

# Carlisle City Council Housing Need and Demand Study

## Final Report

November 2011

GLHEARN 

In association with

  
Quality Specialist Research





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# 1. Introduction and Policy Background

## Introduction

- 1.1 GL Hearn (GLH) and Justin Gardner Consulting (JGC) were commissioned to prepare a Housing Need and Demand Study (HNDS) for Carlisle District by the City Council. The purpose of the HNDS is to provide a robust and up-to-date understanding of housing need and demand within the City and its three Housing Market Areas (HMAs) in order to inform and support planning policy and housing strategy.
- 1.2 The Assessment considers future housing requirements, in terms of the number of homes required to meet need and demand. It considers the mix of housing required, in both the affordable and market sectors. It also looks at the housing requirements of specific groups, including older people, Black and Minority Ethnic (BME) households, and those with support needs.

## National Policy Background

- 1.3 Planning Policy Statement 3: Housing (PPS3) sets out current national policies for housing provision. It outlines that the Government's key housing policy goal is to ensure that everyone has the opportunity to live in a decent home, which they can afford, in a community where they want to live. This will be achieved through ensuring a choice of high quality homes, both market and affordable, is made available; by widening opportunities for home ownership, but ensuring that high quality affordable housing is available for those who cannot afford market housing; by improving affordability and by working to deliver sustainable, mixed communities in both urban and rural areas. Through the planning system, the Government also seeks to ensure delivery of high quality, well-designed housing in sustainable locations, which provide access to jobs, services and infrastructure.
- 1.4 The national policy framework for determining levels of housing provision is currently in a state of flux. Under the previous Government, housing targets were set out in Regional Spatial Strategies which were developed by Regional Planning Bodies in collaboration with local authorities and other stakeholders, subject to independent examination in public, but with the ultimate decisions being made by national government (the Secretary of State).

- 1.5 The Coalition Government, elected in May 2010, has pledged to scrap the Regional Spatial Strategies, and the regional housing targets within them, returning powers for determining levels of housing development to local authorities. The Secretary of State initially revoked the Regional Spatial Strategies in July 2010 by parliamentary statement. This however was successfully challenged in the High Court by CALA Homes, with the Court ruling that the Secretary of State had acted unlawfully. However while the Regional Spatial Strategies at the time of writing remain in place, it is expected that they will in due course be abolished through the enactment of the Localism Bill which is currently progressing through parliament.
- 1.6 PPS3 provides an overview of the range of considerations which should be taken into account in determining levels of housing provision:

**Assessing an Appropriate Level of Housing: Extract from Planning Policy Statement 3: Housing (PPS3)**

The level of housing provision should be determined taking a strategic, evidence-based approach that takes into account relevant local, sub-regional, regional and national policies and strategies achieved through widespread collaboration with stakeholders.

In determining the local, sub-regional and regional level of housing provision, Local Planning Authorities [and Regional Planning Bodies, working together,] should take into account:

- Evidence of current and future levels of need and demand for housing and affordability levels based upon:
  - Local and sub-regional evidence of need and demand, set out in Strategic Housing Market Assessments and other relevant market information such as long term house prices.
  - Advice from the National Housing and Planning Advice Unit (NHPAU) on the impact of the proposals for affordability in the region
  - The Government's latest published household projections and the needs of the regional economy, having regard to economic growth forecasts.
- Local and sub-regional evidence of the availability of suitable land for housing using Strategic Housing Land Availability Assessments and drawing on other relevant information such as the National Land Use Database and the Register of Surplus Public Sector Land.
- The Government's overall ambitions for affordability across the housing market, including the need to improve affordability and increase housing supply.
- A Sustainability Appraisal of the environmental, social and economic implications, including costs, benefits and risks of development. This will include considering the most sustainable pattern of housing, including in urban and rural areas.
- An assessment of the impact of development upon existing or planned infrastructure and of any new infrastructure required.

- 1.7 In determining the appropriate mix of housing, PPS3 identifies that Local Planning Authorities should have regard to current and future demographic trends and profiles; the accommodation requirements of specific groups, particularly families with children, older and disabled people; and the diverse range of requirements across the area, including those of Gypsies and Travellers.
- 1.8 It requires Local Planning Authorities within their Local Development Frameworks to establish policies for the proportion of affordable and market housing required, specifically requiring a plan-wide target for the percentage of affordable housing, and for the proportions of social rented and intermediate affordable housing within this; to specify the size and type of affordable housing required; to set out the range of circumstances in which affordable housing will be required including site size threshold, and to seeking their approach to developer contributions.
- 1.9 Affordable housing policies in terms of the proportion of provision required, the tenure mix and site size threshold are required to be informed by an assessment of available funding and their impact on the economic viability of development schemes.
- 1.10 Affordable housing is defined in PPS3 as including social rented, intermediate housing and affordable rented housing, “provided to meet specific eligible households whose needs are not met by the market”. It “must meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and house prices” and “include provision for the home to remain at an affordable price for future eligible households, or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.” This is the definition adopted in this document.
- 1.11 In determining the strategy for the planned location of new housing, PPS3 sets out a range of factors which are to be taken into account including: the spatial vision for the area, evidence of need and demand, the availability of suitable, achievable and sustainable land/sites (including within this consideration of access to local services, employment and public transport and the deliverability of any infrastructure required to support sustainable development) as well as the need to provide housing in rural as well as urban areas to enhance and maintain their sustainability. PPS3 promotes the use of brownfield land<sup>1</sup>.
- 1.12 In late July 2011 the Government published a draft of the National Planning Policy Framework, which when issued in final form will replace PPS3. Consultation on the draft NPPF finished in October 2011. It should be borne in mind that the policies are draft and could be revised in light of the consultation.

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<sup>1</sup> This excludes garden land

- 1.13 The draft NPPF proposed introducing a presumption in favour of sustainable development, whereby local planning authorities should prepare new Local Plans on the basis that objectively assessed development needs (both for housing and other types of development) should be met, unless the adverse impacts of doing so would significantly and demonstrably outweigh the benefits when assessed against the document as a whole.
- 1.14 The proposed starting point is that Local Plans should meet the full requirements for market and affordable housing in their housing market area. Any under-provision (for instance in authorities where there are significant nationally-significant development constraints) would be expected to be addressed through collaborative working with neighbouring authorities, and this is included within the proposed tests of soundness for local plans.
- 1.15 The draft NPPF emphasises the role of Strategic Housing Market Assessments such as this in assessing full housing requirements, including both the scale and mix of housing.
- 1.16 The SHMA is intended to be brought together with evidence of land availability, from a Strategic Housing Land Availability Assessment. To increase housing supply, the NPPF proposes that local authorities should be required to maintain a 5 year supply of specific deliverable sites, and to include an allowance of at least 20% to ensure choice and competition in the market for land. This however remains draft policy.
- 1.17 In regard to housing mix, it is proposed that authorities will plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Planning authorities, it states, should identify the size, type, tenure and range of housing that is required in particular locations reflecting local demand. Where a need for affordable housing is identified, the draft Plan proposes that authorities should set policies for meeting this need on site. National thresholds for affordable housing provision are removed as are national brownfield development targets.
- 1.18 In setting affordable housing targets, the draft NPPF states that to ensure a plan is deliverable, the sites and the scale of development identified in the plan should not be subject to a scale of obligations and policy burdens such that their ability to be developed is threatened. The costs of requirements likely to be applied to development, including affordable housing requirements, contributions to infrastructure and other policies in the Plan, should not compromise the viability of development schemes. To address this, affordable housing policies would need to be considered alongside other factors including infrastructure contributions. Where possible the draft NPPF encourages local authorities to work up Community Infrastructure Levy charges alongside the Local Plan.



## Social Housing Sector Reforms

- 1.19 In addition to planning policies, the Coalition Government has introduced a range of measures which affect the funding and management of social housing which are relevant to this Assessment.
- 1.20 The Coalition Government outlined proposals for reform of the social housing sector in *Local Decisions: A Fairer Future for Social Housing*, published in November 2010. The main components of the proposals for reform focus on the following:

### *Tenancies*

- 1.21 The Government proposes changes to social housing tenancies, giving both local councils and Registered Providers (RP's) the flexibility to grant fixed term tenancies (as well as lifetime tenancies) should they decide to do so. New fixed term tenancies would continue to be at social rent levels and tenants would have the same rights as those with existing lifetime tenancies in terms of a right to repair or to buy/acquire. A minimum fixed-term tenancy would be for two years.
- 1.22 Councils will also be given greater flexibilities in deciding who qualifies to go onto housing waiting lists (through their allocations policies) and how they treat tenants who want rather than need to move.

### *Succession*

- 1.23 The Government proposes to change the rules on succession to make them consistent for all Council and Registered Providers (RP's) tenants: the spouse or partner of a tenant who dies will have an automatic legal right to succeed, but will not have an automatic right to then pass on the property. This does not affect joint tenancies or existing secure tenants.

### *Affordable Rented Tenure*

- 1.24 A new 'affordable rent' tenure was introduced in April 2011 allowing Registered Providers (RP's) to provide, should they choose, shorter-term tenancies at a rent higher than existing social rent levels, and up to 80% of local market rents. This will be affordable for more households than existing intermediate housing products, as tenants will be able to claim Local Housing Allowance.
- 1.25 This new tenure category will potentially impact on the capitalised values of new affordable homes built for this tenure, potentially partially compensating for reductions in grant funding.

### *Homelessness*

- 1.26 Councils will be able to bring the statutory homelessness duty to an end with an offer of suitable private rented housing. People's right to refuse private rented accommodation will be withdrawn. This could potentially assist in the use of private sector housing stock in meeting affordable housing needs.

### *Other Measures*

- 1.27 The Government also proposes to introduce a new nationwide home swap scheme to support mobility in the social sector. In terms of social housing finance, it proposes to introduce a new system which allows Councils to keep money from rents to spend on upkeep, investment and management of their housing stock.

### **Local Policy**

- 1.28 Carlisle City Council is at an early stage in preparing its Local Development Framework Core Strategy which in due course will replace the Local Plan, adopted in 2008.
- 1.29 The Local Plan covers the period 2001-16. It is structured around a spatial strategy which seeks to concentrate development in the urban area of Carlisle, which is to be the main focus for development to enhance its role as a sub-regional centre, together with the Key Service Centres (KSCs) of Brampton and Longtown. Development in a number of Local Service Centres is also supported to support the rural economy. Small scale infill housing development with local occupancy restrictions is permitted in other settlements.
- 1.30 The Local Plan states that 80% of new housing should be focused at Carlisle Urban, including development of a sustainable urban extension at Morton, with the remaining 20% in the rural areas, focused in the two KSCs.
- 1.31 The Local Plan contains an affordable housing policy (Policy H5) which seeks 30% affordable housing provision on developments of 10 or more dwellings in the urban area. Within the rural areas 25% affordable housing is required on large sites (0.8ha/25 dwellings+), 20% on medium-sized sites (0.3ha/10 dwellings+) and 10% on small sites (0.1ha/3 units+) unless viability considerations indicate that this cannot be achieved.
- 1.32 Occupancy of affordable housing is restricted to local residents, those employed locally and people with a local connections; where locally is defined as the Urban area in the case of Carlisle or at a parish level in the rural parts of the District.
- 1.33 Other policies are set out in regard to rural exceptions sites; subdivision of houses and HMOs; special needs housing; gypsies and travellers; and travelling showpeople.

- 1.34 Work has commenced on preparing the LDF Core Strategy which will in due course replace the Local Plan. An initial Issues and Options Paper was consulted on between January – March 2011. A full consultation on Issues and Options took place between September - October 2011, with publication of a Preferred Option for consultation scheduled for Spring 2012.
- 1.35 The initial paper identifies a number of issues relevant to this assessment, which include:
- Lack of sufficient housing appropriate for an ageing population;
  - Insufficient affordable housing in the rural areas;
  - Presence of poor quality housing;
  - A reduction in housing delivery as a result of the economic downturn;
  - Lack of larger housing in parts of the rural areas;
  - Lack of social rented family housing;
  - Restricted supply of housing in rural areas, with implications on affordability and community cohesion.
- 1.36 In addition to the core housing issues identified, the Issues Paper together with the City Council's 2008 Economic Strategy have identified a number of key economic challenges. These include:
- A small population with limited economic growth potential;
  - Too great a reliance on low productivity sectors, borne out in low salaries;
  - Under-representation of business sectors with potential for growth;
  - A prospect of further job losses, including through continuing manufacturing restructuring;
  - Poor performance in education, a loss of talent, few graduate jobs and low aspirations;
  - Below average take-up of learning post 16;
  - Pockets of deprivation with limited access to services and jobs;
  - Under-exploited tourism potential.
- 1.37 It is against this context (together with the impact of Foot and Mouth and flooding in Carlisle in 2005) that the City Council has developed and is implementing a strong economic development strategy to address these issues and support sustainable economic growth. The Economic Strategy is based around three key themes- place; people; and connections.
- 1.38 The Council consulted on Core Strategy Issues and Options in September-October 2011, at a late stage in the preparation of this Study. This identified the City Council's strategic vision for the District of sustainable managed growth, a dynamic and successful University City and for Carlisle as a key location for employment and businesses. It identifies that growth is needed to strengthen the District's economy and provide a wider range of services, with provision of a range of housing for people within and outside of the District, both market and affordable.

- 1.39 The document outlines an objective 'to enable the development of a range of high quality, energy efficient housing, in a variety of locations, to meet the aspirations of the existing community and those wishing to move to the area, and which will help build communities and economic growth.' It outlines a number of potential options for future housing provision: continuing with the existing policy of 450 homes per annum; a higher growth scenario of 600 homes per annum; or a lower target focused on meeting local needs.
- 1.40 The Issues and Options Consultation considers a number of alternative spatial options for distributing development; which range from a focus on the existing urban area to exploring the potential for 2-3 urban extensions, which could be to the south of the City (with employment provision and potentially a new southern relief road) or to the north (capitalising on the development of the Northern Relief Road) or across a number of sites.
- 1.41 The Local Plan's strategic policy is of an 80:20 split of housing development between the urban and rural parts of the District. The Consultation asks whether this is appropriate or whether the balance should be adjusted. In the rural areas, it asks whether development should be focused on the larger rural settlements – Brampton, Longtown, Dalston, Scotby & Wetherall – and other Local Service Centres; or whether more development should be supported in villages or clusters of villages.
- 1.42 In regard to affordable housing, the Consultation considers whether all sites should be required to provide some affordable housing, or whether a threshold should be included within the Council's policies and if so what this should be.
- 1.43 Alongside the development of local planning policies, the City Council and its partners are progressing key development projects in the City Centre, are seeking to improve the supply and particularly the quality of land and premises (including through the development of the Kingsmoor Park Strategic Employment Site), as well as invest in developing the tourism brand and image of the town. Work is ongoing to address worklessness, and improve workforce skills and support services for businesses. Infrastructure investment includes delivery of the Northern Development Route (which will soon be fully open) from the A595 at Newbury West to M6 Junction 44. Carlisle Airport is also a potential economic driver. The Core Strategy consultation considers whether further strategic employment sites need to be identified to support the local economy over the longer-term.

### **How the report is structured**

- 1.44 This report is produced in accordance with Strategic Housing Market Assessment (SHMA) Guidance and as such the report's contents follow the recommended structure outlined in the Guide. The table below contains an extract from the Guidance, which lists all of the stages and the research questions posed at each stage.

**Figure 1.1 SHMA Practice Guidance: research questions**

Chapter of guide	Stage	Research Questions
3. The current housing market	1. The demographic and economic context	<ul style="list-style-type: none"> <li>• What is the current demographic profile of the area?</li> <li>• What is the current economic profile?</li> <li>• How have these profiles changed over the last 10 years?</li> </ul>
	2. The housing stock	<ul style="list-style-type: none"> <li>• What is the current housing stock profile?</li> <li>• How has the stock changed over the last ten years?</li> </ul>
	3. The active market	<ul style="list-style-type: none"> <li>• What do the active market indicators tell us about current demand, particularly house prices / affordability?</li> </ul>
	4. Bringing the evidence together	<ul style="list-style-type: none"> <li>• How are market characteristics related to each other geographically?</li> <li>• What do the trends in market characteristics tell us about the key drivers in the market area?</li> <li>• What are the implications in terms of the balance between supply and demand and access to housing?</li> <li>• What are the key issues for future policy / strategy?</li> </ul>
4. Future housing market	1. Indicators of future demand	<ul style="list-style-type: none"> <li>• How might the total number of households change in the future? How are household types changing; e.g. is there an aging population?</li> <li>• How might economic factors influence total future demand?</li> <li>• Is affordability likely to worsen or improve?</li> </ul>
	2. Bringing the evidence together	<ul style="list-style-type: none"> <li>• What are the key issues for future policy / strategy?</li> </ul>
5. Housing need	1. Current housing need	<ul style="list-style-type: none"> <li>• What is the total number of households in housing need currently (gross estimate)?</li> </ul>
	2. Future need	<ul style="list-style-type: none"> <li>• How many newly arising households are likely to be in housing need (gross annual estimate)?</li> </ul>
	3. Affordable housing supply	<ul style="list-style-type: none"> <li>• What is the level of existing affordable housing stock?</li> <li>• What is the likely level of future annual supply?</li> </ul>
	4. Housing requirements of households in need	<ul style="list-style-type: none"> <li>• What is the current requirement for affordable housing from households in need?</li> <li>• What are the requirements for different sized properties?</li> <li>• How is the private rented sector used to accommodate need?</li> </ul>
	5. Bringing the evidence together	<ul style="list-style-type: none"> <li>• What is the total number of households in need (net annual estimate)?</li> <li>• What are the key issues for future policy / strategy?</li> <li>• How do the key messages fit with the findings from Chapters 3 and 4?</li> </ul>
6. Housing requirements of specific household groups	Families, Older People, Minority and hard to reach households and households with specific needs	<ul style="list-style-type: none"> <li>• What are the housing requirements of specific groups of local interest / importance?</li> </ul>
	Low Cost Market Housing	<ul style="list-style-type: none"> <li>• What is the scope for addressing demand through the provision of low cost market housing?</li> </ul>
	Intermediate Affordable Housing	<ul style="list-style-type: none"> <li>• What is the scope for addressing need through the provision of intermediate affordable housing?</li> </ul>

Source: CLG SHMA Practice Guidance (2007), Table 2.1

## Data sources

- 1.45 A range of data sources were consulted during this project to ensure that the most reliable data was used for analysis. In addition to the use of data, information was gleaned from a number of important publications and through discussions with local stakeholders. Below we provide a brief summary of the main sources of information:
- 1.46 Secondary data – a range of data sources available at the local, regional and national level provides good background to the housing market and how it is changing. Data sources considered in analysis include, but not exclusively, Land Registry data, the 2001 Census, the Annual Survey of Hours and Earnings (ASHE), Housing Strategy Statistical Appendix (HSSA) data and household and population projections.
- 1.47 Household survey data – in addition to studying secondary data sources it was necessary to conduct a local household survey in the City. The survey data allowed many of the ‘gaps’ in secondary data to be overcome. Most notably the survey data allowed us to build up a robust picture of housing need and analysis of the types of housing able to assist in meeting this need.
- 1.48 House price/rent data – an internet property and rent price search to establish the costs of housing in the local area.

## The household survey

- 1.49 The household survey data was collected using postal questionnaires. The sample for the survey was drawn, at random, from the Council Tax Register covering all areas and tenure groups in the City.
- 1.50 In total, 2,581 completed survey forms were returned from an initial sample of 10,000; this represents a response rate of 25.8%. Overall, some 5.4% of households in the City took part in the survey. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of need and demand across the City.
- 1.51 Although the response represents a small percentage of the total household population, this does not undermine the validity of the survey as paragraph 18 of the Strategic Housing Market Assessment Practice Guidance Annex C states:

*A common misconception when sampling is that it should be based on a certain percentage of the population being studied. In fact, it is the total number of cases sampled which is important. As the number of cases increase, the results become more reliable but at a decreasing rate... Approximately 1,500 responses should allow a reasonable level of analysis for a local authority area.*

- 1.52 In order to gross up the data to represent the entire household population it is necessary to make an estimate of the number of households in the area. Using information from demographic projections and the Council Tax Register it was estimated that there were a total of 47,619 households in the City at the time of the survey.
- 1.53 The table below shows an estimate of the current tenure split in the City along with the sample achieved in each group. The data shows that around 72% of households are owner-occupiers, 15% are in the social rented sector and the remaining 12% are in the private rented sector. It should be noted that the private rented sector includes those renting from a friend/relative or living in accommodation tied to a job.

<b>Figure 1.2 Number of households in each tenure group</b>				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	17,584	36.9%	1,166	45.2%
Owner-occupied (with mortgage)	16,875	35.4%	871	33.7%
Social rented	7,343	15.4%	301	11.7%
Private rented	5,817	12.2%	243	9.4%
<b>Total</b>	<b>47,619</b>	<b>100.0%</b>	<b>2,581</b>	<b>100.0%</b>

Source: Household Survey Data

- 1.54 Survey data was weighted to match the suggested tenure profile shown above. An important aspect of preparing data for analysis is 'weighting' it. As can be seen from the table above, social survey responses never exactly match the estimated population totals. As a result it is necessary to 'rebalance' the data to correctly represent the population being analysed via weighting. Weighting is recognised by the Strategic Housing Market Assessment Guidance as being a way of compensating for low response amongst certain groups. Although response rates were lower amongst certain groups of the population (e.g. privately renting households in the table above) the application of a sophisticated weighting process, as has been used in this survey, removes any bias.

## Housing Market Area analysis

- 1.55 Where possible information has been compared with regional and national equivalent data. In addition, data for Carlisle District has been split into three broad Housing Market Areas (HMAs) consistent with those used in the 2009 Cumbria Strategic Housing Market Assessments. The table below summarises the make-up of each of the three HMAs which have been based on groups of wards.

Figure 1.3 Wards in each Housing Market Area	
Area	Wards
Rural West	Burgh, Dalston
Rural East	Brampton, Great Corby and Geltsdale, Hayton, Irthing, Longtown & Rockcliffe, Lyne, Stanwix Rural, Wetheral
Carlisle Urban	Belah, Belle Vue, Botcherby, Castle, Currock, Denton Holme, Harraby, Morton, St. Aidans, Stanwix Urban, Upperby, Yewdale

1.56 The table below shows how tenure varied by HMA from the survey data. The data shows that there are considerable variation between different parts of the City with levels of owner-occupation varying between 69% in Carlisle Urban to 80% in Rural West, social renting between 9% in the two rural areas and 19% in Carlisle Urban. There is less variation in the proportion of households living in private rented accommodation with all three HMAs showing between 11% and 13% in this sector. The table also shows the estimated increase in the size of the private rented sector which is now estimated to make up 12.2% of all tenures in the City (up from about 8% shown in the 2001 Census).

Figure 1.4 Tenure by HMA										
HMA	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
	Rural West	1,840	46.0%	1,366	34.2%	357	8.9%	433	10.8%	3,996
Rural East	5,598	48.6%	3,530	30.6%	1,034	9.0%	1,366	11.9%	11,528	100.0%
Carlisle Urban	10,146	31.6%	11,979	37.3%	5,952	18.5%	4,018	12.5%	32,095	100.0%
District	17,584	36.9%	16,875	35.4%	7,343	15.4%	5,817	12.2%	47,619	100.0%

Source: Household Survey Data



## Policy Implications

- Emerging national policy in the draft NPPF proposes that identified development needs should be met at an authority/ housing market area level. Projections of aggregate housing requirements are included within this report.
- The draft NPPF provides greater policy freedoms regarding development densities, levels of brownfield development and site size thresholds for affordable housing. In determining affordable housing policies, account though needs to be taken of wider policies in the Plan including sustainability standards and infrastructure policies. The City Council is considering undertaking a viability study to address these factors.
- There are a series of reforms proposed affecting the affordable housing sector which need to be considered in considering future housing policies, including changes to tenancies, and the introduction of the affordable rented tenure. These are considered in this report.
- The development of the Core Strategy provides the Council with the opportunity to reassess its policies regarding the level and distribution of housing development, and the types of housing and affordable housing policies it wishes to adopt.



## 2. Stakeholder and Community Consultation

### Introduction

2.1 An initial period of stakeholder and community consultation was carried out in early April 2011 through a series of one-to-one and group interviews with key players in the local housing market. The key purpose of this exercise was to understand the operation of the local housing market and to highlight any key topics that require further consideration as part of the wider Housing Needs and Demand study. As part of this exercise, the following stakeholders were interviewed:

- Estate agents
- Letting agents
- New build sales managers
- Environmental health officer (housing)
- The Carlisle Housing Partnership's Housing Market Group collectively and key individuals
- Landlords' association
- People and agencies associated with rural housing

2.2 This section initially summarises the findings of this consultation.

2.3 A stakeholder workshop was held on 3<sup>rd</sup> October 2011 to test the emerging findings of the Study. The key findings of this have also been summarised, and taken on board in finalising this report.

### Initial Consultation on Key Issues

2.4 The initial consultation in April 2011 focused on key issues to be considered through this Study. These are summarised below.

### *Housing Sub Markets*

2.5 It has been established in earlier studies that the City comprises of 3 distinct Housing Market Areas (HMAs), Carlisle Urban, rural Carlisle East and rural Carlisle West. This is widely accepted by stakeholders. Within the main Carlisle urban area we also identified separate market areas which are worthy of discussion.

### *A south east sub-market of Carlisle Urban Area*

2.6 The south east part of urban Carlisle is distinctive in terms of its housing offer and is suggested that this forms a sub market in its own right. This is an area of older terraced housing and Victorian town houses that includes parts of the City Centre. The area is mostly the legacy of Carlisle's industrial past which was based upon the railway industry and a substantial manufacturing sector based upon the metal industries. It is very distinct from the remainder of the city and notable for a number of reasons:

- The area contains several thousand homes. They are typically terraced homes without gardens. Back yards are opposite and face an access passage. Some dwellings have bay windows and 3 bedrooms others are two bedroom homes without bay windows.
- Relatively few homes are vacant, or for sale or to let. Agents say that the area is attractive to first time buyers if they can raise deposits but very few sales are made to this group. There is some interest from investors who tend to acquire homes that are sold at auction for general letting and multi-occupancy for which there is growing demand. Stakeholders agree that the area has a high proportion of homes that are let as opposed to homes that are owner occupied especially where the housing is close to the university. Tenants include local families in self contained housing and students in shared housing but a declining number of Eastern European guest workers.
- The street scene is not typical of areas of terraced housing in other towns and cities. Most streets retain their cobbled surface and have good quality ornate brickwork. What is most notable is the tidiness of the area. Unlike many areas, especially student areas there are no wheelie bins on view or accumulated rubbish. The environmental health officer stated that a great deal of effort goes into keeping the area tidy but there are complaints about noise nuisance.

2.7 In 2005 a substantial area was affected by flooding. This has affected the ability of households to insure their homes and has been a factor in the area being home to fewer owner occupiers.

### *The rest of urban Carlisle*

2.8 The remainder of the City Centre is terraced housing a small number of apartments and mixed use. More modern and up market housing including bungalows, semi detached and detached housing and a small number of apartments is found in the other quarters of the city. Most social housing is concentrated on the western side of the city with significant estates to the south.

### ***Issues identified by the study brief***

- 2.9 The following issues identified by stakeholders are noteworthy and are topics specified for inclusion within the brief.

#### *Student Housing*

- 2.10 Stakeholders stated that generally the presence of students was not problematic. There are two university campuses of the University of Cumbria in Carlisle. Last year the City Council assisted the university in addressing a small undersupply of housing for students and this was addressed by using the private rented sector. Most students are housed in the above mentioned south east quarter. We understand that there is some uncertainty regarding future growth in student numbers.

#### *Market Drivers*

- 2.11 All agents agreed that the overwhelming proportion of transactions (purchase and rented) involved local people rather than incomers. Demand for private rented sector housing is strong and growing. Demand for owner occupied housing remains subdued due to weak prices and current mortgage lending criteria. Only households with low loan to value ratios are able to obtain mortgages at this time. This has implications for first time buyers unable to provide large deposits.

#### *Executive Housing*

- 2.12 The initial discussions with stakeholders considered whether there was perceived to be a shortage of executive homes in Carlisle. A mix of views were expressed. One agent stated that Carlisle was short of executives not executive housing. That agent went on to describe a recent difficulty in attracting professionals to relocate to Carlisle.
- 2.13 There is a perception among some stakeholders that the shortage of executives is due to the shortage of quality housing. Agents emphatically believe that, currently, this is not the case. When asked agents evidenced a considerable supply of good quality housing currently on the market. These were homes in high quality neighbourhoods, in good school catchment areas affordable to households with incomes of over £60,000 and equity from an existing home. Further, they point to a good supply of high quality private rented sector housing suitable for executives working temporarily in the area for multi national companies. Examples cited were Pirelli and Nestle.
- 2.14 They also suggested that Carlisle was too far north to be attractive to high income households seeking housing in the Lake District. There are some exceptions to this that are considered in the section relating to rural housing below. The District's economy dynamics are considered further in Section 5.

### *Apartments*

- 2.15 It was observed that apartments form a relatively small proportion of Carlisle's housing stock. Agents drew attention to the unpopularity of this form of housing as reflected in their price and slowness to sell when on the market. They said that some owners had seen values fall below the purchase price with no real prospect of recovery. Current purchasers and tenants tended to be young people and people that have undergone a relationship breakdown.
- 2.16 The environmental health officer commented that 2-3 years ago some newly constructed apartments had remained unsold and had been a significant part of the workload for officers dealing with empty homes.

### ***Observations on the Rural Sub-Markets***

- 2.17 Both Carlisle rural sub markets east and west were visited. The main service centre to the west is Dalston. There is no estate or letting agent based in this large village. The housing market is serviced from Carlisle.
- 2.18 Agents stated that Dalston was much sought after by households not wanting to live in the city. It is within easy travelling distance of the City Centre for employment and leisure purposes. There are good primary and secondary schools. There is local shopping and health care services. It is understood that residents value the large village lifestyle and would not support housing growth on any scale.
- 2.19 The western fringe of the city is undergoing development in the form of major road infrastructure providing a bypass for the west of the city and link to the M6. This development will include a large greenfield housing development.
- 2.20 The eastern market area is much larger and the two main service centres are Longtown and Brampton. Agents are present in both towns and cover a considerable radius. The agents visited were chosen because they serviced both the owner occupied and private rented segments of the market.
- 2.21 Agents in both towns stated that the greater majority of transactions were by local people. They said that there was a two tier market. The lower tier was mostly purchased by local people who endeavour to remain in the village/town as their circumstances change. The upper tier was more expensive housing mostly purchased by incomers. Prices of cheaper housing had not recovered from the price crash of 2008 yet prices of premium housing had barely been affected. Premium housing transactions were few in number because they were isolated dwellings in the countryside.

- 2.22 Agents stated that whilst sales to owner occupiers were stagnant, the volume of lettings had increased. Increased demand was due to a greater number of households being ineligible for a mortgage and wanting to continue living in their town or village. Supply was due to owners preferring to rent rather than sell at current prices. It was understood that historically farmers had diversified into housing when farming sector was depressed due to the foot and mouth outbreak in the last decade.
- 2.23 Brampton was the largest and most self contained of the rural towns visited. It is a historic town with a significant tourist footfall. Its service and retail offer is wide ranging and of high quality. There is also a secondary school with an excellent reputation which is a further positive factor for incomers. Commuting is believed to be into Carlisle with a small number of people commuting to Newcastle.
- 2.24 Stakeholders believe that there are a number of factors affecting housing demand in Longtown. The town's high street is also the A7 which carries high volumes of heavy goods vehicles. It has the largest proportion of affordable housing in the Carlisle housing market areas. Its high school has closed and it is 9 miles from Carlisle. Accordingly creating a more balanced community and ensuring a safer environment were considered by stakeholders to be more challenging. Nevertheless it is an important service centre for rural industries and sparser settlements.

### ***New Housing Development***

- 2.25 A relatively small number of sites are currently under development across the District. With the exception of sites at Eden Park and Park View sites were small and interviews were limited to these sites. Given the present market conditions and the small volume new development the following information should be regarded as indicative.
- 2.26 Eden Park is a development of over 100 homes located toward the south of the City. Sizes and types vary and include apartments, town houses, terraced, semi detached and detached homes. The development is mostly completed and occupied.
- 2.27 The agent stated that occupancy was 100% local people and sold well given market conditions helped by the HomeBuy scheme and Barratt's Head Start Scheme. Accordingly sales have been achieved to first time buyers - 7 dwellings were sold to investors which were mostly apartments.
- 2.28 Park View Phase 2 is currently under construction and nearly 40 homes are offered for sale. A small number of sales have been made to households previously resident outside Carlisle for work and retirement reasons. Although sales have been achieved to first time buyers, many enquiries were unable to proceed as they did not have a deposit.

## **Views from the Carlisle Housing Partnership's Housing Market Group**

2.29 Many of the above stakeholder perceptions were considered by the Carlisle Housing Partnership's Housing Market Group convened by the City Council and attended by our researcher. Discussion centred on 3 main related themes:

### *Economic Development*

2.30 It was apparent that the development of housing and economic policies, action plans and growth targets for Carlisle were closely linked. The combination of economic and population growth scenarios will be used to evidence the future housing requirement and targets for the growth point. It was believed that inward migration would be the biggest driver for growth and this would be dependent upon Carlisle's offer to employers and the labour market. The meeting reflected on how the City could improve its offer especially in the area of culture and leisure. There was discussion around the need for a new sector in the local economy.

### *Housing Market Conditions*

2.31 It was noted that development economics were unfavourable at this time and that many sites with planning permission were not under development. 69% of capacity was on brownfield sites at this time. Information from stakeholders about the growth and characteristics of the private rented sector were of interest to the group especially in the area of multi-occupied housing. This was because the impact of changes to the Local Housing Allowance was unclear. The wider drivers for growth in the private rented sector were noted, due largely to households being unable to access mortgage finance. RSLs explained that they would not be bringing forward shared ownership schemes for the time being due to them being slow to sell in prevailing market conditions.

### *Rural Housing*

2.32 Discussion centred around the issues relating to achieving housing growth in existing settlements and the extent to which this was necessary and the difficulties associated with quantifying the requirement for affordable housing in rural areas.

## **Consultation on Emerging Study Findings**

2.33 A consultation event was held in October 2011 to test the emerging Study findings. This was attended by a mix of stakeholders including representatives from housebuilders, Registered Providers, the City and County Councils as well as the Cumbrian Association of Local Councils and National Landlords Association. The event includes a presentation of the emerging Study findings followed by questions and group discussion.



2.34 The stakeholder event included particular discussion around the following issues:

- Mix of Affordable Housing: particular questions around the evidence base and future policy for the mix of affordable homes sought, and particularly 1-bed properties, which can be difficult to let. However this is counter-balanced by recent changes to Housing Benefit which may limit the ability of households to live in larger homes;
- Demand from Students: questions regarding how students households may have influenced some of the figures, including through multi-occupancy of housing; as well as estimates of the size of the Private Rented Sector;
- Downsizing: questions over the potential numbers of older households who could be incentivised to downsize, which was considered to be small; and the economics of building bungalows to meet these needs, which can be challenging;
- Local Needs Evidence: a need to recognise that as well as the district-wide housing needs assessment used to provide evidence of affordable housing in this report, there is detailed local evidence available in some areas through recent parish needs surveys or community plans which may be useful at a local level;
- Emerging National Policy: concern around some tensions between the (then emerging) Localism Bill and its focus on community-involvement, and the proposed policies within the National Planning Policy Framework;
- Future Housing Requirements: discussion around other factors which could influence future housing requirements, including social changes such as relationship breakdown, but also multi-generational family households;
- Executive Homes: anecdotal evidence that executive households commute longer distances, and could live in the Lake District, Eden District and parts of the Rural East Sub-Market and work in Carlisle;
- Maximising Affordable Housing Delivery: discussion around whether there should be a short-term push to use public sector land assets to support affordable housing delivery, or using a fund from off-site contributions and potentially right-to-buy receipts to kick-start delivery of key development schemes. There was also some discussion as to other potential funding sources, including New Homes Bonus and the Community Infrastructure Levy;
- Housing for Older People: discussion around the County Council's policy ambitions for development of extra care housing as an alternative to residential care, and whether sites should be allocated specifically for older persons housing; as well as the need for flexibilities to allow adaptations/ extension to existing properties;
- Supporting Young Families: discussion around the role which the floating support contract for Supporting People could play in assisting young families in private rented tenancies, albeit that these groups may not be helped by the changes to Local Housing Allowance.

2.35 A number of these issues have been considered in finalising the Study conclusions and recommendations, including through reference to wider evidence from the 2005 House Condition Survey, local evidence of housing needs, and recommendations regarding affordable housing mix and delivery, and housing provision for older people.

## Policy Implications

The initial consultation undertaken in April 2011 raised a number of issues which have been considered through the Study:

- Challenging current housing market conditions, which is affecting the viability of development and demand from first-time buyers; but is supporting demand for private rented properties.
- The balance of future development in different parts of the District and across three main housing market areas.
- Managing potential growth in the Private Rented Sector, and ensuring investment in the existing housing stock and neighbourhood quality, particularly in the South East of the City;
- Understanding the link between housing demand and economic development, and particularly the role which economic growth may play in influencing in-migration and the profile of housing demand. This is considered to be a two way relationship whereby jobs growth will influence demand, but the quality and choice of housing can influence skills and the attractiveness of the District to employers.

A subsequent stakeholder event in October 2011 discussed the key findings of the study and confirmed the need for the Council to look at a range of different policy areas including overall housing requirements, the delivery of affordable housing and the role played by the private rented sector.

### 3. Socio-Economic and Demographic Profile

#### Introduction

- 3.1 A key determinant of housing need and demand and how these are likely to change in the future is the demographic profile of the population. This section will outline the structure of the resident population and changes to its composition. The section will also discuss the household structure in the District.
- 3.2 The information in this section is particularly important as it is used to feed in to our long-term projections of future housing requirements, considering both future levels of housing development (towards the end of this section) and the future mix of housing (in Section 9).
- 3.3 This section includes a number of different projections to examine the impact on housing requirements of different levels of migration and how these are linked to population change and economic growth. The projections were developed by the County Council and take a mid-2010 base date.

#### Resident population

- 3.4 The latest ONS mid-year population estimates indicate that there were 104,500 people resident in Carlisle in mid-2010 – this is an increase of 3.6% since 2000. The table below shows the population change estimated since 2000. The table suggests that over the past ten years the population of Carlisle has increased at a faster rate than seen across Cumbria, population growth in Carlisle makes up over half of the total growth in the County. The overall increase for Carlisle is higher than that for the region and below the national figure of 6.1%.

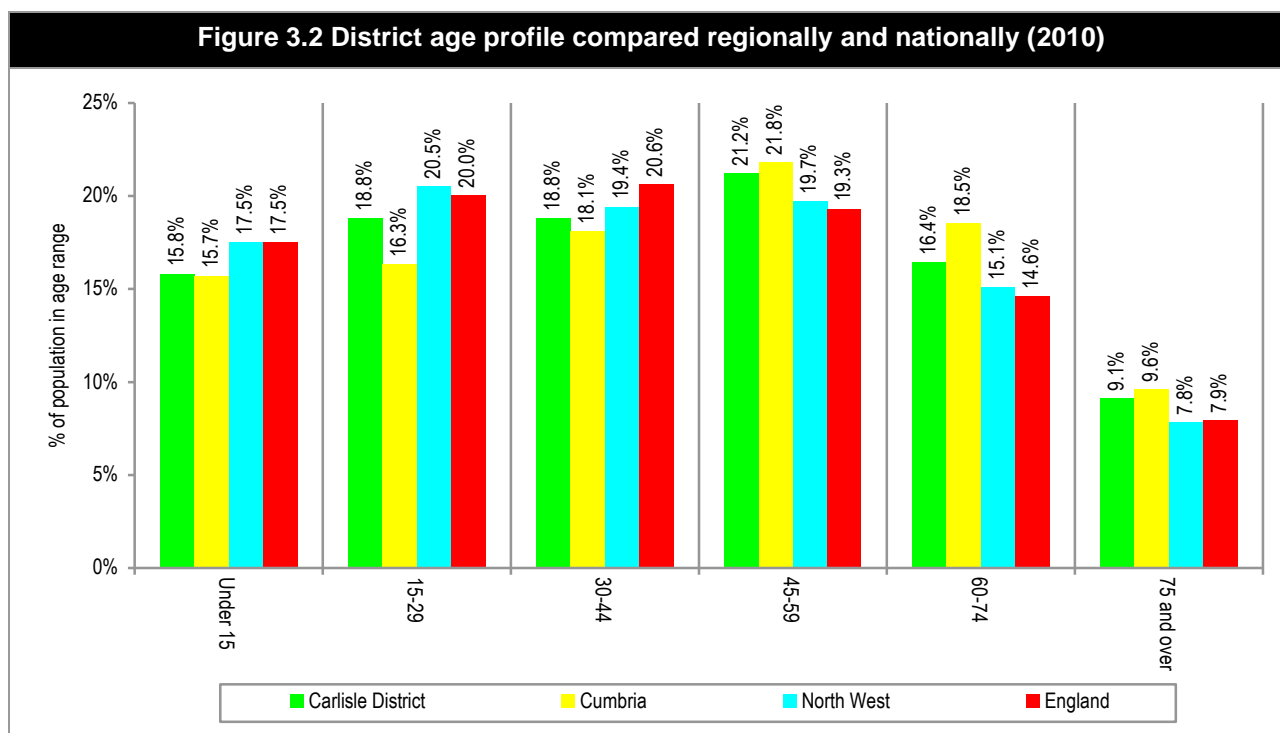
<b>Figure 3.1 Population change (2000 – 2010)</b>				
Area	Population (2000)	Population (2010)	Absolute change	% change
Carlisle District	100,900	104,500	3,600	3.6%
Cumbria	487,600	494,400	6,800	1.4%
North West	6,774,200	6,935,700	161,500	2.4%
Great Britain	49,233,300	52,234,000	3,000,700	6.1%

Source: ONS mid-year population estimates

- 3.5 Within the District, the ONS mid-year population estimates (for 2009) suggest that some 8,200 people lived in the Rural West area, 25,800 in Rural East with the majority (70,700) living in the main Carlisle urban area.

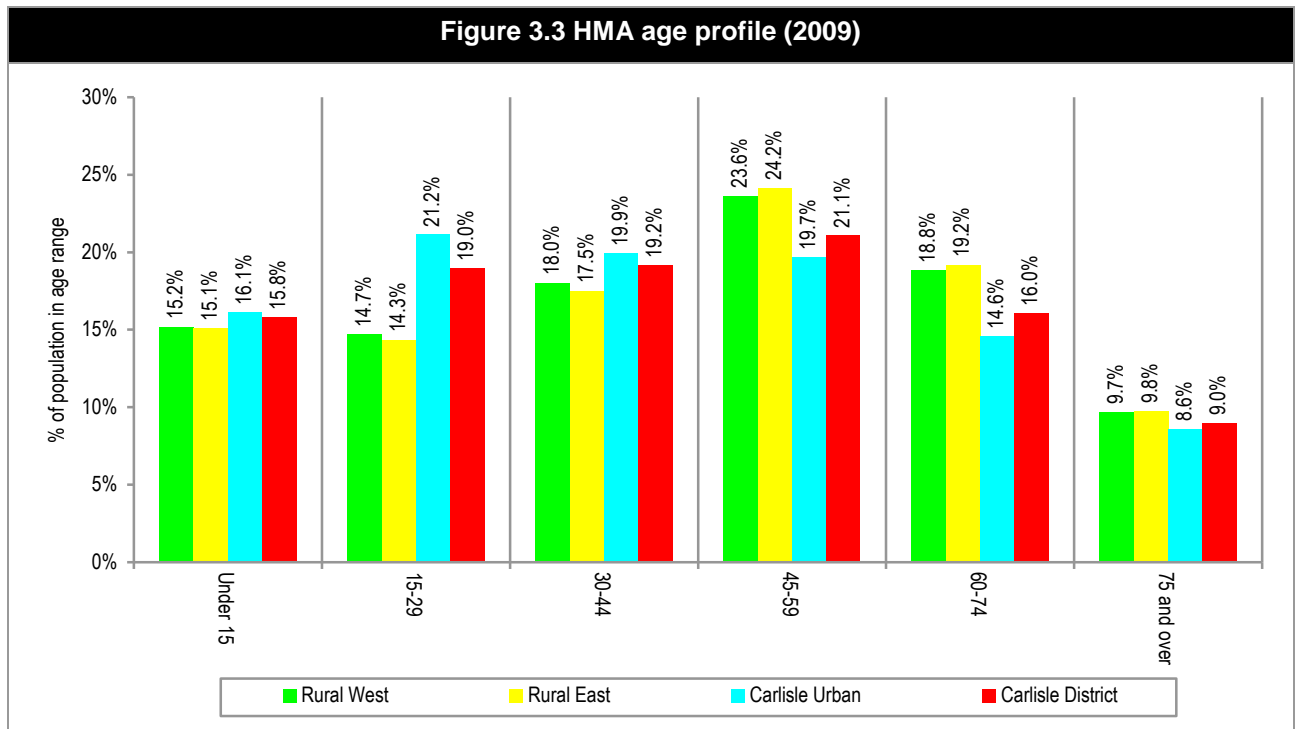
## Age profile

3.6 The figure below shows the current estimated age structure in Carlisle District, Cumbria, the North West and England split in to six broad age bands. The data suggests that the population profile in the District is slightly older than found regionally or nationally with a greater proportion of people in all age groups from 45 onwards. Compared with Cumbria however Carlisle District exhibits a younger age structure. Overall 25.5% of the population is aged 60 or over, this compares with 28.1% for Cumbria, 22.9% for the region and 22.5% nationally.



Source: ONS mid-year population estimates

3.7 For individual HMAs we find some significant differences; the two rural HMAs have much larger proportions of people aged 45 and over whilst the population of Carlisle Urban is more closely aligned with typical figures for both the region and nationally. Of particular note is the finding that nearly 30% of the population of each rural area is aged 60 or over; this compares with only 23% in the main Carlisle urban area. The data shown below is for 2009 due to this being the latest data available at the time of writing (the HMA data being built up from ward level estimates). There is very little difference in the age structure for 2009 when compared with 2010.



Source: ONS mid-year population estimates

## Ethnic group

- 3.8 The table below shows the ethnic breakdown of the population in the District (using 2001 Census data to allow regional and national comparisons to be made). As can be seen, the proportion of the population in a BME group in all areas in the local authority is low by both regional and national standards. Overall, 0.9% of the population of the District are from a non-white group, with figures varying from 0.6% in the two rural HMAs to 1.1% in Carlisle itself.
- 3.9 There is some evidence that the BME population has increased in size since 2001 with the White-Other group of the population (not separately identified below and mainly consisting of people of Eastern European origin) estimated by ONS to have increased threefold in number since 2001. A more detailed analysis of ethnic groups can be found in Section 10 of this document.

**Figure 3.4 Ethnic Group (2001)**

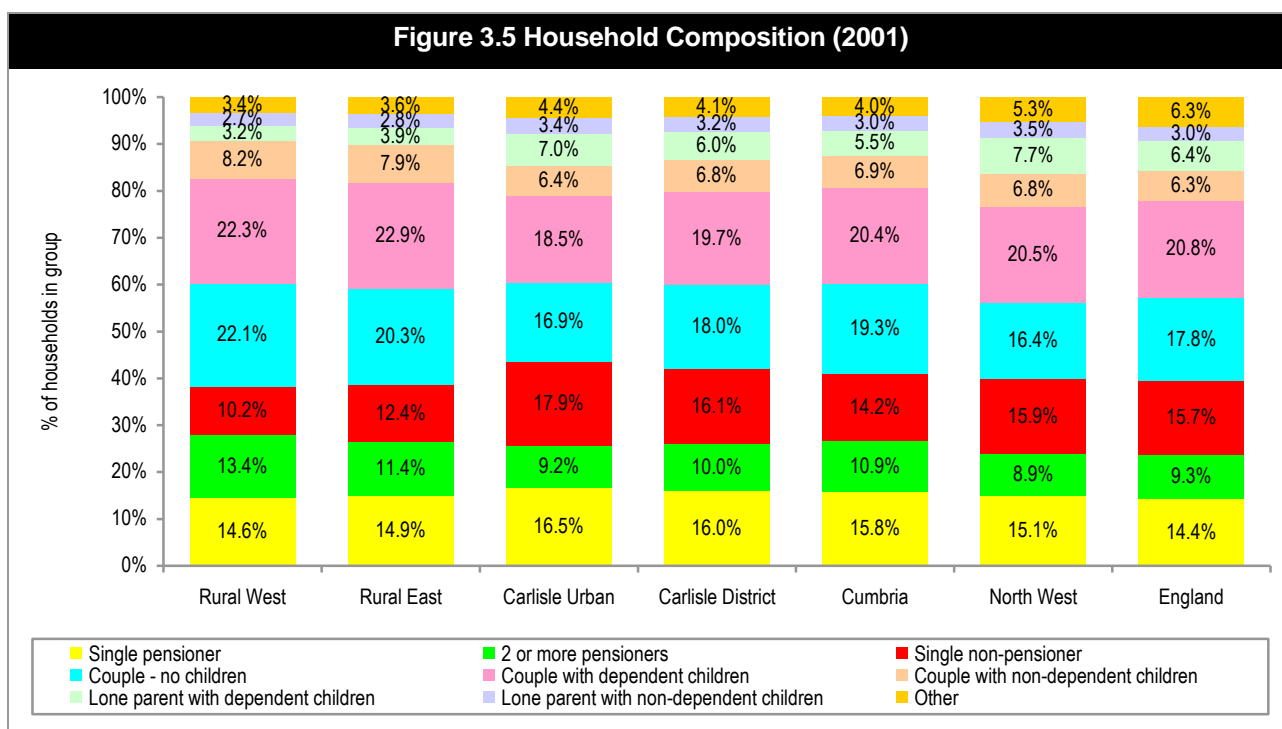
Ethnic group	Rural West	Rural East	Carlisle Urban	Carlisle District	Cumbria	North West	England
White	99.4%	99.4%	98.9%	99.1%	99.3%	94.4%	90.9%
Mixed	0.2%	0.3%	0.3%	0.3%	0.3%	0.9%	1.3%
Asian or Asian British	0.0%	0.1%	0.4%	0.3%	0.2%	3.4%	4.6%
Black or Black British	0.1%	0.1%	0.1%	0.1%	0.1%	0.6%	2.3%
Chinese and other	0.2%	0.1%	0.3%	0.2%	0.2%	0.6%	0.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	7,144	24,331	69,290	100,739	487,607	6,729,764	49,138,831

Source: Census 2001

### Household Structure

3.10 The figure below shows the household structure in the study area according to the Census in 2001 (again to allow comparisons across areas), compared with the regional and national profiles. Taking the District as a whole the data shows slightly more pensioner households and a lower proportion of households with children.

