

Northern Sub-regional Housing Group

Strategic Housing Market Assessment Technical Appendices

September 2007



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PART A SECONDARY DATA

A1. Introduction

General content

A1.1 Part A of this document sets out the secondary data analysis upon which the Northern Sub-region HMA Secondary Data Review is based. The order of topics is:

- The socio economic context
- The current stock of housing
- Property price information
- Past and current drivers of demand
- Future demographic change

A1.2 Details of data sources used in the main document are provided in these appendices.

Definition of areas used

A1.3 Most of the tables below are set out in terms of the three key areas for which reports have been prepared (the Northern Sub-region, comprising Northern Housing Market Area and Nottingham Outer Housing Market Area.

A1.4 In the case of Nottingham Outer, and following the usage in some of the regional guidance, Nottingham Outer is sometimes referred to as 'New (ark and Sherwood)/Ash (field)/Mans (field). New-Ash-Mans therefore refers to the same as Nottingham Outer

A1.5 The basic tables show Northern Sub-region (the 7 districts grouped as Northern HMA and Nottingham Outer HMA and then the region (East Midlands) and the national figure (variously Great Britain, England and Wales or just England).

A1.6 'Northern HMA' sometimes appears as just 'Northern', and Nottingham Outer HMA appears also without the HMA.

A1.7 The districts in each of the two HMAs are:

Northern: Bassetlaw; Bolsover; Chesterfield; North East Derbyshire

Nottingham Outer: Ashfield; Mansfield; Newark and Sherwood

A1.8 Where no geographical area is stated on a table, the content refers to the whole Northern Sub-region, i.e. the two HMAs detailed above.

A2. The socio-economic context

The Northern Sub-region – key statistics

- A2.1 In 2003 the Northern Sub-region area had an estimated 699,300 residents. This compares with the 2001 Census figure of 691,105 residents. This illustrates the rate of growth of the HMA. The 2001 Census reveals that the population is contained within around 292,000 households (291,759). The population has a relatively low level of qualifications; over a third do not have any formal qualifications. There is a relatively low unemployment rate (3.9%) and incomes are generally below regional and national averages.
- A2.2 The table below shows how the local authorities in the study ranked in the Indices of Deprivation 2004. The local authorities were ranked out of the 354 local authorities in England, where 1 was the most deprived area and 354 the least deprived. Many of the local authorities in the Northern Sub-region ranked quite highly in the list, indicating that the Northern Sub-region is relatively deprived. Newark & Sherwood and North-East Derbyshire are the least deprived local authorities in the Northern Sub-region according to the list, both ranked about halfway down the list.

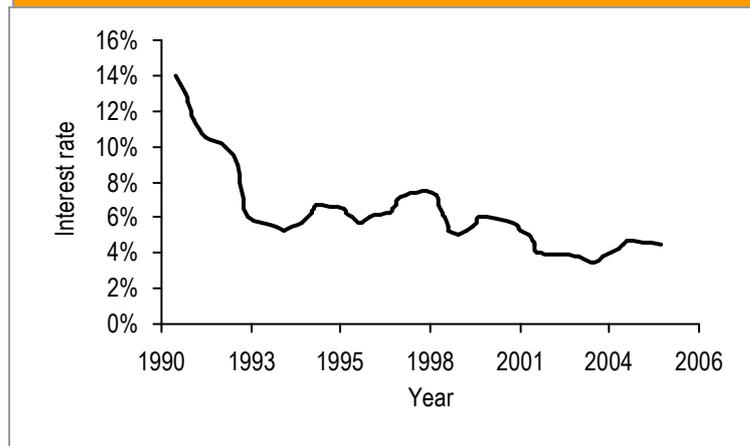
Table A2.1 Indices of Deprivation	
Area	Rank
Ashfield	66
Bassetlaw	82
Bolsover	46
Chesterfield	73
Mansfield	33
Newark & Sherwood	143
North-East Derbyshire	151

Source: ONS neighbourhood statistics – 2006

National and regional economic policy

- A2.3 Housing markets are sensitive to macro-economic policies with interest rates used to achieve and maintain low inflation rates. Higher interest rates make it more expensive to borrow which can have an impact on the demand for housing.
- A2.4 The figure below shows the trend of the UK base rate since 1990. Since 1990, interest rates have been on a downward trend. In October 1989, the rate stood at 15%. By September 2005 this had dropped to 4.75% (the lowest figure being 3.5% in July 2003).

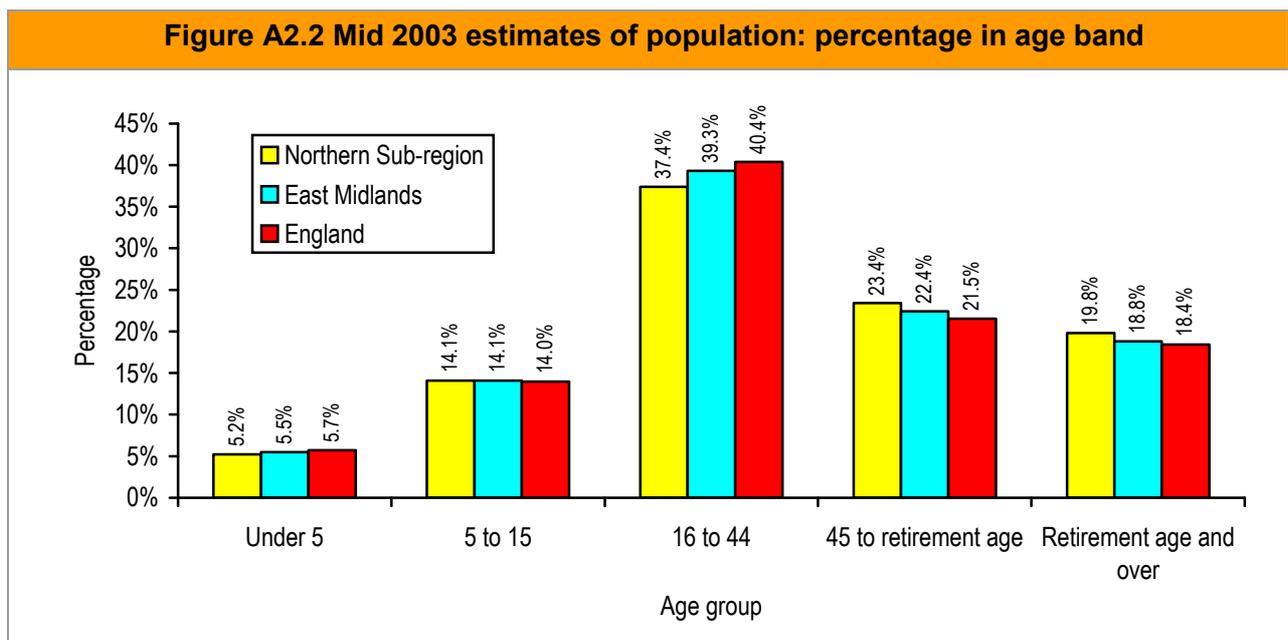
Figure A2.1 UK base finance rate since 1990



Source: Northern Sub-region Housing Market Assessment - 2006

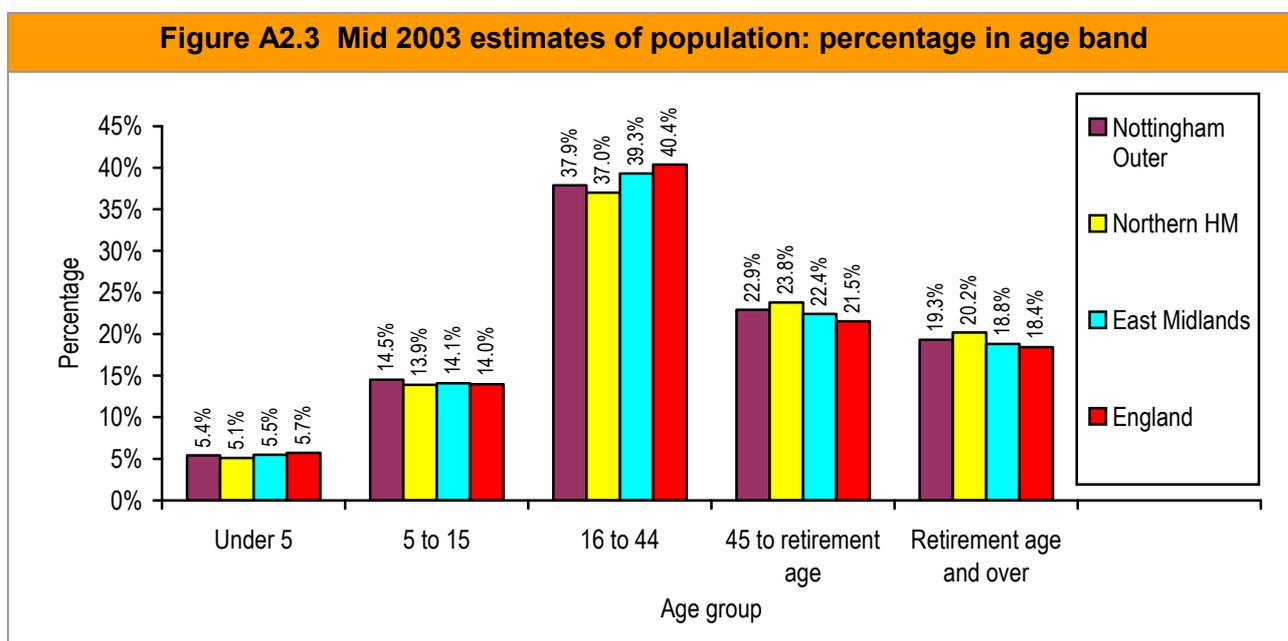
Population and household structure

- A2.5 The age structure of the population has influences on migration trends, household formation and the types of housing required (e.g. for older persons). Additionally different ethnic groups often have different requirements and hence it is important to study the overall structure of the population.
- A2.6 At the time of the Census in April 2001, the resident population of the Northern Sub-region was 691,105 people, of which 49 per cent were male and 51 per cent were female. This compared with the resident population for the East Midlands region of 4,172,174 people, of whom 49 per cent were male and 51 per cent were female. The average age of the Northern Sub-region was 39.8 years. The average age of the Nottingham Outer HM area was 39.4 years, comparing with the figure for the Northern area of 40.1 years. This is slightly above the average for England & Wales of 38.7 years.
- A2.7 According to the mid-2003 population estimates there were 699,300 people residing in the Northern Sub-region, of whom 5.2 per cent were children under five and 19.8 per cent were of retirement age (65 and over for males or 60 and over for females). The population profile is broadly in line with the regional profile and that for England as a whole but shows some differences. The Northern Sub-region contains a slightly lower proportion of 16 to 44 year olds and slightly higher proportions of those aged 45 and above.



Source: ONS neighbourhood statistics – 2006

A2.8 The mid-2003 population estimates show that a greater proportion of the population of the Nottingham Outer HM area is in the under 15 age band compared to the rest of the region. A higher proportion of the Northern HM area is aged 45 or above compared to the rest of the region.



Source: ONS neighbourhood statistics – 2006

A2.9 There is some variation in age profile between individual local authorities in the sub region. North-East Derbyshire in particular has comparatively low proportions of those aged under 44 and a high proportion of those aged 45 and over.

Table A2.2 Mid 2003 estimates of population: percentage in age band

Age group	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern HM	East Midlands	England & Wales
Under 5	5.6%	5.1%	5.4%	5.2%	5.3%	5.4%	4.7%	5.4%	5.1%	5.2%	5.7%
5 to 15	14.3%	14.3%	14.2%	13.7%	14.8%	14.3%	13.4%	14.5%	13.9%	14.1%	14.0%
16 to 44	39.0%	37.4%	37.9%	38.0%	38.6%	36.1%	35.0%	37.9%	37.0%	37.4%	40.4%
45 to retirement age	22.5%	23.8%	22.7%	22.9%	22.3%	23.9%	25.5%	22.9%	23.8%	23.4%	21.5%
Retirement age and over	18.6%	19.4%	19.3%	20.3%	19.1%	20.3%	21.4%	19.3%	20.2%	19.8%	18.4%

Source: ONS neighbourhood statistics – 2006

A2.10 The table below shows a broad ethnic group breakdown of the population in the Northern Sub-region. The table shows that 1.4% of residents in 2001 were from a non-White ethnic background. This figure is noticeably lower than both the regional figure and the average for England & Wales. The majority ethnic group is Asian, with 0.5% of the population recorded as belonging to this group.

Table A2.3 Ethnicity: percentage of resident population in each group, April 2001

	Northern Sub-region	East Midlands	England & Wales
White	98.6%	93.5%	90.9%
Mixed	0.5%	1.0%	1.3%
Asian or Asian British	0.4%	4.0%	4.6%
Black or Black British	0.2%	0.9%	2.3%
Chinese or Other Ethnic Group	0.2%	0.5%	0.9%
All persons	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A2.11 The table below shows that Nottingham Outer HM and the Northern HM have similar ethnicity profiles, while the Northern area with Sheffield and Rotherham included has a greater non-white population. All three areas have significantly smaller non-white populations than both the East Midlands region and England & Wales as a whole.

Table A2.4 Ethnicity: percentage of resident population in each group, April 2001

	Nottingham Outer HM	Northern	East Midlands	England & Wales
White	98.6%	98.6%	93.5%	90.9%
Mixed	0.5%	0.5%	1.0%	1.3%
Asian or Asian British	0.4%	0.4%	4.0%	4.6%
Black or Black British	0.2%	0.2%	0.9%	2.3%
Chinese or Other Ethnic Group	0.2%	0.2%	0.5%	0.9%
All persons	100.0%	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A2.12 There is very little variation in the ethnicity profiles of individual local authorities within the Northern Sub-region.

Table A2.5 Ethnicity: percentage of resident population in each group, April 2001

Ethnic group	Local Authorities								Regional			
	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nottingham Outer	Northern HM	East Midlands	England & Wales	
White	98.9%	98.6%	99.1%	98.1%	98.3%	98.5%	98.9%	98.6%	98.6%	93.5%	90.9%	
Mixed	0.4%	0.5%	0.3%	0.7%	0.6%	0.6%	0.5%	0.5%	0.5%	1.0%	1.3%	
Asian or Asian British	0.3%	0.5%	0.3%	0.6%	0.6%	0.3%	0.3%	0.4%	0.4%	4.0%	4.6%	
Black or Black British	0.2%	0.3%	0.1%	0.3%	0.3%	0.3%	0.1%	0.2%	0.2%	0.9%	2.3%	
Chinese or Other Ethnic Group	0.2%	0.2%	0.1%	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%	0.5%	0.9%	

Source: ONS neighbourhood statistics – 2006

A2.13 In the Northern Sub-region the total fertility rate (TFR) in 2002 was 1.64, this being the average number of children that would be born to a woman if she experienced the current age-specific fertility rates throughout her child-bearing years. The national average TFR for the entire United Kingdom was 1.64.

A2.14 The male and female life expectancies for the Northern Sub-region during the period 2001-2003 were 75.7 and 80.0 years respectively, slightly below the national average.

Table A2.6 Life expectancy at birth (years), 2001-2003			
	Northern Sub-region	East Midlands	England & Wales
Males	75.7	76.5	76.1
Females	80.0	80.7	80.7

Source: ONS neighbourhood statistics – 2006

A2.15 The Nottingham Outer and Northern HM areas have similar life expectancies, with both slightly below the regional and national averages.

Table A2.7 Life expectancy at birth (years), 2001-2003				
	Nottingham Outer HM	Northern HM	East Midlands	England & Wales
Males	75.6	75.8	76.5	76.1
Females	80.0	80.0	80.7	80.7

Source: ONS neighbourhood statistics – 2006

A2.16 People in Newark & Sherwood and North-East Derbyshire have life expectancies above the average for the Northern Sub-region, with Ashfield and Bolsover having life expectancies well below the national averages.

Table A2.8 Life expectancy at birth (years), 2001-2003											
Sex	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Males	74.8	75.9	74.6	75.5	75.4	76.7	76.8	75.6	75.8	76.5	76.1
Females	79.3	79.9	78.8	80.6	79.8	81.0	80.4	80.0	80.0	80.7	80.7

Source: ONS neighbourhood statistics – 2006

A2.17 The 2001 Census asked people to describe their health over the preceding 12 months as 'good', 'fairly good' or 'not good'. People were also asked if they had any limiting long-term illness, health problem or disability that restricted their daily activities or the work they could do.

A2.18 The table below shows that people in the Northern Sub-region are relatively more likely to suffer from long-term illness or poor health. The proportion of the population reporting themselves in good health is below the regional and national averages, while the proportion of households with one or more person with a limiting long-term illness is significantly higher than the national average.

Table A2.9 Percentage of resident population in good health

	Northern Sub-region	East Midlands	England & Wales
General health: Good	63.8%	67.6%	68.6%
General health: Fairly good	24.8%	23.3%	22.2%
General health: Not good	11.4%	9.1%	9.2%
People with a limiting long-term illness	22.5%	18.4%	18.2%
People of working age with a limiting long-term illness	17.7%	13.7%	13.6%
Households with one or more person with a limiting long-term illness	40.4%	34.3%	34.1%

Source: ONS neighbourhood statistics – 2006

A2.19 The three areas are similar in terms of health, although the Northern HM area has a slightly higher proportion of people in poor health and a higher proportion of people with a limiting long-term illness.

Table A2.10 Percentage of resident population in good health

	Nottingham Outer HM	Northern HM	East Midlands	England & Wales
General health: Good	64.4%	63.3%	67.6%	68.6%
General health: Fairly good	24.5%	25.0%	23.3%	22.2%
General health: Not good	11.1%	11.8%	9.1%	9.2%
People with a limiting long-term illness	22.0%	20.2%	18.4%	18.2%
People of working age with a limiting long-term illness	17.5%	17.7%	13.7%	13.6%
Households with one or more person with a limiting long-term illness	39.7%	41.0%	34.3%	34.1%

Source: ONS neighbourhood statistics – 2006

A2.20 Newark & Sherwood has the highest proportion of people in good health, while Bolsover has the lowest proportion. Similarly, Newark & Sherwood has the lowest proportion of people with a limiting long-term illness while Bolsover has the highest.

Table A2.11 Percentage of resident population in each group

	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Gen health: Good	63.1	65.3	59.8	62.4	62.7	67.3	64.4	64.4	63.3	67.6	68.6
Gen health: Fairly good	25.4	24.0	26.5	25.5	24.9	23.3	24.5	24.5	25.0	23.3	22.2
Gen health: Not good	11.5	10.7	13.7	12.2	12.3	9.4	11.1	11.1	11.8	9.1	9.2
People with a limiting long-term illness	22.1	21.9	25.8	23.1	24.2	19.7	21.7	22.0	20.2	18.4	18.2
People of wkg age with a limiting I-term illness	17.7	17.7	20.7	17.6	20.0	15.0	15.8	17.5	17.7	13.7	13.6
H'holds one or more persons with a limiting I-term illness	40.0	39.4	45.6	40.7	43.3	36.0	39.7	39.7	41.0	34.3	34.1

Source: ONS neighbourhood statistics – 2006

Labour force

A2.21 The Latest figures (for 2004) suggest that the Northern Sub-region has about 314,300 employees. The numbers and types of employment available in an area determine the levels of wages and hence have a bearing on the demand for different types of housing. We have therefore looked at the current employment situation of the population

A2.22 Of the people in the Northern Sub-region who were of working age (i.e. those aged 16 to 64 for men or 16 to 59 for women) the employment rate was 74.8 per cent during the Summer of 2004 (June to August), compared with an average for Great Britain of 75 per cent. The table below shows the employment status of persons aged 16 to 74 in the Northern Sub-region.

Table A2.12 Resident population aged 16 to 74 in each group, April 2001

	Northern Sub-region	East Midlands	England & Wales
Full-time employees	38.4%	41.1%	40.6%
Part-time employees	13.2%	12.6%	11.8%
Self-employed	6.9%	7.7%	8.3%
Unemployed	3.9%	3.3%	3.4%
Full-time student	1.7%	2.5%	2.6%
Retired	15.4%	14.1%	13.6%
Student	2.9%	4.5%	4.7%
Looking after home/family	7.0%	6.2%	6.5%
Permanently sick/disabled	7.4%	5.3%	5.5%
Other economically inactive	3.1%	2.8%	3.1%
All persons 16-74	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A2.23 The Nottingham Outer HM, Northern HM and Northern with Rotherham & Sheffield areas have similar employment profiles. The Northern HM has a higher proportion of retired people than the regional and national averages.

Table A2.13 Percentage of resident population aged 16 to 74 in each group, April 2001

	Nottingham Outer HM	Northern HM	East Midlands	England & Wales
Full-time employees	38.8%	38.0%	41.1%	40.6%
Part-time employees	12.9%	13.4%	12.6%	11.8%
Self-employed	6.9%	7.0%	7.7%	8.3%
Unemployed	3.9%	4.0%	3.3%	3.4%
Full-time student	1.8%	1.7%	2.5%	2.6%
Retired	15.3%	15.5%	14.1%	13.6%
Student	2.9%	3.0%	4.5%	4.7%
Looking after home/family	7.3%	6.7%	6.2%	6.5%
Permanently sick/disabled	7.2%	7.6%	5.3%	5.5%
Other economically inactive	3.0%	3.2%	2.8%	3.1%
All persons 16-74	100.0%	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

Table A2.14 Percentage of resident population aged 16 to 74 in each group, April 2001

	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood NE	Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Full-time employees	40.6	36.9	37.1	38.9	37.2	38.4	38.9	38.8	38.0	41.1	40.6
Part-time employees	12.7	13.5	12.4	13.6	13.0	13.1	13.7	12.9	13.4	12.6	11.8
Self-employed	6.0	7.2	6.0	6.2	5.9	8.8	8.3	6.9	7.0	7.7	8.3
Unemployed	4.2	4.0	4.0	4.5	4.4	3.1	3.3	3.9	4.0	3.3	3.4
Full-time student	1.7	1.6	1.5	1.8	1.8	2.0	1.8	1.8	1.7	2.5	2.6
Retired	14.7	15.4	15.4	15.3	15.5	15.9	16.0	15.3	15.5	14.1	13.6
Student	2.6	3.4	2.7	2.8	3.0	3.0	2.9	2.9	3.0	4.5	4.7
Looking after home/family	7.2	6.8	7.8	6.5	7.5	7.2	6.1	7.3	6.7	6.2	6.5
Permanently sick/disabled	7.2	7.6	9.6	7.5	8.7	5.7	6.3	7.2	7.6	5.3	5.5
Other economically inactive	3.1	3.7	3.4	2.9	3.2	2.9	2.7	3.0	3.2	2.8	3.1
All persons 16-74	100	100	100	100	100	100	100	100	100	100	100

Source: ONS neighbourhood statistics – 2006

A2.24 According to the 2001 Census, of the people in the Northern Sub-region who were unemployed, 18% were aged 50 and over, 8% had never worked and 32% were long-term unemployed. This compares with England and Wales as a whole, where 19% of unemployed people were aged 50 or over, 9% had never worked and 30% were long-term unemployed.

A2.25 Following on from this information we can look at the occupation groups of those in employment. The table below shows data from the 2001 Census for the Northern Sub-region, the East Midlands and England & Wales.

Table A2.15 Occupation groups (all people aged 16-74 in employment)			
	Northern Sub-region	East Midlands	England
Managers and senior officials	13.3%	14.5%	15.3%
Professional occupations	7.7%	9.8%	11.2%
Associate professional and technical occupations	11.3%	12.1%	13.8%
Administrative and secretarial occupations	11.7%	12.1%	13.4%
Skilled trades occupations	13.6%	12.6%	11.5%
Personal service occupations	7.4%	6.8%	6.9%
Sales and customer service occupations	7.8%	7.4%	7.7%
Process, plant and machine operatives	12.5%	11.1%	8.4%
Elementary occupations	14.6%	13.4%	11.8%
All persons 16-74	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A2.26 The data shows that people in the Northern Sub-region are less likely to be in skilled occupations than elsewhere in the region or England as a whole. Overall the occupation group profile in the Northern Sub-region is broadly similar to that found for the region. Overall, 21.0% of people aged 16-74 who are in employment are considered to be in managerial or professional occupations, this compares with a regional figure of 24.3% and a national figure of 26.5%. The Northern Sub-region contains a higher proportion of process, plant and machine operatives and those in elementary occupations than found nationally.

Table A2.16 Occupation groups (all people aged 16-74 in employment)				
	Nottingham Outer HM	Northern HM	East Midlands	England
Managers and senior officials	13.0%	13.6%	14.5%	15.3%
Professional occupations	7.2%	8.2%	9.8%	11.2%
Associate professional and technical occupations	10.9%	11.7%	12.1%	13.8%
Administrative and secretarial occupations	11.3%	12.0%	12.1%	13.4%
Skilled trades occupations	14.3%	13.1%	12.6%	11.5%
Personal service occupations	7.4%	7.5%	6.8%	6.9%
Sales and customer service occupations	8.1%	7.6%	7.4%	7.7%
Process, plant and machine operatives	13.0%	12.0%	11.1%	8.4%
Elementary occupations	14.9%	14.3%	13.4%	11.8%
All persons 16-74	100.0%	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A2.27 The occupation profiles for the areas are broadly similar, although the Northern area has a higher proportion of people in managerial or professional occupations than the Nottingham Outer HM area.

Table A2.17 Percentage of resident population aged 16 to 74 in each group, April 2001

Category	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Managers & senior officials	11.6	13.5	12.6	13.2	11.9	15.3	14.7	13.0	13.6	14.5	15.3
Professional occupations	5.4	8.6	6.2	8.2	6.2	9.7	9.3	7.2	8.2	9.8	11.2
Associate professional & technical occs	9.9	11.8	10.2	12.2	11.2	11.6	12.1	10.9	11.7	12.1	13.8
Administrative & secretarial occs	11.8	10.6	10.6	13.1	11.7	10.6	13.2	11.3	12.0	12.1	13.4
Skilled trades occs	15.1	13.0	14.0	12.2	14.1	13.8	13.4	14.3	13.1	12.6	11.5
Personal service occs	6.9	8.0	7.7	7.8	8.0	7.3	6.7	7.4	7.5	6.8	6.9
Sales & customer service occs	8.3	7.3	7.6	7.9	9.0	7.0	7.5	8.1	7.6	7.4	7.7
Process, plant & machine operatives	15.5	12.6	14.3	11.3	12.6	10.7	10.6	13.0	12.0	11.1	8.4
Elementary occs	15.5	14.6	16.8	14.2	15.3	14.0	12.5	14.9	14.3	13.4	11.8
All persons 16-74	100	100	100	100	100	100	100	100	100	100	100

Source: ONS neighbourhood statistics – 2006

A2.28 Newark & Sherwood has a much higher proportion of those considered to be in managerial or professional occupations compared to the rest of the Northern Sub-region.

Crime

A2.29 An indication of the crime rate in area can be given by looking at the numbers of offences recorded by the Home Office. These exclude most minor offences, but include all 'notifiable offences' recorded by the police. The numbers of each offence per 1,000 people are given. The table shows that the Northern Sub-region has a lower crime rate than the regional average and a slightly lower rate than the national average.

Table A2.18 Rates of Notifiable Offences (per 1,000 people), 2004-2005

	Northern Sub-region	East Midlands	England
Burglary in a dwelling	6.1	7.1	6.2
Robbery	0.4	1.2	1.7
Theft of a motor vehicle	4.1	4.2	4.6
Theft from a motor vehicle	9.7	10.1	9.5
Violence against the person	16.7	18.8	19.9

Source: ONS neighbourhood statistics – 2006

A2.30 The data indicates that there is some disparity in terms of crime rates between the Nottingham Outer and Northern HM areas. The Northern HM has a significantly lower rate of burglary, robbery and thefts from motor vehicles than the rest of the Northern Sub-region. However with Sheffield and Rotherham included, the area has drastically increased rates of crime.

Table A2.19 Rates of Notifiable Offences (per 1,000 people), 2004-2005

	Nottingham Outer HM	Northern HM	East Midlands	England
Burglary in a dwelling	7.7	4.8	7.1	6.2
Robbery	0.5	0.4	1.2	1.7
Theft of a motor vehicle	4.7	3.5	4.2	4.6
Theft from a motor vehicle	11.8	7.9	10.1	9.5
Violence against the person	17.2	16.2	18.8	19.9

Source: ONS neighbourhood statistics – 2006

A2.31 The data also indicates that there is significant variation between individual local authorities in the Northern Sub-region. Mansfield has considerably more notifiable offences recorded per 1,000 people than any other local authority in the sub region.

Table A2.20 Rates of Notifiable Offences (per 1,000 people), 2004-2005

Offence	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern HM	East Midlands	England & Wales
Burglary in a dwelling	8.1	4.6	5.5	5.9	10.2	5.0	3.2	7.7	4.8	7.1	6.2
Robbery	0.6	0.3	0.2	0.7	0.7	0.2	0.2	0.5	0.4	1.2	1.7
Theft of a motor vehicle	4.8	5.5	4.1	2.3	6.6	2.9	2.0	4.7	3.5	4.2	4.6
Theft from a motor vehicle	11.2	12.7	8.8	5.3	16.9	7.8	4.6	11.8	7.9	10.1	9.5
Violence against the person	15.1	16.6	17.0	21.2	25.7	11.6	10.2	17.2	16.2	18.8	19.9

Source: ONS neighbourhood statistics – 2006

Local workplace earnings

A2.32 A range of secondary data sources provide useful evidence about local incomes. The main one is the Annual Survey of Hours and Earnings (ASHE) which provides information about earnings down to local authority level.

A2.33 The table below shows average full-time earnings and also quartile incomes. The data shows that the average full-time earned income in 2005 in the Northern Sub-region was £29,825; this is slightly below the regional average and also well below the equivalent national figure. The Northern HM shows a significantly greater average full-time income than the Nottingham Outer area.

Table A2.21 Full-time earnings (ASHE 2005)					
	Nottingham Outer HM	Northern HM	Northern Sub-region	East Midlands	England
Mean income	£22,788	£24,950	£23,972	£25,829	£28,988

Source: Annual survey of hours and earnings – 2005

Table A2.22 Full-time earnings (ASHE 2005)									
	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	East Midlands	England
Mean income	£21,476	£26,894	£22,519	£24,456	£21,939	£25,064	£24,848	£25,829	£28,988

Source: ONS neighbourhood statistics – 2006

A2.34 The data also shows that there is quite a range of average incomes across the individual local authorities in the Northern Sub-region. Bassetlaw has the highest average income, while Ashfield has the lowest.

Migrant Workers

A2.35 There is some data available to offer an insight into the trends of migrant workers in the Northern Sub-region. The National Insurance Recording System records the number of National Insurance Number registrations by non-UK nationals in the Northern Sub-region. This does not offer an indication of the current number of migrant workers in the area as it only records new migrant workers registering for a National Insurance Number, nor does it paint an accurate picture of the trends of non-UK nationals arriving in the area as it can often take several years for arrivals to register for a National Insurance Number.

A2.36 The table below shows the number of National Insurance Number Registrations by non-UK nationals by year from 2002/03. This gives an indication of the trend of migrant workers registering in the area. The data shows a sharp rise in the number of non-UK nationals registering in the Northern Sub-region, increasing at a much higher rate than nationally or for the East Midlands as a whole. In 2004/05, 1.6% of non-UK nationals registering for a National Insurance Number were claiming out-of-work benefit within 6 months of registration, much lower than the national rate of 6%. This figure is not all that reliable due to the low numbers of migrant workers claiming benefits in the area and the figures being rounded to the nearest 10.

Table A2.23 National Insurance Number Registrations by non-UK nationals by year			
	Northern Sub-region	East Midlands	England
2002/03	570	13,400	349,200
2003/04	730	16,500	370,700
2004/05	1,260	23,500	439,700
2005/06	2,240	28,500	662,400
Total	4,800	81,900	1,822,000
Change	1,670	15,100	313,200
% Change from 2002/03	293.0%	112.7%	89.7%

Source: National Insurance Recording System - 2006

A2.37 The table below shows the difference between National Insurance Number registrations by non-UK nationals in the Nottingham Outer HM, Northern HM and Northern (Sheffield & Rotherham) areas. The Nottingham Outer and Northern HM areas are broadly similar, though the Nottingham Outer HM area has shown a more rapid increase.

