Selby District 2009
Strategic Housing Market Assessment
Executive Summary

1.0 INTRODUCTION

1.1 The 2008/9 Selby Strategic Housing Market Assessment was commissioned by Selby District Council in November 2008. The SHMA will form a fundamental part of the evidence base for the progression and implementation of the Council's Local Development Framework and the North Yorkshire sub-regional Housing Strategy and Local Action Plans.

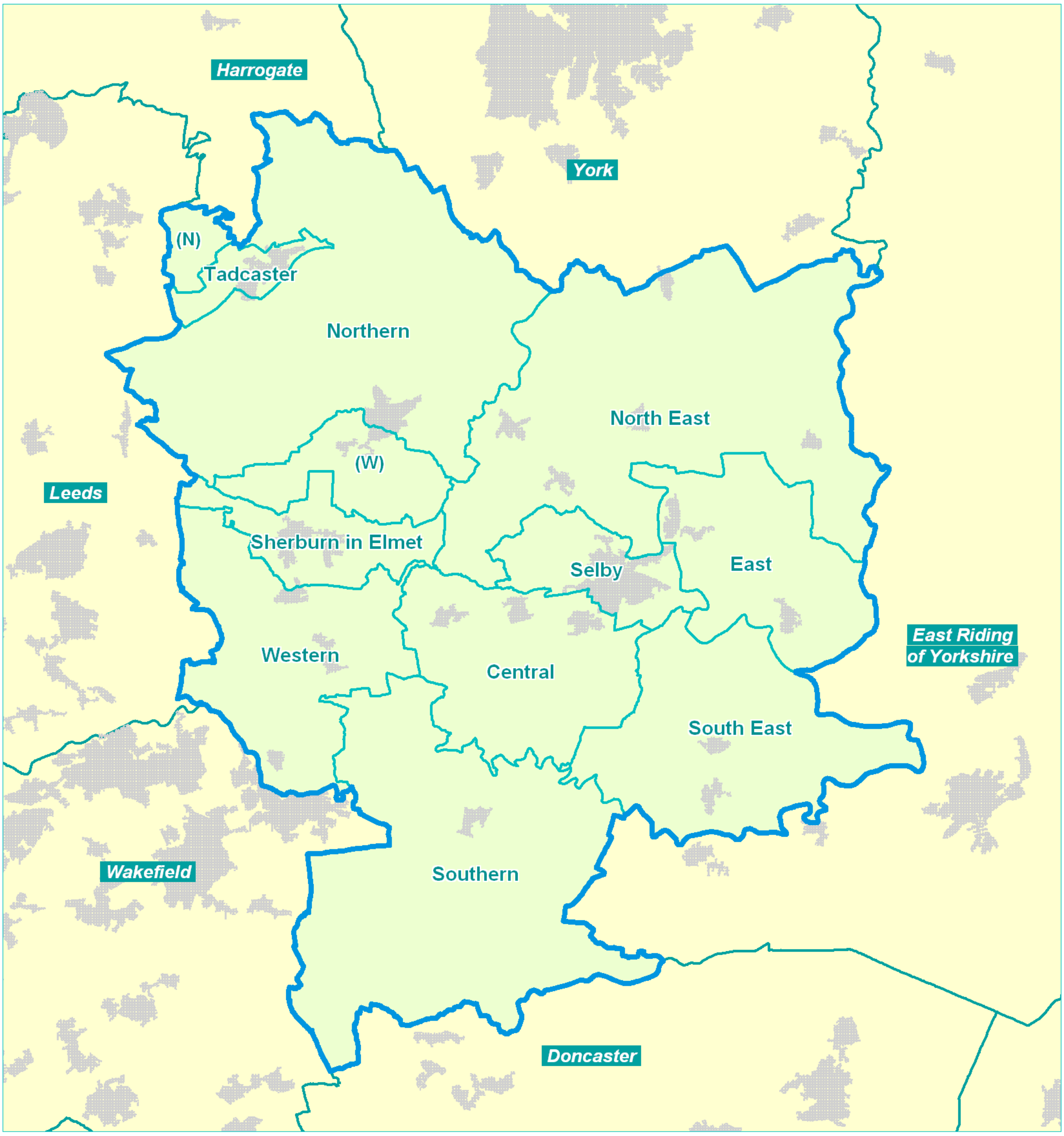
1.2 The study has been carried out by arc4 Ltd and has included a survey of households; interviews with stakeholders including local authority representatives and estate agents; and a review of existing data including the 2001 census, house price data and Housing Association lettings data. A Housing Market Partnership was established to oversee the assessment comprising local authority, RSL and private developers/builders. The research fully conforms to the Government's Strategic Housing Market Assessment guidance.