3.11 Looking at the three HMAs we see that the two rural areas have a slightly higher proportion of pensioner only households and also higher proportions of couples with children. The two rural areas also show relatively few lone parent households and significantly lower proportions of single non-pensioner households.



Source: Census 2001

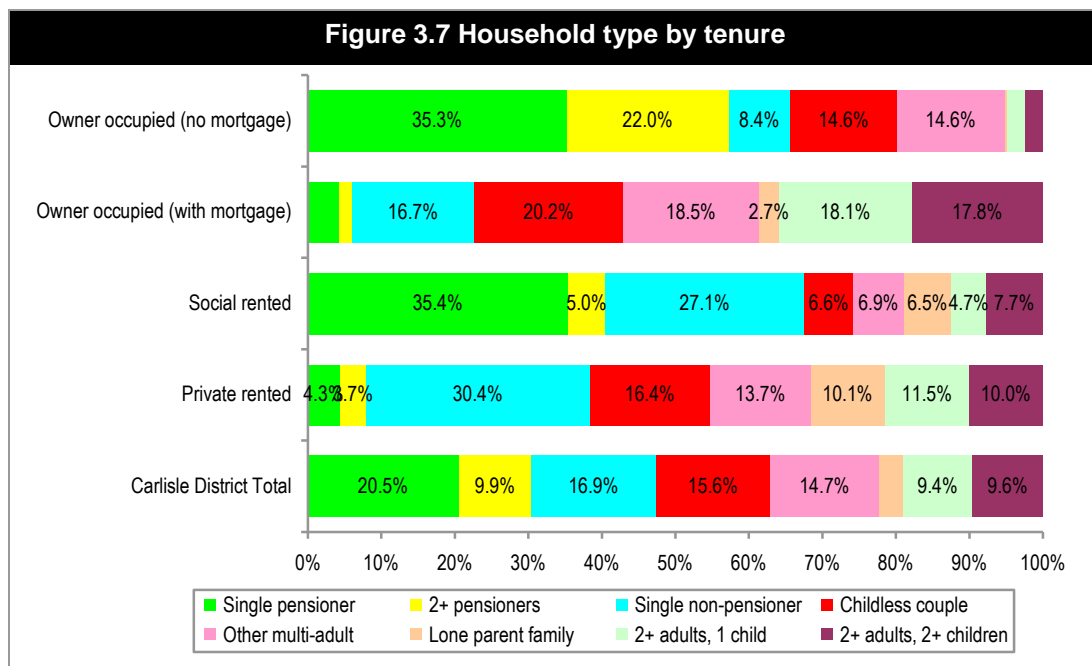
## Household type and size – survey data

3.12 The table below shows the household type breakdown in the District (from survey data). The survey estimates that 30.4% of households are pensioner only and that just under a quarter (22.3%) contain children.

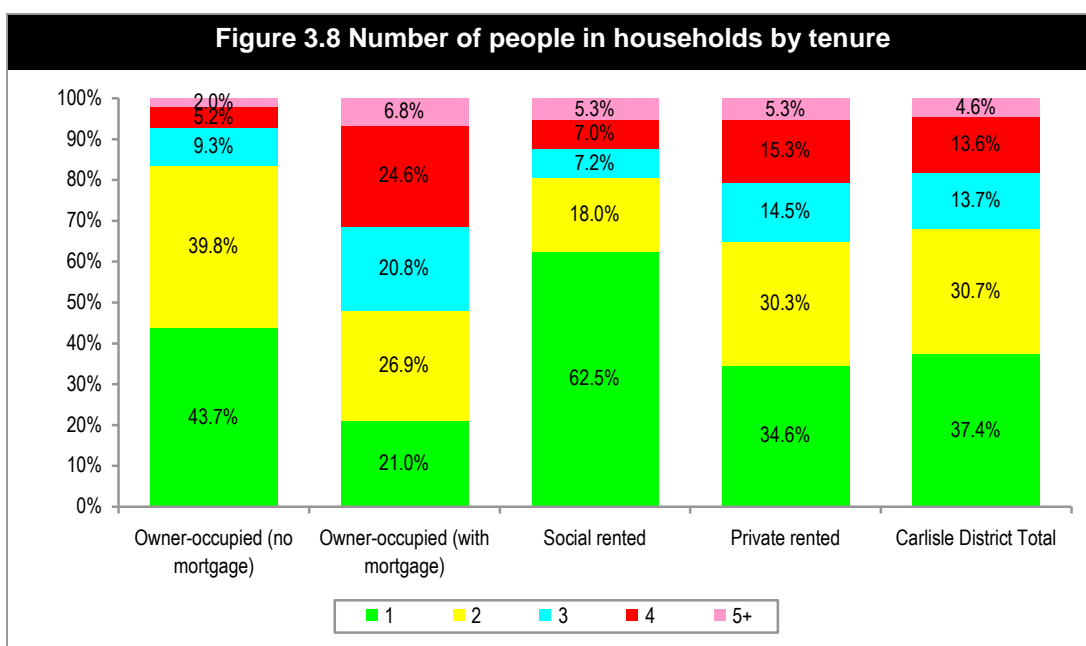
Figure 3.6 Household type		
Household type	Number of households	% of households
Single pensioner	9,776	20.5%
2 or more pensioners	4,738	9.9%
Single non-pensioner	8,046	16.9%
Childless couple	7,413	15.6%
Other multi-adult	6,996	14.7%
Lone parent	1,591	3.3%
2+ adults, 1 child	4,487	9.4%
2+ adults, 2+ children	4,574	9.6%
Total	47,619	100.0%

Source: Household Survey Data

3.13 The figure below shows household type by tenure. There are clear differences between the tenure groups. The owner-occupied (no mortgage) sector contains a large proportion of pensioner households whilst lone parent households appear to be concentrated in the social and private rented sectors. These trends are consistent with many other areas.



3.14 The average household size in the District was estimated from the survey to be 2.20 persons. This figure is below the most recent English Housing Survey (EHS) national estimate of around 2.4 persons per household (2009-10). The figure below shows the number of people in households by tenure, this information is then summarised as average household sizes in the table that follows. The largest households were owner occupiers with a mortgage (average 2.72) whilst the smallest were social tenants (who are more likely to be single person households).



Source: Household Survey Data

**Figure 3.9 Average household size by tenure**

Tenure	Average household size
Owner-occupied (no mortgage)	1.82
Owner-occupied (with mortgage)	2.72
Social rented	1.79
Private rented	2.32
Total	2.20

Source: Household Survey Data

### Length of residence and recent movers

3.15 At the time of the survey an estimated 14.7% of households (6,993) had been resident at their current address for less than two years. This figure suggests that households in the District are as likely to have moved recently as households nationally – recent English Housing Survey (EHS) data suggests that as of 2009-10 some 14.7% of households had been resident at their address for less than two years.



- 3.16 The table below shows length of residence by tenure. Of the households moving in the past two years, 44% are currently private renters, 39% owner-occupiers and 17% live in the social rented sector. An estimated 53% of all private renters had moved home in the past two years, compared to only 17% of all social renters and 8% of all owner-occupiers. Private tenants are therefore much more mobile than social renters or owner-occupiers (and turnover in the Private Rented Sector considerably higher than in other tenures). The least mobile group are outright owners, only 4% of whom moved in the previous two years.
- 3.17 At the other end of the spectrum, over two-thirds (69%) of all households have lived in their home for more than five years. In the case of outright owners, 89% have lived in their home for more than five years – this compares with only 18% of private tenants. The high proportion of owner-occupiers remaining in their home for more than five years is likely to be connected to the high proportions of retired households in this tenure group; these households are less likely to move than younger households.

**Figure 3.10 Length of residence of household by tenure**

Tenure	Length of residence			Total
	Less than 2 years	2 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	666	1,349	15,569	17,584
Owner-occupied (with mortgage)	2,036	3,433	11,406	16,875
Social rented	1,211	1,395	4,737	7,343
Private rented	3,079	1,686	1,052	5,817
<b>Total</b>	<b>6,993</b>	<b>7,863</b>	<b>32,764</b>	<b>47,619</b>
Owner-occupied (no mortgage)	3.8%	7.7%	88.5%	100.0%
Owner-occupied (with mortgage)	12.1%	20.3%	67.6%	100.0%
Social rented	16.5%	19.0%	64.5%	100.0%
Private rented	52.9%	29.0%	18.1%	100.0%
<b>Total</b>	<b>14.7%</b>	<b>16.5%</b>	<b>68.8%</b>	<b>100.0%</b>

Source: Household Survey Data

- 3.18 In terms of tenure mobility we see that the most common types of moves were within tenures with around 1,600 household moves being made within the owner-occupied sector and 1,400 within the private rented sector over the past two years. There was also a fair degree of movement within the social rented sector. Overall, movement within sectors was more common than movement between them.
- 3.19 Newly forming households accounted for an appreciable proportion of moves (22.3% in total). New households mainly moved to the private rented sector, with the sector accommodating 52% of newly-forming households over the past two years. It is likely that this is influenced by mortgage finance constraints (as we will discuss in Section 6).

- 3.20 Around 57% of all moves involved the private rented sector – households moving into it, out of it or within it – showing how important the sector is in providing mobility in the housing market. The private rented sector shows the highest turnover of any tenure. Overall it is estimated that around 12% of all households in the District currently live in the private rented sector.

**Figure 3.11 Previous tenure by current tenure (households moving in past two years)**

Tenure	Previous tenure				Total
	Owner-occupied	Social rented	Private rented	Newly formed household	
Owner-occupied (no mortgage)	<b>502</b>	12	67	85	666
Owner-occupied (with mortgage)	<b>1,066</b>	16	503	451	2,036
Social rented	152	<b>530</b>	312	217	1,211
Private rented	424	452	<b>1,399</b>	805	3,079
Total	2,145	1,010	2,281	1,557	6,993
Owner-occupied (no mortgage)	<b>75.4%</b>	1.8%	10.1%	12.7%	100.0%
Owner-occupied (with mortgage)	<b>52.4%</b>	0.8%	24.7%	22.1%	100.0%
Social rented	12.6%	<b>43.7%</b>	25.7%	17.9%	100.0%
Private rented	13.8%	14.7%	<b>45.4%</b>	26.1%	100.0%
Total	30.7%	14.4%	32.6%	22.3%	100.0%

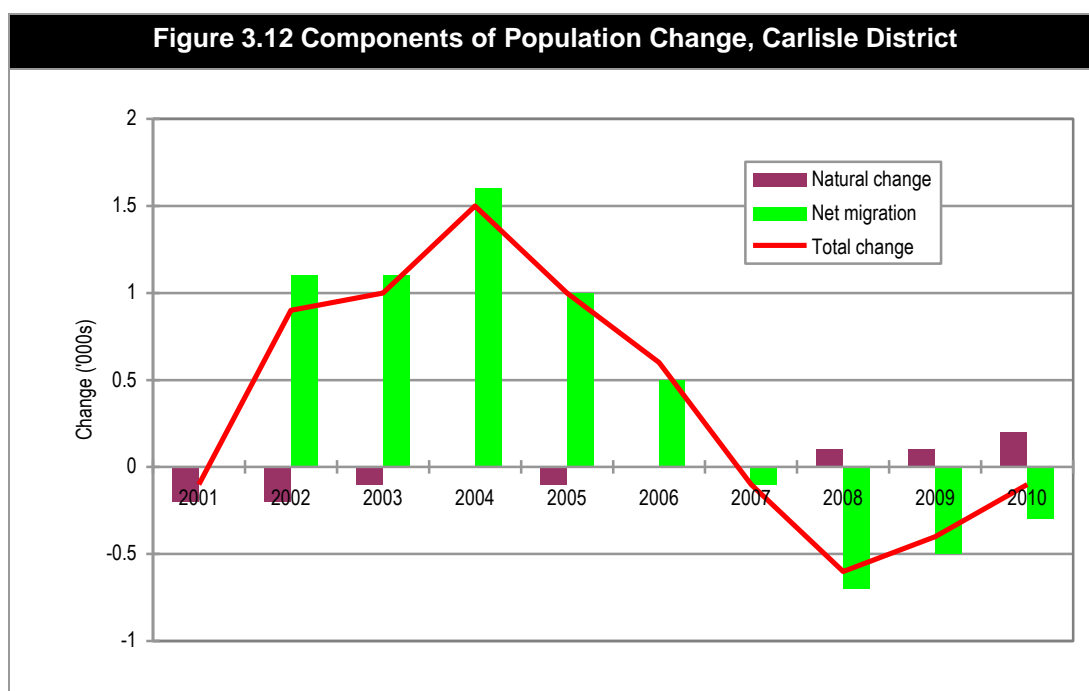
Source: Household Survey Data

## Projecting Future Population/Households

- 3.21 As well as setting out the current demographic profile of the population in the District it is necessary as part of this project to understand how this might change in the future and the impact these changes will have on the demand for homes in the area. We have kindly been provided (by the County Council) series of projections based on different scenarios for growth to assess the implications for housing demand.
- 3.22 The information on population structure and households is subsequently used along with survey data to project what type of dwellings will be required to meet both housing need and demand in the future. The projections are also important in establishing future housing requirements through Local Plan. We begin by highlighting key demographic trends before summarising the findings of the County Council projections (which cover the period from 2010 to 2025/2030).

## Understanding Demographic Dynamics

- 3.23 Housing need and demand is driven by growth in the population and the changing structure and age of households. Changes in the size and make-up of the population are driven by three main components: birth rates, death rates and net migration, which is the balance between in-and out-migration to an area.
- 3.24 The figure below shows how important migration has been as a factor in population growth over the past ten years with most years showing population growth due to net migration. It indicates that levels of natural change (births minus deaths), while low relative to net migration have been rising. Over the ten-year period the average annual level of net in-migration was 370 people per annum with natural change being -20 per annum on average.
- 3.25 The trends over the past 3-4 years compared with earlier in the period are stark with negative net migration shown for all years since 2006 (following five years with very high net migration). As a result the District has seen population decline in each of the past four years following large population increases from 2002 to 2006.
- 3.26 The migration patterns and assumptions about how these will change in the future will have a big impact on estimated population change and housing requirement as will be discussed in more detail below.



3.27 The Council in its Autumn 2011 Consultation on Core Strategy Issues and Options however clearly states its aspiration for growth, including for economic growth and attracting people to come and live in the City.

## Main Population Projections

3.28 As part of the HNDS the County Council has run a series of different population/household projections based on a range of different assumptions (mainly relating to migration levels) with the main outputs from each of these being total population numbers (by age and sex) and the number of households this is likely to translate into. In total seven projections were run and these are summarised in the table below:

**Figure 3.13 Description of population/household projections**

Projection	Description
Zero Net Migration (ZNM)	This uses the most recent births counts /fertility differentials and deaths counts / mortality differentials but excludes migration in order to look at the impact of natural change. As per Popgroup guidance, identical national age-sex migration schedules are included for in/out internal migration which, because they are identical, cancel each other out - resulting in zero net-migration effect);
5 Year Migration Weighted (5 YR MIG WEIGHTED)	This takes the above births counts /fertility differentials and deaths counts / mortality differentials but also uses past migration counts and a district migration schedule based on the average rate per 1000 of the population migrating over the last 5 years by single year of age and gender. The schedule is weighted to give weight to the most recent year's data (weightings are 0.1, 0.1, 0.2, 0.3, 0.3). This scenario has been considered by Cumbria's housing research community to be the 'baseline' population-led scenario;
10 Year Migration Equal Weights (10 YR MIG EQUAL)	This takes the above births counts /fertility differentials and deaths counts / mortality differentials and uses past migration counts and a district migration schedule based on the average rate per 1000 of the population migrating over the last 10 years by single year of age and gender. The schedule is not weighted so longer term trends can be considered
10 Year Dwelling Led (10 YR DWELL)	This scenario takes the data used in the 5 year migration scenario, but this time looks at what might happen to the forecast baseline population if house building from 2010 onwards (net dwelling change) were to continue as it has over the last 10 years (based on the average figure for housing completions between 2000-01 and 2009-10).
Carlisle 600 Additional Dwellings Per Annum, Dwelling Led (CA 600)	This scenario takes the data used in the 5 year migration scenario, but this time looks at what might happen to the forecast baseline population if house building in Carlisle (net dwelling change) was set at 600 dwellings per year from 2010 onwards
Experian Baseline Jan 2011 (EXP BASE)	This scenario takes the data used in the July 2011 5 year migration scenario, but this time looks at what might happen to the forecast baseline population if jobs in Carlisle (net change in FTEs) were to follow the employment forecasts made by Experian in January 2011 - from 2010 to 2025 (the end of the Experian forecast period).
Zero Employment Growth (ZEG)	This scenario takes the data used in the July 2011 5 year migration scenario, but looks at what might happen to the forecast baseline population if jobs in Carlisle (net change in FTEs) were to remain constant from 2010 to 2025 (zero additional jobs each year).

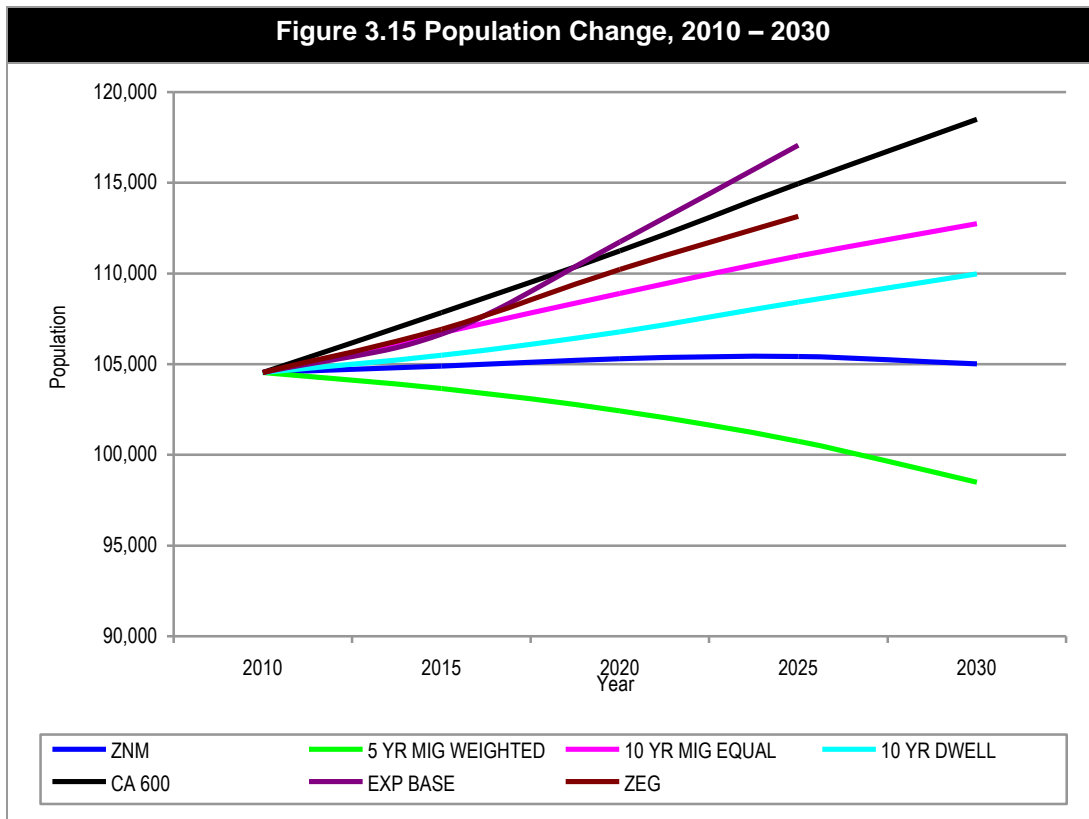
3.29 It should be noted that the first five of the projections cover the period from 2010 to 2030 whilst the two economic/employment led projections are only run to 2025. In the analysis that follows we have therefore generally looked at figures on an annual basis.

- 3.30 The table and figure below show population change under each of the projection scenarios. With no net migration there is expected to be virtually no population growth whilst the 5 year projection figures show quite a notable drop in population. Both of these findings are consistent with the analysis above which showed virtually no natural change in the population of the District and negative net migration over the past few years. Taking longer term migration trends (over ten years) we see positive population growth of about 410 people per annum.
- 3.31 If housebuilding rates were to be at the average level of the past ten years we would expect to see population increase of 272 people per annum whilst providing 600 homes each year, which is one of the options included within the Council's Autumn 2011 Core Strategy Issues and Options Consultation, sees much higher population growth of just under 700 people each year.
- 3.32 The two economic projections also show relatively high population change with the projection based on Experian employment growth forecasts showing the highest figure of any of the projections (836 additional people per annum). Even to maintain employment at its 2010 level would require considerable population growth (of 574 people per annum). This is due to the ageing of the population and the general decline in the proportion of the population who are of working age.

**Figure 3.14 Population estimates 2010 to 2030 for different projection scenarios**

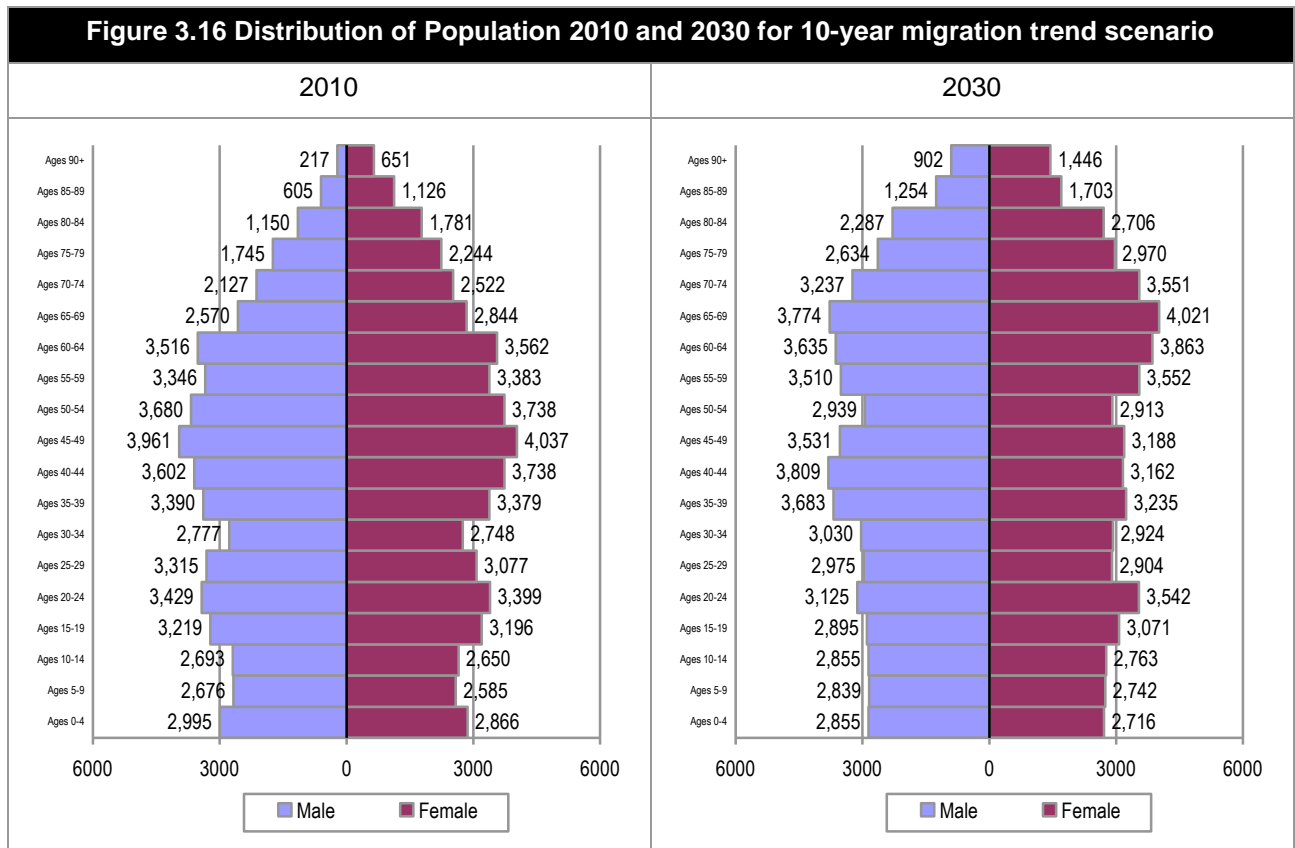
Projection	2010	2015	2020	2025	2030	Annual average
ZNM	104,539 0.0%	104,895 0.3%	105,293 0.7%	105,422 0.8%	105,013 0.5%	24 0.0%
5 YR MIG WEIGHTED	104,539 0.0%	103,652 -0.8%	102,431 -2.0%	100,750 -3.6%	98,486 -5.8%	-303 -0.3%
10 YR MIG EQUAL	104,539 0.0%	106,736 2.1%	108,903 4.2%	110,969 6.2%	112,740 7.8%	410 0.4%
10 YR DWELL	104,539 0.0%	105,496 0.9%	106,784 2.1%	108,415 3.7%	109,971 5.2%	272 0.3%
CA 600	104,539 0.0%	107,846 3.2%	111,246 6.4%	114,951 10.0%	118,499 13.4%	698 0.7%
EXP BASE	104,539 0.0%	106,667 2.0%	111,734 6.9%	117,074 12.0%	- -	836 0.8%
ZEG	104,539 0.0%	106,918 2.3%	110,219 5.4%	113,150 8.2%	- -	574 0.5%

Source: Cumbria County Council



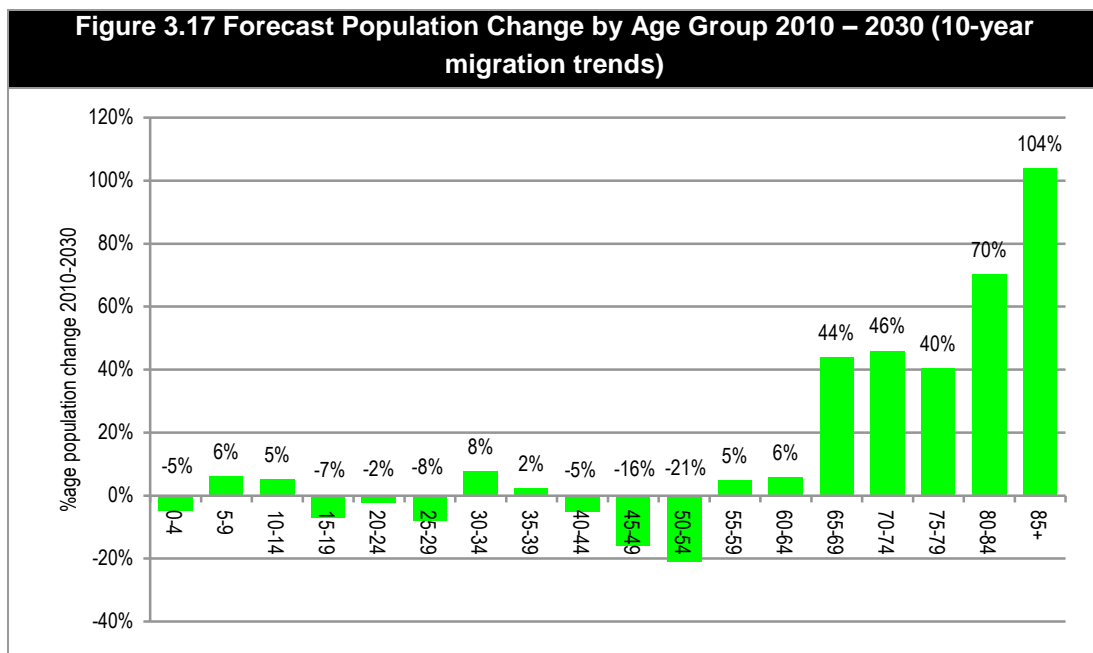
3.33 With a change in the population there will also be a change in the demographic structure. The figure below shows population pyramids for 2010 and 2030 under the 10-year migration trend scenario.

3.34 The ‘pyramids’ clearly show the growth in population overall and highlight the ageing of the population with a greater proportion of the population expected to be in age groups aged 60 and over (and even more so for older age groups) - in particular the oldest age group (90+) shows an increase from 868 people to 2,348. This is likely to create some additional demand for specialist housing for older people (which is considered later in the report).



Source: Cumbria County Council

3.35 The proportionate change in population by age band can also be shown as in the figure below. The figure confirms the large increases in the proportion of older persons but also highlights the overall lack of change in the population of working age – indeed many of the key working age groups actually show a notable decline in population over the period.



Source: Cumbria County Council

## Household (and Housing) Growth Projections

- 3.36 Having estimated the population size and the age/sex profile of the population the next step in the process is to convert this information in to estimates of the number of households in the District. This is done by using the concept of headship rates. Headship rates can be described in their most simple terms as the number of people who are counted as heads of households.
- 3.37 The County Council projections have used headship rates as provided by POPGROUP software which in turn is linked to the 2008-based CLG household projections. The table below shows the estimated change in households and also the annual average increase.
- 3.38 In all cases there is a positive household growth shown with a range from 131 per annum in the case of 5-year migration trends up to 635 per annum to meet the Experian economic/employment projections. The longer-term (10-year) migration trend projection suggests household growth of 400 per annum. Even to keep employment at 2010 levels – a potential minimum to support the local economy - would require population growth of 522 households per annum.

**Figure 3.18 Household estimates 2010 to 2030 for different projection scenarios**

Projection	2010	2015	2020	2025	2030	Annual average
ZNM	47,168 0.0%	48,636 3.1%	49,827 5.6%	50,645 7.4%	51,275 8.7%	205 0.4%
5 YR MIG WEIGHTED	47,168 0.0%	48,358 2.5%	49,190 4.3%	49,635 5.2%	49,794 5.6%	131 0.3%
10 YR MIG EQUAL	47,168 0.0%	49,419 4.8%	51,574 9.3%	53,448 13.3%	55,165 17.0%	400 0.8%
10 YR DWELL	47,168 0.0%	49,095 4.1%	51,022 8.2%	52,949 12.3%	54,876 16.3%	385 0.8%
CA 600	47,168 0.0%	50,036 6.1%	52,904 12.2%	55,772 18.2%	58,640 24.3%	574 1.2%
EXP BASE	47,168 0.0%	49,542 5.0%	53,094 12.6%	56,688 20.2%	-	635 1.3%
ZEG	47,168 0.0%	49,663 5.3%	52,468 11.2%	55,001 16.6%	-	522 1.1%

Source: Cumbria County Council



3.39 In converting household growth into housing numbers it is also necessary to take account of vacant properties as it is expected that there will always be some empty homes in the dwellings stock (primarily facilitating movement around the stock). Looking at the number of households derived from the 600 dwellings per annum projection we can see that the County Council modelling has assumed a vacancy rate of around 4.5%. Below we have therefore applied this vacancy rate to the household figures to provide an indication of the housing numbers required under each projection.

<b>Figure 3.19 Estimated annual housing numbers with 4.5% vacancy allowance</b>		
Projection variant	Household growth	Annual requirement with vacancy allowance
ZNM	205	214
5 YR MIG WEIGHTED	131	137
10 YR MIG EQUAL	400	418
10 YR DWELL	385	402
CA 600	574	600
EXP BASE	635	664
ZEG	522	545

Source: Cumbria County Council

## Conclusions about Housing Numbers

- 3.40 In considering the housing target for the District, it should be recognised that there are a range of wider factors which warrant consideration alongside need/demand including the availability of suitable land for development, the feasibility and funding of key infrastructure, community and stakeholder consultation and Sustainability Appraisal which considers the social, economic and environmental implications of alternative options.
- 3.41 The draft National Planning Policy Framework sets out that local planning authorities should develop their Local Plans wherever feasible on the basis of meeting identified need and demand. It is useful therefore for this Assessment to provide a steer as to what identified need and demand might be.
- 3.42 On the basis of the analysis undertaken, we consider that a realistic assessment of housing need and demand based on current evidence would fall within a range between about 400 and 665 homes per annum. The lower end of this range is based on longer term demographic trends with the higher end relating to supporting economic growth within the District. Clearly there are a range of issues to consider, including the Council's corporate policy ambitions.

- 3.43 The Council's Autumn 2011 consultation on Core Strategy Issues and Options proposes a vision for sustainable, managed growth, with provision of housing for people within and outside of the District, and of economic growth, including through growth of the working-age population. It is the higher of the scenarios outlined above which best align with this emerging vision.
- 3.44 The modelling undertaken indicates that around 545 homes would be required each year just to maintain the size of the existing working-age population, and that provision above this level is necessary to support growth in the workforce and employment over the next 20 years. Around 665 homes a year would be required to support the baseline economic forecasts used (based on full-time equivalent jobs).
- 3.45 Delivery of housing at this rate (545 – 665 homes pa), equivalent to between 1.2% - 1.3% growth in households per annum, is considered achievable if supported by a clear strategy for economic growth and infrastructure delivery, based on our experience of housing growth rates achieved in other parts of the UK.

## Policy Implications

- Carlisle District's population has been increasing at a faster rate than across the North West although over the past four years the District has seen notable population decline. Projections have been developed by the County Council for future population and household growth, taking account of demographic and economic drivers. Drawing on these we identify that need/demand could fall between 400 to 665 homes a year moving forward and will be particularly influenced by future economic growth.
- The Council's Core Strategy Issues and Options Consultation identifies a clear ambition for growth, including growing the working age population and employment in the District. To achieve this would require a minimum provision of 545 homes a year, with 665 homes a year required to support forecast employment growth. These higher levels of housing provision would support enhanced provision of affordable housing. However coordinated efforts to support economic growth and deliver new infrastructure would likely be necessary.
- The population structure in the City is focused on older people when compared with the regional and national position although the District does have a higher proportion of working age compared with Cumbria as a whole. Within the District, the highest proportions of households with children are found in the two rural HMAs and would expect strong demand for family housing to arise in these areas.
- The population of older persons is also greatest in the two rural HMAs. These areas have higher levels of owner occupation and higher proportions of larger housing. They are likely to be attractive to middle-aged and older households with equity in existing homes.
- The BME population has increased in size in recent years with survey data estimating a more than tripling in the number of households from a White (Other) BME group since 2001. Its growth has been supported by international migration, particularly from Poland. The greatest concentration of BME households are in Carlisle Urban and it will be important that the needs of these households are met, and this is considered further in Section 10.
- The Survey has highlighted the high turnover of properties in the Private Rented Sector, which accounts for 57% of all moves over the past 2 years. The key role of the sector in supporting dynamism in the housing market should be recognised, as well as its importance to meeting the needs of newly forming households (where it has met 52% of needs). There is an important role for local policy is seeking to improve standards in the sector.



## 4. Current Stock Profile

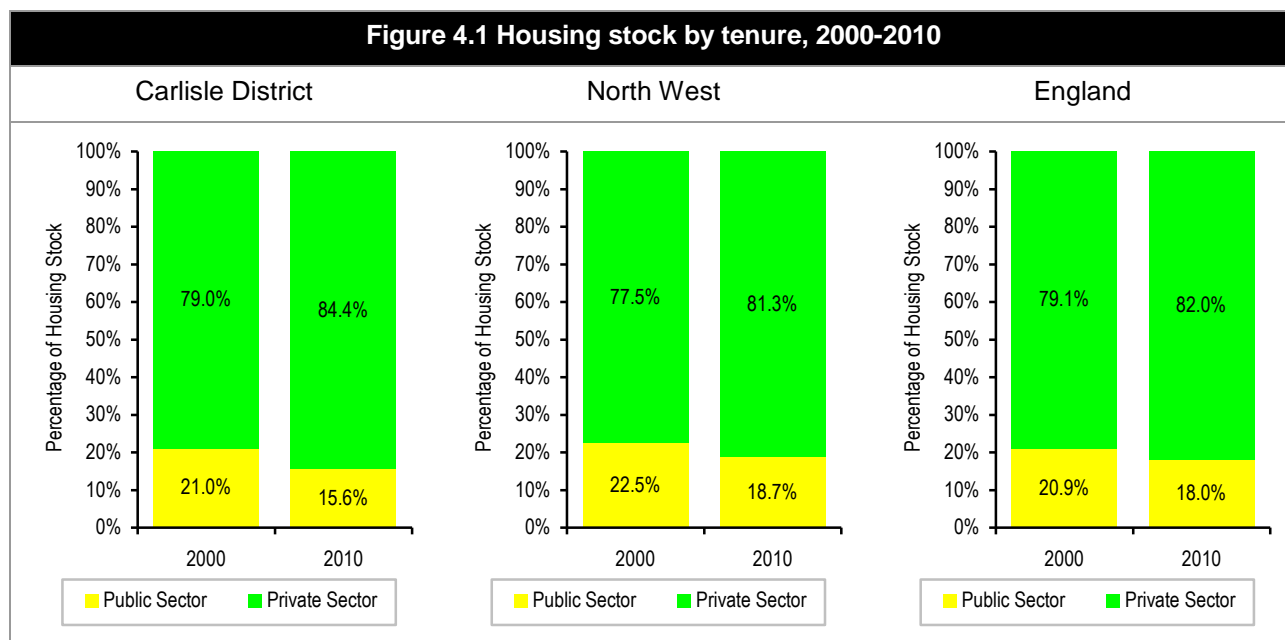
### Introduction

4.1 Analysis of the current stock of housing allows a broad assessment of the range of properties currently within the study area. There are a number of data sources which provide an overview of the current housing stock and these are examined in this chapter. Where possible results are put in context with figures for the North West region and national figures.

### Total number of dwellings

4.2 In 2010, information from CLG records that there were 48,120 dwellings in the District. The figure below shows how the tenure distribution has changed since 2000. Overall housing allocated via the public sector (either Local Authority or RSL owned) now makes up 15.6% of the total, a decrease from 21.0% in 2000.

4.3 The overall increase in the housing stock in the District over this period was 5.3% with the increase in private sector stock being 12.5% and a decline in social rented dwellings of 21.9%. The data also shows that Carlisle District has seen a particularly large drop in the proportion of social rented properties when compared with the North West and England.



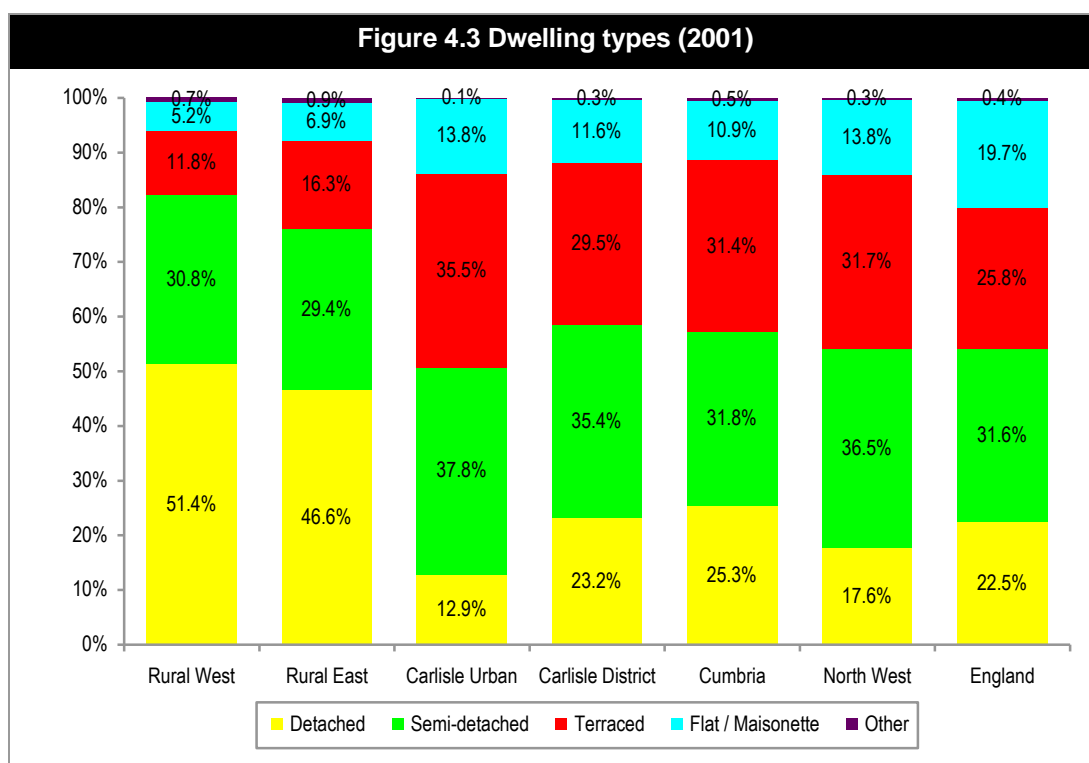
Source: HSSA, HIP and CLG data (2000 and 2010)

Figure 4.2 Change in housing stock 2000-2010				
		Area		
		Carlisle District	North West	England
Public Sector	2000 – total	9,600	671,497	4,433,873
	2010 – total	7,500	580,300	4,094,000
	10 year change	-2,100	-91,197	-339,873
	% change	-21.9%	-13.6%	-7.7%
Private Sector	2000 – total	36,109	2,313,536	16,761,383
	2010 – total	40,620	2,522,400	18,599,000
	10 year change	4,511	208,864	1,837,617
	% change	12.5%	9.0%	11.0%
All dwellings	2000 – total	45,709	2,985,033	21,195,256
	2010 – total	48,120	3,102,700	22,693,000
	10 year change	2,411	117,667	1,497,744
	% change	5.3%	3.9%	7.1%

Source: HSSA, HIP and CLG data (2000 and 2010)

## Type of stock

- 4.4 The figure below shows the types of dwelling in the study area, regionally and nationally, from the 2001 Census (to allow comparisons across areas). The data shows for the whole Carlisle City Council area that the dwelling type profile is broadly similar to that found across Cumbria. Compared with the North West region, the District shows a relatively high proportion of detached homes whilst compared with England there are relatively few flats.
- 4.5 Looking at the three different HMAs we do however see some stark differences between different locations with both rural HMAs having around half of dwellings being detached and a small terraced and flatted stock. Carlisle Urban on the other hand has a very low proportion of detached homes and large proportions of both semi-detached and terraced properties.
- 4.6 It should be recognised that different areas can have a different role and function as part of the overall housing market and that the profile of house types district-wide is similar to wider benchmarks.

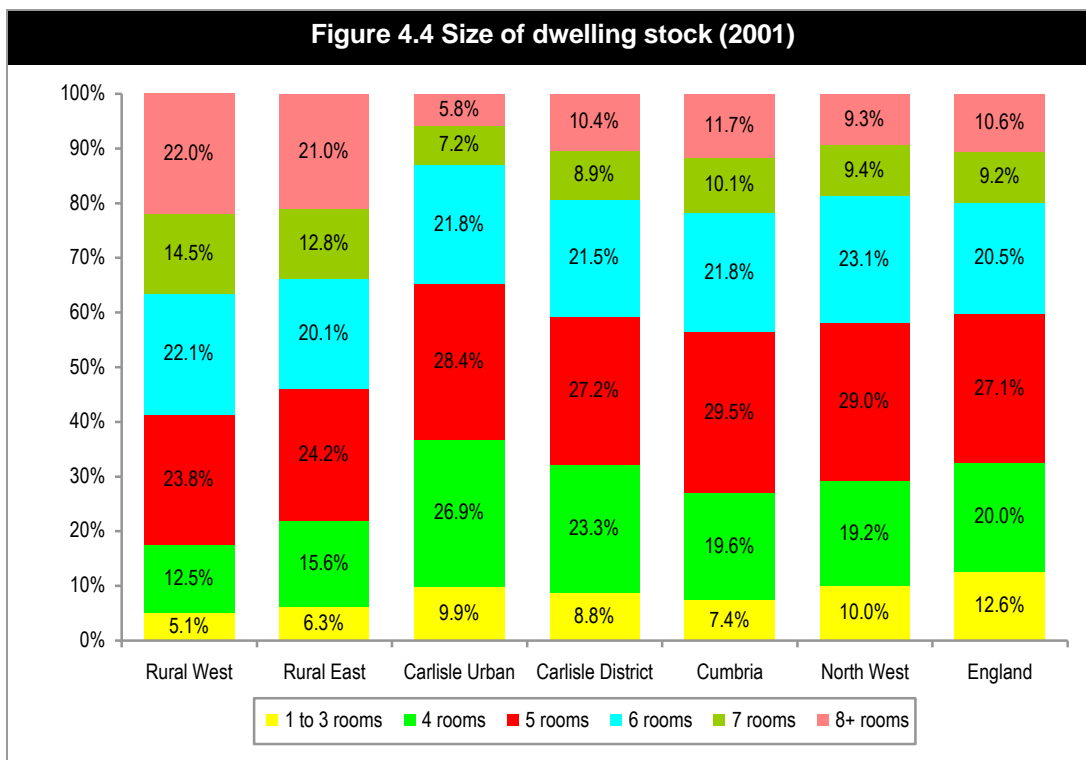


Source: 2001 Census

## Dwelling Size

- 4.7 Dwelling size can be an important driver of demand with areas having a larger proportion of family sized accommodation in turn being more likely to be sought after by family households (or indeed those with children). Areas with smaller homes and a greater proportion of flatted accommodation are likely to attract a greater proportion of younger childless households.
- 4.8 The 2001 Census contains information about the size of properties (in terms of the number of rooms). It is worth noting that the definition of a room in the Census does not include: bathrooms, toilets, halls or landings, or rooms that can only be used for storage such as cupboards. All other rooms, for example kitchens, living rooms, bedrooms, utility rooms and studies are included. If two rooms have been converted into one, they are counted as one room.
- 4.9 The figure below shows the number of rooms in properties in the study area as well as regionally and nationally. The data shows that dwelling sizes in the District are generally smaller than found across Cumbria and similar to regional data. The profile of dwelling sizes is also similar to figures for England with the main exception being in relation to the smallest (1-3 room) dwellings where England has a higher proportion,; this will largely be linked to the low proportion of flats in the City Council area shown above.

4.10 Looking at the different HMAs in Carlisle District we again see big difference by location with the two rural areas having relatively few small dwellings and large proportions of bigger homes. In both rural HMAs the proportion of properties with six or more rooms is well over half (58.6% in Rural West and 53.9% in Rural East); this compares with just 34.8% in the Carlisle Urban HMA.



4.11 We consider that, taking into account the role and function of different areas, the mix of homes of different sizes and types was broadly balanced across the District in 2001 although a lack of supply of smaller homes in the two rural HMAs may contribute to affordability pressures.

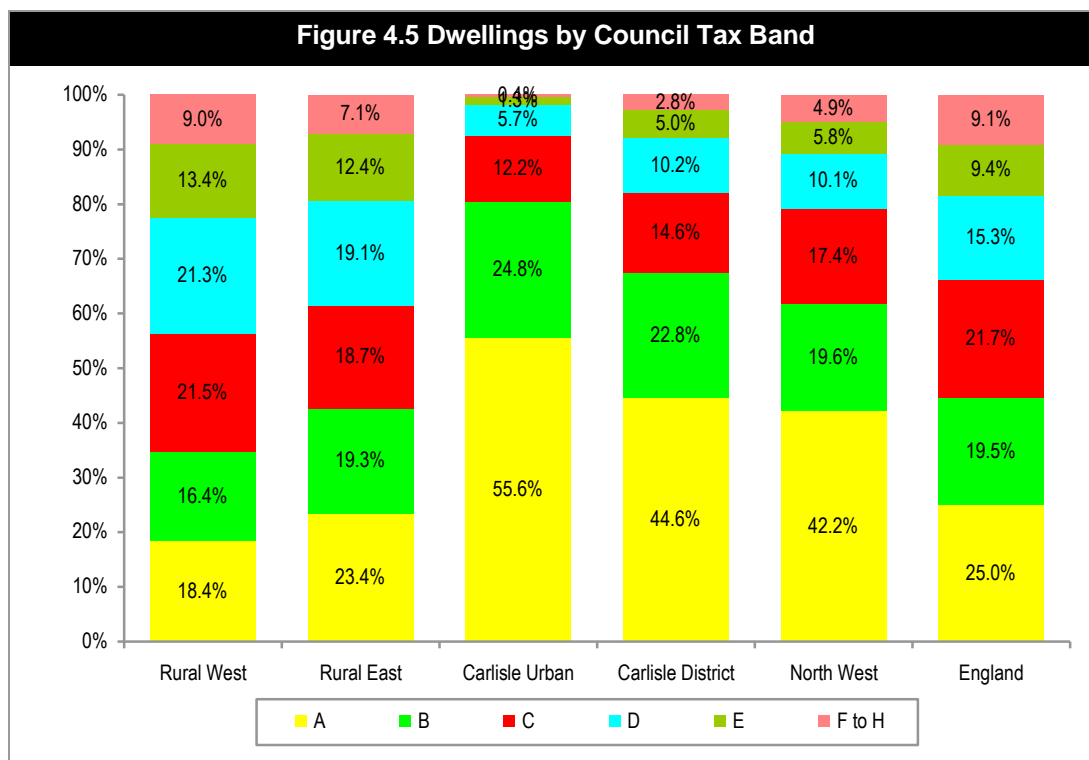
### Council Tax Band

4.12 A good indication of the quality and price structure of the housing stock is the distribution of dwellings by Council Tax Band. The figure below shows that across the whole of the District the distribution of Council Tax Bands suggests slightly lower dwelling values with a far clearer picture emerging when compared to national data.