Table A2.24 National Insurance Number Registrations by non-UK nationals by year				
	Nottingham Outer HM	Northern HM	East Midlands	England
2002/03	250	320	13,400	349,200
2003/04	350	380	16,500	370,700
2004/05	570	690	23,500	439,700
2005/06	1,180	1,060	28,500	662,400
Total	2,350	2,450	81,900	1,822,000
Change	930	740	15,100	313,200
% Change from 2002/03	+372.0%	+231.3%	+112.7%	89.7%

Source: National Insurance Recording System - 2006

Table A2.25 National Insurance Number Registrations by non-UK nationals by year

Year	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern HM	East Midlands	England & Wales
2002/03	60	100	40	130	90	100	50	250	320	13,400	349,200
2003/04	120	130	30	150	110	120	70	350	380	16,500	370,700
2004/05	140	380	70	170	190	240	70	570	690	23,500	439,700
2005/06	250	550	140	260	520	410	110	1,180	1,060	28,500	662,400
Total	570	1,160	280	710	910	870	300	2,350	2,450	81,900	1,822,000
Change	190	450	100	130	430	310	60	930	740	15,100	313,200
% Change from 2002/03	317%	450%	250%	100%	478%	310%	120%	372%	231%	113%	90%

Source: National Insurance Recording System - 2006

Conclusion

A2.38 Drawing on a range of data sources, we have been able to glean a broad understanding of the current housing market in the Northern Sub-region compared with the regional and national position. The key data can be summarised as:

- Health problems are more of an issue in the Northern Sub-region than nationally with 22.5% of the population being recorded (by the 2001 Census) as having a limiting long-term illness. This compares with 18.2% across England & Wales.
- Unemployment in the Northern Sub-region is slightly higher than found either nationally or regionally (2001 Census) whilst a lower proportion of people are employed in managerial or professional occupations than is found in the region generally
- Overall, workplace earnings in the Northern Sub-region are lower than in the region as a whole (2005 ASHE data) and much lower than national equivalents

A3. The current stock of housing

Introduction

A3.1 There are a range of data sources which provide an overview of the number, type, size and tenure of properties in the local area and how this compares with the position in the East Midlands and nationally.

Total number of dwellings

A3.2 The 2005 Housing Strategy Statistical Appendix (HSSA) data records 306,765 dwellings in the Northern Sub-region, of these 10,340 are recorded as vacant (9,009 in the private sector of which 4,668 have been vacant for more than six months). The table below provides a broad overview of the current housing stock from HSSA data.

Table A3.1 Housing stock – 2005						
	Northern Sub-region		East Midlands		England	
	Number	%	Number	%	Number	%
Total dwellings	306,765	-	1,867,572	-	21,906,172	-
Social rented	60,428	19.7%	313,052	16.8%	4,039,360	18.4%
Other public	132	0.0%	4,213	0.2%	82,206	0.4%
Private sector	253,583	82.7%	1,550,307	83.0%	17,784,606	81.2%
Social rented difficult to let	1,982	3.3%	8,535	2.7%	124,757	3.1%
Social rented low demand	1,872	3.1%	10,138	3.2%	211,678	5.2%
Private sector low demand	#	#	11,123	0.7%	535,217	3.0%
Total dwellings vacant	10,340	3.4%	58,419	3.1%	680,412	3.1%
Social rented vacant	1,373	2.3%	6,777	2.2%	89,207	2.2%
Other public sector vacant	8	6.1%	953	22.6%	5,666	6.9%
Private sector vacant	9,009	3.6%	50,689	3.3%	585,539	3.3%

Source: 2005 Housing Strategy Statistical Appendix

- Figure unavailable

Table A3.2 Housing stock – 2005

	Nottingham Outer HM	Northern HM	East Midlands	England
Social rented	18.3%	20.8%	16.8%	18.4%
Other public	0.0%	0.0%	0.2%	0.4%
Private sector	87.1%	79.2%	83.0%	81.2%
Social rented difficult to let	3.3%	0.7%	2.7%	3.1%
Social rented low demand	6.0%	0.2%	3.2%	5.2%
Private sector low demand	3.2%	#	0.7%	3.0%
Total dwellings vacant	2.9%	3.7%	3.1%	3.1%
Social rented vacant	2.9%	0.4%	2.2%	2.2%
Other public sector vacant	0.0%	0.0%	22.6%	6.9%
Private sector vacant	2.8%	3.4%	3.3%	3.3%

Source: 2005 Housing Strategy Statistical Appendix

- Figure unavailable

Table A3.3 Housing stock – 2005

Indicator	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham	Northern	East Midlands	England
Social rented	17.4%	17.2%	20.0%	24.7%	19.7%	17.8%	21.1%	18.3%	20.8%	16.8%	18.4%
Other public	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.2%	0.4%
Private sector	82.5%	82.6%	80.0%	75.3%	80.3%	82.1%	78.9%	87.1%	79.2%	83.0%	81.2%
Social rented difficult to let	8.4%	2.0%	1.1%	2.5%	0.5%	0.5%	7.1%	3.3%	0.7%	2.7%	3.1%
Social rented low demand	4.9%	1.3%	1.1%	0.0%	10.6%	1.6%	2.1%	6.0%	0.2%	3.2%	5.2%
Private sector low demand	1.1%	0.9%	#	#	9.2%	0.0%	0.0%	3.2%	#	0.7%	3.0%
Total dwellings vacant	3.3%	4.3%	4.5%	3.1%	3.4%	2.0%	3.1%	2.9%	3.7%	3.1%	3.1%
Social rented vacant	1.9%	2.5%	2.3%	1.4%	5.3%	1.0%	1.5%	2.9%	0.4%	2.2%	2.2%
Other public sector vacant	0.0%	10.0%	0.0%	0.0%	0.0%	0.0%	20.0%	0.0%	0.0%	22.6%	6.9%
Private sector vacant	3.6%	4.7%	5.1%	3.8%	2.9%	1.8%	3.6%	2.8%	3.4%	3.3%	3.3%

Source: 2005 Housing Strategy Statistical Appendix

- Figure unavailable

A3.3 Overall, the HSSA data shows that the Northern Sub-region has a low proportion of difficult to let dwellings. The proportion of low demand dwellings is also well below the national average, although both figures are in line with the region as a whole. The Northern Sub-region has a much higher proportion of social rented stock than found regionally.

Tenure

A3.4 Census data can provide more detailed information about the tenure profile of households living in an area than that contained in the HSSA (notably Census data includes information about the private rented sector).

Table A3.4 Tenure (Census 2001)						
	Northern Sub-region		East Midlands		England & Wales	
Owns outright	31.6%		30.8%		29.5%	
Owns with a mortgage or loan	38.8%	}70.8%	40.8%	}72.2%	38.8%	}68.9%
Shared ownership	0.4%		0.6%		0.6%	
Council (local authority)	18.1%	}20.8%	13.9%	}17.6%	13.2%	}19.2%
Housing Association/RSL	2.7%		3.7%		6.0%	
Private Landlord or letting agency	5.7%		7.3%		8.7%	
Other	2.6%		3.0%		3.2%	
Total	100.0%		100.0%		100.0%	

Source: ONS neighbourhood statistics – 2006

A3.5 The tenure profile of an area provides an important insight into the dynamics of a market. Analysis of data for 2001 reveals that the Northern Sub-region has a higher proportion of owner-occupiers than found nationally, but a lower proportion than found regionally. In 2001 70.8% of households in the Northern Sub-region were owner-occupiers (including shared ownership), this compares with 72.2% in the East Midlands and 68.7% across England. By contrast, the Northern Sub-region has a relatively small private rented sector. In 2001, only 5.7% of households lived in the private rented sector, this figure compares with 7.3% across the region and 8.7% in comparison with England.

Table A3.5 Tenure (Census 2001)				
	Notting'm Outer HM	Northern HM	East Midlands	England & Wales
Owns outright	32.4%	31.0%	30.8%	29.5%
Owns with a mortgage or loan	39.5%	38.2%	40.8%	38.8%
Shared ownership	0.4%	0.3%	0.6%	0.6%
Council (local authority)	15.2%	20.5%	13.9%	13.2%
Housing Association/RSL	3.4%	2.1%	3.7%	6.0%
Private Landlord or letting agency	6.0%	5.4%	7.3%	8.7%
Other	3.3%	2.1%	3.0%	3.2%
Total	100.0%	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

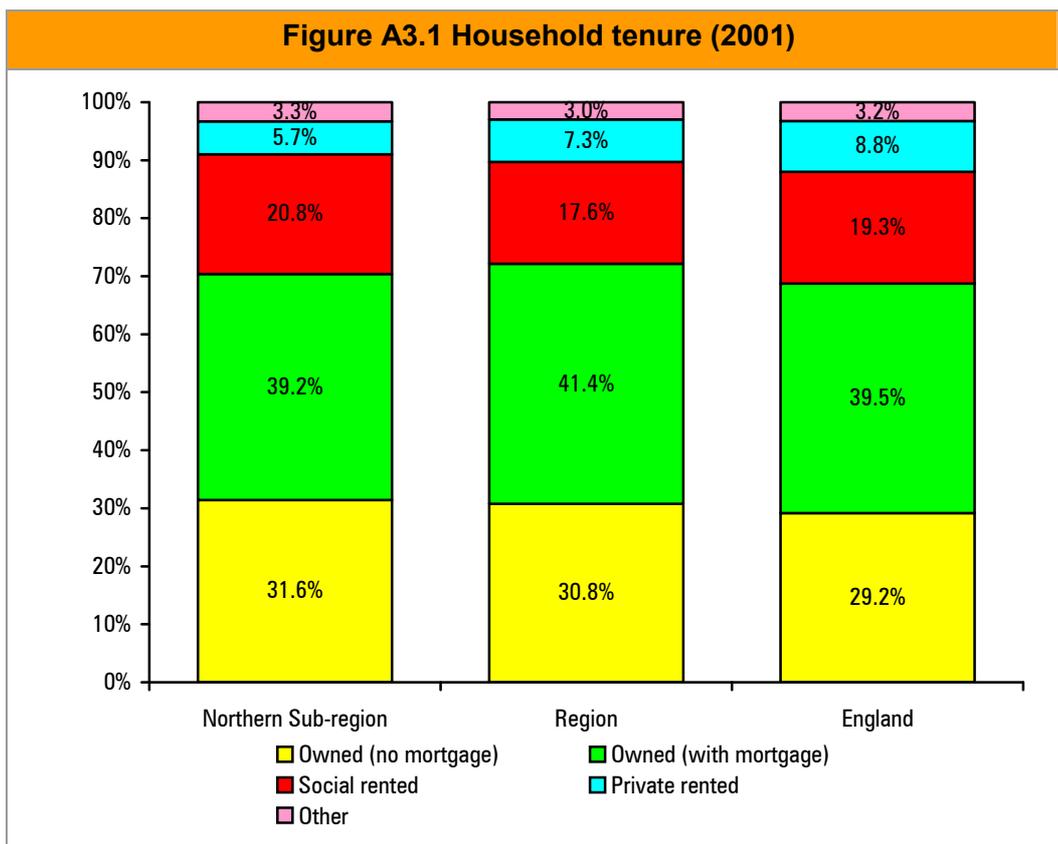
A3.6 The Northern area has a greater proportion of social rented dwellings than the Nottingham Outer HM area. The difference is even more profound when the Northern area is combined with Sheffield and Rotherham.

Table A3.6 Tenure (Census 2001)

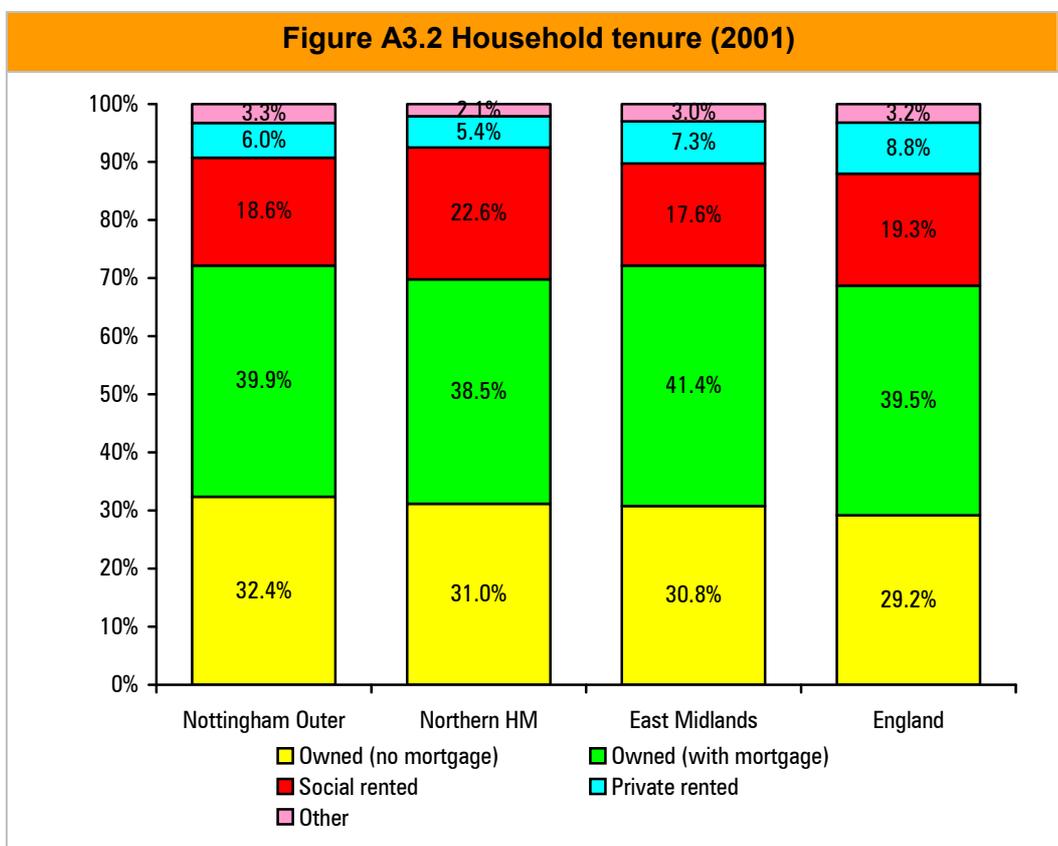
Tenure category %	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Owns outright	32.4	30.6	31.2	29.1	31.9	32.9	33.3	32.4	31.0	30.8	29.5
Owns with a mortgage or loan	40.1	40.3	37.9	36.5	37.7	40.7	38.1	39.5	38.2	40.8	38.8
Shared ownership	0.4	0.3	0.2	0.5	0.4	0.4	0.4	0.4	0.3	0.6	0.6
Council (local authority)	16.5	17.8	18.4	23.6	16.5	12.6	21.8	15.2	20.5	13.9	13.2
Housing assn/RSL	2.3	1.9	2.4	2.7	4.4	3.6	1.4	3.4	2.1	3.7	6.0
Private Landlord or letting agency	5.4	6.3	6.8	5.5	6.3	6.2	3.2	6.0	5.4	7.3	8.7
Other	2.3	1.9	2.4	2.8	4.4	3.6	1.4	3.3	2.1	3.0	3.2
Total	100	100	100	100	100	100	100	100	100	100	100

Source: ONS neighbourhood statistics – 2006

A3.7 The tenure profile varies between individual local authorities. Chesterfield has a much larger social rented sector, while the highest proportion of owner-occupied dwellings is found in Newark & Sherwood.



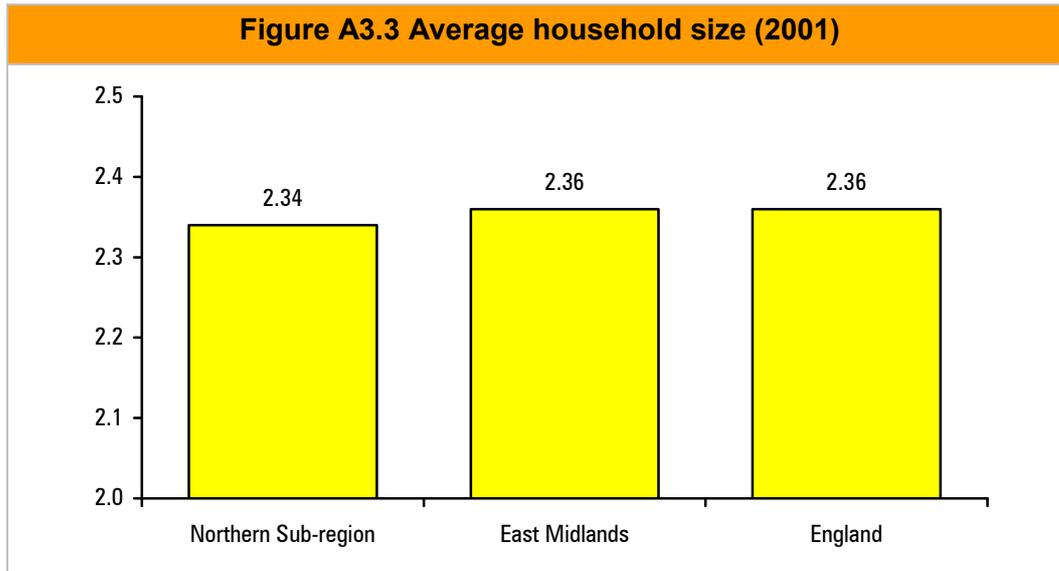
Source: 2001 Census – Key Statistics for local authorities in England and Wales



Source: 2001 Census – Key Statistics for local authorities in England and Wales

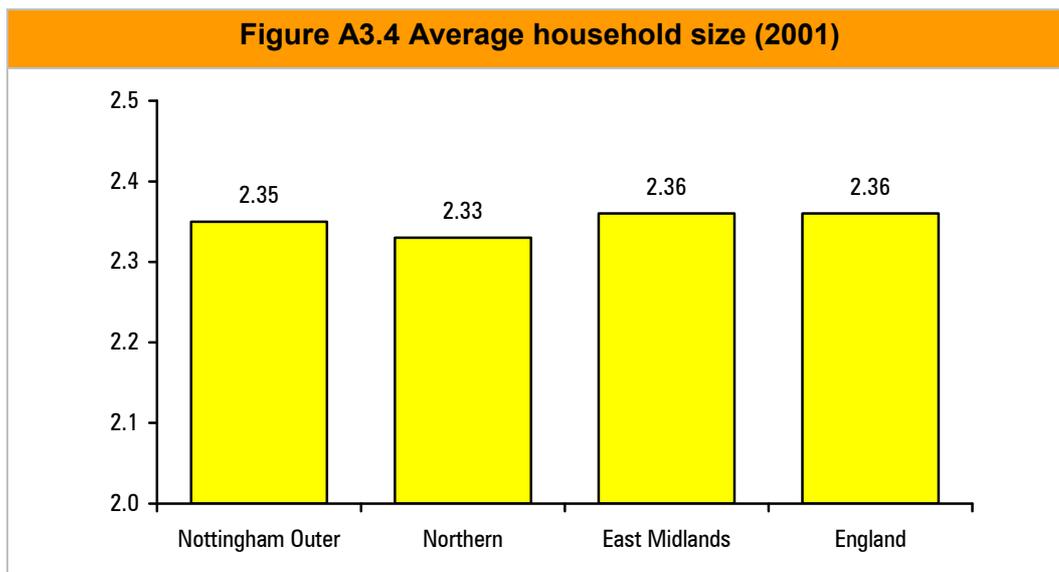
Household Size

A3.8 Trends in household size can be crucial in determining the demand for future housing through the implications for the size of any additional housing. The figure below shows that the Northern Sub-region has a lower number of people per household (2.34 compared with 2.36 in the region). The figure in the Northern Sub-region is also lower than the equivalent figure for England as a whole.



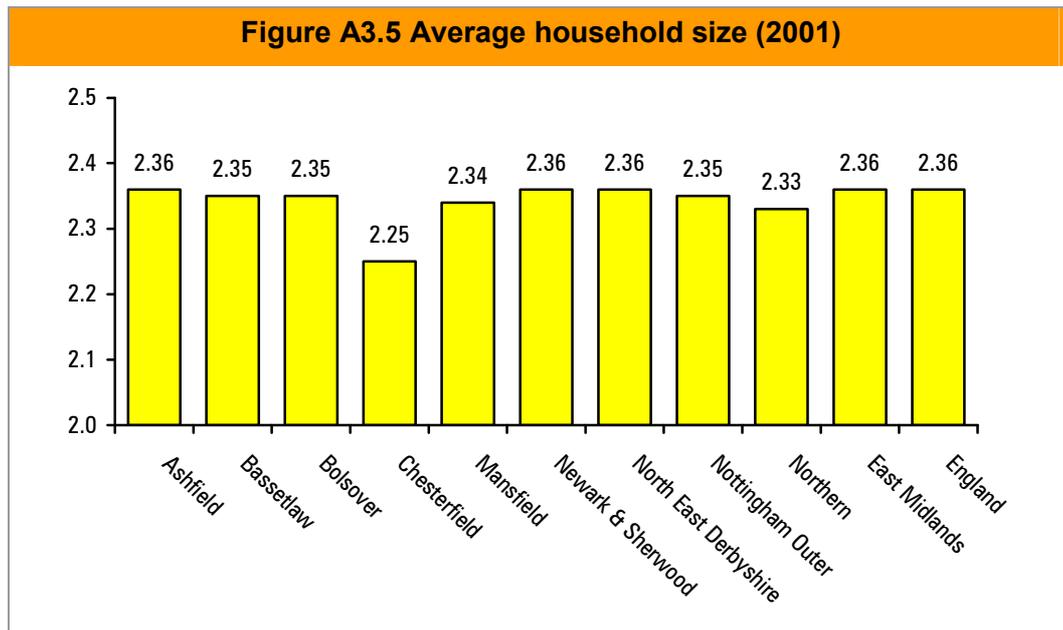
Source: 2001 Census – Key Statistics for local authorities in England and Wales

A3.9 The Northern HM area has a smaller average household size than Nottingham Outer, though both are below the equivalent regional and national figures.



Source: 2001 Census – Key Statistics for local authorities in England and Wales

A3.10 The average household size is broadly the same across the Northern Sub-region, although Chesterfield has a much smaller average household size than anywhere else in the region.

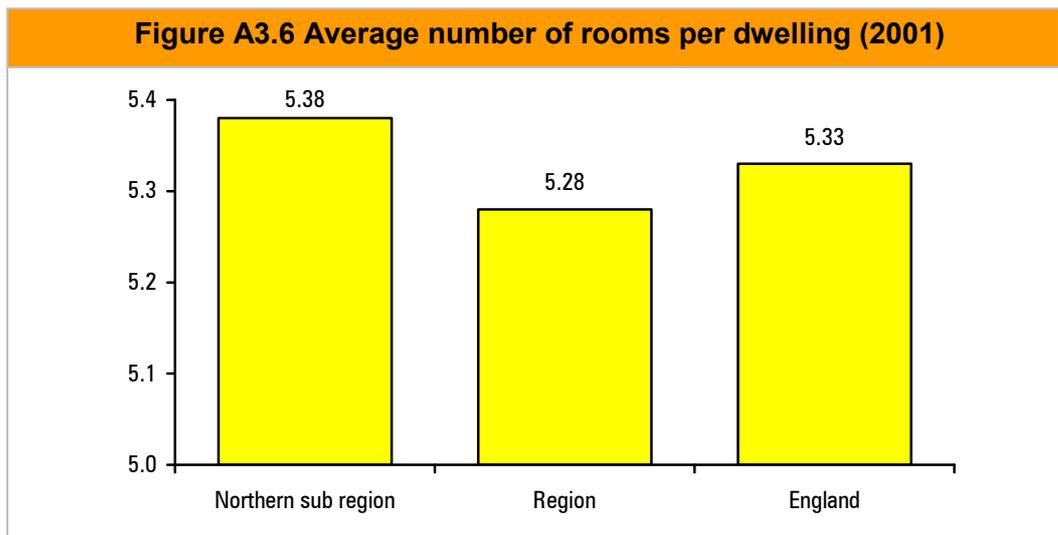


Source: 2001 Census – Key Statistics for local authorities in England and Wales

A3.11 Generally, household sizes have been declining both regionally and nationally and this trend is expected to continue. Declining average household size raises the requirement for housing (on a per person basis) as a given population will require a greater number of dwellings to house it.

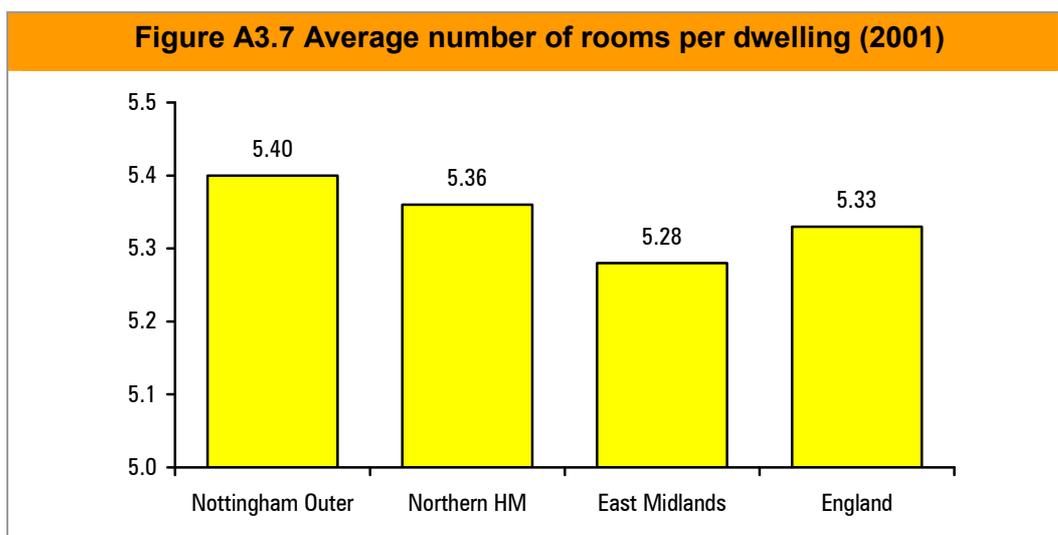
Dwelling Size

A3.12 Dwelling size can be an important driver, as well as a significant feature of the local economy. The best information about the size of properties comes from the number of rooms (measured in the 2001 Census). It is interesting that although the Northern Sub-region had a smaller than average household size, the average number of rooms per household space was slightly higher than the regional and national average.



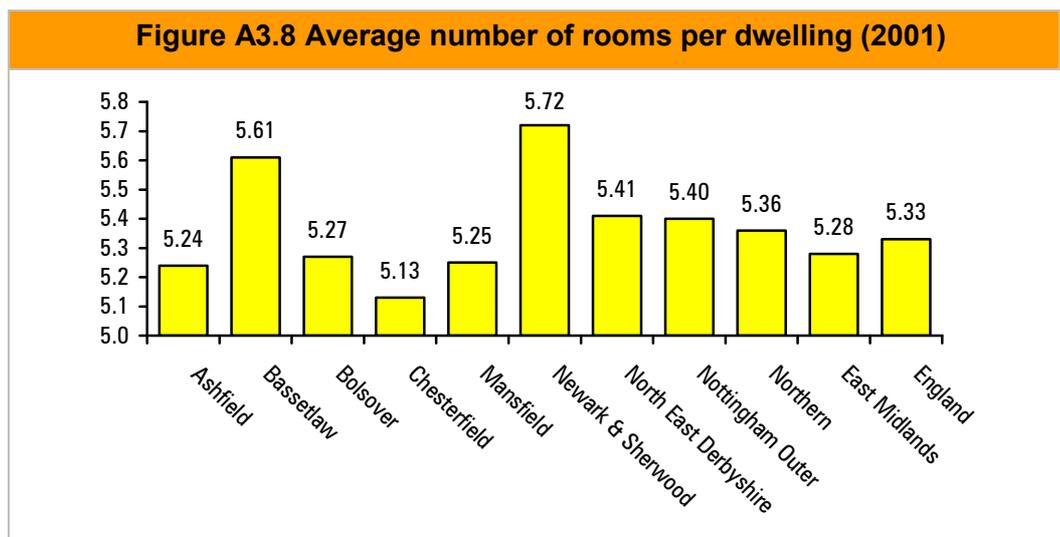
Source: 2001 Census – Key Statistics for local authorities in England and Wales

A3.13 The data shows that the Nottingham Outer HM area has a much higher average number of rooms per dwelling than the Northern area. The difference is more apparent when the Northern area is considered with the inclusion of Sheffield and Rotherham, with the average number of rooms per dwelling then dropping below the national average.



Source: 2001 Census – Key Statistics for local authorities in England and Wales

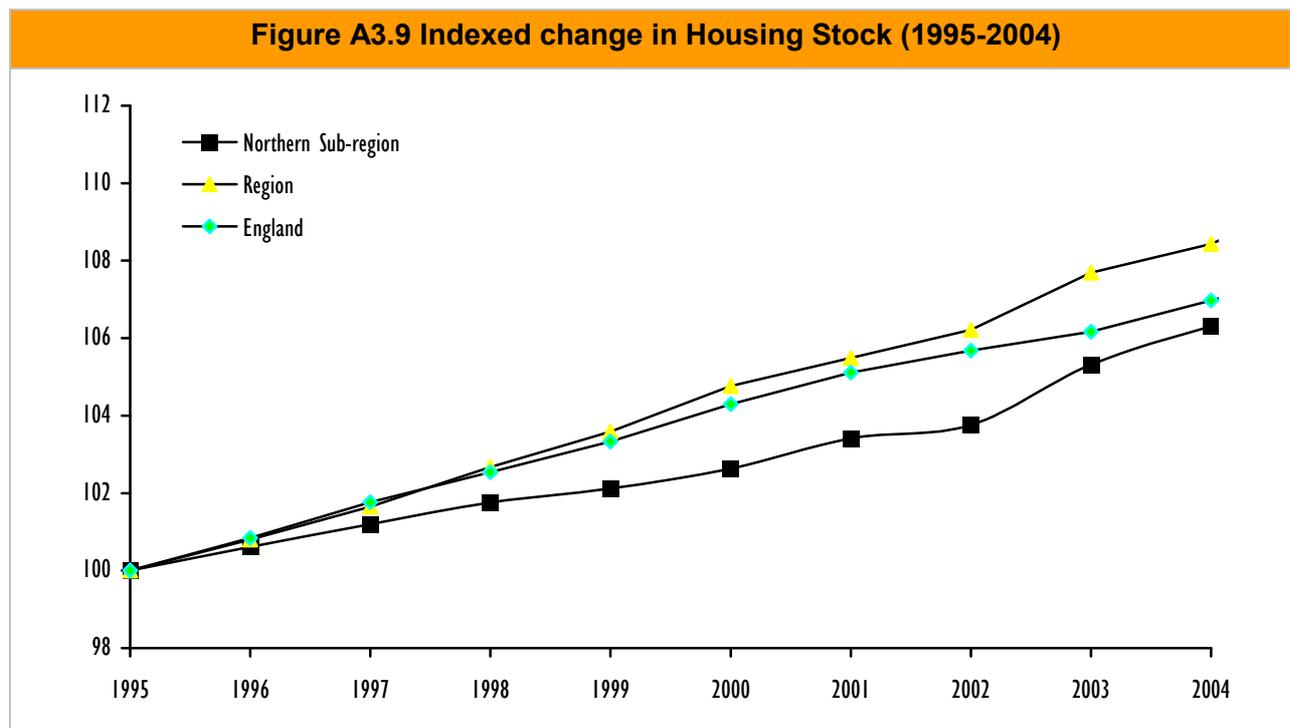
A3.14 Newark & Sherwood has a much higher average number of rooms per dwelling than the rest of the Northern Sub-region, while Chesterfield has the lowest average number of rooms per dwelling in the area. This is consistent with Chesterfield's low average household size.



