
Four	12.4		24.2	13.1	25.9	57.5	35.2	20.0	14.1	52.0	15.9	22.6
Five or more	1.1		0.9		0.9	17.7		17.3				1.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	630	66	739	145	779	113	182	75	99	25	82	2935

Source: 2010 Household Survey

- The number of bedrooms expected generally increases with household size, with two bedroom properties most frequently mentioned by singles, couples over 60; three bedroom properties were most frequently mentioned by couples under 60, couples with one or two children, couples with adult children and other household types; and properties with four or more bedrooms were most frequently mentioned by couples with three or more children and lone parents with adult children.

4.51 Table 4.11 considers the expectations of newly-forming households by considering the range of dwellings newly-forming households have moved to in the past five years. This shows a particular flow of newly-forming households in to terraced and semi-detached houses; and two and three bedroom dwellings in particular.

Table 4.11 Household expectations (newly-forming households)

Property type	Newly-forming H'holds (%)
Detached house	3.4
Semi-detached house	30.1
Terraced house	59.8
Flat	3.8
Bungalow	1.4
Other	1.5
Total	100.0
Base (Newly-formed households)	957
Property size	Newly-forming H'holds (%)
One/Studio	2.2
Two	58.9
Three	34.6
Four or more	4.3
Total	100.0
Base	957

Source: 2010 Household Survey

Core Output 7: Size of affordable housing required

- 4.52 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.
- 4.53 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.
- 4.54 In addition to establishing the overall affordable housing requirement, analysis considers the supply/demand variations by sub-area, property designation (i.e. general purpose and older person) and property size (number of bedrooms) as shown in Table 4.12.

Table 4.12 Annual affordable supply/demand imbalance

Sub-area	General Needs				Older Person		Total
	1	2	3	4 or more	1	2+	Net
Whitehaven HMA							
Cleator Moor	49	-29	-34	17	4	-6	1
Egremont	21	4	-5	-1	9	-10	18
Whitehaven	6	33	15	-1	41	-37	57
Whitehaven Rural Parishes	62	-7	-61	41	11	-10	36
West Lakes HMA							
West Lakes (C)	17	-3	4	0	2	-1	19
West Lakes (LDNP)	4	20	-10	0	2	-1	15
Millom HMA							
Millom	10	28	-16	4	1	-5	22
Total	169	46	-107	60	70	-70	168
Copeland LDF	165	26	-97	60	68	-69	153
LDNP LDF	4	20	-10	0	2	-1	15

Source: 2010 Household Survey

- 4.55 Table 4.13 then considers the overall shortfalls identified in Table 4.12 as a percentage of the net requirements by sub-area.

Table 4.13 Annual affordable housing requirements by sub-area, property size and designation 2010/11 to 2014/15

Sub-area	General Needs		Older Person	Total	%
	Smaller 1/2 Bed	Larger 3+ Bed	1/2 Bed	Net	
Whitehaven HMA					
Cleator Moor	1	0	0	1	0.6
Egremont	13	0	5	18	10.7
Whitehaven	24	8	25	57	33.9
Whitehaven Rural Parishes	20	13	3	36	21.4
Whitehaven HMA TOTAL	58	21	33	112	66.7
West Lakes HMA					
West Lakes (C)	14	3	2	19	11.3
West Lakes (LDNP)	14	0	1	15	8.9
West Lakes HMA TOTAL	28	3	3	34	20.2
Millom HMA					
Millom HMA TOTAL	19	2	1	22	13.1
TOTAL					
Copeland Borough LDF area	91	26	36	153	91.1
LDNP LDF area	14	0	1	15	8.9
TOTAL	105	26	37	168	100.0
%	62.5	15.5	22.0	100.0	

- 4.56 On the basis of the shortfalls identified, it is suggested that for policy making purposes, the 168 net annual shortfall is apportioned as follows:
- 62.5% Smaller one and two bedroom general needs (105)
 - 15.5% larger three and four bedroom general needs (26);
 - 22.0% older person one and two bedroom dwellings (37)
- 4.57 In terms of LDF, 91.1% of annual affordable shortfalls are in the Copeland Borough LDF (153 dwellings) and 8.9% (15 dwellings) are in the area of Copeland Borough which is located within the Lake District National Park.
- 4.58 The method for calculating these figures is explored in full in Technical Appendix D.
- 4.59 A total of 2,546 households were on the Copeland Borough Housing Register as at 1st April 2009. Of these, 73.7% required one or two bedroom and 26.3% required three or more bedrooms. The SHMA needs evidence would suggest a slightly higher proportion of smaller dwellings but suggests a broad mix of new affordable housing is appropriate to the Borough.
- 4.60 In terms of tenure preferences, analysis presented in Appendix D suggests that there is a role for intermediate tenure products in Copeland Borough. Around

39% of households in need would consider intermediate tenure. Analysis of income, equity and savings would suggest that 48.6% of existing and newly-forming households in need could afford products with an equity share of £50,000 and 27.4% could afford an equity share of £80,000.

- 4.61 The actual proportion of affordable dwellings to be intermediate tenure should be determined on the basis of this evidence coupled with the findings of the economic viability assessment.
- 4.62 Analysis of property type preferences suggests that, primarily, delivery of houses priority (with 64.1% stating an expectation of moving to a house), followed by bungalows (14.2%) and flats (10.4%).

Core Output 8: Estimates of household groups who have particular housing requirements

Introduction

- 4.63 There is 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.

Families

- 4.64 Families (that is couples and lone parents with children) account for around 28% of households across Copeland Borough. A further 9.8% were couples and lone parents with adult children (aged 18 or over) living with them. Analysis of market preferences (Table 4.10) suggests that:
 - Most couples with children and lone parent families were expecting to move to a house, particularly detached and semi-detached (and terraced housing amongst lone parent families). Couples with children were most likely to consider properties with three or four bedrooms, with couples with three or more children most likely to expect a four bedroom property; most lone parents expect to move to a two or three bedroom property;
 - Couples and lone parents with adult children living at home had strong expectations of moving to houses (particularly semi-detached) and bungalows; a range of property sizes were expected to be moved to, most notably three and four bedroom properties.
- 4.65 In terms of housing need, compared with the overall proportion of households in need of 6.3%: couples with three or more children were more likely to be in housing need (14.1%) along with 10.2% of lone parents with 1 or 2 child(ren), 31.6% of lone parents with three or more children and 10.4% of lone parents with adult children. Modelling of affordable housing requirements suggests that a range of affordable dwellings are required, in particular requirements for two and four bedroom general needs properties which will help to address the needs of families. It is important that particular care is taken to ensure that properties

are built to reflect the demand from families and in the interests of long-term community sustainability.

Older people

- 4.66 A major strategic challenge for the Council is to ensure a range of appropriate housing provision, adaptation and support for Copeland Borough's growing older population. The number of people aged 60 or over is projected to increase between 6,800 and 9,000 by 2029 based on ONS population projections and POPGROUP scenario modelling.
- 4.67 The majority of older people (81.2%) 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 (34.8% of older person households stated this help is needed either now or in the next five years), repair/maintenance (33%) and help with cleaning (21.9%).
- 4.68 In terms of adaptations, most frequently mentioned were the need for bathroom adaptations (by 16.7% of older person households) and the need for a community alarm (5.9%). Resources for aids and adaptations remain tight, particularly for households in the private sector. Alternative sources of funding, such as equity loans, should be considered to finance remedial measures required by older person households.
- 4.69 There is a degree of interest in new forms of older persons' accommodation, for instance extra care schemes (with 15.1% stating an interest in renting extra care properties) , as well as traditional sheltered housing (21.1% stated an interest) and open market provision (12.8% stated an interest). Providing a wider range of older persons' accommodation has the potential to free-up larger family accommodation.

General support requirements

- 4.70 The 2010 Household Survey provided evidence of the need for particular adaptations across all households. Particularly noted are improvements to heating, more insulation and double glazing, which are mentioned by over 10% of households (Table 4.14). Overall, of all households containing one or more people with an illness or disability, 14.7% have had their home adapted and 85.3% had not adapted their home.

Table 4.14 Adaptations required either now or in next 5 years

Adaptations Required	Cases	% Households
Better heating	4,723	15.5
More insulation	4,702	15.4
Double glazing	3,970	13.0
Adaptations to bathroom	2,884	9.5
Adaptations to kitchen	1,690	5.6
Increase the size of property	1,653	5.4
Internal handrails	1,559	5.1
Security alarm	1,418	4.7
External handrails	1,145	3.8
Stair lift	1,013	3.3
Downstairs WC	972	3.2
Community alarm service	652	2.1
Improved access	631	2.1
Wheelchair adaptations	478	1.6
Room for a carer	302	1.0
Lever door handles	286	0.9
Base (total Households)		30,443

Source: 2010 Household Survey

- 4.71 The household survey also provides information on the need for other forms of assistance, highlighting the particular need for help with repair and maintenance of the home (Table 4.15) across all households. This provides valuable evidence of the need for a service to support people through the process of installing adaptations and the removal of Housing Health and Safety Rating System Category 1 hazards in private dwellings.

Table 4.15 Type of assistance required either now or in next 5 years

Support required	Cases	% Households
Help with repair and maintenance of home	6,704	22.0
Help with gardening	4,955	16.3
Help with cleaning home	3,094	10.2
Help with other practical tasks	2,829	9.3
Help with personal care	1,949	6.4
Want company / friendship	1,603	5.3
Base (Total Households)		30,443

Source: 2010 Household Survey

Specialist support requirements

- 4.72 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.
- 4.73 Table 4.16 summarises the type of client groups accommodated in social rented housing across Copeland for the period 2006/7 to 2008/9. RSL specialist provision in Copeland Borough particularly focuses on accommodating the frail elderly (not in sheltered accommodation) and people with mental health-related problems.

Table 4.16 Client groups accommodated in social rented sector in Copeland Borough 2006/7, 2007/8 and 2008/9

Supported housing client group	2006/7	2007/8	2008/9	TOTAL	Average
Learning difficulties	0	4	0	4	1
Mental health related problems	4	4	8	16	5
From penal estab/Probation referral etc.	1	0	0	1	0
Women at risk from domestic violence	0	0	0	0	0
Frail elderly	53	60	50	163	54
Single homeless in need of support	1	0	0	1	0
Total	59	68	58	185	62

Source: Supported CORE lettings data

Homeless households

- 4.74 Homelessness statistics for 2008/9¹³ indicate that a total of 147 decisions were made on households declaring themselves as homeless across Copeland Borough. Of these households, 54 were classified as homeless and in priority need. In terms of age group, almost half (26) were aged 16-24, a further 21 were aged 25-44 and 6 were aged 45 or older.
- 4.75 Over the three years 2006/7, 2007/8 and 2008/9, an average of 162 decisions have been made and 65 households have been declared as homeless and in priority need.

Black, Asian and Minority Ethnic households

- 4.76 The 2010 household survey indicates that 97.6% of the population describe themselves as 'White British' and 2.4% describe themselves as having other

¹³ CLG Homeless Statistics [Table 627: Local Authorities' action under the homelessness provisions of the 1985 and 1996 Housing Acts, by district](#)

ethnicities. 'Other White' groups account for 1.6% of the population and other ethnicities 0.8%.

- 4.77 The proportion of Black, Asian and Minority Ethnic residents (that is all residents who do not identify as being White British) is highest in the Whitehaven Rural Parishes area (3%) and Whitehaven town (2.6%).
- 4.78 The needs of Gypsies and Travellers have been assessed in a Cumbria-wide study carried out by Salford University in 2008. County-wide, this identified a current supply of 112 authorised pitches¹⁴ (with none in Copeland). The research indicated an additional need of 71 pitches over the period 2007 to 2012 (of which 1 is needed in Copeland) and a need for a further 18 pitches over the period 2012-2016 (with none in Copeland), making a total of 89 additional pitches county-wide over the period 2007 to 2016 (with one pitch in Copeland).
- 4.79 Additionally, the study indicated a need for 35 transit pitches across the County and on the basis of an equitable split of this need across all districts, there is a need for 5 transit pitches in Copeland Borough. The study made 36 recommendations themed around:
 - Partnership working within and between local authorities and traveller communities;
 - A need to improve information collection and sharing;
 - Ensure there is transparency and equality when considering residents for new sites;
 - Cumbria is an attractive area for seasonal, short-stay or stop-over travelling and there is a need to provide a variety of transit sites to deal with this;
 - A need for sensitive and co-ordinated communication with Gypsy and Traveller Households, particularly where new sites are developed; and involve members of the Gypsy and Traveller communities in developing new site provision;
 - The health and housing-related support needs of Gypsy and Traveller communities need to be considered;
 - Better facilities for waste management; and
 - Consider the needs of Travelling Showpeople by liaising with the Showmen's Guild.

¹⁴ According to the Cumbria Gypsy and Traveller Accommodation Needs Assessment (2008), a pitch is defined as an area of land on a site/development generally home to one licensee household. It can be of varying size and have varying caravan occupancy levels. Often it is referred to as a plot, particularly in relation to Travelling Showpeople. There is no agreed definition as to the size of a pitch

5. Review of general market demand and PPS3 requirements

- 5.1 Core outputs presented in Chapter 4 provided a range of information on the requirements for both market and affordable housing. The purpose of this chapter is to consolidate the key messages relating to market housing demand, show how the SHMA evidence base satisfies PPS3 requirements and provides evidence to help the Council in deciding the scale of newbuild it should be planning for.

Market housing: key issues

- 5.2 A range of material was presented in Chapter 4 relating to market housing. Key issues relating to market housing supply and demand are:
- There is an annual supply of around 1,300 market dwellings of which 950 are owner occupied and 350 are private rented;
 - Across Copeland Borough as a whole there is a general balance between supply and demand for market accommodation (Table 4.4). There are some specific imbalances including: detached properties in Whitehaven, semi-detached houses in the Millom HMA and Bungalows in the Whitehaven and West Lakes HMAs
- 5.3 The aspirations of existing households are summarised in Table 4.9. Of households moving, most would like to move to a house (79.4%), 18.2% would like to move to a bungalow and 2.4% to a flat. This compares with 81.9% who expect to move to a house, 15.1% a bungalow and 3.0% a flat. Table 4.10 considers how aspirations varied by household type and indicates that:
- Houses remain the most popular choice of most households (except for older singles and those with adult children), particularly detached and semi-detached properties with two, three and four bedrooms;
 - Flats are most likely to be considered by couples over 60;
 - There is a strong preference for bungalows amongst older person households (mentioned by 62.7% of older singles and 42% of older couples), along with 59.6% of couples with adult children and all lone parents with adult children;
 - The number of bedrooms expected generally increases with household size, with two bedroom properties most frequently mentioned by singles, couples over 60; three bedroom properties were most frequently mentioned by couples under 60, couples with one or two children, couples with adult children and other household types; and properties with four or more bedrooms were most frequently mentioned by couples with three or more children and lone parents with adult children.
- 5.4 This evidence helps the Council to ascertain the range of dwellings which should be developed within Copeland Borough to help address shortfalls in market requirements. If the broad expectations of households were translated into how

future development should proceed, the following split between property types would be suggested:

- Houses 82%
- Bungalows 15%
- Flats 2.0%

5.5 Decisions regarding the nature of future open market development should be informed by this evidence but also informed by the market intelligence of developers. The Council should pay particular attention to Table 4.4, which reviewed general market supply and demand, to help in discussions with developers regarding the type and size of market housing to be delivered within Copeland Borough.

PPS3 requirements

5.6 Local planning 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.

5.7 This report provides the first key piece of evidence to underpin planning policy, namely a SHMA 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.

5.8 PPS3 states (p.9) that LAs 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 (including a view on tenure split between social rented and intermediate tenure i.e. shared equity and shared ownership).

5.9 Evidence which reflects PPS3 requirements is now summarised below.

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

5.10 Having established a robust view on the annual imbalance between the supply and requirement for affordable housing, similar analysis has been carried out which considers open market demand relative to supply.

5.11 The scale of market demand has been estimated by considering demand:

- From existing households who are planning to move in the open market within Copeland Borough on an annual basis (based on households planning to move in the next five years) which comes to 2,953 households or 591 each year;

- From newly-forming households who can meet their needs in the market, based on the same affordability criterion as used for affordable housing requirements (218 each year); and
 - From in-migrant households; the estimate is based on the actual numbers of such households over the previous five years, based on the survey evidence (293 each year).
- 5.12 The supply of open market dwellings can be derived from the household survey (imputed from length of residence information). The household survey suggests an annual supply of around 1,300 dwellings each year (950 owner occupied and 350 private rented) on the basis of turnover rates for the preceding three years. However, this figure is a reflection of a reduced availability of open market accommodation, Land Registry sales data suggests that the volume of sales has declined dramatically in recent years: in 2007, there were 1,541 property sales but in 2009 only 763 were recorded, a fall of 50.5%.
- 5.13 Modelling of open market demand would suggest that there is a general balance between demand and supply. A challenge for the Council and developers is to address identified shortfalls in provision.

Reconciling the evidence with future dwelling requirements

- 5.14 The Coalition Government is keen to devolve planning decision making down to Local Authorities. The abolition of the Regional Spatial Strategy means that Copeland Council will need to put forward future plans for development based on local evidence.
- 5.15 The former RSS suggested a net annual target of 230. Past house-building rates have been running at an average of 142 over the period 2006/7, 2007/08 and 2008/9. A Strategic Housing Land Availability Assessment for Copeland is currently being prepared and will identify the likely capacity for development over the next few decades.
- 5.16 Evidence from the 2010 household survey indicates that there is a need to address shortfalls in open market provision and ensure that the high degree of market balance is maintained. Additionally, analysis suggests an annual shortfall of 168 affordable dwellings, with a 61% social rented and 39% intermediate tenure split.

The likely profile of household types requiring market housing

- 5.17 Table 5.1 summarises the likely profile of household types requiring market housing. This is based on the number of households planning to move in the next two years. Households most likely to be moving in the open market are singles under 60, couples with children, lone parents and couples (both under 60).

Table 5.1 Likely profile of household types requiring market housing

Household type	%
Single adult under 60	21.6
Single adult 60 or over	2.2
Couple only (both under 60)	25.0
Couple only (one or both over 60)	5.1
Couple (1/2 child(ren))	26.6
Couple (3+ children)	3.9
Lone parent with 1/2 child(ren)	6.2
Lone parent with 3+ children	2.5
Couple with adult children	3.3
Lone parent with adult children	0.8
Other type of household	2.8
Total	100.0
Base (Households intending on moving in the market in the next 5 years)	2953

Source: 2010 Household Survey

- 5.18 Further analysis of how market requirements vary by household type is presented in Table 4.10.

The size and type of affordable housing required

- 5.19 A full breakdown of the size of affordable housing required for both general needs and older people is presented at Table 4.13. This is derived from a comprehensive analysis of affordable housing requirements presented at Appendix D. In summary, data suggests a net requirement of 168 general needs affordable dwellings, with a recommendation to deliver:
- 62.2% Smaller one and two bedroom general needs (104);
 - 16.1% larger three or more bedroom general needs dwellings (27);
 - 21.7% one and two bedroom older persons dwellings (36)
- 5.20 Analysis suggested there is a shortfall of affordable older persons' accommodation but this only relates to affordable dwellings and not to general market or specialist provision for older people (such as extra care schemes).
- 5.21 An analysis of the property type preferences of households in need and newly-forming households would suggest the following profile of property types:
- 64.1% houses;
 - 14.2% bungalows; and
 - 10.4% flats.
- 5.22 Further advice on policy considerations for affordable housing is presented at Appendix H.

Local occupancy

- 5.23 Local occupancy restrictions on open market dwellings are being considered by several Cumbrian Districts. The 2010 household questionnaire asked households their views on local occupancy and overall 53.6% agreed that new housing available to households on the open market should only be occupied by people with a local connection (for instance a resident in the Parish/area for at least 3 years or permanently employed in the Parish/area). Table 5.2 explores the extent to which households would support a local occupancy policy by sub-area.

Table 5.2 Preference for local occupancy restrictions by sub-area

New open market dwellings should:	Sub-area							
	White haven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes - LDNP	West Lakes – Copeland	Millom	Total
Only be occupied by people with a local connection	49.7	54.5	51.1	48.5	66.5	59.4	68.4	53.6
Be available to anyone wanting to buy or rent on the open market	50.3	45.5	48.9	51.5	33.5	40.6	31.6	46.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	10954	3079	3463	6265	1832	1731	3119	30443

Source: 2010 Household Survey

- 5.24 Local occupancy restrictions were most likely to be favoured by households living in the West Lakes and Millom HMAs. Parish-level analysis indicates that in eight parishes the proportion of households favouring local occupancy restrictions exceeded 70% (Table 5.3).

Table 5.3 Strongest preference for local occupancy restrictions by Parish

Parish	% of households preferring local occupancy restrictions
Wabberthwaite	97.7
Eskdale	83.1
Millom-Haverigg	81.4
Ulpha	83.6
Wasdale	86.4
Whicham	77.4
Ennerdale and Kinniside	77.7
Lamplugh	72.7
All households	53.6

Source: 2010 Household Survey

6. Conclusion: policy and strategic issues

- 6.1 This document has been prepared to equip Copeland Borough Council and its partners 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 are underpinned by comprehensive technical appendices.
- 6.2 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets; the interactions of Copeland Borough with other areas; and relates findings to key local and sub-regional strategic issues.

The current housing market

- 6.3 A range of material has been gathered to help identify market drivers and the characteristics of housing markets across Copeland Borough and linkages with other areas. In summary:
- Analysis of migration and travel to work patterns would suggest that Copeland Borough is self-contained on the basis of both household mobility and travel to work. Compared with the CLG self-containment threshold of 70%, 77% of households moving originated from within Copeland and 79.6% of residents work within the Borough.
 - There are three broad Housing Market Areas recognised in Copeland: Whitehaven HMA, West Lakes HMA and Millom HMA. On the basis of the 70% threshold for moving/travel to work, none of these areas are self-contained. The characteristics of the sub-markets are explored in Technical Appendix B. Analysis indicates that there are some distinctive migration and travel to work attributes associated with particular areas. Although these sub-areas cannot be described as distinctive housing market areas based on the CLG definitions, their geographical location does influence how they interact with other areas and with each other. It is therefore important that policy considers and takes into account the differing roles of these areas within the Copeland housing market context.

Future housing market

- 6.4 POPGROUP scenario modelling suggest an increase in households ranging from between 123 and 178 each year to 2029 (POPGROUP models), with the total number of households increasing over the period 2009 to 2029 to between 33,700 and 34,500 (compared with 31,300 households in 2009). ONS projections suggest an increase to 39,000 by 2031, equating to an annual increase of 320. By comparison, the RSS Option 1 build rate was 230 each year.

- 6.5 Managing demographic change will become an increasingly important issue for Copeland Borough. Population projections suggest that the proportion of the population in the Borough aged 60 and over will continue to grow, with an increase from 17,900 to 2009 to between 24,800 and 27,000 based on POPGROUP scenario modelling and ONS population projections. 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.
- 6.6 The economy of the Borough is strongly linked to the Energy Coast and in particular the Sellafield Site. A key market driver is the in-migration of economically active households working in this sector of the economy. Housing should be provided for a range of income groups and include both open market and intermediate tenure dwellings. Such an approach will help to maintain long-term community sustainability, and provide appropriate accommodation for economically active households.

Strategic issues

- 6.7 This research will help the Council and its partners in delivering appropriate housing which is sensitive to the varying needs of local communities. The broad strategic direction for housing will be informed by the emerging national policy context, existing regional and sub-regional housing strategies and the economic growth agenda.
- 6.8 Regional, sub-regional and local strategic priorities were stated in Chapter 2. These can be distilled into two broad themes (and sub-themes) of:
- **Dwelling quantity and quality:**
 - Setting targets for delivery;
 - Delivering market and affordable housing;
 - Planning policy recommendations;
 - Improving the quality of existing stock (including bringing vacant properties back into use , addressing issues relating to levels of satisfaction and repair and improving energy efficiency)
 - Responding to rural housing issues
 - **The ageing population and addressing the needs of vulnerable people:**
 - Diversifying the range of housing provision and support for older people;
 - Reducing homelessness;
 - Supporting vulnerable people.

Dwelling quantity and quality

Setting targets for delivery

- 6.9 With the demise of the Regional Spatial Strategy, local authorities will need to identify future targets for provision. The former RSS stated an annual target of 230 dwellings across Copeland Borough. This is set against an annual average of 204 completions over the period 2005/6 to 2009/10. Extensive modelling of housing numbers has been carried out in studies for 4NW and these suggest a range of between 230 and 335 new dwellings each year to 2030, with an average of 280 based on different economic and population scenarios.
- 6.10 It is reasonable to assume that an annual development target of 200-250 dwellings is appropriate for Copeland Borough. The Strategic Housing Land Availability Assessment will help to identify the range of sites available for development across Copeland Borough.
- 6.11 A fundamental challenge for the Borough is to link future housing requirements with future economic change. The SHMA has evidenced that the provision of open market housing is broadly balanced with supply (with notable exceptions including a shortage of detached homes). A key market driver is economic-led migration and households moving to the Borough for work are moving to detached and semi-detached three and four bedroom properties in particular. Arguably, if the aspirations of the 'Energy Coast' come to fruition, an expanding economy will result in increased demand, particularly for open market dwellings. However, economic downturn is likely to result in increased market capacity and reduce the requirement to build more homes. Further work is needed to consider the potential impact of change on dwelling requirements.

Delivering market and affordable dwellings

- 6.12 Currently, the housing market in Copeland is relatively balanced, with open market demand broadly satisfied by supply, although there are specific shortfalls of some property types. However, there is a noticeable shortfall of affordable accommodation.
- 6.13 Key drivers in determining the tenure and type of future development include:
- The need to continue development to satisfy household aspirations, in particular the development of detached houses and bungalows to offset identified market imbalances;
 - The need to deliver open market housing to satisfy demand from economically active in-migrants (who are particularly linked to the Energy Coast economy). These households are generally moving to detached and semi-detached houses with three or four bedrooms;
 - Delivering additional affordable housing to help offset the identified net shortfall of 168 dwellings each year; and diversifying the range of affordable options by developing intermediate tenure dwellings and products;
 - The economic viability of delivering affordable housing on sites across Copeland Borough.