4.13 For the HMAs we see that Council Tax Bands are far higher in general in the two rural areas (in particular Rural West). The proportion of properties in band A is 55.6% in Carlisle Urban; this compares with 23.4% in Rural East and just 18.4% in Rural West.



- 4.14 Figures for the District (and the HMAs) have been taken from the Council Tax Register as provided by the City Council for the purposes of survey sampling and therefore have a 2011 base. Data for other areas is provided for 2009 although it is not expected that there have been any significant changes in this two year period.



Source: Carlisle City Council and Office for National Statistics

## Tenure profile

- 4.15 The tenure profile of an area provides an important insight into the dynamics of a market. Analysis of 2001 Census data reveals that in 2001 around 71% of households in the District were owner-occupiers (including shared ownership) – this is slightly above both the regional and national average. The social rented sector across Carlisle District is larger than found across Cumbria but slightly lower than for either the North West or England.
- 4.16 As a result of the relatively high proportions of households in owner-occupation and the social rented sector the data shows a small private rented sector. As of 2001 it was estimated that 7% of households live in the mainstream private rented sector (i.e. renting from a landlord or through an agency) – this compares with about 8% for the region and 9% nationally. The number of households living in the private rented sector has however risen significantly in line with national increases which have show the sector growing by 63% since 2001 (English Housing Survey 2009-10).

- 4.17 Looking at the three HMAs we find that the two rural areas have high proportions of owner-occupiers (both HMAs at around 80%) and relatively small social rented sectors. The proportion of households living in private rented accommodation in each of the two rural HMAs is slightly higher than found in the main urban area of Carlisle.

**Figure 4.6 Tenure (Census 2001)**

Tenure	Rural West	Rural East	Carlisle Urban	Carlisle District	Cumbria	North West	England
Owns outright	41.7%	37.9%	26.9%	30.4%	34.9%	29.8%	29.2%
Owns with a mortgage or loan	38.4%	39.0%	40.2%	39.8%	36.9%	38.9%	38.9%
Shared ownership	0.2%	0.2%	0.9%	0.7%	0.5%	0.6%	0.7%
Social rented	7.3%	10.5%	21.9%	18.3%	16.0%	20.1%	19.3%
Private landlord or letting agency	7.4%	8.0%	6.8%	7.1%	7.8%	7.7%	8.8%
Tied to employment	0.3%	0.5%	0.1%	0.2%	0.2%	0.1%	0.3%
Rented from a relative/friend	0.9%	0.9%	0.8%	0.8%	0.9%	0.6%	0.6%
Other	0.6%	0.4%	0.1%	0.2%	0.2%	0.2%	0.3%
Living rent free	3.1%	2.6%	2.4%	2.5%	2.4%	2.1%	2.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: 2001 Census

## Vacant and second homes

- 4.18 A certain level of vacant dwellings are necessary to ensure the housing market is dynamic, however a high proportion of vacant dwellings can indicate the existence of areas of low demand and sometimes market failure.
- 4.19 The SHMA Guidance indicates that a vacancy rate of under 3% is considered normal in the social sector as this allows for transfers and for work on properties to be carried out. The table below shows the number and proportion of dwellings vacant in the social and market sectors in the study area, the North West region and England. The table shows that the level of vacant dwellings in the public sector in all areas is well below the guideline level of 3%.
- 4.20 The latest national estimate available (for 2010) suggests that 3.7% of all private sector dwellings are vacant across England. In Carlisle District the vacancy rate is slightly higher (at 3.8%) although this is well below the regional average of 5%. An estimated 2.1% of social rented dwellings were vacant.

<b>Figure 4.7 Vacancy rates by broad tenure (2010)</b>				
Area	Public Sector		Private Sector	
	Number of dwellings vacant	Proportion of dwellings vacant	Number of dwellings vacant	Proportion of dwellings vacant
Carlisle District	159	2.1%	1,535	3.8%
North West	10,206	1.8%	126,699	5.0%
England	59,035	1.4%	679,379	3.7%

Source: CLG Live tables 2010

- 4.21 Data on the proportion and number of second homes in the study area is presented in the table below (taken from the 2001 Census). The table shows that compared with elsewhere in Cumbria there are relatively few second homes with an overall Council-area proportion of just 0.4% of the dwelling stock (compared with 3.3% in Cumbria). The figure of 0.4% is however similar to the North West regional average and slightly below the average for England.
- 4.22 Within the District, the data suggests that only the Rural East HMA has a notable proportion of second homes.
- 4.23 More recent information from the Valuations Agency (from 2008) suggests that the number of second homes in the area has risen considerably since 2001 with an overall district-wide estimate that there were 389 second homes – double the number shown for 2001. For the individual HMAs the number of second homes recorded by this source was 32 in Rural West, 179 in Rural East and 178 in Carlisle Urban.

<b>Figure 4.8 Second/holiday homes (2001)</b>			
Area	Holiday or Second Homes	All Household Spaces	% of second homes
Rural West	9	2,991	0.3%
Rural East	142	10,691	1.3%
Carlisle Urban	41	32,439	0.1%
Carlisle District	195	46,124	0.4%
Cumbria	7,374	225,844	3.3%
North West	12,852	2,950,241	0.4%
England	135,202	21,262,825	0.6%

Source: Census 2001

- 4.24 Local authorities are permitted to remove Council Tax discounts for second home properties. This may be something the Council may wish to consider should it wish to disincentivise second home ownership, particularly within rural settlements.

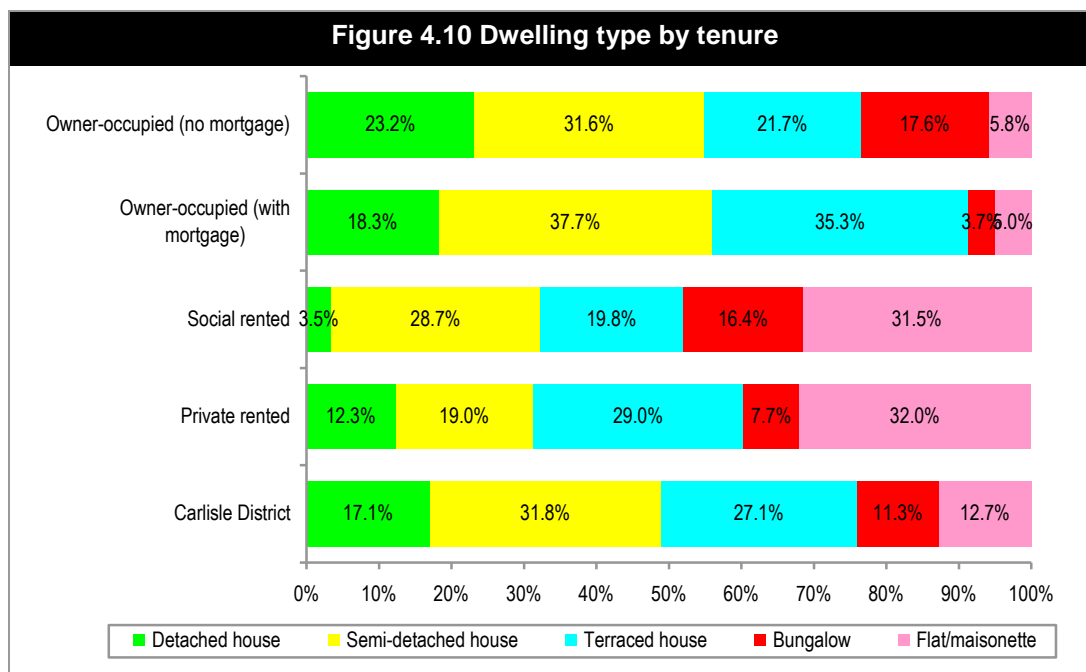
## Type of housing – survey data

4.25 The table below shows households' current accommodation type from 2011 survey data. The table shows that around half of households in Carlisle District (48.9%) live in detached or semi-detached houses with an estimated total of around 13% of households living in flats.

Figure 4.9 Dwelling type		
Dwelling type	Number of households	% of households
Detached house	8,144	17.1%
Semi detached house	15,145	31.8%
Terraced house	12,925	27.1%
Bungalow	5,365	11.3%
Flat/maisonette	6,040	12.7%
Total	47,619	100.0%

Source: Household Survey Data

4.26 The figure below shows tenure and dwelling type information. Households living in the owner-occupied sector are particularly likely to live in houses/bungalows. The social and private rented sectors contain a large proportion of flats. A high proportion of private rented properties are terraced.



Source: Household Survey Data

4.27 The profile of the dwelling stock can also be provided by HMA and this is shown in the table below. The data shows notable variation between different parts of the District. In particular the proportion of flats varies from about 6% in Rural West up to 15% in Carlisle Urban with variations in detached houses being from 9% to 37%.

Figure 4.11 Dwelling type by HMA						
HMA	Detached house	Semi-detached house	Terraced house	Bungalow	Flat/maisonette	Total
Rural West	1,488 37.2%	1,092 27.3%	516 12.9%	669 16.7%	232 5.8%	3,996 100.0%
Rural East	3,938 34.2%	2,917 25.3%	1,420 12.3%	2,400 20.8%	854 7.4%	11,528 100.0%
Carlisle Urban	2,718 8.5%	11,136 34.7%	10,989 34.2%	2,296 7.2%	4,954 15.4%	32,095 100.0%
Carlisle District	8,144 17.1%	15,145 31.8%	12,925 27.1%	5,365 11.3%	6,040 12.7%	47,619 100.0%

Source: Household Survey Data

### Overcrowding and under-occupation

4.28 Using data from the household survey we are able to study levels of over-crowding using the bedroom standard. Essentially this is the difference between the number of bedrooms needed to avoid undesirable sharing (given the number of household members and their relationships to each other) and the number of bedrooms actually available to the household. The bedroom standard also provides the opportunity to look in more detail at households who under-occupy their dwelling.

4.29 The standards used to check for overcrowding and under-occupation were as follows:

- **Overcrowding:** each household was assessed as to the number of bedrooms required. Any household without enough bedrooms was deemed to be over-crowded.
- **Under-occupation:** households with more than one spare bedroom are deemed to be under-occupied.

4.30 The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households in the District. It should be noted that the bottom two cells of the 4+ bedroom column contain some households that are either under occupied or overcrowded – for example they may require three bedrooms but live in a five bedroom property or may require a five bedroom property but are currently occupying a four bedroom property.

**Figure 4.12 Overcrowding and under-occupation**

Number of bedrooms required	Number of bedrooms in home				Total
	1	2	3	4+	
1 bedroom	3,798	11,749	11,190	3,109	29,846
2 bedrooms	24	3,028	6,206	2,499	11,757
3 bedrooms	0	458	2,633	1,847	4,938
4+ bedrooms	51	0	557	471	1,078
<b>Total</b>	<b>3,874</b>	<b>15,235</b>	<b>20,585</b>	<b>7,925</b>	<b>47,619</b>

Source: Household Survey Data

KEY:  Overcrowded households  Under-occupied households

4.31 The estimated number of overcrowded and under-occupied households in Carlisle District is as follows:

- **Overcrowded:** 2.6% of households = 1,220 households
- **Under-occupied:** 36.3% of households = 17,271 households

4.32 The latest English Housing Survey data on overcrowding (also following the bedroom standard) suggests that nationally around 2.9% of households are overcrowded, slightly higher than the levels recorded from survey data.

4.33 Further survey data suggests that overcrowded households are more likely to be living in rented accommodation, are particularly likely to state a need or likelihood of moving home over the next two years and are particularly likely to contain children (66% of all overcrowded households contain children aged under 16).

4.34 Looking at under-occupation the survey data shows that pensioner only households are particularly likely to be under-occupied with 51% of all older person households under-occupying their dwelling (41% of single pensioner households and 70% of households with two or more pensioners). Under-occupation is also particularly high in the owner-occupied (no mortgage) tenure group – this is linked to the high proportion of older persons in this tenure.

## Policy Implications

- Overall, the profile of housing across the District appears reasonably balanced. However the profile differs between areas. The City Council should consider how through policy it can support greater diversity in the housing stock in the Rural East and Rural West HMAs where the housing stock is dominated by larger properties which contributes to affordability pressures. However this needs to be balanced against market demand for larger homes in these areas.
- The size of the affordable housing sector has fallen over the last decade, with a net loss of 2,100 properties between 2000-2010. This trend over a decade affects the ability of the current stock to meet housing needs, and thus influences the conclusions of the housing needs analysis in Section 8. It is appropriate for policy to seek to redress this balance over time by increasing the stock of affordable housing.
- There is a low vacancy within the current housing stock as well as low levels of overcrowding (at 2.6%). The low vacancy means there is very limited effect potential to meet future requirements through better use of the existing stock. Over the plan period to 2031 there should however be some potential to release supply of existing family housing by supporting downsizing of older households and providing specialist housing to meet their needs. This is considered further in Section 10.





## 5. Structure of the Economy and Skill Base

### Introduction

5.1 Economic changes are a key driver underpinning housing markets and can have an important influence on the nature of housing demand including household formation rates and households' investment in housing. In this section we study the economic and labour force profile in the study area (in contrast with the regional and national situation where possible). The data is drawn from a range of secondary sources most notably the NOMIS website maintained by ONS.

### Labour Demand and Employment Rates

5.2 Below we study the number of people working and the employment rate (based on the proportion of those aged 16-64 who are working). The information for this analysis comes from the Annual Population survey with information for each year being made up of the average for all periods within each calendar year.

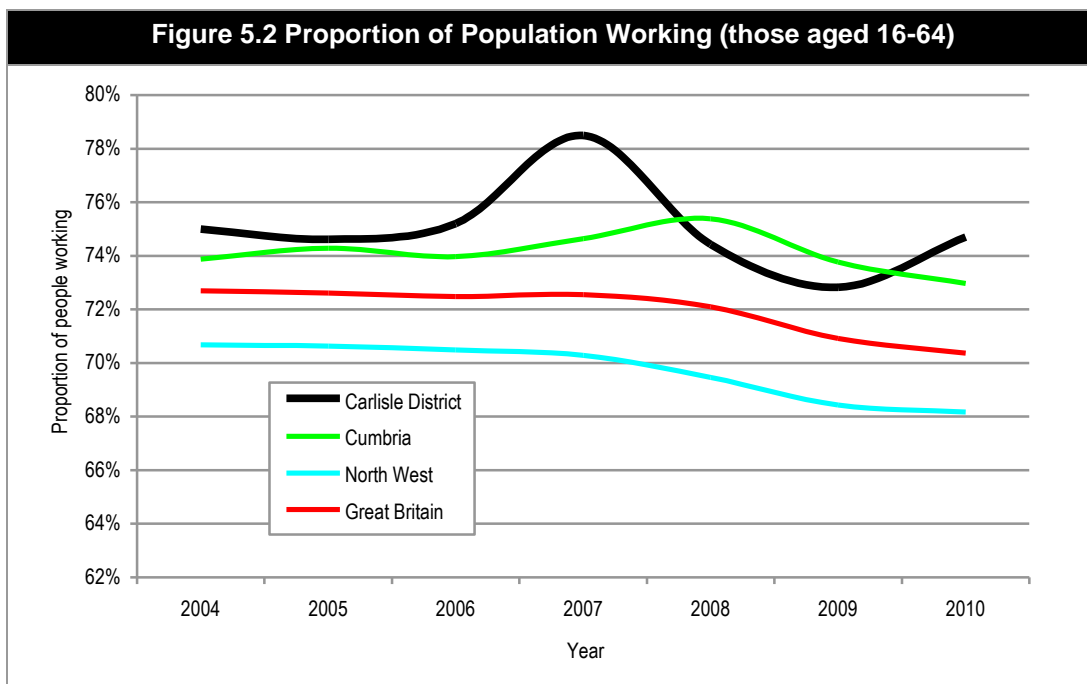
5.3 The table below shows estimates of the number of people working from 2004 to 2010 – the longest period for which time series data is available at the local level. The table shows for all areas that there has been relatively little change in the number of people working over the six years to 2010. In Carlisle District, employment numbers rose by around 1.6%; this compares with 0.4% in Cumbria and 1.9% for the whole of Great Britain. In the North West region it is estimated that employment numbers over this period dropped slightly.

Figure 5.1 Number of people working (2004-2010)				
Year	Carlisle District	Cumbria	North West	Great Britain
2004	49,875	233,350	3,163,800	28,514,200
2005	50,500	234,871	3,181,800	28,794,200
2006	51,614	236,014	3,178,400	29,019,600
2007	52,900	240,143	3,176,800	29,260,800
2008	49,543	240,857	3,154,400	29,422,200
2009	48,857	235,771	3,124,200	28,981,400
2010	50,667	234,400	3,151,000	29,060,600
% change 2004-2010	+1.6%	+0.4%	-0.4%	+1.9%

Source: Annual Population Survey (from NOMIS)

5.4 The figure below shows how the above information translates into employment rates. The data shows that employment rates in Carlisle District have been somewhat variable although it is notable that since 2007 the rate has dropped notably. This is consistent with data for Cumbria, the North West and England – all of which show a recent drop in employment rates. These findings are to be expected given the economic downturn since 2007/8.

5.5 It is also noteworthy that the data suggests that throughout the period studies employment rates in both Carlisle District and Cumbria have been consistently above the regional and national average.



### Employment categories

5.6 The table below shows a breakdown of the types of employment in Carlisle, compared with Cumbria, regionally and nationally. The data shows that the main industries of employment in Carlisle District are public administration, education and health (27.3%) and distribution, hotels and restaurants (26.9%). The first of these is above the Cumbria average but in line with regional and national figures whilst the latter is below the County average but above figures for the North West and Great Britain.

5.7 The data also shows a relatively high proportion of people working in transport and communications. The proportion of people working in tourism related industries (at 7.8%) is slightly below regional and national averages and well below the average for Cumbria as a whole.

5.8 The data is from 2008 due to the Annual Business Inquiry Employee Analysis having been replaced by the Business Register and Employment Survey – although slightly out of date it is a useful source for comparison between areas.

Figure 5.3 Employee jobs by industry (2008)				
Employment category	Carlisle District	Cumbria	North West	Great Britain
Manufacturing	12.4%	17.1%	11.6%	10.2%
Construction	5.9%	6.2%	5.2%	4.8%
Distribution, hotels & restaurants	26.9%	29.0%	23.5%	23.4%
Transport & communications	8.0%	4.9%	5.8%	5.8%
Finance, IT, other business activities	13.1%	11.6%	19.7%	22.0%
Public administration, education & health	27.3%	24.9%	28.2%	27.0%
Other services	4.8%	4.9%	4.9%	5.3%
Other	1.6%	1.4%	1.1%	1.5%
Total	100.0%	100.0%	100.0%	100.0%
Tourism-related	7.8%	12.7%	8.2%	8.2%

Source: ONS Annual Business Inquiry Employee Analysis (from NOMIS website)

## Labour Supply

5.9 The tables below consider grades of employee, the first table setting out the definitions used. The data shows that across the District that the occupation structure is broadly similar to that found in each of Cumbria and the North West region (although figures for those employed in Groups 8 and 9 are slightly higher). The key differences when compared with national figures are the relatively low proportions in Groups 1-3 and again a high proportion in Groups 8 and 9.

Figure 5.4 Description of categories of employment	
Grade of employment (Standard Occupation Classification (SOC))	Description
SOC 2000 major group 1-3	Managers and senior officials - Professional occupations - Associate professional and technical occupations
SOC 2000 major group 4-5	Administrative and secretarial occupations - Skilled trades occupations
SOC 2000 major group 6-7	Personal service occupations - Sales and customer service occupations
SOC 2000 major group 8-9	Process; plant and machine operatives - Elementary occupations

Source: ONS Annual Population Survey (from NOMIS website)

Figure 5.5 Occupation structure (2010)				
Area	Employment category			
	Group 1-3	Group 4-5	Group 6-7	Group 8-9
Carlisle District	38.7%	24.3%	13.7%	23.3%
Cumbria	39.3%	23.9%	15.1%	21.7%
North West	41.2%	21.4%	17.6%	19.8%
Great Britain	44.6%	21.1%	16.5%	17.8%

Source: ONS Annual Population Survey (from NOMIS website)

- 5.10 This information can also be broken down into the three HMAs using Census data. Overall, for the whole District, the data suggests that since 2001 the proportion of people in higher skilled and professional occupations has increased although this may in part be due to the information above (for 2009/10) being based on survey data.
- 5.11 The data does however show significant difference between different parts of the District with the two rural HMAs having far higher proportions of workers in groups 1 to 5 and fewer in groups 6 to 9 when compared with the main urban area of Carlisle.

<b>Figure 5.6 Occupation structure (2001)</b>				
Area	Employment category			
	Group 1-3	Group 4-5	Group 6-7	Group 8-9
Rural West	40.0%	29.0%	11.5%	19.5%
Rural East	39.2%	28.4%	11.8%	20.7%
Carlisle Urban	27.2%	23.8%	17.9%	31.0%
Carlisle District	31.2%	25.4%	15.9%	27.6%
Cumbria	33.4%	26.8%	15.1%	24.8%
North West	36.9%	24.8%	15.9%	22.3%
Great Britain	40.3%	24.9%	14.5%	20.2%

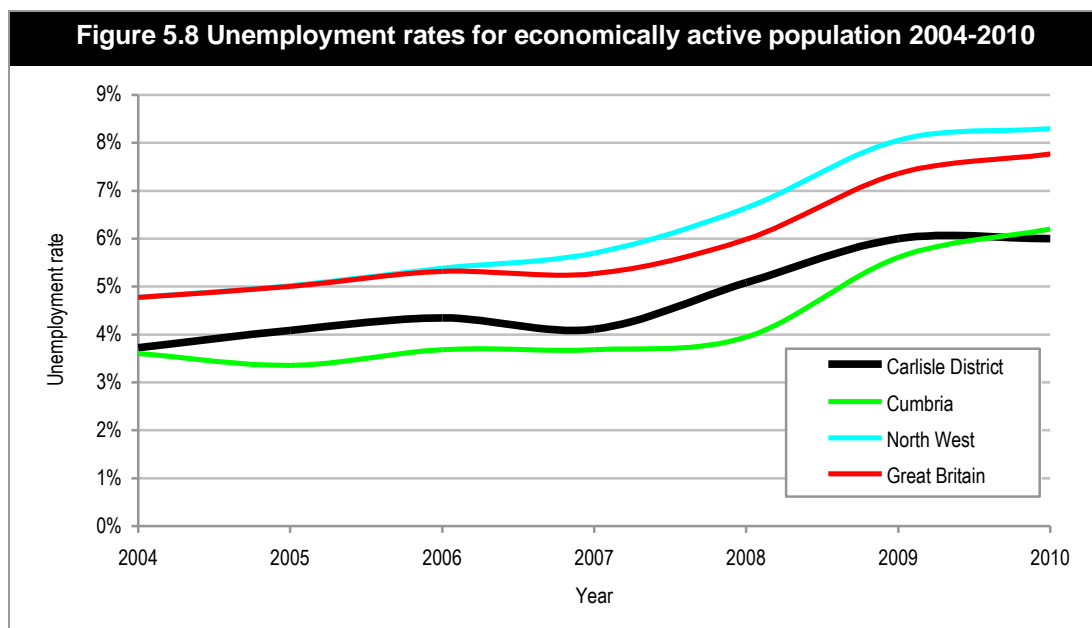
Source: 2001 Census

## Unemployment and benefit claimants

- 5.12 The figure below shows that unemployment was relatively stable in the period from 2004 up until 2007 when unemployment in Carlisle District began to rise considerably – this mirrors the national and regional trend. In the whole of Carlisle District the proportion of people who were unemployed rose from 3.7% in 2004 to 6.0% in 2009 (with a similar figure shown for 2010). Throughout the period studied the proportion of people unemployed in both Carlisle District and Cumbria was below national and regional averages.

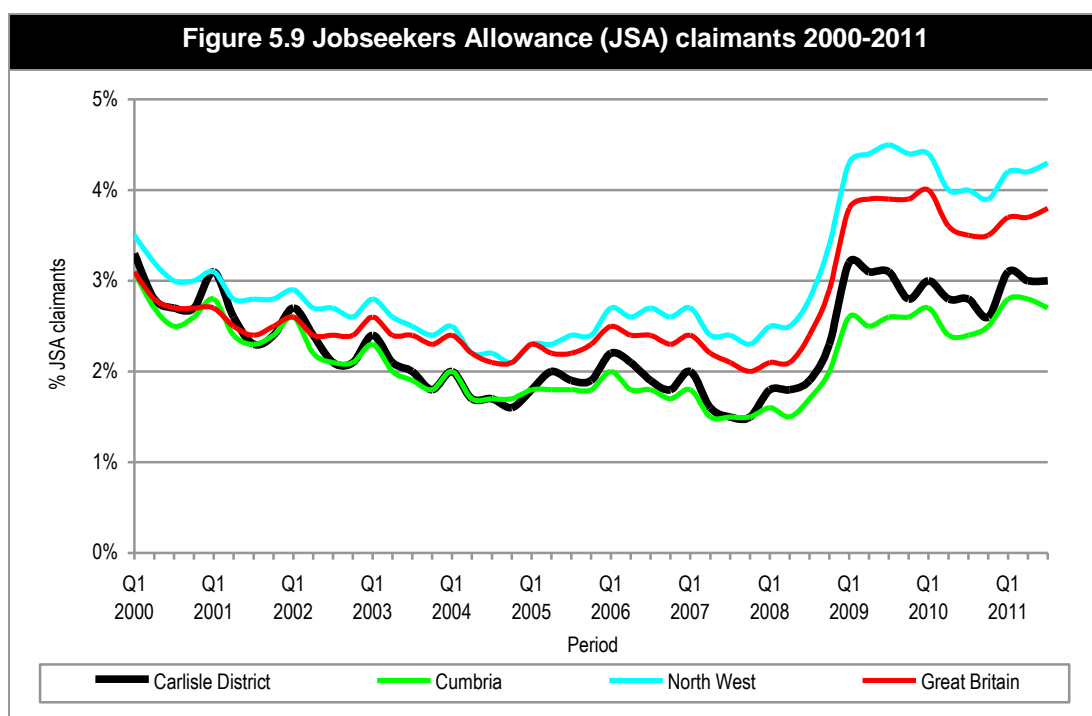
<b>Figure 5.7 Unemployment rates in Carlisle District (2004-2010)</b>				
Year	Area			
	Carlisle District	Cumbria	North West	Great Britain
2004	3.7%	3.6%	4.8%	4.8%
2005	4.1%	3.4%	5.0%	5.0%
2006	4.3%	3.7%	5.4%	5.3%
2007	4.1%	3.7%	5.7%	5.3%
2008	5.1%	3.9%	6.6%	6.0%
2009	6.0%	5.6%	8.1%	7.4%
2010	6.0%	6.2%	8.3%	7.8%

Source: ONS Annual Population Survey (from NOMIS website)



Source: ONS Annual Population Survey (from NOMIS website)

- 5.13 It is also possible to study unemployment through Jobseekers Allowance (JSA) claimants and a time-series of this data is shown in the figure below. This information is published by ONS on a monthly basis and we have presented quarterly information going back to the first quarter of 2000. The data mirrors the information presented about unemployment with a large increase shown between 2007 and 2009 (in particular from late 2008 to early 2009).
- 5.14 The increase in unemployment in the short-term may well have contributed to increased levels of need for affordable (and particularly social) housing solutions.



Source: ONS claimant counts – from NOMIS website

## Skills and educational attainment

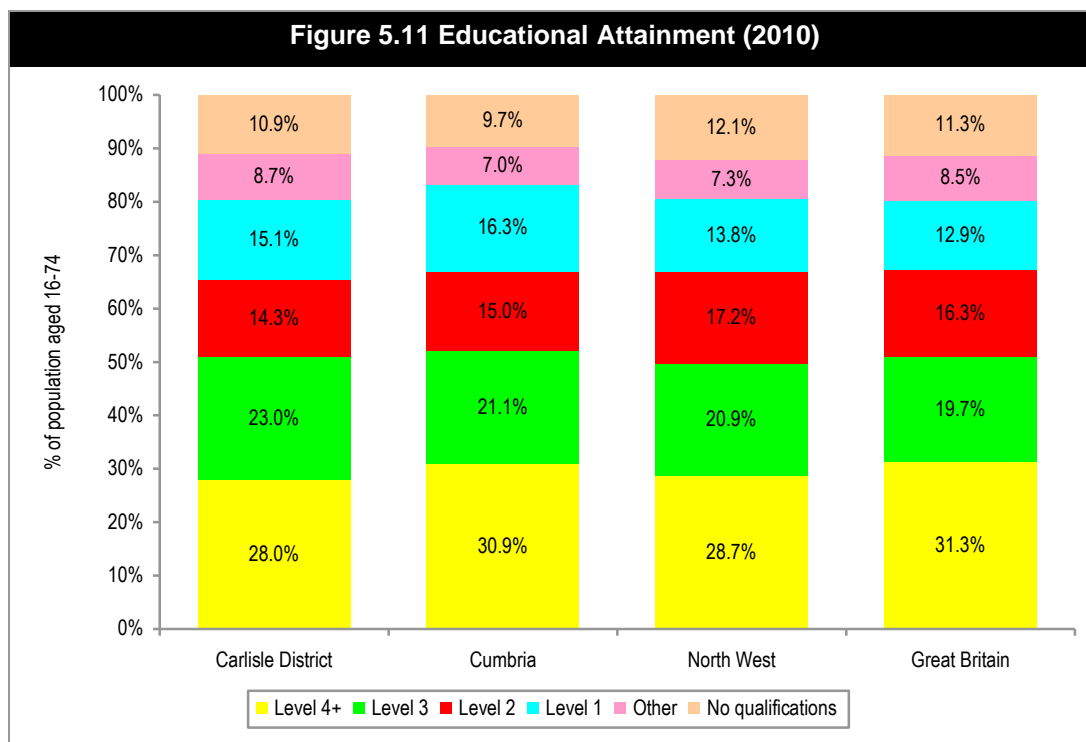
5.15 An important factor in the ability of any economy to grow is the level of skill of the workforce. The figure below shows the skills of working age residents compared to County, regional and national equivalents. It can be seen for the whole of the District that there are slightly fewer people who have reached Level 4 and generally levels of qualifications are low when compared with other areas. The proportion of people with no qualifications are however lower than regional and national equivalents (although higher than the Cumbria average).

**Figure 5.10 Description of highest qualification obtained**

Qualification level	Description
No qualifications	No academic, vocational or professional qualifications
Level 1	1+ 'O' levels/CSE/GCSE (any grade); NVQ level 1; Foundation GNVQ
Level 2	5+ 'O' levels; 5+ CSEs (grade 1); 5+ GCSEs (grade A-C); School Certificate; 1+ A levels/AS levels; NVQ level 2; Intermediate GNVQ or equivalents
Level 3	2+ 'A' levels; 4+ AS levels; Higher School Certificate, NVQ level 3; Advanced GNVQ or equivalents
Level 4	First degree; Higher Degree; NVQ levels 4-5; HNC; HND; Qualified Teacher Status; Qualified Medical Doctor; Qualified Dentist; Qualified Nurse: Midwife: Health Visitor or equivalents
Other	Other qualifications (e.g. City and Guilds; RSA/OCR; BTEC/Edexcel); Other Professional Qualifications

Source: ONS Annual Population Survey (from NOMIS website)

**Figure 5.11 Educational Attainment (2010)**



Source: ONS Annual Population Survey (from NOMIS website)

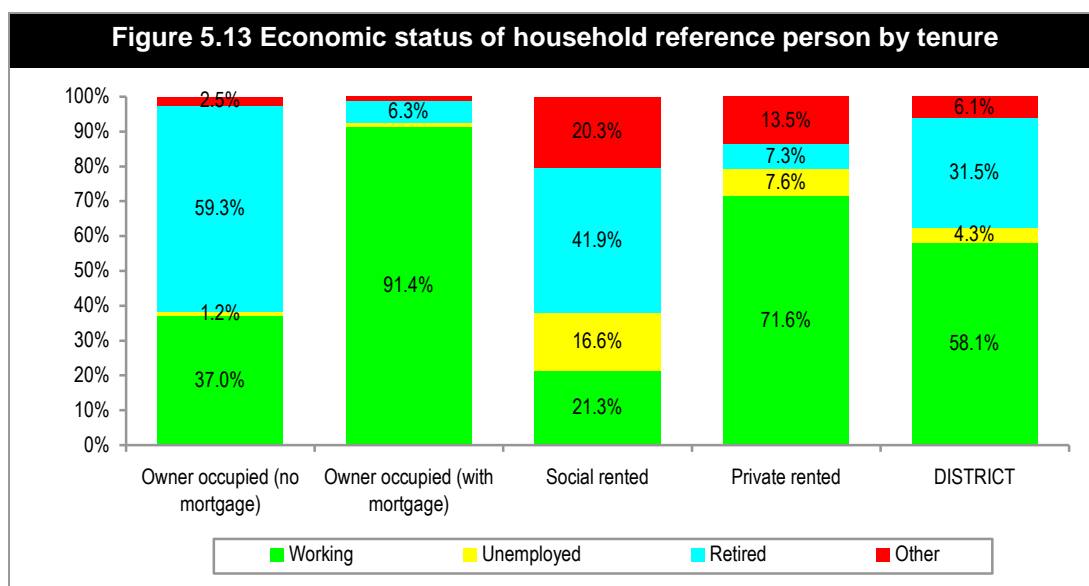
## Economic status – survey data

- 5.16 For the purposes of analysis of working status we have selected a household reference person (HRP) from each survey household to act as the representative person for the household. In all cases this person is either the head of household or their partner with people in employment being chosen as the HRP where possible and then the oldest person being chosen where the economic status of both head and partner is the same.
- 5.17 The table below shows the working status of HRPs for the whole of Carlisle District. Around three-fifths of all HRPs are in employment; nearly a third are retired. A number of HRPs are in the 'other' working status group, which is largely comprised of people describing themselves as either permanently sick/disabled or looking after home/family.

Figure 5.12 Working status of household reference person		
Working status	Number of households	% of households
Working	27,658	58.1%
Unemployed	2,050	4.3%
Retired	15,000	31.5%
Other	2,911	6.1%
Total	47,619	100.0%

Source: Household Survey Data

- 5.18 The figure below shows economic status by tenure. The data shows that over 90% of those buying with a mortgage were working. For private renters the figure was 72%, and for social rented tenants only 21%. For outright owners, around three-fifths were retired. The analysis also indicates a significant proportion of retired households resident in the social rented sector.



Source: Household Survey Data

5.19 The table below shows working status by HMA from survey data. This information clearly shows differences in different parts of the District with rates of unemployment for example ranging from 1.3% in Rural East to 5.5% in Carlisle Urban. The proportion of retired people ranges from 29.6% in Carlisle Urban to around 36% in Rural East whilst the highest proportions of people working are found in the two rural HMAs. The HMA profile is closely linked to other characteristics in these areas including the tenure profile and age structure in different locations.

<b>Figure 5.14 Working status by HMA</b>					
	Working	Unemployed	Retired	Other	Total
Rural West	60.8%	3.3%	32.7%	3.2%	100.0%
Rural East	58.9%	1.3%	36.3%	3.4%	100.0%
Carlisle Urban	57.4%	5.5%	29.6%	7.4%	100.0%
Total	58.1%	4.3%	31.5%	6.1%	100.0%

Source: Household Survey Data

### Travel to work – survey data

5.20 The survey data also allows us to look at where people resident in the City (and who are working) travel for their employment. This information is also provided for the three HMAs. The table below shows locations of employment for survey respondents and their partner where in employment (or working if self-employed). The data shows that overall 81.7% of people living in the District who are working are also working in the District – the main location for employment is Carlisle Urban whilst the high proportion of people living in rural areas and working from home is notable. Outside of District the main location of employment was found to be Eden District (which made up 5.5% of the total).

5.21 The figures below can be compared with ONS estimates for both 2001 (from the Census) and 2008 (from the Annual Population Survey). In both cases the number of people resident in the District who are working in the area is estimated to be well in excess of 80%. Overall the commuting patterns of workers living in the District do not appear to have changed dramatically over the past ten years although the survey data does suggest some increase in out-commuting.



<b>Figure 5.15 Location of employment</b>				
Location of employment	Work mainly from home	Not working from home	Total	% of people working
Rural West	386	2,138	2,524	6.0%
Rural East	1,395	4,532	5,927	14.1%
Carlisle Urban	824	25,149	25,973	61.7%
<b>All working in Carlisle District</b>	<b>2,605</b>	<b>31,819</b>	<b>34,424</b>	<b>81.7%</b>
Eden District	0	2,319	2,319	5.5%
Copeland District	0	268	268	0.6%
Allerdale District	0	922	922	2.2%
Elsewhere in Cumbria	0	1,286	1,286	3.1%
Elsewhere in the North West	0	390	390	0.9%
Dumfries and Galloway	0	872	872	2.1%
Northumberland	0	139	139	0.3%
Newcastle	0	132	132	0.3%
Elsewhere in the UK	0	1,229	1,229	2.9%
Abroad	0	146	146	0.3%
<b>All working outside Carlisle District</b>	<b>0</b>	<b>7,701</b>	<b>7,701</b>	<b>18.3%</b>
<b>Total</b>	<b>2,605</b>	<b>39,521</b>	<b>42,126</b>	<b>100.0%</b>

Source: Household Survey Data

- 5.22 The tables below show the same information but for individual HMAs. The first table shows the number of people working whilst the second shows the proportion in each HMA. Those working from home are included in the HMA in which they live.
- 5.23 The data shows that households in all areas are particularly likely to work in the Urban area of Carlisle with 49.4% of those in Rural West, 41.3% of those in Rural East and 71.3% of those in Carlisle Urban working in this area.

**Figure 5.16 Location of employment by HMA (numbers)**

Location of employment	Rural West	Rural East	Carlisle Urban	DISTRICT
Rural West	<b>897</b>	305	1,322	2,524
Rural East	243	<b>3,802</b>	1,883	5,927
Carlisle Urban	1,878	4,444	<b>19,651</b>	25,973
All working in Carlisle District	3,017	8,551	22,856	34,424
Eden District	287	444	1,588	2,319
Copeland District	22	127	119	268
Allerdale District	170	150	602	922
Elsewhere in Cumbria	122	375	789	1,286
Elsewhere in the North West	44	89	257	390
Dumfries and Galloway	34	384	454	872
Northumberland	0	105	34	139
Newcastle	11	76	45	132
Elsewhere in the UK	97	400	731	1,229
Abroad	0	49	97	146
All working outside Carlisle District	786	2,199	4,716	7,701
Total	3,803	10,751	27,572	42,126

Source: Household Survey Data

**Figure 5.17 Location of employment by HMA (percentages)**

Location of employment	Rural West	Rural East	Carlisle Urban	DISTRICT
Rural West	<b>23.6%</b>	2.8%	4.8%	6.0%
Rural East	6.4%	<b>35.4%</b>	6.8%	14.1%
Carlisle Urban	49.4%	41.3%	<b>71.3%</b>	61.7%
All working in Carlisle District	79.3%	79.5%	82.9%	81.7%
Eden District	7.5%	4.1%	5.8%	5.5%
Copeland District	0.6%	1.2%	0.4%	0.6%
Allerdale District	4.5%	1.4%	2.2%	2.2%
Elsewhere in Cumbria	3.2%	3.5%	2.9%	3.1%
Elsewhere in the North West	1.2%	0.8%	0.9%	0.9%
Dumfries and Galloway	0.9%	3.6%	1.6%	2.1%
Northumberland	0.0%	1.0%	0.1%	0.3%
Newcastle	0.3%	0.7%	0.2%	0.3%
Elsewhere in the UK	2.6%	3.7%	2.7%	2.9%
Abroad	0.0%	0.5%	0.4%	0.3%
All working outside Carlisle District	20.7%	20.5%	17.1%	18.3%
Total	100.0%	100.0%	100.0%	100.0%

Source: Household Survey Data

## Policy Implications

- Since 2004 the number of people in Carlisle District in employment has risen slightly (by 1.6% from 2004 to 2010) – however, the number of people working in 2010 is below the figure estimated in 2007 (before the economic downturn). Generally, Carlisle appears to have followed national and regional trends as a result of the economic downturn with some data suggesting that employment rates have started to increase (having fallen since 2007).
- The changing demographic profile of Carlisle District in the future (the ageing population) may see a decline in the number of people living in the area who are of working age which will act as a barrier to long-term economic growth.
- In line with the regional and national position much of the employment in Carlisle is centred around public sector occupations and distribution, hotels and restaurants. Compared with national and regional figures the low proportion of people working in finance, IT and other business activities is notable. This latter point may also be reflected in the relatively low proportion of people qualified to degree level or above and also in lower wages. With projected changes in employment types usually being concentrated in higher grade occupations the issue of qualifications and skills may need to be considered as part of any economic growth strategy.
- In the short-term, there is potential for recent growth in unemployment to have contributed to levels of housing need (as identified in Section 8). Unemployment within the District is concentrated in the Carlisle Urban HMA.



## 6. The Current Housing Market

### Introduction

6.1 This section of the report studies the current housing market in the District – in particular in relation to the costs of different types and sizes of housing in different locations. Where possible trend information has also been provided. It is however important from the outset to recognise the fundamental changes to the housing market over the past three/four years or so and so the section begins with a brief description of the impact of the economic downturn on the housing market in Carlisle District.

### National Housing Market Downturn

6.2 Over the decade to 2007, housing demand grew strongly across the Country – supported by a period of sustained economic stability and growth, historically low interest rates and increased competition in the mortgage market (which led to growth in the range of mortgage deals available). Growth in housing supply was unable to keep pace with the growing demand, contributing to a period of sustained and strong price growth. Thus while house prices grew, access to home ownership also increased as a result of the low interest rates and availability of attractive mortgage products.

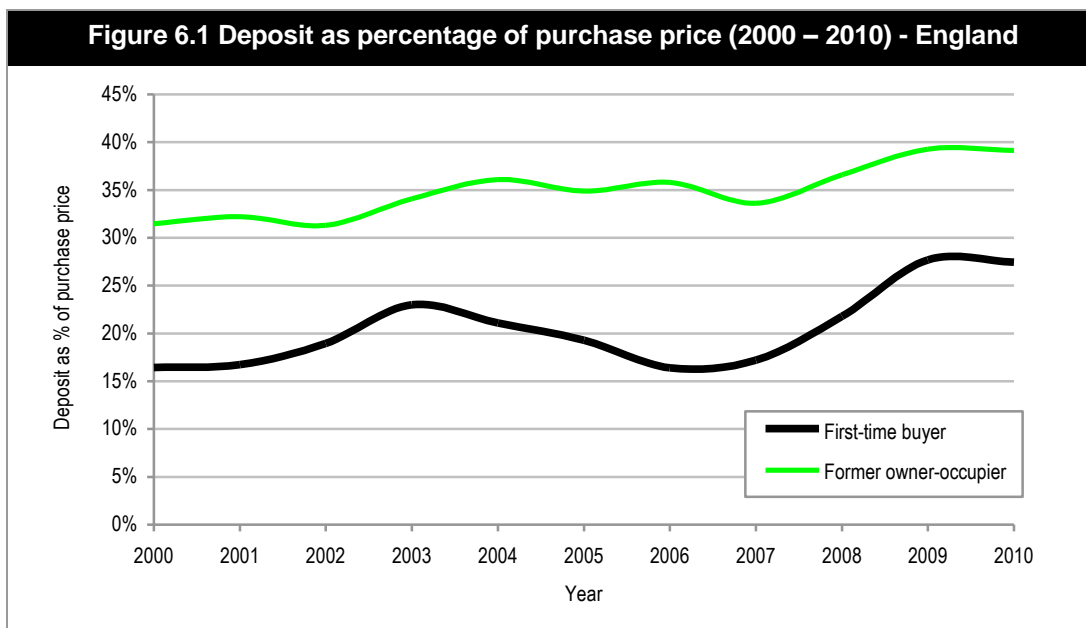
6.3 The sustained growth in house prices together with mortgage availability also supported growth in investment in the residential sector, and with it the size of the private rented sector. Against a context of a decline in the stock of social housing (as right-to-buys in particular outstripped new construction), the private rented sector played an increasing role in meeting housing need, supported by Housing Benefit.

6.4 Market conditions changed dramatically in 2007. Although many people had been expecting a crash in house prices for some time, due to the historical trend of this occurring after a period of fast house price growth, the market downturn was principally triggered by the realisation of the scale of the bad debt that banks. This caused banks to be much more cautious toward lending to one another and to their customers as there was a greater risk of not being repaid. It was this 'credit crunch' that precipitated a change in housing market conditions, rather than the affordability of housing in terms of price-earnings differentials.

6.5 The credit available for those potentially requiring a mortgage has fallen dramatically. In addition banks and building societies were more cautious in their lending practices to ensure they didn't create any further bad debts for themselves. This meant that the multiples of income that a mortgage was offered on were reduced and a greater proportion of the value of the home was required as a deposit.

6.6 Coupled with market and subsequent economic uncertainty, the change in lending criteria (and particular loan-to-value ratios available) have severely curtailed market activity and led to a substantial withdrawal of First Time Buyers (the lifeblood of the market) and other marginal groups from the housing market.

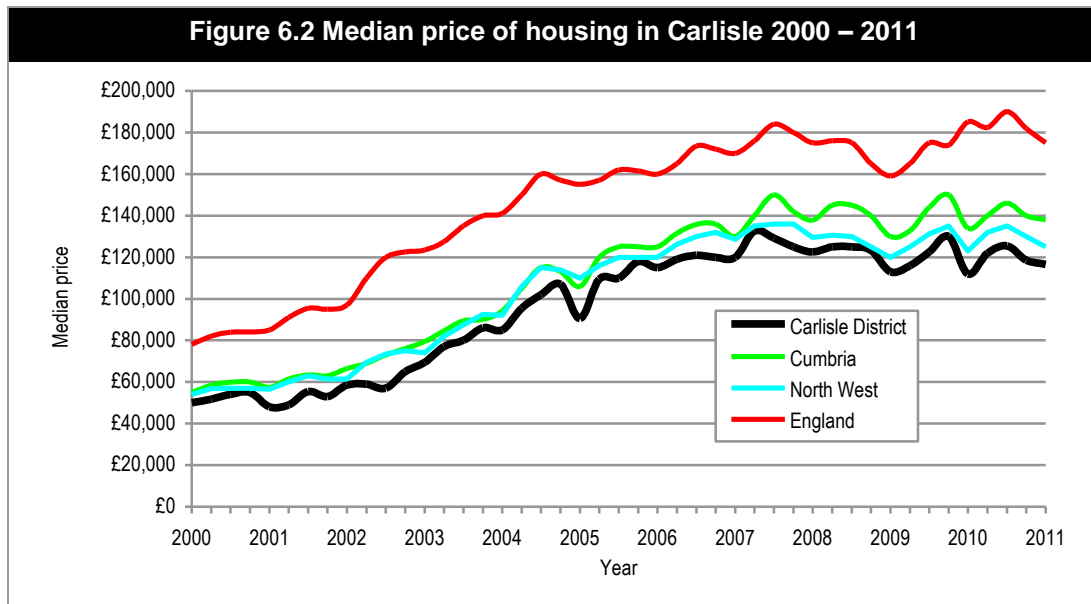
6.7 This trend can clearly be seen in the figure below showing deposit requirements for first-time buyers and former owner-occupiers. The key group of first-time buyers show that in 2006 the average deposit paid was around 16% of the purchase price; by 2009 this had risen to 28% with data for 2010 also showing a similar average deposit.



6.8 There has also been a notable reshaping of the dynamics between different segments of the housing market. Uncertainty coupled with restricted lending criteria have significantly restricted home purchases, but also impacted on the buy-to-let market. This has resulted in a growth in demand for private renting relative to supply.