Source: 2001 Census – Key Statistics for local authorities in England and Wales

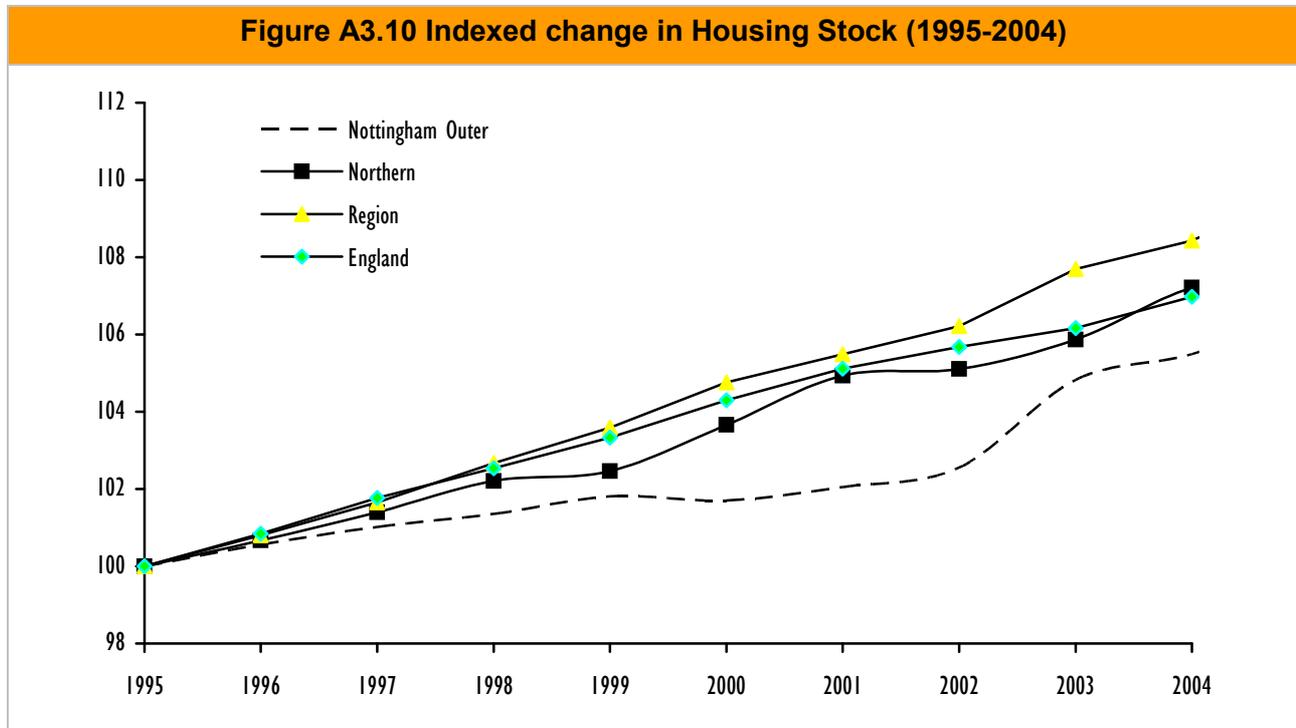
Housing stock changes

A3.15 The figure below presents the pattern of growth in the stock of housing over time in the Northern Sub-region, East Midlands and England. Between 1995 and 2004 the housing stock in the Northern Sub-region increased by 7.1%, representing an increase of around 23,847 dwellings. Overall growth in the region in the same period was 9.8%. Therefore in comparative terms growth in the Northern Sub-region has been lower than in other parts of the East Midlands. Over the period the growth has been fairly steady and below national and regional growth.



Source: Community data services

A3.16 The figure below presents the pattern of growth in the stock of housing over time in Nottingham Outer HM, the Northern area and the Northern area with Sheffield and Rotherham included. The growth of the Northern area when considered with Sheffield and Rotherham is well behind the growth in the rest of the Sub-region.



Source: Community data services

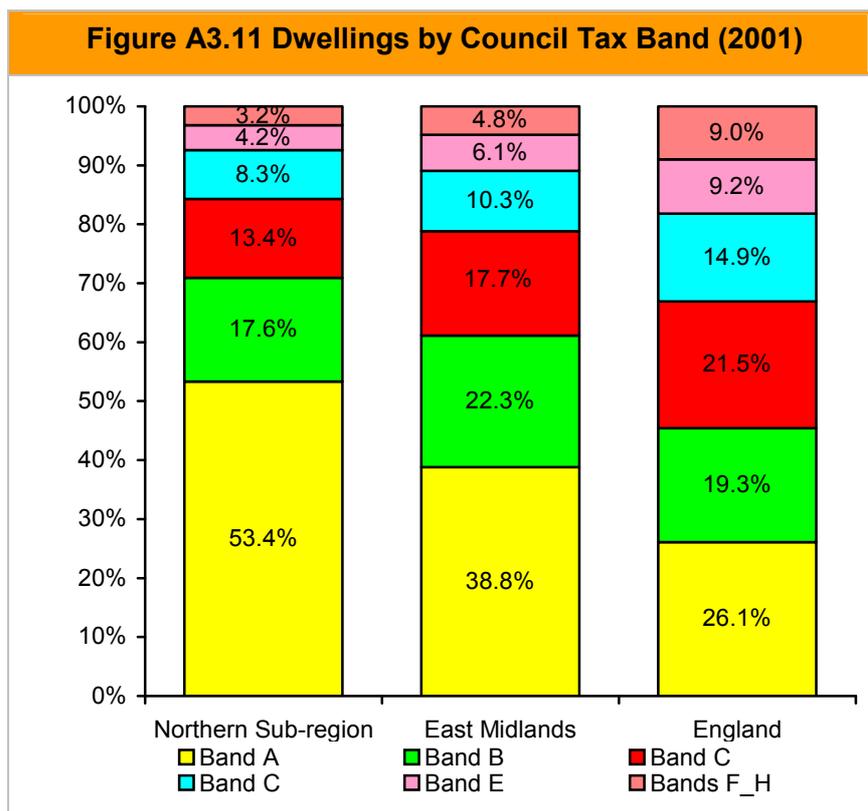
A3.17 The table below shows the growth in housing stock between 1995 and 2005. The fastest growth occurred in Newark & Sherwood.

Table A3.7 Change in Housing Stock 1995-2004

Area	Stock 1995	Stock 2005	Absolute change	% change
Ashfield	45,696	49,713	4,017	8.8%
Bassetlaw	44,317	47,769	3,452	7.8%
Bolsover	30,288	33,053	2,765	9.1%
Chesterfield	42,997	47,060	4,063	9.4%
Mansfield	42,887	45,463	2,576	6.0%
Newark & Sherwood	43,822	48,514	4,692	10.7%
North East Derbyshire	40,622	42,571	1,949	4.8%
Nottingham Outer HMA	132,405	143,690	11,285	8.5%
Northern HMA	158,224	170,453	12,229	7.7%
Northern sub-region	290,629	314,143	23,514	8.1%
East Midlands	1,701,434	1,867,572	166,138	9.8%
Great Britain	20,321,747	21,739,151	1,417,404	7.0%

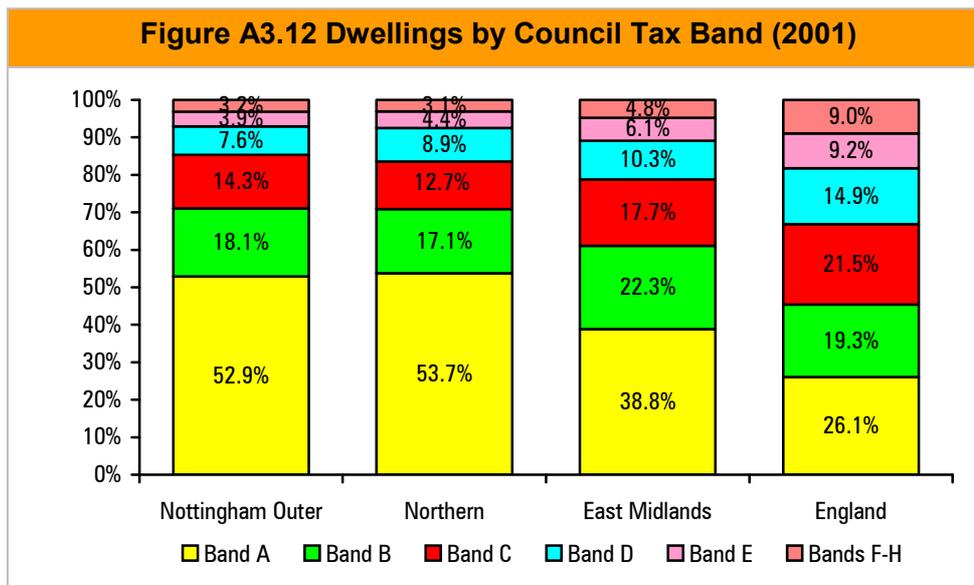
Source: Community data services

A3.18 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 53.4% of properties in the Northern Sub-region fell into the lowest Council Tax Band, this compares with 38.8% across the region and 26.1% in England. The proportion of dwellings in the highest bands (E to G) is noticeably lower than the England average, and also lower than the figure for the East Midlands. Overall, 31.0% of all properties fall into bands B & C, lower than the proportions either regionally or nationally.



Source: ONS neighbourhood statistics – 2006

A3.19 The Nottingham Outer HM and Northern areas have similar compositions to each other and the Northern Sub-region as a whole, although they vary considerably from the regional and national compositions.



Source: ONS neighbourhood statistics – 2006

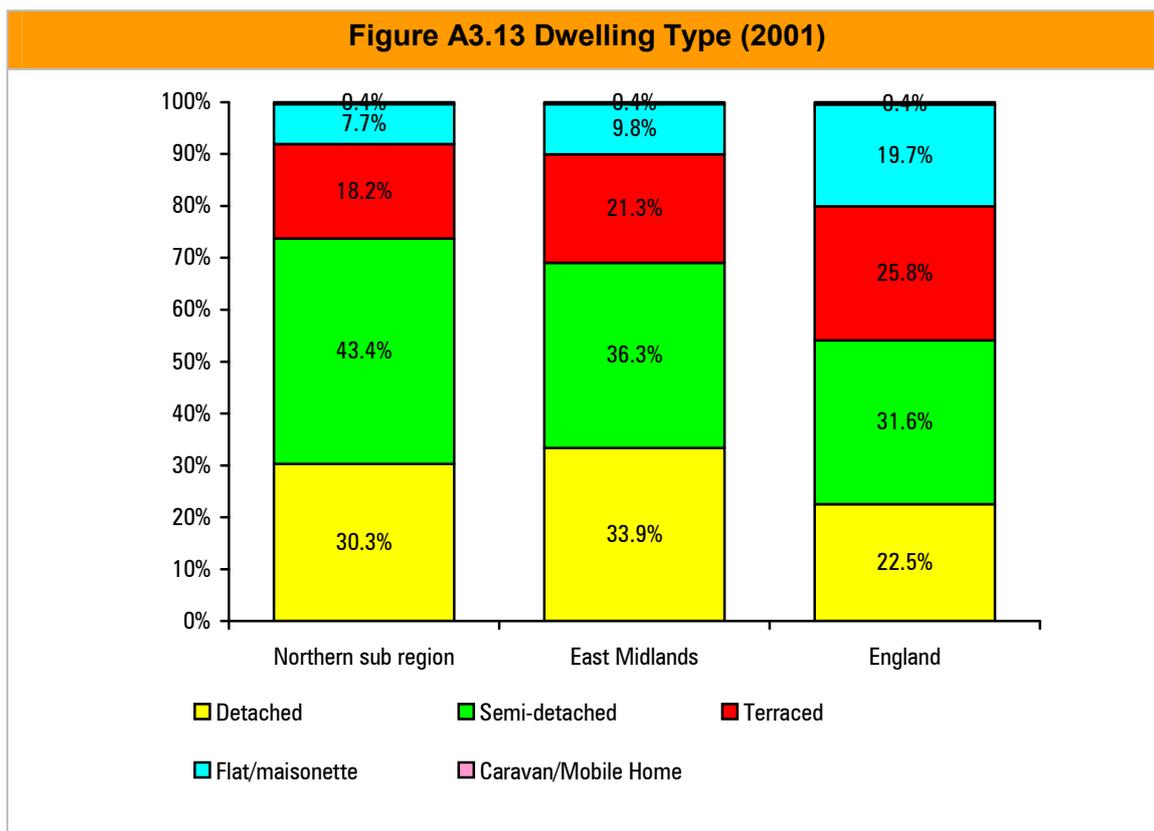
A3.20 Bolsover has the highest proportion of dwellings in the lowest council tax band of all the local authorities in the Northern Sub-region, while Newark & Sherwood has a much higher proportion of dwellings in the highest bands (E to H) than anywhere else in the sub region.

Table A3.8 Dwellings by Council Tax Band (2001)

Council tax band	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	North-East Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Band A	56.9%	53.3%	64.2%	56.3%	58.2%	43.8%	42.9%	52.9%	53.7%	38.8%	26.1%
Band B	19.7%	14.4%	14.9%	19.7%	19.1%	15.4%	19.2%	18.1%	17.1%	22.3%	19.3%
Band C	14.7%	11.8%	10.7%	12.0%	12.1%	15.9%	16.1%	14.3%	12.7%	17.7%	21.5%
Band D	5.9%	11.2%	6.1%	7.1%	6.6%	10.3%	10.4%	7.6%	8.9%	10.3%	14.9%
Band E	1.9%	5.3%	2.4%	3.4%	2.9%	7.0%	6.2%	3.9%	4.4%	6.1%	9.2%
Bands F-H	1.1%	3.9%	1.7%	1.5%	1.0%	7.6%	5.2%	3.2%	3.1%	4.8%	9.0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

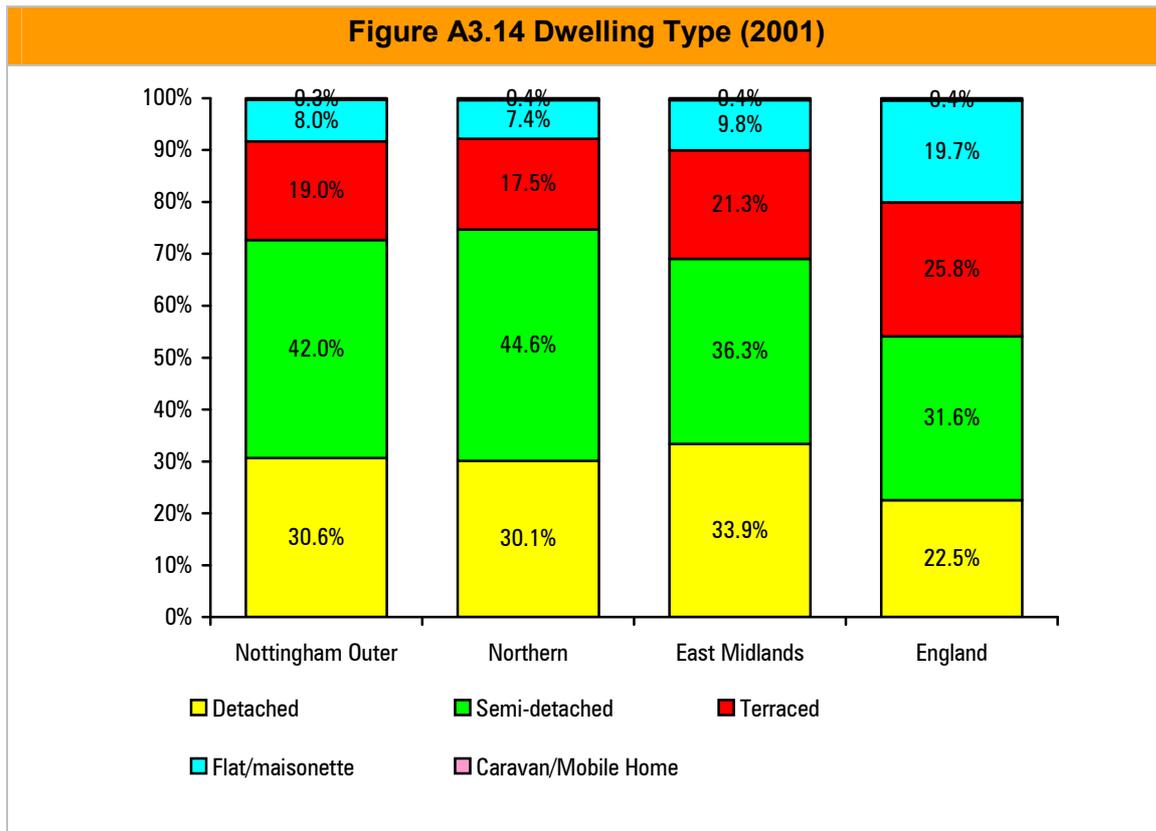
Source: ONS neighbourhood statistics – 2006

A3.21 The figure below shows the types of dwelling in the Northern Sub-region, the region and England as a whole. The data suggests that the overall housing stock in the sub region is not much different to that in the region as a whole. The Northern Sub-region has a much higher proportion of semi-detached homes and fewer terraces when compared with the region. Compared with national data it can be seen that the Northern Sub-region had a greater proportion of semi-detached homes and fewer flats in 2001.



Source: ONS neighbourhood statistics – 2006

A3.22 The Nottingham Outer HM and Northern areas again have very similar dwelling profiles, but differ substantially when the Northern area is considered combined with Sheffield and Rotherham, which has a much lower proportion of detached dwellings.



Source: ONS neighbourhood statistics – 2006

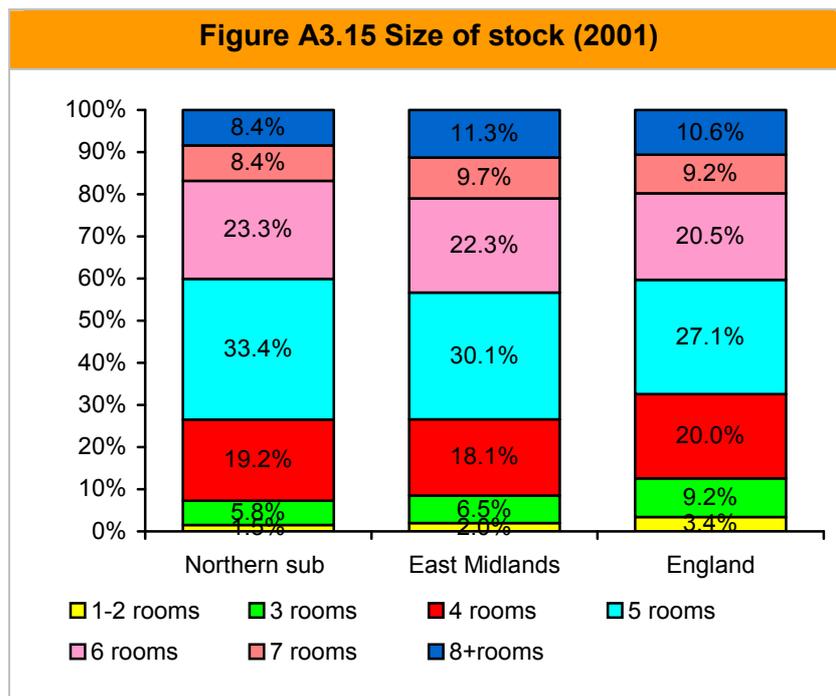
A3.23 Newark & Sherwood and North-East Derbyshire have higher proportions of detached homes when compared to the other local authorities in the Northern Sub-region.

Table A3.9 Dwelling Type (2001)

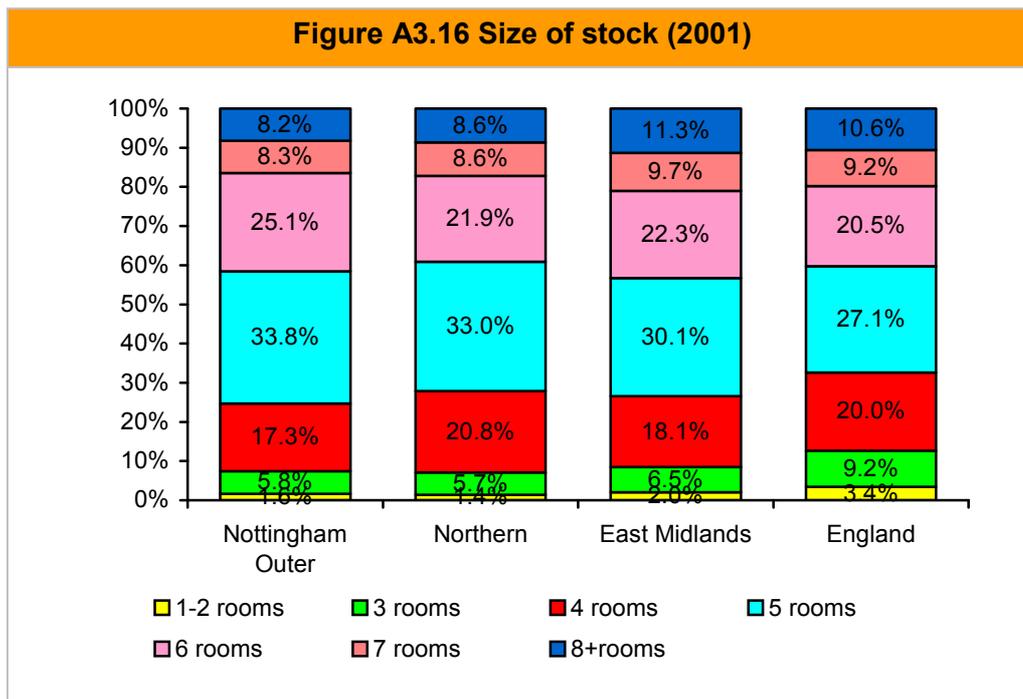
	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	N E Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
Detached	28.1%	33.0%	27.3%	23.5%	27.1%	36.6%	36.2%	30.6%	30.1%	33.9%	22.5%
Semi-detached	43.7%	43.1%	44.2%	46.8%	43.0%	39.2%	44.4%	42.0%	44.6%	36.3%	31.6%
Terraced	19.9%	16.8%	23.0%	18.1%	21.0%	16.1%	13.2%	19.0%	17.5%	21.3%	25.8%
Flat/maisonette	8.2%	6.6%	5.4%	11.3%	8.5%	7.5%	5.7%	8.0%	7.4%	9.8%	19.7%
Caravan/Mobile Home	0.1%	0.5%	0.1%	0.2%	0.3%	0.7%	0.5%	0.3%	0.4%	0.4%	0.4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: ONS neighbourhood statistics – 2006

A3.24 The size of housing in an area plays a key role in determining desirability, demand and affordability. As seen from the analysis above the pattern of dwelling types does not differ dramatically from the regional position. It is therefore to be expected that the sizes of dwellings will be broadly comparable. This is indeed the case as is shown in the figure below in terms of the number of rooms available to households. The distribution of rooms per households is similar in the Northern Sub-region, the region and England as a whole. The Northern Sub-region differs mainly in having fewer dwellings with only 1-2 rooms than found nationally and having slightly fewer dwellings with 8 or more rooms than both regionally and nationally.



Source: ONS neighbourhood statistics – 2006



Source: ONS neighbourhood statistics – 2006

Table A3.10 Size of stock (2001)

No of rooms	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nottingham Outer	Northern	East Midlands	England & Wales
1-2 rooms	1.7%	1.8%	1.0%	1.7%	1.6%	1.5%	0.9%	1.6%	1.4%	2.0%	3.4%
3 rooms	5.7%	5.4%	3.4%	8.3%	6.8%	5.0%	5.1%	5.8%	5.7%	6.5%	9.2%
4 rooms	18.1%	16.3%	22.9%	23.5%	18.0%	15.7%	21.4%	17.3%	20.8%	18.1%	20.0%
5 rooms	36.4%	30.9%	36.7%	32.0%	34.9%	29.9%	33.8%	33.8%	33.0%	30.1%	27.1%
6 rooms	25.6%	23.5%	22.8%	20.8%	25.7%	23.9%	20.6%	25.1%	21.9%	22.3%	20.5%
7 rooms	7.4%	9.9%	7.2%	7.8%	7.2%	10.1%	8.9%	8.3%	8.6%	9.7%	9.2%
8+ rooms	5.0%	12.3%	5.9%	5.9%	5.7%	13.9%	9.4%	8.2%	8.6%	11.3%	10.6%

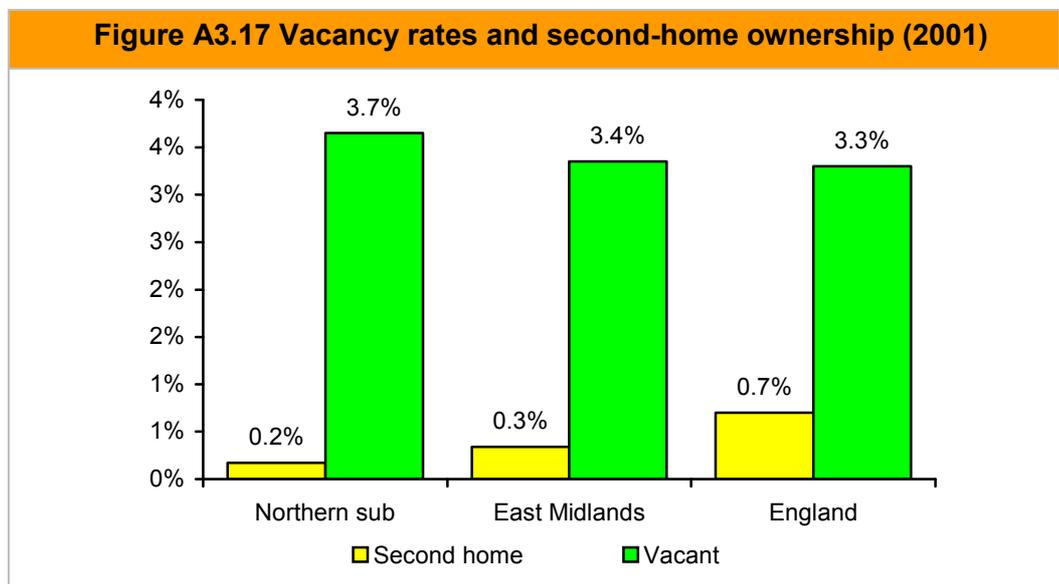
Source: ONS neighbourhood statistics – 2006

Vacancy, Occupancy and Overcrowding

A3.25 According to the 2001 Census, 3.7% of all household spaces in the Northern Sub-region are vacant and a further 0.2% are considered to be second homes (taken together these amount to around 11,598 household spaces). These figures compare with a vacancy rate of 3.3% (excluding second homes) in the East Midlands and 3.3% for England.

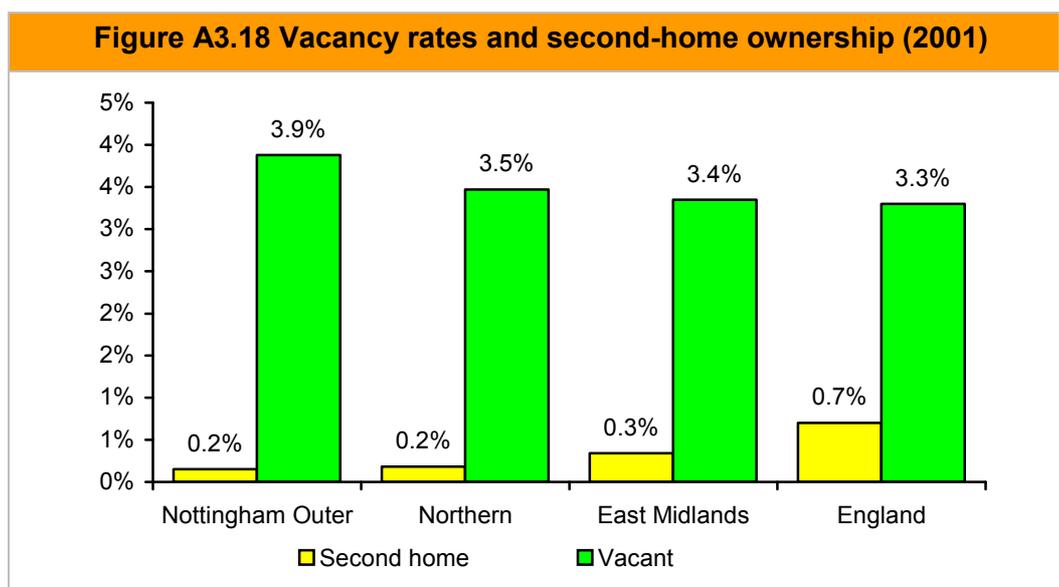
A3.26 This higher vacancy rate implies a lower degree of efficiency in utilising the existing stock in the Northern Sub-region.

A3.27 The figure below shows vacancy rates and proportions of second homes. The data shows that second home ownership in the Northern Sub-region is slightly below the figure for the region as a whole and also below the national average. Higher levels of second homes can put pressure on a housing market and create an increase in prices. This scenario is likely to be limited in the Northern Sub-region.



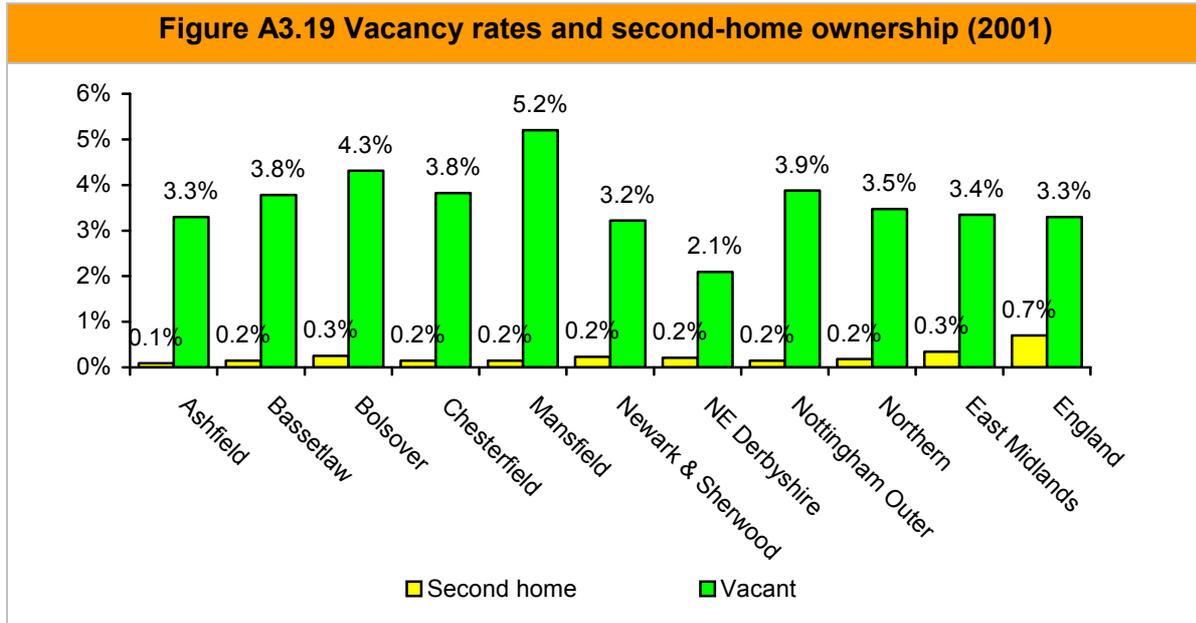
Source: ONS neighbourhood statistics – 2006

A3.28 The Nottingham Outer HM area has a higher vacancy rate than the rest of the Northern Sub-region, while the vacancy rate for the Northern area is in line with the regional and national average.



Source: ONS neighbourhood statistics – 2006

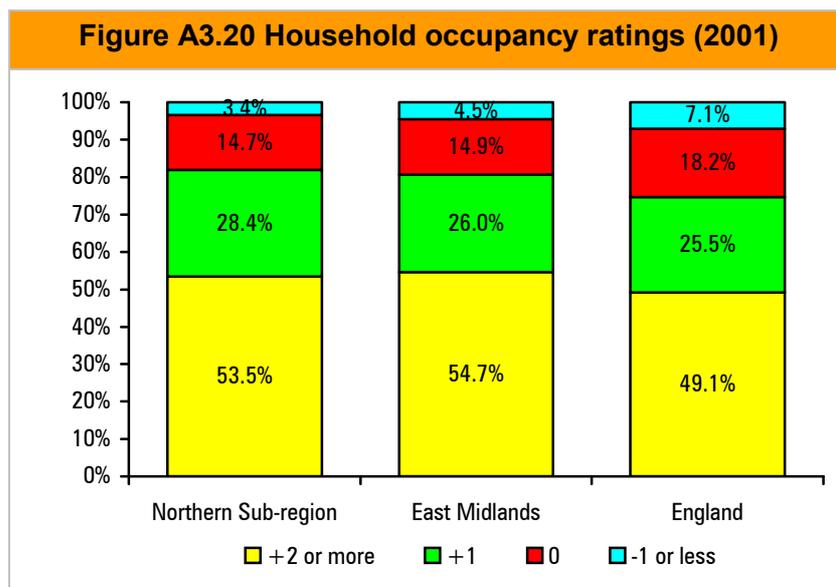
A3.29 Mansfield has a much higher vacancy rate than the other local authorities in the Northern Sub-region, while North-East Derbyshire has the lowest vacancy rate.