1.3 The findings from the study provide a robust and defensible evidence base for future policy development. Survey data has been compiled for individual parishes, wards, sub-areas (as shown in Map ES1) and for the district as a whole.

1.4 A total of 4,132 questionnaires were returned and used in data analysis. This represents a 16% response rate. The total number of questionnaires back was well in excess of the 1,500 specified in Government guidance. Responses have been corrected for response bias through weighting and grossing techniques by parish, tenure and the age of head of household.

1.5 Please note that Selby refers to the District of Selby unless otherwise stated.

Map ES1 Selby District sub-areas



2.0 HOUSING MARKET CONTEXT

2.1 Selby District is located in North Yorkshire and has a population of around 81,200. The District includes the main settlements of Selby, Tadcaster and Sherburn-in-Elmet along with a series of villages and hamlets across rural areas. Several major roads run through the District including the A1(M), M62, A19, A63 and A64. There are also good rail links, with direct services to London and across the Pennines to Manchester and easy access to the east Coast mainline.

2.2 Figure ES1 shows how house prices in Selby District have tripled over the period 1996 to 2008, with median[1] prices peaking at £175,000 during the second half of 2008. Median prices in Selby have been consistently higher than the regional median but below those of neighbouring York. Analysis of 2008 income and house price ratios indicates that:

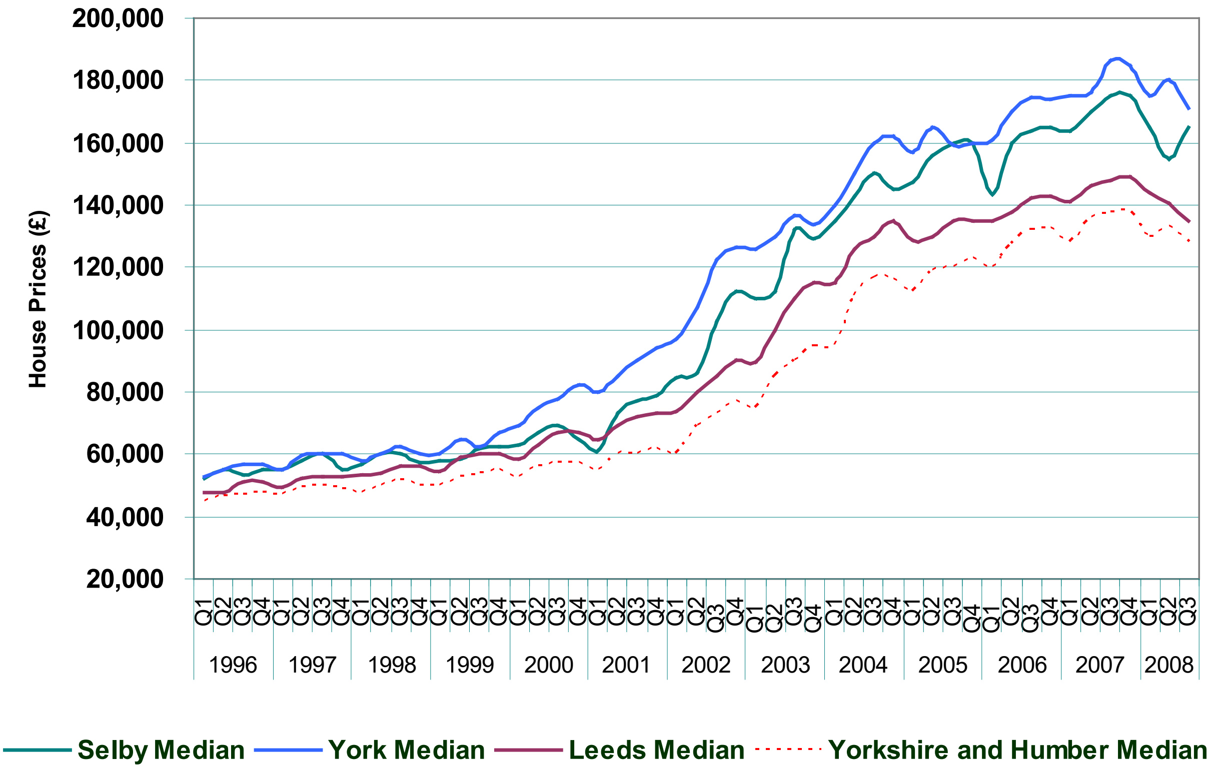
- Median prices are 6.2x higher than median incomes (8th highest ratio in Y&H); and
- lower quartile prices are 7.0x higher than lower quartile incomes (8th highest ratio in Y&H).