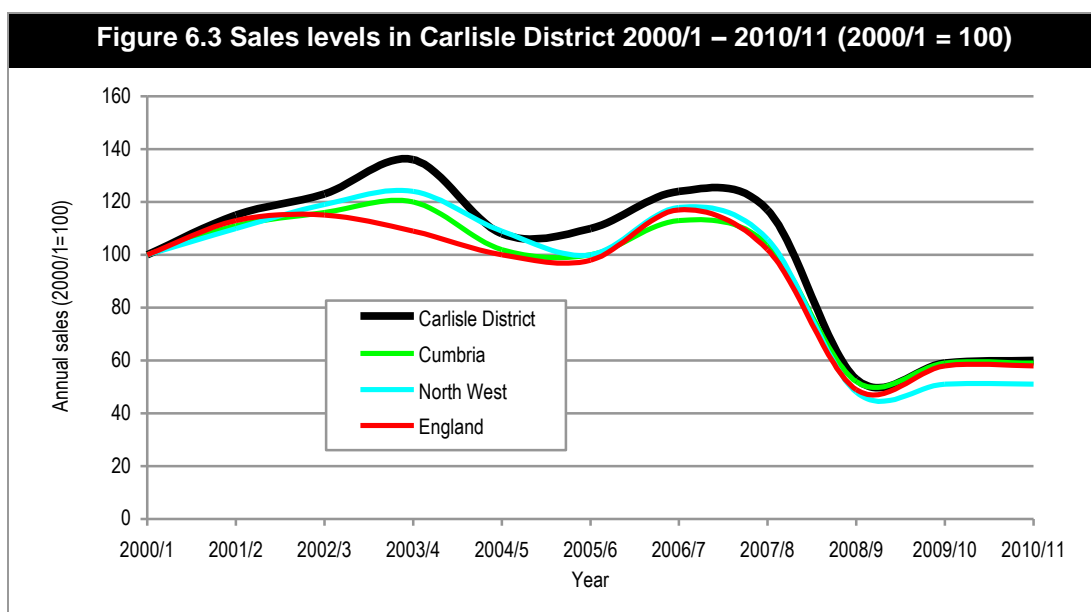
### Local Price Trends

6.9 We can also look at price trends at a more local level – the figure below shows the average (median) price paid for a home from the 1<sup>st</sup> quarter of 2000 to the 1<sup>st</sup> quarter of 2011. The data for Carlisle fairly closely mirrors the experience found nationally with the average price peaking in the 2<sup>nd</sup> quarter of 2007 at £132,500; since then prices have generally dropped and reached a low of £112,000 in the 1<sup>st</sup> quarter of 2010. Data for the 1<sup>st</sup> quarter of 2011 shows a decrease in prices for all areas. By the 1<sup>st</sup> quarter of 2011 the average price in Carlisle District was recorded at £116,500 – 12% below the highest figure shown for any previous quarter.



## Numbers of Sales

6.10 Analysis has also been carried out for sales volumes and this is presented in the figure below. Due to seasonal variations in sales levels the data is taken for whole 12-month periods running from Q2 to Q1 of the following year with a base of 100 taken for 2000/1. Transactions levels (sales) reflect the relative buoyancy of the market and provide an indicative of effective demand for market housing. The data again shows that local trends closely mirror those experienced nationally with the lowest number of sales being made in 2008 with a slight recovery since then. For Carlisle District the data suggests that between 2008 and 2010 the volumes of sales recorded were around 40% lower than in 2000 and about half the average figure for the period 2001 to 2006.



- 6.11 **Effective demand for market housing is thus broadly currently around 40-50% below normal market conditions.** This principally reflects mortgage finance constraints, and is having a knock-on effect on demand for rented tenures.

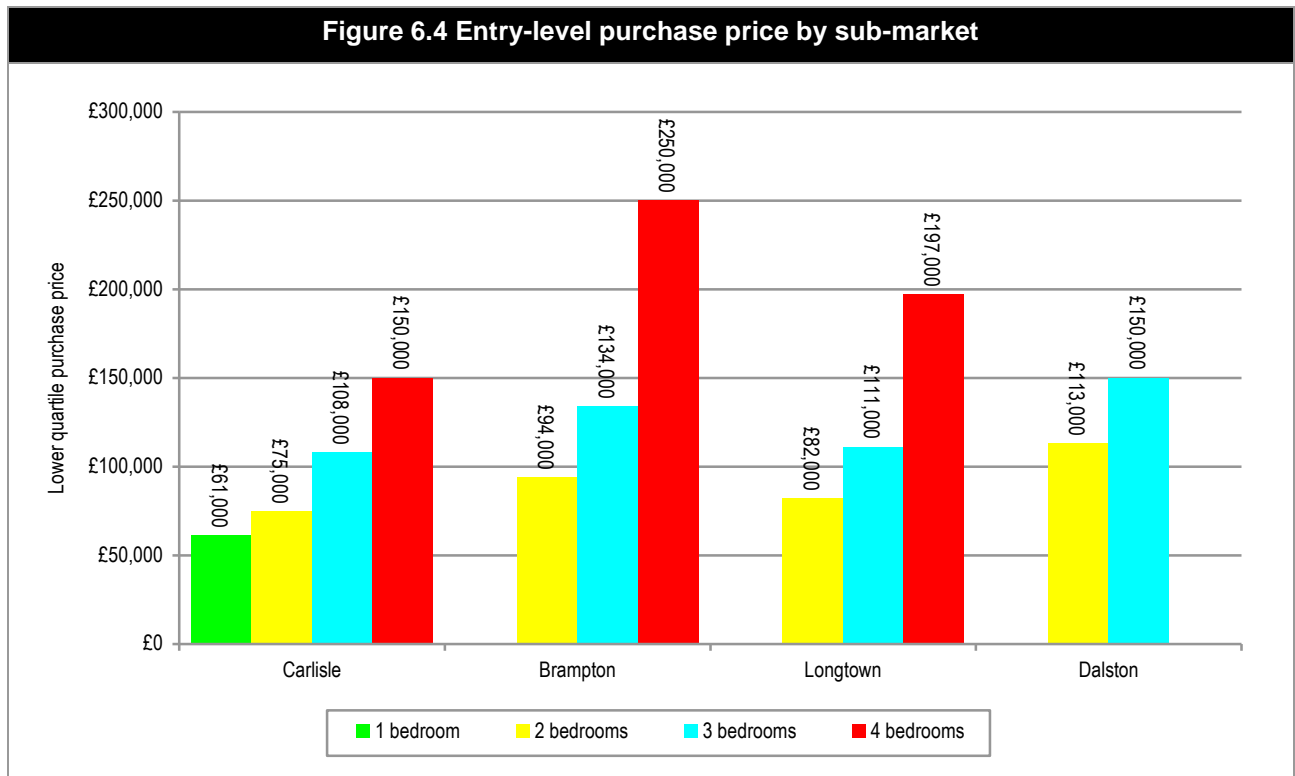
### **Entry-level housing costs and housing sub-markets**

- 6.12 To fully understand the affordability of housing within a price market it is necessary to collect data on the cost of housing by number of bedrooms. This ensures that it is possible to assess the ability of households to afford market housing of the size required by that particular household as determined by the bedroom standard. As part of this study we have therefore undertaken a price survey to assess the current cost of housing in key locations in the Council area. This has involved establishing the entry-level cost of housing by number of bedrooms in a range of areas based on lower quartile figures.

#### ***Entry-level prices***

- 6.13 Entry-level property prices and rental costs by number of bedrooms were obtained in each sub-market via an online search of properties advertised for sale during April 2011. In accordance with the Practice Guidance, entry-level prices are based on lower quartile prices. Costs have been adjusted to take account of sales prices compared with asking prices based on information from Hometrack – across the District it was estimated that on average properties achieve around 94% of their asking price.
- 6.14 The entry-level price for owner-occupied property across the sub-markets is presented in the figure below. The data indicates that prices in the main urban area of Carlisle are lowest with an estimated lower quartile one bedroom price of around £61,000; this figure rises to £150,000 for a four bedroom home. In the rural HMAs there was not a sufficient supply of one bedroom homes to make an assessment of lower quartile prices whilst at the time of the survey there was also a lack of four bedroom homes in the Dalston area to allow for a figure to be provided. The data does however suggest that prices are highest in Dalston followed by Brampton with figures for Longtown being lowest (but still above those obtained for Carlisle).





Source: Online Estate and Letting Agents Survey (April 2011)

### Entry-level private rents

- 6.15 The entry-level cost for private rented accommodation is presented in the table below. The internet search only provided reliable information for the main urban area of Carlisle and so the figure presented represent this area. Although earlier analysis has suggested that the two rural HMAs have a similarly sized (in proportional terms) private rented sector than Carlisle Urban, this is not reflected in advertised lettings. In any case, it is typical to find less variation in rents between different areas than for prices.
- 6.16 In addition to rental costs from our internet survey we have looked at the maximum amount of Local Housing Allowance (LHA) payable on different sized properties in the City Council area. Maximum LHA payments are based on estimates of rents at the 30<sup>th</sup> centile and should therefore be roughly comparable with our estimates of lower quartile costs. The vast majority of the District is in the North Cumbria Broad Rental Market Area (BRMA) and so it is the rental costs for this area used although it should be noted that a very small part of the District is within the Tyneside BRMA.
- 6.17 The data suggests quite a lot of consistency between the two sources with rents starting from about £325-£350 per month for a one bedroom home and rising to around £600 for four bedrooms.

**Figure 6.5 Monthly private rent levels in Carlisle District**

Size	Internet Survey	LHA maximum
1 bedroom	£325	£350
2 bedrooms	£400	£410
3 bedrooms	£475	£480
4 bedrooms	£600	£595

Source: Online Estate and Letting Agents Survey (April 2011) and VOA data (April 2011)

## Social rents

- 6.18 The cost of social rented accommodation by dwelling size in the sub-region can be obtained from Continuous Recording (CORE) which is a national information source on social rented lettings. The table below illustrates the rental cost of lettings of social rented properties by size in 2010. As can be seen the costs are generally well below those for private rented housing indicating a potential gap between the social rented and market sectors.
- 6.19 The figures presented are for lettings made to new tenants and not overall rent levels in the social rented sector (i.e. they do not include rents paid by tenants who did not move to their current home within the past year).

**Figure 6.6 Weekly average social rent levels in Carlisle District**

Size	Weekly rent
1 bedroom	£64
2 bedrooms	£70
3 bedrooms	£77
4 bedrooms	£84

Source: CORE data for 2010

## Gaps in the housing market

- 6.20 The table below estimates how current prices and rents for each size of accommodation might equate to income levels required to afford such housing. The figures are all based on prices/rents for the main urban area of Carlisle and clearly indicate a gap between the costs of 'entry-level' market housing and the social rented sector – demonstrating the potential for intermediate housing to meet some of the affordable need.

**Figure 6.7 Indicative income required to purchase/rent without additional subsidy**

Size	Entry-level purchase price	Entry-level private rent	Average RSL rent
1 bedroom	£17,400	£15,600	£13,300
2 bedrooms	£21,400	£19,200	£14,600
3 bedrooms	£30,900	£22,800	£16,000
4 bedrooms	£42,900	£28,800	£17,500

Source: Online Estate and Letting Agents Survey (April 2011) and CORE 2011.

Calculations based on 3.5x household income for purchase and 25% of income to be spent on housing for rented properties. Figures for purchase are based on a 100% mortgage for the purposes of comparing the different types of housing.

- 6.21 The table also clearly indicates greater gaps between the costs of different tenures for larger three and four bedroom properties.

### The private rented sector

- 6.22 The private rented sector is an important part of the housing spectrum in an area. In the British housing market it is not often a long-term choice but is an important transitional tenure. In many cases the private rented sector is a stage in the progress of a household moving into owner-occupation, but can also be a stage in the move of a household into social rented housing.
- 6.23 Continuous data from the English Housing Survey has revealed a considerable growth in the private rented sector across the country since 2001. This has particularly been driven by 'buy to let' mortgages. Nationally the private rented sector has grown from 2,062,000 households in 2001 to 3,355,000 in 2009/10 (a rise of 63%). Carlisle District shows about 12% of its households as private renters (5,817 households). This represents a rise of around 67% when compared with figures from the 2001 Census, which is in line with the national growth rate.
- 6.24 The relative dynamism of the private rented sector can be seen by comparing the turnover figures for the different tenures as is shown in the table below which shows the proportion of households moving to their current accommodation by tenure and size of accommodation over the past two years.
- 6.25 It can be seen that some 53% of households in the private rented sector have moved within the past two years compared to 8% of owner-occupiers and 17% of social tenants. Across all tenures the highest turnover rates are typically for smaller dwellings with a turnover rate for one bedroom homes being around three times the figure for four bedroom accommodation. The figures for one bedroom owner-occupied moves and four bedroom social rented moves are based on very small samples and so nothing should be read into the rather counter-intuitive results for these groups.

<b>Figure 6.8 Percent of households moving in past two years by tenure and size of dwelling</b>				
Number of bedrooms	Owner occupied	Social rented	Private rented	All households
1 bedroom	0.0%	26.9%	49.0%	29.6%
2 bedrooms	8.2%	14.4%	53.6%	17.1%
3 bedrooms	7.7%	6.9%	56.2%	11.6%
4+ bedrooms	8.3%	23.6%	46.6%	10.8%
<b>TOTAL</b>	<b>7.8%</b>	<b>16.5%</b>	<b>52.9%</b>	<b>14.7%</b>

Source: Household Survey Data

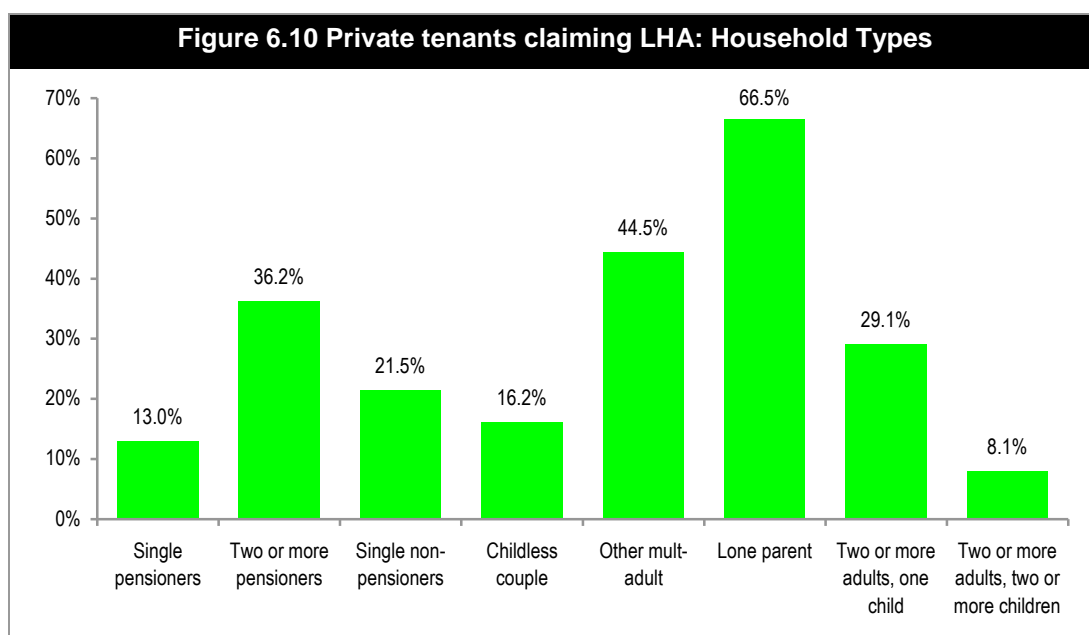
6.26 The private rented sector is split between those resident in the tenure who are claiming Local Housing Allowance (LHA) and others. The survey estimates that there are some 1,631 households in the private rented sector claiming LHA, and these households constitute 28% of all households in this tenure. The proportion of households in the private rented sector claiming LHA is slightly above the national average of 24% recorded in the English Housing Survey.

6.27 The table and figure below show the types of households resident in the two different parts of the private rented sector. The table shows that around a quarter of private rented households claiming LHA are lone parents and in total 39% contain children. Private renters not claiming LHA are dominated by childless couples (19.1%) and single non-pensioners (33.1%).

<b>Figure 6.9 Private Renters claiming LHA: Household Types</b>						
Household Type	LHA		No LHA		Total	
	H'holds	%	H'holds	%	H'holds	%
Single pensioners	32	2.0%	216	5.2%	248	4.3%
Two or more pensioners	78	4.8%	137	3.3%	215	3.7%
Single non-pensioners	380	23.3%	1,388	33.1%	1,768	30.4%
Childless couple	155	9.5%	800	19.1%	955	16.4%
Other multi-adult	353	21.7%	441	10.5%	795	13.7%
Lone parent	391	24.0%	197	4.7%	588	10.1%
Two or more adults, one child	195	11.9%	474	11.3%	669	11.5%
Two or more adults, two or more children	47	2.9%	533	12.7%	580	10.0%
<b>Total</b>	<b>1,631</b>	<b>100.0%</b>	<b>4,186</b>	<b>100.0%</b>	<b>5,817</b>	<b>100.0%</b>

Source: Household Survey Data

6.28 The figure below shows that lone parent households in the private rented sector are more likely to be claiming LHA than not claiming – some 66.5% of lone parents in this sector are claiming LHA. Other multiple adult households (e.g. those sharing accommodation) show the next highest proportion (44.5%).



Source: Household Survey Data

6.29 The table shows the turnover in the private rented sector. The turnover for the private rented sector claiming LHA is slightly higher than the non LHA households. Overall it is estimated that 56.7% of LHA claimants in the private rented sector have moved in the past two years, this compares with 51.5% of non-benefit tenants.

**Figure 6.11 Turnover of private tenants by whether or not claiming LHA**

	LHA	No LHA	Total
Number moving in past two years	925	2,154	3,079
Number of households	1,631	4,186	5,817
% moved in last two years	56.7%	51.5%	52.9%

Source: Household Survey Data

6.30 The next table shows the previous tenure of private tenants. As can be seen, overall for both LHA claimants and non claimants the vast majority of households are either newly formed or have moved from another private rented property. Generally those claiming LHA are considerably more likely to have moved from a social rented home. Very few households have moved to the private rented sector from owner-occupied homes over the past two years.

**Figure 6.12 Private tenants claiming LHA: Previous tenure, those moved in last two years**

Previous tenure	LHA		No LHA		Total	
	H'holds	%	H'holds	%	H'holds	%
Owner occupied	62	6.7%	362	16.8%	424	13.8%
Social Rented	275	29.7%	177	8.2%	452	14.7%
Private Rented	335	36.2%	1,064	49.4%	1,399	45.4%
Newly forming	253	27.3%	552	25.6%	805	26.1%
<b>Total</b>	<b>925</b>	<b>100.0%</b>	<b>2,154</b>	<b>100.0%</b>	<b>3,079</b>	<b>100.0%</b>

Source: Household Survey Data

## Policy Implications

- We have seen a fundamental shift in housing market conditions since 2007 driven by banks' more cautious approaches to lending. First-time buyers, the lifeblood of the housing market, now require at least a 10% deposit – and this has significantly restricted their numbers. Over the last two years 1,134 first-time buyers have bought homes in the District.
- Effective market demand has declined; with sales evidence suggesting it was 40%-50% down in 2010 on normal market conditions. This is driven by availability of mortgages, with no sign that this is likely to improve in the short-term. It is resulting in a displacement of demand towards the rented tenures.
- The critical constrain for many young households are levels of savings; for competitive mortgages at least a 10% deposit is required, which many young households do not have. The average deposit of recent first-time buyers in Carlisle District over the last two years is around 15%. Many first-time buyers as a result are relying on 'the bank of mum and dad.' While public sector programmes could potential contribute to addressing this, the financial implications need to be carefully considered. The Council might consider initiatives such as the Local Authority-backed Mortgage Scheme, whereby first-time buyers need to find a 5% deposit and the Council indemnifies the lender against potential future losses (providing financial assess to fund up to 20% of the mortgage).
- Demand signals (in terms of prices) highlight weak relative demand in Carlisle District relative to other parts of the region. House prices on average are 7% below the regional average and 16% below figures for the whole of Cumbria.
- After showing signs of recovery the latest Land Registry data suggests that house prices have started to fall again. Relative prices are strongest in the Rural Areas, indicating stronger relative demand, and weaker in urban Carlisle.

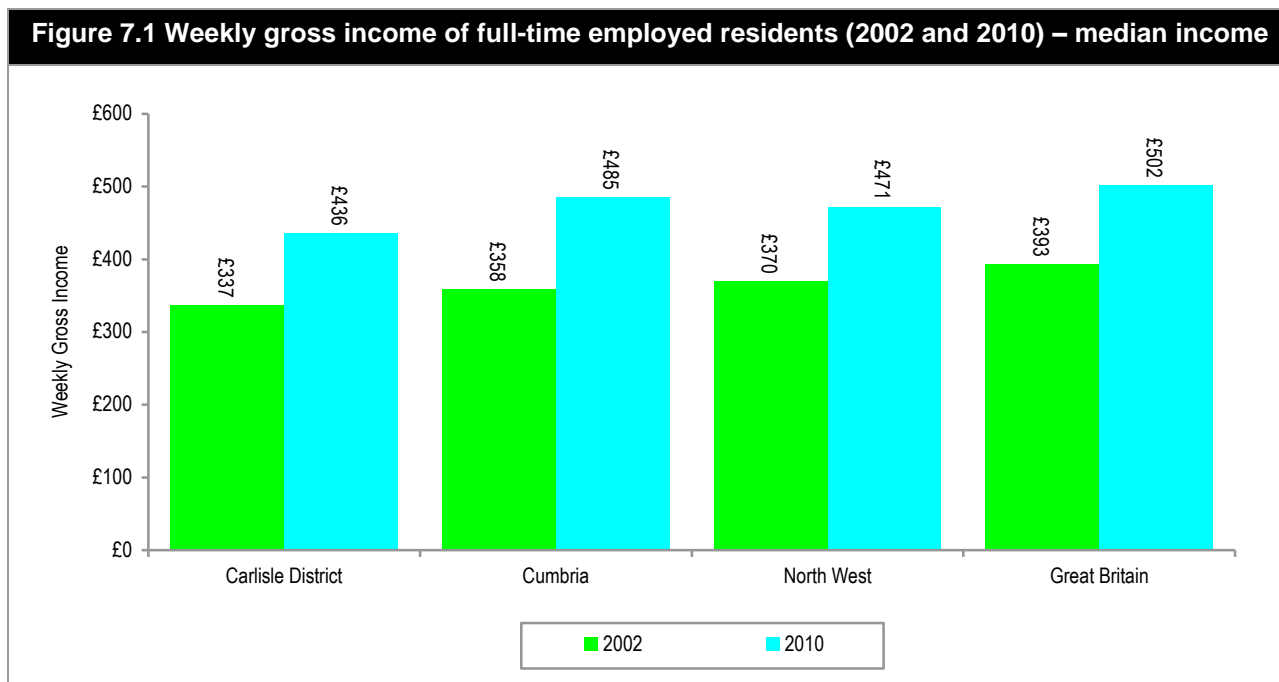
## 7. Incomes and Affordability

### Introduction

- 7.1 Assessing the affordability of market housing in an area is crucial to understanding the sustainability of the housing market. Poor affordability can result in the loss of employees from an area, an increase in poverty and a high number of households requiring assistance with their housing either via a social rented property or through Housing Benefit (Local Housing Allowance). This can also result in a loss of mix and balance in the population within the area.
- 7.2 This section initially looks at secondary data about local income levels and also uses CLG information about price:income ratios to put affordability in Carlisle District into a national context. This is then followed by a detailed analysis of survey data relating to a range of financial information (including income, savings and equity) which is used to provide a local level estimate of affordability based on the prices and rents discussed in the previous section.

### Income (secondary data)

- 7.3 Income has a crucial affect on the level of choice a household has when determining their future accommodation. The figure below shows the median annual income of people in full-time employment from the Annual Survey of Hours and Earnings (ASHE) for 2002 and 2010. The figure shows that in all areas income levels are noticeably higher in 2010 than 2002.
- 7.4 For both 2002 and 2010 Carlisle District shows lower average incomes than all of Cumbria, the North West and Great Britain. In 2002 the average income in Carlisle District was 86% of the national average with virtually the same figure (87%) being shown in 2010.

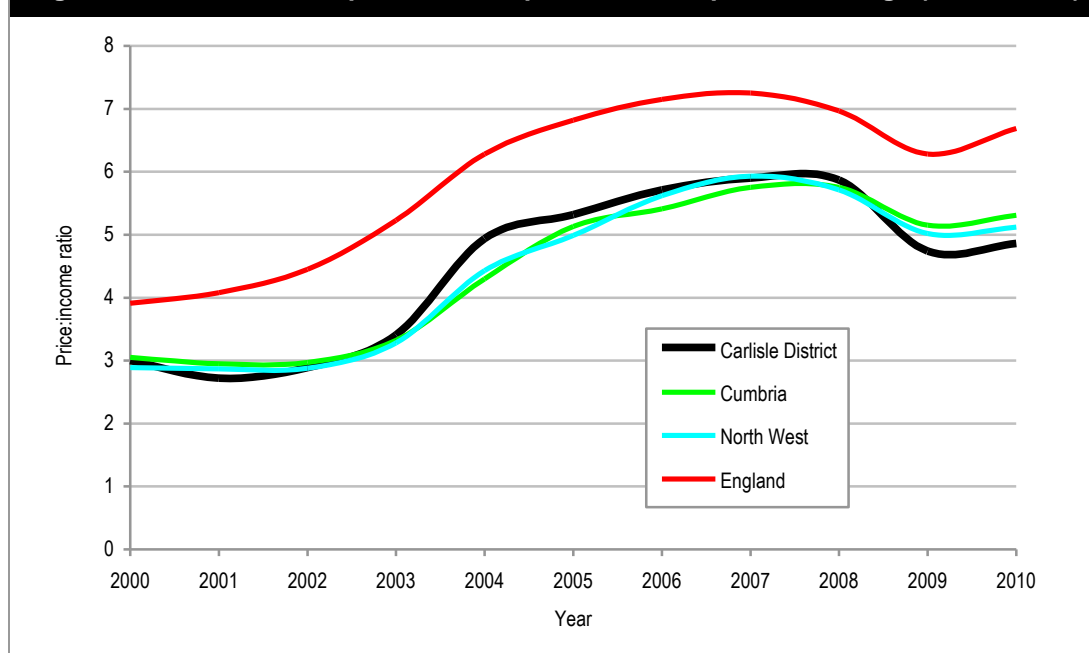


Source: Annual Survey of Hours and Earnings – from NOMIS website

**Price: income ratios**

- 7.5 The figure below shows the ratio of lower quartile house prices to lower quartile earnings for Carlisle and selected other areas. The data has been taken from the Live Tables section of the CLG website – the website also has price to income ratios for median prices and incomes although below we have only reproduced the data for lower quartile. This is because the lower quartile data will provide a better indication of affordability issues.
- 7.6 The data shows that price income ratios saw a sharp rise from 2003 to 2004 and continued to rise until 2008. There was then a sharp drop to 2009 with the ratio levelling off to 2010. These trends are consistent for each of Carlisle District, Cumbria, the North West and England although it is notable that ratios for England are higher than for any other area throughout the period studied.
- 7.7 Concentrating on Carlisle District we see that at the start of the period studied (2000) the price to income ratio stood at around 3.0. By 2008, this had doubled to around 6.0 before dropping off to 4.7 in 2009 (the figure for 2010 is slightly higher at 4.9).
- 7.8 Whilst the price to income ratio has eased since 2008 it still remains higher than historical figures and with the average income still being around five times incomes the data does suggest that many households are likely to have difficulty in accessing the owner-occupied market. The price to income ratio coupled with difficult lending conditions are likely to mean that affordability issues have not eased significantly due to falling house prices.

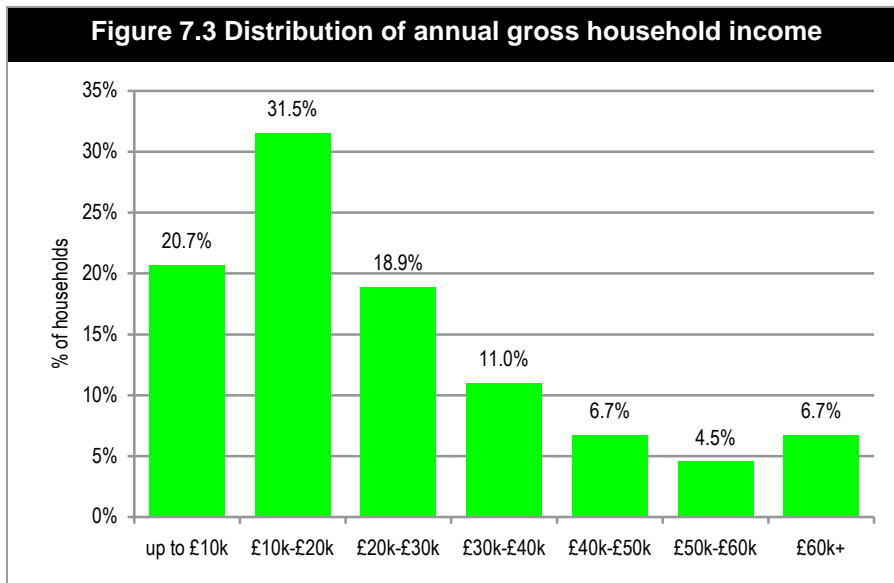


**Figure 7.2 Ratio of lower quartile house price to lower quartile earnings (2000 – 2010)**

Source: CLG Live Tables

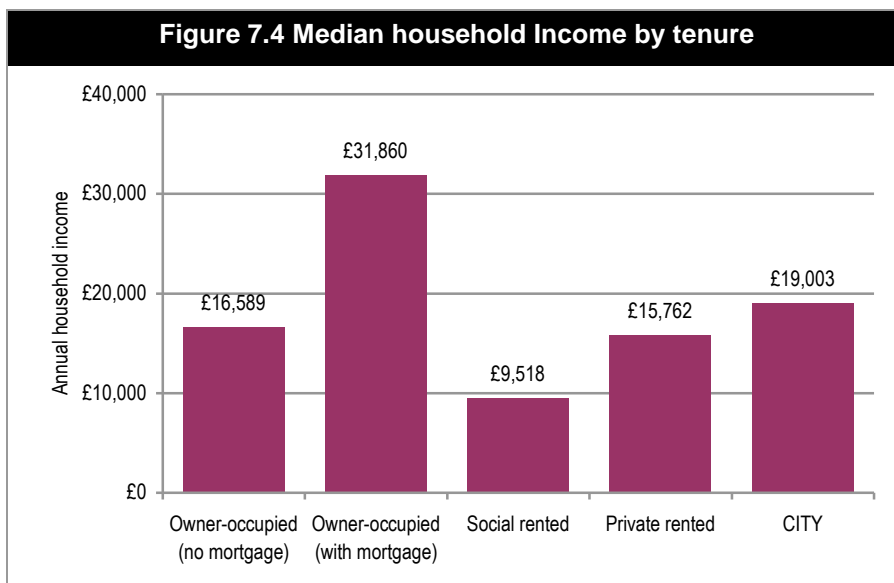
### Household income –survey data

- 7.9 Survey results for household income estimate the average mean gross household income level to be £24,744 per annum in Carlisle District, including households without any members in employment. The median income is noticeably lower than the mean, at £19,003 per annum.
- 7.10 The figure below shows the distribution of income in the District. It is clear that there are a significant range of incomes, with over half of households having an income of less than £20,000, and around 11% an income in excess of £50,000. Around half (47.6%) of households with incomes of less than £20,000 have a retired household reference person (HRP). Households where the HRP is in employment have a median income of around £27,800.



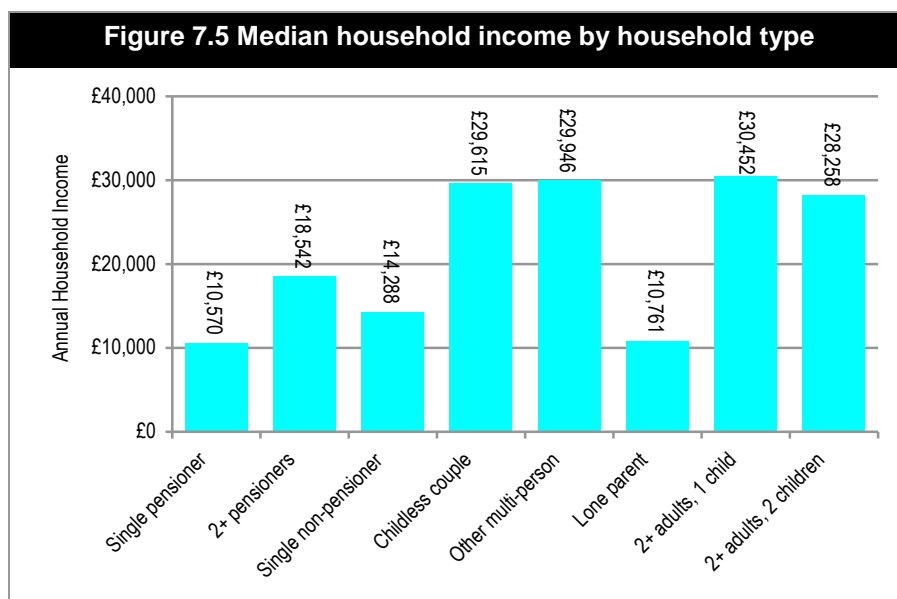
Source: Household Survey Data

7.11 As can be seen below, the income of households varies greatly by tenure, with those in rented accommodation, particularly social rented accommodation, having much lower average incomes. The incomes of outright owners are significantly lower than for those with a mortgage reflecting the high number of people who are retired living in this tenure.



Source: Household Survey Data

7.12 The chart below shows how households containing two adults have higher average incomes, while single pensioners and lone parents have much lower incomes.



Source: Household Survey Data

7.13 Finally we can look at how average household incomes vary by HMA – this is shown in the table below. The table shows that there are considerable differences between households in different parts of the District with average incomes varying from £16,809 in Carlisle Urban to £26,037 in Rural West.

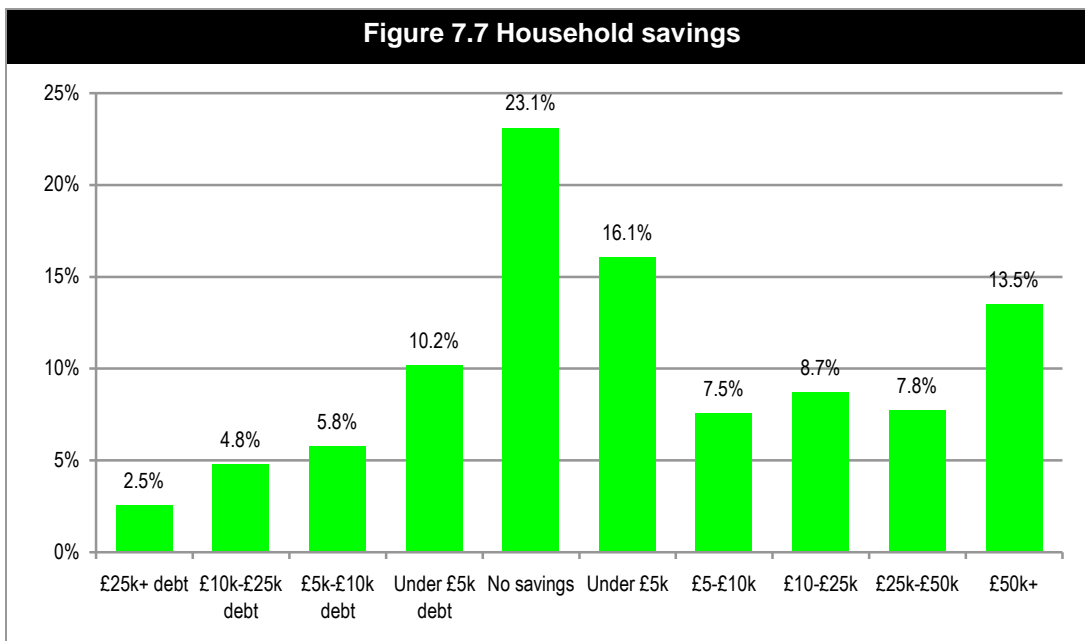
**Figure 7.6 Average income by HMA**

HMA	Median income
Rural West	£26,037
Rural East	£23,347
Carlisle Urban	£16,809
District	£19,003

Source: Household Survey Data

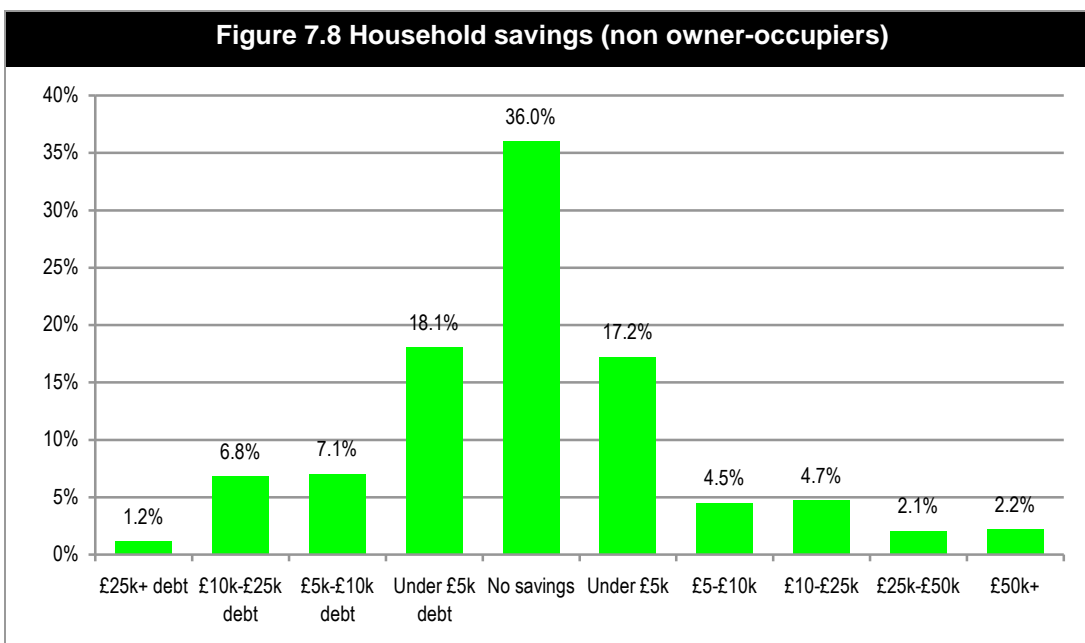
### Household savings/debt and equity

7.14 Households were also asked to indicate levels of savings and debt (excluding mortgage debt). The average (mean) household has £9,065 in savings (median of £1,142) – these figures include levels of both savings and debt. The figure below shows the distribution of savings in the District. An estimated 23.3% of households indicated that they were in debt with a further 23.1% having no savings. At the other end of the scale it is estimated that 13.5% of households have savings of £50,000 or more.



Source: Household Survey Data

7.15 Analysis has also been carried out to look at the level of savings for owner and non-owners separately with the figure below showing the distribution of savings for non-owners. Key things to arise from this analysis are the far higher proportion of non-owners in debt (33.2% compared with 19.5% of owners and 23.3% of all households) and the very low proportions with any reasonable level of savings (over £5,000) – only 13.5% of non-owners have more than £5,000 of savings compared with 46.6% of owners and 37.5% of all households.



Source: Household Survey Data

- 7.16 The survey also collected information about the amount of equity owner-occupiers have in their property. For both owner-occupier groups together (with and without mortgages) the average (mean) amount of equity was estimated to be £110,137, with a median of £103,652. It is estimated that 2.3% of owner-occupiers (794 households) are in negative equity.
- 7.17 In addition to the information collected about income, savings and equity the survey form asked households whether they had and the amount of any other financial resources which could be used towards a deposit on a property. The vast majority (91.2%) of households stated that they had no further access to financial resources other than those already analysed.

### **Households overall financial situation**

- 7.18 An important part of the HNDS is an assessment of the financial situation of households, as there is no comprehensive (secondary) source for such data. Data was therefore collected in the household survey on a range of financial information (including incomes, savings and equity). The latter combination of statistics is essential to assess the ability of households to afford housing.
- 7.19 For illustrative purposes the income of a household is multiplied by three to represent an approximate amount of mortgage advance that an average household might secure (nationally this figure varies over time but is typically of this order). The three times multiple is different from that used in the case by case assessment of affordability from household data (which uses 3.5) as the affordability tests applied to households are designed to assess the maximum amount of money accessible (rather than just looking at a broad average).
- 7.20 The following table provides the median financial situation by tenure. The table shows for owners without a mortgage (many of them retired) that the proportion of equity and savings in overall financial capacity is over three-quarters of financial capacity. For owners with mortgages the proportion of non-income elements of financial capacity falls to around a 40%. In the case of both rented tenures, there is a negligible savings figure and no owned equity. The private rented households have a higher financial capacity than social tenants due to higher average incomes. It is clear that there is a substantial difference between the financial capacity of existing owner occupiers, and other households.

**Figure 7.9 Median financial information by tenure**

Tenure	Median annual gross household income	Median savings	Median equity	Potential access to funds
Owner-occupied (no mortgage)	£16,589	£16,337	£143,155	£209,257
Owner-occupied (with mortgage)	£31,860	£388	£59,258	£155,227
Social rented	£9,518	£115	£0	£28,670
Private rented	£15,762	-£299	£0	£46,987
Average	£19,003	£1,166	£66,089	£124,263

Source: Household Survey Data

7.21 When compared with the price of entry level purchase housing which ,at the lowest end, is around £60,000 (for a one bedroom flat), it is clear that a large majority of renting households will be unable to access full scale equity ownership. Of course within the broad private renting group in particular there will be households on much higher incomes who can consider purchase.

### The affordability of housing in Carlisle District

7.22 The information presented so far in this section has considered the median values of the various financial data for households within a range of groups of the population. Variations exist within these household groups and the primary survey dataset contains an estimate of the overall financial capacity of each household in the study area. This information can be used to examine the ability of households to afford housing locally taking into account the full range of financial resources available to them, rather than just income as is used in the standard affordability ratios. The affordability criteria used can be summarised as:

*Assessing whether a household can afford home ownership - A household is considered able to afford to buy a home if the residual cost is no more than 3.5 times the gross household income. The residual cost is calculated by deducting any capital that is available for use towards home ownership (e.g. savings or equity) from the overall cost of the home.*

*Assessing whether a household can afford market renting - A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than 25% of gross income.*

7.23 The affordability criteria broadly follows the CLG Practice Guidance, it differs only in that the practice guidance suggests that a dual-income household should have a lower income multiple (at 2.9 times gross income) than a single earner household.

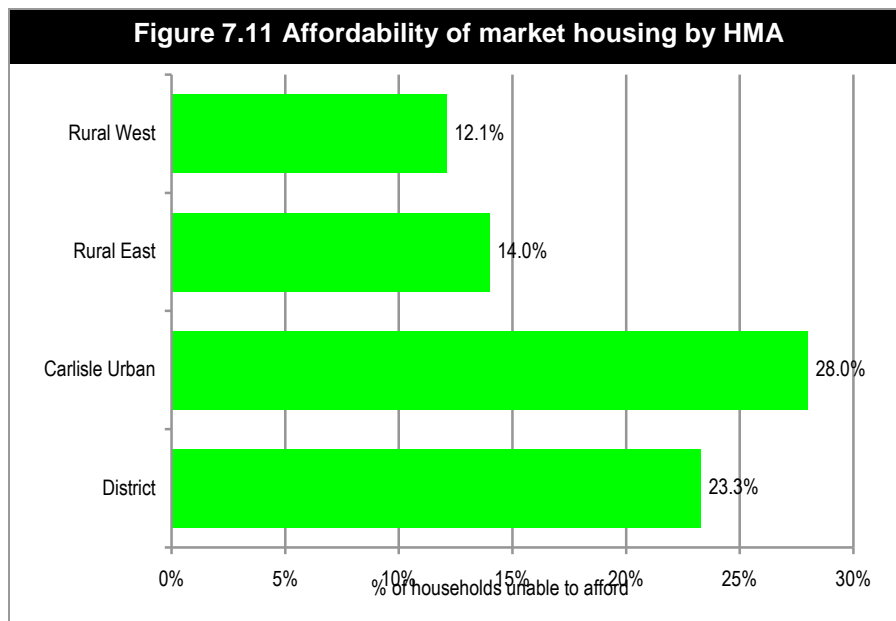
- 7.24 This test means that it is possible to distinguish whether a household would be able to afford either form of market housing (to buy or privately rent) or whether they would require affordable accommodation based on these income multiples.
- 7.25 The table below shows the current affordability of market housing by household type. This is the theoretical affordability of households as the analysis considers all households in the District and does not take into account their intention of moving.
- 7.26 The table shows that overall just under a quarter of households in the District are unable to afford market housing without the need for some form of subsidy. Within this we see that 72.8% of lone parent households are unable to afford market housing compared with less than 10% of larger pensioner households and around 10% of childless couples.

**Figure 7.10 Affordability and household type**

Household type	Affordability		
	Unable to afford market housing	Number of households	% of households unable to afford
Single pensioners	2,852	9,776	29.2%
2 or more pensioners	327	4,738	6.9%
Single non-pensioners	2,938	8,046	36.5%
Childless couple	750	7,413	10.1%
Other multi-adult	1,183	6,996	16.9%
Lone parent	1,158	1,591	72.8%
2+ adults 1 child	945	4,487	21.1%
2+ adults 2+ children	930	4,574	20.3%
Total	11,082	47,619	23.3%

Source: Household Survey Data

- 7.27 The figure below shows affordability by HMA. Given previous information about income levels the general pattern of affordability is as might be expected with households in Carlisle Urban being considerably less likely to be able to afford market housing than households in any other area. Households in Rural West appear most likely to be able to afford.



Source: Household Survey Data

## Policy Implications

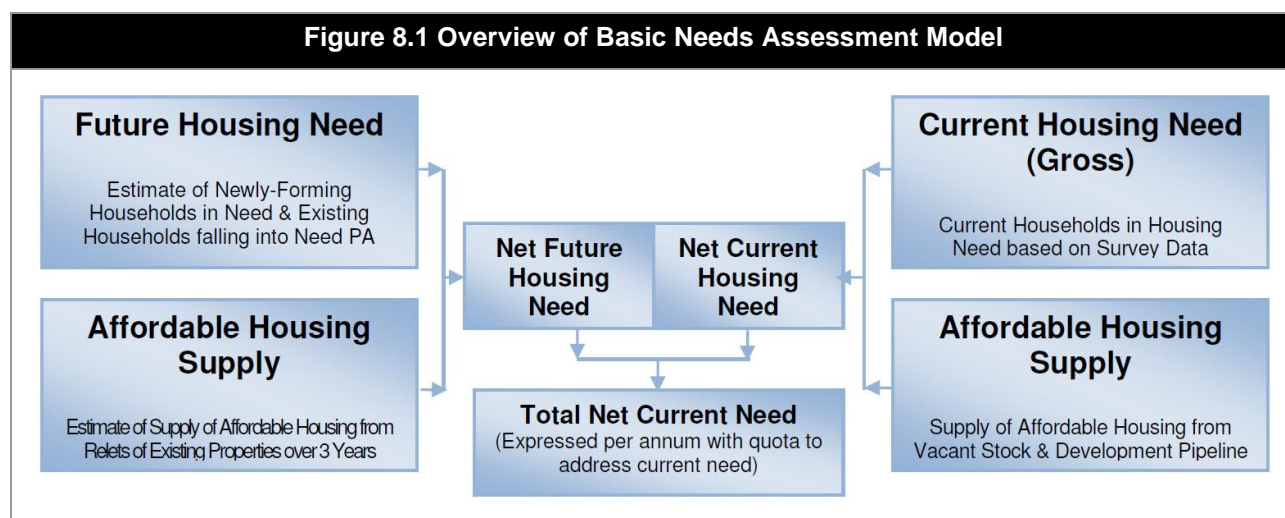
- Entry-level house prices in Carlisle District are five times lower quartile incomes, however this ratio has not grown since 2005.
- Within the District, incomes vary notably by age, household type, tenure and geography. Incomes are lowest in the Carlisle Urban HMA and are highest in the Rural West area.
- For house purchase, levels of savings are a key constraint to obtaining mortgage finance. For those households who are not current home owners, 33.2% are in debt, 36% have no savings and just 13.5% have savings of more than £5,000. Savings are a key constraint for young households looking to buy their first home.
- As a result there is a risk that over the next decade, a dichotomy will develop in the housing market between those with equity in existing homes, and the non home-owners, who will have limited ability (without recourse to financial support from relatives) to get on the housing ladder. The ability of young households to buy would principally be improved by an increase in the loan-to-value ratios accepted by banks and building societies.
- 23% of all households cannot afford market housing within Carlisle District without subsidy. Levels vary considerably by area with 28% of households in Carlisle Urban being unable to afford compared with 12%-14% in the two rural HMAs.



## 8. Housing Need

### Introduction

- 8.1 A key element of this report is an assessment of both current and future affordable housing need. There are a number of definitions which are central to making estimates of need (such as definitions of housing need, affordability and affordable housing). All definitions used in this report are consistent with the CLG SHMA guidance of August 2007 and PPS3 (June 2011). It uses the Basic Needs Assessment Model.
- 8.2 An assessment of housing need is a statutory requirement to support affordable housing policies. Its purpose is to establish that the 'need' for affordable housing cannot be met by existing or planned supply, and hence that there is an additional requirement for affordable housing.
- 8.3 The calculation of housing need follows the 16 steps outlined in the Practice Guidance separated into three broad stages. Each of these stages will be calculated separately before the overall annual need for affordable housing is derived. In addition to determining the extent of housing need in the District this section will also ascertain the types of accommodation most appropriate to meet this need.