Source: ONS neighbourhood statistics – 2006

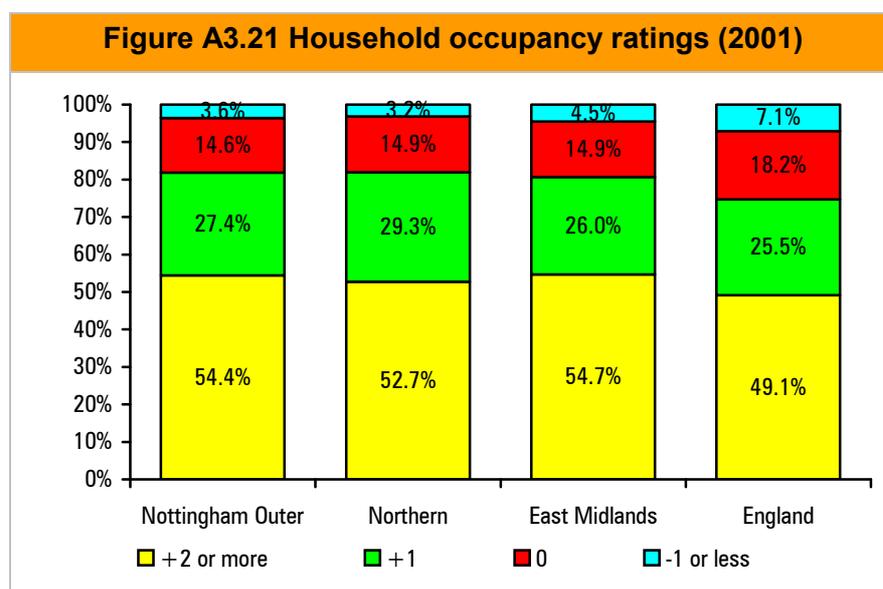
A3.30 It has already been shown that households in the Northern Sub-region are generally smaller whilst dwelling sizes are fairly average. This pattern is reflected in the occupancy rating which shows the number of households in overcrowded conditions. The occupancy rating provides a measure of both under-occupancy and overcrowding by relating the number of rooms in a dwelling to the number of occupants.

A3.31 The figure below shows the occupancy rating as calculated by 2001 Census data. A negative figure indicates overcrowding whereas figures of +2 and above would typically be seen as indicating under-occupancy. The data shows that the level of overcrowding in the Northern Sub-region is low when compared with the region as a whole and more noticeably England. Overall, Census data suggests that 3.4% of households are overcrowded compared with 7.1% nationally. Levels of under-occupation are slightly higher than those found nationally or regionally.



Source: ONS neighbourhood statistics – 2006

A3.32 The Nottingham Outer HM and Northern areas have similar levels of occupancy ratings, with the Nottingham Outer HM displaying a slightly higher proportion of overcrowding, but still well below the national average. The Northern (Sheffield & Rotherham) area has reduced levels of under-occupation.



Source: ONS neighbourhood statistics – 2006

A3.33 Newark & Sherwood shows the highest level of under-occupation in the Northern Sub-region, while Chesterfield has the lowest. Levels of overcrowding are similar throughout the Northern Sub-region.

Table A3.11 Household occupancy ratings (2001)

Bedrooms	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	New-Ash-Mans	Northern	East Midlands	England
+2 or more	51.8%	58.4%	50.7%	47.8%	51.3%	60.1%	53.1%	54.4%	52.7%	54.7%	49.1%
+1	28.9%	25.4%	32.9%	30.2%	28.7%	24.7%	29.8%	27.4%	29.2%	26.0%	25.5%
0	15.4%	12.9%	13.3%	18.4%	16.2%	12.2%	14.4%	14.6%	14.9%	14.9%	18.2%
-1 or less	3.9%	3.4%	3.1%	3.6%	3.8%	3.0%	2.7%	3.6%	3.2%	4.5%	7.1%

Source: ONS neighbourhood statistics – 2006

Conclusions

A3.34 The Northern Sub-region has a dwelling mix that is roughly similar to the East Midlands region and to that of England. In tenure terms there is more social rented housing and less private rented housing than the regional or national average. The rate of new building is slightly lower than the regional and national rates. In terms of Council Tax Band there is a much higher representation of the lower tax bands than either regionally or nationally (and in this case the region is much poorer than the national average). The vacancy rate in the Northern Sub-region is generally low, although it varies by local authority. The Northern Sub-region had a higher average of rooms per dwelling and a slightly lower household size than the regional and national average. As could be expected, this resulted in a high proportion of under-occupation in the Northern Sub-region.

A4. Property market data: prices & rents

Introduction

A4.1 This chapter sets out the results of an analysis of housing market prices and rents in the Northern Sub-region. Information was collected from two sources:

- Land Registry
- Survey of local estate and letting agents

A4.2 The analysis provides a context for the property price situation in the Northern Sub-region and then a sequence of analysis based on information collected from estate/letting agents. This leads to figures that show the minimum price/rent of housing for a range of dwelling sizes.

National, regional and local picture

A4.3 Information from Land Registry shows that nationally between the 1st quarter of 2001 and the 1st quarter of 2006 average property prices in England and Wales rose by 60.1%. For the East Midlands the increase was 93.6% whilst for the Northern Sub-region the figure was 104.3%.

A4.4 The table below shows average prices in the 1st quarter of 2006 for each of England & Wales, the East Midlands and the Northern Sub-region. The table shows that average prices in the sub region are around 30% lower than the average for England & Wales and below than the East Midlands average.

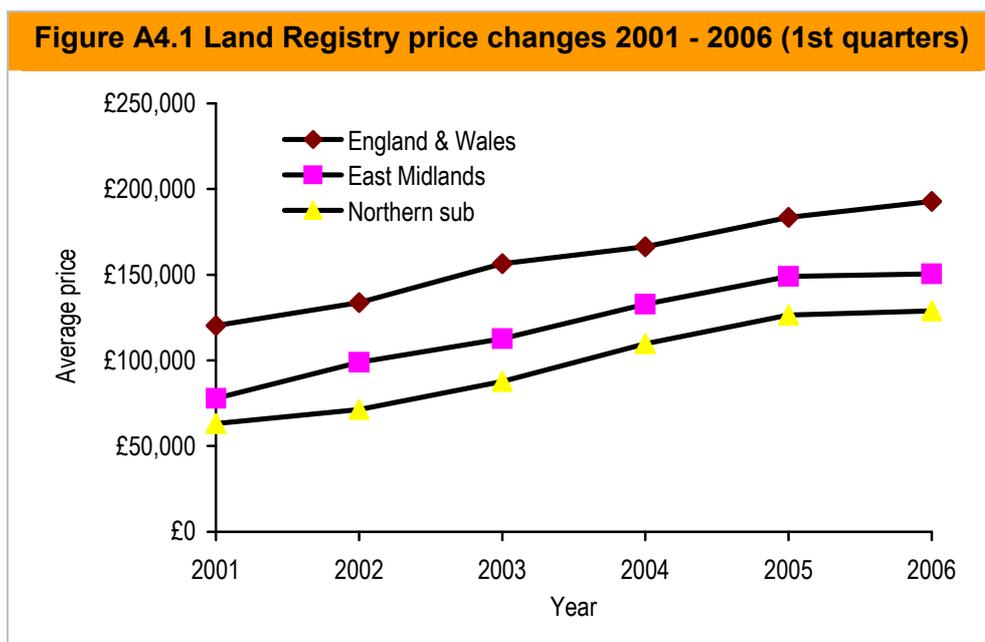
Table A4.1 Land Registry average prices (1st quarter 2006)		
Area	Average price	As % of ENGLAND AND WALES
England & Wales	£192,742	100.0%
East Midlands	£150,502	78.1%
Northern Sub-region	£128,837	66.8%

Source: Land Registry – 2006

A4.5 The data also shows that the Nottingham Outer HM had a lower average price than the rest of the Northern Sub-region. The highest average property price is in Newark & Sherwood, while Bolsover has the lowest price, almost half the national average.

Table A4.2 Land Registry average prices (1st quarter 2006)		
Area	Average price	As % of ENGLAND AND WALES
England & Wales	£192,742	100.0%
East Midlands	£150,502	78.1%
Nottingham Outer HM	£125,062	64.9%
Northern HM	£132,246	68.6%
Ashfield	£113,575	58.9%
Bassetlaw	£141,588	73.5%
Bolsover	£105,546	54.8%
Chesterfield	£131,708	68.3%
Mansfield	£108,971	56.5%
Newark & Sherwood	£150,924	78.3%
North East Derbyshire	£145,235	75.4%

Source: Land Registry – 2006



Source: Land Registry 2000 – 2005

A4.6 The table below suggests that average have been consistently highest in Newark & Sherwood, although Bassetlaw is not far behind. It should be noted that average price in these two areas dropped back between 2005-06.

Table A4.3 Land Registry price changes 2001 - 2006 (1st quarters)

Area	2001	2002	2003	2004	2005	2006
Ashfield	£55,593	£64,215	£80,357	£100,702	£107,522	£113,575
Bassetlaw	£64,090	£76,991	£96,839	£118,260	£144,283	£141,588
Bolsover	£55,276	£57,952	£70,984	£92,895	£98,915	£105,546
Chesterfield	£65,827	£70,070	£82,982	£106,077	£125,634	£131,708
Mansfield	£49,382	£57,971	£69,432	£92,810	£106,244	£108,971
Newark & Sherwood	£80,958	£91,893	£117,962	£138,238	£162,273	£150,924
NE Derbyshire	£68,624	£80,797	£96,687	£114,005	£140,495	£145,235
Nottingham Outer HM	£62,602	£70,573	£88,410	£111,453	£124,077	£125,062
Northern HM	£63,555	£71,845	£87,029	£107,854	£129,073	£132,246
East Midlands	£77,740	£98,973	£112,712	£132,908	£149,107	£150,502
England & Wales	£120,365	£133,703	£156,451	£166,259	£183,529	£192,742

Source: Land Registry – 2006

A4.7 The table below shows average property prices for the area for each dwelling type (from Land Registry data). This data is compared with regional price information. The volume of sales by type is also included for both areas.

Table A4.4 Land Registry average prices and sales (1st quarter 2006)

Dwelling type	Northern Sub-region		East Midlands	
	Average price	% of sales	Average price	% of sales
Detached	£197,029	28.1%	£221,026	29.6%
Semi-detached	£109,854	41.7%	£131,064	35.0%
Terraced	£89,434	25.7%	£110,285	28.4%
Flat/maisonette	£104,572	4.5%	£112,046	7.0%
All dwellings	£128,837	100.0%	£150,502	100.0%

Source: Land Registry – 2006

A4.8 The Largest volume of sales in the Northern Sub-region was for semi-detached properties (41.7%) with an average price of £109,854. The three house types together accounted for 95.5% of all sales. Sales regionally show a higher proportion of flat/maisonette sales and fewer semi-detached properties.

Table A4.5 Land Registry average prices and sales (1st quarter 2006)

Dwelling type	Nottingham HM		Northern HM		East Midlands	
	Average price	% of sales	Average price	% of sales	Average price	% of sales
Detached	£201,878	25.8%	£193,277	30.1%	£221,026	29.6%
Semi-detached	£104,723	42.8%	£114,713	40.8%	£131,064	35.0%
Terraced	£87,181	26.1%	£91,532	25.3%	£110,285	28.4%
Flat/maisonette	£101,819	5.3%	£108,025	3.8%	£112,046	7.0%
All dwellings	£125,062	100%	£132,246	100%	£150,502	100%

Source: Land Registry – 2006

A4.9 The Northern HM contains more detached units, and fewer flats, than Outer Nottingham. On average detached dwellings are slightly cheaper in the Northern HM, whilst prices for the other house types are generally just a little more expensive. If Sheffield and Rotherham are added to the northern area, the proportions of terraced and flats rise markedly.

Conclusions

A4.10 House prices in the Northern Sub-region are lower than in the East Midlands region and on average about a third lower than in England & Wales. Prices rose more quickly in the Last five years than in the East Midlands, and much more quickly than in the country as a whole. This evidence suggests that the ripple of price rises reached these two market areas relatively late.

A4.11 Generally speaking, average prices in the Northern HM are a little higher than those in Nottingham Outer, although detached dwellings are an exception.

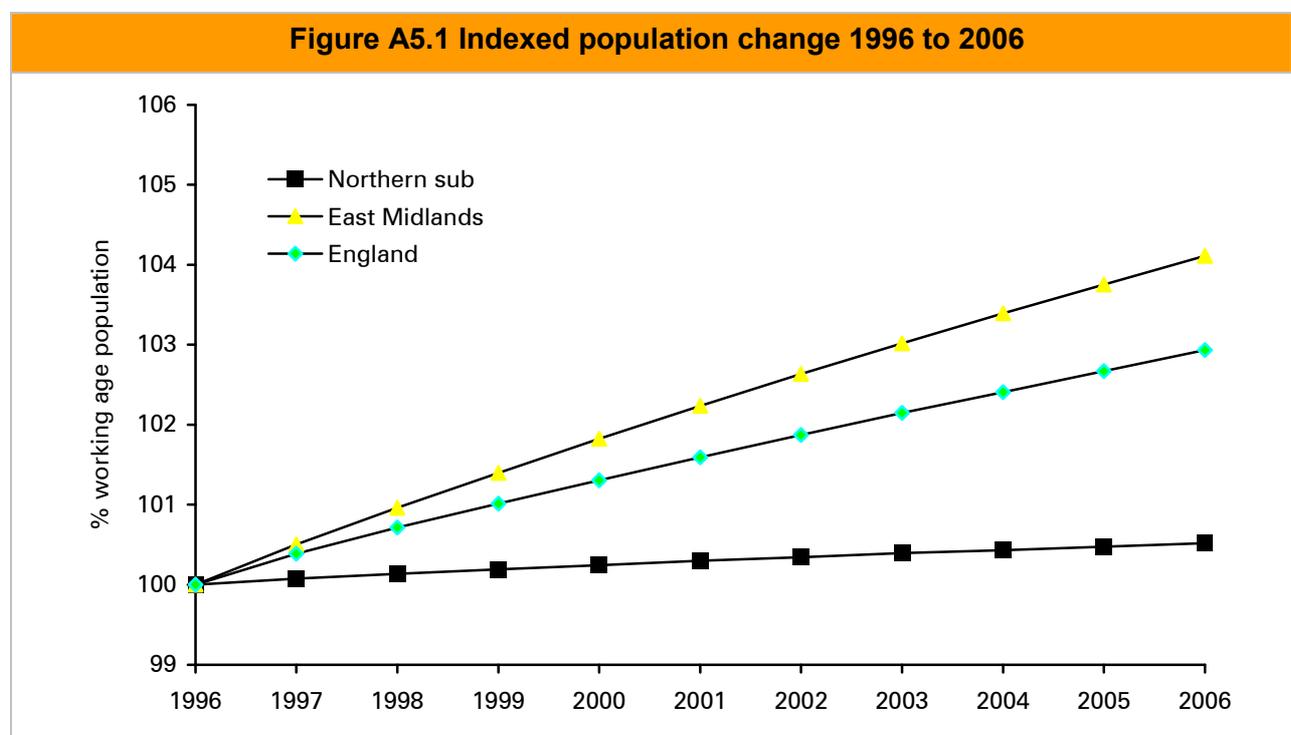
A5. Past and current drivers of demand for housing

Introduction

A5.1 The term 'driver' is used as a summary for the various influences that have in the past and may in the future have a major influence on the wider housing market. Drivers range from the most general national trends to detailed local matters that will vary in different parts of a given district, and between districts. This chapter sets out various background information on drivers in the Northern Sub-region's situation.

Demographic drivers of demand

A5.2 The figure below shows population growth from 1996 to 2006. The data shows that population growth in the Northern Sub-region has been well below that of either the East Midlands, or for England as a whole. Over the 10-year period, the population is estimated to have grown by around 0.5% in the Northern Sub-region compared with 4.1% regionally and 2.9% nationally. The level of increase in the Northern Sub-region equates to around 13,900 people over the period.



Employment

A5.3 Measured by the most recent Annual Business Inquiry (ABI) there were 250,158 employee jobs in the Northern Sub-region in 2004. The figure below shows the trend in employee jobs from 1995 to 2004. The data shows that in the Northern Sub-region the number of jobs over the nine year period increased by around 13.4%. This is noticeably higher than the figures for the region as a whole, but slightly below the increase in England, where jobs rose by 15%.

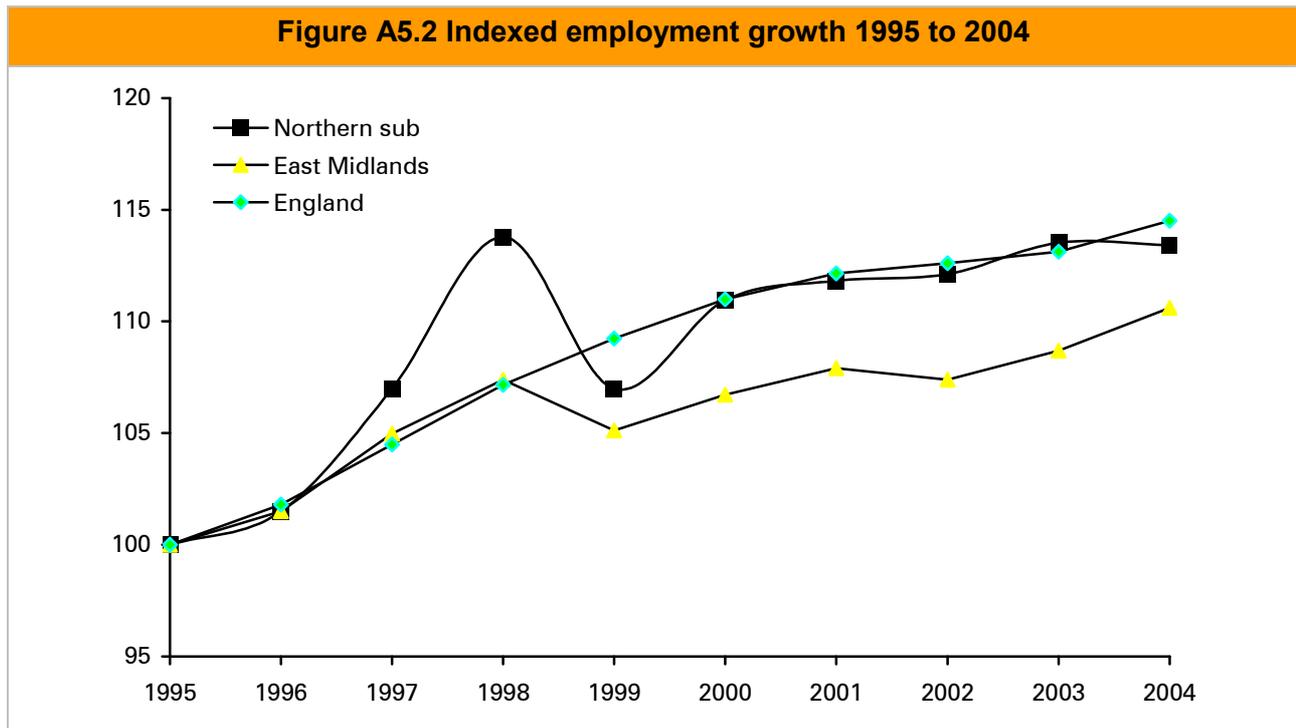


Table A5.1 Employment change 1995-2004

Area	Employment 1995	Employment 2004	Absolute change	% change
Northern Sub-region	220,558	250,158	29,600	13.4%
East Midlands	1,631,822	1,804,824	173,002	10.6%
Great Britain	22,728,869	26,024,705	3,295,836	14.5%

Source: ONS NOMIS website

Table A5.2 Employment change 1995-2004				
Area	Employment 1995	Employment 2004	Absolute change	% change
Nottingham Outer HM	99,416	115,990	16,574	16.7%
Northern HM	74,779	85,562	10,783	14.4%
East Midlands	1,631,822	1,804,824	173,002	10.6%
Great Britain	22,728,869	26,024,705	3,295,836	14.5%

Source: ONS NOMIS website

Table A5.3 Employment change 1995-2004				
Area	Employment 1995	Employment 2004	Absolute change	% change
Ashfield	39,138	41,419	2,281	5.8%
Bassetlaw	38,544	40,563	2,019	5.2%
Bolsover	14,784	20,220	5,436	36.8%
Chesterfield	46,363	48,606	2,243	4.9%
Mansfield	30,530	36,768	6,238	20.4%
Newark & Sherwood	29,748	37,803	8,055	27.1%
NE Derbyshire	21,451	24,779	3,328	15.5%
Nottingham Outer HM	99,416	115,990	16,574	16.7%
Northern	74,779	85,562	10,783	14.4%
East Midlands	1,631,822	1,804,824	173,002	10.6%
Great Britain	22,728,869	26,024,705	3,295,836	14.5%

Source: ONS NOMIS website

- A5.4 Another measure in terms of the number of jobs is 'job density'. This is a measure of the number of jobs per person of working age. NOMIS data shows that there are 0.7 jobs per working age person in the Northern Sub-region. This is slightly below the job density ratio of 0.8 for the East Midlands and 0.83 for Great Britain. The job density data relates to 2004.
- A5.5 The table below shows a breakdown of the types of employment in the Northern Sub-region, the East Midlands and England as a whole. The table shows that the most important sectors within the Northern Sub-region's economy are public administration, education & health (27.2%), distribution, hotels & restaurants (25.6%) and manufacturing (18.8%).
- A5.6 The data shows that the Northern Sub-region has a similar employment profile to the East Midlands as a whole, although the sub region has a smaller proportion of employees in finance, IT and other business activities. The proportion of jobs in manufacturing is high when compared to the national figure, but is in line with the regional figure.

Table A5.4 Employment types by broad sector (2004)			
Employment category	Northern Sub-region	East Midlands	England
Manufacturing	18.8%	17.4%	11.9%
Construction	6.1%	4.8%	4.5%
Distribution, hotels & restaurants	25.6%	25.1%	24.7%
Transport & communications	4.9%	5.7%	5.9%
Finance, IT, other business activities	10.7%	15.2%	20.0%
Public administration, education & health	27.2%	25.5%	26.4%
Other services	4.1%	4.3%	5.1%
Agriculture, fishing, energy & water	2.6%	2.0%	1.5%
TOTAL	100.0%	100.0%	100.0%

Source: Office of National Statistics (from 2004 ABI)

A5.7 The Nottingham Outer and Northern HMAs have similar employment profiles. The Northern area has a greater proportion of jobs in manufacturing and public administration, education and health, while Nottingham Outer has higher proportions of jobs in construction and distribution, hotels & restaurants.

Table A5.5 Employment types by broad sector (2004)				
Employment category	Nottingham Outer	Northern HM	East Midlands	England
Manufacturing	17.8%	19.7%	17.4%	11.9%
Construction	7.8%	4.7%	4.8%	4.5%
Distribution, hotels & restaurants	27.0%	24.4%	25.1%	24.7%
Transport & communications	4.8%	4.9%	5.7%	5.9%
Finance, IT, other business activities	11.5%	10.0%	15.2%	20.0%
Public admin, education & health	24.5%	29.5%	25.5%	26.4%
Other services	4.2%	4.0%	4.3%	5.1%
Agriculture, fishing, energy & water	2.4%	2.8%	2.0%	1.5%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Office of National Statistics (from 2004 ABI)

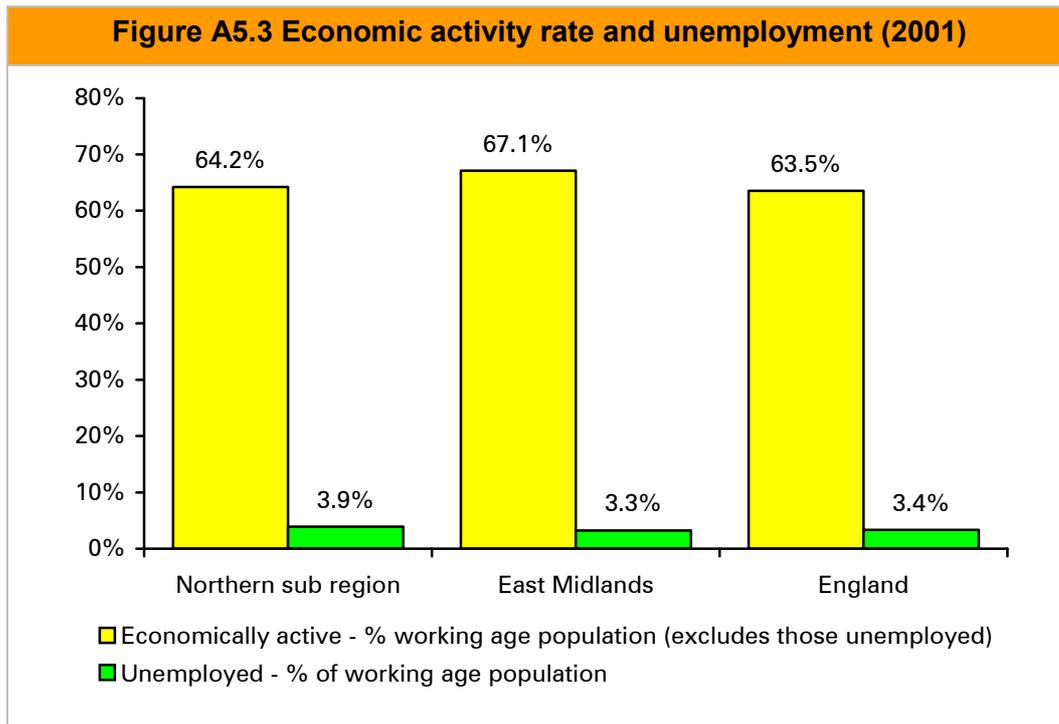
Table A5.6 Employment types by broad sector (2004)

Employment category	Ashfield	Bassettlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nott Outer	Northern	East Midlands	England
Manufacturing	26.8	19.4	25.7	14.2	12.2	13.5	24.1	17.8	19.7	17.4	11.9
Construction	8.7	5.1	3.0	2.8	7.9	6.6	8.4	7.8	4.7	4.8	4.5
Distribution, hotels & restaurants	21.6	27.2	22.4	24.1	29.5	30.4	19.8	27.0	24.4	25.1	24.7
Transport & comms	5.0	4.2	5.1	5.8	3.5	6.0	4.0	4.8	4.9	5.7	5.9
Finance, IT, other business activities	7.9	8.1	10.9	14.9	13.6	13.4	11.1	11.5	10.0	15.2	20.0
Public administration, education & health	25.2	25.4	28.1	33.9	27.3	21.1	26.2	24.5	29.5	25.5	26.4
Other services	2.7	3.5	3.7	4.0	4.9	5.2	4.5	4.2	4.0	4.3	5.1
Agriculture, fishing, energy & water	2.1	7.1	1.1	0.3	1.1	3.9	1.9	2.4	2.8	2.0	1.5
Total	100	100	100	100	100	100	100	100	100	100	100

Source: ONS neighbourhood statistics – 2006

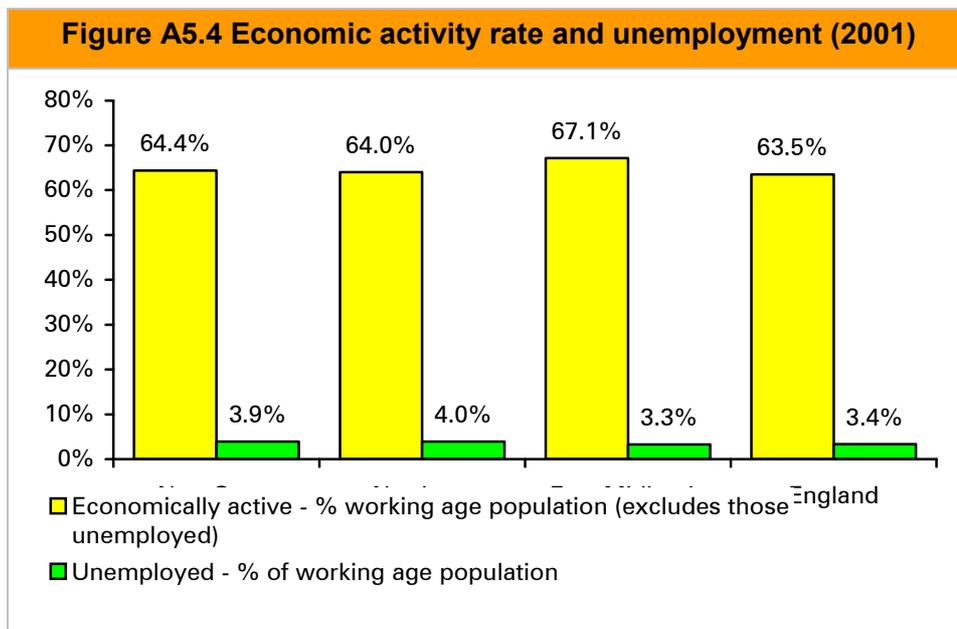
Unemployment rates

A5.8 An important and related feature is the unemployment level in the HMA. With 3.9% of the working age population unemployed, the Northern Sub-region demonstrates an unemployment level above both the equivalent regional and national figures. The economic activity rate of the Northern Sub-region is slightly above the national figure, but well below the rate for the region as a whole.



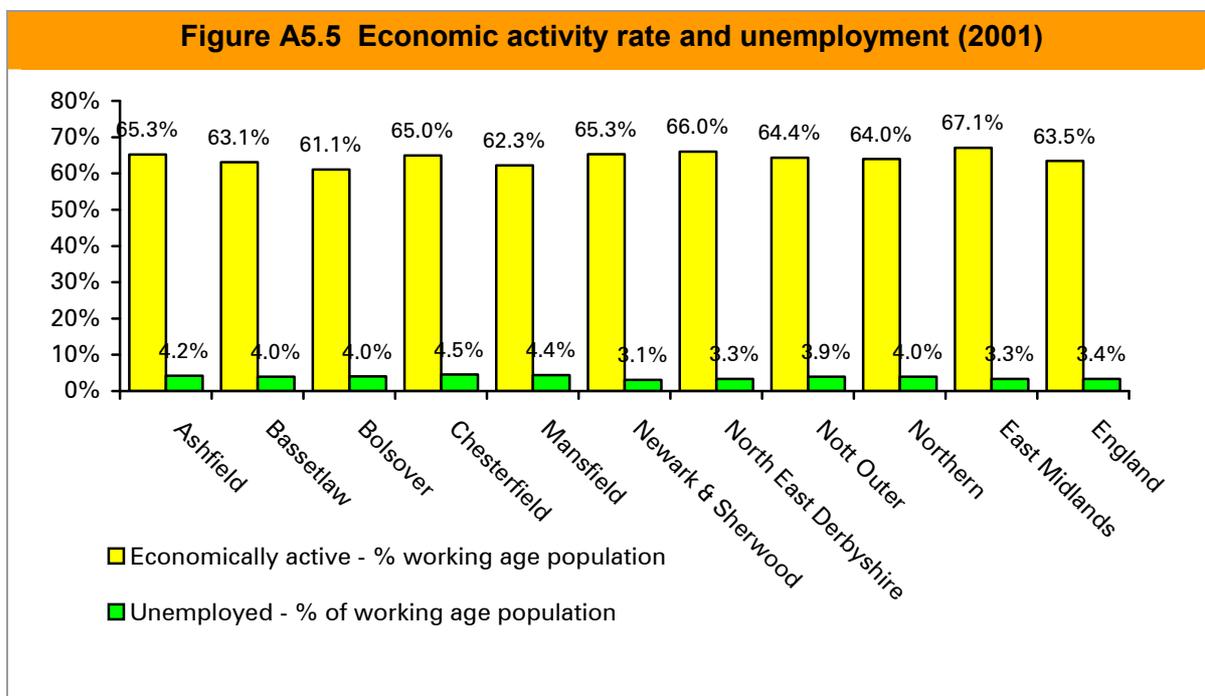
Source: 2001 Census – Key Statistics for local authorities in England and Wales

A5.9 The Nottingham Outer HM and Northern areas show similar levels of economic activity and unemployment. Considering the Northern area with Sheffield and Rotherham, the unemployment rate is slightly increased and the economic activity rate is lowered. All three areas are well below the regional economic activity rate and show higher levels of unemployment than found regionally or nationally.