- 6.14 In terms of intermediate tenure, around 39% of households in need and newly-forming households would realistically consider intermediate tenure. Existing households in need were most interested in Rent to Buy and Shared Ownership; newly-forming households were most interested in Rent to Buy and Low Cost Home Ownership.
- 6.15 The current economic circumstances clearly present a number of challenges to the delivery of housing and in particular the delivery of affordable rented housing and intermediate market dwellings. The principal effects of the downturn in relation to the delivery of affordable and intermediate homes have been:
- A sudden and severe contraction in the availability of credit, leading to reduced mortgage ending. This along with a general economic slowdown, leading to a reduction in house prices. Land purchased/negotiated for new build development before the downturn was usually purchased for prices much higher than it is currently worth and reduced sales values make financial viability increasingly difficult and even more so if there is an affordable housing provision required. Many schemes on site have been mothballed as developers deal with the increasingly difficult availability of credit and reducing market values;
 - Lender confidence has been much reduced and lending only to low-risk clients with significant deposits is now the norm and the choice for purchasers has been significantly reduced as loan-to-value ratios have reduced. This has created a new 'excluded middle market' for households on average income levels but without prospect of buying. This has fuelled demand and interest in market rent and other Low Cost Home ownership products such as rent-to-purchase and intermediate rent and there have been an increased number of products launched by government through the Homes and Communities Agency to support purchasers.
 - The contraction of credit availability is not limited to individuals. Even if developers can present financially viable schemes, there is a lack of credit being made available by banks to lend to housing associations and developers, and where it is being offered it is at more expensive rates which further tightens the overall scheme viability, with obvious knock on effects to the price developers can pay for land or their ability to fund infrastructure costs.
- 6.16 A 'middle market' is emerging which is unable to access homeownership because of increasingly complex barriers to purchase such as the availability of finance and lack of deposit. While some relaxation of the barriers created by the downturn may occur in the next few years, there is unlikely to be a return to lending on pre-June 2007 terms because regulators have realised the dangers of excessive exposure to the wholesale money markets for long-term lending. Part of the post credit crunch regulatory risk environment will be stricter controls on the sourcing of funds for homeowner mortgages. Additionally, rules on lenders capital adequacy will be strengthened i.e. the higher "loan to value" mortgages provided by lenders and the higher provision in deposited funds required. The more capital lenders have to keep "on deposit" the less borrowing and lending they can do. Deposit requirements will remain high.
- 6.17 This presents Local Planning Authorities with a new priority group who can sustain home ownership but require support to access homeownership or long-

term intermediate rented homes. This creates an interesting debate about the extent that housing delivery for those that require support should focus on affordable housing for those in need versus the increasing focus on the 'excluded middle market'. This middle market is recognised in the recent report published by the National Housing Federation, *Facing the Future*; revolution or evolution responding to the new operating environment for housing associations and stimulates debate between Registered Providers (RPs) investing in intermediate/sub market rent models potentially at the expense of core business. Intermediate products could play an important role in delivering housing to this middle market. However, there is no doubt that Registered Providers would be meeting an emerging housing need, reducing pressure on existing homes and creating a much increased rental stream for future reinvestment, back into the core business. The report also includes opportunities for new sources of finance for housing associations detailing options of opening up the bond markets which may be worth while exploring with developer partners.

Planning policy recommendations

- 6.18 On the basis of SHMA evidence, there is a need to maintain delivery of both market and affordable dwellings. The actual target for provision needs to be set on the basis of SHMA evidence, a review of Economic Viability and a consideration of the implications of economic change in Copeland driven by various economic strategies including the Energy Coast Masterplan, Cumbria Vision and the newly-created Local Economic Partnership. It is reasonable to assume that an annual development target of 200-250 dwellings is appropriate for Copeland Borough.

Improving the quality of existing stock

- 6.19 There are currently 32,847 dwellings across Copeland Borough and of these 30,443 are occupied and the remainder (2,404) are vacant or are second/holiday homes. Based on HSSA data, it is suggested that around 1,600 dwellings are vacant and around 800 are second/holiday homes. Strategic challenges include reducing the level of vacant dwellings and improving the quality of existing dwellings through better energy efficiency and modernisation.

Vacant stock

- 6.20 There are an estimated 1,226 vacant properties across Copeland Borough based on 2009 HSSA data and they are mainly in the private sector. Properties can be empty for a variety of reasons which include: the properties are too difficult to repair or are in the process of being repaired; they are in the process of being sold; they have been bought for capital investment; or they are in probate.
- 6.21 The Council should consider identifying the reasons why properties are empty and identify mechanisms for bringing them back into use, particularly those in rural communities. Mechanisms could include:

- Financial/professional help for repairs and improvements in the form of equity loans; grant aid for renovation and subsequent leasing to an Housing Association for a fixed term; a professional service to manage repairs or full renovation;
- Assistance with letting management or the sale of a property

Satisfaction and repair

- 6.22 Although the majority of households (73%) are satisfied with the condition of their dwellings, 3,700 households (12.4%) were dissatisfied or very dissatisfied. Levels of dissatisfaction were highest amongst private renters (24.6% expressing dissatisfaction) and social renters (23.8% expressing dissatisfaction). Additionally, 7.6% of all owner occupiers expressed dissatisfaction which represents around 1,650 households.
- 6.23 Around 1,700 households expressing dissatisfaction lived in properties built before 1944. They were also more likely to live in flats, semi-detached and terraced houses.
- 6.24 Improving the energy efficiency of dwellings and modernisation of stock is an important driver to improving the quality of existing stock. Given the need to reduce energy consumption, improve thermal comfort and future proof households from spikes in energy prices, retrofitting stock with improved insulation, heating systems and solar panels is likely to become a significant strategic issue.

Responding to rural housing issues

- 6.25 There are two principal rural areas with Copeland: Whitehaven Rural Parishes and the West Lakes HMA (which includes seven parishes wholly and five parishes partially located in the Lake District National Park, with the remainder in Copeland Borough).
- 6.26 The characteristics of rural areas differ from the Borough as a whole and vary between different rural areas. Key characteristics include:
- A higher proportion of owner occupied dwellings (75.2% Whitehaven Rural, 83.9% West Lakes HMA (LDNP) and 91% West Lakes HMA (Copeland) compared with 72.1% boroughwide;
 - Very few social rented dwellings in the West Lakes HMA (5.9% of occupied dwellings in the West Lakes HMA (LDNP) and 3.9% in the West Lakes HMA (Copeland)) compared with 22.6% boroughwide and 19.3% in Whitehaven Rural Parishes;
 - 10.1% of occupied dwellings in West Lakes HMA (LDNP) are privately rented compared with the Borough average of 5.3%;

- High house prices in the West Lakes HMA, with 2009 median prices of £180,000 in West Lakes HMA (LDNP) and £150,000 in West Lakes HMA (Copeland); and prices in the Whitehaven HMA at £110,000 (which is the boroughwide median figure);
- Higher proportions of detached houses (42.9% in West Lakes HMA - LDNP, 36.6% in West Lakes HMA (Copeland) and 26.8% Whitehaven Rural Parishes) compared with Borough average of 18.4%;
- Household incomes are highly polarised in the West Lakes HMA. In the West Lakes HMA (LDNP) area, 59.1% receive at least £500 each week and 25.2% receive less than £300 each week. In the West Lakes HMA (Copeland) area, 56.5% receive at least £500 each week and 22.1% receive less than £300 each week. In the Whitehaven Rural Parishes, 50% receive at least £500 each week and 32.4% receive less than £300 each week;
- Households moving to properties in the West Lakes HMA were more likely to have moved into the Borough, with 46.1% of moving households in the West Lakes HMA (LDNP) and 45.2% in the West Lakes HMA (Copeland) area originating from outside the Borough. This compares with 23% of all movers across the Borough and 34% of movers to properties in the Whitehaven Rural area;
- The annual shortfalls of affordable dwellings in the rural areas are summarised as:
 - 19 in the West Lakes HMA (Copeland) area;
 - 15 in the West Lakes HMA (LDNP) area; and
 - 36 in the Whitehaven Rural Parishes area.
- The dwelling sizes and designation (general needs or older person) are summarised in Table 6.1

Table 6.1 Annual affordable housing shortfalls in rural areas 2010/11 to 2014/15

Rural locality	General Needs		Older	Total
	Smaller 1/2 Bedrooms	Larger 3+ Bedrooms	1/2 Bedrooms	
Whitehaven Rural Parishes	20	13	3	36
West Lakes – Copeland	14	3	2	19
West Lakes – LDNP	14	0	1	15

6.27 There is strong support amongst residents in rural areas for local occupancy policies to be applied to open market newbuild. This would mean that newbuild dwellings could only be occupied by people with a local connection, such as they have lived in the Parish/area for at least 3 years or are permanently employed in the Parish/area. The strongest support was in Millom where 68.4% favoured local occupancy policies followed by West Lakes HMA (LDNP) (66.5%) and West Lakes HMA (Copeland) (59.4%).

The ageing population and addressing the needs of vulnerable people

Diversifying the range of housing provision and support for older people

- 6.28 The proportion of older people is expected to increase over the next few decades. By 2029, the number of people:
- aged 60+ will have increased by between 6,800 and 7,700 based on POPGROUP scenarios and 9,000 based on ONS projections; and
 - aged 75+ will have increased by between 4,700 and 4,800 based on POPGROUP scenarios and 4,900 based on ONS projections.
- 6.29 This trend has significant policy implications, given the greater need for appropriate housing and support as people age. Currently, the majority want to stay in their own homes with help and support when needed.
- 6.30 A key challenge for the Council is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this. Particularly noted is the need for help with repair/maintenance and cleaning; and bathroom adaptations and need for community alarms.
- 6.31 Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people and the development of Extra Care accommodation. Extra Care accommodation is designed with the needs of frailer older people in mind. It includes flats, bungalows and retirement villages; residents have their own front door; and domestic support and personal care are available.

Reducing homelessness

- 6.32 Copeland Borough Council have prepared a homelessness strategy which aims to prevent homelessness wherever possible through the appropriate advice and support to those at risk. It is evident from CLG statistics that the number of homeless decisions and acceptances has been generally falling over the past five years. Similarly, the number of households living in temporary accommodation has been falling. That said, the numbers of households experiencing homelessness is going to be affected by: potential interest rate increases affecting a household's ability to pay a mortgage; increases in unemployment; limited availability of private sector accommodation; and a general shortfall in affordable accommodation, particularly in rural areas. Homelessness statistics also demonstrate that people accepted unintentionally homeless and in priority need tend to be younger, with 48% of acceptances in 2008/9 from people aged 16-24 and a further 39% from people aged 25-44 and 13% from people aged 45 and over. Therefore, homelessness prevention and in particular the need to support younger people with appropriate move-on accommodation is an important strategic priority.

Supporting vulnerable people

- 6.33 Most RSL provision is for older people with support needs, with some provision for adults with mental health related problems. Key messages to emerge from discussions with supporting people and others working with vulnerable groups include:
- A lack of move-on accommodation for young people and not enough floating support (which is needed as tenancies are regularly failing due to peer pressure and limited support and advice on training and employment);
 - Increasing incidences of young homelessness (at least 10 bed spaces in hostels are needed);
 - Upward trend in substance misuse and the Drug Action Team is overwhelmed;
 - Increasing demand for people with mental health problems;
 - A need for Extra Care Accommodation, modernisation of Residential Care Homes and develop mechanisms to 're-able' people to live in their homes, particularly in remoter rural areas.

Final comments

- 6.34 Appropriate housing and planning policies have a fundamental role to play in the delivery of thriving, inclusive and sustainable areas. These policies need to be underpinned with high quality data. This study has provided a wealth of up-to-date social, economic, demographic and housing data available down to parishes and towns across Copeland Borough.
- 6.35 This research has reflected upon the housing market attributes of Copeland Borough, its diverse sub-areas and interactions with other areas of Cumbria and elsewhere. The report signposts future strategic challenges which include the ongoing delivery of new market and affordable housing to address need and support economic growth; diversifying the range of affordable tenures available to local residents; improving the condition and energy efficiency of existing stock; and addressing the requirements of an increasingly ageing population and vulnerable groups.

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 nine 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
- Technical Appendix F Monitoring and updating
- Technical Appendix G Statement of conformity to SHMA guidance
- Technical Appendix H Affordable housing policy considerations
- Technical Appendix I Maps

Technical Appendix A: Research Methodology

Overall approach

- A.1 A multi-method approach was adopted in order to prepare a robust and credible Strategic Housing Market Assessment for Copeland Borough comprising:
- A survey of households across Copeland Borough, with samples in urban areas and 100% surveying of rural parishes. A total of 20,431 households were contacted and 3,802 questionnaires were returned and used in data analysis. This represents an 18.6% response rate overall and total number of questionnaires returned was well in excess of the 1,500 specified in Government guidance;
 - Interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Social Landlords (RSLs), Estate Agents, Lettings Agents, Developers, Supporting People representatives;
 - A review of relevant secondary data including the 2001 census, house price trends, CORE lettings data and CLG Statistics.
- A.2 Household survey data is available down to postcode level. In the SHMA report, data are presented for urban areas (Whitehaven, Cleator Moor, Egremont and Millom) and rural parishes in the Whitehaven HMA and rural parishes in the West Lakes HMA, split between those inside and outside the Lake District National Park (West Lakes HMA – Lake District and West Lakes HMA – Copeland). Table A1 illustrates the split by Parish between the two West Lakes HMA areas.
- A.3 The SHMA was overseen by a Housing Market Partnership comprising Local Authority officers.

Table A1 Dwellings located in the West Lakes HMA Copeland and Lake District National Park areas by Parish

Parish	West Lakes HMA - Number of occupied dwellings located in:		
	LDNP LDF Area	Copeland LDF Area	Total
Bootle	315	0	315
Drigg and Carleton	24	172	196
Ennerdale and Kinniside	114	0	114
Eskdale	123	0	123
Gosforth	554	10	564
Irton with Santon	116	17	133
Lamplugh	0	332	332
Millom without	27	407	434
Muncaster	150	0	150
Ponsonby	21	18	39
Seascale	0	774	774
St. Bridget Beckermest	15	0	15
Ulpha	65	0	65
Waberthwaite	106	0	106
Wasdale	52	0	52
Whicham	151	0	151
Total	1833	1730	3563

Baseline dwelling stock information and survey sample errors

- A.4 Table A2 shows the total number of dwellings by locality, broken down into vacant and occupied stock. It indicates a total dwelling stock of 32,847 of which 30,442 is occupied.
- A.5 A residential address list was provided by the Council based on the Council Tax register. A summary of households contacted by locality is shown in Table A2, response rates and sample errors (where applicable).

Table A2 Households surveyed, response rates and sample errors

Housing Market Areas	Urban areas/ Parishes	Total Dwellings	Vacant	Occupied	Survey method	Sample required*	H'holds contacted	Total Response	Total Response rate	Achieved sample error (CV)
Whitehaven	Whitehaven Area									
	Sandwith Village	95	12	83	100%		83	17	20.5%	
	Whitehaven	11598	644	10954	Sample	371	2473	397	16.1%	4.83%
	Cleator Moor Area									
	Cleator	316	24	292	100%		292	41	14.0%	
	Cleator Moor	2982	195	2787	Sample	337	2250	323	14.4%	5.13%
	Egremont Area									
	Egremont	3001	192	2809	Sample	338	2252	375	16.7%	4.71%
	Egremont - Bigrigg	324	16	308	100%		308	56	18.2%	
	Egremont - Moor Row	370	24	346	100%		346	54	15.6%	
	Rural parishes									
	Arlecdon and Frizington	1736	143	1593	100%		1593	272	17.1%	
	Distington	1055	64	991	100%		991	163	16.4%	
	Haile	125	9	116	100%		116	23	19.8%	
	Lowca	363	19	344	100%		344	50	14.5%	
	Lowside Quarter	302	56	246	100%		246	61	24.8%	
	Moresby	542	28	514	100%		514	99	19.3%	
	Parton	433	20	413	100%		413	64	15.5%	
	St. Bees	885	85	800	100%		800	179	22.4%	
	St. Bridget Beckermest	229	35	194	100%		194	40	20.6%	
	St. John Beckermest	826	35	791	100%		791	170	21.5%	
	Weddicar	203	8	195	100%		195	39	20.0%	
West Lakes	Boothle	352	37	315	100%		315	69	21.9%	
	Drigg and Carleton	209	13	196	100%		196	57	29.1%	
	Ennerdale and Kinniside	132	18	114	100%		114	36	31.6%	
	Eskdale	149	26	123	100%		123	28	22.8%	
	Gosforth	636	72	564	100%		564	160	28.4%	
	Irlton with Santon	168	35	133	100%		133	35	26.3%	
	Lamplugh	362	30	332	100%		332	74	22.3%	
	Millom without	480	46	434	100%		434	97	22.4%	
	Muncaster	185	35	150	100%		150	53	35.3%	
	Ponsonby	40	1	39	100%		39	8	20.5%	
	Seascale	849	75	774	100%		774	196	25.3%	
	Ulpha	93	28	65	100%		65	18	27.7%	
	Waberthwaite	116	10	106	100%		106	18	17.0%	
	Wasdale	74	22	52	100%		52	18	34.6%	
Millom	Millom - Haverigg	506	63	443	100%		443	95	21.4%	
	Millom	2927	251	2676	Sample	336	2239	383	17.1%	4.63%
TOTAL		32,847	2,404	30,443			20,431	3,802	18.6%	

Sources: Copeland Borough Council Tax Data; 2010 household survey

* sample required for +/-5% binomial split 50:50

- A.6 A total of 3,802 households completed and returned questionnaires which were used in data analysis. This represents an 18.6% response rate overall. The total number of questionnaires received back was well in excess of the 1,500 specified by CLG in its SHMA guidance.
- A.7 In order to proceed with data analysis, it is critical that data is weighted to take into account non-responses and grossed up to reflect the total number of households. Weighting for each sub-area was based on:
- **tenure** (the proportion of affordable (social rented and intermediate tenure) and open market dwellings based on 2001 census data);
 - **age of household reference person** based on the proportions of household reference people aged under 60 and 60 or over living in affordable and open market provision derived from the 2001 census.
- 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 the urban areas and Parishes presented in Table A1. Furthermore, the survey findings are enhanced and corroborated through analysis of secondary data and stakeholder consultation.

List of stakeholders interviewed as part of the SHMA process

Housing Associations

Copeland Homes
Anchor Housing Association
Impact Housing Association
Two Castles Housing Association

Estate Agents / Lettings Agents

Homeseach Direct
Grisedales
Tiffen and Co
Your Move
Belvoir
Mitchells
Gill Bros

Kerry Maxwell, Whitehaven Community Trust
Cumbria Deposit Guarantee Scheme

Developers

Capita Symonds
Story Homes
High Grange Developments
Thomas Armstrong

Supporting People

Cumbria Supporting People Team
Adult Social Care
Shelter Whitehaven

Economic/Regeneration

Regen NE Copeland Ltd
Enterprise Whitehaven

Technical Appendix B: The Current Housing Market

Underpins core outputs 1 and 2

Summary of contents

Stage 1: Demographic and economic context

- 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

Stage 2: The housing stock

- Step 2.1 Dwelling profile
- Step 2.2 Stock condition
- Step 2.3 Shared housing and communal establishments

Stage 3: The active market

- 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

Stage 4: Bringing the evidence together

- Step 4.1 Mapping market characteristics
- Step 4.2 Trends and drivers
- Step 4.3 Issues for future policy/strategy

Introduction

- B.1 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 Copeland Borough: 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 Copeland Borough's residents broadly mirrors that of the region and England (Table B2), although there is a higher proportion of residents aged 40-59 and aged 60 and over compared with regional and national data.

Table B2 Age profile

Age Group	Copeland %	Cumbria %	North West %	England %
0-19	22.2	22.1	24.3	23.9
20-39	22.1	21.1	26.0	27.0
40-59	29.8	29.2	27.1	26.8
60-74	17.6	18.2	15.0	14.5
75+	8.2	9.4	7.7	7.8
Total	100.0	100.0	100.0	100.0
Base (000s)	69.7	495.0	6897.9	51809.7

Source: ONS 2009 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 (Table B3). The majority of residents under 39 live in owner occupied properties with a mortgage. In contrast, 66.2% of people aged 60 to 74 and 68.7% of residents aged 75 and over live in properties that are owned outright. Around one-quarter or residents aged 75 or over live in social rented accommodation. The private rented sector tends to accommodate younger households and 6.3% of all 16 to 39 year olds rent privately.

Table B3 Tenure and age profile

Age Group	% of age group living in tenure					Total	Base
	Owner Occupied (Owned outright)	Owner Occupied (With Mortgage)	Social Rented	Private Rented	Inter mediate		
Under 16	11.9	60.3	20.4	6.5	1.0	100.0	12,218
16 to 39	14.0	63.1	16.3	6.3	0.2	100.0	17,993
40 to 59	28.9	52.6	14.3	4.2	0.0	100.0	26,025
60 to 74	66.2	12.9	17.9	2.8	0.3	100.0	7,217
75 and over	68.7	2.8	24.7	1.8	1.9	100.0	2,923
All residents	27.5	50.4	16.8	4.9	0.4	100.0	66,374

Source: 2010 Household Survey

Household type

- B.4 The household type profile of Copeland closely mirrors that of the region and England. (Table B4).

Table B4 Household structure

Household Type	Copeland (%)	North West (%)	England (%)
Single Person	28.2	30.0	28.4
Couple (no children)	30.6	27.9	29.0
Couple (with dependent children)	21.1	21.0	22.1
Lone Parent (with dependent children)	6.9	8.0	7.2
Other multi-person household	13.2	13.1	13.3
Total	100.0	100.0	100.0
Base Households	30,443	2,856 k	20,711 k

Source: 2010 Household Survey; 2008 ONS Regional Trends

Ethnicity

- B.5 Table B5 summarises the ethnic profile of Copeland Borough's residents. 98.3% of the population describe themselves as White British, the largest single ethnic group. Other groups include White Other (0.7%) and White Irish (0.4%). All other ethnicities account for 0.6% of the population.

Table B5 Ethnicity of Copeland Borough's population

Ethnicity		Copeland (number)	Copeland (%)	North West (%)	England (%)
White	British	68,125	98.3	92.2	87.0
	Irish	253	0.4	1.2	1.3
	Other	455	0.7	1.1	2.7
Mixed	White/Black Caribbean	61	0.1	0.3	0.5
	White / Black African	21	0.0	0.1	0.2
	White / Asian	61	0.1	0.3	0.4
	Other	46	0.1	0.2	0.3
Asian or Asian British	Indian	61	0.1	1.1	2.1
	Pakistani	43	0.1	1.7	1.4
	Bangladeshi	50	0.1	0.4	0.6
	Other	6	0.0	0.2	0.5
Black or Black British	Black Caribbean	12	0.0	0.3	1.1
	Black African	21	0.0	0.2	1.0
	Other	0	0.0	0.1	0.2
Chinese or other	Chinese	70	0.1	0.4	0.4
	Other	51	0.1	0.2	0.4
Base		69,336	100.0	100.0	100.0

Source: 2001 census

- B.6 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 Numbers allocated to overseas nationals. Table B6 shows that for Copeland Borough, there has been an annual average of around 133 overseas nationals working in the District. Of these, Polish nationals are the largest single group.

Table B6 Overseas nationals applying to work in Copeland Borough 2005/06 to 2008/09

Origin	2005/6	2006/7	2007/8	2008/9	Annual Average
Poland	30	60	40	20	38
India	20	10		10	13
Rep of Lithuania	10	10	10		10
Slovak Rep	10	10			10
South Africa	10				10
Australia	10		10	10	10
Pakistan	10				10
Czech Rep	10	10		10	10
China Peoples Rep	10				10
Philippines	10	10			10
France		10	10		10
USA		10		10	10
Romania			10	10	10
Elsewhere	10	30	50	30	30
Total	140	160	130	100	133

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

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

BAME households in Copeland Borough

B.7 The SHMA household survey identified around 163 households who were headed by someone who had an ethnicity other than White British. Some facts relating to these households are:

- They are mainly located in the Whitehaven HMA;
- A majority (70.2%) are owner occupiers and 29.8% rent privately;
- 43% have a gross income of less than £300 per week and 45.7% receive more than £500 per week;
- 5.7% BAME households are in some form of housing need and this was linked to the household having to share amenities;
- 13.5% are dissatisfied with the state of repair of their homes (compared with 12.4% of all households).

Step 1.2 National and regional economic policy

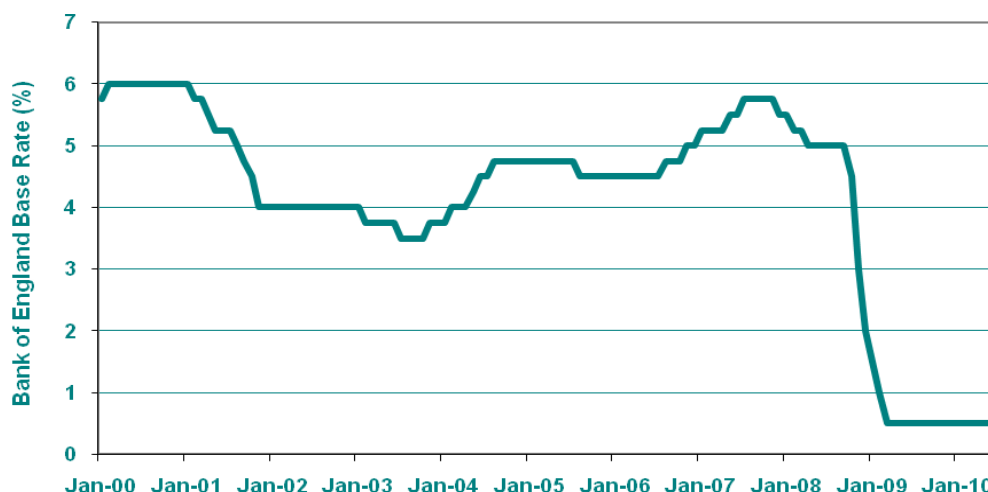
Overview

- B.8 Macroeconomic factors such as interest rates, inflation and national economic growth all impact on the operation of the housing market. A useful overview of the UK economic context is provided by PriceWaterhouseCoopers (PWC).
- B.9 PWC comment (summer 2010) that the UK economy has moved gradually out of recession since the fourth quarter of 2009. There has been a continued gradual revival during the first half of 2010 across the manufacturing and service sector. However, the pace of recovery remains modest and public spending cuts may have implications for the recovery. PWC suggest that UK GDP will rise by a relatively modest 1% on average in 2010, but pick up to around 2.2% in 2011, although this could be lower as tax rises and spending cuts take effect.
- B.10 At a regional level, the broad strategic policy framework is underpinned by the sub-regional economic review and Regional Economic Strategy. The policy framework is summarised in Chapter 2 of this report.

Interest rate trends

- B.11 Figure B1 summarises interest rate trends over the period 2000 to 2010. 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%.

Figure B1 Interest rate trends 2000 -2010



Source: Bank of England

Step 1.3 Employment levels and structure

Economic activity rates

- B.12 Across Copeland Borough, 80% of the working age population are economically active and 20% are economically inactive. Proportions in employment are higher than the regional average. The level of unemployment (8.6%) is higher than regional and national averages.

Table B7 Labour supply in Copeland Borough

Economic Activity	Copeland (%)	North West (%)	England (%)
Total Economically Active	80.0	76.8	79.0
In employment	73.2	70.8	73.4
Unemployed	8.6	7.8	7.1
Economically inactive	20.0	23.2	21.0
Base: Working Age Population	43,000		
Total Population	69,700		

Source: ONS Annual Population Survey July 2008 – June 2009

Employment by occupation group

- B.13 Employment by broad occupational groups is summarised in Table B8. This indicates that compared with the North West and England, Copeland Borough has higher proportions of residents in administrative/secretarial, skilled trade and elementary occupations. The proportion of manager/senior official and professional occupations is lower than regional and national data. These observations reflect the view that Sellafield is a key employer but local residents tend to be employed in non-managerial jobs, with higher income groups tending to live outside the Borough.