2.3 The distribution of house prices is illustrated in Map ES2 which shows that highest prices are to the north of the District, where lower quartile prices exceed £200,000. Lowest prices (with a lower quartile price of between £60,000 to £100,000) are found in settlements across the central belt of the District including Sherburn in Elmet, Selby town and the Hemingborough / Camblesforth area.

2.4 Selby can be described as a distinctive housing market area, whilst recognising that there are strong linkages with other areas. More than half of moving households (53.3%) originated from within the district and the majority (72.6%) of households regularly shop in Selby town. However, there is strong in-migration from Leeds and York and a majority of residents in employment (59%) work outside the District, particularly in York and Leeds.

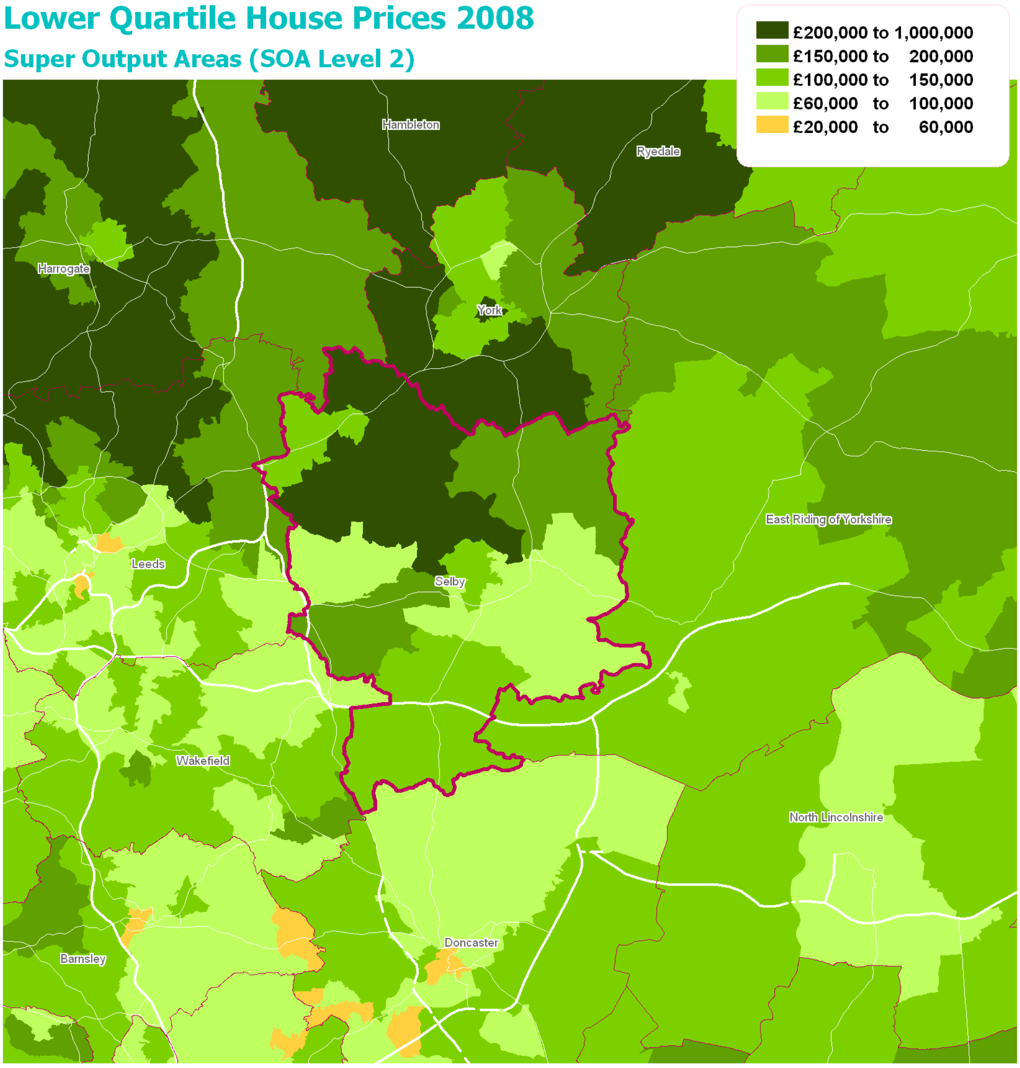
[1] Median = the 'middle value' of house prices: 50% are below this figure and 50% are above it.