Source: 2001 Census – Key Statistics for local authorities in England and Wales

A5.10 Chesterfield shows the highest level of unemployment of any local authority in the Northern Sub-region, while Newark & Sherwood has the lowest. Bassetlaw has the lowest economic activity rate in the Northern Sub-region.



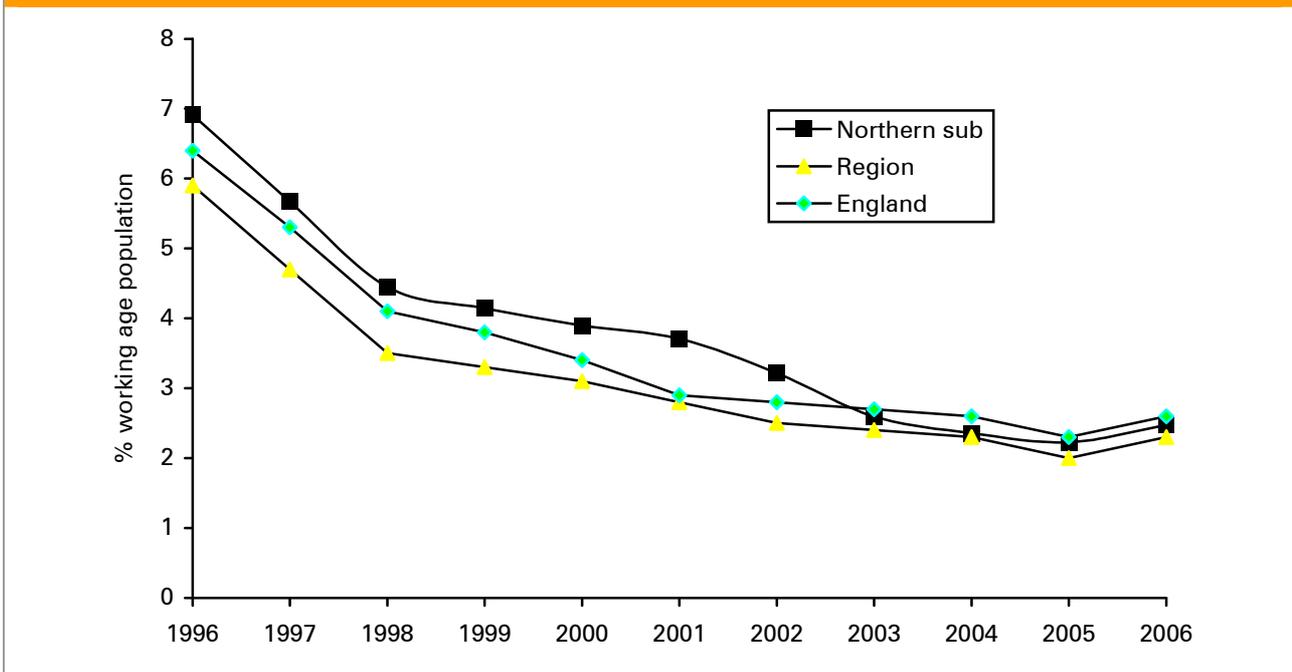
Source: 2001 Census – Key Statistics for local authorities in England and Wales

A5.11 It is of interest to see how unemployment rates have changed over time. One means of studying this is to look at the number of people claiming unemployment benefits. The figure below shows how the claimant rate (as a proportion of working age population) has changed over the period since 1996 (the figures used are for January in each year).

A5.12 The current claimant count in the Northern Sub-region is 2.5% of the working age population compared with 2.3% in the East Midlands and 2.6% nationally. The figure in the Northern Sub-region is in line with both the regional and national rates.

A5.13 The claimant count in the Northern Sub-region has followed a similar trend to that observed in other areas. However, the Northern Sub-region started from a higher base and has fallen in line with regional and national figures. Over the period the claimant rate in the Northern Sub-region has dropped from 6.9% to 2.5% (a 65% reduction). In the East Midlands it went from 5.9% to 2.3%.

Figure A5.6 Claimant rate 1996 to 2006 (figures for January)



Source: ONS NOMIS website

A5.14 The claimant rates in the Outer Nottingham and Northern HMAs have followed a similar trend to the Northern Sub-region as a whole. Outer Nottingham started with a slightly higher claimant rate than the Northern area and has dropped more quickly, now having a lower claimant rate.

Table A5.7 Claimant rate 1996 to 2006 (figures for January)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Nottingham Outer	7.0%	5.5%	4.3%	3.9%	3.7%	3.4%	2.9%	2.4%	2.1%	2.1%	2.2%
Northern	6.8%	5.8%	4.6%	4.3%	4.1%	3.9%	3.5%	2.8%	2.6%	2.4%	2.7%
East Midlands	5.9%	4.7%	3.5%	3.3%	3.1%	2.8%	2.5%	2.4%	2.3%	2.0%	2.3%
England	6.4%	5.3%	4.1%	3.8%	3.4%	2.9%	2.8%	2.7%	2.6%	2.3%	2.6%

Source: ONS neighbourhood statistics – 2006

Table A5.8 Claimant rate 1996 to 2006 (figures for January)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Ashfield	7.2%	5.8%	4.6%	4.3%	4.2%	3.7%	3.2%	2.7%	2.3%	2.3%	2.4%
Bassetlaw	6.7%	5.9%	4.6%	4.3%	3.9%	3.6%	3.5%	2.6%	2.2%	2.0%	2.2%
Bolsover	7.4%	6.1%	4.6%	4.1%	3.9%	3.9%	3.1%	2.6%	2.4%	2.6%	2.9%
Chesterfield	7.5%	6.4%	5.3%	5.3%	5.1%	4.7%	4.3%	3.4%	3.4%	3.1%	3.4%
Mansfield	7.6%	6.3%	5.0%	4.3%	4.1%	4.0%	3.3%	2.7%	2.4%	2.4%	2.6%
Newark & Sherwood	6.2%	4.5%	3.4%	3.1%	2.7%	2.6%	2.1%	1.8%	1.6%	1.5%	1.7%
NE Derbyshire	5.9%	4.8%	3.7%	3.6%	3.4%	3.6%	3.0%	2.4%	2.3%	1.9%	2.3%
Nottingham Outer	7.0%	5.5%	4.3%	3.9%	3.7%	3.4%	2.9%	2.4%	2.1%	2.1%	2.2%
Northern HM	6.8%	5.8%	4.6%	4.3%	4.1%	3.9%	3.5%	2.8%	2.6%	2.4%	2.7%
East Midlands	5.9%	4.7%	3.5%	3.3%	3.1%	2.8%	2.5%	2.4%	2.3%	2.0%	2.3%
England	6.4%	5.3%	4.1%	3.8%	3.4%	2.9%	2.8%	2.7%	2.6%	2.3%	2.6%

Source: ONS neighbourhood statistics – 2006

A5.15 The table below compares the proportions of grades of employee. It is clear that the Northern Sub-region has a lower proportion of 'Professional occupations' than the national average, or the figure for the East Midlands. The Northern Sub-region has a higher proportion of jobs in skilled trade's occupations and personal service occupations than found regionally or nationally.

Table A5.9 Occupation groups (all people aged 16-74 in employment)

	Northern Sub-region	East Midlands	England
Managers and senior officials	12.8%	15.0%	14.9%
Professional occupations	9.2%	11.2%	12.5%
Associate professional and technical occupations	9.8%	12.3%	14.2%
Administrative and secretarial occupations	11.5%	11.4%	12.6%
Skilled trades occupations	13.8%	12.4%	11.0%
Personal service occupations	9.4%	7.8%	7.8%
Sales and customer service occupations	7.4%	7.3%	7.7%
Process, plant and machine operatives	11.1%	9.4%	7.5%
Elementary occupations	14.9%	13.1%	11.4%
All persons 16-74	100.0%	100.0%	100.0%

Source: Office of National Statistics (from 2004 ABI)

A5.16 Outer Nottingham has a higher proportion of manager and senior official jobs than the Northern HM. The Northern area has a high proportion of jobs in professional occupations and elementary occupations compared to the rest of the Northern Sub-region.

Table A5.10 Occupation groups (all people aged 16-74 in employment)

	Nottingham Outer HM	Northern	East Midlands	England
Managers & senior officials	14.1%	11.6%	12.8%	14.9%
Professional occs	8.5%	9.8%	9.2%	12.5%
Associate professional & technical occs	9.0%	10.5%	9.8%	14.2%
Administrative & secretarial occupations	12.0%	11.1%	11.5%	12.6%
Skilled trades occupations	15.6%	12.3%	13.8%	11.0%
Personal service occs	8.5%	10.2%	9.4%	7.8%
Sales & customer service occs	7.1%	7.7%	7.4%	7.7%
Process, plant & machine operatives	12.0%	10.4%	11.1%	7.5%
Elementary occupations	13.2%	16.2%	14.9%	11.4%
All persons 16-74	100.0%	100.0%	100.0%	100.0%

Source: Office of National Statistics (from 2004 ABI)

A5.17 Newark & Sherwood has a significantly higher proportion of managers and senior officials than found in the other local authorities in the Northern Sub-region.

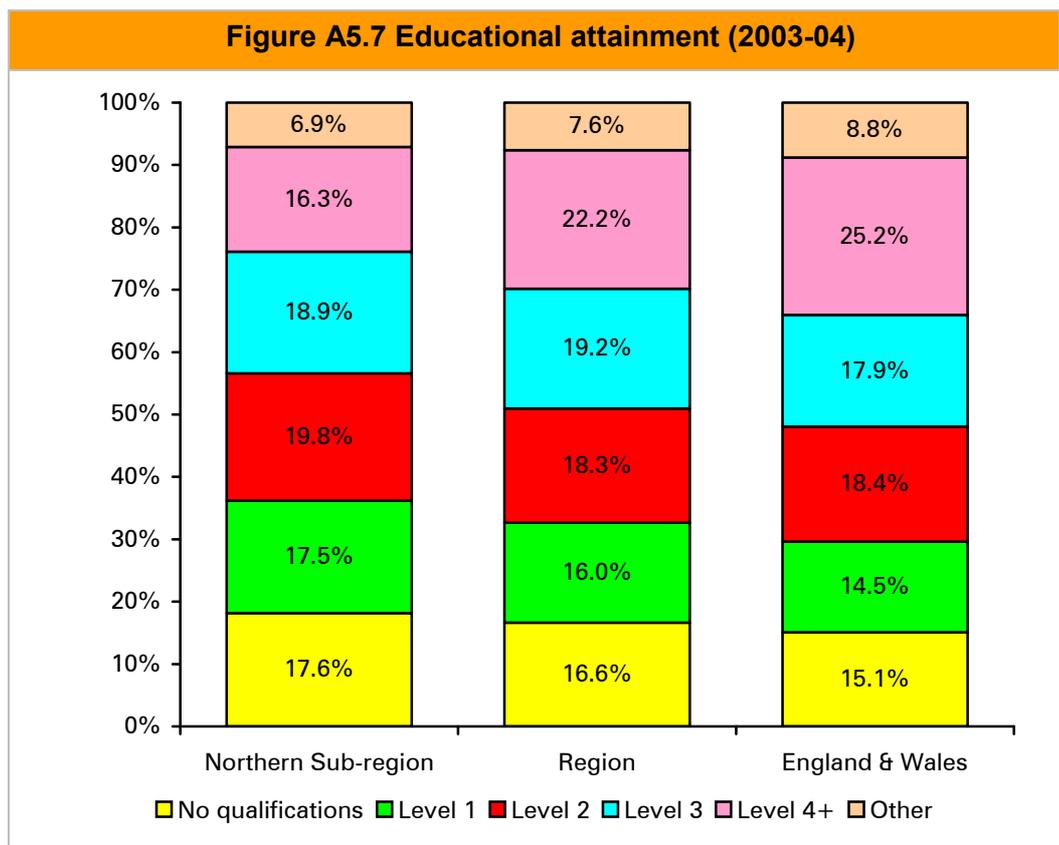
Table A5.11 Occupation groups (all people aged 16-74 in employment)

	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nott Outer	Northern	East Midlands	England
Managers & senior officials	10.3%	9.0%	12.5%	11.8%	14.3%	17.8%	13.9%	14.1%	11.6%	12.8%	14.9%
Professional occs	7.1%	9.8%	7.2%	9.8%	9.3%	9.5%	11.8%	8.5%	9.8%	9.2%	12.5%
Associate prof & technical occs	7.4%	9.2%	9.4%	10.3%	11.1%	8.9%	13.2%	9.0%	10.5%	9.8%	14.2%
Administrative & secretarial occs	12.0%	11.8%	11.3%	10.3%	9.0%	14.0%	11.1%	12.0%	11.1%	11.5%	12.6%
Skilled trades occs	16.2%	11.6%	13.8%	11.4%	15.4%	15.2%	13.2%	15.6%	12.3%	13.8%	11.0%
Personal service occs	10.1%	11.6%	10.0%	13.3%	8.2%	7.0%	5.7%	8.5%	10.2%	9.4%	7.8%
Sales & customer service occs	5.3%	7.4%	7.5%	8.5%	8.2%	8.0%	7.3%	7.1%	7.7%	7.4%	7.7%
Process, plant & machine operatives	13.4%	13.6%	8.5%	9.6%	14.1%	9.3%	8.9%	12.0%	10.4%	11.1%	7.5%
Elementary occs	18.1%	16.2%	19.7%	15.1%	10.3%	10.4%	15.0%	13.2%	16.2%	14.9%	11.4%
All persons 16-74	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

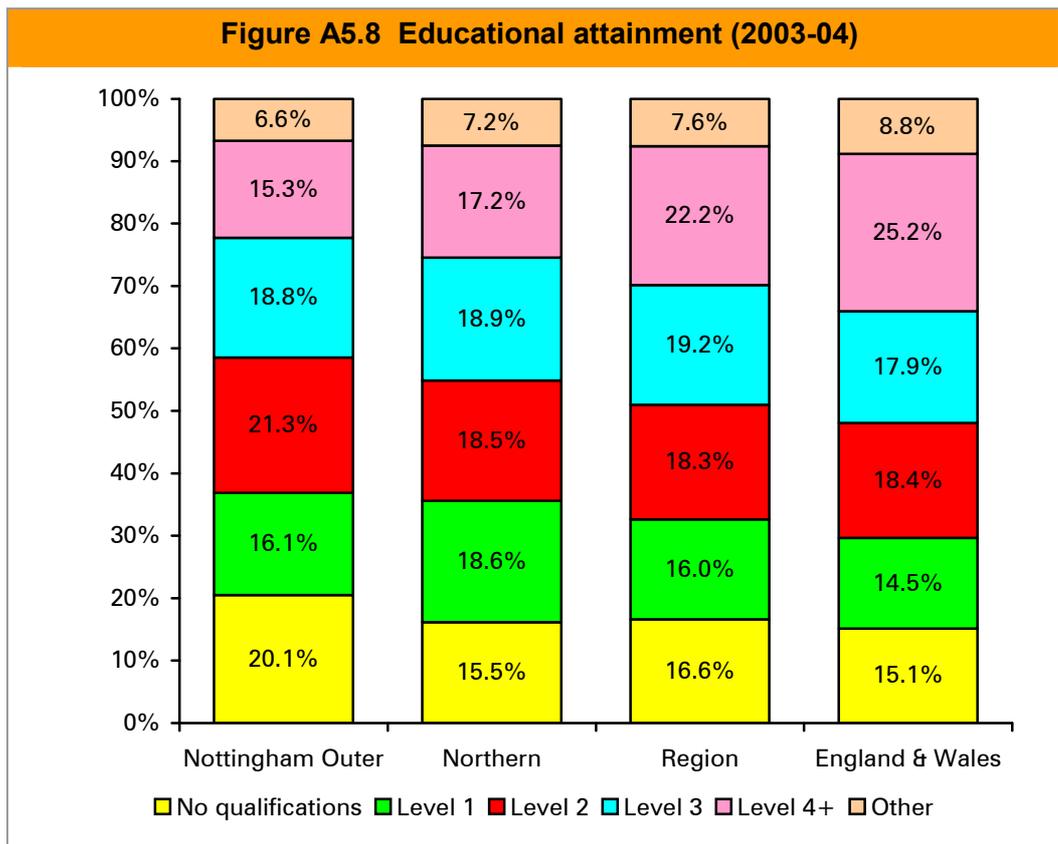
Source: Office of National Statistics (from 2004 ABI)

Skills and educational attainment

A5.18 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 the Northern Sub-region's workforce compared with other areas. The sub-region's workforce has a lower level of skills attainment than the regional and national level, with around 16% qualified to NVQ4+ (degree level). Around 18% of the workforce possess no qualifications, a figure well above the regional and national equivalents. Overall, the Northern Sub-region's residents are generally less qualified than those elsewhere in the region.



A5.19 The Nottingham Outer HM area has a higher proportion of the workforce with no qualifications, while the Northern (Sheffield & Rotherham) area has a higher proportion qualified at NVQ4+ (degree) level. All three areas are generally less well qualified than regionally or nationally.



Source: local area Labour force survey (Mar 2003-Feb 2004)

A5.20 Newark & Sherwood, Bassetlaw and North-East Derbyshire have a higher proportion of the workforce attaining NVQ4+ level qualifications than elsewhere in the region.

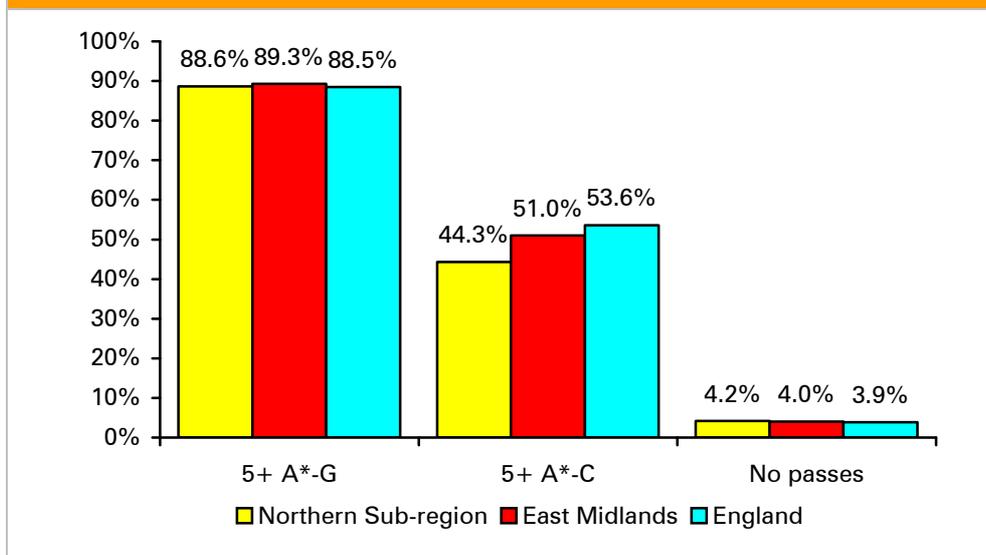
Table A5.13 Educational attainment (2003-04)

Level	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nott Outer	Northern	East Midlands	England & Wales
No qualifications	21.8%	12.1%	18.7%	21.3%	19.7%	18.6%	10.9%	20.1%	15.5%	16.6%	15.1%
Level 1	17.9%	17.2%	20.9%	18.8%	17.1%	13.3%	18.4%	16.1%	18.6%	16.0%	14.5%
Level 2	19.8%	13.2%	18.5%	21.4%	25.4%	19.2%	21.8%	21.3%	18.5%	18.3%	18.4%
Level 3	20.3%	21.5%	15.1%	15.7%	18.9%	17.1%	22.1%	18.8%	18.9%	19.2%	17.9%
Level 4+	12.5%	24.4%	15.8%	6.4%	12.9%	20.6%	21.0%	15.3%	17.2%	22.2%	25.2%
Other	7.3%	7.4%	8.6%	6.4%	4.5%	7.7%	6.6%	6.6%	7.2%	7.6%	8.8%

Source: local area Labour force survey (Mar 2003-Feb 2004)

A5.21 The figure below reveals that the Northern Sub-region is not performing as well compared with other areas in terms of secondary education. While only 4.2% of pupils achieved no passes, this is still slightly above the national average. A much lower proportion of pupils achieved 5 or more A* to C passes at GCSE/GNVQ level than found generally in the region.

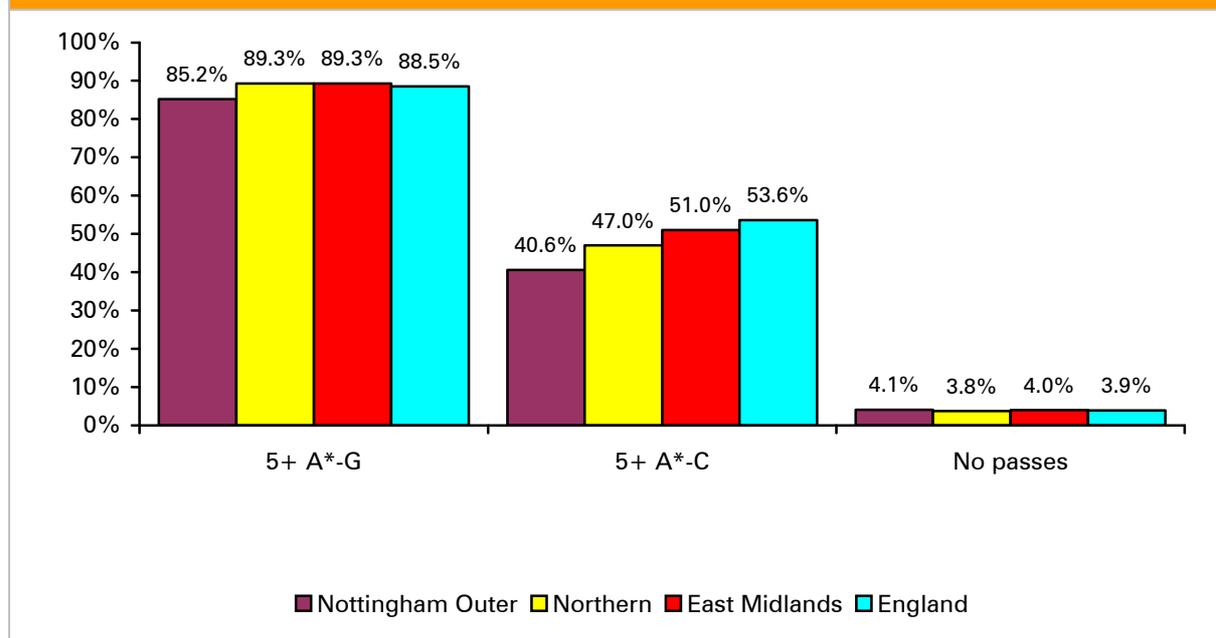
Figure A5.9 Educational attainment of 15 year old pupils in maintained schools (2003-4)



Source: ONS neighbourhood statistics – 2006

A5.22 The data also shows that the Northern area is generally better qualified than the rest of the Northern Sub-region, with around 47% of pupils achieving 5 or more A* to C passes. A lower proportion of pupils achieved 5 or more A* to G passes in the Outer Nottingham HM.

Figure A5.10 Educational attainment of 15 yr old pupils in maintained schools (2002-3)



Source: ONS neighbourhood statistics – 2006

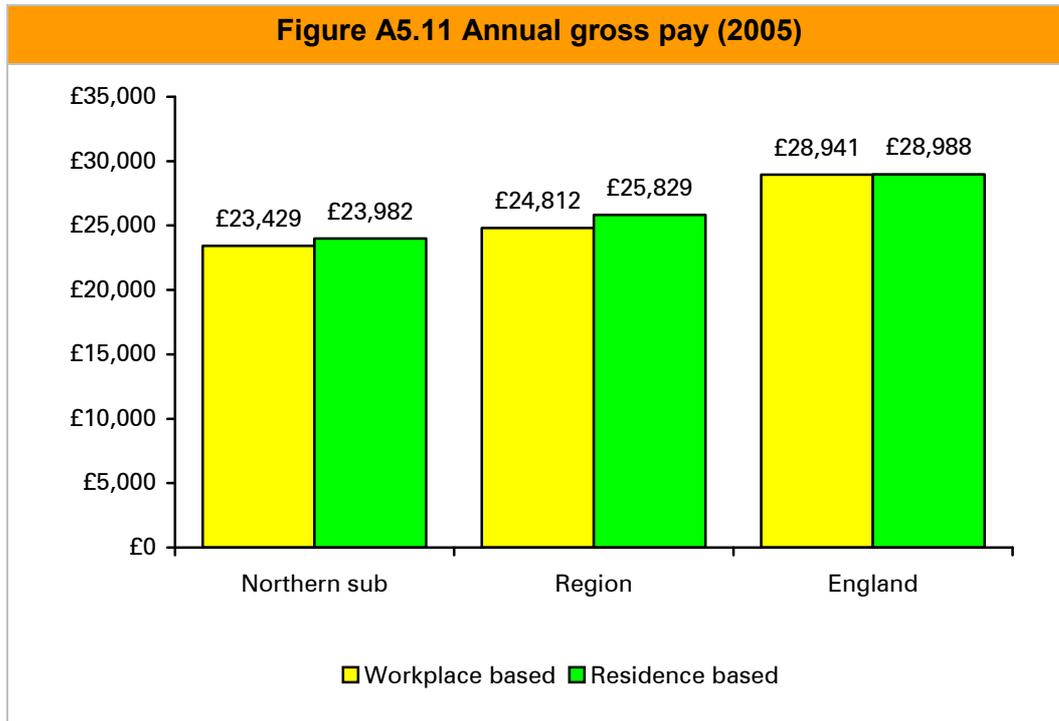
Table A5.14 Educational attainment of 15 year old pupils in maintained schools(2002-3)

Level	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	Nott Outer	Northern	East Midlands	Great Britain
5+ A*-G	89.9%	84.1%	90.3%	91.8%	85.1%	88.9%	91.6%	85.2%	89.3%	89.3%	88.5%
5+ A*-C	40.4%	43.7%	38.5%	52.6%	38.0%	46.5%	50.8%	40.6%	47.0%	51.0%	53.6%
No passes	3.2%	5.6%	2.7%	3.2%	6.1%	4.5%	3.1%	4.1%	3.8%	4.0%	3.9%

Source: ONS neighbourhood statistics – 2006

Pay levels

A5.23 Income is a crucial determinant in whether or not households are able to access the private sector housing market (whether to buy or rent). The figure below provides information on gross annual pay in the Northern Sub-region, the East Midlands and England. The figures are shown on both a workplace and residence based approach. The Northern Sub-region exhibits a different relationship between workplace and resident annual pay rates than the country as a whole but has a relationship similar to that found in the East Midlands.

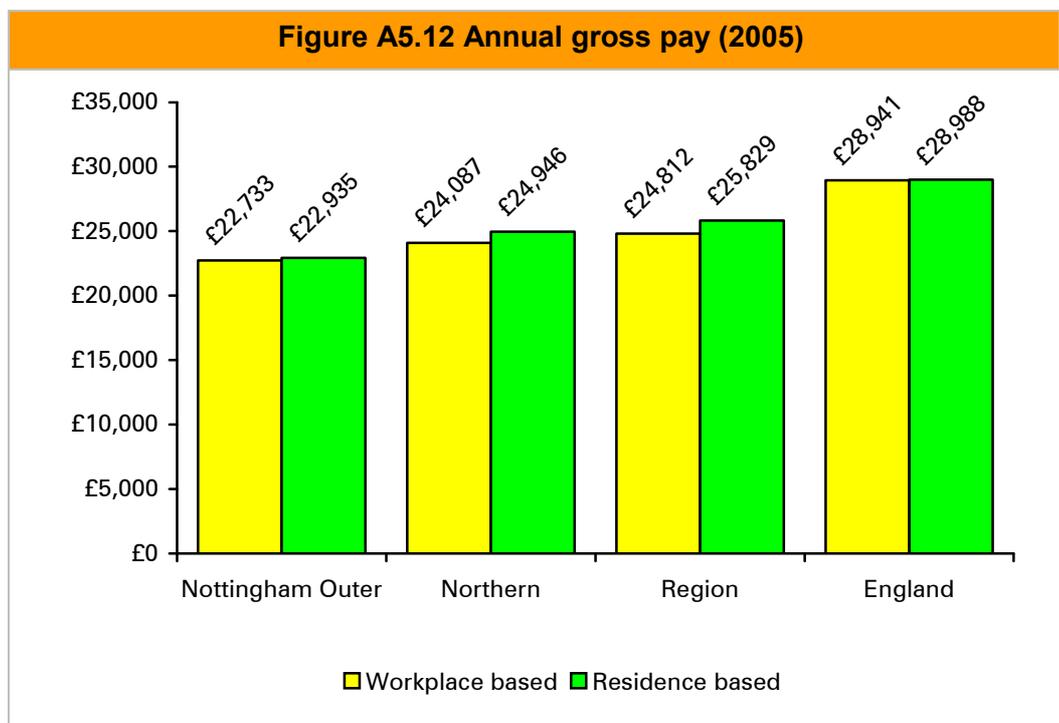


Source: Annual Survey of Hours and Earnings 2005

Note: 2004 figure used as no figure available for workplace in North East Derbyshire in 2005.