- 8.4 The housing needs modelling undertaken provides a 'snapshot' assessment of housing need with longer term estimates of likely requirements being provided through our Housing Market model (which looks at the impact of demographic change on requirements in both the affordable and market sectors). Each of the stages of the housing needs model calculation are discussed in more detail below.
- 8.5 This section begins with a brief review of secondary information about housing need (namely data about homelessness and the Housing Register).

## Secondary data - Homelessness and the Housing Register

- 8.6 The table below shows the number of homeless acceptances over the past six years. The data shows that there has been a decrease in the number of homeless acceptances over the past few years in Carlisle District and Cumbria. Regionally and nationally, homeless acceptances are also on a downward trend. For Carlisle District the number of homeless acceptances in 2004/5 is quite low with a notable increase in 2005/6 (possibly linked to flooding).
- 8.7 It is difficult to know what to read into these figures as they are somewhat variable and only represent a small fraction of the population. In addition, it is quite possible that the decrease in homelessness can be attributed to local authorities providing better preventative measures for potentially homeless households (as has been seen nationally). However, despite the emphasis remaining on prevention Carlisle District (and also Cumbria) saw acceptances increase in 2010/11.
- 8.8 Although the number of homeless acceptances only makes up a small fraction of all households in the District they will put pressure on the current affordable housing stock in the District.

**Figure 8.2 Number of homelessness acceptances (2004-2011)**

Area	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11
Carlisle District	109	325	233	206	156	107	134
Cumbria	791	918	708	707	497	390	416
North West	17,360	13,190	11,380	8,530	5,490	4,010	3,880
England	120,860	93,980	73,360	63,170	53,430	40,020	44,160

Source: CLG Homelessness statistics

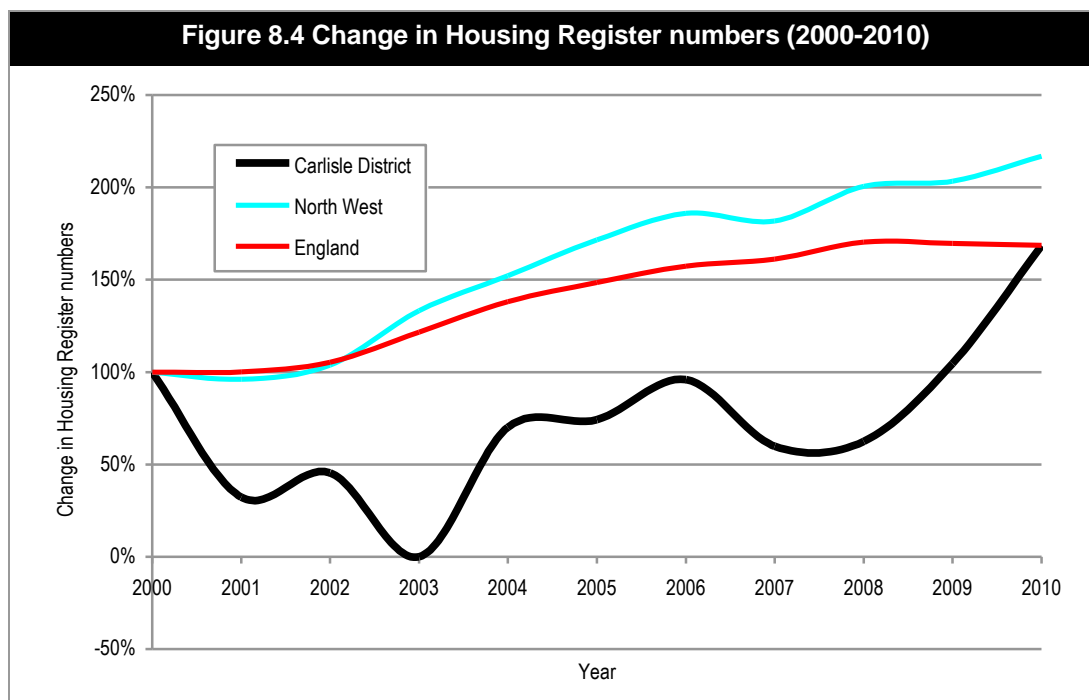
- 8.9 The table and figure below show the number of households on the Housing Register. The data shows that the number of households on the Housing Register has been quite variable over time. Between 2000 and 2010 the data suggests an increase in the number of households of 68.5% - this is lower than the-regional increase and virtually the same as the change seen for the whole of England.
- 8.10 Given the variability of the Housing Register data it is clear that this source alone cannot provide an accurate measure of the need for affordable housing; it does however give an indication that at any point in time there is a significant demand for social housing in the District.

**Figure 8.3 Number of households on Housing Register (2000-2010)**

Year	Carlisle District	North West	England
2000	4,147	116,937	1,038,720
2001	1,337	112,405	1,039,265
2002	1,882	121,213	1,093,342
2003	0	155,702	1,263,550
2004	2,907	177,836	1,434,031
2005	3,080	200,600	1,543,337
2006	3,976	217,397	1,634,301
2007	2,480	212,597	1,674,421
2008	2,587	234,559	1,770,116
2009	4,336	237,847	1,763,140
2010	6,987	253,521	1,751,982
% change 2000-2010	68.5%	116.8%	68.7%

Source: HSSA data 2000-2010

8.11 The figure below shows the above figures standardised to a 2000 base. The figure emphasises the variation that occurs on a year by year basis at the local level.

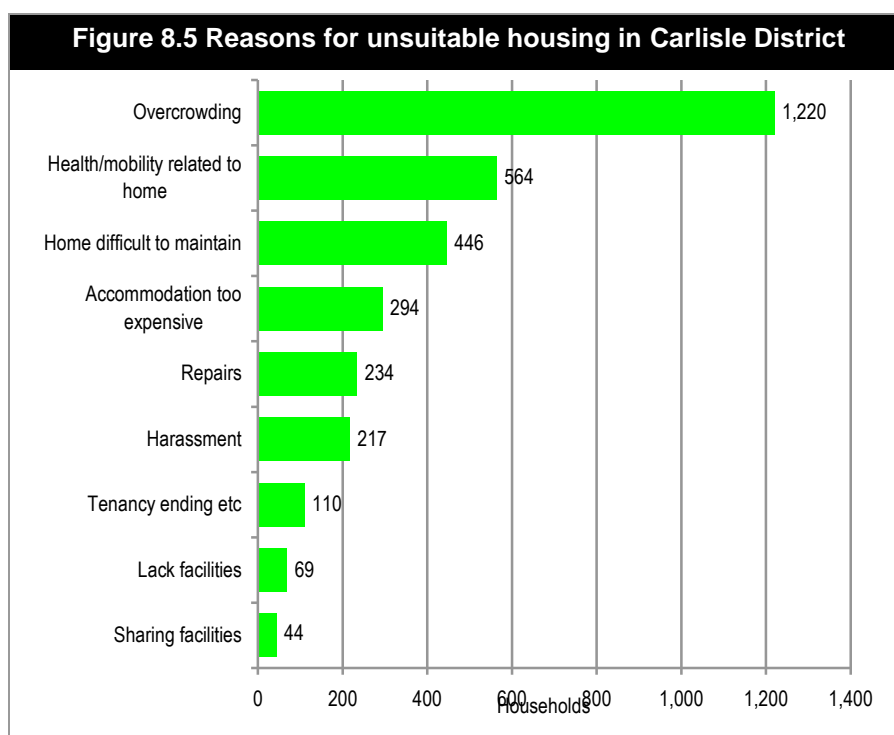
**Figure 8.4 Change in Housing Register numbers (2000-2010)**

Source: HSSA data 2005-2010

8.12 A new county-wide choice-based lettings scheme, Cumbria Choice, was implemented in Spring 2011. This provides a single integrated housing register across different housing providers, reducing duplication. As of Autumn 2011, there were 3,349 households on the Cumbria Choice Housing Register who had a local connection to Carlisle.

## Current need

- 8.13 The first stage of the model assesses current need (sometimes termed the ‘backlog’ of housing need). This begins with an assessment of housing suitability and affordability and also considers homeless households before arriving at a total current need estimate (gross).
- 8.14 A key element of housing need is an assessment of the suitability of a household’s current housing. The Practice Guidance sets out a series of nine criteria for unsuitable housing - which has been followed in this report. These are set out in the figure below. In the District it is estimated that a total of 2,571 households are living in unsuitable housing (this represents 5.4% of all households in the District).
- 8.15 The figure below indicates the number of households living in unsuitable housing (ordered by the number of households in each category). It should be noted that the overall total of reasons for unsuitable housing shown in the figure will usually be greater than the total number of households with unsuitability, as some households have more than one reason for unsuitability. The main reason for unsuitable housing is ‘overcrowding’ followed by health problems related to the condition/layout of the home.



Source: Household Survey Data

- 8.16 The tables below show unsuitable housing by tenure and also the figures for each of the three HMAs areas. The patterns emerging suggest that households living in social and private rented accommodation are the most likely to live in unsuitable housing whilst households in Carlisle Urban HMA are most likely to be living in unsuitable housing.

<b>Figure 8.6 Unsuitable housing and tenure</b>			
Tenure	Unsuitable housing		
	In unsuitable housing	Total households	% in unsuitable housing
Owner-occupied (no mortgage)	593	17,584	3.4%
Owner-occupied (with mortgage)	722	16,875	4.3%
Social rented	661	7,343	9.0%
Private rented	596	5,817	10.2%
<b>Total</b>	<b>2,571</b>	<b>47,619</b>	<b>5.4%</b>

Source: Household Survey Data

<b>Figure 8.7 Unsuitable housing by HMA</b>			
Area	Unsuitable housing		
	In unsuitable housing	Total households	% in unsuitable housing
Rural West	131	3,996	3.3%
Rural East	459	11,528	4.0%
Carlisle Urban	1,981	32,095	6.2%
<b>Total</b>	<b>2,571</b>	<b>47,619</b>	<b>5.4%</b>

Source: Household Survey Data

## In-situ solutions

8.17 Although the survey has highlighted a number of households as living in unsuitable housing it is most probable that some of these problems can be resolved without the need to move to alternative accommodation. For the purposes of this assessment it is assumed that households in the following categories DO NOT have an in-situ solution to their housing problems:

- End of tenancy
- Accommodation too expensive
- Overcrowding
- Sharing facilities
- Harassment

8.18 Looking at the reasons for unsuitability it is estimated that 66.8% of those unsuitably housed do not have an in-situ solution to their problems – this represents 1,719 households.

## Affordability and Current Tenure

- 8.19 The ability of these households to afford entry-level market housing of a suitable size was then tested using the affordability criteria set out in Section 7. The data suggests that there are 986 households that are living in unsuitable housing, need to move and cannot afford to do so.
- 8.20 The table below shows the tenure of these households. The results show that households in the private rented sector are most likely to be in need, followed by households living in social rented housing.

<b>Figure 8.8 Housing need and tenure</b>			
Tenure	Housing Need		
	In housing need	Total households	% in need
Owner-occupied (no mortgage)	38	17,584	0.2%
Owner-occupied (with mortgage)	213	16,875	1.3%
Social rented	400	7,343	5.4%
Private rented	318	5,817	5.5%
<b>Total</b>	<b>968</b>	<b>47,619</b>	<b>2.0%</b>

Source: Household Survey Data

- 8.21 For the purposes of the housing needs assessment, households considered to be in housing need have been split into two categories: current occupiers of affordable housing in need (this includes occupiers of social rented and shared ownership accommodation), and households from other tenures in need. It is estimated that some 421 households in need currently live in affordable housing (400 in the social rented sector and 21 living in shared ownership) - 547 fall in other tenures.

## Homelessness

- 8.22 The Housing Needs Assessment is a 'snapshot' that assesses housing need at a particular point in time. There will, in addition to the existing households in need, be some homeless households who were in need at the time of the assessment and should also be included within any calculation of backlog need. To assess the number of homeless households we have used information from the CLG's website about households living in temporary accommodation – this is shown in the table below.

Figure 8.9 Homeless households accommodated by authority	
Category	Households
<u>Bed and breakfast</u>	<u>9</u>
<u>Hostel</u>	<u>19</u>
Within social rented stock	0
Private sector accommodation	0
Other	0
Total	28

Source: CLG live tables (Table 784)

8.23 Not all of the categories in the above table are added to our assessment of current need. This is because, in theory, they will be part of the sample of existing households used for the main analysis of housing need. After considering the various categories, we have decided there are two which should be included as part of the homeless element. These have been underlined in the table above. Therefore of the homeless households identified in the CLG data, 28 shall be added to the estimate of current housing need.

### Total current need (gross)

8.24 The table below summarises the first stage of the overall assessment of housing need as set out by the CLG. The data shows that there are an estimated 996 households currently in need in the City Council area. This is often termed the 'backlog' of housing need.

Figure 8.10 Backlog of housing need		
Step	Notes	Number
1.1 Homeless households and those in temporary accommodation		28
1.2 Overcrowding and concealed households	Two steps taken	968
1.3 Other groups	together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	996

Source: Household Survey Data

8.25 This figure includes households currently housed in affordable housing (which are also counted in Step 3 as meeting their needs will release affordable housing units).

### Future need

8.26 In addition to the current needs there will be future need. This is split, as per CLG guidance, into two main categories. These are as follows:

- New household formation (× proportion unable to buy or rent in market)
- Existing households falling into need

8.27 Future need describes the level of housing need which can be expected to arise each year moving forward. There will need to be a flow of affordable housing to meet this need. Calculation of the future supply of affordable units follows this analysis; this consists of the annual supply of social re-lets and intermediate housing. The following sections deal with these points in detail.

**New household formation**

8.28 The estimate of the number of newly forming households in need of affordable housing is based on an assessment of households that have formed over the past two years. Such an approach is preferred to studying households’ stated future intentions as it provides more detailed information on the characteristics of these households contributing to this element of newly arising need. The table below shows details of the derivation of new household formation. The table begins by establishing the number of newly forming households over the past two years – an affordability test is then applied.

<b>Figure 8.11 Derivation of newly arising need from new household formation</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years		6,993
Minus households NOT forming in previous move	-5,435	1,557
Times proportion of these unable to afford		45.0%
Estimate of newly arising need		700
Annual estimate of newly arising need		350

Source: Household Survey Data

8.29 The table above shows that an estimated 1,557 households were newly formed within the District over the past two years (779 per annum). Of these it is estimated that 350 (per annum) are unable to afford market housing without some form of subsidy. This is 45% of newly-forming households based on the assessment of their financial resources. This represents the annual estimate of the number of newly forming households falling into housing need.

8.30 It is worth briefly reflecting on whether the estimated household formation rate (of 779 per annum) is realistic. Through an analysis of the CLG 2008-based household projections we have been able to derive an estimate of gross new household formation based on analysis of the number of households in each age group and how this will change over time. This analysis suggests that over the period 2011-2016 household formation would be expected to be around 938 per annum. This figure is higher than the one we have derived from survey data; however given demographic changes seen in Carlisle District since 2008 and a general national trend for lower formation rates (as evidence in the English Housing Survey) the survey based figure looks to be of the right order of magnitude.



### **Existing households falling into need**

- 8.31 This is an estimate of the number of existing households who will fall into housing need over the next two years (and then annualised). The basic information for this is households who have moved home within the last two years and an assessment of what housing they can afford. A household will fall into need if it has to move home and is unable to afford to do this within the private sector - examples of such a move will be because of the end of a tenancy agreement. A household unable to afford market rent prices but moving to private rented accommodation may have to either claim Housing Benefit/Local Housing Allowance or spend more than a quarter of their gross income on housing, which is considered unaffordable (or indeed a combination of both).
- 8.32 Households previously living with parents, relatives or friends are excluded as these will double-count with the newly forming households already considered in the previous table. The data also excludes moves within the affordable housing sector. Households falling into need in the affordable housing sector have their needs met through a transfer to another affordable home, hence releasing a unit for someone else in need. The number of households falling into need in the affordable housing sector should therefore, over a period of time, roughly equal the supply of 'transfers' and so the additional needs arising from within the affordable stock will be net zero. The table below shows the derivation of existing households falling into need.

<b>Figure 8.12 Derivation of Newly Arising Need from existing households</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	6,993	
Minus households forming in previous move	-1,557	5,435
Minus households transferring within affordable housing	-422	5,013
Times proportion of these unable to afford	36.4%	
Estimate of newly arising need	1,827	
Annual estimate of newly arising need	913	

Source: Household Survey Data

- 8.33 The table above shows that a total of 5,013 existing households are considered as potentially in need. Using the affordability test (set out in Section 7) it is estimated that 36.4% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 1,827 households over the two-year period. Annualised, this is 913 households per annum.

### **Total newly arising need**

- 8.34 The data from each of the above sources can now be drawn together in the table below to estimate future need arising on an annual basis. It indicates that additional need will arise from a total of 1,263 households per annum.

**Figure 8.13 Future need (per annum)**

Step	Notes	Number
2.1 New household formation (gross per year)		779
2.2 Proportion of new households unable to buy or rent in the market		45.0%
Number of new households unable to buy or rent in the market		350
2.3 Existing households falling into need		913
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	1,263

Source: Household Survey Data

## Current affordable housing supply

8.35 The supply of affordable housing to meet housing need comprises the third stage of the housing needs assessment model. The affordable housing supply stage is split between existing stock that is available to offset the current need and the likely future level of supply (which is compared against future needs arising). The first part of the supply assessment looks at the current supply of affordable housing which includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and committed supply of new affordable units. Units to be taken out of management are removed from the calculation.

### *Households currently occupying affordable housing*

8.36 Firstly, it is important when considering net need levels to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have an overall nil effect in terms of housing need. As stated previously, there are currently 421 households in need already living in affordable housing.

### *Surplus stock*

8.37 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The CLG Guidance (page 48) suggests that if the vacancy rate in the affordable stock is in excess of 3% then some of the vacant units should be considered as surplus stock which can be included within the supply to offset needs and allow for turnover of properties. Carlisle District records a vacancy rate well below 3%, and with a vacancy rate of 2.1% within the social sector. On this basis there is considered to be limited potential to reduce the backlog of housing need through reducing the vacancy rate.

### **Committed supply of new affordable units**

8.38 The CLG Guidance (page 48) recommends that this part of the assessment includes 'new social rented and intermediate housing which are committed to be built over the period of the assessment'. Carlisle City Council's Monitoring data indicates that a total of 569 affordable homes were in the development pipeline (i.e. with planning consent or a resolution to grant consent) as at April 2011, which includes 172 at Crindledyke.

### **Units to be taken out of management**

8.39 The Practice Guidance (page 48) states that this stage 'involves estimating the numbers of social rented or intermediate units that will be taken out of management'. The main component of this step will be properties which are expected to be demolished (or replacement schemes that lead to net losses of stock). At the time of reporting, the number of affordable dwellings expected to be 'taken out of management' in the future was zero, and this figure has been used in this step of the model.

### **Total available stock to offset need**

8.40 Having been through a number of detailed stages in order to assess the total available stock to offset need in the City we next bring together all pieces of data to complete this part of the needs assessment. The data (in the table below) shows that there are an estimated 730 properties available to offset the current need in the District.

<b>Figure 8.14 Current supply of affordable housing</b>		
Step	Notes	District
3.1 Affordable dwellings occupied by households in need		421
3.2 Surplus stock		0
3.3 Committed supply of affordable housing	See above	569
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3-3.4	990

Source: Household Survey Data and HSSA

### **Future supply of affordable housing**

8.41 The future supply of affordable housing is the flow of affordable housing arising from the existing stock that is available to meet future need. It is split between the annual supply of social relets and the annual supply of relets/sales within the intermediate sector.

## Social rented housing

8.42 The Practice Guidance suggests that the estimate of likely future relets from the social rented stock should be based on past trend data which can be taken as a prediction for the future. We have used information from the Continuous Recording system (CORE) to establish past patterns of social housing availability. Our figures include both general needs and supported lettings but exclude lettings to new properties plus an estimate of the number of transfers from other social rented homes. These exclusions are made to ensure that the figures presented reflect relets from the existing stock. On the basis of past trend data it has been estimated that 535 units of social rented housing are likely to become available each year moving forward. The table below breaks this information down by year and source of supply.

Figure 8.15 Analysis of past housing supply					
		2008/9	2009/10	2010/11	Average
General needs	Total lettings	645	523	614	594
	Newbuild	20	29	28	26
	Lettings in existing stock	625	494	586	568
	% non-transfers	75%	74%	77%	75%
	Total lettings to new tenants	469	366	451	429
Supported	Total lettings	172	173	153	166
	Newbuild	1	2	2	2
	Lettings in existing stock	171	171	151	164
	% non-transfers	67%	65%	62%	65%
	Total lettings to new tenants	115	111	94	107
Total lettings to new tenants		584	477	545	535

Source: CORE

## Intermediate supply

8.43 In most local authorities the amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited (as is the case in Carlisle District). However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing.

8.44 Therefore we include an estimate of the number of shared ownership units that become available each year. Applying the re-let rate for social rented housing to the estimated stock of intermediate housing it is estimated that around 21 units of intermediate housing per annum will become available to meet housing needs from the existing stock of such housing. In reality the turnover of shared ownership properties is likely to be below that for the social rented sector. However, in the absence of any other information the turnover of social rented homes has been used to make this estimate, this will have only a limited impact on the overall findings as the number of shared ownership properties is low and hence the estimated 'relet' rate is also low (particularly in comparison with the number of units estimated to become available in the social rented sector).

### Estimate of net annual housing need

8.45 The table below shows the final figures in the housing needs assessment model. This brings together the 16 steps that were calculated in the preceding sections.

Figure 8.16 Housing needs assessment model for Carlisle District		
Stage and step in calculation	Notes	Number
<b>STAGE 1: CURRENT NEED (Gross)</b>		
1.1 Homeless households and those in temporary accommodation		28
1.2 Overcrowding and concealed households	Two steps	968
1.3 Other groups	taken together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	996
<b>STAGE 2: FUTURE NEED</b>		
2.1 New household formation (gross per year)		779
2.2 Proportion of new households unable to buy or rent in the market (excluding student households)		45.0%
2.3 Existing households falling into need		913
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	1,263
<b>STAGE 3: AFFORDABLE HOUSING SUPPLY</b>		
3.1 Affordable dwellings occupied by households in need		421
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		569
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3-3.4	990
3.6 Annual supply of social re-lets (net)		535
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		21
3.8 Annual supply of affordable housing	3.6+3.7	556

Source: Household Survey Data, CORE

- 8.46 The Practice Guidance states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available (step 3.5) from the gross current need (step 1.4). This produces a net current need figure of 6 (996-990). The analysis indicates that most of the backlog of need (current need) can be met through transfers and the delivery of affordable housing currently in the development pipeline.
- 8.47 The second step is to convert this net backlog need figure into an annual flow. The Practice Guidance acknowledges that this backlog can be addressed over any length of time although a period of less than five years should be avoided. For the purposes of this study the quota of five years proposed in the Practice Guidance will be used. Therefore to annualise the net current need figure, it will be divided by five. This calculation results in a net annual quota of 1 (6/5) households who should have their needs addressed.
- 8.48 The final step is to add the net annual quota of households who should have their needs addressed with the total newly arising housing need (step 2.4) and subtract the future annual supply of affordable housing (step 3.8). This leads to a total (net) annual need estimate of 708 (1+1,263-556).
- 8.49 The table below summarises the net need position and also compares the level of need in each area with the total number of households currently estimated to be living in the area. The data shows that need relative to current households is highest in Carlisle Urban at 1.9% and lowest in Rural West at 0.3%. All areas show a positive need for additional affordable housing to be provided.

**Figure 8.17 Summary of housing needs situation**

Element	Rural West	Rural East	Carlisle Urban	Carlisle District
① Backlog need (annual)	0	11	188	199
② Backlog supply (annual)	0	14	184	198
③ Net backlog need (annual) ① - ②	0	-3	4	1
④ Future need (annual)	64	167	1,032	1,263
⑤ Future supply (annual)	54	63	439	556
⑥ Net future need (annual) ④ - ⑤	11	104	593	707
<b>Total net annual need ③ + ⑥</b>	<b>11</b>	<b>101</b>	<b>597</b>	<b>708</b>
Total households	3,996	11,528	32,095	47,619
Need as % of households	0.3%	0.9%	1.9%	1.5%

Source: Household Survey Data, CORE

- 8.50 The estimated level of housing need for 1,462 households per annum (199 + 1263), district-wide, significantly outweighs the supply of affordable housing of 754 homes (198+556). It is the projected future need in particular which drives an overall annual need to provide 708 dwellings per annum to meet housing needs.

8.51 Within the Rural West and Rural East areas, the analysis suggests a limited backlog of affordable housing. These figures relate only to existing households who, to be in housing need, would have to be unsuitably housed (and with a solution that requires an immediate move) and be unable to afford market housing. The backlog figures do however need to be taken in the context of the projected figures. For example, a concealed household might be in need but this is included within the above analysis as projected future need; as might a households living in the private rented sector in an unsecure tenancy.

### **The private rented sector**

8.52 The Strategic Housing Market Assessment Guidance (page 51) requires the extent of the private rented sector (through the Local Housing Allowance (LHA) system) to meet the needs of households to be estimated. We have therefore used survey data to look at the number of new LHA supported private rented housing lets over the past two years. In the City it is estimated that over the past two years 926 LHA supported lettings have been made (463 per annum).

8.53 Even if this is netted off the total identified need of 708 dwellings per annum, it still results in a level of need which is significantly in excess of what we might expect to be delivered.

8.54 It is not however appropriate to treat this sector as a form of affordable housing and take it away from the overall annual housing needs estimate of 708 (neither the SHMA Guide nor PPS3 recognise this sector as affordable housing). However, it must be recognised that the private rented sector does make a significant contribution to filling the gap in relation to meeting housing need. Given the levels of affordable housing need shown in this study, the private rented sector is likely to continue to be used to some degree to make up for the shortfall of genuine affordable housing for the foreseeable future.

8.55 The extent to which the City Council wishes to see the private rented sector being used to make up for shortages of affordable housing is a matter for policy intervention and is outside the scope of this report. However it should be recognised that the Private Rented Sector does not provide secure tenancies. Standards within the sector are likely to be lower than for social rented properties.

8.56 We can also look at recent trends in the number of people claiming LHA in the private rented sector and below we have provided data from the Department of Work and Pensions (DWP) for the period from September 2009 and March 2011 (the longest period for which information is available). The table shows that the number of LHA claimants has increased over the 18 month period with a City-wide average increase of 26%. This increase is significantly above the County, regional and national average increase.

**Figure 8.18 Number of people claiming LHA in private rented sector (September 2009 and March 2011)**

Area	September 2009	April 2011	Absolute change	% change
Carlisle District	1,600	2,010	410	25.6%
Cumbria	9,470	10,270	800	8.4%
North West	171,990	205,100	33,110	19.3%
Great Britain	1,291,160	1,540,750	249,590	19.3%

Source: Department of Work and Pensions

- 8.57 Overall, the updated survey information suggested that around 1,631 households were claiming LHA in the private rented sector. This figure is below the latest figure (of 2,010) presented above. However, the survey figure is for households whilst the DWP figure is for individual claimants. Given that there are likely to be a number of properties with multiple claimants the survey figures looks to be of about the right order.



### Interpreting the Affordable Housing Needs Findings in Context

This Study concludes that, for the period 2011-16, there is a shortfall of 708 affordable homes a year in Carlisle District. However when considering this 708 figure within the context of the overall future housing requirements for the 2011-2031 period (outlined in Section 3), as well as the feasibility of its delivery, there are a number of factors that should be taken into account.

The Study has used the Basic Needs Assessment Model to identify a genuine shortfall or surplus of affordable housing, which is a statutory requirement to underpin the City Council's affordable housing policies. The model does not look at all housing needs, but specifically the needs of those who cannot afford to rent or buy housing on the open market (those households who spend (or what have to spend) more than 25% of their gross income is spent on housing costs).

The needs assessment is a 'snapshot' at a point in time, which is affected by the differential between housing costs and incomes at that point; as well as the existing supply of affordable housing. In the case of the Carlisle District, the stock of affordable housing has declined by 22% over the last decade, with a net loss of 2,100 affordable properties between 2000-10. This has affected the level of affordable housing need.

Moreover the Assessment Model assumes that all households identified as being in 'housing need' should be housed in affordable homes, which includes provision that the home remains at an affordable price for future eligible households.

However in reality, there are two key factors when considering the 708 figure which need to be recognised:

- Some households defined as in housing need may choose to spend more than 25% of their gross income on housing costs or may not actively seek an affordable home; and
- Some households defined as in housing need are accommodated in the Private Rented Sector, supported by Local Housing Allowance. It is estimated that currently 463 households in housing need are housed in the Private Rented Sector each year.

As the Assessment Model is very sensitive to differences between housing costs and household incomes, changes in the difference between incomes and housing costs over time will affect the level of housing need identified.

Given the current stock of affordable housing in the District and the funding mechanisms for delivery of new affordable housing, it is unrealistic to assume that all households identified in the Assessment Model as being in 'housing need' will be provided with an affordable home. It is realistic to assume that the Private Rented Sector will continue to play an important role in meeting housing need in the short-to-medium term.

Due to the factors described above, the Assessment Model used for affordable housing needs analysis does not provide a strong basis for considering the overall future housing requirements, outlined in Section 3, which are based on economic and population trends

## Impact of Changes to Local Housing Allowance

- 8.58 In looking at the extent to which the private rented sector is being used to meet housing need (through LHA) it is important to consider the likely impact of the changes made as of April 2011. The key change is that calculations of the maximum amount that can be claimed goes from the median rent in an area to the 30<sup>th</sup> centile. The table below shows figures for the North Cumbria Broad Rental Market Areas for median and 30<sup>th</sup> centile rents for different property sizes. The North Cumbria BRMA includes the vast majority of settlements in Carlisle District.
- 8.59 Generally the differences are not big although there may be a small number of households previously able to claim their full rent back who would no longer be able to do so. Given that the LHA part of private rented sector is not overly significant in Carlisle District (accounting for 28% of all households in the sector) it is unlikely that the changes in LHA levels will have any downward pressure on rents in the District. The figures are taken from the Rent Service website for June 2010 (contained within a set of tables studying the impact of LHA changes).

<b>Figure 8.19 LHA levels at median and 30<sup>th</sup> centile (June 2010) – North Cumbria BRMA</b>			
Property size	Median	30 <sup>th</sup> centile	% difference
1 bedroom	£86	£81	-6%
2 bedrooms	£101	£94	-7%
3 bedrooms	£121	£110	-9%
4+ bedrooms	£150	£137	-9%

Source: Rent Service

- 8.60 There may be further issues relating to the single room allowance which is to be changed from people aged under 25 to those aged under 35 (from January 2012). Survey data suggests that of the 1,631 households currently claiming LHA in the private rented sector some 226 (13.9%) are already aged under 25 with a further 422 (25.9%) being aged between 25 and 34. This would suggest that over a quarter of LHA claimants in the private rented sector may be impacted by changes to the single room allowance and this may drive an increase in demand for shared accommodation rather than self-contained units for this group of households.

## Size of affordable housing

8.61 Having established the overall need for affordable housing in the City it is necessary to consider the sizes of accommodation required. Again the survey data can be used to assess this (although we have also considered data from the Housing Register). The table below shows the estimated need for different sizes of accommodation from three different groups. These are:

- Households currently or projected to be in need (from survey data)
- Households currently or projected to be in need (from survey data) who are also in a group likely to be considered as having a priority (pensioner households, households with children or households where someone has a special/support need)
- Households on the Housing Register (taken from 2010 HSSA data)

8.62 The table below shows some variation between the sources of data and groups studied although in all cases the majority of the requirement is for smaller (one and two bedroom) units. Taking a crude average of all of these figures suggests that around 71% of the need is for smaller accommodation with the remaining 29% for larger three and four plus bedroom homes.

**Figure 8.20 Estimated size requirement for additional affordable housing – Carlisle**

District	District			
	Households in need	Households in need (priority)	Housing Register	Average
1 bedroom	40.8%	29.1%	32.2%	34.0%
2 bedrooms	24.0%	34.4%	52.1%	36.8%
3 bedrooms	14.7%	12.3%	14.9%	14.0%
4+ bedrooms	20.4%	24.2%	0.8%	15.1%
Total	100.0%	100.0%	100.0%	100.0%

Source: Household survey data and HSSA

8.63 The above figures can be compared with the supply of social rented properties over the past three years and we have again used CORE data to provide an indication of the likely size of properties that will become available for letting. The table below repeats the overall level of need by size derived above and also shows the proportion of lettings in each size and the estimated turnover based on the number of homes in each size category.

8.64 The table shows that the supply of one bedroom homes is broadly in line with the need whilst the supply of two bedroom properties is slightly higher. The need relative to supply is therefore most acute for larger (three or more bedroom) properties with the need assessed to account for 29.1% of households but the supply only representing 22.2%. The turnover of larger homes is also lower than for one- and two-bedroom properties.

- 8.65 Unfortunately the CORE data does not provide a separate estimate for four or more bedroom homes although survey data does suggest that there are very few such properties in the social rented stock (estimated to be about 2.5% of the stock) and so the need for four or more bedroom homes is likely to be even more pressing than for three bedroom homes.

<b>Figure 8.21 Estimated size requirement and supply affordable housing – Carlisle District</b>			
	Profile of need	Proportion of lettings	Turnover
1 bedroom	34.0%	34.6%	9.7%
2 bedrooms	36.8%	43.2%	7.9%
3 bedrooms	14.0%	22.2%	6.9%
4+ bedrooms	15.1%		
Total/average	100.0%	100.0%	8.2%

Source: Household survey data and CORE

- 8.66 We can use the above information to provide an indication of the likely (short-term) net need for affordable housing of different sizes and this is shown in the table below. The table indicates that due to the relatively low supply of larger homes the net need for three or more bedroom accommodation makes up 34.5% of the net requirement (compared with 29.1% of the gross need).

<b>Figure 8.22 Estimated size requirement for additional affordable housing – Carlisle District</b>				
	Annual gross need	Annual supply	Net need	Proportion of need
1 bedroom	498	221	276	33.6%
2 bedrooms	539	276	262	31.9%
3+ bedrooms	426	142	284	34.5%
Total	1,462	640	822	100.0%

Source: Household survey data, HSSA and CORE

- 8.67 If providing affordable housing were to concentrate more on the most vulnerable groups (as analysed above and based on survey data) then the size profile would move even more significantly towards larger dwellings being required. As the table below shows, concentrating on groups who might be considered to have a priority (older people, households with children and those with a support need) the requirement for three or more bedroom units rises to over three-quarters of the total need.
- 8.68 The baseline estimate of gross need for this analysis is 872 households with 59.6% of those estimated to be in need from survey data falling into one (or more) of the priority categories analysed.

**Figure 8.23 Estimated size requirement for additional affordable housing for priority groups – Carlisle District**

	Annual gross need	Annual supply	Net need	Proportion of need
1 bedroom	254	221	32	13.9%
2 bedrooms	300	276	23	10.1%
3+ bedrooms	318	142	176	75.9%
Total	872	640	232	100.0%

Source: Household survey data and CORE

- 8.69 It should be noted that 1-bed affordable properties can be unpopular as they offer limited flexibility, for instance when friends or relatives want to come and stay; or when households' circumstances change. This can result in a higher level of turnover and in some circumstances make 1-bed properties difficult to let.

### Type of affordable accommodation needed

- 8.70 Traditionally HNDSs and other similar research projects have looked at the requirements for different types of affordable housing by reference to two broad categories – social rented and intermediate housing. However, the new PPS3 published in June 2011 introduced a new tenure of affordable housing 'Affordable rented housing' and this tenure has been confirmed in the consultation draft of the National Planning Policy Framework (NPPF). Affordable housing can therefore be seen to fit into three broad categories and these are described below (with the definitions taken from the NPPF):

**Affordable housing:** Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

*Social rented housing* is owned by local authorities and private registered providers, for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

*Affordable rented housing* is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

*Intermediate housing* is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

8.71 In the future it seems likely that the provision of new social rented housing will be quite limited and indeed the HCA has confirmed that funding will generally only be available for Affordable Rented housing through the 2011-15 Affordable Homes Programme. Therefore our analysis considers the potential role that affordable rented housing can make in meeting needs. The new affordable rent tenure could be quite interesting as schemes begin to be delivered – whilst the rents for such housing will be higher than traditional social rents it will be the case that housing benefit can be claimed and so for many households it will act in exactly the same way as social rented housing but with a larger housing benefit bill being built up (mainly to be paid by Central Government).

8.72 For the purposes of analysis we have split affordable housing into four broad categories and these are described in the table below:

**Figure 8.24 Categories of affordable housing used for analysis**

Housing type	Description
Intermediate housing (with equity)	Assigned to households who can afford a housing cost at or above 80% of market prices and who have at least £5,000 in capital that could be used towards the purchase of equity/part equity in a home
Intermediate housing (rented)	Assigned to households who can afford a housing cost at or above 80% of market prices and who have less than £5,000 in capital
Affordable rent (with subsidy)	Assigned to households who could afford a social rent without the need to claim housing benefit but would need to claim benefit to afford an Affordable Rented home (priced at 80% of market costs)
Social rent	Households who would need to claim housing benefit regardless of the cost of the property

8.73 In fact there will be a considerable overlap between these categories – the first two would potentially represent households who could afford affordable rented housing without the need to claim housing benefit whilst the latter category (called social rent for analytical purposes) could have their needs met through affordable rented housing (with benefit assistance).

8.74 The table below shows our estimate of the number of households in need in each of the above categories and estimated net need levels. The data shows that across the District some 29% of the need could be met through products priced at the 80% of market level suggested by affordable rented housing without the need for benefit assistance. The majority of this need would be required to be rented housing (i.e. intermediate rent) as generally households do not have sufficient access to capital to make equity purchase a realistic option.

8.75 Looking further down we find that around 71% of households would require benefit assistance to afford an affordable rented property and of these very few (only 3%) would be able to afford social rents without benefits but would require LHA if housing were priced at 80% of market costs. This finding arises due the fact that 80% of market prices is quite close to social rent levels, particularly for smaller (one- and two-bedroom) properties. The difference in housing costs is greater for larger properties indicating slightly stronger potential for affordable rent to support scheme viability. In the rural areas, we estimate rents are around 10% higher than in urban Carlisle.

**Figure 8.25 Social rented and intermediate housing needs– per annum**

	Equity based intermediate	Intermediate rented	Affordable rented	Social rented	Total
Total gross annual need	61	205	23	1,173	1,462
Total gross annual supply	25	0	0	615	640
Net annual need	36	205	23	558	822
% of net shortfall	4%	25%	3%	68%	100%

Source: Household Survey Data

8.76 The above information has also been summarised by HMA (in the table below). This shows that around 45% of households in Rural West could afford intermediate housing (or affordable rented housing without subsidy) with the lowest figure (of 17%) being found in Rural East. Generally the data suggests that Rural East has a worse affordability profile than other areas with fewer households being able to afford 'more expensive' affordable housing options.

**Figure 8.26 Social rented and intermediate housing needs– per annum**

Element	Rural West	Rural East	Carlisle Urban	Carlisle District
Equity based intermediate	0%	4%	5%	4%
Intermediate rented	45%	13%	27%	25%
Affordable rented	22%	6%	2%	3%
Social rented	34%	78%	67%	68%
Total	100%	100%	100%	100%

Source: Household Survey Data, CORE

## Policy Implications

- The estimated level of housing need for 1,462 households per annum, district-wide, significantly outweighs the supply of affordable housing of 754 homes. It is the projected future need in particular which drives an overall annual need to provide 708 dwellings per annum to meet housing needs.
- The level of net housing need significantly exceeds likely supply of affordable housing with relatively little additional provision over the past few years (and a net reduction in the affordable housing stock). Supply is influenced by these historic delivery rates, and looking forward by funding models for affordable housing.
- The calculated level of housing need is high with all HMAs also showing a need for additional affordable housing to be provided; needs were assessed to be highest in the Carlisle Urban HMA. The City Council is justified in seeking affordable housing provision in all parts of the City.
- Part of the gap between the likely future need for affordable housing (708 dwellings per annum) and future supply is likely to be met by the Private Rented Sector. Over the last two years this has housed 463 households per annum. However even taking this into account, the supply of affordable housing is likely to fall short of identified needs.
- The level of need identified provides an evidence base for seeking to maximise affordable housing delivery. However a policy within the City Council's Local Plan must also take account of development viability which should take account of the introduction of the new Affordable Rent tenure (which should support viability).
- The City Council should consider wider mechanisms to bring forward affordable housing, including adopting lower thresholds for development schemes requiring affordable housing in the urban areas, and working with RSLs and public sector bodies to maximise delivery of affordable housing on sites owned by the public sector or RSLs, or through the Government's Community Right to Build initiative.



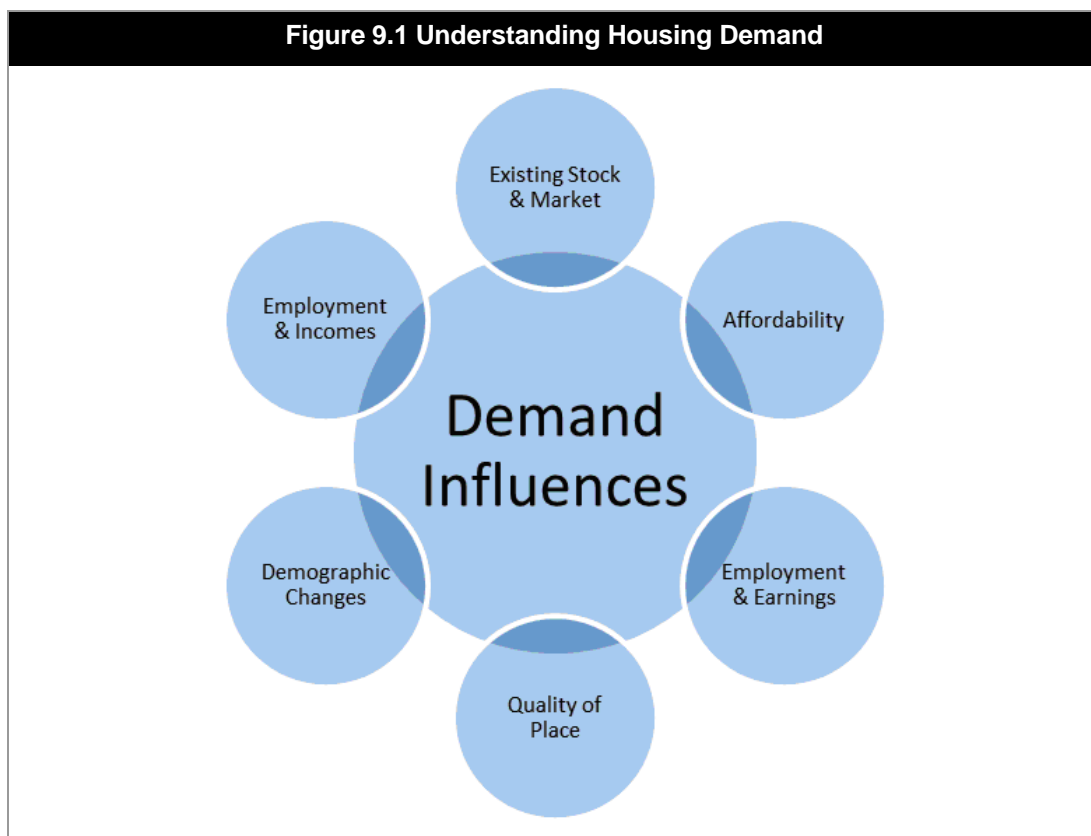
## 9. The Future Housing Market

### Introduction

- 9.1 This section considers the future housing market, exploring housing need and demand in the longer-term. To form a basis for this we first seek to draw together the analysis to outline our understanding of the drivers of housing need and demand within the District.
- 9.2 The section then goes on to explore the likely profile of households requiring market and affordable housing over the longer-term to 2031 using our housing market model.

### Housing Market Drivers

- 9.3 The diagram below captures our understanding of the key influences on housing demand. These factors play out at different spatial scales and influence both the level of housing demand (in terms of aggregate household growth) and the nature of demand/ need for different types, tenures and sizes of housing.



- 9.4 The housing market is complex. It is influenced by the economy at both the macro-level, in terms of interest rates and mortgage availability (which impact on the affordability of and demand for market housing) as well as market sentiment (which is influenced by economic performance and prospects). It is also influenced by the economy at the local and sub-regional level, recognising that changes in employment will influence future migration patterns (as people move to and from the area to access jobs), and that the nature of employment growth and labour demand will influence changes in earnings (which influence affordability).
- 9.5 Besides economic factors, the other major structural driver of demand is demographic trends, recognising that changes in the size and structure of the population influence housing need and demand.
- 9.6 There are then a number of factors which at a more local level, within a functional housing market, will influence demand in different locations. These include quality of place, school performance/ catchments, the accessibility of areas including to employment centres, and the existing housing stock and market conditions. These factors influence the demand profile and pricing, against a context in which households compete within the market for housing.
- 9.7 At a local level this means that the housing market tends to reinforce around the existing profile of stock. However regenerative investment or delivery of new transport infrastructure can influence the profile of housing demand in a location, by affecting its attractiveness to different households.

### **Short-Term Drivers**

- 9.8 The evidence in this report clearly identifies a number of macro-level drivers which will impact on the housing market in the short-to-medium term:

#### ***Macro-Economic Context***

- 9.9 In the short term the housing market is likely to continue to be affected by a number of macro economic factors. UK economic growth is relatively weak at the time of writing in Summer 2011. The economy has continued to struggle to shrug off the recent economic recession with a fall of 0.5% in GDP in the final quarter of 2010 mirrored by 0.5% growth in Q1 2011, meaning that the economy has been broadly flat lining.
- 9.10 Consumer and business confidence remains fragile, with risks associated with economic weakness in countries elsewhere in the Eurozone and the US (which are major export markets for UK businesses) and vulnerability to further financial shocks affecting the global banking system and capital markets resulting in further lending constraints and potentially further Government borrowing.

- 9.11 PWC's 'principal' forecasts (July 2011) are for output (GDP) growth of a modest 1.3% in 2011 and 2.2% in 2012. These are similar to HM Treasury's survey of economic forecasts in June 2011 which showed average projections for real GDP growth of 1.5% in 2011 and 2.1% in 2012. However recognising the uncertainties to economic performance, even in the short-term, PWC highlight two alternative growth scenarios – a 'strong recovery' scenario in which business and consumer confidence picks up and credit constraints on businesses and households begin to ease over the next year. Coupled with strong global growth and rapid restocking, this results in UK GDP growth of around 2% in 2011 and 4% in 2012. An alternative 'double dip' scenario results from further financial shocks and tightening of credit conditions, a widening budget deficit and reductions in economic output throughout 2011 and into early 2012. This highlights the current uncertainty regarding macro-economic conditions.
- 9.12 In the short-term it is clear that the economy is not bouncing back from the recession, as it did following a number of previous recessions. Weak economic performance in the short-term plays through into housing market confidence (and thus activity). In the short-term there are risks that interest rates will increase, placing further pressures on household finances which are already being squeezed significantly by inflationary pressures (and increasing the costs of servicing mortgages), albeit that this now appears less likely than a few months ago. The Office for Budget Responsibility indicates that real household disposable income is likely to contract further this year. The near-term outlook, is highly uncertain and much would seem to depend upon how households respond to the painful rebalancing of the economy that is taking place.
- 9.13 Nonetheless the macro-level outlook in regard to employment growth, economic confidence and household incomes is likely to maintain the current subdued level of housing market activity (and price inflation) in the short-term.

### ***Availability of Mortgage Finance***

- 9.14 It is likely that an improvement in occupier demand, in terms of housing sales, will need to be precipitated by improvements in the availability of mortgages. The availability of mortgage finance has significantly affected levels of First-time Buyers. Savings are critical, and buyers generally need at least a 10% deposit to qualify for a mortgage. While there are a handful of deals available with a 5% deposit, the rates on these are not competitive. The average loan to value ratio for First Time Buyers in February was however higher at 80% (i.e. a 20% deposit) with the mortgage at an average of 3.11 times income nationally.

- 9.15 While the availability of mortgages has seen some improvement, it is still a significant restriction on effective demand for market housing as evidenced by sales rates which in 2010 were 44% down on normal market conditions. It is also restraining buy-to-let investments. Improvements to economic performance, international economic stability together with regulation of the mortgage market are likely to impact on changes here in the medium-term.
- 9.16 Without improvements in mortgage finance, we are likely to see a continuation of the current 'polarity' in the housing market between existing owner occupiers with equity in their existing homes, and those without, who will continue to have difficulties getting on the housing ladder. For the latter, the availability of other sources of finance for a deposit, such as the so-called 'bank of mum and dad' are of increased importance. The survey indicates that just 7.1% of non-owning households in the District have more than £10,000 in savings.
- 9.17 Continuing restrictions on the range and cost of mortgage products available are likely to continue to displace demand from younger households to the private rented sector.
- 9.18 Continuing low levels of First-time Buyers and Buy-to-let Investors are likely to restrict effective demand for flats in the short-term, and retain the more 'traditional' focus of the market on family housing as the latter is driven on the re-mortgage market which continues to hold up better.