Figure ES1 House price trends: Selby, York, Leeds and Y&H region



Source: Land Registry

Map ES2 Lower Quartile house prices in 2008



3.0 CURRENT HOUSING MARKET

3.1 A range of material has been gathered to help identify current market drivers and the characteristics of housing markets across Selby District and linkages with other areas.

3.2 **Demographic drivers:**

- On the basis of past trends, ONS projections predict that the population of Selby will increase by 25.2% from 81,100 in 2008 to 101,500 by 2031;
- Over the next few decades, there will be a 'demographic shift' with the number (and proportion) of older people increasing; in particular, the number of 75+ residents is expected to more than double (from 5,900 in 2008 to 12,600 by 2031);
- There is limited ethnic diversity amongst Selby's population. 97.6% of heads of household describe themselves as White British, a further 1.8% White Other and 0.6% other ethnicities;
- ONS trend-based projections indicate that the number of households is expected to increase by 27.3% from 33,000 in 2006 to 42,000 in 2026. This represents an annual increase of 450 households;
- There are a small number of overseas nationals working in Selby. National Insurance non-UK national data for 2007/8 indicates 300 migrant workers of whom 250 were Polish;
- The three largest household groups are couples under 60 (with no children) (21.1%), couples with children (22.9%), couples (one or more over 60) (14.2%). Regional household projections suggest that the proportion of singles and other household types is likely to increase.

3.3 **Economic drivers:**

- Summary data relating to current economic circumstances includes:
  - 80.6% of residents 16 to pensionable age are economically active, this is slightly higher than the national and regional averages. Unemployment in 2008 was 4.2%, compared with 5.3% regionally;
  - 2008 household survey data suggests that 9.2% of employees work from home, 31.8% work within Selby and 59% commute to other areas, most notably to York (14.9%) and Leeds (13.9%);
  - Selby boasts a highly qualified population, with 26.3% of working age residents having an NVQ Level 4 qualification (e.g. a degree) and 51% having an NVQ Level 3 qualification;

- Lower quartile incomes in 2008 were £16,244 which compares with £16,782 for the region and £17,325 for England. Median incomes are £24,310 which reflects the national figure and slightly above the regional figure of £23,355.

- Employment is centred around the three market towns of Selby, Tadcaster and Sherburn-in-Elmet;
- The District has a strong economic base linked in particular to manufacturing and distribution/warehousing;
- Selby District plays an important sub-regional and regional labour market role, although it has a 'dormitory role' evidenced through travel to work patterns to Leeds and York. A priority for the LDF is to reduce travel to work which will require the development of appropriate employment opportunities in Selby: a key challenge will be to deliver higher value service sector employment;
- The RSS advocates the diversification of the regional economy away from large scale heavy industry. The Leeds City Region Development Plan suggests diversification into sectors which will maximise employment and Gross Value Added (GVA) including: financial and business services; electrical and optical equipment; bioscience, health and medical research; digital and creative industries;
- The RSS recognises Selby town as a location for significant development to foster regeneration and strengthen and diversity the regional economy.
- There are a series of other sites within the District identified for economic development including a major site on the outskirts of Sherburn-in-Elmet.

3.4 **Dwelling stock:**

- 78.6% of properties are houses, 15.4% bungalows, 5.4% flats/maisonettes and 0.6% are other property types (e.g. caravans);
- A majority of properties (59.5%) have been built since 1965, with 15.1% built pre-1919 and the remainder (25.4%) built between 1919 and 1964;
- 80.9% of properties are owner-occupied, 6.6% are privately rented and 0.3% are intermediate tenure (e.g. shared ownership). The proportion of social rented dwellings (12.2%) compares with a regional average of 18.5%.