Table B8 Occupation of Copeland Borough's economically active residents

Occupations	Copeland (no.)	Copeland (%)	North West (%)	England (%)
Soc 2000 major group 1-3	11,800	36.0	40.5	44.2
1 Managers and senior officials	5,000	15.3	15	16
2 Professional occupations	2,500	7.7	11.8	13.4
3 Associate professional & technical	4,300	13.0	13.7	14.8
Soc 2000 major group 4-5	9,500	28.8	22.6	21.7
4 Administrative & secretarial	5,100	15.4	11.9	11.3
5 Skilled trades occupations	4,400	13.4	10.7	10.4
Soc 2000 major group 6-7	4,500	13.7	17.1	15.7
6 Personal service occupations	2,100	6.4	8.8	8.3
7 Sales and customer service occs	2,400	7.3	8.3	7.4
Soc 2000 major group 8-9	6,800	20.6	19.4	18.0
8 Process plant & machine operatives	2,300	6.9	8	6.8
9 Elementary occupations	4,500	13.7	11.4	11.2

Source: ONS Annual Population Survey; July 2008 – June 2009

Qualifications

- B.14 Education and skills are critical elements of sound economic performance. Around 34.9% of economically active residents in Copeland Borough have at least an NVQ3 level qualification (compared with 48.3% regionally), but only 16.2% have an NVQ4 level and above qualification (compared with 31.6% regionally and 33.6% nationally) (Table B9).

Table B9 Educational attainment of Copeland Borough's economically active population

Highest Qualification	Copeland (%)	North West (%)	England (%)
NVQ4 and above	16.2	31.6	33.6
NVQ3	18.7	16.7	16.0
NVQ2	19.8	17.9	16.1
NVQ1	20.5	13.6	13.4
Trade Apprenticeships	10.3	4.6	4.2
Other Qualifications	7.0	7.0	8.8
No Qualifications	7.5	8.6	7.9
Base (Economically Active)	35,100		

Source: ONS Annual Population Survey; Jan 2009 – Dec 2009

Step 1.4 Income and earnings

- B.15 The 2009 lower quartile and median earnings for Copeland and comparisons with the North West and England are presented in Table B9A.

Table B9A Lower quartile and median earnings

Geography	Lower Quartile (£)	Median (£)
Copeland - Resident	£20,379	£32,516
Copeland - Workplace	£23,930	£35,105
North West	£17,332	£23,930
England	£18,283	£25,792

Source: Annual Survey of Hours and Earnings 2009

- B.16 Individual earnings in Copeland Borough are higher than the regional and national figures. Of those who work in the Borough but may live elsewhere, the earnings figures are even higher. This equates with the view that higher income employees working at Sellafield tend to live out of the Borough.
- B.17 The distribution of household income (head of household and partner if applicable) across Copeland Borough is summarised in Table B10 and this is compared with regional and national data. This data also includes the incomes of economically inactive households. It indicates that 41.7% of households receive an income of less than £350 per week (compared with 41% regionally and 38% nationally). In contrast, 29.2% receive more than £750 per week (compared with 24% regionally and 28% nationally).

Table B10 Copeland Borough Income Profile

Gross Household Income each week	Copeland (%)	North West (%)	England (%)
Under £150	15.5	14.0	13.0
£150 to <£250	16.1	14.0	14.0
£250 to <£350	10.1	13.0	11.0
£350 to <£450	7.6	11.0	10.0
£450 to <£600	12.3	13.0	13.0
£600 to <£750	9.2	11.0	11.0
£750 to <£1000	13.8	13.0	12.0
£1000 or over	15.4	11.0	16.0
Total	100.0	100.0	100.0
Base	30,443	Not Specified	Not Specified

Source: 2010 Household Survey, Regional Trends 2008

- B.18 The household survey provides details on household incomes (gross income of head and partner if applicable) and can be used to illustrate how income levels vary by locality, tenure and household type (Table B11).

Table B11 Lower Quartile, median and upper quartile income by sub-area, household type and tenure

Sub-area	Weekly Income (£)			Annual Income (£)		
	Lower Quartile	Median	Upper Quartile	Lower Quartile	Median	Upper Quartile
Whitehaven	£175	£475	£825	£9,100	£24,700	£42,900
Cleator Moor	£175	£325	£675	£9,100	£16,900	£35,100
Egremont	£175	£425	£725	£9,100	£22,100	£37,700
Whitehaven Rural Parishes	£225	£525	£875	£11,700	£27,300	£45,500
West Lakes – LDNP	£275	£575	£975	£14,300	£29,900	£50,700
West Lakes – Copeland	£325	£575	£975	£16,900	£29,900	£50,700
Millom	£175	£325	£575	£9,100	£16,900	£29,900
Copeland	£225	£475	£825	£11,700	£24,700	£42,900

Household Type	Weekly Income (£)			Annual Income (£)		
	Lower Quartile	Median	Upper Quartile	Lower Quartile	Median	Upper Quartile
Single adult under 60	£125	£325	£625	£6,500	£16,900	£32,500
Single adult 60 or over	£125	£175	£275	£6,500	£9,100	£14,300
Couple only (both under 60)	£425	£725	£975	£22,100	£37,700	£50,700
Couple only (one or both over 60)	£225	£325	£475	£11,700	£16,900	£24,700
Couple (1/2 child(ren))	£475	£725	£1,100	£24,700	£37,700	£57,200
Couple (3+ children)	£375	£675	£1,100	£19,500	£35,100	£57,200
Lone parent with 1/2 child(ren)	£125	£225	£325	£6,500	£11,700	£16,900
Lone parent with 3+ children	£125	£225	£325	£6,500	£11,700	£16,900
Couple with adult children	£475	£725	£1,100	£24,700	£37,700	£57,200
Lone parent with adult children	£125	£175	£225	£6,500	£9,100	£11,700
Other type of household	£275	£475	£675	£14,300	£24,700	£35,100
Copeland	£225	£475	£825	£11,700	£24,700	£42,900

Tenure	Weekly Income (£)			Annual Income (£)		
	Lower Quartile	Median	Upper Quartile	Lower Quartile	Median	Upper Quartile
Owned (no mortgage)	£225	£375	£675	£11,700	£19,500	£35,100
Owned (with mortgage)	£475	£725	£1,100	£24,700	£37,700	£57,200
Rented from Copeland Homes	£125	£175	£225	£6,500	£9,100	£11,700
Rented from other Housing Association	£125	£175	£225	£6,500	£9,100	£11,700
Rented Privately (furnished)	£125	£325	£725	£6,500	£16,900	£37,700
Rented Privately (unfurnished)	£175	£275	£575	£9,100	£14,300	£29,900
Tied accommodation	£375	£425	£775	£19,500	£22,100	£40,300
Shared Ownership, Shared Equity	£175	£225	£225	£9,100	£11,700	£11,700
Copeland	£225	£475	£825	£11,700	£24,700	£42,900

Notes on statistics:

Lower Quartile = 25% percentile i.e. 25% of incomes are below this figure and 75% are above

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

Source: 2010 Household Survey

- B.19 Within Copeland Borough there are considerable variations in income levels by area and tenure (Table B11 and Data Tabulations accompanying this report). For instance, Table B11 illustrates that incomes were highest for residents in the West Lakes and Whitehaven Rural Parishes; owner occupiers (with a mortgage); and couples (under 60) and couples with children. Incomes were lowest for residents in Millom and Cleator Moor; social renters; and lone parents and older single person households.

Stage 2: The housing stock

Step 2.1 Dwelling profile

- B.20 The 2010 Household Survey provides a wealth of information on current dwelling profiles, 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 different 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 different tenures.

Total dwelling stock

- B.21 As illustrated in Table B12, over the ten years 1998 to 2008, total dwelling stock has increased by 1,478 dwellings (4.7%). The total amount of social rented stock has fallen by 16.8% and the total number of private sector dwellings has increased by 11.9% (through newbuild and right to buy activity).

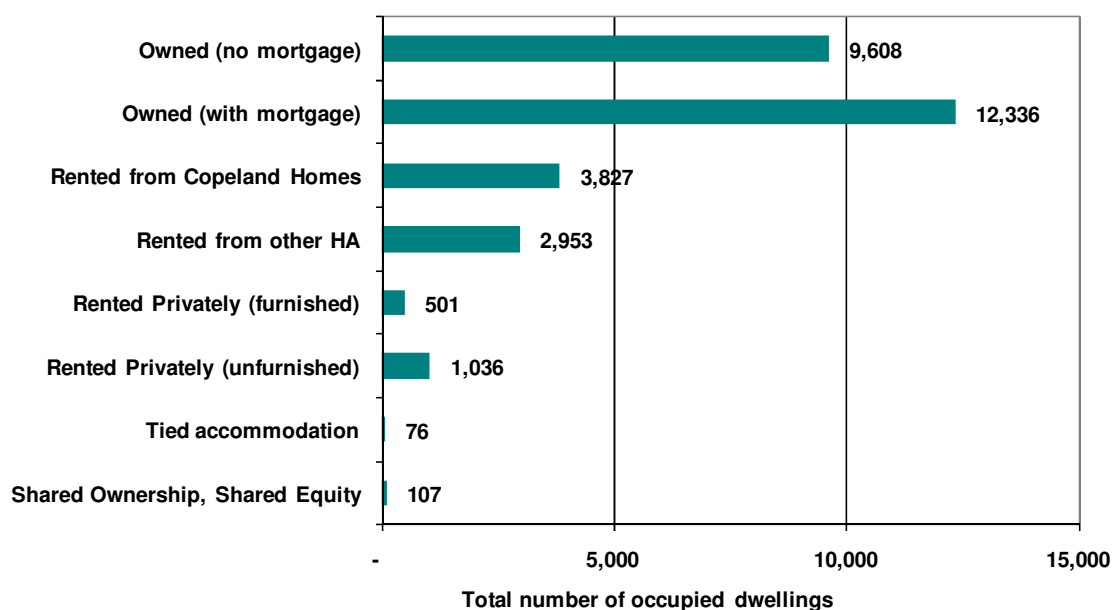
Table B12 Stock profile trends 1998-2008

Tenure	1998	2008	% Change
Social Rented	7738	6,438	-16.8
Private	23,392	26,170	11.9
Total	31,130	32,608	4.7

Source: HIP/HSSA Returns published by ODPM/DCLG

- B.22 The overall tenure profile of Copeland Borough is summarised in Figure B2. Table B13 compares this tenure profile with the region.

Figure B2 Copeland Borough tenure profile 2010



Source: 2010 Household Survey

Table B13 Comparison of national and regional tenure profiles with Copeland Borough

Tenure	Copeland Borough (%)	North West (%)	England (%)
Owner-occupied	72.1	71.0	71.0
Social Rented	22.3	20.0	18.0
Private Rented	5.2	9.0	11.0
Intermediate tenure	0.4	#	#
Total	100	100	100

Source: 2010 Household Survey; 2008 Regional Trends

Data not available

- B.23 The majority of stock in Copeland Borough is owner-occupied. The proportion of social rented property slightly higher than the regional average. However, the proportion of private rented stock is around 42% lower than the regional average.

Newbuild activity

- B.24 Table B14 summarises newbuild activity over the five year period 2005/6 to 2009/10 in terms of dwelling completions by broad tenure. Completions have averaged 209 each year and are mostly in the private sector.

Table B14 Newbuild activity in Copeland Borough

Year	No. of Completions (Gross)		
	Private	RSL	Total
2005/06	484	14	498
2006/07	176	0	176
2007/08	168	0	168
2008/09	81	0	81
2009/10	110	10	120
Total	1,019	24	1,043
5-year annual average	204	5	209

Source: CLG Housing Statistics Table 253 House building: permanent dwellings completed

Demolitions

- B.25 There is a programme of demolition of obsolete stock ongoing across Copeland District. Over the five years 2005/6 to 2009/10, a total of 279 dwellings have been demolished, with a further 64 planned demolitions during 2010/11 (Table B15). Demolition activity has primarily been in Whitehaven, Cleator Moor and Egremont, with rebuilding of more appropriate dwellings on most of the sites.

Table B15 Demolitions in Copeland Borough

Year	Total	Tenure		Location				
		RSL	Private	Whitehaven	Cleator Moor	Egremont	Millom	Other
2005/06	2		2					
2006/07	35	33	2			9		
2007/08	68	64	4	64				
2008/09	76	74	2	74			1	1
2009/10	98	96	2	46	48	24	16	16
5 year Total	279	267	12	184	48	33	17	17
2010/11 Projected	64	58	6	27	23			14

Source: Copeland Borough Council

Right to buy

- B.26 At the time of the 1980 Housing Act which gave Council renters the right-to-buy their homes, there were 7,798 Council dwellings across Copeland Borough. By the end of March 2009, around 3,159¹⁵ social rented dwellings have been sold under right to buy or preserved right-to-buy, representing 40.5% of the 1980 dwelling stock (this excludes stock transfers). The level of sales has exacerbated the shortage of affordable accommodation across the Borough. However, more recently, the ability for renters 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.

¹⁵ Based on CLG information and CORE sales data

Second/holiday home ownership

- B.27 The 2001 census (table CAS48) identified 453 second/holiday homes across Copeland Borough, which represented around 1.4% of all dwelling stock.

Owner occupation: stock information

- B.28 The majority of households in Copeland Borough (72.1%) are owner-occupiers¹⁶; 31.6% own outright (9,609) and 40.5% own with a mortgage (12,337). Table B16 provides a summary of a range of data associated with owner-occupied stock. Key observations include:
- Most owner-occupied properties are houses, with 23.1% detached, 33.9% semi-detached and 27.7% terraced; a further 11.9% are bungalows, 2.2% flats/maisonettes and 1.2% other property types;
 - 52% of properties have three bedrooms, 27.8% have four or more bedrooms, 19.5% have two bedrooms and only 0.7% have one bedroom;
 - Around 28.7% of owner-occupied stock was built pre -1919 and around 41% has been built since 1965;
 - Although the majority (80.2%) of owner-occupier households are satisfied with the condition of stock, 6.6% are dissatisfied and 1% are very dissatisfied. Where households expressed dissatisfaction, this is principally due to problems with windows, roofing and dampness/mould growth.

Owner occupation: household characteristics

- B.29 A range of socio-economic and demographic information on residents has been obtained from the household survey. Some interesting observations 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 (39.8% receive an income of under £300 per week). This could have implications for the ability of households to maintain their home. In contrast, 9.9% of owners with a mortgage receive under £300 per week and 72.9% receive at least £500 per week;
 - 75% of outright owners have lived in their home for at least 10 years (and of these 51.8% have lived there for at least 20 years), indicating a high degree of residential stability. In contrast, 55.8% of mortgaged owners have lived in their current accommodation for less than 10 years;
 - 37.1% of residents living in a property owned outright are aged 60 or over and 68.7% of all residents aged 75 or over are outright owners; in contrast, 34% of residents living in a mortgaged property are aged between 16 and 39 and 40.9% are aged between 40 and 59;

¹⁶ Excluding intermediate tenure

- Couples with children account for 35.5% of owner-occupiers with a mortgage and 30.3% are couples with no children; 43.6% of outright owners are couples with no children and 17.4% are single people over 60;
- 77.2% of all residents aged 16-39 live in owner-occupied dwellings;
- 86.6% of all economically active residents live in owner-occupied stock; and
- 76% of all retired residents are owner-occupiers along with 41% of people who are permanently sick or have a disability.

Table B16 Attributes of owner-occupied stock

Property Type	Owned no Mortgage (%)	Owned with Mortgage (%)	All Owner Occupied (%)	All Occupied Stock (%)
Detached house/cottage	22.9	23.2	23.1	18.4
Semi-detached house/cottage	31.7	35.7	33.9	33.9
Terraced house/cottage	24.8	29.9	27.7	25.7
Bungalow	16.3	8.5	11.9	12.4
Maisonette	0.3	0.3	0.3	0.6
Flat/apartment	2.0	1.9	1.9	7.7
Caravan/Park Home	1.7	0.0	0.7	0.5
Other	0.4	0.5	0.5	0.7
Total	100.0	100.0	100.0	100.0
Base	9,609	12,337	21,946	30,443
No. Bedrooms	Owned no Mortgage (%)	Owned with Mortgage (%)	All Owner Occupied (%)	All Occupied Stock (%)
One	0.8	0.6	0.7	3.5
Two	22.6	17.1	19.5	26.7
Three	53.1	51.1	52.0	48.6
Four	17.0	23.8	20.8	15.7
Five or more	6.5	7.3	7.0	5.4
Bedsit/studio	0.0	0.0	0.0	0.1
Total	100.0	100.0	100.0	100.0
Base	9,609	12,337	21,946	30,443
Property Age	Owned no Mortgage (%)	Owned with Mortgage (%)	All Owner Occupied (%)	All Occupied Stock (%)
Pre 1919	29.7	28.0	28.7	24.9
1919-1944	8.9	10.8	10.0	12.7
1945-1964	22.1	18.9	20.3	24.0
1965-1984	20.9	19.8	20.3	19.8
1985-2004	15.2	18.0	16.8	15.1
2005 onwards	3.2	4.5	3.9	3.6
Total	100.0	100.0	100.0	100.0
Base	9,609	12,337	21,946	30,443
Satisfaction with home	Owned no Mortgage (%)	Owned with Mortgage (%)	All Owner Occupied (%)	All Occupied Stock (%)
Very Satisfied	43.3	31.1	36.4	31.0
Satisfied	40.1	46.6	43.8	41.9
Neither satisfied nor dissatisfied	9.3	14.5	12.2	14.7
Dissatisfied	6.4	6.7	6.6	9.7
Very Dissatisfied	0.9	1.2	1.0	2.7
Total	100.0	100.0	100.0	100.0
Base	9,609	12,337	21,946	30,443

Source: 2010 Household Survey

Owner occupation: views of estate agents

B.30 Key observations from discussions with Estate Agents operating within Copeland Borough include:

- On market characteristics and key drivers:
 - Areas in Whitehaven and rural areas are desirable;
 - There are different markets within Copeland based on town centres, rural areas and villages, with people looking for particular types of areas and not interested in others;
 - Some retirement in-migration of people wanting to live close to the Lake District;
 - Older people are downsizing
 - A key driver to the market are people employed by Sellafield;
 - There is a degree of people moving to be close to family and maintain close family/social networks;
 - Overall around 30% of buyers are moving into the Borough;
- On house price trends:
 - Prices have dropped by about 18% since 2008.
 - Market is static at the moment and sellers often need to cut 5-10% off their expected price to make a sale; The slow market is largely attributed to a lack of mortgage availability.
 - First-time buyer market is suffering particularly with the impact of mortgage restrictions, and more are renting because of this. No-one is buying at the cheaper end of the market at the moment.
- On future trends:
 - All estate agents agree that prices are going to be steady for the next year or so and the market is flooded with cheap properties.
- On affordability:
 - People are selling because they can't afford the mortgage. Repossessions are common and auctions going on, although banks and building societies are doing more to help their lenders;
 - There are a lot of older people downsizing to smaller properties;
 - Obtaining a mortgage is difficult but if you've got a deposit of at least 25% you're more likely to obtain one;
 - Intermediate tenure (shared ownership/equity/discounted for sale) have proved to be popular
- On newbuild:
 - There is demand for newbuild (Story Homes site in Whitehaven sold quickly for example). A range of dwellings are being built including houses

and apartments. Some schemes have been mothballed until the market picks up;

- Mainly being bought by local residents, with trends of older people downsizing to terraced housing or apartments in town centres close to services; families moving to bigger houses; and first time buyers moving into cheaper properties (with a ceiling price of around £110,000).
- On buy-to let activity:
 - Lot of auction activity, but lenders are limiting funding to about £65,000 for each property; terraced houses are selling for up to £60,000 or cheaper at auction;
 - Generally, buy to let has dried up because of the mortgage situation, but if you get a cheap property coming onto the market there is a lot of interest;
 - There is also let to buy activity, where owners cannot sell their house so they let it and buy another one.
- On popularity and unpopularity:
 - Key factors determining popularity include school catchment and being close to services;
 - It's more about the right price and right location rather than the quality and age of stock, although better constructed dwellings are more likely to sell;
 - There are different markets, with older people looking for flats in town centres; and first time buyers are very price sensitive; there are premium price markets in the Lake District National Park; and people looking for character properties
 - Main problem areas are perceived as Woodhouse and Mirehouse, with people not wanting to move to locations near big social rented estates, However, due to regeneration activity perceptions are changing and the Story Homes development in Woodhouse is proving popular.
 - Well-built and competitively priced properties in regeneration areas will sell well.

Views of developers

B.31 The views of four developers were secured through stakeholder discussions. Key messages include:

- There is demand in Copeland which is not being met and developer support is needed to facilitate the delivery of targets. The locality is an area of fantastic landscapes and opportunities for employment through West Lakes Science Park, Sellafield and the hospital redevelopment;
- Developers are building on both brownfield and Greenfield sites, with location critical;
- Developers focus on building traditional houses with two to six bedrooms. Flats are not preferred because there is a perception there are too many in the area. The type of development is based on demand and experience, with

choice of housing mix determined by investigations with local estate agents, local knowledge and requests from prospective purchasers;

- One developer aims to provide good quality family housing for 'second time' buyers, but they are finding they are repeatedly being asked for executive housing as was provided at a recent St. Bees development
- None of the developers had built affordable products such as discounted for sale. Two work with housing associations and one is looking for a partner to develop such housing;
- Key market drivers include: affordability and providing properties at the right price in the right location – but there is not much land available in desirable locations; future economic growth across the Borough including Sellafield and the West Lakes Science Park;
- The most desirable locations include St. Bees, Whitehaven, Egremont (due to its commuting potential and transport links to Sellafield). Lower demand areas include Millom/Bootle, Distington and Parton/Lowca. People have a good idea of where they want to live and there needs to be more land available where people want to live as perceptions are hard to change
- Developers comment that the Council needs to release more land for building, particularly in more attractive areas where people want to live. The Council also needs to maintain its focus on inward investment and the retention of existing employment.

Affordable housing: stock information

B.32 The total occupied affordable housing stock in Copeland Borough is around 6,900 dwellings, comprising: 3,800 properties managed by Copeland Homes, 2,950 managed by Housing Associations and a small number of intermediate tenure properties¹⁷. Intermediate 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. Observations relating to affordable housing based on the household survey are presented in Table B17. This shows:

- 58.3% of occupied affordable dwellings are houses, 24.6% are flats/maisonettes and 15.6% are bungalows;
- The majority of occupied affordable dwellings have two (46.7%) or three (40.4%) bedrooms;
- 61.7% of occupied affordable dwellings were built during the period 1945 - 1984, with 11.1% built since 1985; and
- There is a relatively low level of satisfaction with state of repair, with 21% of Copeland Homes tenants and 28.5% of other RSL tenants expressing dissatisfaction. Overall, 24.5% of households living in affordable housing expressed dissatisfaction (compared with 12.4% across all tenures), 22.8% were neither satisfied nor dissatisfied and 52.8% expressed satisfaction (compared with 73% across all tenures). Problems mentioned included dampness/mould growth (mentioned by 42.7% of households) and windows (39.3%).

¹⁷ 2010 Household survey

Table B17 Attributes of affordable dwelling stock

Property Type	Rented from Copeland Homes (%)	Rented from other RSL (%)	Intermediate tenure (%)	All Affordable (%)	All Occupied Stock (%)
Detached house/cottage	4.3	1.6	39.3	3.7	18.4
Semi-detached house/cottage	41.4	34.4	4.7	37.8	33.9
Terraced house/cottage	10.9	24.5	7.5	16.7	25.7
Bungalow	14.6	17.1	5.6	15.6	12.4
Maisonette	0.5	2.3	0.0	1.3	0.6
Flat/apartment	26.5	18.4	43.0	23.3	7.7
Caravan/Park Home	0.0	0.0	0.0	0.0	0.5
Other	1.8	1.6	0.0	1.6	0.7
Total	100.0	100.0	100.0	100.0	100.0
Base	3,827	2,953	107	6,887	30,443
No. Bedrooms	Rented from Copeland Homes (%)	Rented from other RSL (%)	Intermediate tenure (%)	All Affordable (%)	All Occupied Stock (%)
One	10.6	11.4	21.5	11.1	3.5
Two	47.7	46.4	15.9	46.7	26.7
Three	39.7	40.6	62.6	40.4	48.6
Four	1.6	1.0	0.0	1.3	15.7
Five or more	0.4	0.6	0.0	0.5	5.4
Bedsit/studio	0.0	0.0	0.0	0.0	0.1
Total	100.0	100.0	100.0	100.0	100.0
Base	3,827	2,953	107	6,887	30,443
Property Age	Rented from Copeland Homes (%)	Rented from other RSL (%)	Intermediate tenure (%)	All Affordable (%)	All Occupied Stock (%)
Pre 1919	2.0	4.8	22.2	3.6	24.9
1919-1944	26.2	19.5	46.3	23.6	12.7
1945-1964	46.9	33.8	5.6	40.3	24.0
1965-1984	20.7	23.3	0.0	21.4	19.8
1985-2004	3.1	17.2	25.9	9.8	15.1
2005 onwards	1.2	1.4	0.0	1.3	3.6
Total	100.0	100.0	100.0	100.0	100.0
Base	3,827	2,953	107	6,887	30,443
Satisfaction with home	Rented from Copeland Homes (%)	Rented from other RSL (%)	Intermediate tenure (%)	All Affordable (%)	All Occupied Stock (%)
Very Satisfied	17.4	13.7	25.9	16.0	31.0
Satisfied	40.0	32.9	31.5	36.8	41.9
Neither satisfied nor dissatisfied	21.7	24.9	3.7	22.8	14.7
Dissatisfied	16.3	19.9	2.8	17.6	9.7
Very Dissatisfied	4.6	8.6	36.1	6.8	2.7
Total	100.0	100.0	100.0	100.0	100.0
Base	3,827	2,953	107	6,887	30,443

Source: 2010 Household Survey

Affordable housing: household characteristics

B.33 Key observations relating to the characteristics of households living in affordable dwellings:

- A variety of household types lives in affordable housing and particularly noted are: singles over 60 (29.5%), singles under 60 (18%), lone parent families (15.8%), couples with children (10.9%), couples under 60 (7.5%) and couples with one or both 60 or over (7.4%);
- 47.2% of households have lived in their accommodation for up to 10 years, 26.2% for between 10 and 20 years and 26.2% for 20 years or more;
- 29.7% of all people aged 16 or over are working either full - or part-time; 21.5% are permanently sick or disabled, 20.8% are retired, 8.6% are unemployed; and 19.8% are not working for some other reason (e.g. caring for someone or in training/full-time education);
- 86% receive an income of less than £300 gross each week, 10.5% receive between £300 and £500, 3.5% receive at least £500 each week.