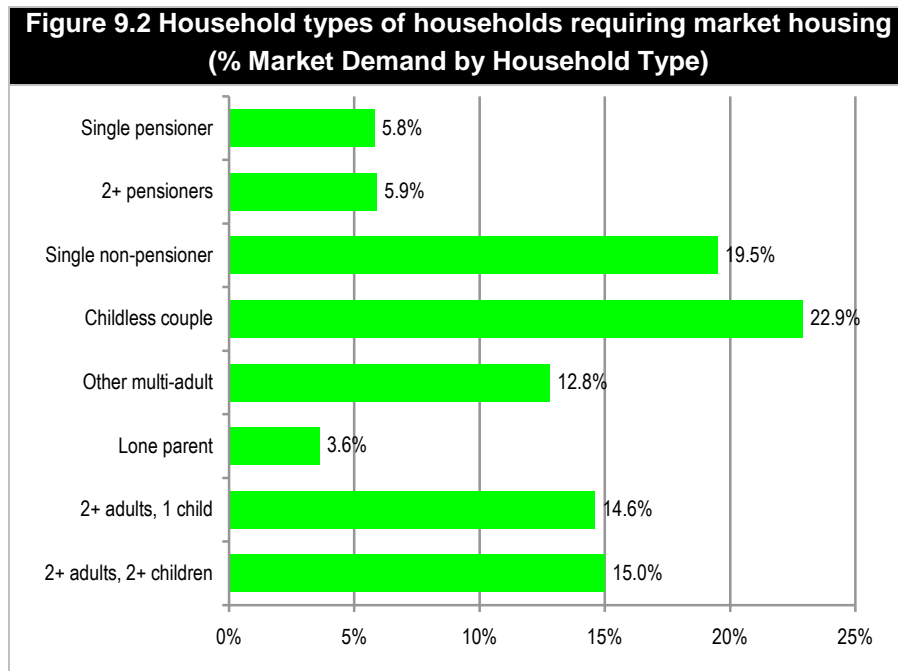
### ***New Build Market***

- 9.19 The factors described above will affect the new-build market which is clearly not immune from the significant overall drop in sales. Completions in the District (gross) fell off from an average of about 450 in the seven year period to 2006 to just 238 in 2009/10.
- 9.20 While the situation is varied and access to finance remains restrictive (again influenced by the issues described above), some housebuilders have now undergone restructuring and write-downs and improved their balance sheets and are now once again turning their intention to increasing their landbanks and development pipeline. In the longer-term the District's quality of life offer, economic performance and accessibility are likely to support housing demand.

### ***Housing Policy Changes***

- 9.21 As we have identified there are a number of national policy initiatives which could impact on the housing market. This particularly reflects those factors impacting on the affordable housing sector.

- 9.22 We would attach the greatest weight to those factors which might affect firstly housing waiting lists on the demand-side, and secondly turnover rates of affordable housing, on the supply-side. Management of waiting lists could be affected by the changes to the single room allowance, greater flexibility to local authorities in setting allocations policies and management of waiting lists. On the supply-side, the potential to grant fixed term tenancies could result in improvements in turnover and assist in managing the use of existing stock. Market uncertainty coupled with the restrictions on mortgage finance and other factors described above should limit right-to-buy sales in the short-term.
- 9.23 This combination of factors may contribute to improving the need/supply balance in the affordable housing sector relative to the trend over the last decade whereby need has increased while supply in many places, including in Carlisle District, has shrunk.
- 9.24 There is likely to be a continuing need for new-build affordable housing. The challenge in many respects is likely to be how this is delivered. HCA funding has been cut significantly. It has yet to be seen to what extent this can be compensated for by the shift to affordable rent (which in many cases may be necessary to support viability in the absence of grant). Other innovative funding and delivery mechanisms will need to be explored. From a planning perspective, completing priorities for infrastructure investment (regarding affordable housing as infrastructure) will need to be carefully considered.
- 9.25 Looking at information from the survey, the profile of households looking to move home over the next two years and who can afford market housing (whether to buy, rent or both) is shown below. The graph therefore provides information on the profile of market demand from different types of household. The data shows that the main group (nearly a quarter) are childless couples with a third of all households containing children (aged under 16). Pensioner households make up around 12% of the total demand.



Source: Household Survey Data

### **Current Market Dynamics**

9.26 In the short-term effective demand for market housing is likely to remain markedly below average; but with demand from ‘would be’ first-time buyers displaced, including to the Private Rented Sector supporting demand in this sector against a context of supply constraints (linked to mortgage availability and market sentiment). This should drive rental growth.

9.27 In the short-term there is also a strong need for affordable housing (as shown by the housing needs analysis), but one which has built up through under-provision against need over a number of years.

9.28 In some respects the key challenge relates to delivery models:

- The funding model for affordable housing isn’t responsive to housing need: supply has not kept pace with growth in need over the last 10 years, and looks unlikely to do so moving forward given funding constraints;
- Similarly the private rented sector isn’t particularly responsive to demand: supply (pre-recession) was investment-led and is constrained by mortgage finance availability, albeit that there is potential in the medium-term for a new model for private renting to emerge which is more focused on the revenue stream than capital growth;
- Market housing (for owner occupation) is responsive to demand, but demand is currently subdued and finance issues are also impacting on viability of delivery.

- 9.29 Overall, **supply is constrained in the rented sectors, and demand is constrained in the purchase market**. These issues relate particularly to macro-level dynamics, and are by no means unique to Carlisle.
- 9.30 Planning for new housing should be based however on aggregate need and demand for homes and must to some extent look beyond these short-term factors. In terms of aggregate need/demand for housing, locally-generated demand is there (if constrained), and the analysis highlights the importance of economic growth in driving housing growth in the District over the longer-term. There is some latent capacity of the labour force in the short-term (associated with higher unemployment and a fall in employment), but economic performance can be expected to become an increasingly important driver over time.
- 9.31 Against this context, our approach has focused on considering the interaction of demographic and economic drivers, with recognition of constraints to market demand in the short-term but of the potential for these to result in pent up demand which could be released if conditions improve (particularly around mortgage finance). The remainder of this section thus considers economic and demographic-driven projections of housing requirements.

### ***Local Demand Drivers***

- 9.32 There are a number of more local-focused factors which may influence the level and profile of demand and consideration of housing mix within Carlisle District.
- 9.33 A further key policy choice is the distribution of development between urban and rural parts of the local authority. There are clearly a range of issues here. Relatively higher house prices are indicative of stronger market demand in rural areas and a mix of homes more skewed towards higher value properties. However this needs to be set against sustainability issues, and the urban area is likely the focus of employment and offers greater potential for shorter journeys and a greater proportion of journeys by sustainable modes. There is however an issue over the sustainability of rural communities to consider as well. Without any housing development, rural communities are likely to witness an age structure which becomes increasingly skewed towards older households, and because of changes in household structures a gradual reduction in population which threatens local services (shops, pubs, schools etc.). Moderate housing growth offers an opportunity to address these issues, particularly through the delivery of affordable housing.

### **Long-Term Housing Market Drivers**

- 9.34 In the longer-term, we consider key drivers of housing need and demand to be demographic trends and economic performance. The impact of these is considered below.

### ***Demographic Dynamics & Ageing Population***

- 9.35 The demographic projections indicate that the population structure is projected to age, with a growing proportion of people of retirement age and particularly in the oldest age groups (principally due to improvements in life expectancy) over the next 20 years. Many older households will wish to remain in their existing homes. Greater numbers will require support to do so, including through adaptations to properties.
- 9.36 Some older households may wish to downsize, and this can have benefits in terms of reducing heating bills and other running costs, as well as releasing equity in homes to support people's retirement and lifestyle. Policy should support this.
- 9.37 A growing number of older households are likely however to have support needs, and policy will need to respond to this through both flexible support and in situ solutions such as specialist housing. We would expect the public, private and voluntary sectors to become increasingly involved in this market.
- 9.38 In policy terms, a key role is likely to be in providing a choice of high quality accommodation options for older households at a local level, allowing people to continue to live in their existing communities.
- 9.39 The scale of growth in the older population over the next 20 years means that this is likely to be a significant driver.

### ***Economic Performance***

- 9.40 In the long-term we would expect economic performance to influence housing need and demand at two levels:
- In regard to aggregate need/demand for housing, as economic performance will influence migration as people move homes to access employment; and
  - Demand for different types of homes from working households, recognising that the types of employment created will influence the occupational profile and earnings of those in employment, and thus their ability to afford homes.

### **Longer-term housing requirements**

- 9.41 The Housing Market Model is an innovative method for estimating future housing requirements across all tenures based on combining household survey data and demographic projections. Outputs from the model include estimates of the type, size and tenure of additional housing which would best meet the needs of the local population.



- 9.42 The model works under the basic assumption that households will continue to occupy their homes in the same way in the future. For example, whilst demographic projections typically show that the greatest rises are in the older population age groups, this does not translate into all (or the majority of) new housing needing to be specifically for older people. This is because the majority of older people live in ordinary residential accommodation and there is no reason to believe that this trend will not continue into the future. That said; the growth in the numbers of older persons is quite likely to create a requirement for some increase in specialist accommodation.
- 9.43 The model in its simplest form therefore works by looking at the types and sizes of accommodation occupied by various different groups of households (typically by age of residents). When projected changes in the population are attached to the data it is possible to see how the profile of housing would need to change to maintain the same profile of occupancy for each age group. This profile is then adjusted to take account of particular housing requirements (e.g. to deal with overcrowding or households seeking to up/downsize).
- 9.44 The model takes account of how households in the market and affordable housing sectors occupy homes. In the market sector households are able to buy or rent any size of property (subject to what they can afford) and therefore knowledge of the profile of households in an area does not directly transfer into the sizes of property to be provided. The size of housing which households occupy relates more to their wealth and age than the number of people which they contain. In the affordable sector there is a closer relationship between household and house sizes, however the model recognises that the relationship is not exact.
- 9.45 The model is also run in an 'ideal' mode where all households are assumed to live in housing they can afford (i.e. do not spend more than 25% of income on housing or are allocated to affordable housing if more than 25% needs to be spent).
- 9.46 For the purposes of housing market modelling we have modelled demographic change on the basis of the 10-year migration trend projection provided by the County Council. This projection shows a household increase of 394 per annum. The results under different demographic scenarios would vary although the outputs will be broadly similar whatever assumption is made about future population/household growth.

## Future tenure split

9.47 In most areas the two extreme positions shown from this type of modelling are a) where it is assumed that households continue to occupy dwellings in exactly the same way in the future as they do now (i.e. no inroads are made into meeting affordable needs) and b) where all households are assumed to live in housing that they can afford (i.e. no household is spending more than 25% of their income on housing costs and those who would need to spend more than 25% are assigned to affordable housing). These two positions are briefly explained below.

9.48 Firstly we need to look at the current tenure profile of households in the area. This is shown in the table below. The table is split between two broad tenures (market and affordable). The table shows that 84% of households live in market housing with 16% in affordable housing (mostly in the social rented sector) in 2011.

Figure 9.3 Current tenure split in Carlisle District		
Tenure	Number of households	% of households
Market	39,988	84.0%
Affordable	7,631	16.0%
Total	47,619	100.0%

Source: Household Survey Data

9.49 If we project the demographics of the population forward to 2031 then we can provide a similar table to show in what numbers and proportions households would occupy housing if occupancy of particular groups remained the same. The table below shows in the case of no change in occupancy patterns that the proportion in each group does not vary much; although the proportion in affordable housing has increased slightly (mainly due to the ageing of the population and the fact that the older age groups are more likely than average to live in this tenure of housing). This analysis principally highlights that **the ageing of the population can be expected to contribute to a slight increase in housing need over the longer-term**. To meet these needs, around 27% of additional housing provision to 2031 would need to be affordable.

9.50 The right hand side of the chart explores what the tenure profile of housing in the City would need to be in 2031 if all housing need within the City (as identified herein) was to be met. This analysis indicates that the proportion of affordable housing would need to rise from the current 16.0% in 2011 to 23.9% of total stock by 2031.

**Figure 9.4 Tenure split in 2031 under different scenarios**

Tenure	No change in occupancy patterns		Households matched to affordability	
	Number of households	% of households	Number of households	% of households
Market	45,728	82.4%	42,250	76.1%
Affordable	9,781	17.6%	13,259	23.9%
Total	55,509	100.0%	55,509	100.0%

Source: Household Survey Data

- 9.51 In terms of what this would mean for additional provision the figures can simply be subtracted from one another to show the pattern in the table below. To meet all housing needs identified (such that all households lived in a house that they could afford), almost three quarters of additional housing over the next 20 years would need to be affordable.

**Figure 9.5 Estimated housing requirements to 2031 with all households matched to affordability**

Tenure	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
Market	42,250	39,988	2,262	113	28.7%
Affordable	13,259	7,631	5,628	281	71.3%
Total	55,509	47,619	7,890	394	100.0%

Source: Household Survey Data

### Choosing a model for analysis

- 9.52 The two models show a future requirement for affordable housing of between 27% and 71%. Under the lower of these figures the model works under the assumption that no inroads are made in to meeting current and future affordable needs (i.e. this is the level of affordable housing provision required just to keep occupancy patterns for different household groups the same as they are in 2011 and would not address any additional housing issues such as overcrowding or households unable to afford market housing without subsidy).
- 9.53 Under the highest of these figures (71% affordable) it is assumed that all households will be suitably housed in accommodation they can afford although this is unlikely to be feasible given viability and funding constraints.
- 9.54 In providing advice on the mix of housing (by different type and size) we have therefore developed an analysis based on the proportion of market and affordable housing which we consider might be *deliverable*. We have therefore remodelled the data to reflect the fact that it will be desirable to make inroads in to the affordable requirement whilst at the same time reflecting that it will not be possible to meet all needs by 2031.

9.55 We have assumed that 30% of additional provision across the District (and in each HMA) will be affordable housing. This is not based on policy target but on possible delivery. As we have discussed, it is appropriate for policy to seek to maximise affordable housing delivery, however in reality this is likely to be constrained by the available funding for affordable housing and by the viability of residential development which will affect delivery through planning obligations. Even if the City Council adopts a target of 35% or 40% affordable housing it is unlikely that delivery at this level can be achieved, as some development will fall below site size thresholds and some development schemes will not be able to support this level of provision (taking account of scheme viability). It thus seems a realistic assumption regarding expected affordable housing delivery (as opposed to a policy target).

9.56 The figure below indicates the implications of this on changes in the housing stock to 2031 (based on 10-year trend migration assumptions).

Figure 9.6 Estimated housing requirements 2011 to 2031 – main model					
Tenure	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
Market	45,511	39,988	5,523	276	70.0%
Affordable	9,998	7,631	2,367	118	30.0%
Total	55,509	47,619	7,890	394	100.0%

Source: Household Survey Data

9.57 The table below shows how the above figures are split between the three HMAs for the purpose of analysis herein. It should be recognised that the split of housing between different HMAs in the District will particularly be affected by:

- The availability of suitable land for residential development; and
- The spatial strategy adopted by the City Council through the forthcoming Local Plan.

9.58 The City Council may also take forward a differential affordable housing policy within the Plan which applies different policy targets to different areas within the City, based on variations in land values and development viability. In reality, affordable housing delivery may thus vary geographically across the HMAs.

9.59 The results below should thus be regarded as indicative. **They are based on a distribution of development based on the current population distribution and differences in the demographic structure in the different HMAs.**

9.60 The results indicate where housing need/demand would be if occupancy patterns were to remain as they are currently. This means that the potential demand in the two rural HMAs is 34% of the total (compared with a current household population of 33% of all households in the District). As with district-wide figures the proportion of affordable housing has been set at 30% in each HMA.

Figure 9.7 Estimated housing requirements 2011 to 2031 (per annum)				
		Market	Affordable	Total
Rural West	No.	23	10	33
	%	70.0%	30.0%	100.0%
Rural East	No.	71	30	101
	%	70.0%	30.0%	100.0%
Carlisle Urban	No.	182	76	260
	%	70.0%	30.0%	100.0%
Carlisle District	No.	276	118	394
	%	70.0%	30.0%	100.0%

Source: Household Survey Data

- 9.61 It is appropriate for the spatial strategy in Local Plan to guide the distribution of development within the City, however the above analysis could be used as a useful check as to how well the distribution of development meets local needs. It indicates that **66% of need/demand arises within the Carlisle Urban area and 34% in the rural HMAs.**
- 9.62 This analysis is based on the existing distribution of population and differences in the population structure. It does not take account of past completions or migration at a sub-district level nor policy factors.

### Size and type of housing

- 9.63 We next consider need and demand for different types and sizes of accommodation in the market and affordable sectors in the longer-term to 2031. For the purposes of analysis we have looked at requirements by:
- Size (number of bedrooms)
  - Type (e.g. houses/bungalows vs. flats)
  - Specialist accommodation (e.g. sheltered housing)

- 9.64 Again this analysis assumes that 30% of housing delivered over the period to 2031 is affordable.

### Size (number of bedrooms)

- 9.65 The analysis below is conducted in the same way as the analysis looking at tenure split (i.e. to calculate the number of homes required in each group in 20 years time and comparing this with the current stock profile). The only difference is that figures are split between each of the two tenure groups.

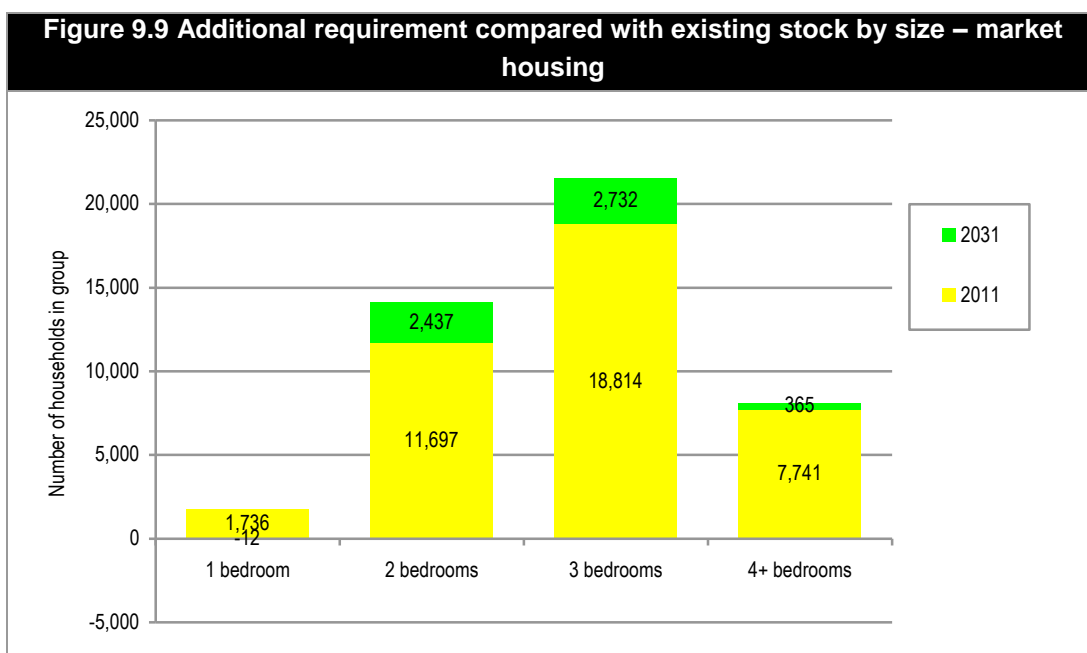
Market Housing

9.66 The table below shows the suggested tenure split for additional market housing in the area. The data suggests that **the main requirement for market housing will be for three bedroom homes, followed by two and four bedroom homes**. The data suggests a small surplus for one bedroom accommodation – this situation has largely arisen due to the relatively high proportion of households currently living in one-bedroom private rented properties and who are unable to afford (and in many cases are claiming LHA). A proportion of these households are allocated to affordable housing as part of the modelling process which creates the small surplus.

Figure 9.8 Estimated housing requirements to 2031 by size – market housing					
Size	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
1 bedroom	1,724	1,736	-12	-1	-0.2%
2 bedrooms	14,134	11,697	2,437	122	44.1%
3 bedrooms	21,546	18,814	2,732	137	49.5%
4+ bedrooms	8,106	7,741	365	18	6.6%
Total	45,511	39,988	5,523	276	100.0%

Source: Household Survey Data

9.67 The profile of market demand by bed size to 2031 is compared in the figure below to the (estimated) existing profile of stock. The analysis indicated that market demand is expected to reinforce around the existing stock profile, with strong demand for two and three bed properties, and a lower proportion of demand for 4+ bed housing relative to the existing stock.



Source: Household Survey Data

- 9.68 The analysis in this section relating to market housing should be used to inform the mix of sites allocated in the Local Plan. Given the range of factors which affect market demand, this is likely to vary over time; and we consider that the planning system should not seek to control the mix of housing delivered on specific development schemes. The market is best placed to judge what homes will sell. However the City Council should look to identify an appropriate mix of sites to facilitate delivery of the mix of homes set out herein, and should monitor delivery against the figures within this assessment.
- 9.69 When looking at individual HMAs (with the caveats identified above) we find similar findings in different locations with three bedroom homes being the main requirement in all areas. Rural West also stands out as having a potentially higher demand for four bedroom homes. All areas show a low potential demand for one bedroom properties (negative in the case of Carlisle Urban due to the number of LHA claimants in the private rented sector).

**Figure 9.10 Estimated housing requirements to 2031 by size – market housing (per annum)**

		1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	Total
Rural West	No.	2	6	10	5	23
	%	6.9%	27.7%	44.3%	21.2%	100.0%
Rural East	No.	1	31	32	7	71
	%	1.2%	44.1%	45.1%	9.6%	100.0%
Carlisle Urban	No.	-3	84	94	7	182
	%	-1.7%	46.2%	51.8%	3.6%	100.0%
Carlisle District	No.	-1	122	137	18	276
	%	-0.2%	44.1%	49.5%	6.6%	100.0%

Source: Household Survey Data

### *Affordable Housing*

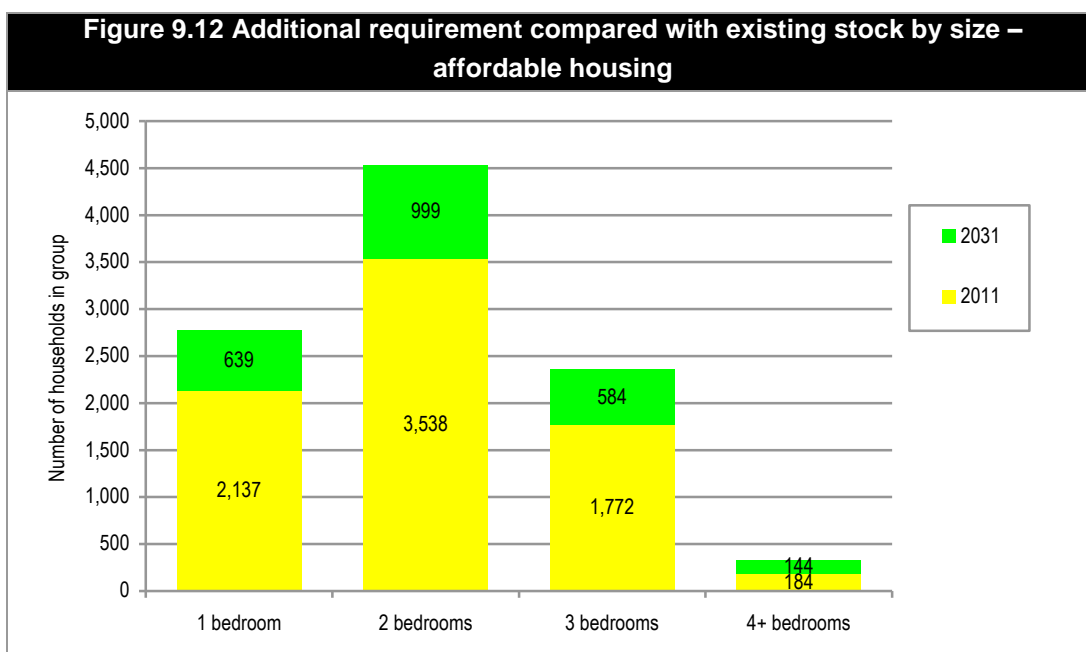
- 9.70 In the affordable sector the data suggests that the main requirement will be for two bedroom homes with the general profile of properties required being considerably smaller than with the market sector; a total of 69% of all additional properties requiring to be 'smaller' (one and two-bedroom) accommodation. The findings from this analysis are consistent with those in the housing needs analysis in the previous section although they do suggest in the longer term that there will be a need to provide a slightly greater proportion of smaller accommodation. This finding is largely driven by demographic change and smaller household sizes projected in the future.
- 9.71 The findings reflect the current housing stock in this sector as well as allocation procedures which tend to limit the possibility of households accessing housing which is larger than they technically need (based on a bedroom standard) although households may end up under-occupying homes the longer they remain with a particular tenancy (e.g. households with grown up children who have left home).

**Figure 9.11 Estimated housing requirements to 2031 by size– affordable housing**

Size	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
1 bedroom	2,776	2,137	639	32	27.0%
2 bedrooms	4,538	3,538	999	50	42.2%
3 bedrooms	2,356	1,772	584	29	24.7%
4+ bedrooms	328	184	144	7	6.1%
Total	9,998	7,631	2,367	118	100.0%

Source: Household Survey Data

9.72 The analysis particularly indicates a strong level of need for 4+ bed homes relative to the existing stock.



Source: Household Survey Data

9.73 In considering a policy target for affordable housing provision, this needs to be considered alongside the (short-term) housing needs analysis presented in Section 8 and a wider understanding of the management of need and supply of affordable housing. In this respect the following factors are relevant:

- The quantitative analysis herein does not take account of the relative degree of need (or priority) attached to different households. This is typically stronger for larger households, and there is a limited supply of properties with 4 or more bedrooms and a much lower turnover of these properties. There is thus a strong rationale for policy seeking to support growth in provision, particularly recognises that not all sites will be suitable for provision of larger (4+ bed) affordable housing units and that in meeting these needs, smaller units are likely to be released to cater for other groups.



- At the other end of the spectrum, 1-bed dwellings can be problematic from a management perspective as they offer limited flexibility to cater for changes to households' circumstances, and are typically less popular and have a higher turnover.

9.74 Taking these factors into account, the housing needs evidence points towards the following mix of affordable housing at a strategic, district-wide level:

20% – 25%	1-bed
40%	2-bed
25%	3-bed
10% – 15%	4+ bed

9.75 The stakeholder consultation identified specific concerns that 1-bed affordable properties can be unpopular as they offer limited flexibility, for instance when friends or relatives want to come and stay; or when households' circumstances change. This can result in a higher level of turnover and in some circumstances make 1-bed properties difficult to let. Thus while the needs evidence supports the above distribution of affordable homes of different sizes, the Council may wish to adjust the mix further towards larger properties in liaison with Registered Providers in developing policy, or applying policy to specific schemes.

9.76 When looking at the three HMAs (again with the caveats above) we find that the requirement for different sized accommodation is very similar in all areas. The range of requirements for larger (three plus bedroom) accommodation goes from 30.4% in Carlisle Urban to 34.4% in Rural West.

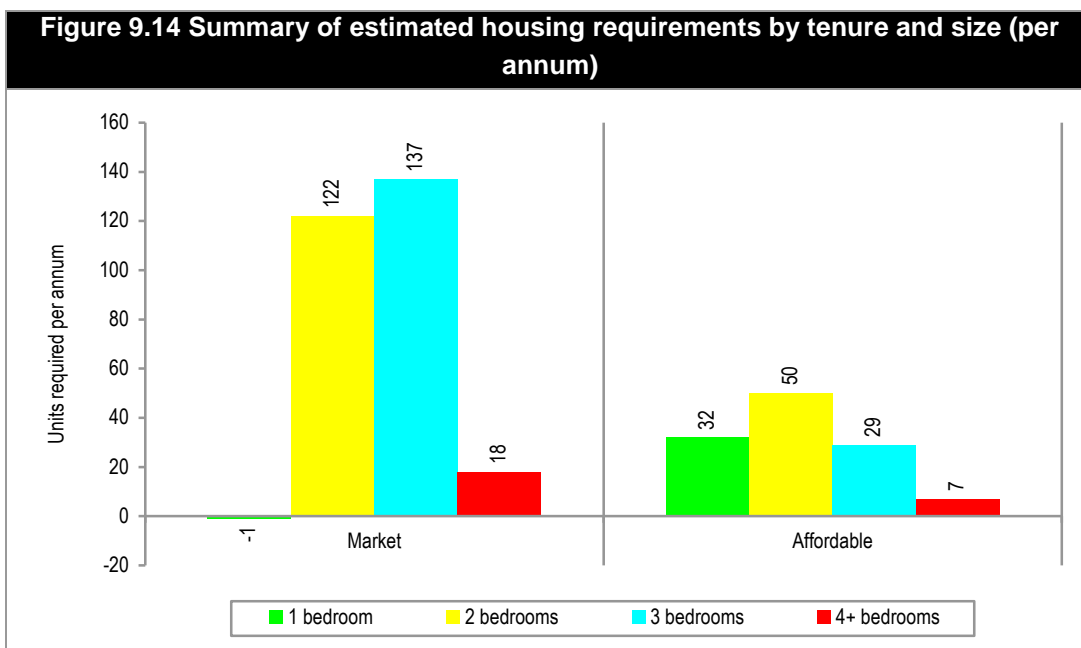
**Figure 9.13 Estimated housing requirements to 2031 by size– affordable housing (per annum)**

		1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	Total
Rural West	No.	2	4	3	0	10
	%	21.0%	44.6%	30.6%	3.8%	100.0%
Rural East	No.	7	14	7	2	30
	%	23.4%	45.9%	24.1%	6.6%	100.0%
Carlisle Urban	No.	23	32	19	5	78
	%	29.1%	40.5%	24.2%	6.2%	100.0%
District	No.	32	50	29	7	118
	%	27.0%	42.2%	24.7%	6.1%	100.0%

Source: Household Survey Data

### Overall Mix

9.77 The figure below shows a summary of annual housing requirement derived from the modelling process (based on household growth of 394 per annum). The figure shows that overall the majority requirements are for two and three bedroom homes but that the proportions vary considerably by tenure.



Source: Household Survey Data

**Types (built-form)**

9.78 A similar analysis has been carried out for the types of housing likely to be required by households in the future with data split into two broad built-forms (house/bungalow and flat/maisonette). Again the data is split between the two tenure groups with a summary at the end of the analysis. The information is mainly based on survey data about the types of accommodation currently occupied and adjusted where a different type (or tenure) of accommodation has been assessed as being more appropriate.

9.79 We would attach less weight to this analysis than that for house sizes, recognising that in both the market and affordable sectors a household seeking a two-bed property could live in a house or flat; and that a home of a specific size (in square meters) could be accommodated in either.

9.80 The table below shows the housing type analysis in the market sector. The data suggests that the greatest requirements are likely to be for houses and bungalows with only a small requirement for additional flats/maisonettes to be provided (8%).

**Figure 9.15 Estimated housing requirements to 2031 by type of dwelling – market housing**

Type	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
House/bungalow	41,505	36,427	5,078	254	91.9%
Flat/maisonette	4,006	3,561	445	22	8.1%
Total	45,511	39,988	5,523	276	100.0%

Source: Household Survey Data

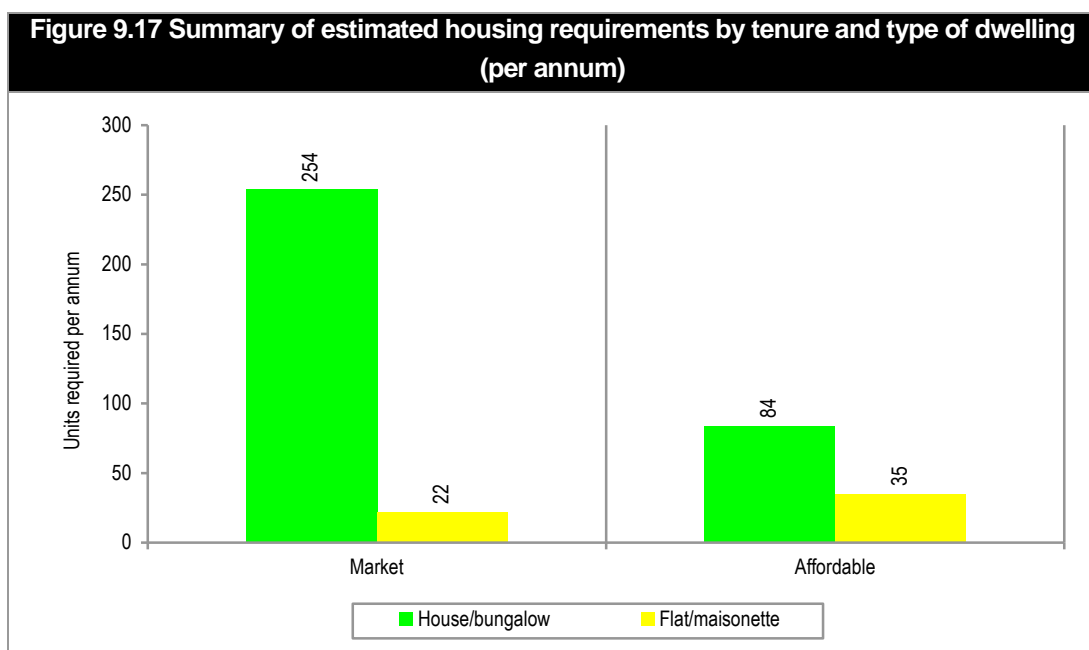
9.81 In the affordable sector the market modelling suggests that the requirement for flats/maisonettes is higher than in the market sector with a requirement suggested by the analysis for around 30% of additional units to be in the form of flats/maisonettes. This figure is consistent with the data for dwelling sizes which suggests a greater requirement for smaller units when compared with market housing requirements. However management issues associated with the popularity and turnover of 1-bed properties need to be considered in developing policies for affordable housing mix.

**Figure 9.16 Estimated housing requirements to 2031 by type of dwelling – affordable housing**

Type	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
House/bungalow	6,826	5,152	1,674	84	70.7%
Flat/maisonette	3,172	2,479	693	35	29.3%
Total	9,998	7,631	2,367	118	100.0%

Source: Household Survey Data

9.82 The figure below summarises the results of the analysis and shows that overall the main future requirement is for houses and bungalows.



Source: Household Survey Data

9.83 The survey data suggest that over the next two years there are 481 households who would expect to downsize and who would like a bungalow. This does not suggest that 481 bungalows should be provided (as this takes no account of potential supply from the current stock). The survey evidence does however indicate that provision of some additional bungalows may assist in enabling some households to downsize and therefore free up larger accommodation.

**Types (Specialist Housing)**

9.84 The tables below provide estimates of the likely requirement for some form of specialist accommodation (i.e. sheltered housing with or without a warden, housing with a support worker, extra care scheme, residential care and/or nursing home). The figures set out provide a breakdown of what proportion of the market and affordable homes required, as identified in the analysis above, might be for specialist accommodation<sup>2</sup>.

9.85 The tables show that in the market sector there is an estimated requirement for around 9% of additional housing to be specialist with a figure of 25% in the affordable sector. These figures are quite large when compared with the current estimated stock of specialist housing in the District (0.4% of market housing and 18.3% of affordable) and reflect the ageing population which is more likely than other age groups to both currently live in or require some form of accommodation with adaptations or support. The needs of households with support needs are considered further in Section 10.

**Figure 9.18 Estimated housing requirements to 2031 by type of dwelling – market housing**

Type of dwelling	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
Specialist	653	158	495	25	9.0%
Ordinary residential	44,858	39,830	5,028	251	91.0%
Total	45,511	39,988	5,523	276	100.0%

Source: Household Survey Data

**Figure 9.19 Estimated housing requirements to 2031 by type of dwelling – affordable housing**

Type of dwelling	2031 requirement	2011 stock	20 year requirement	Annual requirement	% requirement
Specialist	1,981	1,394	587	29	24.8%
Ordinary residential	8,017	6,237	1,780	89	75.2%
Total	9,998	7,631	2,367	118	100.0%

Source: Household Survey Data

<sup>2</sup> The figures in Figures 9.18 and 9.19 are therefore a subset of those in Figures 9.8 – 9.17

## Policy Implications

- Macro-economic factors are expected to influence effective market demand for housing in the short-term. These include mortgage finance, market confidence, short-term employment growth, and pressures on household incomes. Market demand is expected to be subdued and can be expected to impact on housing completions. While this can be expected to support need and demand within the rented tenures, supply is unlikely to respond to the demand drivers in the short-term given the investment-led model for the Private Rented Sector and the funding model and constraints in the Affordable Housing Sector. These are macro-level dynamics, and not unique to Carlisle.
- However it is still appropriate to plan on meeting expected household growth over the longer-term. This is expected to be driven by demographic trends, and over the medium- and long-term in particular, by economic performance and employment growth.
- Using our housing market model, which takes into account how households of different ages occupy dwellings, and the potential delivery of housing in different tenures, we consider that market demand will be focused towards larger properties (with 56% of demand for 3 and 4+ bed properties).
- We do not consider it appropriate for policy to seek to control the mix of market housing on specific development sites, as market demand will change over time and the market is best placed to judge what mix of homes will sell. However completions should be monitored against this profile.
- An estimated 48% of overall housing requirements (market and affordable) are for 3 and 4+ bed properties. This mix should be reflected in the 'portfolio' of sites taken forward through the Local Plan. For affordable housing, taking account of identified need, existing supply and turnover of properties and issues related to the management of the housing stock, we recommend a policy target for 20-25% of future affordable housing provision to be 1-bed properties, 40% of 2-bed, 25% of 3-bed, and 10-15% with 4 or more bedrooms. 1-bed properties can however be unpopular as they offer limited flexibility; and the Council may therefore wish to adjust the mix further towards larger properties in liaison with Registered Providers in developing policy or applying policy to specific development schemes.
- Our analysis indicates that 9% of market demand will be for specialist housing, particularly for older people. There is a higher requirement over the long-term to 2031 within the affordable sector, with an anticipated 25% of need being for specialist housing. The City Council should consider inclusion of specific policies for specialist housing within the Local Plan on this basis.
- In regard to the distribution of need/demand within different parts of the District, the analysis indicates that 66% arises in the Carlisle urban area and 34% in the two rural HMAs. This should be considered in determining the distribution of development in the Local Plan alongside the spatial strategy, land availability and local aspirations.



## 10. Needs of Specific Groups

### Introduction

10.1 This section of the report considers survey data about a range of different household groups within Carlisle District. In particular the information focuses on the key characteristics of each group and contrasts data with other households in the District. For the purposes of the HNDS we have studied to following groups:

- Black and Minority Ethnic Groups
- Households with support needs
- Older person households
- Families (households with children)
- Young people (and first-time buyers)
- Migrant workers

### Black and Minority Ethnic (BME) Groups

10.2 Information was gathered in the survey to find out the ethnic origin of all household members for each sample household in the survey. The ethnic categories used on the survey forms were consistent with those used in the 2011 Census. For the purposes of analysis we have concentrated on the ethnic origin of the household reference person (HRP) although in most cases all household members were from the same ethnic group.

10.3 The table below shows the breakdown of ethnic groups shown by the survey and how this compares with the same information in the 2001 Census. Generally, the data shows a slight increase in the proportion of the population from a non-White group since 2001. Within the White group the data also shows a large increase in those described as White-Other (which may well include migrant workers from elsewhere in Europe). Migrant worker are discussed later in this Section.

10.4 The data also shows that sample sizes for individual groups other than White-British are very small (in line with the general size of the BME population) and so for subsequent analysis we have split the survey information into three broad groups; these are:

- White (British/Irish)
- White – Other
- Other

**Figure 10.1 Comparison of ethnic groups from different sources (HRP)**

Ethnic group	2001		2011		2011 sample size
	Households	%	Households	%	
White: British	43,054	97.9%	45,906	96.4%	2,506
White: Irish	288	0.7%	180	0.4%	11
White: Other White	344	0.8%	1,077	2.3%	40
<b>TOTAL WHITE</b>	<b>43,686</b>	<b>99.3%</b>	<b>47,162</b>	<b>99.0%</b>	<b>2,557</b>
Mixed: White and Black Caribbean	21	0.0%	0	0.0%	0
Mixed: White and Black African	9	0.0%	9	0.0%	1
Mixed: White and Asian	35	0.1%	125	0.3%	4
Mixed: Other Mixed	33	0.1%	30	0.1%	1
<b>TOTAL MIXED</b>	<b>98</b>	<b>0.2%</b>	<b>164</b>	<b>0.3%</b>	<b>6</b>
Asian or Asian British: Indian	43	0.1%	96	0.2%	7
Asian or Asian British: Pakistani	20	0.0%	0	0.0%	0
Asian or Asian British: Bangladeshi	17	0.0%	40	0.1%	2
Asian or Asian British: Other Asian	21	0.0%	102	0.2%	5
<b>TOTAL ASIAN</b>	<b>101</b>	<b>0.2%</b>	<b>239</b>	<b>0.5%</b>	<b>14</b>
Black or Black British: Caribbean	7	0.0%	26	0.1%	1
Black or Black British: African	14	0.0%	0	0.0%	0
Black or Black British: Other Black	6	0.0%	0	0.0%	0
<b>TOTAL BLACK</b>	<b>27</b>	<b>0.1%</b>	<b>26</b>	<b>0.1%</b>	<b>1</b>
Chinese or Other Ethnic Group: Chinese	46	0.1%	8	0.0%	1
Other Ethnic Group	18	0.0%	21	0.0%	2
<b>TOTAL OTHER</b>	<b>64</b>	<b>0.1%</b>	<b>29</b>	<b>0.1%</b>	<b>3</b>
<b>DISTRICT</b>	<b>43,976</b>	<b>100.0%</b>	<b>47,619</b>	<b>100.0%</b>	<b>2,581</b>

Source: ONS and Household Survey Data

10.5 The table below shows a breakdown of the ethnic groups of the HRP by HMA. The data clearly shows that households in the two rural areas are particularly likely to be White (British/Irish) whilst Carlisle Urban has the largest proportion of White-Other households. Rural West appears to show the highest proportion of Other BME groups; however this figure is based on a very small sample.

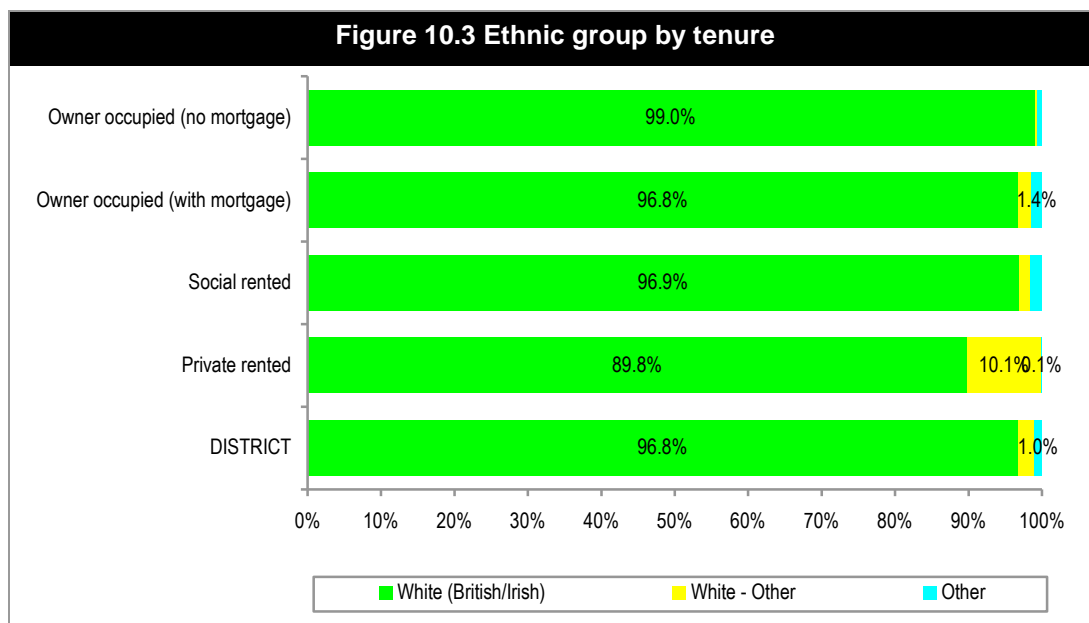
**Figure 10.2 Ethnic group by HMA**

HMA	White (British/Irish)	White – Other	Other	Total
Rural West	3,922 98.1%	5 0.1%	69 1.7%	3,996 100.0%
Rural East	11,364 98.6%	119 1.0%	45 0.4%	11,528 100.0%
Carlisle Urban	30,800 96.0%	952 3.0%	343 1.1%	32,095 100.0%
District	46,085 96.8%	1,077 2.3%	457 1.0%	47,619 100.0%

Source: Household Survey Data

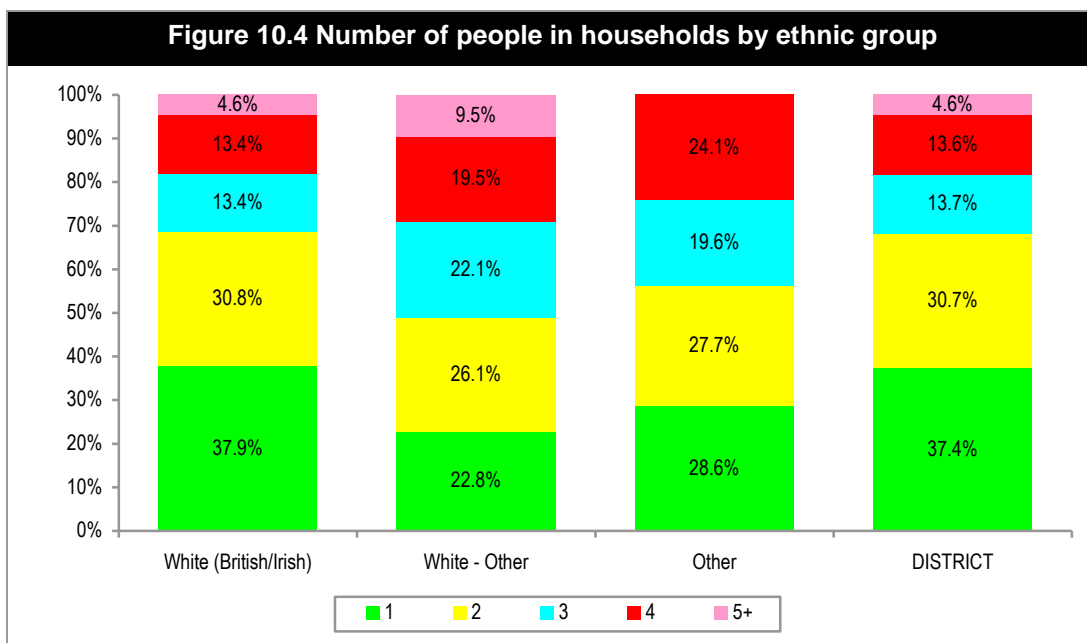


- 10.6 The figure below shows how different ethnic groups vary by tenure. The data shows that both the owner-occupied and social rented sectors have very few non-White (British/Irish) households whilst over a tenth of the private rented sector comes from a non-White (British/Irish) group.



Source: Household Survey Data

- 10.7 The figure and table below show the number of people in each household by ethnic group and also average household size. The data clearly shows that White-Other households are much larger than the White (British/Irish) group with an average household size of 2.81 people – compared with a District average of 2.20. In total over half of all White-Other households contain three or more people compared with only a third of all households in the District.



Source: Household Survey Data

**Figure 10.5 Average household size by ethnic group**

Ethnic group	Average household size
White (British/Irish)	2.18
White - Other	2.81
Other	2.39
Total	2.20

Source: Household Survey Data

### Households with support needs

10.8 Information collected through the survey enables us to identify whether any household members have a particular support need. The survey looked at whether household members fell into one or more of a range of groups. The groups covered were:

- Wheelchair user
- Walking difficulty (not in wheelchair)
- Learning disability
- Mental health problem
- Visual/hearing impairment
- Asthmatic/respiratory problem
- Other physical disability
- Limiting long-term illness

- 10.9 Overall there are an estimated 11,565 households in Carlisle District with one or more members in an identified support needs group - this represents 24.3% of all households. The table below shows the number of households with different types of support needs. The numbers of households in each category exceed the total number of support needs households because people can have more than one category of support need. Households with a walking difficulty are the predominant group. There are 5,771 households containing a person with a walking difficulty.

<b>Figure 10.6 Support needs categories</b>			
Category	Number of households	% of all households	% of support needs households
Wheelchair user	950	2.0%	8.2%
Walking difficulty (not in wheelchair)	5,771	12.1%	49.9%
Learning disability	889	1.9%	7.7%
Mental health problem	1,756	3.7%	15.2%
Visual/hearing impairment	2,173	4.6%	18.8%
Asthmatic/respiratory problem	2,526	5.3%	21.8%
Other physical disability	2,520	5.3%	21.8%
Limiting long-term illness	3,625	7.6%	31.3%

Source: Household Survey Data

- 10.10 The table below shows the locations of households with support needs from the survey data. Generally, there is not a significant variation by different areas with the two rural areas showing the lowest proportion of households containing someone with a support need (20%-22%) and Carlisle Urban a higher proportion (26%).

<b>Figure 10.7 Households with support needs by HMA</b>			
HMA	Support need	No support needs	Total
Rural West	872	3,124	3,996
	21.8%	78.2%	100.0%
Rural East	2,312	9,216	11,528
	20.1%	79.9%	100.0%
Carlisle Urban	8,381	23,713	32,095
	26.1%	73.9%	100.0%
DISTRICT	11,565	36,054	47,619
	24.3%	75.7%	100.0%

Source: Household Survey Data

10.11 The tables below show the characteristics of support needs households in terms of age, tenure and unsuitable housing. The survey data shows that support needs households are also more likely to contain older persons. It is estimated that 46.6% of all support needs households contain only older people. Support needs households are also particularly likely to be living in social rented housing. Some 44.8% of households living in social rented housing contain a support needs member. Finally support needs households are twice as likely to be living in unsuitable housing as non-support needs households. Some 10.2% of all support needs households are living in unsuitable housing.