3.5 **Market areas:**

- Travel to work and migration data suggest that Selby District is not a self-contained housing market area. Analysis of travel to work and migration patterns indicate strong linkages with other areas, notably Leeds and York. Although more than half of moving households (53.3%) originated from within the District, this is below the CLG 70% threshold used to define self-containment. Similarly, a majority of residents in employment (59%) work outside the District, particularly in York and Leeds.

4.0 FUTURE HOUSING MARKET

4.1 The drivers of the future housing market in Selby have been explored, focusing on household numbers, economic trends and future affordability. Some high-level messages from information obtained would include:

- The number of households in Selby is expected to increase over the next few decades, most likely fuelled by an increase in one person and multi-person households (e.g. friends sharing) which reflects national and regional trends. At the same time, the population is expected to age which will considerably change the dynamic of household structure across the District;
- The District is well-placed to assist in the regional diversification of economic activity. There is a particular need to deliver higher value service sector employment to reduce the level of commuting;
- Over the next few years, the performance of the housing market will need to be closely scrutinised. The impact of mortgage restrictions, falling prices and a potential slowdown in house building has yet to be determined;
- The ability of households to access the social rented sector is limited. Evidence suggests that newly-forming households are most likely to experience problems accessing market housing. Providing affordable housing for newly-forming households needs to be a strategic priority. For existing households falling into need, most can afford open market prices although there is scope for a strong intermediate tenure market in Selby.

5.0 GENERAL MARKET AND AFFORDABLE HOUSING REQUIREMENTS

Overall dwelling requirements

5.1 On an annual basis, there is a overall requirement for 1,119 dwellings across Selby District of which 710 (63.4%) is for market housing and 409 (36.6%) for affordable.

General market requirements

5.2 There is strong demand for open market housing from households within Selby District and in-migrants, who account for around one-third of market demand. The aspirations of existing and newly-forming households are summarised in Table ES1.

Table ES1 Household aspirations

Property type preferences	% who would consider property type	
	Existing Households	Newly-forming Households
House	**87.4**	**41.2**
Detached	72.9	
Semi-Detached	56.2	
Smaller Terraced	17.0	
Larger Terraced	27.6	
Flat	**12.4**	**46.7**
Bungalow	**45.9**	**12.1**
Base (HHs intending to move each year)	**1,754**	**45**

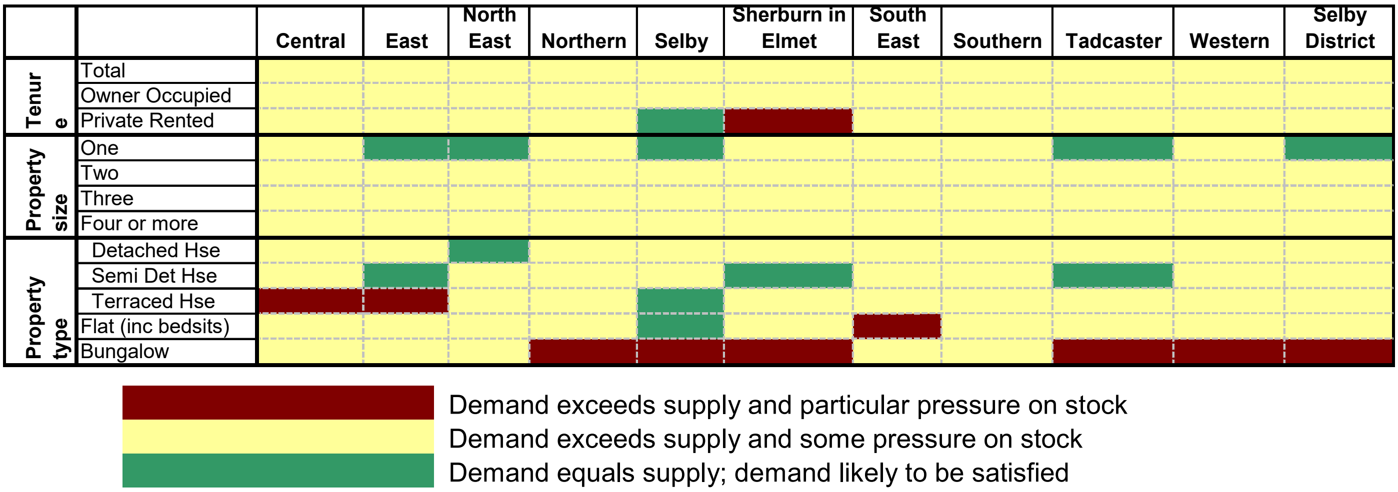
Source: Selby 2008 household survey

Note: Household could state more than one preference

5.3 A variety of households are seeking open market accommodation, but demand is largely driven by couples with no children, couples with children and singles under 60.