Affordable housing: views of RSL representatives

B.34 A series of stakeholder interviews were carried out with representatives from major RSLs to provide further insights into social rented activity across Copeland Borough.

Copeland Homes

B.35 Copeland Homes, the largest RSL provider in Copeland, was established in 2004 following the transfer of Council stock and is part of Home Group. Dwellings are located across all communities in Copeland and the Decent Homes Target will be delivered by the end of 2010, with a further five year investment planned to exceed the target. Copeland Homes are looking to improve energy efficiency through match funding to cover insulation works and therefore help to address fuel poverty.

B.36 In terms of popularity and unpopularity stock in South Whitehaven is popular but in need of refurbishment. Unpopular stock tends to be elderly persons' bedsits which are being demolished and replaced with bungalows with individual care packages for tenants. Woodhouse had a bad reputation but this is changing due to demolition of obsolete stock and Story Homes are building new homes (linked to a Housing Market Renewal package). The area is locally seen as a good place to live but it still has a poor external reputation. More demolition is planned in Mirehouse which is becoming a more popular area in which to live. Elsewhere in Cleator Moor, Millom and Distington schemes are being appraised for future use.

B.37 They are the main RSL so everyone comes to them first for housing. Single people will struggle to be housed because the stock available is predominantly for families. Until recently, lettings for flats in Whitehaven were only for people aged 45 and over, but lettings are being extended to younger people.

- B.38 Satisfaction levels are at 64%. Stock condition is the key to improving satisfaction and Copeland Homes want to reach 95% satisfaction in two years.

Impact Housing Association

- B.39 Impact have around 286 dwellings in Copeland and are looking at three sites in the Borough. There is enough demand to fill the properties they own. Impact have done extra care, supported housing, cerebral palsy and many other specialist schemes. They currently have a Foyer in Eden District and have bought the old YMCA building in Whitehaven hoping to do one there. Foyers combine accommodation for young people, with other services such as access to guidance, support and training facilities. They have other scheme ideas and looking for more political support.
- B.40 Part of Impact's Business Plan is to look at deals where tenants can move into newbuild shared-equity properties built by a private developer and release older stock to low income first-time-buyers.
- B.41 Longer term, there are concerns that the area is over-reliant on one industry; and demographic changes are going to result in a considerable increase in the number of older people.

Anchor Housing Association

- B.42 Anchor has 78 studio and one bedroom sheltered units in two schemes located in Kells and Meadow Road. One of the schemes offers an extra care facility provided by an on-site care team employed by Anchor. There continues to be a demand for their stock and whilst this continues and the stock remains financially viable they do not have any plans to decommission or change its use. Decent Homes Targets are expected to be met.
- B.43 Both schemes are popular for different reasons. Those needing the additional security of on-site care opt for one scheme while the more independent the other. One bed accommodation tends to be more popular than studio accommodation – but the added benefit of care being provided at the scheme where studios exist seems to combat any void problems.
- B.44 All tenants are aged 55 or over and most leave to enter residential or nursing care, or to be closer to family members in other areas of the country.
- B.45 Satisfaction levels are good with minimal complaints received from tenants.

Two Castles Housing Association

- B.46 Two Castles HA have 343 properties in Copeland Borough. They have developed their stock over a number of years through a combination of refurbishment and newbuild of both flats and houses. Two Castles propose to continue to develop in Copeland but this is likely to be at a modest scale. They are working with the Council on a scheme at Whiteschool Close of 18 dwellings and a rural scheme of around 6 dwellings. Their development strategy envisages the development of houses rather than flats and do only one refurbishment scheme each year to balance their portfolio.

- B.47 Two Castles currently achieves 100% decent homes and are developing a Two Castles standard and plan to invest in Copeland stock to achieve this. They have fairly strong demand for most of their housing schemes. Particularly popular are bungalows at Church View, Egremont; single/two person flats close to Whitehaven town centre; and two and three bedroom houses at Church View, Egremont.
- B.48 There are some unpopular dwellings but this is linked to property type and size. Examples include general needs bedsits and first floor sheltered flats in Sneckyeat; first floor flats at Church Street, Egremont (as many elderly applicants cannot manage the stairs); smaller flats in Dickinson Court and Catherine Mill sheltered schemes; and two bedroom houses at White School Close due to the small size of the living room.
- B.49 A local lettings policy is used in Rudds Court and The Globe schemes which have largely worked and keep the communities there balanced and stable.

Private rented sector: stock information

- B.50 The household survey estimated that there are around 1,600 privately renting households across Copeland Borough, representing 5.3% of households. Of these:
- 31.1% (500) rent furnished properties;
 - 64.2% (1,035) rent unfurnished properties; and
 - 4.7% (75) rent tied accommodation.
- B.51 Table B18 summarises a range of data relating to private rented properties. Key observations include:
- Houses account for the majority of private rented stock (72.1% overall), with flats accounting for a further 21.3%, bungalows 6% and other property types 0.6%. Terraced houses account for 44.6% of unfurnished rented properties and 29.7% of furnished rented properties; with flats accounting for 43.1% of furnished rented properties;
 - 39.9% of private rented accommodation has two bedrooms and 37.3% has three bedrooms. 25.4% of private furnished property has one bedroom or is a bedsit. Tied accommodation tends to be larger, with two-thirds of dwellings having 4 or more bedrooms;
 - Private rented stock tends to be proportionately older than stock overall, with 46.7% built pre 1919 (compared with 24.9% across all occupied dwelling stock);
 - Overall, 24.8% of private renters expressed dissatisfaction with the state of repair of their accommodation. Dissatisfaction was highest amongst unfurnished renters (31.9%). Problems included damp/mould growth (mentioned by 61.5% of all renters), heating problems (41.4%) and windows (38%).

Table B18 Summary of key data relating to private rented stock in Copeland Borough

Property Type	Rented Privately (furnished) (%)	Rented Privately (unfurnished) (%)	Tied accom. (%)	All Private Rented (%)	All Occupied Stock (%)
Detached house/cottage	10.4	16.8	64.5	17.0	18.4
Semi-detached house/cottage	9.4	21.4	0.0	16.7	33.9
Terraced house/cottage	29.7	44.6	11.8	38.4	25.7
Bungalow	5.2	6.1	10.5	6.0	12.4
Maisonette	1.4	0.0	13.2	1.1	0.6
Flat/apartment	43.1	10.7	0.0	20.3	7.7
Caravan/Park Home	0.8	0.0	0.0	0.2	0.5
Other	0.0	0.5	0.0	0.3	0.7
Total	100.0	100.0	100.0	100.0	100.0
Base	501	1,036	76	1,613	30,443
No. Bedrooms	Rented Privately (furnished) (%)	Rented Privately (unfurnished) (%)	Tied accom. (%)	All Private Rented (%)	All Occupied Stock (%)
One	17.6	5.1	0.0	8.7	3.5
Two	46.9	39.0	5.3	39.9	26.7
Three	18.2	47.3	28.0	37.3	48.6
Four	3.2	6.0	49.3	7.1	15.7
Five or more	6.4	2.6	17.3	4.5	5.4
Bedsit/studio	7.8	0.0	0.0	2.4	0.1
Total	100.0	100.0	100.0	100.0	100.0
Base	501	1,036	76	1,613	30,443
Property Age	Rented Privately (furnished) (%)	Rented Privately (unfurnished) (%)	Tied accom. (%)	All Private Rented (%)	All Occupied Stock (%)
Pre 1919	61.1	41.0	34.2	46.7	24.9
1919-1944	8.2	12.5	18.4	11.5	12.7
1945-1964	3.9	24.6	0.0	17.1	24.0
1965-1984	3.0	7.5	31.6	7.4	19.8
1985-2004	13.5	8.6	15.8	10.5	15.1
2005 onwards	10.3	5.8	0.0	6.8	3.6
Total	100.0	100.0	100.0	100.0	100.0
Base	501	1,036	76	1,613	30,443
Satisfaction with home	Rented Privately (furnished) (%)	Rented Privately (unfurnished) (%)	Tied accom. (%)	All Private Rented (%)	All Occupied Stock (%)
Very Satisfied	11.6	26.9	21.3	21.8	31.0
Satisfied	45.5	34.3	52.0	38.6	41.9
Neither satisfied nor dissatisfied	11.0	17.1	8.0	14.7	14.7
Dissatisfied	24.2	14.6	18.7	17.8	9.7
Very Dissatisfied	7.8	7.1	0.0	7.0	2.7
Total	100.0	100.0	100.0	100.0	100.0
Base	501	1,036	76	1,613	30,443

Source: 2010 Household Survey

Private rented sector: characteristics of tenants

B.52 Key observations relating to the characteristics of private renters are:

- Private renters are particularly mobile. 48.8% of all renters had lived in their accommodation for less than two years. The proportion was highest amongst furnished (49%) and unfurnished (48.8%) renters;
- There is a diversity of household types living in private rented accommodation. Singles account for 38.2% of renters, 25.6% are couples with no children, 16.8% are couples with children and 14.9% are lone parents;
- 6.3% of all 16-39 year olds in Copeland Borough live in privately-rented properties;
- 62.6% of renters are in either full-time or part-time employment or are self-employed; 9.1% are in full-time education/training; 8.6% are unemployed, 6.4% are retired; and 5.4% are permanently sick/disabled;
- 49.8% of all renters have an income of less than £300 each week. A further 15.2% receive between £300 and £500 and 35% receive in excess of £500 each week; higher income renters tend to rent furnished dwellings and 42.6% receive at least £500 each week.

B.53 The household survey provided data on 790 households who have moved into private rented accommodation over the past two years. Data suggests that:

- Around 18.2% were emerging households (either younger people forming their first independent home or household formation resulting from relationship breakdown etc.);
- 70.4% of the households had moved from within Copeland Borough, whilst 29.6% originated from outside the District. Those moving into the District originated from a variety of locations including: Allerdale (5.7%), elsewhere in the North West (6.4%), the North East (6.5%) and elsewhere in the UK (11.1%);
- 44.9% of these households had moved within the private rented sector, 23.8% had moved from owner-occupation, 12.7% from social rented stock and 16.8% had previously been living with family/friends;
- The main reasons for people moving into rented accommodation included: to be closer to work/new job (23%), being forced to move (18.7%), wanting a larger property or one which was better in some way (16.8%).

Private rented sector: views of landlords and lettings agents

B.54 Several private sector landlords and lettings agencies were interviewed and their views and comments are now summarised.

- The landlords interviewed had varying sizes and types of housing in their portfolios: one had 6 terraced houses; one had 5 flats; and one had 27 mainly houses, most were located in Copeland. They had all been landlords for at least 15-20 years;
- A variety of households rent the properties including families and single parents on benefits; professionals and economically active households.

Turnover is not generally high, except where people rent because they are working temporarily in the area. Renters are often in transition in their life, for example repossession, domestic violence or starting a new relationship;

- Landlords spoke of the need to keep in close contact with tenants and regularly monitor the properties being let.
- Two of the landlords had used the Deposit Guarantee Scheme in the past but had bad experiences, for instance tenants not respecting the properties they were renting; it also does not give any guarantees or information on the tenants' backgrounds.
- Concerns were raised about rent being paid to tenants rather than the landlord directly and a big issue for landlords is not getting rent paid to them. This acts as a disincentive to accommodating housing benefit dependent households;
- There is high demand for rented property and one landlord said 'he could buy 20 houses tomorrow and let them easily'. Most people know the area in which they want to live. Because of the shortage of social rented housing, private renting is seen as an alternative; Demand will remain strong as the area has a mobile population, particularly linked to short-term employment at Sellafield;
- The Council needs to be more proactive, for instance develop bulk insurance policies for private sector tenants. Landlord accreditation of little interest to landlords and, as one landlord pointed out 'the Council can make demands but it still has to be viable for businesses/landlords'

Housing temporary workers at Sellafield

B.55 Issues relating to the accommodation requirements of temporary employees at Sellafield were explored by the Council in 2009. Key messages to emerge from discussions they had with a representative of Nuclear Management Partners (NMP) include:

- There is strong demand for large, family size dwellings of a high quality close to the Sellafield site. Close proximity to pleasant urban areas is also a priority for American and other international executives. Properties are taken on as 1 year lets but these can be extended to 2-3, possibly 5 years where suitable;
- Some temporary employees are having to be accommodated outside Copeland, for instance in Cockermouth and Wigton, which creates unsustainably long commutes;
- NMP feel that the shortage of decent accommodation in the Borough will become increasingly problematic as development at Sellafield takes place, leading to increased accommodation of employees in neighbouring Boroughs instead of the Copeland area.

Concluding comments

B.56 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 this tenure has become increasingly difficult given house price increases over the past few years.

- B.57 The social rented sector plays a vital role in providing affordable accommodation in Copeland Borough. Despite the overall proportion of social rented stock (22%) being slightly higher than the regional average of 20%, there remains a strong housing waiting list for affordable dwellings.
- B.58 The private rented sector plays a very important role in providing accommodation for a variety of households and income groups. Although it is a relatively small tenure (5.3% of households privately rent which is below the regional average of 9%), it has a particularly important role to play in providing accommodation for households moving to the area for employment and as an alternative to social renting.

Step 2.2 Stock condition

- B.59 The 2010 Household Survey asked respondents how satisfied they were with the state of repair of their accommodation (Table B19). Overall, 12.3% of respondents expressed dissatisfaction. Numerically, 44.7% (1,660 out of 3,700) of households expressing dissatisfaction were owner occupiers, a further 44.6% lived in affordable (social rented and intermediate tenure dwellings) and 10.7% were private renters. Proportionately, social and private renters were most likely to express dissatisfaction (for instance 23.7% of social renters and 24.6% of private renters).

Table B19 Satisfaction with state of repair

Tenure	No. Dissatisfied	% Dissatisfied	Base
Owned (no mortgage)	691	7.3	9,608
Owned (with mortgage)	967	7.9	12,336
Rented from Copeland Homes	787	21.0	3,827
Rented from other Housing Association	824	28.5	2,953
Rented Privately (furnished)	160	31.9	501
Rented Privately (unfurnished)	223	21.7	1,036
Tied accommodation	14	18.7	76
Shared Ownership, Shared Equity	42	38.9	107
Total	3,708	12.3	30,443

Source: 2010 Household Survey

- B.60 A private sector stock condition survey was carried out in 2007. The key findings from this survey were:
- Across all private tenures, 32.8% (8,579 dwellings) fail the requirements of the Decent Homes Standard and are therefore non-decent. Within this, 11.7%

(3,047 dwellings) experience Category 1 hazards within the HHSRS, the minimum statutory for housing;

- The cost to improve non-decent housing will require a minimum of £57.3m, with a particular need to consider physical condition, energy efficiency and household circumstances.
- Regarding physical condition:
 - 11.7% (3,047 dwellings) are subject to Category 1 hazards within the HHSRS and an additional 15.9% (4157 dwellings) fail the repair requirements of the Decent Homes Standard. Hazard 1 failure is dominated by excess cold; numerically dominated in the owner occupied sector and by dwellings constructed pre-1919; and failure rates are higher in the Distington, Frizington, Egremont and West Lakes area.
 - 19.6% (5119 dwellings) require major repairs which typically relate to chimneys, flashings and rainwater goods, pointing, windows, electrics and kitchens. The costs to address repair defects within the Decent Homes Standard are estimated at £26.7m averaging £5,524 for each defective dwelling
- Regarding energy efficiency:
 - Levels of energy efficiency are in line with the national average, although 20% (5,216 dwellings) have a SAP rating of 40 or below (and mainly semi-detached and detached dwellings built pre-1919). 14.7% (3,831 dwellings) fail the energy efficiency requirements of the Decent Homes Standard. 18.5% (4,391 households) are in fuel poverty.
- Regarding household circumstances:
 - There remains an association between housing condition and socio-economic disadvantage, particular amongst older person households.

Step 2.3 Shared housing and communal establishments

- B.61 There are an estimated two Houses in Multiple Occupation across Copeland Borough according to the 2009 Housing Strategy Statistical Appendix.
- B.62 Information from the 2001 census indicated that there were 1,154 people living in communal establishments in Copeland Borough. The largest numbers were in residential care homes, nursing homes and Prison Service establishments (Table B20).

Table B20 Residents in Communal Establishments

Medical and Care Establishments	No. of People
NHS - Psychiatric hospital/home	12
NHS - Other hospital/home	47
LA - Residential Care Home	140
HA - Home/Hostel	8
Other - Nursing Home	97
Other - Residential Care Home	220
Other establishments	No. of People
Prison Service establishments	520
Educational establishments (inc Halls of residence)	39
Hotel, Boarding House, Guest House	45
Hostel (including youth hostels, hostels for the homeless and people sleeping rough)	7
Other establishments	19
Total	1,154

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

Buying a property

- B.63 A range of information relating to house prices, rates of change and comparisons with other areas was presented in Chapter 3. The cost of buying a property varies considerably by property type and locality, as shown in Table B21.
- B.64 Table B22 considers the relative affordability of open market purchase by reviewing the incomes which would be required to ensure that lower quartile and median-priced properties are affordable (that is, cost no more than 3.5 times a household income).

Table B21 Copeland Borough and sub-area lower quartile and mean (average) house prices Jan 2008 to December 2009

Sub-area	Property Type - Lower Quartile Prices (£)				
	Detached	Semi-Detached	Terraced	Flat	All
Whitehaven	170,950	80,000	72,750	82,500	80,754
Cleator Moor	165,000	64,000	60,000	45,000	64,000
Egremont	160,000	69,000	68,500	75,000	73,087
Whitehaven Rural Parishes	155,995	77,500	65,000	90,000	79,950
West Lakes – LDNP	192,500	122,500	95,000	95,000	129,000
West Lakes – Copeland	160,000	122,000	104,000	75,200	120,000
Millom	159,975	93,000	65,000	65,000	72,000
Copeland	160,000	82,500	67,500	79,950	79,000

Sub-area	Property Type - Average / Mean Prices (£)				
	Detached	Semi-Detached	Terraced	Flat	All
Whitehaven	207,814	110,716	96,482	132,244	121,035
Cleator Moor	201,424	104,959	81,878	72,433	106,879
Egremont	188,159	97,508	86,832	79,417	107,447
Whitehaven Rural Parishes	201,302	115,407	97,090	126,495	136,380
West Lakes – LDNP	283,723	167,157	126,538	218,333	208,291
West Lakes – Copeland	257,271	161,995	155,335	92,814	184,265
Millom	174,367	116,650	83,047	59,400	104,540
Copeland	212,952	117,438	93,921	123,813	128,558

Source: Land Registry

Table B22 Relative affordability of lower quartile and mean (average) priced properties by sub-area

Sub-area	Lower Quartile Prices	Mean (Average) Prices	Income required to afford Lower Quartile Price	Income required to afford Mean (average) price
Whitehaven	£80,754	£121,035	£23,073	£34,581
Cleator Moor	£64,000	£106,879	£18,286	£30,537
Egremont	£73,087	£107,447	£20,882	£30,699
Whitehaven Rural Parishes	£79,950	£136,380	£22,843	£38,966
West Lakes – LDNP	£129,000	£208,291	£36,857	£59,512
West Lakes – Copeland	£120,000	£184,265	£34,286	£52,647
Millom	£72,000	£104,540	£20,571	£29,869
Copeland Borough	£79,000	£128,558	£22,571	£36,731

Sources: Land Registry and 2010 Household Survey

Renting a property: private renting

B.65 Table B23 illustrates average private rents across Copeland Borough by sub-area and property size.

Table B23 Private renting in Copeland Borough

Sub-area	Property size and type. Rent each calendar month				
	1 Bed Flat	2 Bed Flats	2 Bed Houses	3 Bed Houses	4 Bed Houses
Whitehaven	£320	£350	£425	£550	£630
Whitehaven rural	£350		£350	£400	
Cleator Moor			£400	£550	£525
Egremont	£335	£400	£495	£595	£800
West Lakes			£550	£600	£900
Millom			£400	£500	£600

Source: Internet search of private lettings agent data September 2010

Renting a property: renting from a social landlord

B.66 Table B24 illustrates the cost of renting a property from social housing providers.

Table B24 The cost of renting from a social landlord in Copeland Borough and income required for the property to be affordable

Property size (no. of bedrooms)	Weekly Rent	Monthly Rent	Min. income required for rent to be affordable (based on 25% of gross household income)	
			Weekly	Monthly
Bedsit	£53.46	£232	£214	£927
One	£61.19	£265	£245	£1,061
Two	£70.55	£306	£282	£1,223
Three	£76.62	£332	£306	£1,328
All	£61.58	£267	£246	£1,067

Source: Homes and Communities Agency Regulatory Statistical Return 2010

B.67 The relative affordability of different open market options is carefully considered in assessing housing need and the scale of affordable housing required. This is discussed in more detail in Appendix D.

Overcrowding and under-occupation (Step 3.3)

Overcrowding

- B.68 The 2010 Household Survey identified that around 271 households across Copeland Borough 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 B25 shows that the proportion of households who were overcrowded averaged 0.9% across Copeland Borough and was highest in West Lakes HMA -Copeland at 2.4% of households.

Table B25 Overcrowding by sub-area

Sub-areas	No. Overcrowded	Total Households	% Over crowded
Whitehaven	0	10954	0.0
Cleator Moor	55	3079	1.8
Egremont	28	3463	0.8
Whitehaven Rural Parishes	108	6265	1.7
West Lakes – LDNP	27	1832	1.5
West Lakes – Copeland	42	1731	2.4
Millom	11	3119	0.4
Total	271	30443	0.9

Source: 2010 Household Survey

- B.69 How rates of overcrowding vary by tenure is shown in Table B26 and by household type in Table B28. Of households who are overcrowded, 59% are owner occupiers, 31% are social renters and 10% are private renters. However, in terms of the proportion of households by tenure who are overcrowded, the highest proportion is for renters in tied accommodation (5.3%).

Table B26 Overcrowding by tenure

Tenure	No. Overcrowded	Total Households	% Over crowded
Owned (no mortgage)	32	9608	0.3
Owned (with mortgage)	128	12336	1.0
Rented from Copeland Homes	29	3827	0.8
Rented from other Housing Association	55	2953	1.9
Rented Privately (furnished)	8	501	1.6
Rented Privately (unfurnished)	15	1036	1.4
Tied accommodation	4	76	5.3
Shared Ownership, Shared Equity	0	107	0.0
Total	271	30443	0.9

Source: 2010 Household Survey

- B.70 44.3% of all overcrowded households consist of a couple with adult children living at home (Table B27) and a further 24.7% are couples with children. In terms of the proportions of household types that are overcrowded, 10.7% of all lone parents with three or more children are overcrowded, 7.7% of lone parents with adult children and 6% of couples with three or more children.

Table B27 Overcrowding by household type

Households	No. Overcrowded	Total Households	% Over crowded
Couple (3+ children)	67	1108	6.0
Lone parent with 1/2 child(ren)	10	1880	0.5
Lone parent with 3+ children	23	215	10.7
Couple with adult children	120	2349	5.1
Lone parent with adult children	48	626	7.7
Other type of household	4	1036	0.4
Total	271	30443	0.9

Source: 2010 Household Survey

Under-occupation

- B.71 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, around 24,700 households (81.2%) in Copeland Borough are technically under-occupying e.g. a couple in a two or three bedroom house or a single person in a two bedroom house. Severe under-occupation, whereby a household has 3 or more 'spare bedrooms', is experienced by a total of 3,100 households (10.2%). Table B28 summarises the number and proportion of households where there is severe under-occupation by sub-area, indicating that this is a particular issue for households living in the West Lakes HMA (20.3% in West Lakes HMA (Copeland) and 17.5% in West Lakes HMA (LDNP)).

Table B28 Under-occupation by sub-area

Sub-area	Number under-occupying*	Total Households	% under-occupying*
Whitehaven	994	10954	9.1
Cleator Moor	190	3079	6.2
Egremont	252	3463	7.3
Whitehaven Rural Parishes	765	6265	12.2
West Lakes – LDNP	320	1832	17.5
West Lakes – Copeland	351	1731	20.3
Millom	223	3119	7.1
Total	3097	30443	10.2

*Household has 3 or more 'spare' bedrooms

Source: Household survey 2010

- B.72 Table B29 considers severe under-occupation by tenure. Severe under-occupation is most prevalent amongst owner occupiers (accounting for 95% of severe under-occupation). Overall, 14.5% of outright owners severely under-occupy along with 12.6% of owners with a mortgage. A majority of tied renters are also severely under-occupying.

Table B29 Under-occupation by tenure

Tenure	Number under-occupying*	Total Households	% under-occupying*
Owned (no mortgage)	1388	9608	14.5
Owned (with mortgage)	1551	12336	12.6
Rented from Copeland Homes	57	3827	1.5
Rented from other Housing Association	3	2953	0.1
Rented Privately (furnished)	35	501	7.1
Rented Privately (unfurnished)	18	1036	1.7
Tied accommodation	41	76	53.3
Shared Ownership, Shared Equity	0	107	0.0
Total	3097	30443	10.2

*household has 3 or more 'spare' bedrooms

Source: Household survey 2010

- B.73 Table B30 illustrates the relationship between severe under-occupation and household type. This shows that severe under-occupation is most prevalent amongst couples (with one or both over 60) and couples (both under 60).

Table B30 Under-occupation by household type

Households	Number under-occupying*	Total Households	% under-occupying*
Single adult under 60	418	5456	7.7
Single adult 60 or over	264	3136	8.4
Couple only (both under 60)	1317	5769	22.8
Couple only (one or both over 60)	595	3560	16.7
Couple (1/2 child(ren))	331	5309	6.2
Couple (3+ children)	0	1108	0.0
Lone parent with 1/2 child(ren)	55	1880	2.9
Lone parent with 3+ children	0	215	0.0
Couple with adult children	86	2349	3.7
Lone parent with adult children	0	626	0.0
Other type of household	35	1036	3.4
Total	3097	30443	10.2

*Household has 3 or more 'spare' bedrooms

Source: Household survey 2010

Step 3.4 Vacancies, turnover rates and available supply by tenure

Vacancy rates

- B.74 Vacancy rates reported in April 2008¹⁸ were 4.1% in the social rented sector and 8.1% in the private sector. These compare with indicative 'transactional vacant' rates of around 2% (social rented) and 4% (private sector)¹⁹, i.e. the proportion of stock which should be vacant at any one time to allow mobility within different tenures. No social rented dwellings are classed as difficult to let but there are 306 private rented dwellings described as low demand. There are 783 properties across Copeland Borough, which have been vacant for more than six months, accounting for 49.8% of all vacant stock in Copeland Borough.

Turnover rates

- B.75 The 2010 Household Survey provided information on how long a household had lived at their present address. Using this information, turnover rates can be derived by sub-area (Table B31) and tenure (Table B32). Overall, around 5.5% of households move each year. Within Copeland Borough, there are some variations in turnover by sub-area, with highest rates in Whitehaven Rural Parishes (6.5%) and lowest rates in West Lakes HMA (Copeland) (2.8%).
- B.76 Table B32 shows that there are strong relationships between turnover and tenure, with the private rented sector (excluding tied renting) exhibiting strong rates of turnover and the owner-occupied sector the least; this is entirely consistent with national trends.