A5.24 The fact that workplace pay in the Northern Sub-region is slightly lower than the residence pay carries two messages:

- Those who live in the HMA are relatively wealthy and significant numbers commute to work outside the HMA in relatively highly paid jobs
- Those who commute into the HMA have incomes that are relatively lower than those of HMA residents, and presumably commute into jobs that are relatively lower paid



Source: Annual Survey of Hours and Earnings 2005

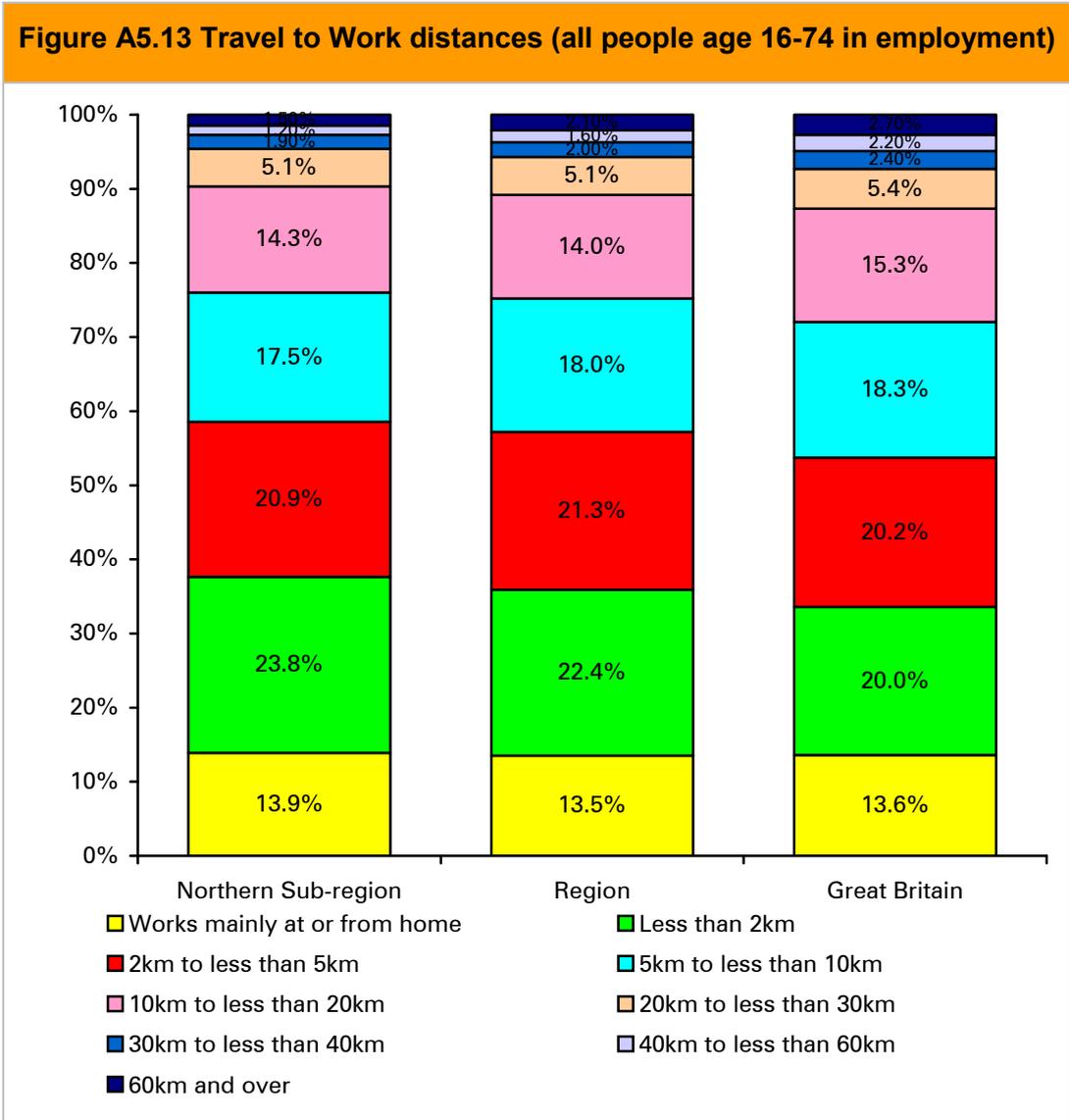
Table A5.15 Annual gross pay (full time workers) (2005)

Area	Workplace based	Residence based
Ashfield	£24,316	£21,746
Bassetlaw	£23,661	£26,894
Bolsover	£24,610	£22,519
Chesterfield	£25,174	£24,456
Mansfield	£20,025	£21,939
Newark & Sherwood	£23,366	£25,064
NE Derbyshire	£21,683	£24,848
Nottingham Outer HM	£22,733	£22,935
Northern	£24,087	£24,946
East Midlands	£24,812	£25,829
England	£28,941	£28,988

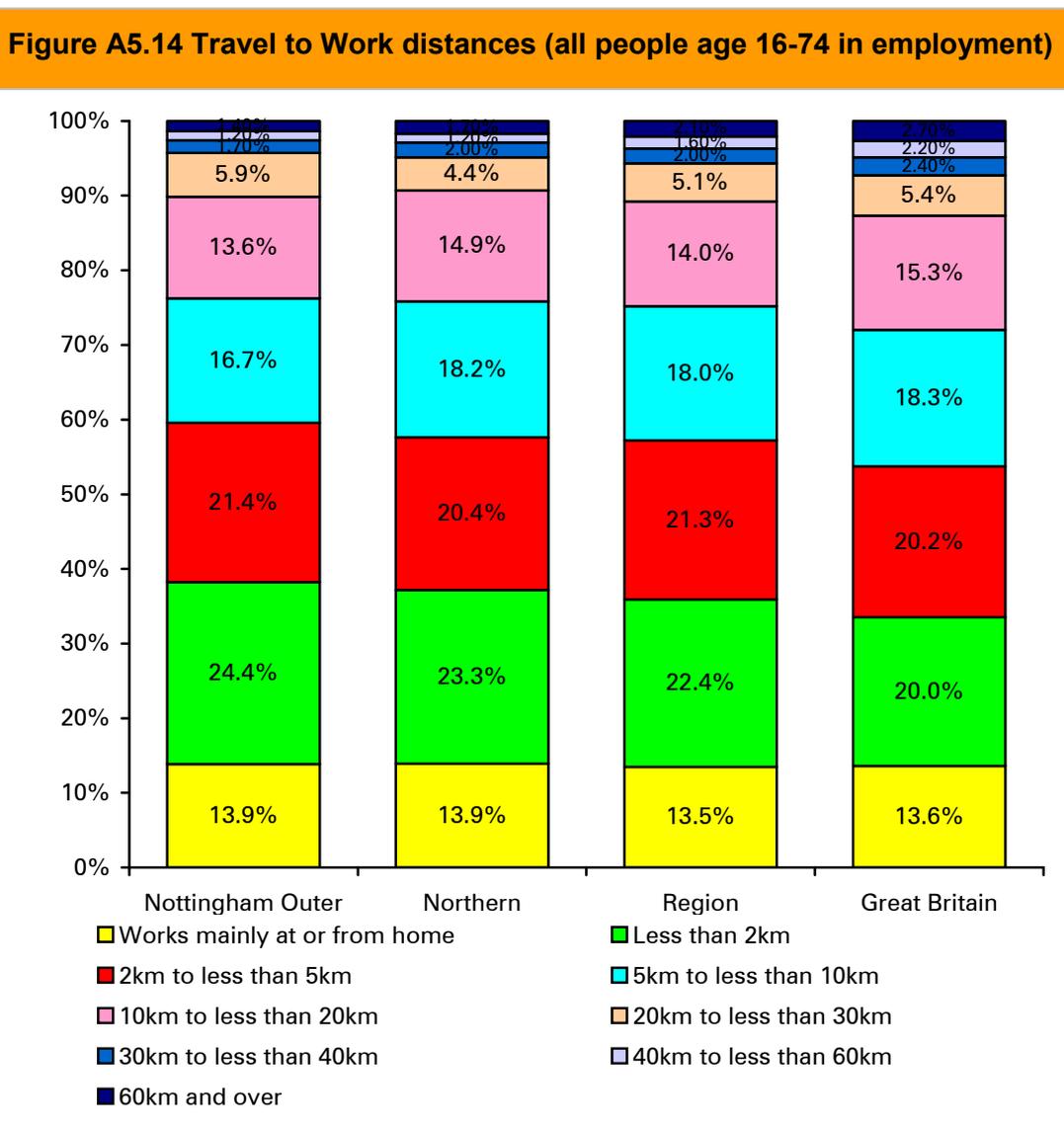
Source: Annual Survey of Hours and Earnings 2005

Travel to Work

A5.25 The Northern Sub-region has distinctive characteristics in terms of distances people Travel to Work. Overall 58.6% of people travel not more than 5 km to get to work, this compares with 57.2% regionally and 53.8% nationally. However, the Northern Sub-region also has a lower proportion of people travelling long distances. Overall 9.7% travel in excess of 20 km, this compares with only 10.8% regionally and 12.7% nationally.



A5.26 The Nottingham Outer HM and Northern areas have similar Travel to Work profiles, although a larger proportion of residents in the Northern area travel more than 5km to work. A much lower proportion of residents in the Northern (Sheffield & Rotherham) area travel less than 5km to work.



Source: ONS neighbourhood statistics – 2006

A5.27 A high proportion (11.8%) of residents in Bassetlaw travel over 20km to work. The highest proportion of people working mainly at or from home is in North-East Derbyshire.

Table A5.16 Travel to Work distances (all people age 16-74 in employment)

	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	New-Ash-Mans	Northern	East Midlands	Great Britain
Works mainly at or from home	11.9	12.7	15.4	10.0	12.0	17.8	21.9	13.9	13.9	13.5	13.6
Less than 2km	24.9	25.0	24.5	21.5	23.4	24.8	22.6	24.4	23.3	22.4	20.0
2km to less than 5km	21.5	15.3	17.4	29.2	26.7	16.4	15.9	21.4	20.4	21.3	20.2
5km to less than 10km	19.7	15.6	18.7	19.1	18.0	12.1	20.3	16.7	18.2	18.0	18.3
10km to less than 20km	13.5	17.8	15.5	13.2	11.2	15.9	12.6	13.6	14.9	14.0	15.3
20km to less than 30km	4.2	7.0	4.5	2.8	5.5	8.1	2.7	5.9	4.4	5.1	5.4
30km to less than 40km	1.4	3.2	1.3	1.8	1.2	2.3	1.0	1.7	2.0	2.0	2.4
40km to less than 60km	1.3	1.6	1.0	1.1	1.0	1.2	1.1	1.2	1.2	1.6	2.2
60km and over	1.6	1.7	1.8	1.4	0.9	1.4	2.0	1.4	1.7	2.1	2.7

Source: ONS neighbourhood statistics – 2006

A5.28 The main method of Travel to Work in the Northern Sub-region is as a driver in a car or van – over 70% get to work by either driving or being a passenger in a car or van. Despite this, the proportion of residents in the Northern Sub-region travelling to work on foot or by bicycle is in line with regional and national figures.

Table A5.17 Method of transport to work (2001)

<i>Mode of transport</i>	<i>Northern Sub-region</i>	<i>East Midlands</i>	<i>England</i>
Work mainly from home	8.4%	9.0%	9.2%
Underground, Metro, Light Rail or Tram	0.1%	0.1%	3.2%
Train	0.9%	1.0%	4.2%
Bus, Mini Bus or Coach	6.2%	7.0%	7.5%
Motorcycle, Scooter or Moped	1.1%	1.0%	1.1%
Driving a Car or Van	62.1%	60.0%	54.9%
Passenger in Car or Van	8.0%	7.0%	6.1%
Taxi or Minicab	0.4%	0.4%	0.5%
Bicycle	2.5%	3.2%	2.8%
On foot	10.0%	10.5%	10.0%
Other	0.4%	0.4%	0.5%
TOTAL	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A5.29 A lower proportion of residents in the Northern area Travel to Work on foot or by bicycle, which is consistent with the lower proportion of residents in that area travelling shorter distances to work.

Table A5.18 Method of transport to work (2001)				
Mode of transport	Nottingham Outer HM	Northern	East Midlands	England
Work mainly from home	8.3%	8.5%	9.0%	9.2%
Underground, Metro, Light Rail or Tram	0.0%	0.2%	0.1%	3.2%
Train	1.1%	0.7%	1.0%	4.2%
Bus, Mini Bus or Coach	6.1%	6.3%	7.0%	7.5%
Motorcycle, Scooter or Moped	1.1%	1.1%	1.0%	1.1%
Driving a Car or Van	61.1%	62.9%	60.0%	54.9%
Passenger in Car or Van	7.9%	8.0%	7.0%	6.1%
Taxi or Minicab	0.4%	0.3%	0.4%	0.5%
Bicycle	3.3%	1.8%	3.2%	2.8%
On foot	10.2%	9.8%	10.5%	10.0%
Other	0.4%	0.4%	0.4%	0.5%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: ONS neighbourhood statistics – 2006

A5.30 The Travel to Work profiles of individual local authorities within the Northern Sub-region are broadly similar. A high proportion of residents in Bassetlaw Travel to Work by car, which reflects the high proportion of residents who travel longer distances to work.

Table A5.19 Method of transport to work (2001)

A6. Future Drivers of Demand

Introduction

A6.1 This section looks at how the information about the current demand for housing can be built upon to look at the demand for housing in the future. In particular, this section considers how economic and demographic change may impact on the future housing market. In this section we briefly consider the likely change in household numbers (and population structure), changes in employment levels and economic performance, and how the relationship between market prices/rents and incomes (financial situation) might impact on the demand for different types of housing.

Demographic change - sources

A6.2 A number of projections exist to estimate the future population size/structure and the number of households in the HMA. In addition, we can consider these figures in the light of current demands for housing and the likely newbuild rate of housing derived from the draft RSS. For simplicity, we concentrate on population projection data presented by the Office of National Statistics (ONS), and household projections produced by DCLG.

Population projections

A6.3 The most up to date projections available are those provided by the Office of National Statistics (ONS). Projections are taken from a 2003 base and have been projected to 2028.

A6.4 The method used by ONS can broadly be described as being trend based, with data being projected forward from the mid 2003 population estimates, to give an indication of future trends in population by age and sex up to 2028. Being trend based projections, assumptions for future levels of births, deaths and migration are based on observed levels over the previous five years (1999 to 2003). They show what the population will be if recent trends continue.

A6.5 The projections are produced on a consistent basis across all local authorities in England. They do not take into account any future policy changes or local development policies that have not yet occurred.

A6.6 The table below shows population estimates for five year periods up to 2026 (from 2006). Incremental changes are also shown for each five year period.

Table A6.1 Population change in the Northern Sub-region 2006-2026

Date	Population	Change	% change
2006	707,000	-	-
2011	720,400	13,400	1.9%
2016	734,600	14,200	2.0%
2021	749,300	14,700	2.0%
2026	762,000	12,700	1.7%
Total change	-	55,000	7.8%

Source: Office of National Statistics – 2006

A6.7 The table indicates an increase in population over the period. Overall the population is projected to rise to 762,000 by 2026, an increase of 7.8% over 20 years.

Table A6.2 Population change in Nottingham Outer HM area 2006-2026

Date	Population	Change	% change
2006	323,400	-	-
2011	329,700	6,300	1.9%
2016	336,400	6,700	2.0%
2021	343,400	7,000	2.1%
2026	349,500	6,100	1.8%
TOTAL	-	26,100	8.1%

Source: Office of National Statistics – 2006

Table A6.3 Population change in Northern area 2006-2026

Date	Population	Change	% change
2006	383,600	-	-
2011	390,700	7,100	1.9%
2016	398,200	7,500	1.9%
2021	405,900	7,700	1.9%
2026	412,500	6,600	1.6%
TOTAL	-	28,900	7.5%

Source: Office of National Statistics – 2006

A6.8 The tables above show the projected population growth in the Nottingham Outer HM and Northern areas. The Nottingham Outer HM area is projected to grow to 349,500 by 2026, while the Northern area is expected to expand to 412,500, increase of 8.1% and 7.5% respectively. The Northern area, considered with Sheffield and Rotherham, is projected to grow by 4.6%.

Table A6.5 Population change in Ashfield 2006-2026

Date	Population	Change	% change
2006	114,500	-	-
2011	117,700	3,200	2.8%
2016	120,900	3,200	2.7%
2021	124,000	3,100	2.6%
2026	126,600	2,600	2.1%
TOTAL	-	12,100	10.6%

Source: Office of National Statistics – 2006

Table A6.6 Population change in Bassetlaw 2006-2026

Date	Population	Change	% change
2006	114,400	-	-
2011	114,600	200	0.2%
2016	117,700	3,100	2.7%
2021	120,700	3,000	2.5%
2026	123,300	2,600	2.2%
TOTAL	-	8,900	7.8%

Source: Office of National Statistics – 2006

Table A6.7 Population change in Bolsover 2006-2026

Date	Population	Change	% change
2006	74,700	-	-
2011	77,000	2,300	3.1%
2016	79,300	2,300	3.0%
2021	81,400	2,100	2.6%
2026	83,300	1,900	2.3%
TOTAL	-	8,600	11.5%

Source: Office of National Statistics – 2006

Table A6.8 Population change in Chesterfield 2006-2026

Date	Population	Change	% change
2006	100,100	-	-
2011	101,200	1,100	1.1%
2016	102,500	1,300	1.3%
2021	104,000	1,500	1.5%
2026	105,200	1,200	1.2%
TOTAL	-	5,100	5.1%

Source: Office of National Statistics – 2006

Table A6.9 Population change in Mansfield 2006-2026

Date	Population	Change	% change
2006	98,400	-	-
2011	98,500	100	0.1%
2016	99,000	500	0.5%
2021	99,800	800	0.8%
2026	100,600	800	0.8%
TOTAL	-	2,200	2.2%

Source: Office of National Statistics – 2006

Table A6.10 Population change in Newark & Sherwood 2006-2026

Date	Population	Change	% change
2006	110,500	-	-
2011	113,500	3,000	2.7%
2016	116,500	3,000	2.6%
2021	119,600	3,100	2.7%
2026	122,300	2,700	2.3%
TOTAL	-	11,800	10.7%

Source: Office of National Statistics – 2006

Table A6.11 Population change in North East Derbyshire 2006-2026

Date	Population	Change	% change
2006	97,400	-	-
2011	97,900	500	0.5%
2016	98,700	800	0.8%
2021	99,800	1,100	1.1%
2026	100,700	900	0.9%
TOTAL	-	3,300	3.4%

Source: Office of National Statistics – 2006

Age structure

A6.9 It is also worth looking briefly at projected changes in age structure. The table below shows the above figures broken down into different age bands.

Table A6.12 Population projections by age in the Northern Sub-region

Age	2006	2011	2016	2021	2026	Change (2006-26)	% change from 2006
0-4	37,100	36,200	37,000	37,500	37,400	300	0.8%
5-9	40,200	39,200	38,600	39,400	40,200	0	0.0%
10-14	45,800	41,700	40,700	40,300	41,000	-4,800	-10.5%
15-19	45,100	44,400	40,600	39,900	39,200	-5,900	-13.1%
20-24	36,500	39,800	39,300	35,900	35,300	-1,200	-3.3%
25-29	36,400	39,600	43,100	42,100	39,000	2,600	7.1%
30-44	151,700	138,800	129,500	134,200	140,600	-11,100	-7.3%
45-59	146,500	153,700	164,900	161,200	148,100	1,600	1.1%
60-64	44,800	49,800	44,900	50,300	57,100	12,300	27.5%
65-74	65,100	75,400	87,800	88,200	89,300	24,200	37.2%
75-84	43,100	44,500	48,900	58,500	68,900	25,800	59.9%
85+	14,500	17,000	19,200	22,000	26,000	11,500	79.3%
All Ages	707,000	720,400	734,600	749,300	762,000	55,000	7.8%

Source: Office of National Statistics – 2006

A6.10 The overall results can be summarised as:

- i) The 0-14 age group shows a decrease to 2026 of 4,500 persons (3.7%).
- ii) The 15-29 age group also shows a decrease of 4,500 persons (3.4%). This group is of interest as many new households will come from this segment of the population (it is also notable that this group is projected to increase in size at least until 2011).
- iii) The 30-44 age group shows a decrease of 7.3%. This group is of interest as many of these people will be economically active. There is projected to be a small increase of 1.1% in the numbers aged 45-59 which will also contain a high proportion of those economically active.
- iv) One of the most significant increases is in the group of people aged 60 and over. Overall, there is a projected increase in those aged 60 and over of 73,800 people in the period to 2026.
- v) The oldest retirement group (those aged 85 and over) increases by 79.3% and by 2026 is expected to reach 11,500 people who are likely to have some of the most acute care and support needs.

Table A6.13 Population projections by age in the Nottingham Outer HM area

Age band	2006	2011	2016	2021	2026	Change (2006-26)	% change from 2006
0-4	17,700	17,200	17,600	17,800	17,700	0	0.0%
5-9	18,800	18,600	18,300	18,700	19,100	300	1.6%
10-14	21,300	19,500	19,300	19,100	19,400	-1,900	-8.9%
15-19	21,100	20,600	18,900	18,800	18,500	-2,600	-12.3%
20-24	17,100	18,700	18,300	16,800	16,600	-500	-2.9%
25-29	17,000	18,300	20,100	19,500	18,100	1,100	6.5%
30-44	69,900	64,100	59,800	62,300	65,100	-4,800	-6.9%
45-59	65,600	69,400	75,000	73,500	67,700	2,100	3.2%
60-64	20,100	22,100	19,900	22,400	25,700	5,600	27.9%
65-74	29,200	33,700	38,800	38,700	39,500	10,300	35.3%
75-84	19,000	19,800	21,900	26,100	30,500	11,500	60.5%
85+	6,400	7,500	8,500	9,700	11,500	5,100	79.7%
All Ages	323,400	329,700	336,400	343,400	349,500	26,100	8.1%

Source: Office of National Statistics – 2006

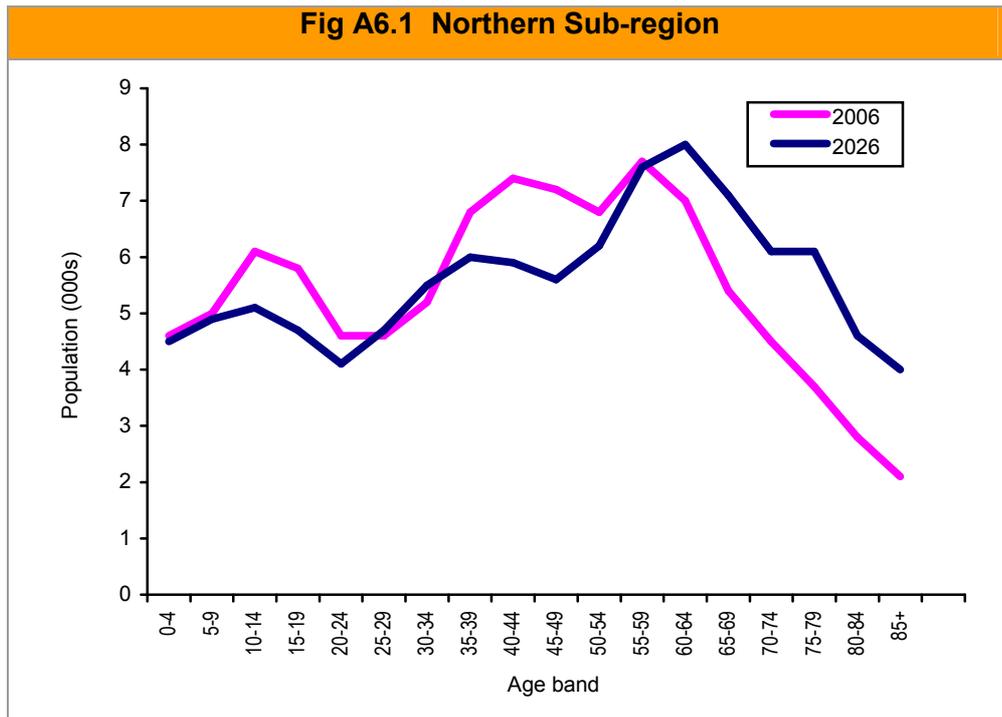
Table A6.13 Population projections by age in the Northern area

Age band	2006	2011	2016	2021	2026	Change (2006-26)	% change from 2006
0-4	19,400	19,000	19,400	19,700	19,700	300	1.5%
5-9	21,400	20,600	20,300	20,700	21,100	-300	-1.4%
10-14	24,500	22,200	21,400	21,200	21,600	-2,900	-11.8%
15-19	24,000	23,800	21,700	21,100	20,700	-3,300	-13.8%
20-24	19,400	21,100	21,000	19,100	18,700	-700	-3.6%
25-29	19,400	21,300	23,000	22,600	20,900	1,500	7.7%
30-44	81,800	74,700	69,700	71,900	75,500	-6,300	-7.7%
45-59	80,900	84,300	89,900	87,700	80,400	-500	-0.6%
60-64	24,700	27,700	25,000	27,900	31,400	6,700	27.1%
65-74	35,900	41,700	49,000	49,500	49,800	13,900	38.7%
75-84	24,100	24,700	27,000	32,400	38,400	14,300	59.3%
85+	8,100	9,500	10,700	12,300	14,500	6,400	79.0%
All Ages	383,600	390,700	398,200	405,900	412,500	28,900	7.5%

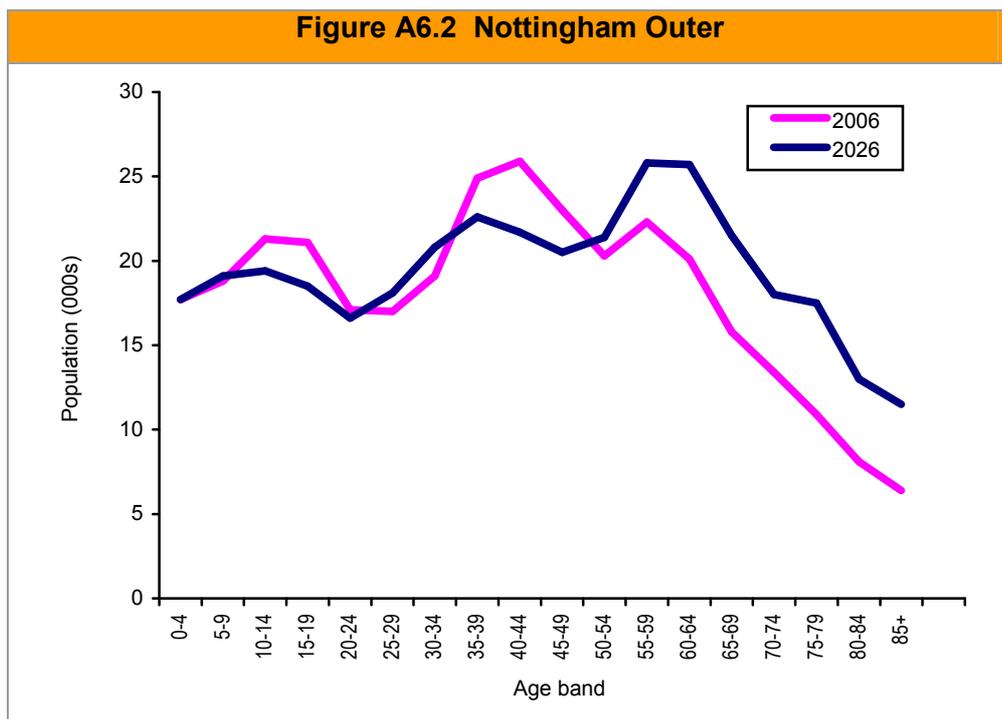
Source: Office of National Statistics – 2006

Age structure graphs

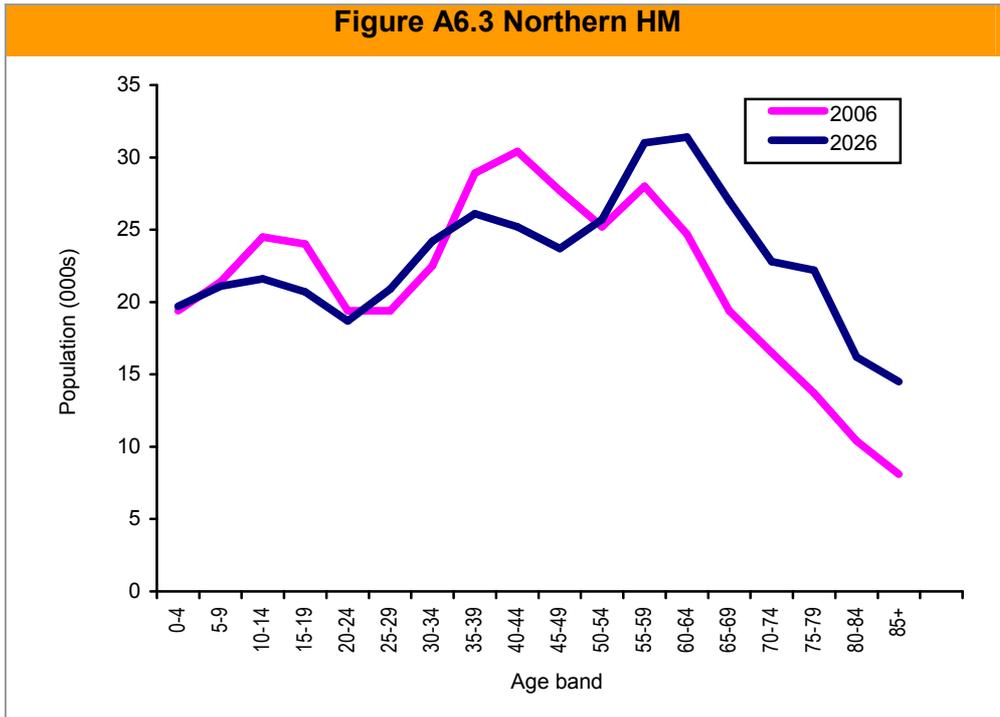
A6.11 Below we illustrate the trends in age structure from the above figures, and figures for individual Council areas, in graphical form:



Source: Office of National Statistics – 2006



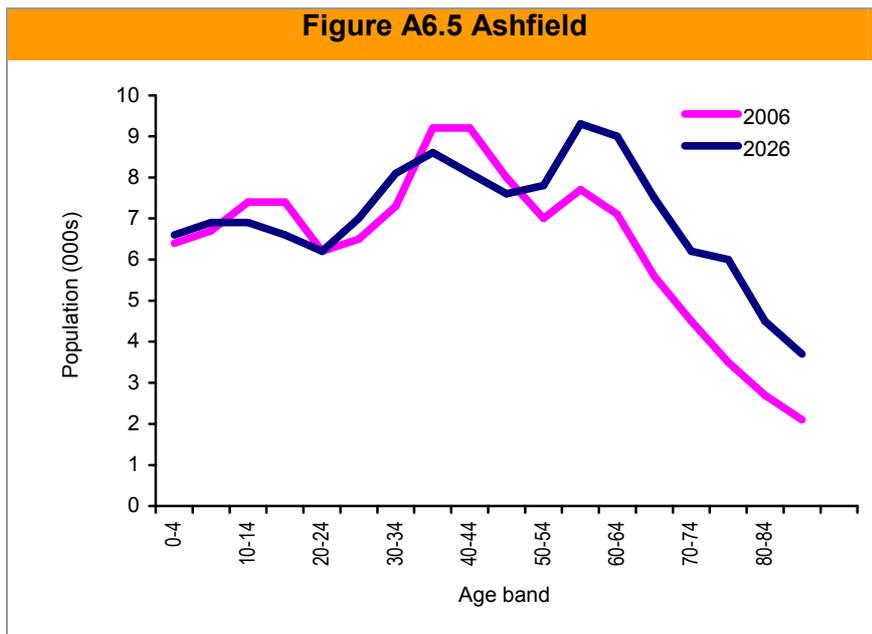
Source: Office of National Statistics – 2006



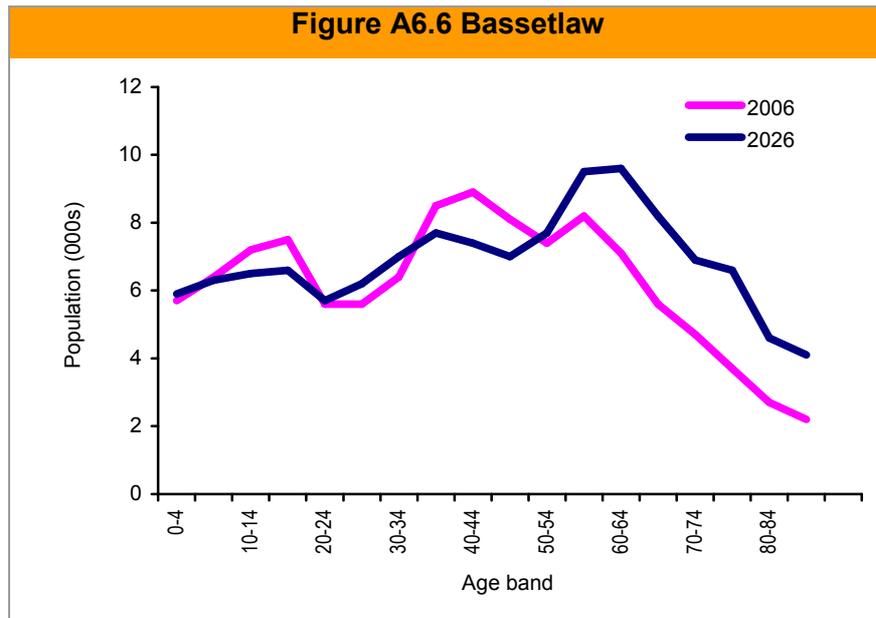
Source: Office of National Statistics – 2006

A6.12 The graphs for individual Council areas are shown below. All exhibit the same broad pattern:

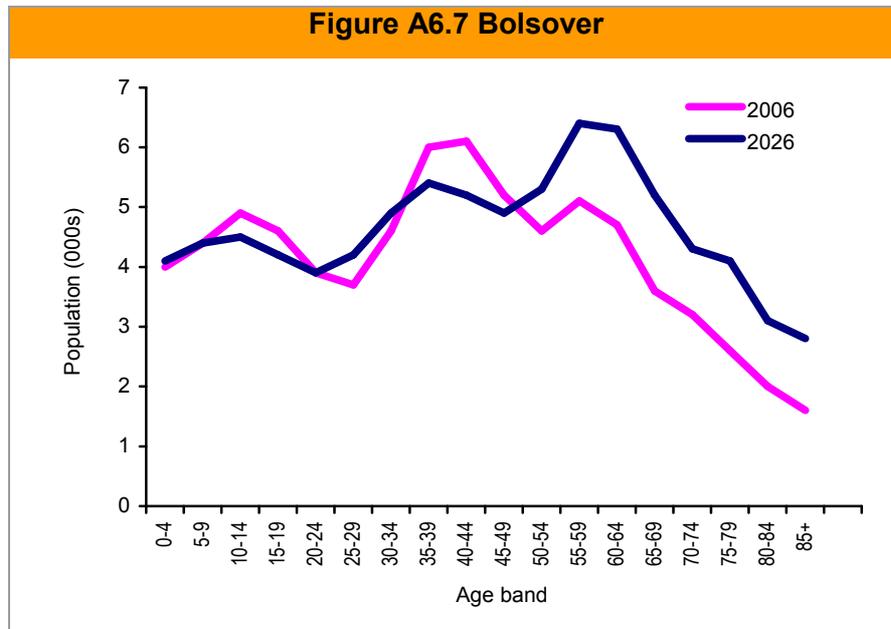
- a 'dip' of young adults at 2006 ageing through to middle age in 2026
- the dip of young adults reappearing to varying degrees in 2026, presumably resulting from some combination of low births and outward migration
- significant growth in elderly numbers



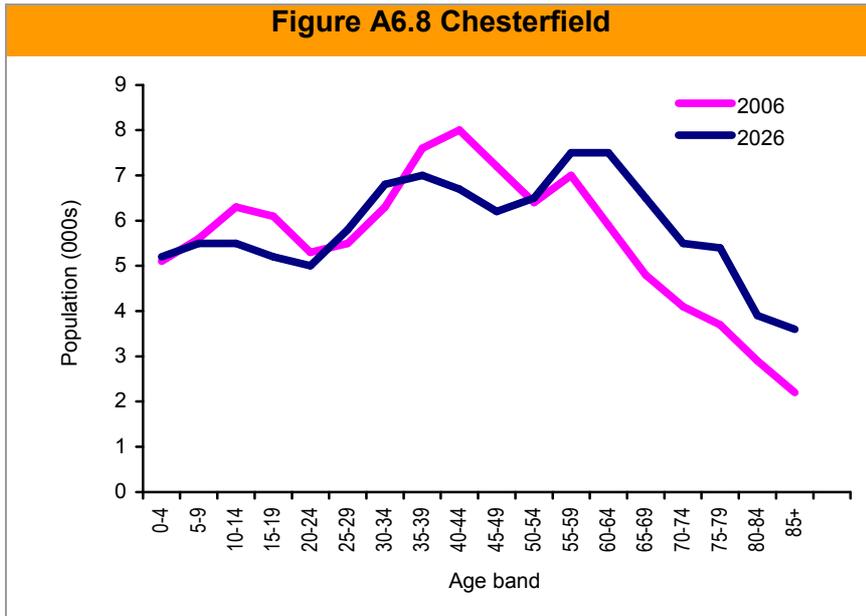
Source: Office of National Statistics – 2006



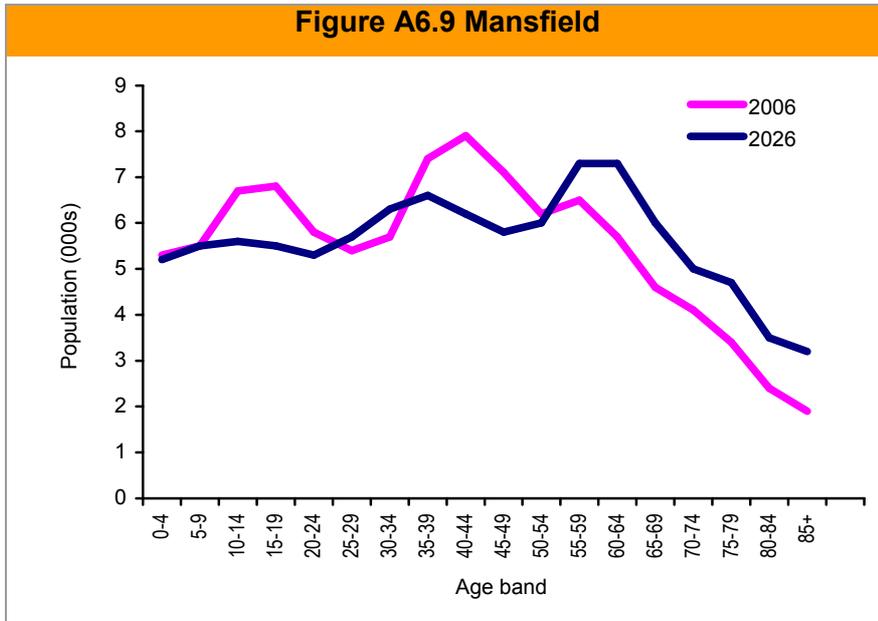
Source: Office of National Statistics – 2006



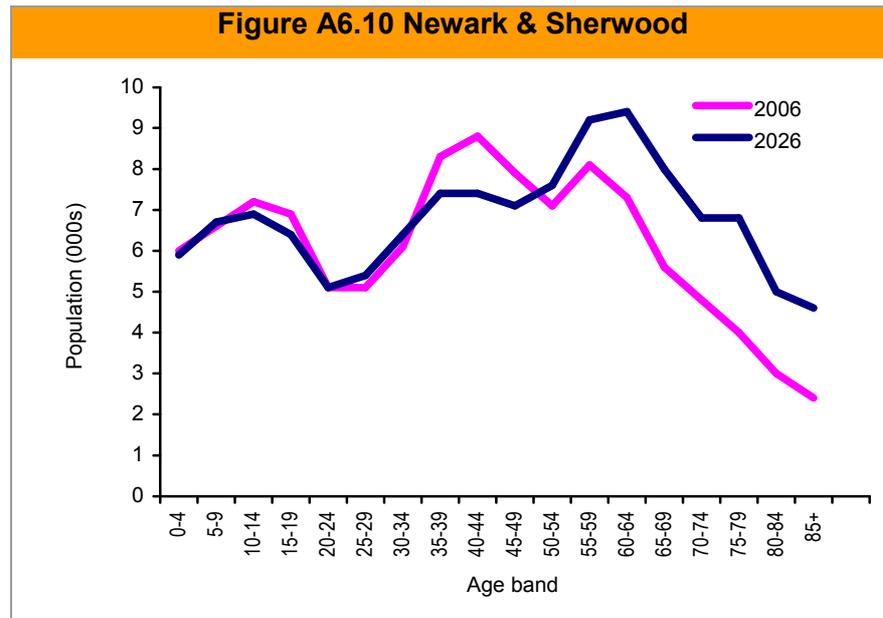
Source: Office of National Statistics – 2006



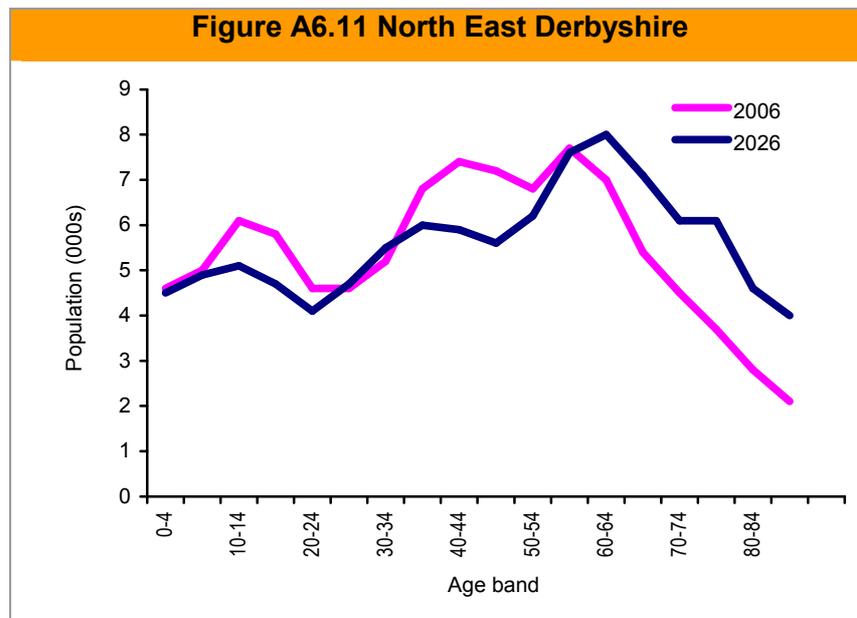
Source: Office of National Statistics – 2006



Source: Office of National Statistics – 2006



Source: Office of National Statistics – 2006



Source: Office of National Statistics – 2006

Household Projections

A6.13 In addition to the population projections it is important to look at the projected change in the number of households in the Northern Sub-region over the next few years. The most up to date household projection is published by DCLG and cover the period from a 2003 base to 2026.

A6.14 The projections are based on updated projections of household formation, taking account of the 2001 Census and the Office for National Statistics' sub national population projections, and the Government Actuary's Department's national population projections (2003 based). The household projections are trend based and indicate what would happen if past demographic changes continue.

A6.15 The table below shows the projected increase in households for the Northern Sub-region, the East Midlands and England from 2006 to 2026. The data shows that the number of households in the Northern Sub-region is projected to increase by around 56,000 over the next 20 years (18.3%). This growth rate is below both the growth for the East Midlands as a whole and that for England.

A6.16 Tellingly, the growth of 56,000 households represents an average of around 2,800 per year. This figure slightly exceeds the new dwelling figures set out in the draft RSS of 2,535 (1,465 plus 1,070). Both these figures are significantly less than (around half of) our estimates of future demand (from the balancing housing markets exercise) which suggest a future net demand for around 5,650 additional units to be provided per annum.

Table A6.15 Household projections			
Date	H'hlds '000s		
	Northern Sub-region	E Midlands	England
2006	306	1,839	21,485
2011	321	1,942	22,566
2016	337	2,048	23,705
2021	351	2,146	24,781
2026	362	2,230	25,713
Change 2006-26	56	391	4228
% change 2006-26	18.3%	21.3%	19.7%

Source: Department of Community and Local Government

Table A6.16 Household projections				
Date	H'hlds '000s			
	Nott Outer HM	Northern	East Midlands	England
2006	139	167	1,839	21,485
2011	146	175	1,942	22,566
2016	154	183	2,048	23,705
2021	160	191	2,146	24,781
2026	165	197	2,230	25,713
Change 2006-2026	26	30	391	4228
% change 2006-2026	18.7%	18.0%	21.3%	19.7%

Source: Department of Community and Local Government

Table A6.17 Household projections

H'hlds '000s											
Date	Ashfield	Bassetlaw	Bolsover	Chesterfield	Mansfield	Newark & Sherwood	NE Derbyshire	New Ash-Man	Northern	East Midlands	England
2006	49	48	32	45	43	47	42	139	167	1,839	21,485
2011	52	50	34	47	44	50	44	146	175	1,942	22,566
2016	55	53	36	49	46	53	45	154	183	2,048	23,705
2021	58	56	38	50	47	55	47	160	191	2,146	24,781
2026	60	58	39	52	48	57	48	165	197	2,230	25,713
Change 2006-26	11	10	7	7	5	10	6	26	30	391	4228
% change 2006-26	22.4%	20.8%	21.9%	15.6%	11.6%	21.3%	14.3%	18.7%	18.0%	21.3%	19.7%

Source: Department of Community and Local Government

A6.17 Although the reasons for growth in the Northern Sub-region and the East Midlands are not set out in the DCLG data, it is worth summarising some of the main 'drivers' of change nationally. The following list of bullet points summarise some of the key changes expected nationally up to 2026 and is based on information published on the DCLG website:

- One person households account for around three-quarters of the annual growth. Most of these one person households are in the older age groups.
- Around 59% of additional households are attributable to the adult population growth, 19% due to changing age distribution and 21% due to increasing household formation.
- The number of married couple households is projected to fall quickly over the period. This is partly offset by an increase in cohabiting couple households, but the number of married/cohabiting households is still projected to fall from around 55% of all households in 2003 to 47% in 2026.
- The numbers of lone parent households and 'other multi-person households' are projected to increase approximately in line with overall household growth.

A6.18 Certainly given that the population projections suggest significant growth in the elderly population of the Northern Sub-region, the first of the bullet points above is likely to apply at the local level.

Household size

A6.19 By combining the population and household projection data, we are able to consider how average household sizes in the HMA are likely to change. The table below shows this calculation up to 2026. It should be noted that the figures should be treated with some degree of caution as the two datasets used have come from different sources.

Table A6.18 Change in average household size in the Northern Sub-region 2006-2026

Date	Population	Households	Average h'hld size
2006	707,000	306,000	2.31
2011	720,400	321,000	2.24
2016	734,600	337,000	2.18
2021	749,300	351,000	2.13
2026	762,000	362,000	2.10

A6.20 As can be seen from the data above the average, household size is expected to drop significantly from 2.31 persons per household to 2.10. This is likely to have a noticeable impact on the types and sizes of accommodation required by local households and may increase the requirement for smaller units to be provided.

Employment prospects

A6.21 The EMDA Regional Economic Strategy describes the prospective future of the Sub-region in Pages 25-6, and in pages 139-140. The following comments are summarised from these comments.

A6.22 Economic growth for the East Midlands is forecast to be at around 2.6% for the period 2004-14, which is about the same as the national rate. The Northern Sub-region as a whole is forecast to grow at the same rate. However home based income levels are much higher than work based ones, implying that the more highly paid workers in the Sub-region commute to jobs elsewhere (mainly in the conurbations to north and south). The nature of the growth is not expected to be high in the high-value areas. This is implied by the low levels of VAT registrations: the lowest in the East Midlands. Regeneration will be a key policy for some years to come. The quality of new (service) jobs does not always match the quality of the (mining and manufacturing) jobs lost. The location of the Sub-region in relation to the M1 and to the conurbations offers opportunities but 'many communities are small and relatively isolated from services and employment' (p 146).

A6.23 Thus the prospects for growth, while positive, are not particularly dynamic.

PART B Private rentIMARY DATA: HOUSEHOLD SURVEY

B1. Data collection

Introduction

B1.1 The primary data was collected using a postal survey approach. The survey covered all areas and tenures in the HMA. In total 7,827 postal questionnaires were returned (this represents 2.5% of the estimated number of households in the HMA of 308,160). The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the HMA and geographical breakdowns for a range of different sub-areas.

B1.2 Prior to analysis, data must be weighted in order to take account of any measurable bias. The procedure for this is presented in the following sections.

Base household figures and weighting procedures

B1.3 Firstly, the total number of households is estimated. This is necessary in order to gross up the data to represent the entire household population. A number of different sources were consulted, primarily the Council's Housing Strategy Statistical Appendix (HSSA) (2006), the Council Tax Registers and 2001 Census results. Using this information, the base household figure for the Northern Sub-region was estimated as follows:

B1.4 Total number of households = 308,160

Base figures

B1.5 The table below shows an estimate of the current tenure split in the Northern Sub-region, along with the sample achieved in each group. The data shows that around 74% of households were owner occupiers, with 19% in the social rented sector and around 7% in the private rented sector. (The private rented sector includes those living in tied accommodation and those living in accommodation owned by relatives or friends.)

Table B1.1 Number of households in each tenure group

Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	101,972	33.1%	2,962	37.8%
Owner-occupied (with mortgage)	126,292	41.0%	3,038	38.8%
Social rented	58,759	19.1%	1,374	17.6%
Private rented	21,137	6.9%	453	5.8%
TOTAL	308,160	100.0%	7,827	100.0%

B1.6 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.

B1.7 Data was also weighted to be in line with the estimated number of households. For each individual authority data was weighted against the following groups:

- Wards (in the Council areas where this information was available)
- Council Tax Band
- Number of people in household
- Household type
- Accommodation type
- Car ownership

Non-response and missing data

B1.8 Missing data is a feature of all housing surveys: mainly due to a respondent’s refusal to answer a particular question (e.g. income). For all missing data in the survey imputation procedures were applied. In general, throughout the survey the level of missing data was minimal. The main exception to this was in relation to financial information, where there was an appreciable (although typical) level of non-response.

B1.9 Non-response can cause a number of problems:

- The sample size is effectively reduced so that applying the calculated weight will not give estimates for the whole population
- Variables which are derived from the combination of a number of responses each of which may be affected by item non-response (e.g. collecting both respondent and their partners income separately) may exhibit high levels of non-response

- If the amount of non-response substantially varies across sub-groups of the population, this may lead to a bias of the results

B1.10 To overcome these problems missing data was 'imputed'. Imputation involves substituting for the missing value, a value given by a suitably defined 'similar' household, where the definition of similar varies depending on the actual item being imputed.

B1.11 The specific method used was to divide the sample into sub-groups based on relevant characteristics and then 'Probability Match' where a value selected from those with a similar predicted value was imputed. The main sub-groups used were tenure, household size and age of respondent.

PART C SURVEY ANALYSIS: TECHNICAL ISSUES

C1. Affordability calculations

Introduction

C1.1 An important aspect of any housing market assessment is the study of households' affordability. Affordability tests are used throughout the research to look at both affordable needs and market requirements. By using a range of information we are able to assess which households can afford market housing and which households will require some form of subsidy. The affordability tests are also sufficiently robust to allow the issue of intermediate housing requirements to be studied. This appendix therefore looks at various aspects of the affordability methodology.

Appropriate price level for the affordability test

C1.2 The analysis of property price and rent data showed entry-level and average prices for different locations in each of the four size categories.

C1.3 However, in order to decide what price level is the most appropriate to use for assessing whether or not a household is able to access the housing market, it is necessary to consider two aspects:

- The appropriate measure of price (e.g. minimum or average prices/costs)
- How to deal with a situation where significant price variations have been identified within the housing market area

C1.4 On the first point, we use the entry-level prices collected in the estate agents survey, since these have been designed to represent the 'entry level' into the housing market. For consistency we will also use entry-level private rental costs as part of the affordability test.

C1.5 Given the distinct sub-areas of the housing market area it seems sensible to use the prices for individual areas when determining affordability. Hence households are tested against the prices for the part of the housing market area in which they currently live.

Assessing affordability – existing households

C1.6 All households were tested for their ability to afford both a mortgage and private rented housing in the local area. These two measures were then combined to estimate households unable to afford either form of private sector housing. The general methodology and results are presented below.

(i) Mortgage affordability

C1.7 The definition of mortgage affordability is shown below:

Mortgage affordability: A household containing one person in employment is eligible for a mortgage if the gross household income multiplied by 3.5 is greater than the cost of the mortgage requirement. A household containing more than one person in employment is eligible for a mortgage if the gross household income multiplied by 2.9 is greater than the cost of the mortgage requirement.

C1.8 The mortgage requirement is based on taking the level of savings and any equity away from the estimated property price and then checking the income level of the household in relation to the likely amount of mortgage remaining. Income from housing related benefits are not included in the affordability calculation.

(ii) Private rental affordability

C1.9 The definition of private rental affordability is shown below:

Private rental affordability: A household is unable to afford private rented housing if renting privately would take up more than 25% of its gross household income (excluding housing benefits).

(iii) Combined affordability

C1.10 It is important to assess the numbers who cannot afford either of the above options. This is the measure of combined affordability, which is defined below:

Combined affordability:

A household containing one person in employment is eligible for a mortgage if the gross household income multiplied by 3.5 is greater than the cost of the mortgage requirement. A household containing more than one person in employment is eligible for a mortgage if the gross household income multiplied by 2.9 is greater than the cost of the mortgage requirement.

AND

A household is unable to afford private sector housing if renting privately would take up more than 25% of its gross household income.

C1.11 It is worth briefly noting the affordability of local households. The table below shows affordability by tenure. The table shows that of all households in the housing market area, 26.4% are unable to afford market housing (if they were to move home now). The differences by tenure are substantial. In total, around 88% of social and around two-thirds of private tenants are unable to afford. These figures compare with around 7% of all owner-occupiers.

Table C1.1 Affordability and tenure			
Tenure	Affordability		
	Unable to afford market housing	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	3,780	101,972	3.7%
Owner-occupied (with mortgage)	12,121	126,291	9.6%
Social rented	51,732	58,759	88.0%
Private rented	13,746	21,137	65.0%
TOTAL	81,379	308,160	26.4%

Assessing affordability – potential households

C1.12 The Housing Needs Assessment ascertained whether or not potential households would be able to access the private sector housing market by using two complementary methods. The first involved using information on the income of these households, and using the affordability test described above to assess whether they will be able to afford market housing in the Housing Market Area. As a potential household's income is likely to fluctuate significantly over a few years, it is inappropriate to use this measure when considering the likely ability to afford of potential household's intending to move in more than one year's time. To assess households moving further into the future, a second test is used, based on asking the following question to the survey respondent:

'In your opinion, will they be able to afford suitable private sector housing in the Council area (this can either be rented (excluding the use of housing benefit) or bought?'

C1.13 This would appear to be broadly in line with DCLG guidance which says:

DCLG Guide	<p><i>'It is difficult to estimate the incomes of future newly forming households. Unless potential household members are interviewed specifically, it is not practical to collect complete income data relating to this group through a housing needs survey. Even where the fieldwork includes concealed household interviews, there are doubts as to the value and reliability of any income data which might be collected.'</i> [Section 4.4 (page 62)]</p> <p><i>'One way around this problem is to substitute a subjective judgement about future housing prospects in place of a formal affordability test.'</i> [Section 4.4 (page 60)]</p>
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C1.14 It should be noted that this joint approach is used when assessing the ability of potential households to afford market housing in the balancing housing markets assessment. Future estimates of the needs from household formation are based on past trend information – an approach in line with the DCLG guide.

C1.15 It is worth briefly noting the affordability of potential households in the Northern Sub-region. The table below shows affordability by the tenure of the household they are currently living with. The table shows that of all potential households in the HMA, 54.9% are unable to afford market housing. Potential households currently resident in the owner-occupied sector are most likely to be able to afford market housing.

Table C1.2 Affordability of potential households and tenure			
Tenure of 'host' household	Affordability		
	Unable to afford market housing	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	4,881	10,744	45.4%
Owner-occupied (with mortgage)	14,488	26,229	55.2%
Social rented	3,622	4,925	73.5%
Private rented	1,248	2,248	55.5%
TOTAL	24,239	44,146	54.9%

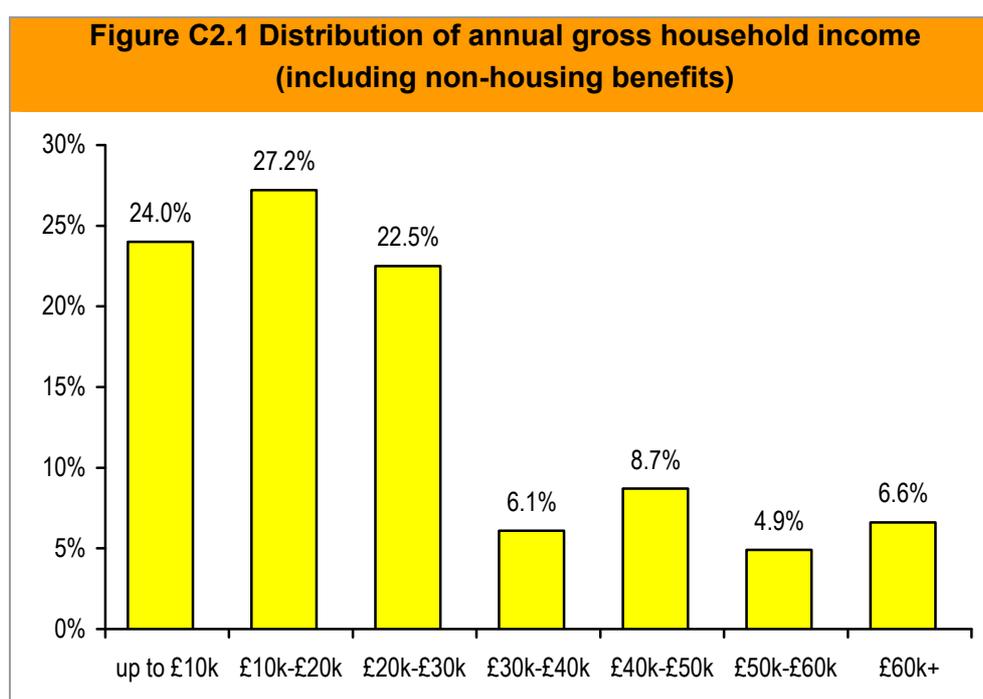
C2. Financial capacity

Introduction

C2.1 Complete financial information is crucial to making an assessment of affordability for each individual household. This chapter profiles the overall financial situation in the housing market area.

Household income

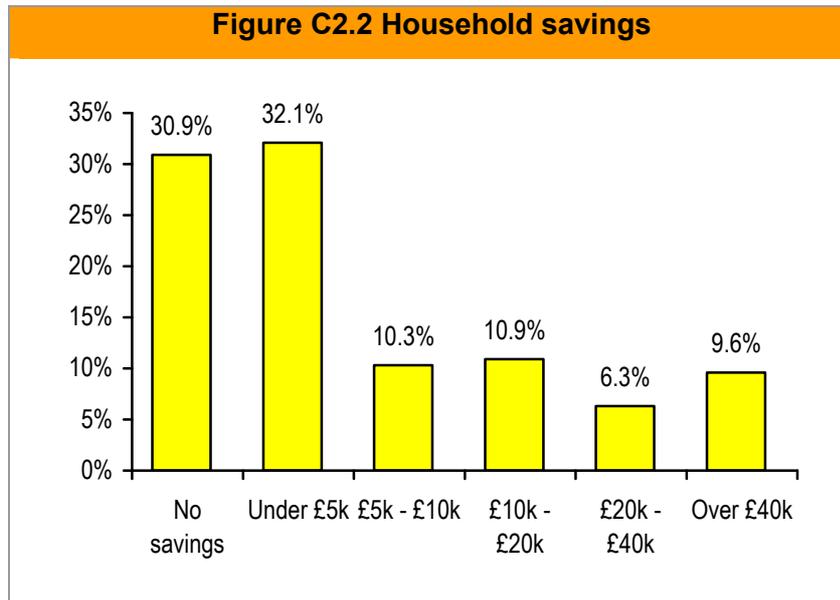
C2.2 The response to the survey income question was good, with 82.4% of respondents answering this question. Survey results for household income in the Northern Sub-region estimate the average gross income level (crucial for the assessment of affordability) to be £24,359 per annum. The median income is noticeably lower than the mean (at £19,250 per annum). The figure below shows the distribution of income in the HMA.



Household Savings and Equity

C2.3 The response to the survey savings question was also good, with 80.9% of respondents answering this question. The average household has £18,514 in savings (median of £2,500). The figure below shows the distribution of savings in the HMA.

C2.4 An estimated 63.0% of households had less than £5,000 in savings whilst 9.6% had savings of over £40,000. Households with no savings also include those in debt.



C2.5 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 amount of equity was estimated to be £119,130 (median of £112,500). It is estimated that 0.5% of owner-occupiers (1,189 households) are in negative equity.

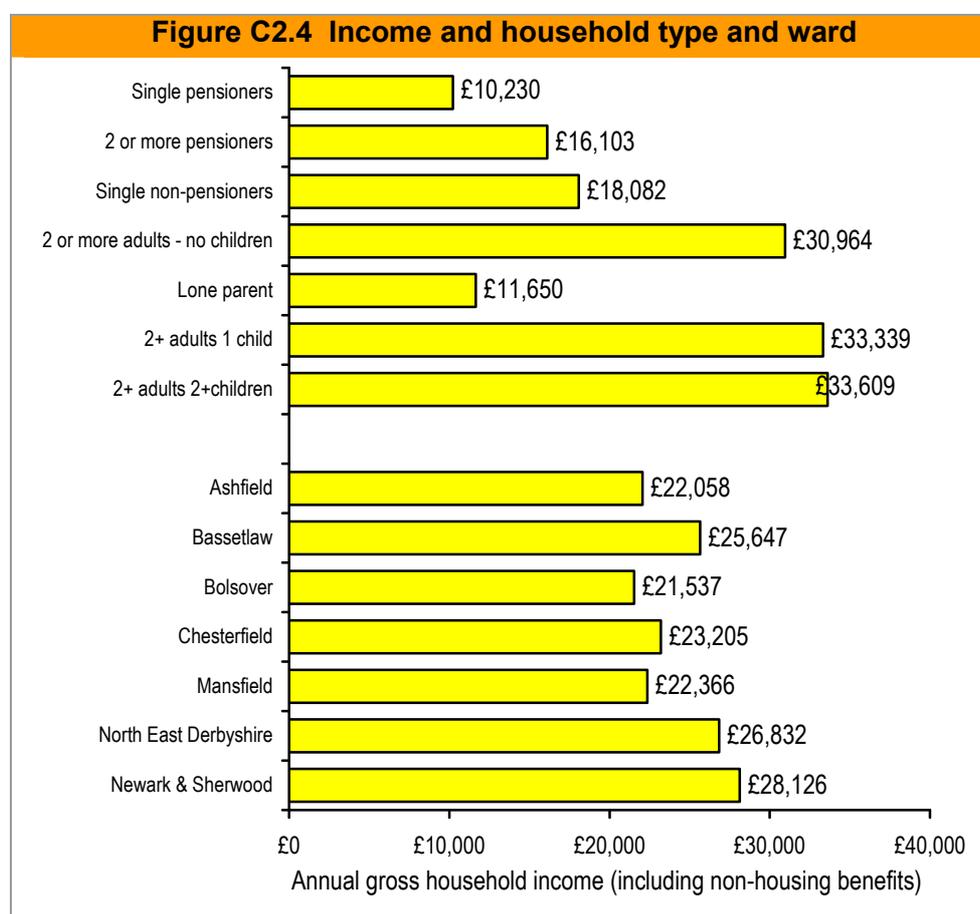
Household characteristics and income

C2.6 The table below shows average income, savings and equity by tenure. As might be expected, the households with the lowest average incomes (and savings) are those in the social rented sector. Whilst owner-occupiers with no mortgage have an average household income considerably lower than those with a mortgage, this group contains many older people who are not working but have redeemed their mortgages. These households therefore have much higher levels of savings and equity.

Table C2.3 Financial information by tenure

Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£21,114	£41,618	£162,229
Owner-occupied (with mortgage)	£34,989	£9,194	£84,330
Social rented	£9,975	£3,262	-
Private rented	£16,486	£5,133	-
AVERAGE	£24,359	£18,514	£119,130

C2.7 The figure below looks at income levels by household type and local authority. Single pensioner and lone parent households show average incomes considerably below the HMA average. Households with two or more adults show the highest average incomes. By local authority, it is clear that significant differences exist. The highest average incomes are found in Newark & Sherwood; the lowest in Bolsover.