5.4 The demand for market accommodation was compared with supply and Figure ES2 illustrates the extent to which markets are in balance.

Figure ES2 Review of general market supply and demand



Source: Selby 2008 household survey

5.5 A review of market demand and supply suggests that:

- Across Selby District as a whole, demand outstrips supply for all property types, with a particular shortfall of bungalows. Within Selby District, the demand and supply for particular types of property is balanced, for instance:
  - In Selby Town, there is a balance between the supply and demand of terraced houses and flats;
  - There is balance between supply and demand for semi-detached houses in the East, Sherburn-in-Elmet and Tadcaster sub-areas; and
  - A balance between supply and demand for detached houses in the North East sub-area
- The greatest in-balances between supply and demand, with particular shortfalls noted are for:
  - Bungalows in most sub-areas;
  - Terraced houses in Central and East sub-areas;
  - Flats in the South East sub-areas.

5.6 Overall, this analysis confirms that Selby is a high demand area. There is a need to maintain the delivery of a variety of dwelling types and sizes to reflect the range of demand for open market dwellings.

Affordable requirements

5.7 National planning policy guidance (PPS3) provides definitions of affordability and affordable housing.

5.8 **Affordability** is a measure of whether housing may be afforded by certain groups of households. It is measured on the basis of gross household income and:

- An owner-occupied or intermediate tenure property is unaffordable if it costs more than 3.5x a single or 2.9x a joint gross household income. Households entering owner-occupation are also assumed to have at least a 5% deposit;
- A rented property is unaffordable if it costs more than 25% of gross household income.

5.9 **Affordable housing** includes social rented and intermediate housing (e.g. shared equity), provided to specified eligible households whose needs are not met in the market.

5.10 A detailed analysis of affordable housing requirements using a methodology advocated in Government Guidance has been carried out. Analysis indicates that across Selby, there is an annual net shortfall of 378 and a gross shortfall of 409 affordable dwellings. We suggest that, prior to any future updating, this is taken as a measure of the annual supply/demand imbalance for the five year period 2008/9 to 2012/13. This compares with a net affordable housing requirement of 294 each year identified in the 2005 housing needs assessment.

5.11 Table ES2 illustrates requirements by designation (general /older persons' accommodation), property size and sub-area. Table ES3 summarises this information.

Table ES2 Net and Gross affordable housing requirements – annual requirements 2008/09 to 2012/13

Net requirements

Number of bedrooms	Sub-aera Central	East	North East	Northern	Selby	Sherburn in Elmet	South East	Southern	Tadcaster	Western	Total
Older person											
One	10	4	5	1	11	2	4	8	-2	1	**44**
Two	-7	4	0	-1	-2	0	2	-3	-3	6	**-5**
General needs											
One	10	11	3	1	27	-4	13	2	-3	-3	**57**
Two	11	13	7	5	58	25	7	18	12	18	**173**
Three	3	0	18	4	13	12	9	18	1	7	**85**
Four or more	-1	2	6	2	1	4	0	2	3	5	**24**
Total	**26**	**34**	**39**	**11**	**108**	**39**	**35**	**45**	**8**	**34**	**378**

Gross requirements

Number of bedrooms	Sub-area Central	East	North East	Northern	Selby	Sherburn in Elmet	South East	Southern	Tadcaster	Western	Total
Older person											
One	10	4	5	1	11	2	4	8		1	**46**
Two		4					2			6	**12**
General needs											
One	10	11	3	1	27		13	2			**67**
Two	11	13	7	5	58	25	7	18	12	18	**174**
Three	3		18	4	13	12	9	18	1	7	**85**
Four or more		2	6	2	1	4		2	3	5	**25**
Total	**34**	**34**	**39**	**13**	**110**	**43**	**35**	**48**	**16**	**37**	**409**

Table ES3 Annual affordable housing imbalance for 5 years 2008/9-2012/13

	Gross Shortfall	Net Shortfall	% net shortfall
Older person			
One/Two	58	39	10.3
General needs			
One	67	57	15.1
Two	174	173	45.8
Three	85	85	22.5
Four	25	24	6.3
Annual requirement	**409**	**378**	**100.0**

5.12 A tenure split in the range 50 to 70% social rented (and the balance of 30 to 50% to be intermediate tenure) across the District is appropriate. This is based on the stated preferences of households and an analysis of the relative affordability of intermediate tenure products.