Table B31 Household turnover rates by sub-area

Sub-area	% households living in property for less than 3 years	Annual turnover rate	Annual turnover (no. dwellings)
Whitehaven	16.7	5.5	603
Cleator Moor	19.0	5.2	161
Egremont	19.2	5.4	188
Whitehaven Rural Parishes	18.5	6.5	406
West Lakes – LDNP	12.2	5.1	93
West Lakes – Copeland	12.5	2.8	48
Millom	16.4	5.3	165
Copeland	17.1	5.5	1,664

Source: Household survey 2010

¹⁸ 2008 HSSA Return

¹⁹ Memorandum by the Department for Transport, Local Government and the Regions (EMP 26) on Empty Homes, September 2001

Table B32 Household turnover rates by area and tenure

Tenure	% households living in property for less than 3 years	Annual turnover rate	Annual turnover (no. dwellings)
Owned (no mortgage)	7.1	1.6	153
Owned (with mortgage)	17.5	4.9	600
Rented from Copeland Homes	21.7	6.7	255
Rented from other Housing Association	18.1	4.8	141
Rented Privately (furnished)	75.4	28.6	143
Rented Privately (unfurnished)	55.2	34.7	360
Tied accommodation	49.3	0.0	0
Shared Ownership, Shared Equity	11.1	11.1	12
Total	17.1	5.5	1,664

Source: Household survey 2010

Supply by tenure

Owner occupied

- B.77 On the basis of household turnover rates presented in Table B32, around 750 owner occupied dwellings become available for purchase on an annual basis.

Private rented

- B.78 There is a high degree of turnover in private rented properties, which results in a good overall supply. Data suggests around 400 private rented lets become available each year.

Social rented

- B.79 The likely annual capacity of the social rented sector to accommodate new renters can be derived from LA and RSL CORE lettings data as summarised in Table B33.
- B.80 Data for the years 2006/7, 2007/8 and 2008/9 suggests an average annual capacity in the social rented sector of 338 dwellings each year and of these lettings, 225 are to new tenants.

Table B33 Expected annual capacity for new renters in social rented sector

	2006/07	2007/08	2008/09	Annual capacity (3 year average)
RSL Total Lettings	396	211	406	338
RSL Lettings to new tenants	292	133	249	225

Sources: RSL CORE Lettings

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

- B.81 Further details of social rented capacity by former district and property size/designation can be found at Table D10. The housing needs analysis assumes an annual capacity of 225 dwellings for new tenants based on available data.

Intermediate tenure

- B.82 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.
- B.83 There are a very small number of intermediate tenure dwellings in Copeland and 7 have become available for occupancy over the three years 2005/6, 2006/7 and 2007/8.

Stage 4: Bringing the evidence together

Step 4.1 Mapping market characteristics

Introduction

- B.84 Chapter 3 presented a range of material relating to housing market dynamics. It concluded that Copeland Borough is a self-contained housing market area, with 77% of moving households originating from within the Borough and 79.6% of residents work in the Borough. Within Copeland Borough, no sub-area operates as a self-contained housing market area but the extent to which housing market dynamics vary on a sub-area basis are now explored, with specific reference to:
- Housing market function (through the review of migration patterns and travel to work patterns); and
 - Housing market typology (through the review of dwelling stock and socio-economic and demographic characteristics)

- B.85 Table B34 provides a review of the distinctive attributes of each sub-area. For each attribute, a Borough mean has been calculated (for instance the % of households who are owner-occupiers). Information for each sub-area is then compared against this mean to indicate the extent of variation from the mean figure. The colours in the chart reflect the degree of variation:
- YELLOW indicates that the sub-area figure is less than 75% of the Borough mean;
 - GREEN indicates that the sub-area figure is between 75% and 125% of the Borough mean; and
 - RED indicates that the sub-area figure is at least 125% of the Borough mean.
- B.86 Noteworthy comments relating to each sub-area are summarised in Table B35.

Housing market function

- B.87 Analysis of migration patterns suggests that Copeland Borough is a self-contained housing market area, with 77% of households moving within the Borough (70% is the threshold used by CLG in defining a housing market area).
- B.88 Of households moving into Copeland Borough (23%), 6.3% originated from elsewhere in Cumbria, 4% from elsewhere in the North West, 11% from elsewhere in England and 1.8% from locations outside England.
- B.89 The relative influence of in-migration varied across the Borough in terms of scale of in-migration and the origin of in-migrant households. key observations include:
- The proportion of in-migrants was highest in the West Lakes HMA (LDNP) at 46.1%, 45.2% in West Lakes HMA (Copeland) and 23% in Whitehaven Rural Parishes;
- B.90 The 2010 household survey suggests that the majority of residents (80.8%) worked inside the Borough. Of those working outside the Borough (19.2%), 16.2% worked elsewhere in Cumbria (most notably Workington at 9.9%) and 3% worked outside Cumbria.
- B.91 The proportion of economically active residents working outside Copeland Borough was highest Millom (23.2%, with 10% working in Barrow District) and in the rural areas of Whitehaven Rural (23.1%) and West Lakes HMA (Copeland) (21.5%).

Table B34 Market attributes of sub-areas

Attribute	% variation from Borough Mean value							
	White haven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (CD)	Millom	Copeland
Tenure								
Owner Occupied	94.3	90.0	95.5	104.4	116.4	126.3	101.9	72.1
Social Rented	127.5	124.6	110.3	85.2	26.3	17.4	86.7	22.6
Private Rented	60.2	131.3	117.8	103.7	191.6	95.0	130.8	5.3
Property Type								
Detached	65.1	74.5	76.7	146.1	233.8	199.4	47.1	18.4
Semi	132.6	85.0	87.0	80.1	64.0	109.7	70.6	33.9
Terraced	72.9	147.4	102.0	102.9	70.6	33.7	194.4	25.7
Bungalow	67.5	95.8	145.8	126.1	84.0	123.4	111.5	12.4
Flat/Maisonette	188.7	81.9	119.8	18.7	37.5	12.6	32.9	8.3
No. Bedrooms								
1-2 beds	113.8	102.0	115.5	84.8	82.4	40.8	106.3	30.3
3-4 beds	92.5	103.1	97.5	106.8	105.8	116.7	99.8	64.3
5+ beds	112.3	52.5	42.4	104.7	129.8	233.9	66.7	5.4
Property Prices								
2007 Median	104.5	76.1	90.0	118.2	171.6	122.3	77.3	£110,000
2008 Median	95.5	90.9	80.0	105.7	159.1	135.9	81.8	£110,000
2009 Median	100.0	73.6	81.8	100.0	163.6	136.4	83.9	£110,000
Household Income								
<£300pw	100.5	131.4	104.4	88.0	68.6	60.2	127.7	36.8
Between £300 and £500pw	83.5	94.9	120.3	103.7	92.3	125.6	124.8	17.0
>£500pw	105.7	76.9	89.0	108.2	127.8	122.3	68.9	46.2
Economic Activity (16+)								
In Employment	102.2	91.7	94.1	100.1	111.5	104.8	96.0	58.4
In training	112.4	109.1	80.0	98.9	78.8	116.2	72.1	11.7
Unemployed	95.4	98.8	83.6	113.3	47.2	53.9	169.0	3.2
Retired	89.0	103.4	126.9	93.1	102.2	110.4	114.7	16.0
Look after home	61.4	84.1	109.6	137.3	153.4	110.9	123.7	2.9
Permanently sick, carer	103.7	147.1	121.8	95.8	43.7	34.1	104.9	7.9
Migration (prev 5 years)								
% all households moving	93.3	109.7	116.5	106.1	77.0	83.3	106.2	24.9
% all movers from:								
Within Sub-area	138.1	94.8	70.6	69.4	70.4	28.6	123.0	51.5
Within Copeland	116.9	103.2	103.7	85.7	70.0	71.2	92.0	77.0
Allerdale	15.3	52.7	104.1	299.6	222.6	9.9	0.0	3.2
Barrow	0.0	0.0	53.2	22.2	0.0	0.0	798.3	0.6
South Lakeland	0.0	0.0	29.8	112.0	679.8	485.1	169.1	1.1
Eden	0.0	394.7	55.9	140.0	424.9	0.0	0.0	0.6
Carlisle	193.0	0.0	0.0	110.8	216.0	0.0	0.0	0.8
Scotland	36.5	125.8	0.0	286.9	22.1	0.0	103.8	1.4
Workplace								
In Copeland	100.0	107.5	106.6	95.2	106.1	97.2	94.9	80.8
Outside Copeland	100.1	68.6	72.2	120.3	74.6	111.9	121.3	19.2
Household type								
Singles (under 60)	101.8	112.1	150.1	84.6	72.8	57.8	96.3	17.9
Couples (under 60)	94.1	81.2	111.7	105.3	130.8	119.9	86.5	19.0
Older Persons	97.5	96.5	100.8	91.9	115.0	107.3	114.7	22.0
Two parent families	91.3	108.9	64.6	115.8	99.0	119.1	119.2	21.1
Lone Parents	131.7	119.4	104.9	91.6	31.7	40.3	54.1	6.9
Other multi-person HH	107.4	91.9	67.7	106.1	104.9	117.2	93.3	13.2
Black, Asian and Minority Ethnic Households								
BAME Households	66.4	175.5	53.7	202.8	171.6	0.0	0.0	0.6

Source: 2010 Household Survey; Land Registry

Table B35 Summary of distinctive market attributes

Distinctive Attributes by Area							
Attribute	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (CD)	Millom
Tenure	High % social rented	High % private rented	More balanced	More balanced	High % private rented	High % owner occupied	High % private rented
Property type	High % semi-detached, flats	High % terraced	High % bungalow	Low % flat, high % detached & bungalow	Low % flats, High % detached	Low % flats, High % detached	High % terraced
Property size	More balanced	Low % 5+ beds	Low % 5+ beds	More balanced	High % 5+ beds	High % 5+ beds. Low % 1-2 beds	Low % 5+ beds
Property prices	Average district values	Lowest median price	Lower median price		Highest median price	High median price	Lower median price
Household income		High % <300pw			High % >£500pw	High % £300-500pw	High % <300pw. Low % >£500pw
Economic activity	Low % looking after home	High % permanently sick, carers	High % Retired	High % looking after home	Low % unemployed & permanently sick	Low % unemployed & permanently sick	High % unemployed
Household mobility	Lower than district average	Higher than district average	Higher than district average	Higher than district average	Lower than district average	Lower than district average	Higher than district average
Self-containment	90-100% self contained	70-80% self contained	70-80% self contained	60-70% self contained	50-60% self contained	50-60% self contained	70-80% self contained
Migration from outside District	Strong linkages with Carlisle	Strong linkages with Eden, Scotland	Weak linkages with Cumbria, Stronger with the rest of UK	Strong linkages with Allerdale, Eden, Scotland	Strong linkages with South Lakeland, Eden	Strong linkages with South Lakeland	Strong linkages with Barrow
Workplace		Strong Copeland base, weaker outside district	Strong Copeland base, weaker outside district		Strong Copeland base, weaker outside district		Higher % working outside of district
Household type/age	High % lone parents	More balanced	High % younger singles	More balanced	High % younger couples	Low % lone parents & younger singles	Low % lone parents
BAME HHs		Higher %		Higher %	Higher %	Lower %	Lower %

Source: 2010 Household Survey; Land Registry

Housing market typology

- B.92 The extent to which sub-areas vary in social, economic, demographic and dwelling stock characteristics is now considered.
- B.93 Generally speaking, the characteristics of households in sub-areas tend to reflect the district average. Notable exceptions are the higher proportions of lone parents in Whitehaven; higher proportions of singles under 60 in Egremont; and higher proportions of couples under 60 in the West Lakes HMA (LDNP).
- B.94 Across Copeland Borough 0.6% of households are headed by someone from a Black, Asian and Minority Ethnic group. The relative proportions are higher (around 1%) in Cleator Moor, Whitehaven Rural Parishes and West Lakes HMA (LDNP).
- B.95 The proportion of residents in employment does not vary considerably by sub-area. Notable differences in economic activity are: the higher proportions of retired people living in Egremont; in Millom there are higher proportions of residents who are unemployed; in Whitehaven Rural Parishes and West Lakes HMA – LDNP there are higher proportions of residents who look after the home; and in Cleator Moor higher proportions are permanently sick or act as a carer.
- B.96 In terms of household incomes, most notable variations are: a proportionately higher number of households in Cleator Moor and Millom who receive less than £300 each week; and in West Lakes HMA (LDNP) households are proportionately more likely to receive at least £500 each week.
- B.97 The profile of housing tenure varies to some extent across the Borough. Owner occupation rates tend to reflect the Borough average in most areas, with the exception of the West Lakes HMA where at least 80% of households live in owner occupied dwellings. Whitehaven has proportionately more social rented dwellings compared with the Borough average. In Cleator Moor, West Lakes HMA (LDNP) and Millom, proportionately more households rent privately compared with the Borough average.
- B.98 In terms of property type, there are considerable variations across the Borough. Detached houses are particularly evident in rural areas; semi-detached in Whitehaven; and terraced in Cleator Moor and Millom. Bungalows are more prevalent in Egremont and Whitehaven Rural parishes; and flats are most likely to be located in Whitehaven.
- B.99 Across Copeland Borough, smaller one and two bedroom properties are more likely to be found in urban areas; there is not much variation in the proportions of three and four bedroom properties across the Borough; but the proportion of larger five or more bedroom properties is highest in the West Lakes HMA.

Summary of market characteristics

- B.100 An analysis of market function and market typology has helped to map market characteristics across Copeland Borough. The main points to observe are that:

- The CLG suggests that a housing market is self-contained if upwards of 70% of moves take place within a defined area. On the basis of migration analysis:
 - 77% of all households moving in the past 5 years moved within the Copeland Borough area, suggesting that the Borough is self-contained in terms of household mobility;
 - Within the Borough, Whitehaven can be described as a self-contained housing market area, with 71.1% of moving households originating from the town. Millom is relatively self-contained, with 63.3% of households originating from Millom.
- B.101 23% of households moving in the past five years moved from outside the Borough, most notably from elsewhere in Cumbria, elsewhere in the North West and from the rest of England.
- B.102 Analysis of travel to work data indicates that 80.8% of residents in employment worked within the Borough. A further 16.2% worked elsewhere in Cumbria (most notably Workington at 9.9%) and 3% worked outside Cumbria.
- B.103 Having reviewed migration, travel to work and broader social, economic and demographic data, it is suggested that Copeland Borough is described as a self-contained housing market area. Within Copeland, Whitehaven is a self-contained market but other sub-areas interact strongly with each other and areas outside of the Borough.

Step 4.2 Trends and drivers

- B.104 The main drivers affecting housing markets relate to demography, economy and dwelling stock attributes. Key observations relating to Copeland Borough are now summarised.
- B.105 Demographic drivers:**
- ONS Population projections²⁰ predict that the population of Copeland Borough will increase by 7.2% from 70,400 in 2010 to 75,500 by 2033;
 - Over the next few decades, there will be a 'demographic shift' with the number (and proportion) of older people increasing: overall the number of people aged 65 and over is projected to increase by 72% (or by 9,500) by 2033, and the number of 75+ residents is expected to increase by a dramatic 193% (or by 2,700) by 2033;
 - ONS trend-based projections²¹ indicate that the number of households in Copeland Borough is expected to increase by 25.8% from 31,000 in 2006 to

²⁰ Office for National Statistics 2008-based sub-national projections

²¹ Office for National Statistics 2006-based household projections (2008-based not yet published)

39,000 in 2031. This represents an annual increase of around 320 households;

- The 2010 household survey indicates that the largest household groups are singles under 60 (29.4%), older person households (22%), couples with children (21.1%), couples (under 60 with no children), lone parent families 6.9%, couples/lone parents with adult children living at home (9.7%) and other household types 3.4%;
- Regional household projections suggest that the proportion of singles and other household types is likely to increase in the future.

B.106 Economic drivers:

Information relating to current economic circumstances includes:

- 58.4% of all residents aged 16 and over are economically active and are in employment according to the 2010 household survey; a further 15.9% are retired; 3.2% are unemployed and available for work; 6.6% are permanently sick/disabled; and 15.8% are either looking after the home, in training or provide full-time care;
- 2010 household survey data confirms that Sellafield is a key employer, with 28.9% of economically active residents living in Copeland working at the site. An additional 25.5% work in Whitehaven, 5.4% work at home and 21% work elsewhere in Copeland. A further 19.2% of economically active residents work outside the Borough, with 9.9% working in Workington;
- According to the ONS Annual Survey of Hours and Earnings, lower quartile earnings in 2009 were £20,379 which compares with £17,355 for the region and £18,516 for England. Median incomes are £32,517, compared with a regional median of £24,000 and national median of £26,148. The influence of Sellafield on income levels is an important factor to bear in mind when interpreting these income levels. There is considerable income polarisation within Copeland, with 36.7% of households receiving less than £300 each week and 46.2% receiving at least £500 each week.

B.107 Current dwelling stock:

- 78% of properties are houses, 12.4% are bungalows, 8.3% are flats/maisonettes, and 1.3% are other property types (e.g. caravans);
- 3.6% have one bedroom, 26.7% have two bedrooms, 48.6% have three bedrooms and 21.1% have four or more bedrooms;
- 24.8% of properties were built before 1919, a further 12.7% were built between 1919 and 1944, 24% between 1945 and 1964, 19.8% between 1965 and 1984 and 18.6% have been built since 1985;
- 72.1% of properties are owner-occupied, 22.3% are rented from an RSL, 5.3% are privately rented and 0.4% are intermediate tenure (e.g. shared ownership). The proportion of social rented dwellings (22.3%) compares with a regional average of 18%;
- There is a particularly strong aspiration for houses and some household type-specific aspirations which are explored in more detail in discussions relating to Core Output 6.

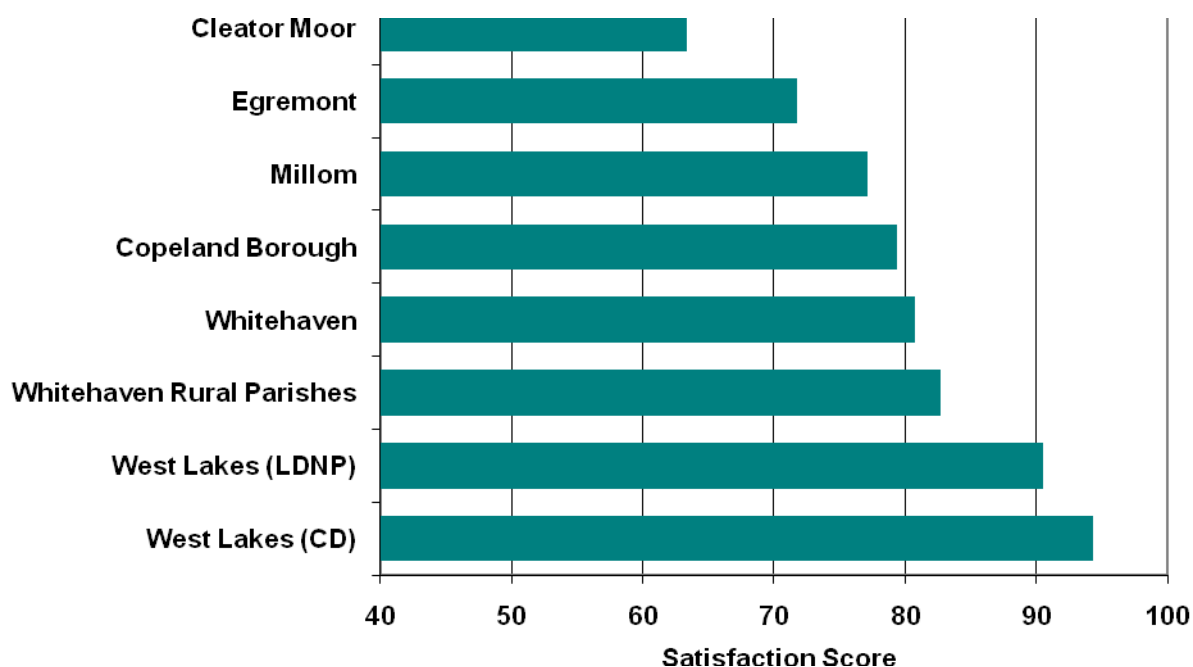
Satisfaction with area

B.108 An important underlying market driver relates to satisfaction with area. Figure B5 summarises the relative satisfaction with the sub-area in which respondents lived. Across Copeland Borough, the net satisfaction score (which considers the percentage satisfied minus the percentage dissatisfied) was 79.3%. There was considerable variation in relative satisfaction, with households in rural areas (particularly the West Lakes, peaking at 94.3% for West Lakes HMA (Copeland)), compared with Cleator Moor at 64.3%.

Step 4.3 Issues for future policy/strategy

B.109 This chapter has provided a wealth of material to assess the current housing market. This material assists in identifying key strategic themes which are presented in Chapter 6 of the main report.

Figure B5 Relative satisfaction with area by sub-area



Source: 2010 Household Survey

Note: Satisfaction score = % satisfied - % dissatisfied with area

Technical Appendix C: The Future Housing Market

Introduction

- C.1 The purpose of this section is to review the future housing market in Copeland Borough and provide information relating to the following stages of the SHMA process:

Stage 1: Projecting changes in future number of households

Stage 2: Future economic performance

Stage 3: Future affordability

Stage 4: Bringing the evidence together

- C.2 Material in this chapter provides a basis for the following SHMA core outputs:

Core Output 3 Future households

Stage 1: Projecting changes in future numbers of households

Data sources

- C.3 Estimates of future population and households can be derived from two main sources: ONS population and household projections; and the POPGROUP demographic forecasting model. Both approaches are trend-based and use a range of assumptions regarding natural change (births and deaths), migration and employment.
- C.4 POPGROUP is a family of software products designed to forecast population, households and the labour force. It is provided by the Centre for Census and Survey Research at the University of Manchester. The Cumbria Intelligence Observatory has used POPGROUP to produce forecasts for all district authorities in Cumbria.
- C.5 The POPGROUP models are baseline forecasts only, and exclude any future dwelling requirement arising from economic growth.
- C.6 The POPGROUP demographic forecasting model uses a wide range of local information to model the impact of three distinct types of scenario of future population and households. The latest POPGROUP modelling considers four scenarios:

A. Population Led Forecast: Zero Net Migration

B. Population Led Forecast: 5 Year Migration

C. Dwelling Led Forecast: 10 Year Dwelling Led

D. Population Led Forecast: 10 Year Migration

- C.7 POPGROUP Population Led Scenarios: These scenarios looked at what had happened to population in the past in terms of district level trends in fertility, mortality and migration, and projected what would happen to the population in the future should these trends continue. Age and gender specific projections were produced for each district by the software, along with the projected numbers of households and dwellings needed to support the projected population.
- C.8 POPGROUP Dwelling Led Scenarios: These scenarios looked at what had happened to the number of dwellings in each district in the past and made assumptions about what was expected to happen to these numbers of dwellings in the future. The population projections produced by the software reflected the population that would be required to live in the dwellings that the model predicted for each district.

ONS household and population projections

- C.9 ONS household projections (2006-based) are summarised in Figure C1. The number of households in Copeland Borough is expected to increase from 31,000 in 2006 to 39,000 by 2031, an increase of 25.8% (Figure C1). This equates to an average annual increase of around 320 households which is higher than the RSS Option 1 build rate of 230 each year.
- C.10 At a regional level a 23.4% increase in households is expected by 2031, mainly fuelled by increases in one person and multi-person households (Table C1). It is reasonably assumed that these trends will be observed in Copeland Borough over the next few decades.

Table C1 Change in household composition in North West Region 2006-2031

Household type (thousands)	2006	2011	2016	2021	2026	2031	% change 06-31
Married couple	1244	1204	1184	1175	1166	1163	-6.5
Cohabiting couple	277	332	376	407	432	456	64.6
Lone parent	267	278	286	291	294	297	11.2
Other multi-person	188	200	210	219	228	239	27.1
One person	955	1053	1165	1275	1377	1463	53.2
All households	2,931	3,067	3,221	3,367	3,497	3,617	23.4

Source: Sub-national household projections 2006-based

- C.11 Another important trend is the growth in the number of older people living in Copeland Borough. By 2033, ONS 2008-based population projections indicate there will be 22,700 residents aged 65 or over compared with 13,200 in 2010. This demographic change will have significant policy implications including the range of properties required and the increased level of support and assistance which will be required. In terms of new housing provision, the lifetime homes standard will need considering as part of the Local Development Framework suite of documents. Asking for a minimum percentage of new homes to be developed using these standards will avoid unnecessary and costly adaptations in the future, and allow older people to enjoy their home, which is flexible in meeting their requirements as they get older. New markets should be explored given that around 21% of older people are considering sheltered housing, 15.1% are considering Extra Care Schemes and 12.8% want to buy on the open market, for example buying retirement apartments. There is going to be an increased requirement for support and assistance in the home to be met through a range of agencies and initiatives such as 'handyperson' schemes.

POPGROUP projections

- C.12 The outputs of the four POPGROUP models are summarised in Table C2. These indicate that POPGROUP is suggesting a lower overall population increase compared with the ONS data but the magnitude of change is comparable, particularly the growth of the older person population. Over the period 2009-2009, POPGROUP scenarios suggest:
- A slight overall reduction in total population, ranging from between -0.5% and -1.7% of the current population (compared with a 6.7% increase based on ONS population modelling);
 - A substantial increase in the proportion of older people, with the proportion of residents:
 - aged 60+ projected to increase between 38.2% and 47.1% (compared with a 50% increase based on ONS population modelling);
 - aged 75+ projected to increase between 81.9% and 85.1% (compared with 86% based on ONS population modelling).

Table C2 Review of POPGROUP projections

Population, household and dwelling information	Scenario					
	A. Population Led Forecast: Zero Net Migration	B. Population Led Forecast: 5 Year Migration	C. Dwelling Led Forecast: 10 Year Dwelling Led	D. Population Led Forecast: 10 Year Migration	Average for all POPGROUP scenarios	ONS Population projections
Population and age group						
Total population (2009)	69,714	69,714	69,714	69,714	69,714	70200
Total population (2029)	68,561	69,347	68,794	68,510	68,803	74900
% Change total population	-1.7	-0.5	-1.3	-1.7	-1.3	6.7
Total population aged 60 and over (2009)	17,905	17,905	17,905	17,905	17,905	18000
Total population aged 60 and over (2029)	24,748	25,611	25,508	26,337	25,551	27000
% change 60+ over period 2009-2029	38.2	43.0	42.5	47.1	42.7	50.0
Total population aged 75 and over (2009)	5,692.0	5,692	5,692	5,692	5,692	5700
Total population aged 75 and over (2029)	10,353.0	10,428	10,392	10,537	10,428	10600
% change 75+ over period 2009-2029	81.9	83.2	82.6	85.1	83.2	86.0
Households and dwellings						
Total households 2009	31,343	31,343	31,343	31,343	31,343	
Total households 2029	33,662	34,691	34,473	34,182	34,252	
% change in total households 2009-2029	7.4	10.7	10.0	9.1	9.3	
Total dwellings 2009	33,379	33,379	33,379	33,379	33,379	
Total dwellings 2029	35,849	36,945	36,713	36,402	36,477	
% change in total dwellings 2009-2029	7.4	10.7	10.0	9.1	9.3	
Average annualised dwelling requirement	123	178	167	151	155	

Other modelling of future household change

- C.13 Modelling has also been carried out to explore the relationships between economic growth and housing requirements in a number of studies. The Housing and Economic Growth in the North West study undertaken by Regeneris suggested a housing requirement of 8,123 across West Cumbria over the period 2008- 2016 linked to the creation of 14,880 jobs. Assuming an equal split between Copeland and Allerdale, this would result in an annual requirement of around 406 additional dwellings in each District.
- C.14 Initial technical work on the housing provision and jobs growth figures for the North West, carried out for the 4NW Regional Leaders Board, ran several scenarios. This work is to inform the development of housing provision and jobs growth figures for the North West region for the period up to 2030. The various scenarios produced an annual requirement for Copeland Borough ranging from between 230 (current RSS) and 335 (based on national population and household projections) and an average requirement of 280 new dwellings each year.