<b>Figure 10.8 Support needs households with and without older people</b>				
Age group	Support needs households			
	Support needs	Number of h'holds	% of h'holds with support needs	% of those with a support need
No older people	5,017	29,398	17.1%	43.4%
Both older & non-older people	1,157	3,708	31.2%	10.0%
Older people only	5,392	14,513	37.1%	46.6%
<b>Total</b>	<b>11,565</b>	<b>47,619</b>	<b>24.3%</b>	<b>100.0%</b>

Source: Household Survey Data

<b>Figure 10.9 Support needs households and tenure</b>				
Tenure	Support needs households			
	Support needs	Number of h'holds	% of h'holds with support needs	% of those with a support need
Owner-occupied (no mortgage)	4,605	17,584	26.2%	39.8%
Owner-occupied (with mortgage)	2,384	16,875	14.1%	20.6%
Social rented	3,292	7,343	44.8%	28.5%
Private rented	1,285	5,817	22.1%	11.1%
<b>Total</b>	<b>11,565</b>	<b>47,619</b>	<b>24.3%</b>	<b>100.0%</b>

Source: Household Survey Data

<b>Figure 10.10 Support needs households and unsuitable housing</b>				
Unsuitable housing	Support needs households			
	Support needs	Number of h'holds	% of h'holds with support needs	% of those with a support need
In unsuitable housing	1,185	2,571	46.1%	10.2%
Not in unsuitable housing	10,380	45,048	23.0%	89.8%
<b>Total</b>	<b>11,565</b>	<b>47,619</b>	<b>24.3%</b>	<b>100.0%</b>

Source: Household Survey Data

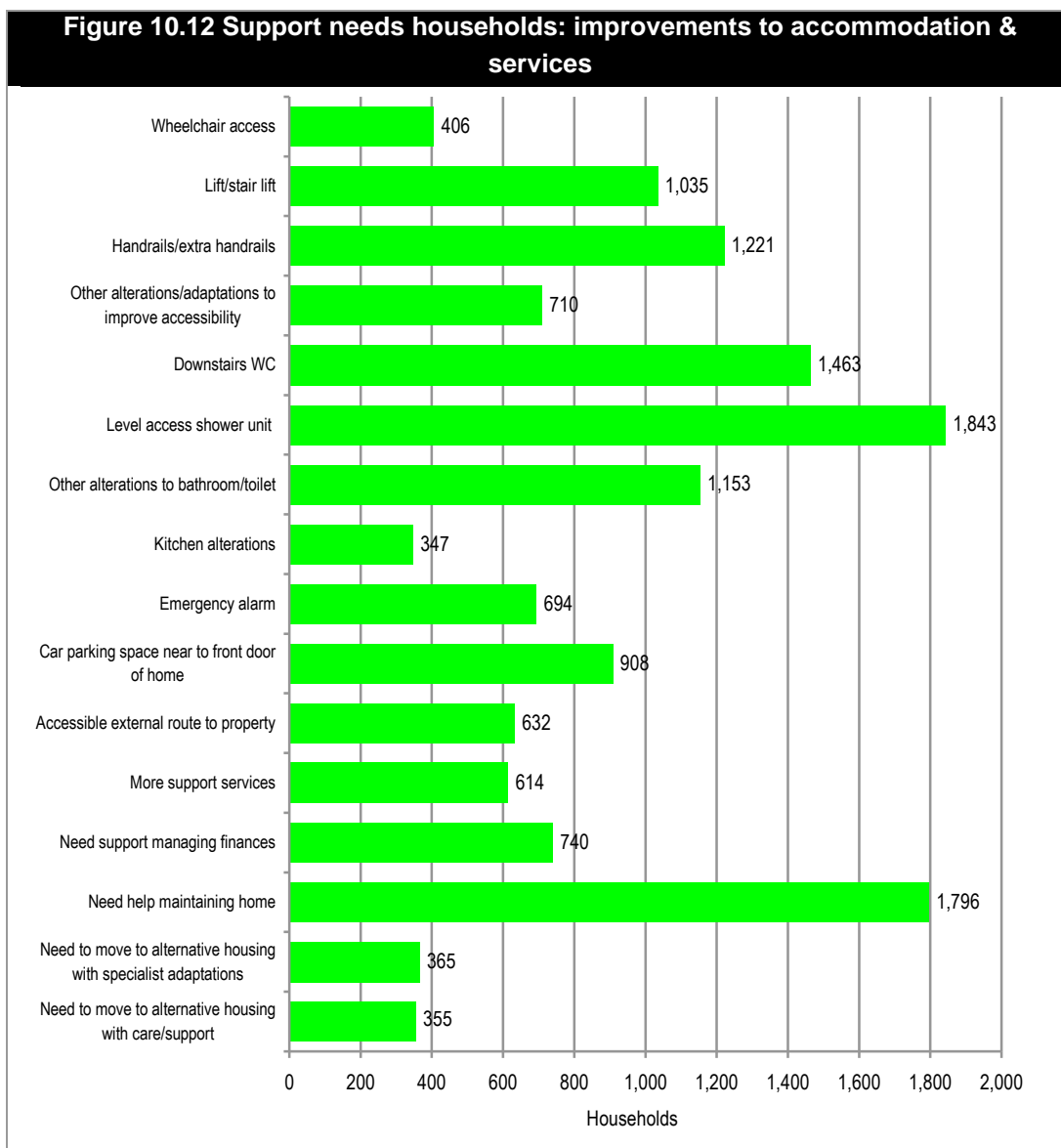
10.12 The table below shows the average income and savings levels for support needs households in comparison to other households. The table shows that support needs households have an average income level noticeably below the average for non-support needs households. There is no notable difference in regard to savings.

<b>Figure 10.11 Income and savings levels of support needs households</b>		
Support needs	Annual gross household income (median)	Average household savings (median)
Support needs	£12,828	£1,161
No support needs	£22,295	£1,136
All households	£19,003	£1,142

Source: Household Survey Data

10.13 Those households with a member with support needs were asked to indicate if there was a need for improvements to their current accommodation and/or services. The responses are detailed in the figures below. The results show requirements for a wide range of adaptations and improvements across the support needs households. Those most needed were:

- Level access shower unit
- Need help maintaining home
- Downstairs WC
- Handrails/extra handrails



Source: Household Survey Data

10.14 As seen earlier in the report the number and proportion of the population of pensionable age and over is expected to increase significantly in the future with the proportion of households made up solely of pensioners project to increase from around 30.5% to 41.5% in the period from 2011 to 2031. Given that analysis has shown that older person households are particularly likely to contain someone with a support need it is worth briefly considering the potential impact of local demographic change.

10.15 The table below shows estimated number and proportion of households containing someone with a support need in 2011 and 2031 (derived from our demographic modelling). The table shows that overall the proportion of households containing someone with a support need is expected to increase from 24.3% to 27.4% - an increase of nearly 4,000 households from 2011.

10.16 In interpreting this however, it should be remembered that much of the growth in the older person population is due to improvements in life expectancy – this means that support needs prevalence rates may change in the future and therefore the increase may not be as high as projected here. That said, the evidence would clearly point to increases in the number of households with support needs in the future.

<b>Figure 10.13 Projected change in number of households with a support need 2011 to 2031</b>				
Support need	2011		2031	
	Households	%	Households	%
Support need	11,565	24.3%	15,204	27.4%
No support needs	36,054	75.7%	40,305	72.6%
Total	47,619	100.0%	55,509	100.0%

Source: Household Survey Data

### Older person households

10.17 Older people are defined as those over the state pension eligibility age (currently 65 for men and 60 for women). For the purpose of this section, households have been divided into three categories:

- Households without older persons
- Households with both older and non-older persons
- Households with only older persons

10.18 Nearly a third of all households contain only older people (30.5%), a further 7.8% contain both older and non-older people. The table below shows the number and percentage of households in each group.

<b>Figure 10.14 Older person households</b>		
Categories	Number of households	% of all households
Households without older persons	29,398	61.7%
Households with both older and non-older persons	3,708	7.8%
Households with older persons only	14,513	30.5%
Total	47,619	100.0%

Source: Household Survey Data

10.19 The table below shows the number of older person only households in each HMA. The data shows that Rural East has the highest proportion of older person households with 35.2% of all households comprised solely of older persons. This is in contrast with Carlisle Urban where only 28.6% of households were found to be pensioner only.

<b>Figure 10.15 Older person households by HMA</b>				
HMA	Older person			
	All older persons	Number of h'holds	% of h'holds with all older persons	% of those with all older persons
Rural West	1,271	3,996	31.8%	8.8%
Rural East	4,058	11,528	35.2%	28.0%
Carlisle Urban	9,185	32,095	28.6%	63.3%
<b>Total</b>	<b>14,513</b>	<b>47,619</b>	<b>30.5%</b>	<b>100.0%</b>

Source: Household Survey Data

10.20 The number of occupants in older person households is shown in the table below. The data suggests that virtually all households containing older persons only are comprised of one or two persons only. Some 54.9% of all single person households are older person households.

<b>Figure 10.16 Size of older person only households</b>				
Number of persons in household	Age group			
	Older persons only	Number of h'holds	% of total h'holds with older persons	% of those with older persons
One	9,776	17,821	54.9%	67.4%
Two	4,687	14,608	32.1%	32.3%
Three	51	6,508	0.8%	0.4%
Four	0	6,477	0.0%	0.0%
Five or more	0	2,205	0.0%	0.0%
<b>Total</b>	<b>14,513</b>	<b>47,619</b>	<b>30.5%</b>	<b>100.0%</b>

Source: Household Survey Data

10.21 The table below shows the housing tenures of households with older persons. Over three-quarters of older person only households are owner-occupiers (mostly without a mortgage) - this finding suggests that the potential for equity release schemes in the City may be significant. Another significant finding is the relatively high proportion of social rented accommodation containing older people only. In Carlisle District 40.4% of social rented dwellings contain only older people. This may have implications for future supply of and demand for specialised social rented accommodation.



<b>Figure 10.17 Older person only households and tenure</b>				
Tenure	Age group			
	Older persons only	Number of h'holds	% of h'holds with older persons	% of those with older persons
Owner-occupied (no mortgage)	10,080	17,584	57.3%	69.5%
Owner-occupied (with mortgage)	1,006	16,875	6.0%	6.9%
Social rented	2,964	7,343	40.4%	20.4%
Private rented	463	5,817	8.0%	3.2%
<b>Total</b>	<b>14,513</b>	<b>47,619</b>	<b>30.5%</b>	<b>100.0%</b>

Source: Household Survey Data

10.22 The table below shows that older person only households are more likely than non-older person households to be living in one and two bedroom properties. However, the results also show that over half of all older person households are in three or four bedroom dwellings. Given that previous information has shown that all older person only households are almost entirely comprised of only one or two persons, this finding suggests that there could be potential scope to free up larger units for younger families if the older person households chose to move into suitable smaller units.

<b>Figure 10.18 Size of dwellings (number of bedrooms) for older person only households</b>				
Number of bedrooms	Older person households		All other households	
	Households	%	Households	%
1 bedroom	1,432	9.9%	2,442	7.4%
2 bedrooms	5,605	38.6%	9,630	29.1%
3 bedrooms	6,036	41.6%	14,550	43.9%
4+ bedrooms	1,441	9.9%	6,484	19.6%
<b>Total</b>	<b>14,513</b>	<b>100.0%</b>	<b>33,106</b>	<b>100.0%</b>

Source: Household Survey Data

10.23 This information can be further broken down by tenure (for older person households) and this is shown in the table below. The table indicates that whilst the majority of large (three or more bedrooms) properties are in the owner-occupied sector, there are also around 460 dwellings in the social rented sector which may therefore present some opportunity to reduce under-occupation.

<b>Figure 10.19 Older person only households size of accommodation and tenure</b>					
Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	239	3,453	5,059	1,329	10,080
Owner-occupied (with mortgage)	0	504	411	91	1,006
Social rented	1,119	1,386	444	16	2,964
Private rented	74	262	122	6	463
<b>Total</b>	<b>1,432</b>	<b>5,605</b>	<b>6,036</b>	<b>1,441</b>	<b>14,513</b>

Source: Household Survey Data

- 10.24 The number and proportion of the population of pensionable age and over is expected to increase significantly in the future. The table below shows estimated household type change derived from our demographic modelling for the period from 2011 to 2031.
- 10.25 The table shows that overall the proportion of households made up solely of people of pensionable age is expected to increase from 30.5% to 41.5% - an increase of 8,500 households from 2011; this represents an increase in this group of households of around 59% in just 20 years.

<b>Figure 10.20 Household type estimates (pensioner-only households) 2011 and 2031</b>				
Household type	2011		2031	
	Households	%	Households	%
Single pensioner	9,776	20.5%	15,979	28.8%
Two or more pensioners	4,738	9.9%	7,077	12.7%
All pensioner households	14,513	30.5%	23,056	41.5%
All other households	33,106	69.5%	32,453	58.5%
<b>Total</b>	<b>47,619</b>	<b>100.0%</b>	<b>55,509</b>	<b>100.0%</b>

Source: Household Survey Data

- 10.26 The change in the older person population is likely to have some impact on the types of accommodation required to meet housing requirements and overall housing requirements are mainly dealt with in the previous Section of this report. It is however worth noting that the projections suggest that if occupancy patterns stay as they are in 2011 then levels of under-occupancy across the District are expected to rise from 36.3% of all households to 37.5% - this is an increase of about 3,500 under-occupying households.
- 10.27 The survey data provides some evidence of older households, 481 in number, who are considering downsizing over the next two years and who would like a bungalow. Some of these needs will be met through existing stock across the District. Development of new bungalows can be challenging (from a scheme viability perspective) because of the large plot size relative to the floorspace of the units.

10.28 The County Council is in the process of developing an Extra Care Housing Strategy 2011-29. The draft of this estimates a current under-provision of extra care accommodation in Carlisle District; with a requirement for 265 properties set against current supply of 48 properties. We understand that an extra care scheme is under development. The draft Strategy identifies a requirement for a further 75 extra care properties between 2011-19, with a particular requirement in Brampton, Longtown and South Carlisle.

### Families (households with children)

10.29 For the purposes of this analysis, children are defined as those aged under 16 and the section will focus on any household with at least one child in it. To provide more detail on what is a large subsection of the population, three different groups of households with children will be analysed. These are lone parent households, households with more than one adult and one child and households with more than one adult and two or more children.

10.30 The table below shows the number of each type of household with children. The survey estimates that there are 10,652 households with children in the District. Of these, 1,591 households (14.9%) are lone parents, some 42.1% are families with one child aged under 16, and the remaining 42.9% are larger households (with two or more children).

<b>Figure 10.21 Number of families with children</b>			
Households with children	Number of households	Percent of households	Percent of households with children
Lone parent households	1,591	3.3	14.9%
Two or more adults and one child	4,487	9.4	42.1%
Two or more adults and two or more children	4,574	9.6	42.9%
All other households	36,967	77.6	-
Total	47,619	100.0	100.0%

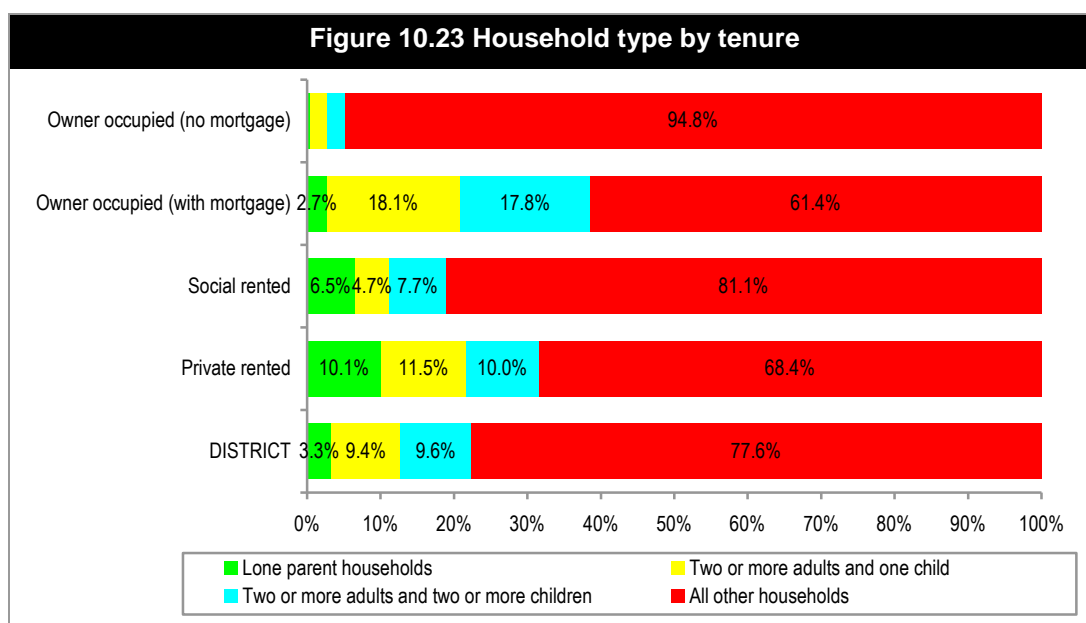
Source: Household Survey Data

10.31 The table below shows how the proportion of households containing children varies between the three HMAs. Overall, there is relatively little difference between areas although the two rural areas show higher proportions of larger family households whilst Carlisle Urban has a higher proportion of lone parents.

Figure 10.22 Household type by HMA					
HMA	Lone parent households	Two or more adults and one child	Two or more adults and two or more children	All other households	Total
Rural West	122 3.1%	348 8.7%	505 12.6%	3,020 75.6%	3,996 100.0%
Rural East	272 2.4%	1,038 9.0%	1,208 10.5%	9,010 78.2%	11,528 100.0%
Carlisle Urban	1,197 3.7%	3,100 9.7%	2,860 8.9%	24,937 77.7%	32,095 100.0%
DISTRICT	1,591 3.3%	4,487 9.4%	4,574 9.6%	36,967 77.6%	47,619 100.0%

Source: Household Survey Data

10.32 The figure below shows the tenure of the three groups of households with children. The results suggest that lone parents are more likely to be living in social rented and private rented accommodation. There is less difference when comparing larger and smaller households with children, although households with one child are slightly more likely to live in private rented accommodation compared with those with two or more children.



Source: Household Survey Data

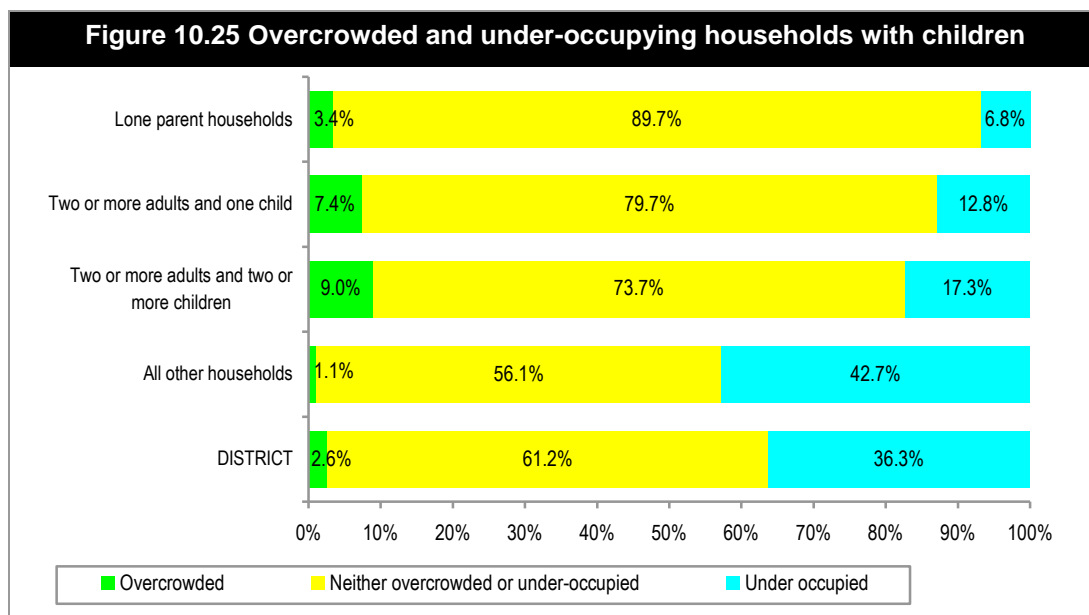
10.33 The table below presents the proportion of households with children living in unsuitable housing. The table indicates that all household groups with children are more likely than other households to be in unsuitable housing. In total, 11.7% of lone parents, 9.3% of smaller family households and 13.6% of larger family households are in housing which is considered to be unsuitable (compared with 5.4% of all households in the District).

**Figure 10.24 Households with children in unsuitable housing**

Unsuitable housing	Households with children				Total
	Lone parent households	Two or more adults and one child	Two or more adults and two or more children	All other households	
In unsuitable housing	11.7%	9.3%	13.6%	3.6%	5.4%
Not in unsuitable housing	88.3%	90.7%	86.4%	96.4%	94.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

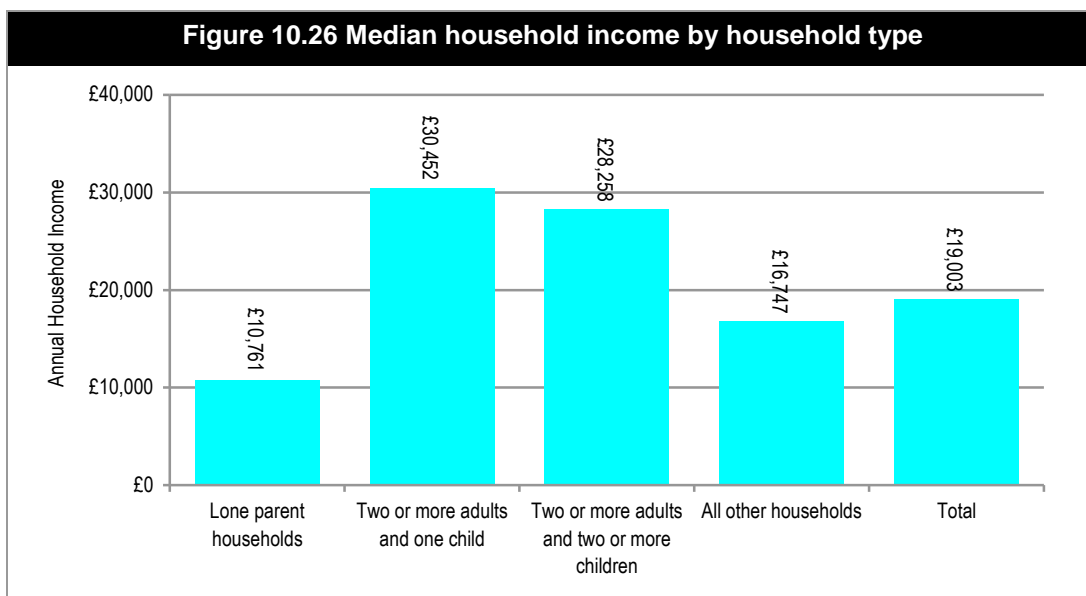
Source: Household Survey Data

10.34 The table below presents the level of overcrowding and under-occupation for households with children. The table shows that whilst levels of overcrowding across the District are generally low all household groups containing children are far more likely to be overcrowded than is the average for the District. In addition, levels of under-occupation are low; particularly for lone parent households where only 7% are under-occupied (compared to a Carlisle District average of 36%).

**Figure 10.25 Overcrowded and under-occupying households with children**

Source: Household Survey Data

10.35 Finally, we have presented data on average (median) income levels for households with children compared with the average for all households in the District. The data shows that both household groups with two or more adults have incomes well in excess of the District average whilst the average lone parent income is very low (around £10,800 per annum).



Source: Household Survey Data

### Young people and first-time buyers

10.36 For the purpose of this study younger people households are defined as those where the household reference person is aged under 35 as this is the age range expected for the majority of first-time buyers. The survey records that there are 7,159 younger households in the City representing 15% of all households.

10.37 The table below presents the working status of younger people in the District compared with working status for all households where the household reference person is not retired. The table indicates that around 81% of younger person households are working – this compares with 86% of all non-retired households. The figures for unemployment are also quite notable with 9.0% of younger person households being unemployed compared to 5.5% of all non-retired households in the District.

Working status	Young households		All other households	
	Number of household	% of households	Number of household	% of households
Working	5,769	80.6%	21,889	86.0%
Unemployed	647	9.0%	1,402	5.5%
Other	743	10.4%	2,169	8.5%
Total	7,159	100.0%	25,460	100.0%

Source: Household Survey Data

10.38 The table below indicates the type of households these younger households live in. The table shows that just over a fifth live alone and a quarter live as a couple. In total 46.9% of all younger person households contain children with a significant proportion of these being lone parent households.

<b>Figure 10.28 Younger person household types</b>		
Household type	Number of household	% of households
Single non-pensioners	1,527	21.3%
Childless couple	1,802	25.2%
Other multi-adult	472	6.6%
Lone parent	874	12.2%
Two or more adults and one child	1,386	19.4%
Two or more adults and two or more child	1,097	15.3%
Total	7,159	100.0%

Source: Household Survey Data

10.39 It is possible to briefly examine the housing circumstances of the different groups of younger person households and in the analysis that follows we have split the group into four main categories, these are:

- Single person households
- Multiple adult households (including childless couples)
- Lone parents
- Households with two or more adults and children

10.40 The table below presents the level of overcrowding and under-occupation for younger person households. The table indicates that the level of overcrowding for lone parents is relatively high whilst generally levels of under-occupation amongst younger person households are low (particularly those households with children).

Overcrowded/under-occupied	Household type			
	Single person	Multi-adult	Lone parents	2+ adults & children
Overcrowded	0.0%	0.0%	6.2%	3.0%
Neither overcrowded nor under-occupied	84.2%	63.1%	93.8%	84.6%
Under-occupied	15.8%	36.9%	0.0%	12.4%
Total	100.0%	100.0%	100.0%	100.0%

Source: Household Survey Data

10.41 The table below shows the tenure of the four groups of younger households. The data suggests that there are considerable differences between the different groups of younger households with lone parent households having large proportions in the social rented sector (and also the private rented sector). Multi-adult households are particularly likely to live in private rented housing although around 56% are owner-occupiers. The group of households with two or more adults and children show a high proportion in the owner-occupied sector (around 60% are owner-occupiers) although a relatively large proportion are also in the social rented sector.

<b>Figure 10.30 Tenure of younger households</b>				
Tenure	Household type			
	Single person	Multi-adult	Lone parents	2+ adults & children
Owner-occupied (no mortgage)	5.3%	3.5%	3.8%	2.5%
Owner-occupied (with mortgage)	43.7%	52.8%	10.8%	57.6%
Social rented	14.3%	1.6%	40.0%	21.3%
Private rented	36.7%	42.1%	45.4%	18.6%
Total	100.0%	100.0%	100.0%	100.0%

Source: Household Survey Data

10.42 The survey identifies households that have moved into owner-occupied accommodation from a different tenure in the last two years. It is assumed that all of these households are first-time buyers although a few may have owned a home at some stage previously.

10.43 The survey records that there are 1,134 households that have become first-time buyers in Carlisle District in the last two years. The table below shows the size of first-time buyer households compared with other households that have purchased a home in the last two years and all other households in the District. It shows that 42.2% of first-time buyer households contain two people and a further 31.6% are single persons. Overall, first-time buyer households are generally smaller when compared to either other recent buyers or all other households in the District.

<b>Figure 10.31 Household size of recent first-time buyers</b>								
Household size	First time buyer		Other recent buyer		Other household		Total	
1 person	358	31.6%	295	18.8%	17,169	38.2%	17,821	37.4%
2 people	479	42.2%	543	34.6%	13,586	30.2%	14,608	30.7%
3 people	228	20.1%	338	21.6%	5,941	13.2%	6,508	13.7%
4 people	69	6.1%	356	22.7%	6,052	13.5%	6,477	13.6%
5 or more people	0	0.0%	37	2.3%	2,169	4.8%	2,205	4.6%
Total	1,134	100.0%	1,568	100.0%	44,917	100.0%	47,619	100.0%

Source: Household Survey Data



10.44 The table below shows the age of the HRP in first-time buyer households. It shows that 48.9% of respondents are aged under 30, whilst 24.1% are between 30 and 39. First-time buyers generally have a younger age profile to other buyers who in turn have a slightly younger profile than other households. The median age of first-time buyers in the District over the past two years is 30.

Figure 10.32 Age of recent first-time buyers								
Respondent age	First time buyer		Other recent buyer		Other household		Total	
Under 30	554	48.9%	145	9.3%	3,449	7.7%	4,148	8.7%
30-39	273	24.1%	371	23.6%	5,966	13.3%	6,610	13.9%
40-49	105	9.3%	447	28.5%	8,222	18.3%	8,775	18.4%
50 and over	201	17.7%	605	38.6%	27,280	60.7%	28,086	59.0%
Total	1,134	100.0%	1,568	100.0%	44,917	100.0%	47,619	100.0%

Source: Household Survey Data

10.45 The average (median) annual income of first-time buyer households is £26,952 which is significantly higher than the average for the District of £19,003. The average income of other buyers is however slightly higher again, with those moving from one owner-occupied property to another having an average income of £27,597 per annum.

10.46 As we have discussed in previous sections, the savings of many young households currently mean many cannot secure a mortgage to buy a new home.

### Migrant workers

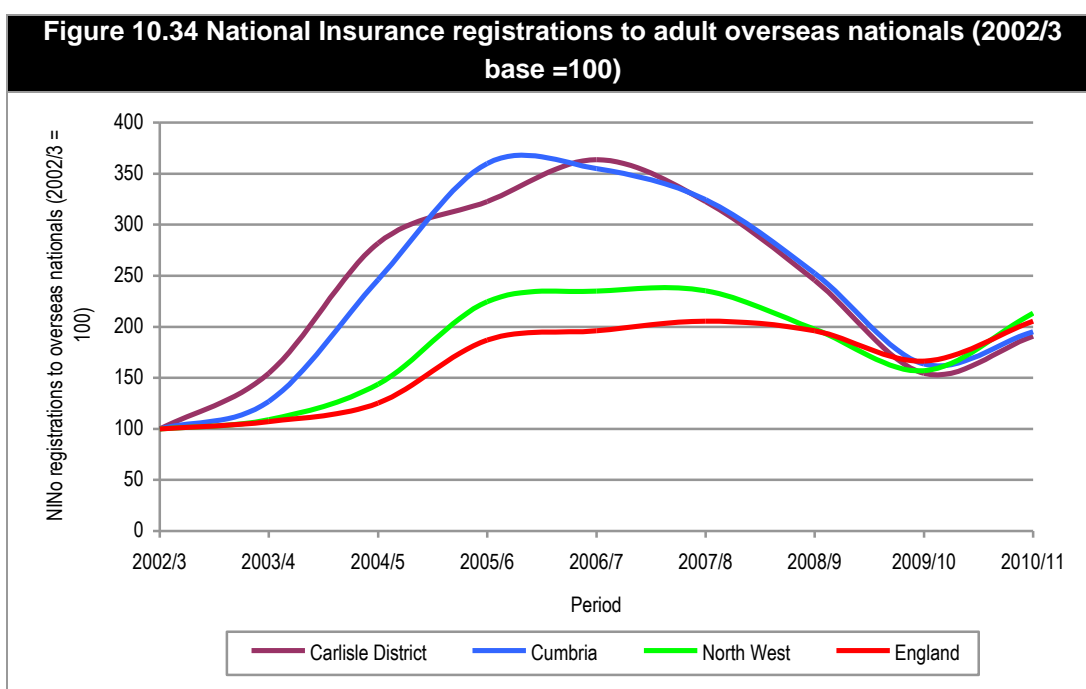
10.47 In recent years the UK has experienced a noticeable increase in the number of migrant workers arriving from overseas. Records of the location of these workers are imperfect, but one measure of where they moved to is the number of new National Insurance numbers issued to workers in particular locations.

10.48 The table and figure below show the number of National Insurance Number (NiNo) registrations going back to 2002/03. For Carlisle District the data shows that the number of NiNo registrations rose from 220 in 2002/3 to peak at 800 in 2006/7 (nearly a four fold increase). Since then the number of registrations has dropped and in 2009/10 was only 340 – this figure rose again (to 420) in 2010/11. The trends in NiNo registrations generally follow regional and national patterns although the initial increase and subsequent decrease in registrations have been more extreme than seen regionally or nationally.

**Figure 10.33 National Insurance registrations to adult overseas nationals**

	Carlisle District	Cumbria	North West	England
2002/3	220	820	21,740	309,920
2003/4	340	1,040	23,670	331,980
2004/5	620	2,020	31,230	388,090
2005/6	710	2,950	48,800	579,500
2006/7	800	2,910	51,090	607,920
2007/8	710	2,660	51,150	636,830
2008/9	540	2,070	42,950	607,810
2009/10	340	1,340	34,130	515,050
2010/11	420	1,600	46,380	636,380

Source: Department of Work and Pensions



Source: Department of Work and Pensions

10.49 The table below takes the above data forward by looking at the nationality of NINO registrations since 2002. In the table we have only listed countries which make up over 2% of registrations in Carlisle District. Overall it can be seen that NINO registrations come from a wide range of different countries with Poland being the highest making up over two-fifths (43.5%) of all registrations in Carlisle District – the next highest, Portugal, only has 8.1% of registrations.

Figure 10.35 Nationality of NiNo registrations 2002 to 2010				
Country	Carlisle District	Cumbria	North West	England
Germany	2.2%	1.9%	1.8%	2.1%
Portugal	8.1%	2.6%	1.6%	2.1%
Slovak Rep	4.8%	5.5%	4.0%	2.8%
Rep of Lithuania	2.2%	3.2%	2.2%	3.2%
Poland	43.5%	33.8%	23.4%	17.7%
South Africa	2.8%	5.7%	1.7%	2.8%
China Peoples Rep	3.9%	2.2%	3.9%	2.2%
India	3.1%	3.2%	8.2%	8.6%
All other countries	29.3%	42.0%	53.1%	58.4%
Total	100.0%	100.0%	100.0%	100.0%

Source: Department of Work and Pensions

- 10.50 Looking at the range of countries from which NiNo registrations have come it is clear that many of these would be classified as a 'White – other' ethnic group and we have therefore looked additionally at data about this group. ONS experimental statistics about ethnic group suggest that the population classified as White-Other has increased from 800 in 2001 to 2,300 in 2009 (an increase of 188%). Data from the survey suggests that the number of households headed by someone from a White-Other group has increased by 213% since 2001.
- 10.51 The White-Other group has some distinct characteristics with a high proportion living in private rented housing (54%), the majority being adult (non-pensioner) households without children (59%) and a concentration in the Carlisle Urban HMA – 88.5% of all White-other households live in this area compared with 67.4% of all households in the City.

## Gypsies and Travellers

- 10.52 The scope of this report and the household survey has not allowed for a detailed assessment of the needs of gypsies, travellers and showpeople within Carlisle District. The Gypsy & Traveller Accommodation Needs Assessment undertaken in 2008 for the whole of Cumbria, included Carlisle District. This established the current number and location of existing gypsy and traveller population within the area, along with their unmet accommodation needs for a 10-year period. This concluded that there was a potential requirement in Carlisle District for 39 permanent pitches with a further 35 temporary pitches across the whole County.
- 10.53 National planning policies for gypsies and travellers have changed since 2008. In November 2010 the Coalition Government revoked national policies in Circular 01/2006. The emerging National Planning Policy Framework is silent on meeting the needs of gypsies and travellers.

## Policy Implications

- Households within Black and Minority Ethnic (BME) groups are more likely than the general household population to live within the Private Rented sector. There are higher concentrations of BME households in Carlisle Urban with the key White (Other) group having larger average household sizes. Recent evidence from national insurance registrations indicates that international in-migration is strongest from Poland and that whilst numbers have fallen since 2006-7 there was an increase in 2010/11.
- 30.5% of households in the District contain only older persons (with more than 35% in Rural East being older person only households). Over three quarters of older person households are owner-occupiers (mostly mortgage free), with older persons occupying 40% of social rented dwellings. Older person households are very likely to under occupy homes, with over half living in homes with three or more bedrooms. In the market sector there is a limited ability to influence this. In the affordable sector, there may be potential to reduce under-occupation by providing support and incentives to households to downsize. The number of older households is expected to increase significantly over the next 20 years, with households of pensionable age growing by 8,500 over the next 20 years (to 2031). The number of households with support needs will also grow, and policy will need to respond.
- Currently 24% of households have support needs with the highest levels in Carlisle Urban. A large proportion of those with support needs currently live in unsuitable housing (c. 1,200 households) - typically these households have a lower income. The greatest support needs are for help maintaining homes, as well as level access showers. In many cases it may be possible to resolve these needs in situ. Population growth can be expected to increase the numbers of households with support needs over time – we estimate that over the next 20 years an additional 4,000 households will have a support need. The support needs of households should be considered by the City Council in the development and implementation of its Housing Strategy.
- For family households, lone parent households are particularly in need of support and typically have very low incomes. Many reside in the Private Rented Sector, and the City Council might wish to consider how its allocations policies for social housing support this group.
- Young households are more likely to be unemployed (9% of persons aged under 35) and in need of support. There are also market barriers for many young households to buying a home, with the average (median) age of first-time buyer households in the City of 30 over the last 2 years, with a median income of £27,000. Given supply constraints in the affordable sector, the City Council should work to promote improvements in standards of private rented properties to meet the needs of these groups. It should also signpost and promote understanding of intermediate housing options.

## 11. Conclusions and Recommendations

### Introduction

- 11.1 In this final section of the Report, we have sought to bring together the analysis undertaken to identify key implications for planning and housing policy.
- 11.2 There have been significant changes in housing market conditions since late 2007, with effective housing demand substantially constrained, particularly by the availability of mortgage finance. This has been having a knock-on impact on demand for rented tenures.
- 11.3 Housing need has increased, influenced by the economic recession and unaffordability of market housing. However the ability of the affordable housing sector to meet need however is constrained. The stock of affordable housing in the District has declined by 22% over the last decade with a net reduction of 2,100 properties (2000-10). As a result there is a net shortfall of affordable housing of 708 affordable homes per annum if all households in housing need were to be housed in an affordable home with a secure tenancy. In reality, a substantial proportion of this shortfall in genuine affordable housing with secure tenancies is met by the Private Rented Sector, supported by Local Housing Allowance.
- 11.4 Carlisle City Council is currently developing a Core Strategy (or Local Plan) to cover the period to 2030. Emerging national policy, set out within the draft National Planning Policy Framework (CLG, July 2011) sets out that Local Plans should meet the full requirements for market and affordable housing in their areas, and plan for a mix of housing based on current and future demographic trends, market trends, and the needs of different groups in the community. They should identify the size, type, tenure and range of housing that is required and set policies for affordable housing. The NPPF emphasises the role of the Strategic Housing Market Assessment in identifying housing requirements and mix. This Housing Need and Demand Study has been informed by and is consistent with the Government's current Practice Guidance (CLG, 2007) on such assessments.
- 11.5 In this final section we seek to draw together the findings of the work as a basis for the development of planning policies within the Core Strategy (or a Local Plan), and of housing policies through the review of the City Council's Housing Strategy.

### Housing Requirements

- 11.6 The draft NPPF identifies that local planning authorities should meet the full requirements for market and affordable housing in their housing market area. Local Plans should be basis that objectively-assessed development needs should be met wherever possible.

- 11.7 Housing market areas across Cumbria have been previously-defined; with regional-level work in 2008 (Nevin Leather et al, 2008) identifying a sub-regional housing market focused on Carlisle and including Carlisle District and part of Allerdale district.
- 11.8 Carlisle's population has been increasing at a slightly faster rate than the county or the region, growing by 3.5% between 1999-2009. The City is a key centre for services and employment in Cumbria: the District has an above average jobs density (0.87), and strong labour market self-containment (with an estimated 93% of residents working in the District). In the pre-recession period, the evidence suggests that employment growth was stronger than growth in the workforce, albeit that we would expect the recession to have 'corrected' this. Nonetheless, the City's role moving forward should continue to be as a centre for employment and services for a wide hinterland.
- 11.9 Although there are a set of short-term factors which influence market demand, demand for rented tenures is not being met by supply, which is constrained by the investment context as well as funding available (including through developer contributions) for affordable housing. Over time we would expect 'latent' demand to build up (and indeed there is evidence that this is already occurring).
- 11.10 It is expected that population and demographic dynamics as well as employment growth will drive demand for housing over the longer-term to 2030. Planning policies should be developed to respond to these long-term drivers.
- 11.11 As part of this Assessment, we have worked with the County Council to develop projections for future population and household growth, taking account of both demographic trends and projected future economic performance. Long-term migration trends would result in a housing requirement of around 8,400 homes (420 pa) which is very similar to the Structure Plan target (400 pa) and past completions rates (which averaged 403 pa between 2000/1 – 2009/10). However this level of housing would likely result in a reduction in the size of the workforce. An estimated 545 homes per annum are required to 2025 just to maintain stable employment levels.
- 11.12 In the longer-term we would expect economic growth to drive additional net in-migration to the District. Projected housing requirements driven by trend-based economic growth would result in a higher housing requirement, equating to around 13,300 homes to 2030 (665 pa). This however is based on January 2011 economic forecasts, and assumes a consistent rate of job growth post 2025. The latest economic forecasts are more bullish (forecasting 3,800 jobs as opposed to 2,900 jobs to 2026) albeit that this seems slightly at odds with current economic conditions.
- 11.13 These projections are based on a 4.5% vacancy allowance in new stock which could be considered slightly too high. Our standard assumptions are for 2.5% vacancy within new-build stock which is sufficient to facilitate turnover in the market.

- 11.14 Drawing the various projections together, we have considered how the projections align with the Council's emerging strategic objectives as set out in the Autumn 2011 Core Strategy Issues and Options Consultation. This indicates a clear aspiration to achieve economic growth, and increase the size of the working-age population.
- 11.15 The modelling indicates that around 545 homes would be required each year to maintain the working-age population, with 665 homes a year required to support forecast economic growth (based on Jan 2011 employment forecasts to 2025). Delivery of between 545 – 665 homes per annum therefore appears to align with the Council's emerging strategy, subject to further consultation. Delivery at this rate, equivalent to 1.2 – 1.3% growth in households per annum, is considered achievable if supported by a clear strategy for economic growth and infrastructure delivery.
- 11.16 The Council's latest Annual Monitoring Report (2010) indicates that at November 2010 the capacity of allocated sites together with those with planning permission was for 3824 homes. Additional housing land would therefore need to be identified. The City Council is currently prepare its Strategic Housing Land Availability Assessment (SHLAA). The City Council will need to use the SHLAA, and undertake further work as appropriate, to consider further the housing target which should be included within the Draft Core Strategy.

## **Housing Distribution**

- 11.17 In the past, the distribution of housing development within the District has particularly been informed by the 'spatial strategy' within the Local Plan, and the availability of suitable land. These remain relevant factors in considering where development is located, particularly with a view to supporting sustainable development including access to employment, services and public transport.
- 11.18 The draft NPPF indicates that market factors should also be taken into account as well emphasising in para 27 that strategies for housing (and other land uses) should 'take full account of relevant market and economic signals such as land prices to inform judgements about levels of demand.'
- 11.19 The NPPF is not specific about at what level this sort of analysis should be undertaken. A specific assessment of development viability has not been undertaken (as we will come onto), although evidence from the analysis undertaken house prices are marginally higher in Brampton and the Rural East housing market area. The differentials are not however substantial.
- 11.20 The City Council may also wish to consider how the distribution of development could impact on affordable housing delivery. A range of factors need to be considered, but recognising that greater development in higher value areas will support affordable housing delivery (albeit that market housing built will be less affordable).

- 11.21 Our analysis, which integrates an understanding of demographics identifies that two thirds (66%) of need/demand within the District arises in Carlisle Urban area, with the remaining third in the rural areas split with 26% in the Rural East and 8% in the Rural West Housing Market Area. This compares with an 80:20 split of housing development proposed in the Local Plan, and 70:30 policy split previous to this.
- 11.22 This range of factors should be brought together in considering the distribution of development within the District through the Local Plan preparation process and tested through the Sustainability Appraisal process. Access to services, employment and public transport may support a greater focus on the urban area than the demographics indicates.
- 11.23 In considering the distribution of development, the City Council should consider the ability of the 'portfolio of sites' proposed for development to accommodate the mix of housing proposed. This Study indicates that of overall housing requirements (market and affordable), 44% are for 2-bed properties and 42% for 3-bed properties; with limited need/demand for 1-bed properties (8%) and properties with 4 or more bedrooms (6%). Thus the City Council should expect at least 60% of capacity to be on sites suitable for and capable of accommodating housing rather than flatted development (around at least a third of 2-bed properties are houses).
- 11.24 We understand that there has been a recent trend of growing numbers of extensions to properties and garage conversions within the District. This may be influenced by current housing market conditions, but is something that the Council should continue to monitor.
- 11.25 Emerging national policy is likely to allow the City Council to determine its own policies regarding development densities. Density policies should be considered in light of the mix of housing sought and portfolio of sites to be brought forward through the plan.

### **Affordable Housing Policy**

- 11.26 An assessment of housing need is a statutory requirement to support affordable housing policies. Its purpose is to establish that the 'need' for affordable housing cannot be met by existing or planned supply, and hence that there is an additional requirement for affordable housing.
- 11.27 This Study identifies a net shortfall of 708 affordable homes per annum, if all households in housing need were to be provided with an affordable home. This is significantly above likely (or realistic) levels of affordable housing delivery, and has arisen from under-provision of affordable housing for a decade or more. As we have identified, the stock of affordable housing in the City has declined by 22% over the last decade with a net reduction of 2,100 properties (2000-10).



- 11.28 The level of need identified provides an evidence base for seeking to maximise affordable housing delivery. However data from the City Council's 2010 Annual Monitoring Report indicated that 7% of new housing delivered between 2006-10 was affordable housing, although a substantial 162 affordable homes were completed in 2010/11.
- 11.29 Policies for affordable housing will need to take into account the viability of residential development. National policy in PPS3: Housing (CLG 2011) is clear that, as well as evidence of housing need, affordable housing targets within LDFs should reflect:
- “an assessment of the likely economic viability of land for housing within the area, taking account of risks to delivery and drawing on informed assessments of the likely levels of finance available for affordable housing, including public subsidy and the level of developer contribution that can reasonably be secured”*
- 11.30 The case of Blyth Valley District Council and Persimmon Homes (North East) Ltd in 2008 confirmed that a viability assessment was required to support an affordable housing policy in light of PPS3. This is now commonplace as part of the evidence base to support LDF policies.
- 11.31 The City Council's existing Local Plan policy seeks to secure 30% affordable housing within the urban area, and between 10-25% affordable housing in the rural areas depending on site size. This was examined in advance of the Blyth Valley judgement. The Plan was adopted in 2008 at the peak of the housing market.
- 11.32 We would expect viability to have worsened since 2008, linked to falls in house prices (which has not been compensated for by reductions in construction costs). VOA data indicates that on average residential land values in the North West in mid 2010 were 45% below their levels at the peak of the market. The latest Property Market Report from Jan 2010 suggests nationally land values haven't changed significantly since, and that they correspond with levels in early 2004. The fall in land values may it more affordable for Registered Providers (RPs) to purchase land to develop (where they can secure funding) however it is likely to reduce affordable housing delivery through S106 negotiations. Within the District, we would expect viability to be stronger in the Rural East and particularly in Brampton (providing potential to support a higher target for affordable housing).
- 11.33 The ability to deliver affordable housing will also affected by reductions in the availability of grant funding from the HCA (linked to cuts of £100m pa to the National Affordable Housing Programme announced in May 2010).

- 11.34 The introduction of the Affordable Rent tenure was expected to partially compensate for reductions in grant funding and a deterioration in scheme viability; however as we have identified there is not a substantial difference in Carlisle between an 80% market rent (the maximum at which an affordable rent can be set) and existing social rents, particularly within the urban area and for smaller homes. Thus Affordable Rent can be expected to have a relatively limited impact in supporting viability (particularly in comparison with other parts of the UK).
- 11.35 We would advise the City Council to commission preparation of an Economic Viability Assessment (EVA) to support an affordable housing policy within the Core Strategy/Local Plan. From a high level assessment, we consider that this might recommend that affordable housing policies be revised downwards.
- 11.36 The Viability Study should take account of the findings of this work and introduction of the new Affordable Rent tenure. It is reasonable for this Study to drive policies regarding affordable housing provision in different parts of the District particularly in regard to the proportion of affordable housing sought. A differential policy regarding different site sizes should certainly be considered (as is the case in the rural areas now, and which could be extended to the City).
- 11.37 Given the viability of residential development within the District and the availability of funding for affordable housing, it is unrealistic to assume that all housing needs can be met through provision of new affordable housing. Part of the gap between need and potential future supply of affordable housing may be met by the Private Rented Sector (supported by Housing Benefit). Over the last two years this sector has housed 463 households per annum. It is likely to continue to play a role in doing so. However even taking this into account, the supply of affordable housing is likely to fall short of identified needs. The City Council should look to maximise provision of affordable housing where possible, including in working proactively with developing RSLs and considering the potential of surplus public sector land to support delivery of affordable housing.
- 11.38 In undertaking a viability study, we would recommend that the City Council take heed of national policy which emphasises that affordable housing policies within the Local Plan need to be considered alongside the plans policies regarding sustainability and infrastructure provision (such as through the Community Infrastructure Levy).