5.13 On the basis of the measure of shortfall identified (409 gross requirement each year) there is clear justification for an affordable housing policy in the Selby LDF Core Strategy. The actual target for provision needs to be established with reference to Policy H4 of the Regional Spatial Strategy (RSS) and a review of economic viability.

5.14 Policy H4 of the RSS states that the Yorkshire and Humber region needs to increase its provision of affordable housing and LDFs should set targets for the amount of affordable housing to be delivered. For North Yorkshire districts, the provisional estimate of the proportion of new housing that may need to be affordable is over 40%.

5.15 The target for delivering affordable housing needs to be realistic and takes into account the economic viability of delivery. Increasing the percentage of affordable housing to be provided would require a considerable step-change in delivery, particularly in the urban areas of Tadcaster and Sherburn-in-Elmet and rural sub-areas in general. Given the low level of affordable housing being delivered in rural areas, site thresholds may need to be reduced to maximise development opportunities in the future.

6.0 HOUSEHOLD GROUPS WHO HAVE PARTICULAR HOUSING REQUIREMENTS

6.1 There are a range of household groups who have particular housing requirements. The main report considers the requirements of families, older people, general and specialist support requirements; Black and Minority ethnic groups including Gypsies and Travellers.

Older people

6.2 The proportion of older people is expected to increase from 22.6% of the population in 2008 to 30.3% by 2031. The vast majority of older people (78.7%) want to continue to live in their current home with support when needed and 26% would consider sheltered accommodation. Households would also consider new forms of older persons' accommodation including older persons' apartments (13.1%) and properties in a retirement/care village (16.3%)[2].

6.3 A majority of households headed by someone aged 60 or over are owner occupiers (75.6%) and they are increasingly going to require a

[2] Note respondents could tick more than one option so the proportions do not add up to 100%

wide range of support services including help with home improvements, gardening and domestic tasks.

Adaptations and support requirements

6.4 Better insulation/heating, double glazing, adaptations to bathroom and kitchen are the most mentioned adaptations required by households (Table ES4).

Table ES4 Adaptations required

Adaptation Required	% Households
Insulation	22.3
Better heating	16.2
Double Glazing	10.7
Adaptations to Bathroom	8.0
Increase the size of property	7.9
Adaptations to Kitchen	7.1
Security alarm	5.6
Internal handrails	4.5
Downstairs WC	3.1
External handrails	2.7
Stairlift	2.3
Community alarm service	2.1
Improvements to access	1.6
Wheelchair adaptations	1.5
Room for a carer	1.4
Lever door handles	1.1
Base (total households)	34,246

Note: household could tick more than one option

Source: 2008 household survey

6.5 Help with gardening, property maintenance/repair, and cleaning were most likely to be mentioned as other forms of assistance required by households (Table ES5).

Table ES5 Assistance required (all households)

Support required	% Households
Help with gardening	12.5
Help with repair and maintenance of home	12.3
Help with cleaning home	7.3
Help with other practical tasks (e.g. changing light bulbs, collecting prescriptions)	5.3
Want a Social Alarm (call for help alarm)	3.5
Want company / friendship	2.9
Help with personal care	2.7
Base (total households)	34,276

Note: household could tick more than one option

Source: 2008 household survey

Gypsies and Travellers

6.6 The 2008 North Yorkshire Gypsy and Traveller Accommodation Assessment indicated that there are around 172 Gypsy and Traveller households living in Selby (of whom 24 live on authoritised pitches and 148 are estimated to live in houses.

6.7 In Selby District, there is a projected need of 9 additional pitches to 2015.

Black, Asian and Minority Ethnic (BAME) issues

6.8 The household survey identified a small number of households headed by someone from a BAME group. Survey evidence suggests that these households were less likely to be in housing need (4.8%) compared with the total population.

7.0 MORE INFORMATION

7.1 A full report is available from Alyson Linnegar at Selby District Council.