Concluding comments

- C.15 Various data have been modelled to consider the potential change in the number of households and population of Copeland. Regardless of model, ultimately the economy and demographic change will be key drivers underpinning household change. Diversifying the local economy and the future plans for Sellafield will have a major impact on household retention and immigration into the Borough. Additionally, the dramatic change in demography will result in a considerable increase in the number and proportion of older people.

Stage 2: Future economic performance

- C.16 To date, the future economic trajectory of Copeland has been guided by the Regional Economic Strategy, the Cumbria Economic Strategy and the West Cumbria Energy Coast Masterplan. Cumbria has recently been given the go-ahead to develop a Local Economic Partnership which will provide strategic leadership and drive to strengthen the sub-regional economy. Ultimately, the Nuclear industry remains a key driver of the local economy and enhancing the job opportunities in this area coupled with diversification of the local economy need to be key strategic objectives.

Regional economic strategy

- C.17 The Regional Economic Strategy 2006 provides the strategic framework to achieve a vision for the North West of England “a dynamic, sustainable international economy which competes on the basis of knowledge, advanced

technology and an excellent quality of life". The strategy identifies three major drivers to achieving this vision:

- Improving productivity and growing the market;
- Growing the size and capability of the workforce; and
- Creating and maintaining the conditions for sustainable growth.

C.18 The strategy outlines six key factors to achieve the vision (infrastructure):

- Developing a transport infrastructure to connect the region internally and with the rest of the world and using it more effectively;
- Ensuring appropriate land use both in terms of brownfield land and new employment sites;
- Developing housing to facilitate growth;
- Ensuring planning supports sustainable growth;
- Developing appropriate use and supply of energy; and
- Encouraging public and private investment.

C.19 With regards to housing, there are two key actions outlined in the RES. Firstly, creating a high quality and diverse housing stock and:

- Ensure new housing provision in locations which supports wider regeneration or knowledge-based economic growth as a diverse stable and resource-efficient housing stock is crucial to achieving sustainable growth, attracting/retaining knowledge workers and reducing travel distances; and
- Secure housing which is affordable to local people, in key locations, where this is critical to future growth prospects.

C.20 With respect to Copeland and West Cumbria, the Regional Economic Strategy:

- Identifies West Cumbria as an area where the local economy needs regenerating through a range of activities including:
 - encouraging employment; developing higher value activity and improve productivity in key sectors; recognise equality and diversity as an economic asset; deliver basic/intermediate and higher level skills required by employers and ensure linkages so that workless people can access vacancies; intensive support for those areas or groups with low employment rates; ensure new housing supports regeneration or knowledge-base economic growth; invest in quality public realm/greenspace/environmental quality and key tourism assets;
- States the need to develop an integrated economic plan for West Cumbria including support for nuclear decommissioning activity (taken forward through the work of Cumbria Vision);
- Recognises the particular challenge of delivering economic growth in a remote area;

- States the need to implement the Lake District Economic Futures Policy Statement to secure the renaissance of the Lake District's tourism offer and broaden its economic performance

Cumbria Economic Strategy

- C.21 The Cumbria Economic Strategy was published in February 2009. Its vision for Cumbria is 'to be an energised and healthy environment and one of the fastest growing economies in the UK'. There are two strategic priorities to give the best opportunities of job and wealth creation identified in the Strategy:
- The opportunities of energy and the low carbon economy;
 - Raising the attractiveness of destination Cumbria as a place to live, invest, work and visit.
- C.22 Cumbria Vision has prepared 11 long-term Strategy Action Plans which provide a clear link between the aspirations of the Cumbria Economic Strategy and local delivery. One strategy relates to housing and, over the next 10 to 20 years, identifies the need to provide:
- Sufficient new housing – The RSS require 33,340 new dwellings across Cumbria between 2003 and 2021;
 - Affordable housing - To tackle the shortage of affordable housing in areas of Cumbria where need and demand for additional housing is high, where this impacts adversely on social inclusion and balanced communities;
 - Create decent homes – To work towards ensuring that all residents have a home which meets the statutory minimum standard for housing; and
 - Regeneration – To work towards improving the way housing supports economic opportunities and regeneration.
- C.23 The Housing Strategy Action Plan recognises that across Copeland Borough there is a mixed housing stock although generally much of the stock is in a poor condition and is therefore seeing significant public sector intervention through the Housing Market Renewal Programme. The strategy:
- Recommends a target of 20% affordable housing on all new private sector developments in Copeland;
 - Suggests an oversupply of affordable housing in Copeland, but with ongoing demolition programmes of obsolete stock, the 2011 SHMA suggests this situation has changed and there is now a net annual shortfall in the availability of affordable housing;
 - Links housing developments with economic regeneration. The strategy suggest that on the basis of 14,880 jobs being created in West Cumbria (Allerdale and Copeland) over the period 2008 to 2016, a total of 8,123 new houses will be required. This reflects the scale of in-migration needed to fill vacancies which are created. There is also a need to increase the level of detached/executive housing and this has been set at 38% in West Cumbria through to 2016.

West Cumbria Energy Coast Masterplan

- C.24 This is a £2Bn package of regeneration projects which will enhance the nuclear industry and promote diversification into other forms of low carbon industries such as renewable energy. The plan also promotes the improvement of infrastructure including schools, hospitals and transport links. The plan extends to 2027 and is expected to create 16,000 jobs and boost the economy by £800m.

Stage 3: Future affordability

- C.25 The ability of households 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.

Market prices and interest rate changes

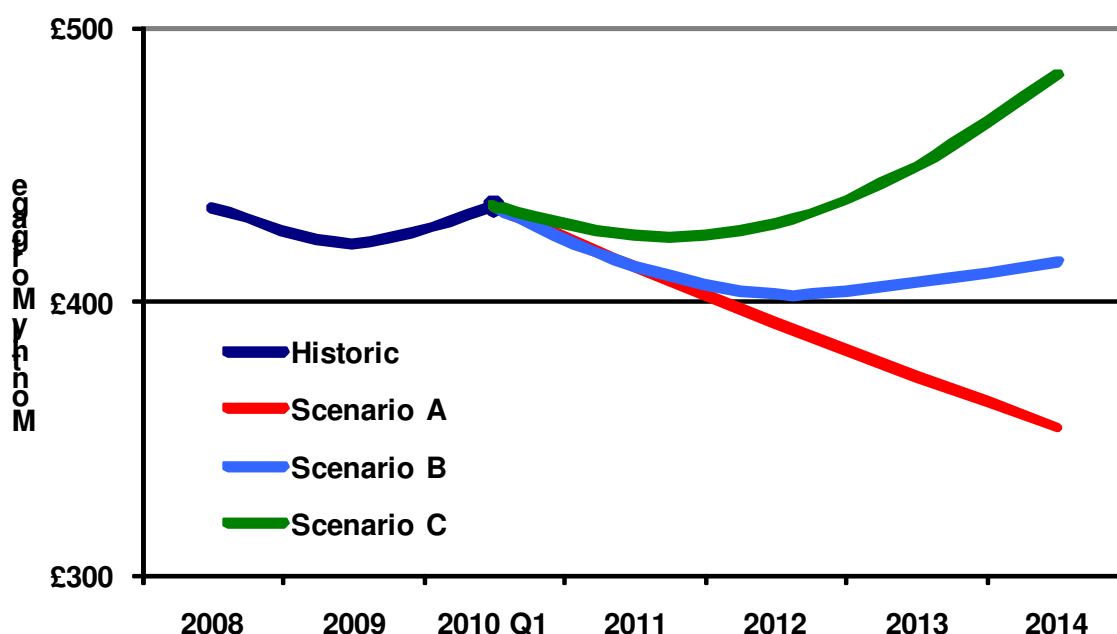
- C.26 The CLG guidance comments that future house prices cannot be simply projected on the basis of past trends. Furthermore, predicting prices is an inherently uncertain process since changes in house prices are cyclical and periods of rapid growth can be followed by slower rates of growth and/or decline.
- C.27 It is possible to undertake some elementary modelling work which assesses the likely impact of price and interest rate changes on relative affordability. Table C3 presents historic market values and how much mortgaged on a lower quartile property price would have varied assuming a fixed interest mortgage based on a 15% deposit.
- C.28 Three future scenarios are modelled:
- Scenario A: A continuous fall in prices through to 2014;
 - Scenario B: A prolonged fall and recovery in 2013;
 - Scenario C: A short fall and recovery starting in 2012.
- C.29 Figure C2 indicates how the house price scenarios would impact on monthly mortgage repayments (assuming fixed interest rates). For example, with Scenario A (continuous fall), where property monthly repayments (on a 5.79% mortgage) would fall from £413 to £354 (and property values would fall by around £11,000).

Table C3 Cost of repayment mortgage based on different house price change and interest rate assumptions

Latest 2010 Q1	House Price Change	Lower Quartile Price	85% LTV	Interest Rate 5.79% (1)
		£ 80,000	£ 68,000	£ 434
Historic Market Values				
2008	~	£ 79,950	£ 67,958	£ 434
2009	-3.1%	£ 77,500	£ 65,875	£ 421
2010 Q1	3.2%	£ 80,000	£ 68,000	£ 434
Scenario A: Continuous Fall				
2011	-5%	£ 76,000	£ 64,600	£ 413
2012	-5%	£ 72,200	£ 61,370	£ 392
2013	-5%	£ 68,590	£ 58,302	£ 373
2014	-5%	£ 65,161	£ 55,386	£ 354
Scenario B: Prolonged fall and slight recovery				
2011	-5.0%	£ 76,000	£ 64,600	£ 413
2012	-2.5%	£ 74,100	£ 62,985	£ 402
2013	+1%	£ 74,841	£ 63,615	£ 406
2014	+2%	£ 76,338	£ 64,887	£ 415
Scenario C: Short Fall and sustained recovery				
2011	-2.5%	£ 78,000	£ 66,300	£ 424
2012	+1%	£ 78,780	£ 66,963	£ 428
2013	+5%	£ 82,719	£ 70,311	£ 449
2014	+7.5%	£ 88,923	£ 75,584	£ 483

Source: Land Registry; BBC Online mortgage calculator. Mortgage deals available in September 2010 (example used on Lloyds 5.79% 3 year fixed rate with 15% deposit).

Figure C2 Monthly mortgage costs based on alternative scenarios



C.30 This modelling is purely illustrative and shows how different scenarios would impact on the cost of repaying a mortgage. However, the ability of households

to raise a mortgage is affected by a reduced range of products, tighter lending criteria and the need to have a substantial deposit.

Stage 4: Summary and key messages

- C.31 This appendix has considered the future housing market in Copeland Borough and reflected on future household numbers, economic trends, and future affordability.
- C.32 The key driver of the economy in Copeland is Sellafield but there is also a strong strategic impetus to regenerate and diversify the economy of West Cumbria. This is ongoing through the work of Cumbria Vision and the newly-created Local Economic Partnership.
- C.33 Based on national population projections, the number of households in Copeland Borough is expected to increase from 31,000 in 2006 to 39,000 by 2031, or an annual average of 320. Further modelling carried out for the 4NW Regional Leaders Board would suggest an increase in households linked to economic growth of between 230 and 335 dwellings each year.
- C.34 In terms of the range of dwellings to be delivered, the SHMA has gathered a body of quantitative evidence and views of stakeholders which points to:
- A need to diversify the range of existing stock and in particular prioritise the development of larger detached and semi-detached houses for a range of economically active households including high income temporary workers at Sellafield;
 - The ageing population in Copeland as a major market driver. Bungalows are in short supply and any additional market provision would be useful, along with retirement apartments in urban and village centres close to amenities. Similarly, there is a need to diversify the range of older persons' provision including the development of extra care schemes within the Borough; and
 - A need to build more affordable dwellings (with a shortfall of 168 dwellings each year evidenced for Copeland as a whole and 153 in the Copeland Borough LDF area) and diversify the range of intermediate tenures available to local residents.

Technical Appendix D: Housing need calculations

Underpins core outputs 4,5,6,7

Summary of contents

Stage 1: Current housing need (gross backlog)

- Step 1.1 Homeless households and those in temporary accommodation
- Step 1.2 Overcrowding and concealed households
- Step 1.3 Other groups
- Step 1.4 Total current housing need (gross)

Stage 2: Future housing need (gross annual estimate)

- Step 2.1 New household formation (gross per year)
- Step 2.2 Proportion of new households unable to buy or rent in the market
- Step 2.3 Existing households falling in to need
- Step 2.4 Total newly-arising housing need (gross per year)

Stage 3: Affordable housing supply

- Step 3.1 Affordable dwellings occupied by households in need
- Step 3.2 Surplus stock
- Step 3.3 Committed supply of new affordable housing
- Step 3.4 Units to be taken out of management
- Step 3.5 Total affordable housing stock available
- Step 3.6 Total supply of social re-lets (net)
- Step 3.7 Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels
- Step 3.8 Annual supply of affordable housing

Stage 4: Housing requirements of households in need

Stage 5: Estimate of affordable requirements

- Step 5.1 Net shortfall
- Step 5.2 Gross shortfall

Introduction

- D.1 PPS3 defines housing need as ‘the quantity of housing required for households who are unable to access suitable housing without financial assistance’. The 2010 Household Survey and secondary data provide a robust range of information to quantify housing need in Copeland Borough and the extent to which additional affordable housing is required.
- D.2 Work is underway to prepare a Local Development Framework for Copeland Borough which will comprise a Core Strategy and Local Development Documents.

D.3 Housing needs analysis and affordable housing modelling has been prepared in accordance with CLG guidance at sub-area and Borough level. In summary, the model reviews in a step-wise process:

Stage 1: Current housing need (gross backlog)

Stage 2: Future housing need

Stage 3: Affordable housing supply

Stage 4: Housing requirements of households in need

Stage 5: Bringing the evidence together

D.4 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 Copeland Borough. Modelling has been carried out at sub-area level and has taken into account household type and property size requirements.

Table D1 CLG Needs Assessment Summary

Step		Calculation	Whitehaven HMA				West Lakes HMA		Millom HMA	
	Stage1: CURRENT NEED		Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (C)	Millom	Copeland Borough
1.1	Homeless households and those in temporary accommodation	Over 5 years	117	4	0	49	16	11	54	251
1.2	Overcrowding and concealed households	Over 5 years	0	8	0	18	4	0	0	30
1.3	Other groups	Over 5 years	482	209	156	215	58	102	167	1389
1.4	Total current housing need (gross)	1.1+1.2+1.3	599	221	156	282	78	113	221	1670
	A. % cannot afford open market (buying or renting)		58.9%	56.9%	68.2%	55.3%	61.1%	19.0%	49.6%	55.2%
	B. TOTAL cannot afford open market (buying or renting)		353	126	106	156	48	21	110	920
	C. To be reduced at a rate of 20% per year (annual requirement)	1.4A*0.2	71	25	21	31	10	4	22	184
	Stage 2: FUTURE NEED									
2.1	New household formation (Gross per year)	Gross each year	188	52	59	105	21	39	53	518
2.2	Number of new households requiring affordable housing	43.7% could not afford	82	23	26	46	9	17	23	226
2.3	Existing households falling into need	Annual requirement	6	0	2	1			1	11
2.4	Total newly-arising housing need (gross per year)	2.2 + 2.3	88	23	27	47	9	17	25	237
	Stage 3: AFFORDABLE HOUSING SUPPLY									
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	295	111	99	123	15	13	56	713
	A. Net impact of households moving each year	Annual Supply	0	0	0	0	0	0	0	0
3.2	Surplus stock	133 Total; assume annual supply is 20%	12	3	3	5	0	0	2	27
3.3	Committed supply of new affordable units	None assumed	0	0	0	0	0	0	0	0
3.4	Units to be taken out of management	None assumed	0	0	0	0	0	0	0	0
3.5	Total affordable housing stock available	3.1A+3.2+3.3-3.4 Annual	12	3	3	5	0	0	2	27
3.6	Annual supply of social re-lets (net)	Annual Supply	89	44	27	38	3	2	21	225
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply		1	0	1			0	2
3.8	Annual supply of affordable housing	Annual Supply 3.5+3.6+3.7	101	48	31	43	4	2	24	254
	Stage 4: THE HOUSING REQUIREMENTS OF HOUSEHOLDS IN NEED									
	This stage considers household preferences to inform type and size requirements where need is identified									
	Stage 5: Affordable requirements									
5.1	Shortfall of affordable accommodation - Annual (net)	1.4C+3.1impact+2.4-3.8	57	1	18	35	15	19	22	168

Stage 1: Current need

- D.5 PPS3 defines housing need as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. The SHMA Guidance suggests types of housing that should be considered unsuitable, as summarised in Table D2.

Table D2 Summary of current housing need in Copeland Borough

Category	Factor	No. Households
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	251
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	147
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	30
	N4 Too difficult to maintain	374
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	96
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	611
Dwelling amenities and condition	N7 Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	5
	N8 Subject to major disrepair or unfitness and household does not have resource to make fit	238
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	286
Total Need		1,670
Total Households		30,443
% households in need		5.5

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

Step 1.1 Homeless households and those in temporary accommodation

- D.6 CLG SHMA guidance suggests that information on homeless households and those in priority need who are currently housed in temporary accommodation should be considered in needs modelling. The scale of need from these types of household can be derived from several sources.
- D.7 Homelessness statistics for 2008/9²² indicate that a total of 147 decisions were made on households declaring themselves as homeless across Copeland Borough. Of these households, 54 were classified as homeless and in priority need. Over the three years 2006/7, 2007/8 and 2008/9, an average of 162 decisions have been made and 65 households have been declared as homeless and in priority need.
- D.8 The household survey identified a total of 251 households who were either under threat of homelessness or were living in accommodation that was too expensive and were intending to move in the next five years. This equates to an annual housing requirement from 50 households who are homeless or living in temporary accommodation across Copeland Borough.

Step 1.2 Overcrowding and concealed households

- D.9 The extent to which households are overcrowded is measured using the 'bedroom standard'. This allocates a standard number of bedrooms to each household in accordance with its age/sex/marital status composition. A separate bedroom is allocated to each married couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex and each pair of children under 10. Any unpaired person aged 10-20 is paired if possible with a child under 10 of the same sex, or, if that is not possible, is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms (including bedsits) available for the sole use of the household.
- D.10 Analysis identifies 270 households who are currently living in overcrowded accommodation or are concealed households. However, only 30 of these households intend to move in the next 5 years. Modelling assumes a 5 year requirement of housing from 30 overcrowded/concealed households.

Step 1.3 Other groups

- D.11 Table D2 identified a series of households who were in housing need for other reasons including the property is too expensive, difficult to maintain, household

²² CLG Homeless Statistics [Table 627: Local Authorities' action under the homelessness provisions of the 1985 and 1996 Housing Acts, by district](#)

containing people with mobility impairment/special need, lacking amenities, disrepair and harassment.

- D.12 A total of 1,389 households across Copeland Borough were identified to be experiencing one or more of these needs factors and intending to move in the next five years. This figure is taken as the five year backlog of need from other groups.

Step 1.4 Total current housing need and financial testing

- D.13 Having established the scale of need in Steps 1.1, 1.2 and 1.3, the extent to which households could afford open market prices was considered.
- D.14 An 'affordability threshold' of households was calculated which takes into account household income, equity and savings. The household income component of the affordability threshold is based on 3.5 x gross annual income.
- D.15 The affordability threshold was then tested against lower quartile property prices and the cost of privately renting. Lower quartile prices for sub-areas over the period January 2008 to December 2009 were derived using Land Registry address-level data (Table D3).
- D.16 Information on prevailing private sector rents was obtained from a search of lettings during the summer of 2010 and summarised in Table D4. The cost of letting a property according to the number of bedrooms required by a household was factored into affordability testing.
- D.17 Using evidence from the household survey, we have identified the extent to which households identified in Steps 1.1 could afford open market prices; and based on Steps 1.2 to 1.3, using evidence from the household survey, we have identified the extent to which households are in housing need in Copeland Borough **and** whether they want to move to offset that need. A total figure for this is 1,670 households. The extent to which these households in need can afford open market solutions to address their need has been assessed.

Table D3 Lower quartile prices by sub-area (2008-09)

Sub-area	Lower Quartile House Price 2008-09
Whitehaven	£80,754
Cleator Moor	£64,000
Egremont	£73,087
Whitehaven Rural Parishes	£79,950
West Lakes – LDNP	£129,000
West Lakes – Copeland	£120,000
Millom	£72,000
Copeland	£79,000

*Based on Jan 2008 to Dec 2009 sales

Source: Land Registry

Table D4 Private rental prices by property type, size and sub-area

Sub-area	No. Beds	LQ price (2010)
Cleator Moor Area	1	£350
	2	£355
	3	£350
Egremont Area	2	£410
	3	£380
Millom	2	£400
	3	£350
Rural Areas in Whitehaven	1	£350
	2	£349
	3	£400
	4	£675
West Lakes	2	£450
	3	£475
	4	£950
Whitehaven	1	£378
	2	£495
	3	£476
	4	£825
	5	£850

Source: internet search of private lettings agents Summer 2010

Summary of Stage 1: Current need

- D.18 In summary, of the households identified in Steps 1.1, 1.2 and 1.3, 1,055 households could not afford to move in the open market to offset their need. It is assumed that current need reduces at the rate of 20% per year. This is a standard assumption used in needs assessment modelling suggested in CLG SHMA Guidance and equates to a requirement of **184** dwellings each year across Copeland Borough.
- D.19 Table D5 summarises data for stage one of the CLG modelling.

Table D5 Stage One Summary

Step	Whitehaven HMA				West Lakes HMA		Millom HMA	Copeland Borough
	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (C)	Millom	
1.1 Homeless households and those in temporary accommodation	117	4	0	49	16	11	54	251
1.2 Overcrowding and concealed households	0	8	0	18	4	0	0	30
1.3 Other groups in need	482	209	156	215	58	102	167	1389
1.4 Total current housing need (gross)	599	221	156	282	78	113	221	1670
1.4B Total could not afford open market (buying or renting)	353	126	106	156	48	21	110	920
Annual requirement from Stage One	71	25	21	31	10	4	22	184

Stage 2: Future need

Step 2.1 New household formation (gross per year)

- D.20 Establishing a view on the scale of new household formation can be achieved by considering household survey evidence and assumptions from the Survey of English Housing which suggests a national household formation rate based on 1.7% of all households.
- D.21 The household survey indicates how many individuals intend to form households in the next five years, how many intend to stay in Copeland Borough and how many are likely to require affordable housing. The household survey also identifies households who have formed in the past two years and how many of these households required affordable housing.
- D.22 Using this range of information, a view can be established over the likely scale of new household formation in Copeland Borough and how many new households will require affordable housing.

Survey of English Housing

- D.23 Applying a gross household formation rate of 1.7% of total households would suggest an annual household formation rate of 518 households across Copeland Borough.

Past trends in household formation

- D.24 Household survey evidence suggests that over the past two years, a total of 446 households have formed within Copeland Borough or 223 each year. Of these households, 43.7% could not afford open market dwellings.

Future expectations of household formation

- D.25 The household survey identified a total of 5,050 individuals currently living in Copeland Borough who stated that they want to form a household in the next five years (or 1,010 each year). Of these households, 75.1%% stated a preference for living in Copeland Borough and 24.9% stated a preference for living outside the Borough.
- D.26 Therefore, the baseline number of people wanting to form new households each year over the next five years in Copeland Borough is 758. However, the extent to which people are likely to share needs to be taken into account. Over the preceding 2 years, a total of 446 new households formed within Copeland Borough (223 each year) and these contained 556 adults (which equates to 1.25 adults in each newly-forming household). Applying this ratio to the 758 individuals intending to form new households in the next five years would suggest a formation of suggest 607 new households forming each year.

Reconciling the evidence

- D.27 Clearly, this analysis suggests considerable variations in the scale of household formation depending on which method of calculation is adopted. To ensure prudence at this stage of analysis, the scale of household formation is assumed to be 518 each year which is based on the national gross household formation rate of 1.7% of households. This compares with 223 (the annual household formation rate over the past two years) and 607 (the number of households expecting to form on an annual basis over the next five years).
- D.28 The actual distribution of new households is based on the first choice destinations stated by newly-forming households in the household survey (Question 64).

Step 2.2 New households unable to buy or rent in the open market

- D.29 An analysis of the income and savings profile of households who have formed in the past two years would suggest that overall 43.7% could not afford open market prices or rents. Modelling assumes that 43.7% of newly-forming households overall could not afford open market accommodation which equates to a requirement for 226 affordable dwellings each year.

Step 2.3 Existing households expected to fall into need

- D.30 An estimate of the number of existing households falling into need each year has been established by drawing upon the RSL lettings data. This suggests that over

the period 2006/7, 2007/8 and 2008/9, an annual average of 11 households moved into the social rented sector because they had fallen into housing need and were homeless.

Step 2.4 Total newly arising housing need (gross per year)

- D.31 Total newly arising need is calculated to be 237 households each year as summarised in Table D6 (226 from new households plus 11 from existing households falling into in need).

Table D6 Stage Two Summary

Step	Whitehaven HMA				West Lakes HMA		Millom HMA	Copeland Borough
	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (C)	Millom	
2.1 New household formation (Gross per year)	188	52	59	105	21	39	53	518
2.2 Number of new households requiring affordable housing	82	23	26	46	9	17	23	226
2.3 Existing households falling into need	6	0	2	1			1	11
2.4 Total newly-arising housing need (gross per year)	88	23	27	47	9	17	25	237

Stage 3: Affordable housing supply

- D.32 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 3.1 Affordable dwellings occupied by households in need

- D.33 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 need²³.
- D.34 A total of 713 households are current occupiers of affordable housing in need (Table D1). Although the movement of these households within affordable

²³ Strategic Housing Market Assessment Guidance (CLG, August 2007)

housing will have a nil effect in terms of housing need (i.e. they already live in affordable housing), the types of property they require and the types of property they vacate needs to be considered in overall modelling. Table D7 summarises the annual impact of households on stock availability if they move to the size of dwelling they require. It shows, for example, that movement of households in general needs stock may 'free up' 1 bedroom properties but increase demand for 2, 3 and 5+ bedroom properties.