- 11.39 In regard to the policies regarding the mix of affordable housing, our analysis indicates that of net annual housing need (taking account of supply):
- 71% of households in housing need would require benefit assistance to afford an affordable rented property, however of these only 3% could afford existing social rents;
  - 25% of households in housing need could afford affordable rented housing (or intermediate rent) without benefit assistance, but have less than £5,000 in capital and thus would be unlikely to be able to afford shared ownership/ equity products;
  - 7% of households in housing need could afford housing at more than 80% of market housing costs and have £5,000 or more of capital that could be put towards the purchase of a shared ownership/equity property.
- 11.40 This analysis takes account of need, as well as the existing supply and turnover of affordable homes.
- 11.41 On this basis, district-wide, it would seem appropriate to seek a 70:30 split between social rented and intermediate housing, or alternatively (taking account of the new affordable rented tenure) a 90:10 split between social and affordable rent on the one hand and shared ownership/equity products. This is based on current market conditions and mortgage availability and should be revised if market circumstances change notably.
- 11.42 If future supply is focused on delivering affordable rented housing, the evidence does not suggest a case for a differential policy across the three housing market areas. However a greater proportion of households in the Rural West (around two thirds) can afford more than existing social rents, indicating greater potential for (rented) intermediate housing in this area.
- 11.43 In regard to the mix of units, we have considered identified need, existing supply and turnover of properties, and issues related to the management of housing stock. On this basis a policy target for 20-25% of future affordable housing provision to be 1-bed properties, 40% 2-bed, 25% 3-bed, and 10-15% for 4 or more bedrooms could be justified.
- 11.44 The stakeholder consultation identified specific concerns that 1-bed affordable properties can be unpopular as they offer limited flexibility, for instance when friends or relatives want to come and stay; or when households' circumstances change. This can result in a higher level of turnover and in some circumstances make 1-bed properties difficult to let. Thus while the needs evidence supports the above distribution of affordable homes of different sizes, the Council may wish to adjust the mix further towards larger properties in liaison with Registered Providers in developing policy, or applying policy to specific schemes. Provision of larger properties can help to manage the affordable housing stock in creating chains of moves.

11.45 It should be borne in mind that the needs assessment presents a 'snapshot' of housing need. We consider that the housing needs assessment should be reviewed in 5 years time (2016).

### **Maximising the Delivery of Affordable Housing**

11.46 Given the strong level of need identified, and viability/funding challenges, the City Council should look at alternative mechanisms to maximise the delivery of affordable housing.

11.47 Many authorities' existing plans have rural exceptions sites policies, as is the case in Carlisle. The current Local Plan allows small scale infill affordable housing development with local occupancy restrictions in the rural areas. At the national level, policy in this area is in flux: the draft National Planning Policy Framework proposes to delete the rural exceptions sites policy in PPS3. The Government's intention in this is to give local councils greater flexibility to set out their own approach to delivering housing in rural areas, allowing some market housing, where it would facilitate the provision of significant affordable housing to meet requirements. We would recommend that the City Council consider such an approach as this could help deliver additional affordable homes, potentially focusing on larger villages with a range of facilities.

11.48 The City Council may also wish to continue to assess whether it (or other public sector partners) have any land holdings which could be used to support delivery of additional affordable housing. This might be through disposal of sites to an RSL or through establishing a joint venture with a development partner. One example of such an approach is in County Durham, where Durham City Council (now part of Durham County Council) set up a joint venture with Keapmoat to support the regeneration of former coalfield communities.

11.49 This model works by the land value subsidising affordable housing provision. In simple terms the public sector helps to underwrite the risks borne by a developer and improve cash flow in return for affordable housing provision and some form of profit sharing on completion of the development.

11.50 Other potential models to be considered include Community Land Trusts and the recently introduced Community Right-to-Build, which the City Council might look to embrace.

11.51 There has been a discourse nationally on the potential for institutional investment in private rented housing (although recognising that this is not affordable housing). From our understanding of this sector, which is somewhat embryonic (even in London which has a substantial private rented market), we do not consider that this offers significant potential in Carlisle in the short-to-medium term. Long-term rental growth may well support further investment in this sector in the medium to long-term.

11.52 There are examples from elsewhere in the country of Councils working proactively with private sector landlords to house households in housing need, including through provision of brokerage services or rent deposit guarantee / bond schemes (e.g. Wolverhampton, Chiltern or Preston Councils).

### **Making Better Use of the Existing Affordable Housing Stock?**

11.53 Given the level of affordable housing need which exists, the City Council may also wish to consider how it can better use existing affordable housing stock (working with social landlords). The Government proposes to legislate to allow RSLs to grant fixed term tenancies to some tenants (for a minimum of two years). If implemented locally, we would expect this to help increase the turnover of properties and ensure that new tenants moving forward continued to have a genuine housing need.

11.54 In improving the management of stock, the City Council might also consider, working with RSLs, whether potential exists for an incentive scheme to provide support (and potentially financial incentives) to existing social tenants to downsize. This could help to release supply of larger properties with cascading impacts in the management of stock.

### **Meeting the Needs of Specific Household Groups**

11.55 Households within Black and Minority Ethnic (BME) groups are more likely than the general household population to live within the Private Rented sector. There are higher concentrations of BME households in Carlisle Urban with the key White (Other) group having larger average household sizes. Recent evidence from national insurance registrations indicates that international in-migration is strongest from Poland and that whilst numbers have fallen since 2006-7 there was an increase in 2010/11.

11.56 Some 30.5% of households in the City contain only older persons (with more than 35% in Rural East being older person only households). Over three quarters of older person households are owner-occupiers (mostly mortgage free), with older persons occupying 40% of social rented dwellings. Older person households are very likely to under occupy homes, with over half living in homes with three or more bedrooms. In the market sector there is a limited ability to influence this. In the affordable sector, there may be potential to reduce under-occupation by providing support and incentives to households to downsize. The number of older households is expected to increase significantly over the next 20 years, with households of pensionable age growing by 8,500 over the next 20 years (to 2031). The number of households with support needs will also grow, and policy will need to respond.

- 11.57 Currently 24% of households have support needs with the highest levels in Carlisle Urban. A large proportion of those with support needs currently live in unsuitable housing (c. 1,200 households) - typically these households have a lower income. The greatest support needs are for help maintaining homes, as well as level access showers. In many cases it may be possible to resolve these needs in situ. Population growth can be expected to increase the numbers of households with support needs over time – we estimate that over the next 20 years an additional 4,000 households will have a support need. The support needs of households should be considered by the City Council in the development and implementation of its Housing Strategy. The City Council might wish to consider a monitoring target for provision of 60 units of specialist accommodation per annum.
- 11.58 For family households, lone parent households are particularly in need of support and typically have very low incomes. Many reside in the Private Rented Sector, and the City Council might wish to consider how its allocations policies for social housing support this group.
- 11.59 Young households are more likely to be unemployed (9% of persons aged under 35) and in need of support. There are also market barriers for many young households to buying a home, with the average (median) age of first-time buyer households in the City of 30 over the last 2 years, with a median income of £27,000. Given supply constraints in the affordable sector, the City Council should work to promote improvements in standards of private rented properties to meet the needs of these groups. It should also signpost and promote understanding of intermediate housing options.

## Appendix A1 Compliance with Guidance

### Introduction

- A1.1 As discussed in the first section of this report, Guidance is now much more demanding and much more specific about what the evidence base should yield. It is therefore appropriate to provide an account of the output of the study in terms of the requirements.
- A1.2 The Practice Guidance sets out requirements for the outputs and also for the process of an SHMA. The outputs are dealt with below in relation to the both the Guidance requirements and PPS3 requirements. First, however, this section comments on fulfilment of the process requirements.

### Process requirements

- A1.3 The Practice Guidance (in its Figure 1.2) provides a checklist of process requirements. The following list of seven items paraphrases the requirement, and then summarises the response.
- i) Approach to identifying housing market area(s) is consistent with other approaches to identifying housing market areas within the region: this work had already been carried out with Carlisle District being split into three distinct Housing Market Areas. Analysis throughout the report provides analysis and key outputs for each of the three HMAs.
  - ii) Housing market conditions are assessed within the context of the housing market area: the report contains local market information at many points and where possible contrasts key features with regional and national trends.
  - iii) Involves key stakeholders, including house builders: there has been a full involvement of stakeholders in the process, partly managed by the Council and partly facilitated by GLH/JGC. This provided the opportunity for all interested parties to comment on the findings of the research.
  - iv) Contains a full technical explanation of the methods employed, with any limitations noted: there are technical explanations at relevant points in the text and in particular the key sections dealing with the housing needs model and models for assessing long-term housing requirements.
  - v) Assumptions, judgements and findings are fully justified and presented in an open and transparent manner: where assumptions and judgements have been made, they are explained as clearly as possible. As far as was practical the report followed suggestions set out in Central Government guidance as well as going beyond this in areas where guidance is insufficiently prescriptive (e.g. in looking at market demands).

- vi) Uses and reports upon effective quality control mechanisms: this is reported on throughout the report and in particular in terms of the household survey data used where the report looks in detail at the methods used to ensure that findings were representative of the local household population. This requirement was also achieved via the transparent explanation of such processes as the CLG Needs model in the text.
- vii) Explains how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken: as part of the process we have discussed with the local authority the various data sources that can be used to monitor and update key pieces of information from this study. The Council has also been given full training in the use of data collected from this study to all updates of the models to be run when new data becomes available.

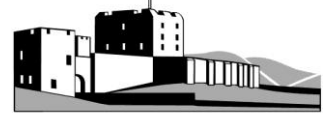
### Output requirements of Guidance

A1.4 The Practice Guidance (in its Figure 1.1) provides a checklist of core outputs. The following table lists the eight outputs and the part of the report in which they are dealt with. It should be noted that some sections of the report go beyond the core requirements of guidance and so are not included in the table.

Figure A1.1 Providing the Practice Guidance core outputs		
Item		Source
1)	Estimates of current dwellings in terms of size, type, condition and tenure	Section 4
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 market.	Sections 5, 6, 7
3)	Estimate of the total future number of households, broken down by age and type where possible	Section 3
4)	Estimate of current number of households in housing need	Section 8
5)	Estimate of future households that will require affordable housing	Section 8
6)	Estimate of future households requiring market housing	Section 9
7)	Estimate of size of affordable housing required	Sections 8, 9
8)	Estimate of household groups who have particular housing requirements e.g. families, older people, key workers black and ethnic minority groups, disabled people, young people etc.	Section 10



## Appendix A2 Household Survey Questionnaire



## Carlisle City Council: HOUSING SURVEY

Dear Resident

Carlisle City Council is currently carrying out an important and confidential study of all types of housing within the area, and would be grateful for your help.

A sample of households from across the City Council area are being asked to take part in a survey that will be used to provide an up-to-date picture of the housing circumstances and aspirations of local people. It will help the Council develop its housing and planning policies to best meet local people's needs in the coming years.

Your household has been chosen at random to be included in this survey. I would be very grateful if you would take a few minutes to complete the questionnaire and return it in the prepaid envelope enclosed. We are interested in getting a full range of views, from home owners as well as those who rent from a Housing Association or a private landlord. Whether you are planning to move house or not, the information is important, as it will help to give a balanced view of housing in the area.

The data is being collected and analysed on behalf of the City Council by consultants GL Hearn. **All of the information you give will be treated as strictly confidential and will only be used for the purpose of this survey.** The Council will not see any of your individual replies nor will any of the information you give be passed on to any other agency or market research organisation.

To thank you for taking part, every household that responds will be entered into a **prize draw with a chance to win £100 in cash.** An ID number at the top of the form will identify your address only to GL Hearn who will contact you if you win.

If you would like help with any of the questions or want to discuss the questionnaire, please telephone Justin Gardner on the free phone number: **0800 046 1489** or Andrew Williams at Carlisle City Council on 01228 817323.

**Please return the completed questionnaire in the pre-paid envelope or send to Freepost Plus RSKH-BZET-GXHZ, GL Hearn, 64 Ship Street, Brighton, BN1 1AE by 24<sup>th</sup> June 2011.** Thank you for your time in this matter.

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Gerrard', written over a horizontal line.

Keith Gerrard  
Assistant Director, Community Engagement

## NOTES FOR COMPLETING THE QUESTIONNAIRE

Most questions are answered by ticking the appropriate box:

For some questions you need to write a number in a larger box:

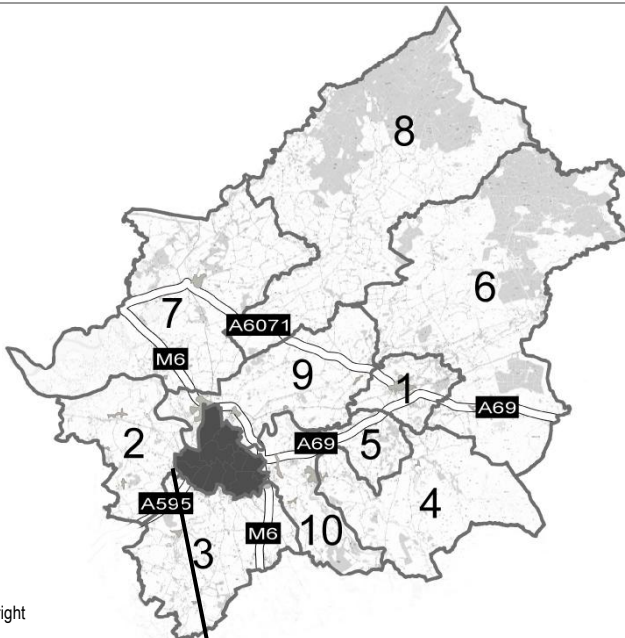
Please follow the questions in the numbered order unless the box you tick has a 'Go to question XX' next to it, where you will need to go to the question stated.

Most of the questions are about your **household**. A household is made up of either:

- One person living alone, or
- A group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.

**Questionnaires in larger print are available by contacting Justin Gardner on 0800 046 1489.**

## MAPS FOR USE WITH QUESTIONS B3, D3, F4 and G6



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Ordnance Survey  
LA100024459

### Rural Carlisle

- 1 – Brampton
- 2 – Burgh
- 3 – Dalston
- 4 – Great Corby & Geltsdale
- 5 – Hayton
- 6 – Irthing
- 7 – Longtown & Rockcliffe
- 8 – Lyne
- 9 – Stanwix Rural
- 10 – Wetheral

### Urban Carlisle

- A – Belah (with Kingmoor Park & Parkhouse)
- B – Stanwix Urban
- C – St. Aidans
- D – Botcherby
- E – Harraby (with Garlands)
- F – Upperby
- G – Currock
- H – Denton Holme
- I – Castle
- J – Morton
- K – Yewdale
- L – Belle Vue

# A YOUR CURRENT HOME AND NEIGHBOURHOOD

The first section of the form asks for some information about your current housing, including the type and size of the accommodation.

## A1. What type of property do you and your household live in?

- |                           |                            |  |                            |
|---------------------------|----------------------------|--|----------------------------|
| Detached house .....      | <input type="checkbox"/> 1 | A flat, maisonette, or apartment .....       | <input type="checkbox"/> 5 |
| Semi-detached house ..... | <input type="checkbox"/> 2 | A caravan or other temporary structure ..... | <input type="checkbox"/> 6 |
| Terraced house .....      | <input type="checkbox"/> 3 | Bedsit/Studio/Room Only .....                | <input type="checkbox"/> 7 |
| Bungalow .....            | <input type="checkbox"/> 4 |  |                            |

## A2. Do you live in any of the following types of supported/specialist housing?

- |   |                            |   |                            |
|---|----------------------------|---|----------------------------|
| Sheltered housing scheme with a warden .....    | <input type="checkbox"/> 1 | Supported housing scheme .....                          | <input type="checkbox"/> 4 |
| Sheltered housing scheme without a warden ..... | <input type="checkbox"/> 2 | Residential care and/or nursing home .....              | <input type="checkbox"/> 5 |
| Extra care housing scheme .....                 | <input type="checkbox"/> 3 | <b>Not living in supported/specialist housing</b> ..... | <input type="checkbox"/> 6 |

### Definitions:

**Sheltered housing:** accommodation with access to services like a 24 hour emergency contact alarm system, and/or a warden.

**Supported housing:** specialist accommodation staffed by support workers to help you live more independently.

**Extra care schemes:** e.g. your own flat or bungalow with health care and/or personal care facilities provided.

## A3. Do you own or rent the home?

- |  |                            |   |                            |
|--|----------------------------|---|----------------------------|
| Own outright .....                                   | <input type="checkbox"/> 1 | Rent from a relative or friend .....        | <input type="checkbox"/> 6 |
| Own with a mortgage or loan .....                    | <input type="checkbox"/> 2 | Tied/linked to a job .....                  | <input type="checkbox"/> 7 |
| Rent from Riverside Housing .....                    | <input type="checkbox"/> 3 | Shared Ownership (part rent/part buy) ..... | <input type="checkbox"/> 8 |
| Rent from another Housing Association .....          | <input type="checkbox"/> 4 | Other .....                                 | <input type="checkbox"/> 9 |
| Rent from a private landlord or letting agency ..... | <input type="checkbox"/> 5 |   |                            |

## A4. How many bedrooms does your home have? If you are living in a bedsit or studio with no separate bedroom please enter '0' in the box.

bedroom(s)

## A5. Please indicate whether the following are no problem, a problem, or a serious problem. Please tick one box per item.

- |   | Not a problem/<br>not applicable | A<br>problem               | A serious<br>problem       |
|---|----------------------------------|----------------------------|----------------------------|
| a) The health of someone in your household is suffering because of the condition of your home .....               | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| b) Your home is in major disrepair .....  | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| c) You have difficulty maintaining your home .....  | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| d) You have difficulty heating your home .....  | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| e) You have to share a bathroom, toilet or kitchen with another household .....                                   | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| f) You are lacking basic facilities (such as bathroom/toilet/kitchen) .....                                       | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| g) Someone in your household has difficulty using stairs and/or lifts to or within your home .....                | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| h) Your rent or mortgage is too expensive .....   | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| i) You are under notice of eviction/re-possession, real threat of notice, or your lease is coming to an end ..... | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |
| j) Someone in your household is suffering harassment .....  | <input type="checkbox"/> 1       | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 |

**A6. Please rate your neighbourhood for each of the following. Please tick one box per item.**

	Very Good	Fairly Good	Neither good nor bad	Fairly Bad	Very Bad	Don't know
a) Schools .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
b) Shops .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
c) Healthcare .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
d) Leisure facilities .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
e) Parks/open space .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
f) Public transport .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
g) Car parking .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
h) Cycle and pedestrian paths .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6
i) General reputation .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input type="checkbox"/> 6

## **B TRANSPORT AND TRAVEL TO WORK**

**B1. How many cars or vans are owned, or available for use, by one or more members of your household? Include any company car or van if available for private use.**

None.....  1    One .....  2    Two .....  3    Three or more.....  4

In the rest of this section we want to find out about where you and your partner work and how they travel to work. **If no one in your household is currently working then please move on to Section C.**

**B2. How do you and your partner (if applicable) usually travel to work? Please tick the type of transport used for the longest part (by distance) of your usual journey to work. Please tick one box only for each of self and partner.**

	a) Self	b) Partner		a) Self	b) Partner
Work mainly from home .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Motor Cycle.....	<input type="checkbox"/> 5	<input type="checkbox"/> 5
On foot .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Bus.....	<input type="checkbox"/> 6	<input type="checkbox"/> 6
Bicycle.....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Train.....	<input type="checkbox"/> 7	<input type="checkbox"/> 7
Car .....	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Other.....	<input type="checkbox"/> 8	<input type="checkbox"/> 8

**B3. Where do you and your partner (if applicable) work? If this is in the district of Carlisle (urban or rural), please enter the area code using the maps on page 1 as reference. If there is no fixed location, please tick the most frequently visited area of work.**

	a) Self	b) Partner		a) Self	b) Partner
In the urban centre of Carlisle .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Elsewhere in the North West .....	<input type="checkbox"/> 7	<input type="checkbox"/> 7
In a rural area of Carlisle .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Dumfries and Galloway.....	<input type="checkbox"/> 8	<input type="checkbox"/> 8
Eden District (e.g. Penrith) .....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Northumberland .....	<input type="checkbox"/> 9	<input type="checkbox"/> 9
Copeland District (e.g. Whitehaven).....	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Newcastle .....	<input type="checkbox"/> 10	<input type="checkbox"/> 10
Allerdale District (e.g. Workington).....	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Elsewhere in the UK .....	<input type="checkbox"/> 11	<input type="checkbox"/> 11
Elsewhere in Cumbria .....	<input type="checkbox"/> 6	<input type="checkbox"/> 6	Abroad .....	<input type="checkbox"/> 12	<input type="checkbox"/> 12

**Self:** area code (see maps on page 1)

**Partner:** area code (see maps on page 1)

**B4. How far in miles do you and your partner travel to work?**

a) Self  miles    b) Partner  miles

# C YOUR HOUSEHOLD

In this section we want to find out about the people living in your home, including ages, relationship and ethnic group. Please note for confidentiality we do not want the names of current occupants.

C1. How many people (including you) currently live in your household?  people

C2. How many couples are there?  couple(s)

C3. Please enter information for each person living in your home at the moment in the table below. (If there are more than eight household members, please give details for the eight oldest members).

In the example we have given the household is made up of a 25 year-old female who is in full-time employment in a professional occupation. She has a 4 year-old son. Both people are White-British.

Person	A) Relationship to Respondent	B) Age	C) Sex (M/F)	D) Working Status	E) Employment Group	F) Ethnic group
Example	<input type="text" value="2"/>	<input type="text" value="25"/> <input type="text" value="4"/>	<input type="text" value="F"/> <input type="text" value="M"/>	<input type="text" value="1"/> <input type="text" value="7"/>	<input type="text" value="1"/> <input type="text" value="8"/>	<input type="text" value="1"/> <input type="text" value="1"/>

Person 1	YOU →	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 2	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 3	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 4	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 5	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 6	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 7	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Person 8	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

- 1 – Spouse/partner
- 2 – Son or daughter
- 3 – Other relative
- 4 – Friend
- 5 – Lodger
- 6 – Other unrelated

- M – Male
- F – Female

- 1 – Full-time employment (30+ hours)
- 2 – Part-time employment (up to 30 hours)
- 3 – Self-employed
- 4 – Unemployed
- 5 – Retired
- 6 – Full-time student (16+ years)
- 7 – School/preschool/nursery
- 8 – Looking after home/family
- 9 – Permanently sick/disabled
- 10 – Other

- 1 – Professional
- 2 – Managerial & Technical
- 3 – Skilled, non-manual
- 4 – Skilled, manual
- 5 – Partially skilled
- 6 – Unskilled
- 7 – Other
- 8 – Not applicable/not working

White:	Mixed:	Asian or Asian British:	Black or Black British:	Other Ethnic:
1 – British	6 – White & Black Caribbean	10 – Indian	14 – Caribbean	17 – Chinese
2 – Irish	7 – White & Black African	11 – Pakistani	15 – African	18 – Any other
3 – Gypsy/Roma	8 – White & Asian	12 – Bangladeshi	16 – Other Black background	
4 – Irish Traveller	9 – Other Mixed background	13 – Other Asian background		
5 – Other White				

## **D** PREVIOUS MOVES AND ACCOMMODATION

In this section we want to find out about your recent housing history, including where you have moved from and the reasons for moving home. **If you have not moved home in the last two years please tick the relevant box below and move on to Question D5.**

### D1. When did you move to your current home?

- |  |                          |   |   |                          |
|--|--------------------------|---|---|--------------------------|
| Within the last year.....                | <input type="checkbox"/> | 1 | } | <b>Go to question D2</b> |
| 1 to 2 years ago.....                    | <input type="checkbox"/> | 2 |   |                          |
| 2 to 5 years ago.....                    | <input type="checkbox"/> | 3 | } | <b>Go to question D5</b> |
| Over 5 years ago/always lived here ..... | <input type="checkbox"/> | 4 |   |                          |

### D2. What was your last home?

- |   |                          |   |   |                          |    |
|---|--------------------------|---|---|--------------------------|----|
| Owner-occupied (with/without mortgage) .....    | <input type="checkbox"/> | 1 | Rented from a Housing Association.....              | <input type="checkbox"/> | 6  |
| House/flat share .....                          | <input type="checkbox"/> | 2 | Rented from a private landlord.....                 | <input type="checkbox"/> | 7  |
| Shared ownership (part rent/part buy).....      | <input type="checkbox"/> | 3 | Tied or linked to a job.....                        | <input type="checkbox"/> | 8  |
| Living with parents, relatives or friends ..... | <input type="checkbox"/> | 4 | Previously homeless or in temporary accommodation.. | <input type="checkbox"/> | 9  |
| Rented from a Council.....                      | <input type="checkbox"/> | 5 | Other.....  | <input type="checkbox"/> | 10 |

### D3. Where was your last home? Please tick a box and enter the area code (if in the Carlisle district).

- |   |                          |   |                                   |                          |    |
|---|--------------------------|---|-----------------------------------|--------------------------|----|
| In the urban centre of Carlisle .....     | <input type="checkbox"/> | 1 | Elsewhere in the North West ..... | <input type="checkbox"/> | 7  |
| In a rural area of Carlisle .....         | <input type="checkbox"/> | 2 | Dumfries and Galloway.....        | <input type="checkbox"/> | 8  |
| Eden District (e.g. Penrith) .....        | <input type="checkbox"/> | 3 | Northumberland .....              | <input type="checkbox"/> | 9  |
| Copeland District (e.g. Whitehaven).....  | <input type="checkbox"/> | 4 | Newcastle .....                   | <input type="checkbox"/> | 10 |
| Allerdale District (e.g. Workington)..... | <input type="checkbox"/> | 5 | Elsewhere in the UK .....         | <input type="checkbox"/> | 11 |
| Elsewhere in Cumbria .....                | <input type="checkbox"/> | 6 | Abroad .....                      | <input type="checkbox"/> | 12 |

Area code (see maps on page 1)

### D4. Why did you decide to move? Please tick as many as apply.

- |   |                          |    |  |                          |    |
|---|--------------------------|----|--|--------------------------|----|
| To move to cheaper accommodation .....    | <input type="checkbox"/> | 1  | To live closer to employment or other facilities ..... | <input type="checkbox"/> | 11 |
| Previous home was too small.....          | <input type="checkbox"/> | 2  | To move to a better environment.....                   | <input type="checkbox"/> | 12 |
| Previous home was too big .....           | <input type="checkbox"/> | 3  | To live independently .....                            | <input type="checkbox"/> | 13 |
| Access problems (e.g. steps, stairs)..... | <input type="checkbox"/> | 4  | To move into a school catchment area .....             | <input type="checkbox"/> | 14 |
| Relationship breakdown .....              | <input type="checkbox"/> | 5  | To receive higher levels of care .....                 | <input type="checkbox"/> | 15 |
| To move to live with partner .....        | <input type="checkbox"/> | 6  | To give higher levels of care .....                    | <input type="checkbox"/> | 16 |
| To move closer to transport links.....    | <input type="checkbox"/> | 7  | Unable to manage in previous home .....                | <input type="checkbox"/> | 17 |
| To move closer to friends/family.....     | <input type="checkbox"/> | 8  | To move to a safer area.....                           | <input type="checkbox"/> | 18 |
| Health reasons .....                      | <input type="checkbox"/> | 9  | Wanted to buy a home.....                              | <input type="checkbox"/> | 19 |
| Retirement.....                           | <input type="checkbox"/> | 10 | Other reason.....                                      | <input type="checkbox"/> | 20 |

### D5. Have any members of your family/household left the district in the last two years? If so, why was this?

Please tick as many as apply.

- |                                  |                          |   |  |                          |   |
|----------------------------------|--------------------------|---|--|--------------------------|---|
| Location of employment .....     | <input type="checkbox"/> | 1 | Moving to live with partner .....                | <input type="checkbox"/> | 5 |
| Lack of suitable housing.....    | <input type="checkbox"/> | 2 | Other family reasons.....                        | <input type="checkbox"/> | 6 |
| Lack of affordable housing ..... | <input type="checkbox"/> | 3 | Other reason.....                                | <input type="checkbox"/> | 7 |
| Further Education.....           | <input type="checkbox"/> | 4 | No family/household members have moved away..... | <input type="checkbox"/> | 8 |

## **E SUPPORT NEEDS**

In this section we want to find out about any members of your household who have a disability or long-term health problem. **If this does not apply to anyone in your household then please tick the 'No' box below and move on to Section F.**

### **E1. Does any member of your household have a disability or limiting long-term illness?**

Yes.....  1 ..... **Go to question E2**  
 No.....  2 ..... **Go to question F1**

### **E2. What age groups are they?**

First person      0-15..... 1    16-24 .. 2    25-44... 3    45-59... 4    60-74 .. 5    75+..... 6  
 Second person    0-15..... 1    16-24 .. 2    25-44... 3    45-59... 4    60-74 .. 5    75+..... 6

### **E3. What is the nature of the disability or long-term illness?**

	First Person	Second Person		First Person	Second Person
Wheelchair user .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Visual/hearing impairment.....	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Walking difficulty (not in wheelchair) .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Asthmatic/respiratory problem.....	<input type="checkbox"/> 6	<input type="checkbox"/> 6
Learning disability.....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Other physical disability.....	<input type="checkbox"/> 7	<input type="checkbox"/> 7
Mental health problem.....	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Limiting long-term illness.....	<input type="checkbox"/> 8	<input type="checkbox"/> 8

### **E4. How could the accommodation or services for your/their support needs best be improved? Please also say if you already have these improvements. Please tick one box per item.**

	Need	No Need	Already Have
a) Wheelchair accessible e.g. wider doorways, room to manoeuvre .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
b) Lift/stair lift.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
c) Extra handrails .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
d) Other alterations to improve accessibility (e.g. ramps to front door).....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
e) Downstairs toilet.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
f) Level shower unit .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
g) Other alterations to the bathroom/toilet .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
h) Alterations to the kitchen (e.g. low level units) .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
i) Emergency alarm (e.g. Careline) .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
j) Car parking space near to front door of home.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
k) Accessible external route to property (e.g. level surface, dropped kerb, etc.).....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
l) More support services to your present home (such as a home carer, meals on wheels etc.).....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
m) Need support managing finances, completing forms etc.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
n) Need help maintaining home e.g. handyperson service.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3
o) Need to move to alternative housing with specialist adaptations .....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	
p) Need to move to alternative housing with care/support.....	<input type="checkbox"/> 1	<input type="checkbox"/> 2	

### **E5. Is your current property capable of being altered for the required adaptations?**

Yes.....  1    No.....  2



# F FUTURE HOUSING INTENTIONS

In this section we want to find out about your future housing intentions and if you need or are likely to move home in the next two years. We also want to find out if you wish to move home but are prevented from doing so for some reason.

## F1. Does your household need, or is it likely to move to a different home...?

- |   |                            |   |                          |
|---|----------------------------|---|--------------------------|
| Within the next year.....                       | <input type="checkbox"/> 1 | } | <b>Go to question F2</b> |
| In 1 to 2 years .....                           | <input type="checkbox"/> 2 |   |                          |
| In 2 to 5 years .....                           | <input type="checkbox"/> 3 | } | <b>Go to question G1</b> |
| No need/not likely to move in next 5 years..... | <input type="checkbox"/> 4 |   |                          |
| Wish to move but cannot.....                    | <input type="checkbox"/> 5 | } | <b>Go to question F8</b> |

## F2. How many bedrooms would you a) LIKE and b) EXPECT in your new home?

a) Like  bedroom(s)                      b) Expect  bedroom(s)

## F3. What are the main reasons for wanting/needing to move to a different home? Please tick as many as apply.

- |   |                             |  |                             |
|---|-----------------------------|--|-----------------------------|
| To move to cheaper accommodation .....    | <input type="checkbox"/> 1  | To live closer to employment or other facilities ..... | <input type="checkbox"/> 11 |
| Your current home is too small.....       | <input type="checkbox"/> 2  | To move to a better environment .....                  | <input type="checkbox"/> 12 |
| Your current home is too big .....        | <input type="checkbox"/> 3  | To live independently .....                            | <input type="checkbox"/> 13 |
| Access problems (e.g. steps, stairs)..... | <input type="checkbox"/> 4  | To move into a school catchment area .....             | <input type="checkbox"/> 14 |
| Relationship breakdown .....              | <input type="checkbox"/> 5  | To receive higher levels of care .....                 | <input type="checkbox"/> 15 |
| To move to live with partner .....        | <input type="checkbox"/> 6  | To give higher levels of care .....                    | <input type="checkbox"/> 16 |
| To move closer to transport links.....    | <input type="checkbox"/> 7  | Unable to manage in current home.....                  | <input type="checkbox"/> 17 |
| To move closer to friends/family.....     | <input type="checkbox"/> 8  | To move to a safer area.....                           | <input type="checkbox"/> 18 |
| Health reasons .....                      | <input type="checkbox"/> 9  | Want to buy a home.....                                | <input type="checkbox"/> 19 |
| Retirement.....                           | <input type="checkbox"/> 10 | Other reason.....                                      | <input type="checkbox"/> 20 |

## F4. Please state the area where you would a) most LIKE to move to and b) where you EXPECT to move to. Please tick one box for each of a) Like and b) Expect. If you would like or expect to live within Carlisle district, please indicate up to two areas in the box(es) below, using the maps on page 1 as reference.

- | a) Like                                   |                            | b) Expect                  |                                   | a) Like                     |                             | b) Expect |  |
|---|----------------------------|----------------------------|-----------------------------------|-----------------------------|-----------------------------|-----------|--|
| In the urban centre of Carlisle .....     | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Elsewhere in the North West ..... | <input type="checkbox"/> 7  | <input type="checkbox"/> 7  |           |  |
| In a rural area of Carlisle .....         | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Dumfries and Galloway.....        | <input type="checkbox"/> 8  | <input type="checkbox"/> 8  |           |  |
| Eden District (e.g. Penrith) .....        | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Northumberland .....              | <input type="checkbox"/> 9  | <input type="checkbox"/> 9  |           |  |
| Copeland District (e.g. Whitehaven).....  | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 | Newcastle .....                   | <input type="checkbox"/> 10 | <input type="checkbox"/> 10 |           |  |
| Allerdale District (e.g. Workington)..... | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 | Elsewhere in the UK .....         | <input type="checkbox"/> 11 | <input type="checkbox"/> 11 |           |  |
| Elsewhere in Cumbria .....                | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 | Abroad .....                      | <input type="checkbox"/> 12 | <input type="checkbox"/> 12 |           |  |

**Like:** area code – choose up to two    
(see maps on page 1)

**Expect:** area code – choose up to two    
(see maps on page 1)

## F5. What type of housing: a) would you LIKE to move to and b) would you EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect.

- | a) Like   |                            | b) Expect                  |                           | a) Like                    |                            | b) Expect |  |
|---|----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|-----------|--|
| Buy own home.....                                   | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Tied/linked to a job..... | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |           |  |
| Rent from a Council/ Housing Association.....       | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Shared Ownership .....    | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |           |  |
| Rent from a private landlord or letting agency..... | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | House/flat share.....     | <input type="checkbox"/> 7 | <input type="checkbox"/> 7 |           |  |
| Rent from a relative or friend .....                | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 | Other.....                | <input type="checkbox"/> 8 | <input type="checkbox"/> 8 |           |  |

**F6. What type of property: a) would you LIKE to move to and b) would you EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect.**

	a) Like	b) Expect		a) Like	b) Expect
Detached house .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	A flat, maisonette, or apartment .....	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Semi-detached house .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	A caravan or other temporary structure .....	<input type="checkbox"/> 6	<input type="checkbox"/> 6
Terraced house .....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Bedsit/Studio/Room Only .....	<input type="checkbox"/> 7	<input type="checkbox"/> 7
Bungalow .....	<input type="checkbox"/> 4	<input type="checkbox"/> 4			

**F7. What type of accommodation: a) would you LIKE to move to and b) would you EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect. See definitions on page 2.**

	a) Like	b) Expect		a) Like	b) Expect
Sheltered housing with a warden .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Extra care scheme .....	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Sheltered housing without a warden .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Residential care and/or nursing home .....	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Supported housing .....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	<b>None of these types of accommodation</b> .....	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**F8. If you wish to move, but cannot do so, which of the following reasons are preventing you? Please tick as many as apply.**

Unable to afford to buy home .....	<input type="checkbox"/> 1	Location of employment .....	<input type="checkbox"/> 5
Unable to afford moving costs .....	<input type="checkbox"/> 2	Lack of suitable housing .....	<input type="checkbox"/> 6
Local education choices .....	<input type="checkbox"/> 3	Lack of affordable housing .....	<input type="checkbox"/> 7
Family reasons .....	<input type="checkbox"/> 4	Other .....	<input type="checkbox"/> 8

## **G REQUIREMENTS OF FUTURE HOUSEHOLDS**

In this section we want to find out whether there are any members of your household who need or are likely to leave home and move to their own separate accommodation within the next two years. **If there are no household members likely to move then please tick the appropriate box below and move on to Section H.**

**G1. Will any of the other people in your household need, or are they likely to move to their own separate accommodation within the next two years? For example, a son or daughter.**

Yes .....

No .....

**G2. For each person that needs and/or is likely to move in the next two years, please give an indication of when they will need separate accommodation.**

	1 <sup>st</sup> person	2 <sup>nd</sup> person	3 <sup>rd</sup> person
Within the next year .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	<input type="checkbox"/> 1
In 1 to 2 years .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	<input type="checkbox"/> 2

*If more than one person in your household needs and/or is likely to move to their own accommodation sometime in the next 2 years, please answer for the persons who will need their own accommodation or are most likely to move **first**.*

**G3. How many bedrooms would they a) LIKE and b) EXPECT in their new home?**

a) Like  bedroom(s)                      b) Expect  bedroom(s)

**G4. What are the main reasons for them wanting/needing to move to a different home? Please tick as many as apply.**

- |                                  |                            |                                   |                            |
|----------------------------------|----------------------------|-----------------------------------|----------------------------|
| Location of employment.....      | <input type="checkbox"/> 1 | Moving to live with partner ..... | <input type="checkbox"/> 5 |
| Lack of suitable housing.....    | <input type="checkbox"/> 2 | Other family reasons.....         | <input type="checkbox"/> 6 |
| Lack of affordable housing ..... | <input type="checkbox"/> 3 | Other reason.....                 | <input type="checkbox"/> 7 |
| Further Education.....           | <input type="checkbox"/> 4 |                                   |                            |

**G5. Are they likely to be setting up home with anyone not currently living in your household?**

- Yes.....  1    No.....  2

**G6. Please state the area where they would a) most LIKE to move to and b) where they EXPECT to move to. Please tick one box for a) Like and for b) Expect. If this is within Carlisle district, please indicate up to two areas in the box(es) below, using the maps on page 1 as reference.**

- |   | a) Like                    | b) Expect                  |                                   | a) Like                     | b) Expect                   |
|---|----------------------------|----------------------------|-----------------------------------|-----------------------------|-----------------------------|
| In the urban centre of Carlisle .....     | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Elsewhere in the North West ..... | <input type="checkbox"/> 7  | <input type="checkbox"/> 7  |
| In a rural area of Carlisle .....         | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Dumfries and Galloway.....        | <input type="checkbox"/> 8  | <input type="checkbox"/> 8  |
| Eden District (e.g. Penrith) .....        | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Northumberland .....              | <input type="checkbox"/> 9  | <input type="checkbox"/> 9  |
| Copeland District (e.g. Whitehaven).....  | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 | Newcastle .....                   | <input type="checkbox"/> 10 | <input type="checkbox"/> 10 |
| Allerdale District (e.g. Workington)..... | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 | Elsewhere in the UK .....         | <input type="checkbox"/> 11 | <input type="checkbox"/> 11 |
| Elsewhere in Cumbria .....                | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 | Abroad .....                      | <input type="checkbox"/> 12 | <input type="checkbox"/> 12 |

**Like:** area code – choose up to two (see maps on page 1)   

**Expect:** area code – choose up to two (see maps on page 1)   

**G7. What type of housing: would they a) LIKE to move to and would they b) EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect.**

- |   | a) Like                    | b) Expect                  |                           | a) Like                    | b) Expect                  |
|---|----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|
| Buy own home.....                                   | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Tied/linked to a job..... | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Rent from a Council/Housing Association .....       | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Shared Ownership .....    | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |
| Rent from a private landlord or letting agency..... | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | House/flat share.....     | <input type="checkbox"/> 7 | <input type="checkbox"/> 7 |
| Rent from a relative or friend .....                | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 | Other.....                | <input type="checkbox"/> 8 | <input type="checkbox"/> 8 |

**G8. What type of property: would they a) LIKE to move to and would they b) EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect.**

- |                           | a) Like                    | b) Expect                  |  | a) Like                    | b) Expect                  |
|---------------------------|----------------------------|----------------------------|--|----------------------------|----------------------------|
| Detached house .....      | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Bungalow .....                               | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Semi-detached house ..... | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | A flat, maisonette, or apartment.....        | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Terraced house .....      | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | A caravan or other temporary structure ..... | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

**G9. What type of accommodation: would they a) LIKE to move to and would they b) EXPECT to move to? Please tick one response for a) Like, and one response for b) Expect. See definitions on page 2.**

- |  | a) Like                    | b) Expect                  |   | a) Like                    | b) Expect                  |
|--|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Sheltered housing with a warden .....    | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Extra care scheme .....                           | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Sheltered housing without a warden ..... | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Residential care and/or nursing home.....         | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Supported housing .....                  | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | <b>None of these types of accommodation</b> ..... | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

**G10. In your opinion, would they be able to afford suitable private sector housing (either rented or bought) in the Carlisle City Council area without claiming benefits?**

- Yes – can afford to buy a home.....  1    Yes – can afford to either buy or rent privately.....  3  
 Yes – can afford to rent privately.....  2    Cannot afford to buy or rent privately.....  4

**G11. Are they currently registered separately to your household on a Housing Association waiting list?**

Yes.....  1 No.....  2

**G12. Please indicate the total monthly or annual gross (before tax) income of this household member.**

Month	Year	Month	Year
Under £833 .....	Under £10,000 .....	£1,876 - £2,083 .....	£22,501 - £25,000 .....
£834 - £1,042 .....	£10,000 - £12,500 .....	£2,084 - £2,292 .....	£25,001 - £27,500 .....
£1,043 - £1,250 .....	£12,501 - £15,000 .....	£2,293 - £2,500 .....	£27,501 - £30,000 .....
£1,251 - £1,458 .....	£15,001 - £17,500 .....	£2,501 - £2,917 .....	£30,001 - £35,000 .....
£1,459 - £1,667 .....	£17,501 - £20,000 .....	£2,918 - £3,333 .....	£35,001 - £40,000 .....
£1,668 - £1,875 .....	£20,001 - £22,500 .....	Over £3,333 .....	Over £40,000 .....

**G13. Please indicate any financial resources they have access to for a deposit/rent bond (e.g. savings/help from parents).**

Nothing.....  1    £501 - £1,000.....  3    £5,001 - £10,000.....  5    £20,001 - £30,000 ...  7  
 Up to £500.....  2    £1,001 - £5,000.....  4    £10,001 - £20,000.....  6    Over £30,000.....  8

## **H FURTHER HOUSEHOLD INFORMATION**

In the final section we want to find out a bit more about your household (including household finances).

**This information will be treated in the strictest confidence and cannot be linked to any individual household.**

The information is only used in statistical analysis to help establish the ability of households in the council area to afford housing and to assist in providing new housing that meets the needs of a range of different households.

**H1. Please indicate how much your household pays in rent or mortgage costs for accommodation per week or month. Please include any service charges for maintaining the building and grounds.**

Week	Month	Week	Month
None.....	None .....	£120 - £149 .....	£520 - £649.....
Under £30 .....	Under £130 .....	£150 - £179 .....	£650 - £779.....
£30 - £59 .....	£130 - £259 .....	£180 - £209 .....	£780 - £909.....
£60 - £89 .....	£260 - £389 .....	£210 - £249 .....	£910 - £1,082.....
£90 - £119 .....	£390 - £519.....	£250 or more .....	£1,083 or more.....

**H2. Which of the following state benefits do you or members of your household receive? (please tick as many as apply)**

Income Support.....	<input type="checkbox"/> 1	Pension Credit.....	<input type="checkbox"/> 7
Housing Benefit or Local Housing Allowance .....	<input type="checkbox"/> 2	Attendance Allowance .....	<input type="checkbox"/> 8
Council Tax Benefit .....	<input type="checkbox"/> 3	Disability Living Allowance .....	<input type="checkbox"/> 9
Job Seekers Allowance .....	<input type="checkbox"/> 4	Industrial Injuries Disablement Benefit .....	<input type="checkbox"/> 10
Working Tax Credit with disability element.....	<input type="checkbox"/> 5	War Disablement Pension .....	<input type="checkbox"/> 11
Child Tax Credit.....	<input type="checkbox"/> 6	Other benefit not stated .....	<input type="checkbox"/> 12
<None of the above> .....			<input type="checkbox"/> 13

**H3. Is your household on a Housing Association waiting list?**

Yes.....  1 No.....  2

**H4. Please indicate the total monthly or annual gross (*before tax*) income of your household inclusive of income from investments and household state benefits. Please combine the incomes of all members of the household.**

Month	Year	Month	Year
Under £833 .....	Under £10,000 .....	£2,084 - £2,292 .....	£25,001 - £27,500 .....
£834 - £1,042 .....	£10,000 - £12,500 .....	£2,293 - £2,500 .....	£27,501 - £30,000 .....
£1,043 - £1,250 .....	£12,501 - £15,000 .....	£2,501 - £2,917 .....	£30,001 - £35,000 .....
£1,251 - £1,458 .....	£15,001 - £17,500 .....	£2,918 - £3,333 .....	£35,001 - £40,000 .....
£1,459 - £1,667 .....	£17,501 - £20,000 .....	£3,334 - £4,167 .....	£40,001 - £50,000 .....
£1,668 - £1,875 .....	£20,001 - £22,500 .....	£4,168 - £5,000 .....	£50,001 - £60,000 .....
£1,876 - £2,083 .....	£22,501 - £25,000 .....	Over £5,000 .....	Over £60,000 .....

**H5. Please indicate your total net household savings/debt (excluding mortgage debt).**

a) Savings		b) Debt		a) Savings		b) Debt	
None .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	£10,001 - £15,000 .....	<input type="checkbox"/> 6	<input type="checkbox"/> 6		
Up to £2,500 .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	£15,001 - £20,000 .....	<input type="checkbox"/> 7	<input type="checkbox"/> 7		
£2,501 - £5,000 .....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	£20,001 - £30,000 .....	<input type="checkbox"/> 8	<input type="checkbox"/> 8		
£5,001 - £7,500 .....	<input type="checkbox"/> 4	<input type="checkbox"/> 4	£30,001 - £40,000 .....	<input type="checkbox"/> 9	<input type="checkbox"/> 9		
£7,501 - £10,000 .....	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Over £40,000 .....	<input type="checkbox"/> 10	<input type="checkbox"/> 10		

**H6. If you own your own home, please a) estimate the value of your home and b) indicate how much money (equity) you estimate you would get if you sold your home now, after paying off any remaining mortgages and other associated debts. Please tick one response for a) Value, and one response for b) Equity.**

a) Value		b) Equity		a) Value		b) Equity	
More than £15,000 negative equity .....	<input type="checkbox"/> 1	<input type="checkbox"/> 1	£25,001 - £50,000 .....	<input type="checkbox"/> 6	<input type="checkbox"/> 6		
Up to £15,000 negative equity .....	<input type="checkbox"/> 2	<input type="checkbox"/> 2	£50,001 - £75,000 .....	<input type="checkbox"/> 7	<input type="checkbox"/> 7		
None .....	<input type="checkbox"/> 3	<input type="checkbox"/> 3	£75,001 - £100,000 .....	<input type="checkbox"/> 8	<input type="checkbox"/> 8		
Up to £10,000 .....	<input type="checkbox"/> 4	<input type="checkbox"/> 4	£100,001 - £150,000 .....	<input type="checkbox"/> 9	<input type="checkbox"/> 9		
£10,001 - £25,000 .....	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Over £150,000 .....	<input type="checkbox"/> 10	<input type="checkbox"/> 10		

**H7. Please indicate any financial resources (other than income/savings already stated above) you have access to for a mortgage deposit/rent bond, for example help from parents.**

Nothing .....	<input type="checkbox"/> 1	£501 - £1,000 .....	<input type="checkbox"/> 3	£5,001 - £10,000 .....	<input type="checkbox"/> 5	£20,001 - £30,000 .....	<input type="checkbox"/> 7
Up to £500 .....	<input type="checkbox"/> 2	£1,001 - £5,000 .....	<input type="checkbox"/> 4	£10,001 - £20,000 .....	<input type="checkbox"/> 6	Over £30,000 .....	<input type="checkbox"/> 8

*Please return this questionnaire in the pre-paid envelope.*

**THANK YOU FOR COMPLETING THE QUESTIONNAIRE.**

***If you have any questions about this survey, or require any reassurance about the anonymity of the information you provide, please contact Justin Gardner or Andrew Williams on the numbers provided on the front page.***