Table D7 Impact of households in need moving within affordable dwelling stock

Designation	No. Bedrooms	Sub-area						
		Cleator Moor	Egremont	Millom	West Lakes (CD)	West Lakes (LDNP)	Whitehaven	Whitehaven Rural Parishes
General needs	1	35	9	0	13	0	0	35
	2	-35	-9	18	-13	14	0	-18
	3	-17	0	-18	0	-14	0	-55
	4	17	0	0	0	0	0	28
	5	0	0	0	0	0	0	11
Older person	1	4	6	2	0	1	34	6
	2	-4	-6	0	0	-1	-34	-3
	3	0	0	-2	0	0	0	-3
Total		0	0	0	0	0	0	0

Note: A positive number indicates a shortfall and negative number an increase in supply.

Source: 2010 Household Survey

- D.35 Although the needs assessment model shows a zero overall net impact from these households, the annual impact shown in Table D7 has been factored into the final calculations of affordable requirements.

Step 3.2 Surplus stock

- D.36 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 usually assumed to be surplus stock. Across Copeland Borough there were 262 social rented vacant properties on 1st April 2008 as reported in HSSA statistics. This represents 4.1% of social rented dwellings stock and it can be suggested that around 133 are surplus vacant dwellings. Modelling assumes that these are brought into use over a five year period, or 27 each year. It is assumed that the location, size and designation of surplus vacant properties reflect that of the general stock.

Step 3.3 Committed supply of new affordable units

- D.37 HSSA data for 2009 indicates that over the period 2008/09 to 2010/11, a total of 22 affordable dwellings have been built as shown in Table D9. This equates to an annual delivery of 7 new affordable dwellings.

Table D9 Out-turn, planned and proposed affordable housing development 2008/9 to 2010/11

Type of affordable housing	2008/9	2009/10	2010/11	Total
	Outturn	Planned	Proposed	
RSL – Rent	22	0	0	22
RSL – Shared Ownership	0	0	0	0
TOTAL	22	0	0	22

Source: Housing Strategy Statistical Appendix

Step 3.4 Units to be taken out of management

- D.38 The model assumes there will be no social rented units taken out of management over the next five years.

Step 3.5 Total affordable housing stock available

- D.39 It is assumed that there are **0** social rented dwellings available over the 5 year period arising from households moving within the stock. There will be additional stock programmed to be built in 2008/9 and 2009/10 which will decrease the identified requirements.

Steps 3.6 Annual supply of social re-lets

- D.40 The CLG model considers the annual supply of social re-lets. Table D10 summarises the total number of social rented re-lets which have averaged 2,118 over the period 2007/08 to 2009/10.

Table D10 Annual social rented re-lets

Year	Total lettings	Previous Tenure			
	RSL	Social rented	Not Social rented		
			Total	From Within*	From Outside*
2006/07	396	81	315	292	23
2007/08	211	56	155	133	22
2008/09	406	128	278	249	29
3yr Total lettings	1013	265	748	674	74
3yr Average lettings	338	88	249	225	24

Source: RSL CORE data

D.41 Address-level RSL CORE lettings data is available for 2006/7, 2007/8 and 2008/9. This can be used to accurately assess the likely capacity of the social rented sector by location, size of property and designation (whether the property is general needs or older person). For the purposes of analysis, it is important to focus on the ability of households requiring affordable housing to access it. Therefore, the annual supply figures derived from CORE lettings data and used in modelling:

- **Exclude** those moving into accommodation from outside Copeland Borough and households moving within the social rented stock; and
- **Include** households who moved from within Copeland Borough into social renting from another tenure; newly-forming households originating in Copeland Borough and moving in social renting; and households moving from specialist/supporting housing from within Copeland Borough into affordable housing.

D.42 Analysis suggests that there is an annual average of 225 social rented dwellings let to new tenants i.e. households originating in Copeland Borough who either moved into social renting from another tenure, were newly-forming households, or who moved from supported/specialist accommodation.

D.43 Modelling therefore assumes an annual capacity of **225** dwellings for new tenants across Copeland Borough. Table D11 illustrates how the annual capacity figure is broken down by sub-area, designation (general needs and older person) and property size.

Table D11 Annual capacity of social rented sector across Copeland Borough

Sub-area	Designation and no. of bedrooms								Total
	General needs				Older person				
	1	2	3	4	1	2	3	4	
Cleator Moor	4	15	21	0	0	2	1	0	44
Egremont	4	8	11	1	1	4	0	0	27
Millom	1	9	5	0	3	3	0	0	21
West Lakes (CD)	0	1	0	0	0	1	0	0	2
West Lakes (LDNP)	0	2	1	0	0	1	0	0	3
Whitehaven	26	32	23	1	2	4	0	0	89
Whitehaven Rural Parishes	4	13	17	0	1	2	1	0	38
Total	39	80	78	2	7	17	2	0	225

Source: RSL Core lettings data for 2006/7, 2007/8 and 2008/9

Steps 3.7 Annual supply of intermediate re-lets/sales

- D.44 There is a small annual supply of intermediate properties which are either sold or re-let and a annual supply of 2 dwellings with three bedrooms is assumed based on recent lettings trends (2006/7,2007/8 and 2008/9).

Summary of Stage 3

- D.45 Table D12 summarises the data derived at Stage 3 of modelling. Overall, there is an annual supply of **254** dwellings plus supply from newbuild over the next 5 years. Available HSSA data suggests no new affordable dwellings are scheduled to be built in Copeland Borough during 2009/10 or 2010/11.

Table D12 Stage Three Summary

Step	Whitehaven HMA				West Lakes HMA		Millom HMA	Copeland Borough
	Whitehaven	Cleator Moor	Egremont	Whitehaven Rural Parishes	West Lakes (LDNP)	West Lakes (C)	Millom	
3.1 Affordable dwellings occupied by households in need	295	111	99	123	15	13	56	713
3.1A. Net impact of households moving each year	0	0	0	0	0	0	0	0
3.2 Surplus stock	12	3	3	5	0	0	2	27
3.3 Committed supply of new affordable units	0	0	0	0	0	0	0	0
3.4 Units to be taken out of management	0	0	0	0	0	0	0	0
3.5 Total affordable housing stock available	12	3	3	5	0	0	2	27
3.6 Annual supply of social re-lets (net)	89	44	27	38	3	2	21	225
3.7 Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels		1	0	1			0	2
3.8 Annual supply of affordable housing	101	48	31	43	4	2	24	254

Stage 4: The housing requirements of households in need

- D.46 For critical stages of the needs assessment model (Step 1.1, Step 1.4, Step 2.4 and Step 3.8), information is broken down by sub-area, designation (general needs and older) and property size. This goes beyond the requirement of the SHMA guidance but allows a detailed assessment of the overall housing requirements of households in need and provides clear affordable requirement information. In turn, this can help identify where there are shortfalls and sufficient capacity of affordable housing, and help to shape policy responses.

Stage 5: Estimate of annual housing need

Step 5.1 Net shortfalls

- D.47 Analysis has carefully considered how housing need is arising within Copeland Borough by identifying existing households in need (and who cannot afford market solutions), newly-forming households in need and existing households likely to fall into need.
- D.48 This has been reconciled with the supply of affordable dwellings which considers location, size and designation (i.e. for general needs or older person) (Table D13). Based on the CLG modelling process, analysis suggests that there is an overall net shortfall of **168** dwellings each year (of which 153 are in the Copeland Borough LDF area and 15 in the Lake District National Park LDF area). Note that these requirements do not include the impact of proposed newbuild dwellings.
- D.49 Analysis based on CLG modelling clearly justifies the need for affordable housing in Copeland Borough. However, targets in the LDF should also be determined with reference to land availability (evidenced through a Strategic Housing Land Availability Assessment) and the assessment of the economic viability of delivering affordable housing on available sites which has been carried out by the Council.

Table D13 Net affordable housing requirements – annual requirements 2010/11 to 2014/15

Sub-area	General Needs				Older Person		Total
	1	2	3	4 or more	1	2+	Net
Whitehaven HMA							
Cleator Moor	49	-29	-34	17	4	-6	1
Egremont	21	4	-5	-1	9	-10	18
Whitehaven	6	33	15	-1	41	-37	57
Whitehaven Rural Parishes	62	-7	-61	41	11	-10	36
West Lakes HMA							
West Lakes (C)	17	-3	4	0	2	-1	19
West Lakes (LDN)	4	20	-10	0	2	-1	15
Millom HMA							
Millom	10	28	-16	4	1	-5	22
Total	169	46	-107	60	70	-70	168
Copeland LDF	165	26	-97	60	68	-69	153
LDNP LDF	4	20	-10	0	2	-1	15

D.50 Table D14 summarises the overall net requirements for Copeland Borough by designation (general needs and older person), property size and LDF area. It suggests a specific requirement for one, two and four bedroom general needs accommodation and no additional affordable older persons accommodation. Across the Lake District National Park area which is located in Copeland Borough, net shortfalls of two bedroom properties are most pronounced.

Table D14 Summary of annual requirements for Copeland Borough 2010/11 to 2014/15 by LDF area

Designation	No. Beds	Copeland LDF	LDNP LDF	Total
General Needs	One	165	4	169
	Two	26	20	46
	Three	-97	-10	-107
	Four +	60	0	60
Older Person	One/Two	-1	1	0
TOTAL	TOTAL	153	15	168

Tenure and dwelling type profile of affordable dwellings

- D.51 Affordable housing includes both social rented and intermediate tenure dwellings. In order to recommend an appropriate split between social rented and intermediate tenure, the stated preferences of households and the relative affordability of intermediate tenure products is now reviewed.

Household preferences

- D.52 Households were asked to state tenure preferences. Table D15 summarises the preferences of both existing households in need and newly forming households by tenure. Overall, based on preferences, this gives a tenure split of 61% social rented and 39% intermediate tenure across Copeland Borough.

Table D15 Affordable tenure preferences

Would consider	Existing H'holds (%)	Newly-forming H'holds (%)	TOTAL (%)
Social rented	60.3	61.6	61.0
Intermediate	39.7	38.4	39.0
Total	100.0	100.0	100.0
Base	184	237	421

Base: tenure preferences of 184 existing households in need and 237 newly-forming households each year (including households likely to fall into need)

Affordability of intermediate tenure dwellings

- D.53 Table D16 summarises the overall proportions of existing and newly-forming households who could afford intermediate tenure products based on different equity shares. This is based on an annual requirement of affordable housing from 184 existing and 237 newly-forming households (including households falling into need). This suggests that 48.6% of existing and newly-forming households in need could afford an intermediate tenure product with an equity share of £50,000 and 27.4% could afford an equity share of £80,000.

Table D16 Summary of intermediate tenure affordability by existing and newly-forming households

% could afford equity share of:	Existing H'holds	Newly-forming h'holds	Total
£50,000	53.3	45.0	48.6
£60,000	49.8	32.9	40.3
£70,000	44.6	23.3	32.6
£80,000	41.1	16.6	27.4
£90,000	40.3	12.0	24.3
£100,000	37.3	8.6	21.2
£110,000	33.5	6.6	18.4
£120,000	28.9	5.8	15.9
Base (Existing and Newly-forming HH each year)	184	237	421

Source: 2010 Household Survey

- D.54 Overall, evidence suggests that intermediate tenure dwellings could make a substantial contribution to affordable housing provision across Copeland Borough. 39% of existing and newly forming households who could not afford open market prices stated a preference for intermediate tenure housing. A detailed analysis of the ability of these households to afford intermediate tenure dwellings indicates that 48.6% could afford a £50,000 equity share and 27.4% a £80,000 equity share..
- D.55 The Council should take forward the findings of the SHMA, Economic Viability Assessment and the Strategic Housing Land Availability Assessment when determining an appropriate split between social rented and intermediate tenure dwellings.
- D.56 There is clearly scope for an intermediate tenure market in Copeland Borough. The final proportion of intermediate tenure dwellings to be delivered needs to be reconciled with the economic viability of delivering affordable housing on sites; the appetite of the HCA to fund intermediate tenure dwellings; and the ability of households to secure mortgages.

Dwelling type

- D.57 Table D17 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 delivery of houses is a priority, with some requirement for flats and bungalows.

Table D17 Affordable property type preferences across Copeland Borough

Property type	Existing H'holds (%)	Newly-forming H'holds (%)	Total (%)
House	52.8	87.3	64.1
Flat	11.6	11.8	10.4
Bungalow	35.5	0.9	14.2
Total	100.0	100.0	100.0
Base	184	237	421

Source: 2010 Household Survey

Comparison with housing register

- D.58 A total of 2,546 households were recorded on the Housing Register as at 1st April 2009. Table D18 summarises the property size requirements of these households.

Table D18 Dwelling size requirements of households on Housing Register as at 1st April 2009

Requirement	No. of households	% of households
1 Bedroom	784	30.8
2 Bedrooms	1092	42.9
3 bedrooms	536	21.1
3+ bedrooms	134	5.3
Total	2546	100.0

Source: 2009 Housing Strategy Statistical Appendix

- D.59 The housing register analysis suggests that most need is for one and two bedroom properties. This supports evidence provided by the household survey. However, the survey does suggest a greater need for larger properties with more than three bedrooms than the housing register suggests.
- D.60 Needs assessment evidence therefore suggests that a broader range of affordable dwellings should be delivered across Copeland Borough to address the needs of a greater diversity of household types.

National Affordable Housing Programme 2008-2011

- D.61 Public investment in affordable housing is channelled through the National Affordable Housing Programme (NAHP) which is now managed by the Homes and Communities Agency. Any future affordable development programme in Copeland Borough must consider the criteria for bids outlined in the NAHP prospectus for 2008-11. For the North West, priorities, based on those of the Regional Housing Strategy, include:

- Delivering urban renaissance, with a focus on Pathfinder areas, but more generally to support cohesive strategic activity to prevent low demand, tackle inappropriate supply and support Neighbourhood Renewal in areas at risk of market failure;
- Providing affordable homes to maintain balanced communities;
- Delivering decent homes in thriving neighbourhoods;
- A general benchmark split of 70% rent and 30% sale including Open Market Homebuy will be used within which allocations will be made;
- The continued delivery of larger homes with, as a general guide, 37% of the rented programme and 8% of the New Build HomeBuy programme will include properties with at least three bedrooms.

Implications for planning

- D.62 Clearly, there is a demand for affordable housing within Copeland Borough. New development has been limited in recent years but there is a need to continue building and diversify the range of affordable housing available by increasing the amount of intermediate tenure dwellings available to local residents.
- D.63 Appendix H provides further information on how information presented in this research can be used to strengthen existing planning policies and ensure a continued supply of affordable housing in the future.

Technical Appendix E: household groups who have particular housing requirements

Underpins core output 8

Families

- E.1 Families (that is couples and lone parents with children) account for around 28% of households across Copeland Borough. A further 9.8% were couples and lone parents with adult children (aged 18 or over) living with them. Analysis of market preferences (Table 4.10) suggests that:
- Most couples with children and lone parent families were expecting to move to a house, particularly detached and semi-detached (and terraced housing amongst lone parent families). Couples with children were most likely to consider properties with three or four bedrooms, with couples with three or more children most likely to expect a four bedroom property; most lone parents expect to move to a two or three bedroom property;
 - Couples and lone parents with adult children living at home had strong expectations of moving to houses (particularly semi-detached) and bungalows; a range of property sizes were expected to be moved to, most notably three and four bedroom properties.
- E.2 In terms of housing need, compared with the overall proportion of households in need of 6.3%: couples with three or more children were more likely to be in housing need (14.1%) along with 10.2% of lone parents with 1 or 2 child(ren), 31.6% of lone parents with three or more children and 10.4% of lone parents with adult children. Modelling of affordable housing requirements suggests that a range of affordable dwellings are required, in particular requirements for two and four bedroom general needs properties which will help to address the needs of families. It is important that particular care is taken to ensure that properties are built to reflect the demand from families and in the interests of long-term community sustainability.

Older people

Overview

- E.3 ONS population projections²⁴ suggest that there are currently around 13,200 residents in Copeland Borough aged 65 or over, representing 18.8% of the population. This is set to increase to 22,700 by 2033, by which time older people are projected to represent 30.1% of the population (Table E1). Data in Table E1 suggests that although the overall population is projected to increase

²⁴ ONS population projections 2008-based

by 7.2% over the period 2010 to 2033, the number in older age group is expected to increase more dramatically, with a 100% increase in residents aged 75+ and a 192.9% increase in residents aged 85 or over.

Table E1 Older people population projections

	Year			% change
	2010	2021	2033	2010-2033
Total Population	70,400	73,300	75,500	7.2
Total Aged 65+	13,200	17,500	22,700	72.0
Total Aged 75+	5,800	8,200	11,600	100.0
Total Aged 85+	1,400	2,300	4,100	192.9
As % of population	2010	2021	2033	
Total Aged 65+	18.8	23.9	30.1	
Total Aged 75+	8.2	11.2	15.4	
Total Aged 85+	2.0	3.1	5.4	

Source: ONS 2008-based population projections

E.4 Research into the needs and aspirations of older people²⁵ 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.5 The household survey indicates that a majority of residents aged 60 or over are owner-occupiers (76.9%). Of residents aged 75 and over, 71.5% are owner-occupiers, and most (68.7%) are 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 a need for support amongst older people and in particular gardening, cleaning and help with repairs/maintenance.

²⁵ 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 gardening	34.8
Help with repair and maintenance of home	33.0
Help with cleaning home	21.9
Help with other practical tasks	19.5
Help with personal care	11.2
Want company / friendship	8.4
Base (older households)	7,301

Source: 2010 Household Survey

- E.6 Table E3 summarises the range of aid and adaptation requirements identified by older person households. Particularly noted is the need for bathroom adaptations, better heating, internal handrails and more insulation.

Table E3 Older persons' requirements for aids and adaptations

Adaptation to property required either now or in the next 5 years	% of households
Adaptations to Bathroom	16.7
Better heating	12.0
Internal handrails	10.3
More insulation	10.2
External handrails	7.7
Double glazing	7.7
Stairlift	7.1
Community alarm service	5.9
Downstairs WC	5.8
Security alarm	4.9
Adaptations to Kitchen	4.2
Improvements to access	3.7
Wheelchair adaptations	3.3
Room for a carer	1.5
Lever door handles	1.4
Increase the size of property	1.4
Base (older households)	7,301

Source: 2010 Household Survey

- E.7 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.8 The aspirations and preferences of older people need to be carefully considered in developing appropriate 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 and Extra Care housing. The following definitions have been used to describe different types of older persons' housing:
- **Sheltered accommodation** is usually a group of bungalows or flats and you have your own front door. Schemes usually have a manager/warden to arrange services and linked to a careline/alarm service;
 - **Extra Care Housing** is designed with the needs of frailer older people in mind. It includes flats, bungalows and retirement villages. You have your own front door. Domestic support and personal care are available;
 - **Residential Care Homes** provide a bedroom and the use of a shared lounge with other residents. Personal care is provided – bathing, help dressing, meals etc.
- E.9 Table E4 shows the housing options that are being considered by older people in Copeland Borough in the next five years. The vast majority of older people (69.1%) want to continue to live in their current home with support when needed. A further 22.2% are considering renting sheltered accommodation, 18.9% renting from a housing association, 15% renting extra care housing and 14% buying a property on the open market. 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 Copeland Borough may consider over the next five years.

Housing Option	%*
Continue to live in current home with support when needed	69.1
Buying a property on the open market	14.0
Rent a property from a private landlord	5.1
Rent from a Housing Association	18.9
Rent Sheltered accommodation	22.2
Buy Sheltered accommodation	9.8
Part rent & buy Sheltered accommodation	5.3
Rent Extra Care Housing	15.0
Buy Extra Care Housing	5.7
Part rent & buy Extra Care Housing	3.7
Residential care home	6.6
Base (no. of respondents answering)	11,974

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

Source: 2010 Household Survey

Property adaptations required

- E.10 The household survey provides evidence on the need for particular adaptations by sub-area and tenure: this is presented in the Data Tabulations accompanying this report. Better heating, more insulation and double glazing are the most mentioned adaptations required by households (Table E5).

Table E5 Property adaptations required either now or over the next 5 years

Adaptation to property required either now or in the next 5 years	% households
Better heating	15.5
More insulation	15.4
Double glazing	13.0
Adaptations to Kitchen	5.6
Adaptations to Bathroom	9.5
Internal handrails	5.1
External handrails	3.8
Downstairs WC	3.2
Stair lift	3.3
Improvements to access	2.1
Wheelchair adaptations	1.6
Lever door handles	0.9
Room for a carer	1.0
Community alarm service	2.1
Security alarm	4.7
Increase the size of property	5.4
Base (total households)	30,443

Note: household could tick more than one option

Source: 2010 Household Survey

Disabled facilities grants and lifetime homes

- E.11 Table E6 summarises the number of mandatory disabled facilities grants completed and their total cost for the period 2004/05 to 2007/08, with planned numbers and expenditure up to 2009/10. Over the four years 2004/5 and 2007/8 an average of £269,000 was spent on DFGs across Copeland Borough.

Table E6 Disabled Facilities Grants

Year	Total grants	
	Outturn/ proposed	Cost (£ thousand)
2004/5	46	262
2005/6	42	329
2006/7	50	211
2007/8	41	275
2008/9 (planned)	64	350
2009/10 (proposed)	64	350

Source: Housing Strategy Statistical Appendices 2008 and 2009

- E.12 The household survey clearly evidences a need for physical adaptations to properties, as summarised in Table E5 and therefore the need for DFGs is likely to increase. 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.
- E.13 Building new homes to lifetime homes standard would help ensure future provision matches the increasing requirements from households for adapted properties. This should be encouraged where possible, particularly given the changing demographic profile of Copeland and the aging population.

General support requirements

- E.14 The household survey provides useful information on the need for other forms of assistance. Table E7 summarises the types of assistance required by households either now or over the next 5 years. The need for assistance with repair/maintenance of home was most frequently cited. This provides valuable evidence to support interventions such as Home Improvement Agencies, assistance through the Supporting People initiative and Handyperson schemes.

Table E7 Assistance required

Type of support required either now or in the next 5 years	% households
Help with repair and maintenance of home	22.0
Help with gardening	16.3
Help with cleaning home	10.2
Help with other practical tasks	9.3
Help with personal care	6.4
Want company / friendship	5.3
Base (total households)	30,443

Source: 2010 Household Survey

Specialist support requirements

- E.15 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. Supporting People Strategies provide detailed information on the characteristics of current provision and future requirements.
- E.16 Table E8 indicates the scale of need for support being addressed through Housing Association lettings (Table E8). These data suggest that there is an annual average of 62 RSL supported lettings made. There is a particular focus on accommodating frail elderly people.

Table E8 Client groups accommodated in social rented sector in Copeland Borough 2006/7, 2007/8 and 2008/9

Supported housing client group	2006/7	2007/8	2008/9	TOTAL	Average
Learning difficulties	0	4	0	4	1
Mental health related problems	4	4	8	16	5
From penal estab/Probation referral etc.	1	0	0	1	0
Women at risk from domestic violence	0	0	0	0	0
Frail elderly	53	60	50	163	54
Single homeless in need of support	1	0	0	1	0
Total	59	68	58	185	62

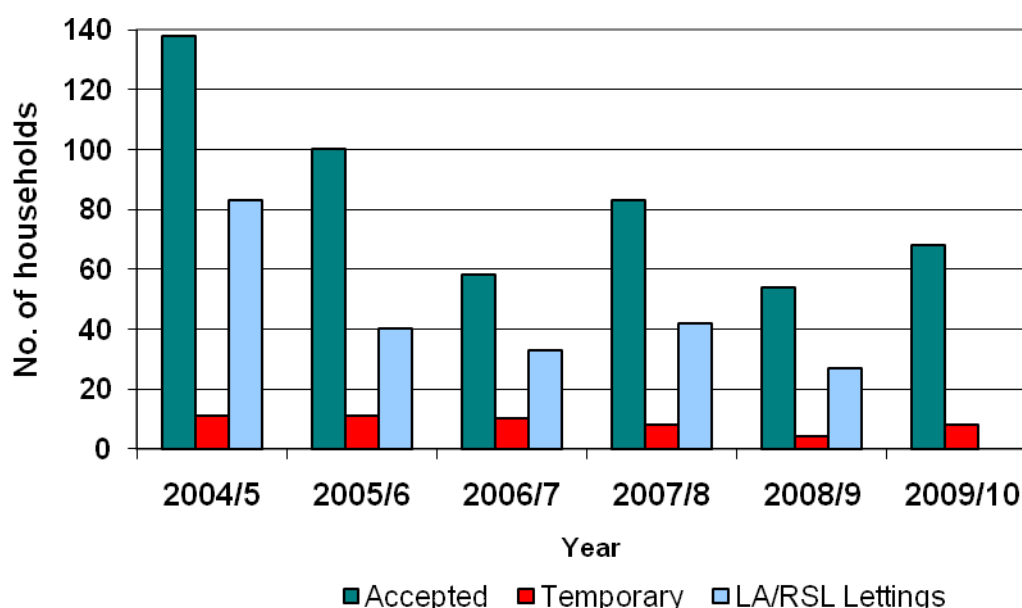
Source: RSL Supported Core lettings data

Homelessness issues

Homeless acceptances

- E.17 Figure E1 summarises the number of households accepted as homeless, total social rented dwellings let to homeless people in priority need and number of homeless households in temporary accommodation for the period 2004/05 to 2009/10. The number of homeless acceptances has generally declined over this period and has averaged 87 each year over this period. Just over half (52%) have been accommodated in RSL dwellings.
- E.18 The number of households living in temporary accommodation has averaged 9 (as at 1st April) over the period 2004/5 to 2009/10.

Figure E1 Homeless acceptances (in priority need) and nos. in temporary accommodation in Copeland Borough 2004/5 to 2008/09



Key

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

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

LA/RSL Lettings = Total LA dwellings let to homeless households in priority need and Homeless households in priority need taking up LA nominations to RSL dwellings

Source: CLG HIP/HSSA and P(1)e data

Households previously homeless

- E.19 The household survey identified 467 households who had been previously homeless or living in temporary accommodation and had moved to their present accommodation in the past 5 years.
- E.20 Table E9 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 mainly moved into social rented accommodation. They have also been more likely to occupy smaller one and two bedroom properties (58.4%), with a further 41.6% moving into properties with three or more bedrooms. The incomes of previously homeless households are generally low with 65.3% receiving less than £300 each week. 42.7% are single person households and a further 34.5% are couples with children, 16.3% are lone parent families and 6.5% are couples with no children.

Table E9 Characteristics of households previously homeless

Current tenure	%	Household type	%	Origin	%
Owner-occupied	19.0	Single adult under 60	32.8	Within District	90.7
Copeland Homes	39.5	Single adult 60 or over	9.9	From outside District	9.3
Other RSL	22.4	Couple only (both under 60)	4.1	Total	100
Private Rented	19.1	Couple only (one or both over 60)	2.4		
Total	100.0	Couple (1/2 child(ren))	32.0		
		Couple (3+ children)	2.5		
		Lone parent with 1/2 child(ren)	10.8		
		Lone parent with adult children	5.5		
		Total	100.0		
Property Type	%	Property size	%	Current Income (gross weekly)	%
House	51.1	0/1 Bed	7.1	Under £300	65.3
Flat	34.4	2 Bed	51.3	£300 to <£500	4.9
Bungalow	11.4	3 or more Beds	41.6	£500+	29.8
Other	3.1	Total	100.0	Total	100.0
Total	100				
Base	467				

Source: 2010 Household Survey

Black, Asian and Minority Ethnic issues

- E.21 Issues relating to BAME populations in Copeland Borough have been discussed in Appendix B.
- E.22 The needs of Gypsies and Travellers have been assessed in a Cumbria-wide study carried out by Salford University in 2008. This calculated a total shortfall of 1 pitch across Copeland over the period 2007-2012.

Technical Appendix F: Monitoring and updating

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

Introduction

- F.1 Having invested considerable resources in obtaining an excellent range of primary and secondary data, it is vital that this information be 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

- F.2 A baseline assessment of housing need across Copeland Borough 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 after 2012/13 through primary surveying).
- F.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

- F.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.

- F.5 Lower quartile prices and private sector rents should also be compared with the income profile of newly-forming households at **Step 2.2** of the needs assessment model.

Capacity of the social rented sector

- F.6 The capacity of the social rented sector needs to be reviewed annually using RSL CORE lettings data (**Step 3.6**).
- F.7 A dataset has been prepared for RSL CORE data for 2006/7, 2007/8 and 2008/9 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 (non social rented or intermediate) tenure.

Availability of intermediate tenure housing

- F.8 CORE Sales data can identify the availability of intermediate tenure housing (**Step 3.7**). Data has been assembled for 2006/7, 2007/8 and 2008/9.

Annual adjustments to affordable requirements

- F.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

- F.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

- F.11 As part of its strategic housing function, all LAs 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.
- F.12 Ongoing stakeholder consultation and engagement with local communities is also vital to maintain up-to-date intelligence on housing market issues.

Concluding comments

- F.13 It is vital that mechanisms are in place to derive robust, credible and defensible estimates of housing need and affordable requirements across Copeland Borough. We believe that this study provides a robust evidence base which has the capacity to be updated.
- F.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.

Technical Appendix G: Statement of conformity to SHMA guidance

- G.1 In order for a Strategic Housing Market Assessment to be deemed robust and credible, it needs to provide, as a minimum, all of the core outputs and meets the requirements of all of the process criteria (these were presented in Tables 1.1 and 1.2 of this report).
- G.2 This Statement of Conformity confirms that in delivering the eight core SHMA outputs, the process criteria outlined in the SHMA guidance has been adhered to. Further details are now provided.

Approach to identifying housing market area(s) is consistent with other approaches to identifying housing market areas within the region

- G.3 In considering housing market areas, the starting point of the SHMA was existing research carried out for the North West Regional Assembly and market analysis prepared to support the sub-regional housing strategy. The 2011 SHMA has used migration, travel to work and house price analysis (in accordance with CLG advice note on defining market areas). The approach to define market areas has therefore been consistent with other approaches to identifying markets and follows national best practice.

Housing market conditions are assessed within the context of the housing market area

- G.4 Although specific focus of this research has been Copeland Borough, research has considered inter-relationships with other areas, notably with other Districts of Cumbria. This has been achieved through a review of migration, travel-to-work, house prices and household aspirations.

Involves key stakeholders, including house builders

- G.5 The research has been overseen by a steering group comprising Local Authority housing and planning officers. During the course of the research, stakeholder interviews have been carried out with a wide-range of interest groups including estate agents, supporting people representatives, house builders and private lettings agents. The research has therefore ensured that the views of a range of key stakeholders are represented in the study.

Contains a full technical justification of the methods employed, with any limitations noted

- G.6 The research has been multi-method and involved secondary data analysis, a major household survey and stakeholder consultation. The study methodology was summarised in Chapter 1. The range of data assembled is in accordance with the SHMA guidance. In order to understand housing market dynamics more fully, the research has placed a particular emphasis on primary fieldwork to

enhance and supplement the review of secondary data sources. Within the text of the report, any particular observations relating to data including limitations and interpretation have been presented.

Assumptions, judgements and findings are fully justified and presented in an open and transparent manner.

- G.7 Given our expertise and understanding of housing research, the strategic housing agenda and affordability issues, we believe that any assumptions, judgements and findings are fully justified and have been presented in an open and transparent manner. In particular, we have ensured that robust data has been presented and interpreted based on our understanding of general market drivers and the wider sub-regional, regional and national strategic context.

Uses and reports upon effective quality control mechanisms

- G.8 Throughout the research process, we have ensured that the most up-to-date and robust data sources have been used. Most notably, data from 3,802 households was secured through primary fieldwork. This data was appropriately weighted (to address response bias) and grossed (to reflect total households). We have a series of internal quality control mechanisms relating to data analysis and interpretation; project management; and client liaison. By having these quality control mechanisms in place, we trust that this is evidenced in the quality of research and output we produce.

Explains how the assessment findings can be monitored and updated since it was originally undertaken.

- G.9 A series of recommendations for updating the study have been presented at Appendix F.

Technical Appendix H: Affordable housing policy

Introduction

- H.1 When developing its affordable housing policy the Council needs to be mindful of the housing requirements set out in this assessment, findings from the Economic Viability Assessment (EVA), and regional, sub-regional and the evolving national strategic housing context. Under the coalition Government the strategic policy context is changing rapidly, with significant changes pending for planning.
- H.2 The Government's revocation of Regional Spatial Strategies in July this year has been successfully challenged by developers, with a recent Court ruling that the revocation was unlawful. Whilst the current position for Local Planning Authorities in this regard is somewhat confused, the implication of the ruling in the short-term is that RSS housing figures still apply; for Copeland this represents an average annual provision rate of 230 homes (2003-2021).
- H.3 However, long-term, the Government is committed to wholesale reform of the planning system, and is seeking to develop a National Planning Framework, complete with local level Neighbourhood Plans. Within this new Framework, decisions about 'housing numbers' will be made at a local level, with evidence from this research playing an important role. The findings in respect of affordable housing need to be considered within this wider policy context.

Policy Context

- H.4 There is a comprehensive summary of the policy context relating to Copeland set out in Section Two of this report.
- H.5 This research has identified an annual affordable housing shortfall for Copeland LDF area of 153²⁶ homes. The Council has no significant land assets available to help it address this shortfall, and so must maximise all possible opportunities to deliver affordable housing across the District. In developing its LDF it is essential that the Council establishes a coherent and robust affordable housing policy to help ensure a long-term supply of affordable housing to meet identified need.
- H.6 Currently Copeland's affordable housing policy is set out within Local Plan saved Policy HSG 10: Affordable Housing in Key Service and Local Centres. This policy is dated and has failed to address affordable housing needs. If it is to be effective, it is imperative that the Council develops a new LDF affordable housing policy, which reflects the policy considerations explored within this appendix.

²⁶ 153 homes for Copeland LDF area; this represents 91.1% of shortfall identified for the Borough as a whole, the remaining 9.8% being located within the Lake District National Park LDF area.

Policy Considerations

- H.7 In view of the evidence base presented within both this report and Economic Viability Assessment, it is appropriate for the Council to develop a comprehensive approach to affordable housing delivery through its LDF.
- H.8 The primary objectives of any new policy approach should be to ensure that affordable housing needs are addressed appropriately, and that affordable homes secured through planning obligations meet identified need, are genuinely affordable, and remain so in perpetuity. In order to do this the policy needs to:
- Provide guidance in respect of the amount and tenure of the affordable homes sought;
 - Provide guidance in respect of the location and phasing of the affordable homes;
 - Establish mechanisms to ensure that the homes are genuinely affordable;
 - Set out an approach to commuted provision; and
 - Establish mechanisms for securing the affordable homes in perpetuity.
- H.9 The policy will also need to reflect the findings of the EVA.

Targets and Thresholds

- H.10 This research has identified that, based on CLG modelling, there is a net shortfall of 153 affordable homes each year across the Borough's LDF area for the five year period 2010/11 to 2014/15. This should be seen as a measure of the degree of imbalance between supply and demand for affordable housing and not a specific target.
- H.11 Figures used in the RSS equated to an annual requirement for 230 homes across Copeland, excluding the Lake District National Park area.
- H.12 There is then an identified need for more affordable housing, and the supply-side opportunities through which this can be addressed need to be considered before an affordable housing target can be established. However, given the scale of need, and assuming an annual supply of 230 dwellings, a target in the region of 20% would not be inappropriate. It would be prudent, and in line with HCA guidance, for the Council to consider setting an affordable housing target range (for example 15% to 25%), the top end of which may well be aspirational, but which could be applied flexibly. That said, when setting its affordable housing target/target range the Council needs to be mindful of the findings of the EVA.
- H.13 Similarly, the EVA will need to consider the viability of setting differential affordable housing targets for the rural and urban areas of the Borough. There is a significant affordable housing requirement across the Borough's rural areas (of the 153 annual shortfall across the Copeland LDF area 35.9% is in rural areas (there is an annual shortfall of 36 in Whitehaven Rural Parishes and 19 in the West Lakes HMA). Additionally, there is a further 15 annual shortfall in the Lake District National Park LDF area.

- H.14 There will be a need to consider supply-side opportunities before a view on differential rural targets can be taken. The need for a dedicated exception sites policy notwithstanding, lower site thresholds and higher affordable housing targets for rural areas could help ensure a supply of affordable housing across the Borough.
- H.15 The policy needs to ensure that it is robust in the long-term, and that it does not just respond to the current housing market downturn. To facilitate this longer-term view, the EVA should test a range of affordable housing scenarios, targets and tenure mixes.
- H.16 It is recognised that targets may not always be achievable on all developments due to overall market conditions at the time of development, or due to specific site viability issues. We would therefore recommend that the Council adopt a flexible approach and be prepared to review the viability of affordable housing provision for sites where the developer submits evidence that the target is not deliverable.
- H.17 Where affordable housing targets are flexibly applied the Council may wish to consider using an overage agreement or clause as part of the Section 106. Again, this could be explored further within the EVA, but should be referenced within any affordable housing policy advice.
- H.18 However, it is appropriate for the new policy to consider differential affordable housing thresholds for different housing market areas. In particular rural areas should have a lower affordable housing threshold. Information from the SHLAA and past development rates will provide a good indication as to what would be appropriate in this regard.
- H.19 Elsewhere, PPS3 advocates a site threshold of 15 dwellings or more as the 'national indicative minimum site size threshold', and this should be considered as such in Copeland; it may be possible in some instances to put forward a case for reducing this threshold where the anticipated supply of development sites is restricted to smaller sites with limited capacity. This would be particularly appropriate for settlements with less than 3,000 population. Analysis of current and planned patterns of development should enable the Council to identify appropriate site thresholds for its different sub-areas (particularly rural areas). In addition the Council should consider setting a site density threshold (0.5 hectares for example).

Tenure and type

- H.20 LDF policies need to be explicit about the tenure of affordable housing sought. Analysis of the research suggests that, in terms of affordable housing tenure, there is a requirement for both affordable homes for rent and intermediate housing options. Evidence from Section 4 indicates that 39% of households in need would consider intermediate tenure. Analysis of income, equity and savings indicates that 48.6% of existing and newly forming households in need could afford products with an equity share of £50,000, and 27.4% £80,000.
- H.21 Given the need for intermediate tenure housing options to be affordable the price that people can afford to pay for a home is critical. The EVA suggests that a tenure target of 20% intermediate and 80% social rented is appropriate. Again,

this target would be subject to site-specific viability if necessary. Of significance when applying affordable housing for sale targets is the ability of households to secure mortgages, which in the current climate is limited and will influence the level of viable intermediate tenure sales in the short and medium term.

- H.22 In terms of intermediate tenures, there are a range of products and options available for the Council to consider. These include shared ownership, discounted sale and fixed equity products, as well as intermediate rented options (including rent to mortgage models). Ideally, affordable housing for sale should be delivered with a range of outturn sales values.
- H.23 Intermediate rented housing (sometimes referred to as sub-market rented housing) falls within the PPS3 definition of affordable housing. Rent levels of intermediate or sub-market rented housing fall between genuine affordable rented housing and open market rented housing. Specifying rent levels in a Section 106 agreement is crucial when securing intermediate rented housing as part of an affordable housing contribution.
- H.24 Should it consider this type of provision, the Council should specify within its planning policy documents the percentage discount off open market rent it considers acceptable in terms of delivering affordable sub-market rented housing. It is notoriously difficult to control access to this type of housing, and therefore ensure that it meets a specific housing need. If this type of provision is sought, it is recommended that an RSL is used to secure and manage the homes in perpetuity to ensure that they meet an identified housing need into the future.
- H.25 Good practice in respect of delivering affordable housing for rent is to deliver it in partnership with an RSL. This guarantees that the homes will be affordable in perpetuity (RSLs are legally bound by the Homes and Communities Agency's rent regime). It also guarantees the Council nomination rights to future lettings, as well as ensuring a consistent approach towards housing management issues (such as resolving neighbour disputes and delivering environmental improvements).
- H.26 In terms of property type, the requirements identified indicate a range of needs (see Table 4.13). It is important to review these requirements against potential development capacity across the Borough, before deciding whether to seek a pro-rata match of private housing on all new developments, or stipulate specific property size requirements. Whichever approach is adopted, it will need to be viable on individual sites, with some developments providing greater opportunities to deliver certain types of homes than others. Given the identified property preferences (house 64.1%, flat 10.4% and bungalow 14.2%), the Council could consider adopting a plan, monitor, manage approach to the type of affordable housing delivered, setting targets for individual property types within specific areas.

Location and design

- H.27 The Council's SHLAA identifies future land supply for its LDF policies, and with affordable housing requirements presenting across all areas of the Borough, all qualifying sites should address affordable housing requirements.

- H.28 Consideration also needs to be given to the location of affordable housing within individual development sites. Whilst on smaller sites dispersal of affordable housing is not such an issue, it can become so on larger scale developments. Guidance should be provided by the Council in its policy on its preferred approach to location of affordable housing. Pepper-potting affordable housing throughout a development is an established approach, and it is now generally accepted that integrating tenures in this way is both more sustainable and desirable for residents. That said it may be that in the short term, to facilitate viability in particular on larger developments, levels of pepper-potting may need to be reduced.
- H.29 In the interests of delivering sustainable and integrated communities the affordable homes should be similar to the private homes in terms of style, quality of specification and finish, and materials.

Phasing

- H.30 Consideration needs to be given to the phasing of the affordable homes, and the Council's policy should stipulate what it expects in this regard, particularly on larger sites. Not securing delivery of affordable housing at an early point within a development risks it not being provided in its entirety. An appropriate clause within Section 106 agreements, preventing sale/letting of all the private homes before the affordable housing requirements have been satisfied, would counter this risk. However, where there are high levels of pepper-potting, it would be unreasonable to require a high number of affordable homes to be made available in the early stages of a development.
- H.31 Again, current market conditions may require a flexible approach to phasing to help improve overall scheme viability. In some instances developers may seek to deliver affordable housing, particularly where there is grant funding available, at an earlier or later stage in development to facilitate cash flow and improve viability.

Ensuring affordability

- H.32 Ensuring that affordable housing, once delivered, is genuinely affordable requires a robust policy approach in respect of:
- Out-turn affordable rent levels on completion; and
 - Out-turn affordable sales prices on completion.
- H.33 Securing affordable rents in the long term is best done by involving an RSL to own, manage and maintain the affordable housing for rent.
- H.34 If this is not possible, the Council needs to ensure robust clauses within its Section 106 agreements, tying the affordable housing provider to the Homes and Communities Agency's affordable rent regime. Failure to do this could result, not

only in disparity of affordable housing provision (which would be prejudicial to some residents), but unaffordable housing.

- H.35 In terms of affordable home ownership products, the price someone in need can afford to pay is important, and the data set out in Appendix D will help inform decisions about the appropriate levels at which affordable housing for sale should be agreed. Again, these prices may vary subject to viability on a scheme by scheme basis.
- H.36 It is also important to consider the availability of mortgage finance for those seeking to purchase affordable housing for sale. Recent months have seen the withdrawal of many mortgage products designed to facilitate the purchase of affordable home ownership homes. The current risk-averse market requires significant deposits from potential purchasers, even those seeking to purchase a shared ownership home. These conditions will impact upon delivery of affordable housing for sale in the short and medium term.

Use of HCA funding

- H.37 This policy advice is based on an assumption that affordable housing will need to be delivered without grant or other public subsidy. Indeed, the recent Comprehensive Spending Review has seen both a drastic cut in the housing capital budget (in excess of 60%), and a commitment that future funding be allocated not to affordable housing but to intermediate rented homes. It is therefore highly unlikely that resources will be available from the HCA to subsidise social rented housing planning obligations in the future.
- H.38 Notwithstanding recent events, it is important that the Council highlights issues associated with affordable housing delivery as part of its single conversation with the HCA; in particular those instances where issues of viability are hampering provision. In respect of guidance on affordable housing policy, the HCA is explicit:

A robust affordable housing policy for delivering affordable housing in line with PPS12 deliverability criteria, and with PPS3 paragraph 29 financial viability criteria will:

- *Ensure that good evidence is put forward to support the policy, and that in particular, financial viability, based upon empirical evidence of local market conditions, forms part of the case supporting affordable housing targets. It is not sufficient to rely on statements promising flexibility.*
- *Ensure that any viability study carried out in today's market can not only inform the economics of development today, but also for the whole plan period. The Planning Inspectorate have advised LPAs that it would not be reasonable to base a Core Strategy on a short term view of the housing market, and that reasoned assumptions on what might be a normal market are needed. Any targets would need to have been tested and justified, and provision for flexibility will also need to deal with abnormal market conditions. LPAs are expected to monitor and review policies and adapt them should abnormal conditions become the norm.*

- *Incorporate separate targets for social rented and intermediate tenures and consider providing for flexibility, by using target ranges for affordable housing tenures, making the targets less open to challenge.*
- *Recognise in the policy itself, or in supporting text, that scheme specific financial viability will be considered when applying the policy to individual schemes.*
- *Recognise in its implementation the policy test requirements of Circular 05/2005, and together with other public sector agencies including the HCA, consider the appropriate balance between private and public sector investment on individual developments.*²⁷

Commuted provision

- H.39 Within its policy the Council needs to consider its stance in respect of commuted sums and off-site provision. If it accepts that there may be instances when delivering affordable housing is not possible, the policy should state what these might be.
- H.40 Furthermore, policy should detail what would be considered acceptable in terms of commuted provision. If an in lieu payment is sought, a mechanism for calculating it should be detailed within the policy; any mechanism needs to ensure that the in lieu payment will actually deliver the affordable housing in an alternative location.
- H.41 The policy needs to specify where affordable housing contributions can be commuted to. Affordable housing is sought on the basis of need in a given locality, when provision is commuted it should still address the housing needs of the locality. In practice a staged approach may be adopted, whereby provision is sought first within the existing, and then neighbouring, ward(s) or sub-areas. Similarly, practice in respect of using commuted sum monies for investment in existing affordable stock within the locality (for example, to bring up to decent homes standards) should be made explicit.

Securing affordability in perpetuity

- H.42 Securing affordable housing in perpetuity is critical. This can be done most robustly through the use of comprehensive Section 106 agreements. However, many local authorities, for reasons of speed, seek to secure affordable housing by condition. This is a practical approach, though not always enforceable in terms of the detailed requirements of affordable housing provision.

²⁷ Investment and planning obligations - Responding to the downturn Good Practice Note, Homes and Communities Agency, July 2009

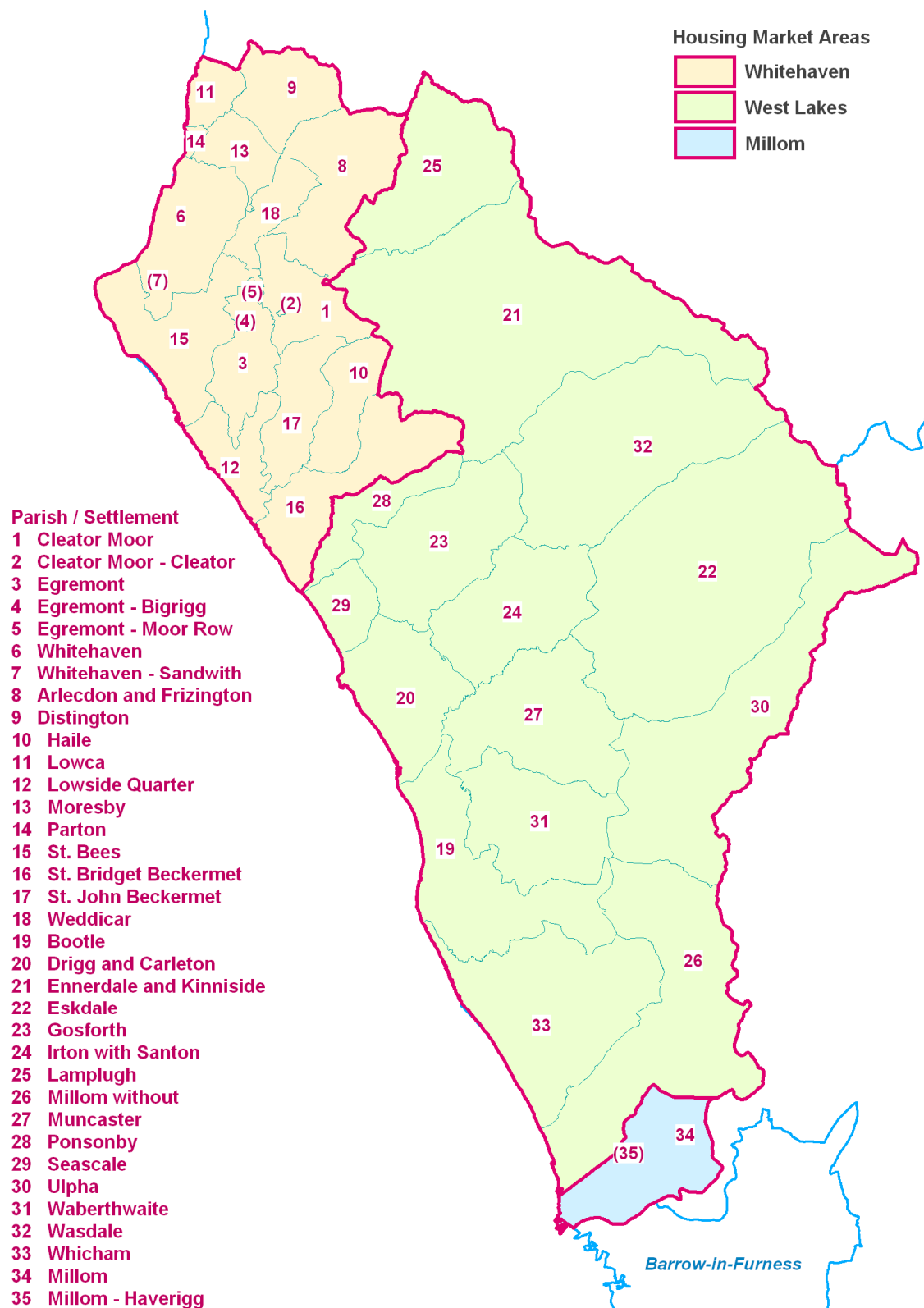
Policy recommendations

- H.43 This research has identified a Borough-wide affordable housing requirement, which needs to be addressed if the Council is to deliver balanced and sustainable communities over the long-term. Developing an appropriate affordable housing planning policy within the LDF, followed up with consistent and accountable practice, is essential if affordable housing issues are to be tackled strategically.
- H.44 The Council needs to use the evidence base provided both by this research, alongside its SHLAA findings and EVA to help it develop an appropriate affordable housing policy and deliver an on-going supply of affordable housing. Resources should focus on completion and implementation of LDF policies in respect of affordable housing, taking into account the points raised above.
- H.45 It is recommended that the Council:
- Develop a long-term affordable housing policy:
 - 1 With an appropriate aspirational affordable housing target/target range (in line with EVA findings) to be flexibly applied;
 - 2 With a tenure split which takes into account the SHMA and EVA evidence, and allows for flexibility according to factors local to each site. This would suggest a split of between 61% and 100% social rented and 0% to 39% intermediate tenure. The actual proportions to be achieved should be considered on a site by site basis.
 - 3 With affordable housing thresholds in line with PPS3 advice of 15 units or more, apart from in rural areas where lower thresholds are recommended but need to be justified with robust data relating to past development rates and future land availability evidenced in the SHLAA; and
 - 4 That delivers affordable homes for sale at prices that are affordable to those in need (see Appendix D and the EVA).
 - Discuss with the HCA and RSL partners options to maximise and facilitate affordable housing delivery in current market conditions, including investment opportunities and the future use of grant funding;
 - Consult key stakeholders on the LDF affordable housing proposals; and
 - Ensure that sound monitoring arrangements are in place to enable the detailed monitoring of new affordable housing provision. This will allow the Council to track progress against a range of affordable housing targets, including tenure, type and location. This level of detailed knowledge will allow the Council to more effectively manage and plan future affordable housing provision. (Effective monitoring of delivery becomes increasingly important

when applying policy flexibly, for example, with the application of flexible target ranges).

Technical Appendix I: Maps

Copeland HMAs and Parish Map



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Copeland HMAs and Ward Map



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Glossary

A8	Countries who joined the EU in 2004 but their access to the labour market was regulated by the Worker Registration Scheme: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia
A10	A8 countries plus Malta and Cyprus whose residents were given full free movement rights and rights to work throughout the EU
A12	A10 countries plus Romania and Bulgaria who joined the EU in 2007
BAME	Black, Asian and Minority Ethnic
CLG	Department of Communities and Local Government
CORE	COntinuous REcording System of new lettings in social rented and intermediate tenure dwellings
CSR	Comprehensive Spending Review
DETR	Department of the Environment, Transport and the Regions
DFG	Disabled Facilities Grant
EU	European Union
GDP	Gross Domestic Produce
HCA	Homes and Communities Agency
HPDG	Housing and Planning Delivery Grant
HSSA	Housing Strategy Statistical Appendix
LAA	Local Area Agreement
LDF	Local Development Framework
MAA	Multi-Area Agreements
NAHP	National Affordable Housing Programme
NHS	National Health Service
ODPM	Office of the Deputy Prime Minister
ONS	Office for National Statistics
PFI	Private Finance Initiative
PPS3	Planning Policy Statement 3
PWC	PriceWaterhouseCoopers
RDA	Regional Development Agency
RSL	Registered Social Landlord
RES	Regional Economic Strategy
RHS	Regional Housing Strategy
RSS	Regional Spatial Strategy
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
TSA	Tenant Services Authority