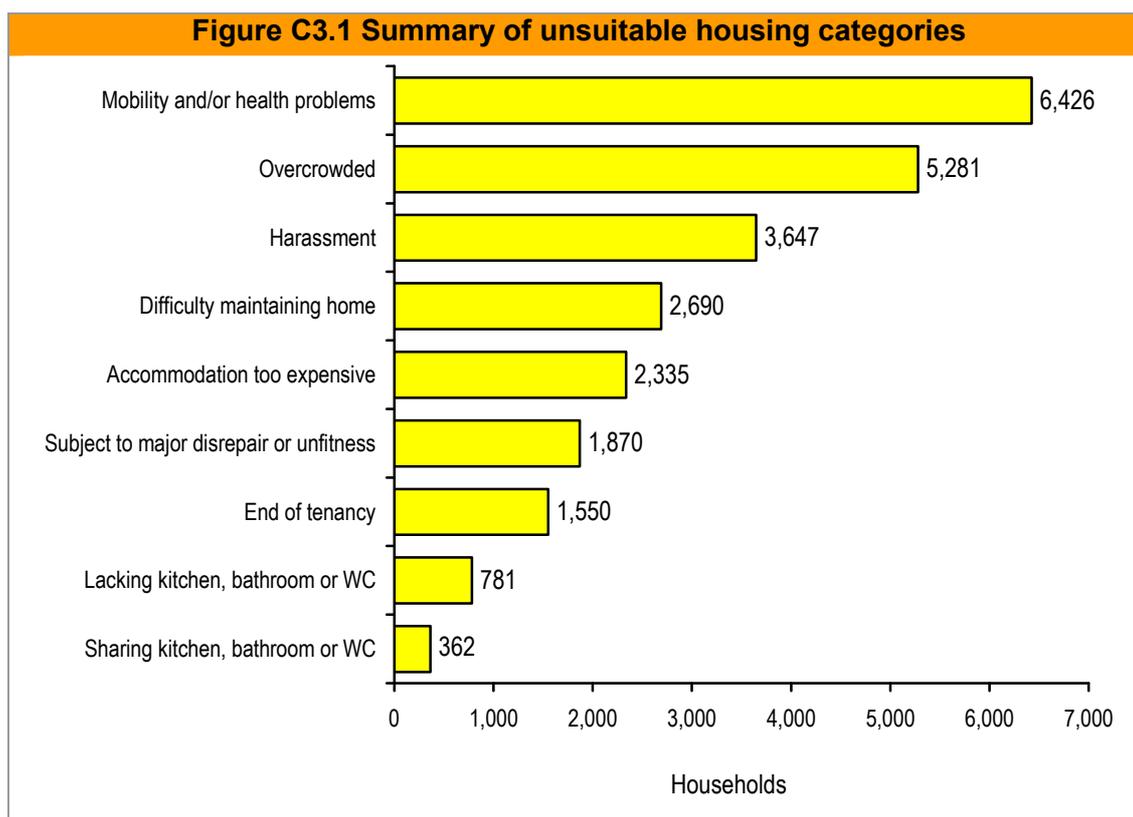
The income of potential households

C2.8 The Housing Needs Survey also collected data on the income of potential households (namely persons who currently live as part of another household). Survey results estimate the average gross income level of the 44,145 potential households in the HMA to be £9,225 per annum. The median income is slightly lower than the mean (at £7,250 per annum).

C3. Unsuitable housing

Introduction

- C3.1 This chapter of the report provides further detail of the incidence of unsuitable housing. A key element of housing need is an assessment of the suitability of a household's current housing. The draft DCLG guide sets out a series of nine criteria for unsuitable housing. In this report we have studied all nine of the categories set out in the draft guide. It is estimated that a total of 19,997 households are living in unsuitable housing. This represents 6.5% of all households in the HMA.
- C3.2 The figure below shows a summary of the numbers of households living in unsuitable housing (ordered by the number of households in each category). The main reason for unsuitable housing is mobility and/or health problems, followed by overcrowding.

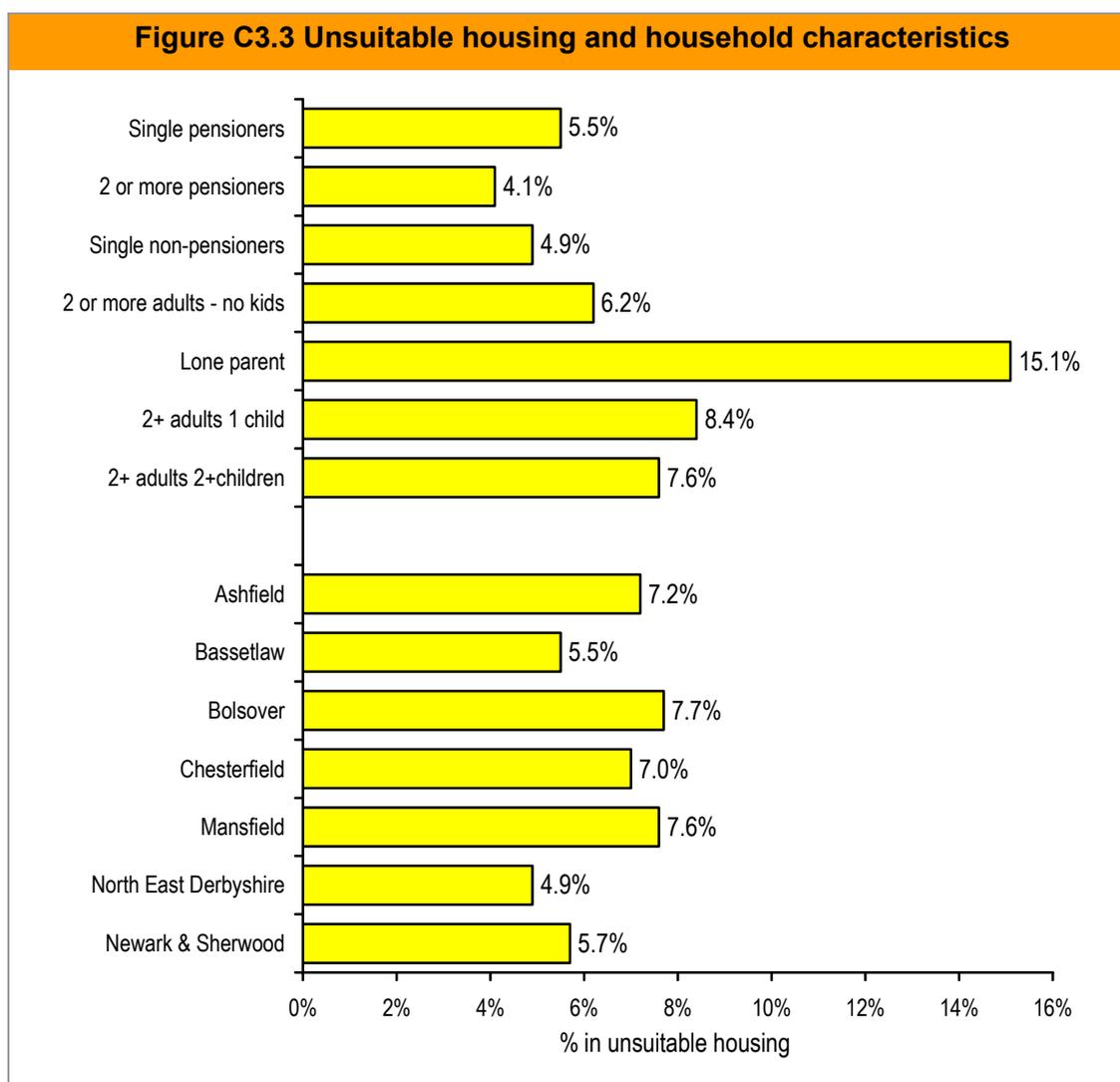


C3.3 The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation are more likely to be in unsuitable housing than owner-occupiers. Some 17.1% of households in private rented accommodation and 11.0% of households in the social rented sector are estimated to be living in unsuitable housing. This compares with 4.5% and 4.2% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

Table C3.2 Unsuitable housing and tenure

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in HMA	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	4,580	97,391	101,971	4.5%	22.9%
Owner-occupied (with mortgage)	5,367	120,925	126,292	4.2%	26.8%
Social rented	6,439	52,320	58,759	11.0%	32.2%
Private rented	3,611	17,526	21,137	17.1%	18.1%
TOTAL	19,997	288,162	308,159	6.5%	100.0%

C3.4 The figure below shows the proportion of households living in unsuitable housing by household type and ward. The data shows that households with children are particularly likely to be in unsuitable housing. Households containing single non-pensioners showed the lowest levels of unsuitable housing. By ward there are also some significant differences.



'In-situ' solutions

C3.5 The survey has highlighted that 19,997 households are in unsuitable housing. However, it is most probable that some of the unsuitability can be resolved in the households' current accommodation. Households living in housing deemed unsuitable for the following reasons were not considered to have an in-situ solution: end of tenancy, accommodation too expensive, overcrowding, sharing facilities, harassment.

C3.6 The survey data therefore estimates that of the 19,997 households in unsuitable housing, 11,588 (or 57.9%) do not have an in-situ solution and therefore require a move to alternative accommodation.

C4. Calculating the Basic Need Model

Housing Needs Assessment

C4.1 Table C4.1 below sets out the outline housing needs assessment model set out in the DCLG draft Housing Market Assessments Guidance of December 2005. There are four broad analytical stages which lead to an overall estimate of the net shortfall or surplus of affordable housing. The model is essentially a development of the model used in earlier guidance of July 2000 and is therefore consistent with general practice in housing needs assessments over the past few years.

Table C4.1 Outline of the housing needs assessment model

CURRENT NEED
Minus
AVAILABLE STOCK
Plus
NEWLY ARISING NEED
Minus
FUTURE SUPPLY OF AFFORDABLE UNITS
Equals
NET SHORTFALL (OR SURPLUS) of affordable units

C4.2 To arrive at numbers for the four broad stages set out in the table above, there are 19 detailed calculations, many of which themselves have a number of steps. Each of the nineteen stages are set out with a broad description of the required output before moving on to the locally available data. The data sources used are based on a combination of primary survey data and other secondary data. Secondary data will be mostly from Local Authority records concerning levels of homelessness and supply of relets.

STAGE 1: Current need

STEP 1.1 – Current occupiers of affordable housing in need, 3,321 households

C4.3 This stage considers the number of households currently living in some form of affordable housing, which is mainly social rented housing, who are in housing need, i.e. are living in unsuitable housing, who do not have an in-situ solution and are unable to afford market housing. An example of an in-situ solution would be an adaptation for a member of the household with a physical disability.

STEP 1.2 – Households from other tenures in need, 3,851 households

C4.4 This is similar to the previous step in terms of assessing whether or not a household is in need. However, in this instance we only include households currently not living in affordable housing. It is estimated that there are 3,851 households in need in this step. An estimated 59% of these households currently live in private rented accommodation.

STEP 1.3 – households without self-contained accommodation, 70 households

C4.5 This step deals with homeless households whose needs would not have been picked up as part of the household survey process (e.g. those living in bed & breakfast accommodation). The draft guide also suggests that households sharing facilities should be included here. However, as such households have been included at step 1.1 they are not included here to avoid double counting. The figure to be inserted in the model at step 1.3 is therefore those homeless households in temporary accommodation who are not included within the survey fieldwork. This information is based on data collected from the Council's P1(E) homelessness return.

STEP 1.4 – total current housing needs (gross), 7,242 households

C4.6 Step 1.4 is the sum of the previous number of households identified in steps 1.1 to 1.3. The total current (gross) housing need is therefore calculated as 7,242 (3,321+3,851+70).

STAGE 2: Available stock to offset need

STEP 2.1 – current occupiers of affordable housing in need, 3,321 households

C4.7 It is important to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have no overall effect in terms of housing need. The figure to be used in this section is therefore the same as found in Step 1.1.

STEP 2.2 – surplus stock – 210 dwellings

C4.8 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The DCLG draft guide suggests that if the vacancy rate in the affordable stock is in excess of 3%, then these should be considered as surplus stock which can be included within the supply to offset needs. Generally vacancy rates are low in the social rented sector in the Sub-region and so there is limited scope to bring vacant homes back into use. However, there is some evidence of vacant stock in Mansfield and so an allowance for some of this being brought back into use has been included.

STEP 2.3 – committed supply of new affordable units, 0 units

- C4.9 The DCLG draft guide 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’. However the reality is that the timing of future affordable supply is never known with absolute precision. This is critical in a calculation which is cast in annual terms. It makes a big difference if a commitment of say 100 new affordable dwellings is subtracted from an annual need of 200. But the 100 committed dwellings may be built over 5-10 years, and so the inclusion of the figure in a formal calculation is wrong.
- C4.10 It has been decided therefore not to include this step of the model in the overall calculation of housing need. Instead, commitments, when known, have been identified in the ‘current and future housing needs’ chapter of the SHMA reports. Nobody knows over how many years they may be built, but over the plan period it is likely that they will be added to the supply. ‘Likely’ because in the event of a housing market crash, the market developments to which they are tied might be halted, and so the commitments might not even be built within the plan period.

STEP 2.4 – units to be taken out of management, 445 units

- C4.11 The draft guide 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 proposed number of affordable dwellings expected to be ‘taken out of management’ in the future was 445 (in Mansfield) and hence this figure has been removed from the total of available stock used in this step of the model.

STEP 2.5 – total stock available to meet current need, 3,086 dwellings

- C4.12 The total stock available to meet current needs is therefore the sum of steps 2.1 to 2.4. Overall it is estimated that this figure will be 3,086 (3,321+210-445).

STEP 2.6 – total current unmet housing need, 4,156 households

- C4.13 This is the sum of step 1.4 (total current gross housing need) minus step 2.5 (total available stock to meet current need). The figure for this stage is therefore 7,242-3,086.

STEP 2.7 – quota to reduce levels of current need 20% of step 2.6

C4.14 It is now necessary to make a judgement about the rate at which the identified current need should be met. The DCLG draft guide suggests that the quota should be based upon meeting the need over a period of five years (although this could be varied to meet alternative time periods such as for the LDF). In this study, and for the purposes of comparability with other assessment conducted by Fordham Research, we have set the period to five years. This essentially means that 20% of the current unmet need should be addressed each year.

STEP 2.8 – annual requirement to reduce the level of current unmet need, 831 dwellings

C4.15 Step 2.8 is the number of affordable units that are needed each year to address levels of unmet housing need. The figure is simply calculated as the figure at step 2.6 multiplied by the figure at step 2.7.

STAGE 3: Newly arising need

STEP 3.1 – new household formation, 6,093 households

C4.16 This step requires an estimate of the number of new households likely to form per annum in the future. We have used information about past trends in households forming for the first time over the past two years. The method used is in line with advice given in the DCLG 2000 guidance, and is considered to be most robust, as we are able to accurately profile the financial and household situation of newly forming households.

C4.17 The figures used include newly forming households who form from households currently living in the Sub-region and in-migrant households (newly forming only). Additional in-migrating existing households are included in step 3.3 below. In addition it is worth noting that some newly forming households will be expected to out-migrate (and do not therefore need to be considered as part of this assessment).

STEP 3.2 – proportion of newly forming households unable to buy or rent in the market, 37.8%, 2,304 households

C4.18 This step assesses the proportion of newly forming households who are unable to access market housing without the need for some form of subsidy. Again this information is based on the past trend data about households who have recently formed in the Sub-region. In assessing affordability we assume that households who have been able to secure owner-occupied housing can afford the market and that households accessing tied accommodation do not require affordable housing.

C4.19 The standard affordability test (see Appendix XX) is then applied to the remaining households to test their ability to afford market housing. This takes account of the full range of financial information along with property price/rent data and information about household's size requirements. Overall, it is estimated that 37.8% of the 6,093 newly forming households are unable to afford market housing without some form of subsidy. This is 2,304 households per annum.

STEP 3.3 – existing households falling into need, 4,578 households

C4.20 An estimate of existing households falling into need is made by looking at past trends in households moving within or into the sub- region through in-migration. Figures exclude households who recently formed which are dealt with in steps 3.1 and 3.2. It is estimated that the number of existing households falling into need is 4,578 per annum.

STEP 3.4 – total annual newly arising housing need, 6,882 households

C4.21 This is simply the figures from step 3.2 and step 3.3 added together. These figures are 2,304 and 4,578 and sum to give an annual gross figure for future households in need.

STAGE 4: Future supply of affordable housing

STEP 4.1 – annual supply of social relets, 4,552 dwellings

C4.22 Step 4.1 of the model is an estimate of likely future relets from the social rented stock. The draft guidance suggest that this should be based on past trend data which can be taken as a prediction for the future. This is secondary data. The guidance also suggests the use of a three year average. However in this instance we have looked at trend data for the past two years only. This is done simply to allow consistency with the projected needs section (STAGE 3) where figures were all calculated on an annual basis based on trends over the past two years. Vacant property let to existing social tenants are known as 'transfers' and are not included within the supply figures. This because a further vacancy will normally occur unless the former property is demolished. Full calculations have been based on information from the HSSA data and CORE database.

STEP 4.2 – annual supply of intermediate housing, 112 dwellings

C4.23 In addition to the supply of social rented housing it is necessary to look at the supply of intermediate housing. In Northern Sub-region we have based these estimates on the likely availability of shared ownership re-sales. Overall the supply of intermediate housing from the current stock of dwellings is relatively small.

STEP 4.3 – annual supply of affordable housing units, 4,664 dwellings

C4.24 Step 4.3 brings together the data from the previous two steps to provide an estimate of the overall supply of affordable housing expected in the future. This is therefore 4,552 plus 112.

Net Shortfall or Surplus of Affordable Housing

C4.25 We are now able to estimate the overall shortfall or surplus of affordable housing. The following table summarises all of the above stages. As can be seen the analysis suggests that over the next five years there is expected to be a shortfall of affordable housing of 3,049 units per annum.

Table C4.2 Detailed needs assessment table for the Northern Sub-region		
Stage and step in calculation	formula	Output
STAGE 1: CURRENT UNMET NEED		
1.1 Current occupiers of affordable housing in need		3,321
1.2 plus households from other tenures in need		3,851
1.3 plus households without self-contained accommodation		70
1.4 equals total current housing need	$1.1+1.2+1.3$	7,242
STAGE 2: AVAILABLE STOCK TO OFFSET CURRENT NEED		
2.1 Current occupiers of affordable housing in need		3,321
2.2 plus surplus stock		210
2.3 plus committed supply of new affordable units		-
2.4 minus units to be taken out of management		445
2.5 equals total stock available to meet current need	$2.1+2.2+2.3-2.4$	3,086
2.6 equals total current unmet housing need	$1.4-2.5$	4,156
2.7 times annual quota for the reduction of current need		20%
2.8 equals annual requirement of units to reduce current need	2.6×2.7	831
STAGE 3: NEWLY ARISING NEED		
3.1 New household formation (per year)		6,093
3.2 times proportion of new households unable to buy or rent in the market		37.8%
3.3 plus existing households falling into need		4,578
3.4 equals total newly arising housing need per year	$(3.1 \times 3.2) + 3.3$	6,882
STAGE 4: FUTURE SUPPLY OF AFFORDABLE UNITS		
4.1 Annual supply of social relets		4,552
4.2 plus annual supply of intermediate housing available for relet or resale at sub-market levels		112
4.3 equals annual supply of affordable units	$4.1+4.2$	4,664
NET SHORTFALL OR SURPLUS OF AFFORDABLE UNITS		
Overall shortfall or surplus	$2.8+3.4-4.3$	3,049

Source: Northern Sub-region Housing Market Assessment

C4.26 Following the DCLG model for assessing affordable housing requirements it is clear that Northern Sub-region is likely to face a significant pressure on its affordable stock over the next five years.

C5. Balancing Housing Markets Model

Introduction

C5.1 This Appendix is divided into two parts: the first explains the basis for the BHM model. The second provides the key demand, supply and net balance tables used in the study.

Part 1: Description of the BHM model

Purpose of model

- C5.2 A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. The notion has been brought into prominence by the work of the Audit Commission in assessing councils' performance (Comprehensive Performance Assessment (CPA) of District authorities).
- C5.3 The drafting of PPS3 has gone further by moving the requirements of housing analysis away from only the affordable sector toward a more holistic approach assessing the entire market. The BHM model provides an important output in enabling the Council to monitor the housing market and understand where they may help rebalance the market.
- C5.4 This chapter outlines and applies a BHM analysis; data concerning supply and demand within different tenures allows a consideration of the extent to which the local housing market is balanced.
- C5.5 Whilst one of the outputs of the BHM model is an estimate of the shortfall of affordable housing, this should not be taken as an estimate of the absolute need for such housing. This is provided in the previous section, which follows the prescribed Government guidance on how to calculate such a figure. Unlike the affordable housing requirement model followed in the previous chapter, there is only very general guidance provided for a BHM analysis.
- C5.6 The Housing Market Assessment Manual published by ODPM in 2004 set out an emerging framework to better understand the supply-demand dynamics of the housing market. At the core of the suggested framework is an understanding of the dynamics between demand and supply. As the Manual suggested:

'A key consideration in analysing the housing market at Sub-regional and local level is to identify the extent to which there are imbalances in the demand for and supply of housing. The balance between dwelling stock and number of households seeking that housing is – in broad terms – what defines the existence of low or high demand' (Page 63).

- C5.7 This emphasis on understanding the dynamics of the whole housing market has continued through to the publication of the final Practice Guidance for Strategic Housing Market Assessments in March 2007. A whole chapter in this document has its core requirement to:

'Derive estimates of the scale of future housing demand across the whole housing market' (Page 35).

C5.8 It is this element of the framework that analysis of data collected within the survey is of particular relevance. No approach is presented in the Strategic Housing Market Assessments Guidance that enables the results required under PPS3 to be produced, but Fordham Research has developed an approach based on an adapted gross flows methodology. This is termed the 'balancing housing market analysis' and presents information on the imbalances between the main housing sectors (owner-occupied, private rented, intermediate and social rented housing) by property type and size.

Methodology

C5.9 In essence it balances the likely demand from three sources:

- Newly forming households
- In-migrant households
- Existing households moving within the area

C5.10 With the supply from three sources:

- Household dissolution
- Out-migrant households
- Existing households moving within the area

C5.11 This leads to an imbalance between the demands of moving households against the supply of dwellings likely to become available. Information on the nature of the dwellings supplied and demanded is collected within the postal survey. The balancing housing market methodology is based principally on household's future intentions, with the exception of in-migrant households which must be based on past trend information. Information is collected from households that need and or would like to move in the next two years about their expected location, the size and type of home they expect, their expected tenure and the tenure, type and size of their current home. The financial information collected in the survey is used to inform household's affordability assessments.

C5.12 The six stages in detail are:

- **Stage 1. Supply from household dissolution:** Assessing the size, type and tenure of dwellings likely to become available from household dissolution (using national mortality rates).
- **Stage 2. Supply from out-migrant households:** Assessing the size, type and tenure of dwellings existing households that expect to move elsewhere in the HMA are going to make available.

- **Stage 3. Supply from existing households:** Assessing the size, type and tenure of existing households that expect to move out of the HMA are going to make available.
- **Stage 4. Demand from in-migrant households:** Assessing the size, type and tenure of accommodation secured by households that recently moved into the HMA. Information on the household's current financial capacity is used to assess whether any of these moves would have resulted in a different current tenure where they to have taken place now.
- **Stage 5. Demand from newly forming households:** Assessing whether concealed households that expect to move elsewhere in the HMA can afford their expected tenure, type and size of accommodation using the methodology described below.
- **Stage 6. Demand from existing households:** Assessing whether existing households that expect to move elsewhere in the HMA can afford their expected tenure, type and size of accommodation using the methodology described below.

Methodology for assessing demand from newly forming and existing households

C5.13 The following table outlines the methodology used to initially assess the tenure demand from these households. The first affordability test used is that recommended in the draft practice guidance and described in chapter 4.

Table C5.1 Information used to determine appropriate tenure household will require

<i>Tenure expectation</i>	<i>Able to afford market housing?</i>	<i>Able to afford intermediate housing?</i>	<i>Outcome</i>
Owner-occupation	Yes	NA	Owner-occupation
	No	Yes	Intermediate housing
		No	Social rented
Private rent	Yes	NA	Private rented
	No	NA	Social rented
Intermediate housing	Yes	NA	Owner-occupation
	No	Yes	Intermediate housing
		No	Social rented
Social rented	Yes	NA	Private rented
	No	Yes	Intermediate housing
		No	Social rented

Source: Fordham Research REAP SHMA 2006

- C5.14 A model based solely on the affordability test recommended by the guidance would produce results that would imply major restructuring of the requirement would be required. In reality the supply of housing available for households to move into affects their choices and there is substantial evidence that households are currently paying more than a quarter of their income on rent or are able to obtain mortgages at higher income multiples than 2.9/3.5. Therefore the demand from households is re-assessed using the same methodology described in the table above but using a range of different affordability scenarios. Account is also made of how the role of the private rented sector in housing those that would otherwise be in affordable housing (those on housing benefit).
- C5.15 The production of results based on different scenarios becomes an iterative process which is continued until the average variance of the difference between the proportional distribution of demand and supply is less than 2%. This is chosen because the Council are limited in their ability to modify the market and at 2% the results highlight the imbalances that require the most acute action and identify the balance of new housing the Council should pursue over the next few years.

Part 2: Detailed BHM data and results

Ashfield BHM results

C5.16 The results of the analysis can be summarised as follows:

Growth – 1,080 per annum

Demand

New households forming within the Local Authority area – 1,101

In-migration – 7,760

Households moving within the Local Authority area – 2,777

Total demand = 5,638

Supply

Household dissolution (through death) – 481

Out-migrant – 1,300

Households moving within the Local Authority area – 2,777

Total supply = 4,558

C5.17 The results of the calculations are shown in the following table:

Table C5.2 BHM – Ashfield Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	364	206	35	-107	498
Private rent	231	15	-31	-0	215
Intermediate	0	95	34	0	129
Social rent	-46	102	181	0	237
TOTAL	549	418	219	-107	1,080

C5.18 The details of the individual demand components are presented in the following four tables:

Table C5.3 Ashfield Demand I: Household formation by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	195	200	30	0	425
Private rent	220	173	0	0	392
Intermediate	0	22	0	0	22
Social rent	55	207	0	0	262
TOTAL	469	602	30	0	1,101

Table C5.4 Ashfield Demand II: Demand from in-migrants by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	30	172	816	259	1,277
Private rent	0	160	137	0	297
Intermediate	0	54	0	0	54
Social rent	44	55	33	0	132
TOTAL	74	441	987	259	1,760

Table C5.5 Ashfield Demand III: Demand from existing households by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	182	643	806	171	1,802
Private rent	112	42	37	0	190
Intermediate	0	20	58	0	78
Social rent	102	290	315	0	707
TOTAL	396	994	1,216	171	2,777

Table C5.6 Ashfield Demand IV: Total demand by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	407	1,015	1,653	429	3,504
Private rent	332	374	174	0	879
Intermediate	0	96	58	0	154
Social rent	200	552	348	0	1,101
TOTAL	939	2,036	2,233	429	5,638

C5.19 The details of the individual supply components are presented in the following four tables:

Table C5.7 Ashfield Supply I: Supply from household dissolution

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	8	141	182	5	336
Private rent	5	3	1	0	9
Intermediate	0	0	0	0	1
Social rent	66	49	20	0	135
TOTAL	79	194	203	5	481

Table C5.8 Ashfield Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	13	192	531	332	1,068
Private rent	0	114	52	0	166
Intermediate	0	0	24	0	24
Social rent	0	42	0	0	42
TOTAL	13	348	607	332	1,300

Table C5.9 Ashfield Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	22	476	905	199	1,601
Private rent	96	242	152	0	490
Intermediate	0	0	0	0	0
Social rent	180	359	147	0	686
TOTAL	298	1,076	1,204	199	2,777

Table C5.10 Ashfield Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	43	809	1,617	536	3,006
Private rent	101	359	205	0	664
Intermediate	0	0	24	0	24
Social rent	246	450	167	0	863
TOTAL	390	1,618	2,014	536	4,558

Bassetlaw results

C5.20 The results of the analysis can be summarised as follows:

Growth – 261 per annum

Demand

New households forming within the Local Authority area – 606

In-migration – 1,652

Households moving within the Local Authority area – 2,432

Total demand = 4,690

Supply

Household dissolution (through death) – 402

Out-migrant – 1,595

Households moving within the Local Authority area – 2,432

Total supply = 4,429

C5.21 The results of the calculations are shown in the following table:

Table C5.11 BHM – Bassetlaw Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	151	-86	-91	10	-16
Private rent	71	-76	-114	-35	-153
Intermediate	0	5	-13	0	-8
Social rent	42	351	68	-23	438
TOTAL	265	193	-149	-48	261

C5.22 The details of the individual demand components are presented in the following four tables:

Table C5.12 Bassetlaw Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	39	112	118	0	269
Private rent	52	14	17	0	83
Intermediate	0	12	0	0	12
Social rent	49	157	35	0	242
TOTAL	140	295	171	0	606

Table C5.13 Bassetlaw Demand II: Demand from in-migrants by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	188	439	346	972
Private rent	86	166	110	62	424
Intermediate	0	15	0	0	15
Social rent	100	124	17	0	241
TOTAL	186	493	566	407	1,652

Table C5.14 Bassetlaw Demand III: Demand from existing households by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	113	333	648	284	1,378
Private rent	82	155	121	0	358
Intermediate	0	0	29	0	29
Social rent	172	395	100	0	667
TOTAL	367	883	898	284	2,432

Table C5.15 Bassetlaw Demand IV: Total demand by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	151	633	1,205	630	2,620
Private rent	221	335	248	62	865
Intermediate	0	27	29	0	56
Social rent	321	676	153	0	1,149
TOTAL	693	1,671	1,635	691	4,690

C5.23 The details of the individual supply components are presented in the following four tables:

Table C5.16 Bassetlaw Supply I: Supply from household dissolution					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	84	90	19	192
Private rent	2	18	2	3	25
Intermediate	0	4	0	0	4
Social rent	78	82	20	0	181
TOTAL	79	188	113	22	402

Table C5.17 Bassetlaw Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	252	554	424	1,230
Private rent	13	151	24	70	258
Intermediate	0	0	22	0	22
Social rent	43	41	0	0	85
TOTAL	57	444	600	495	1,595

Table C5.18 Bassetlaw Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	384	652	176	1,213
Private rent	134	242	335	23	735
Intermediate	0	18	20	0	38
Social rent	157	201	64	23	445
TOTAL	292	846	1,071	223	2,432

Table C5.19 Bassetlaw Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	720	1,296	620	2,635
Private rent	149	411	362	96	1,018
Intermediate	0	23	42	0	65
Social rent	279	325	84	23	711
TOTAL	428	1,478	1,784	739	4,429

Bolsover results

C5.24 The results of the analysis can be summarised as follows:

Growth – 476 per annum

Demand

New households forming within the Local Authority area – 507

In-migration – 1,300

Households moving within the Local Authority area – 1,518

Total demand = 3,325

Supply

Household dissolution (through death) – 308

Out-migrant – 1,023

Households moving within the Local Authority area – 1,518

Total supply = 2,849

C5.25 The results of the calculations are shown in the following table:

Table C5.20 BHM – Bolsover Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	59	328	-272	116	230
Private rent	-6	-83	35	-7	-61
Intermediate	0	-4	-0	0	-4
Social rent	-30	85	236	19	310
TOTAL	23	326	-1	128	476

C5.26 The details of the individual demand components are presented in the following four tables:

Table C5.21 Bolsover Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	20	113	50	0	183
Private rent	10	104	0	0	114
Intermediate	0	0	0	0	0
Social rent	45	66	98	0	210
TOTAL	75	284	148	0	507

Table C5.22 Bolsover Demand II: Demand from in-migrants by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	27	247	547	185	1,005
Private rent	20	64	60	7	152
Intermediate	0	0	0	0	0
Social rent	0	122	21	0	143
TOTAL	47	433	628	192	1,300

Table C5.23 Bolsover Demand III: Demand from existing households by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	25	291	238	245	799
Private rent	21	96	60	0	177
Intermediate	0	0	0	0	0
Social rent	32	217	274	19	542
TOTAL	78	604	572	264	1,518

Table C5.24 Bolsover Demand IV: Total demand by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	72	651	834	430	1,987
Private rent	51	264	120	7	443
Intermediate	0	0	0	0	0
Social rent	78	405	394	19	895
TOTAL	201	1,320	1,348	456	3,325

C5.27 The details of the individual supply components are presented in the following four tables:

Table C5.25 Bolsover Supply I: Supply from household dissolution

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	2	51	88	4	145
Private rent	1	6	9	0	16
Intermediate	0	4	0	0	4
Social rent	38	94	12	0	143
TOTAL	40	154	110	4	308

Table C5.26 Bolsover Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	11	120	483	149	763
Private rent	15	89	30	14	149
Intermediate	0	0	0	0	0
Social rent	0	111	0	0	111
TOTAL	26	321	513	163	1,023

Table C5.27 Bolsover Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	153	536	161	849
Private rent	41	252	45	0	339
Intermediate	0	0	0	0	0
Social rent	70	115	145	0	330
TOTAL	111	520	726	161	1,518

Table C5.28 Bolsover Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	13	323	1,107	314	1,757
Private rent	57	348	85	14	503
Intermediate	0	4	0	0	4
Social rent	107	320	158	0	585
TOTAL	178	994	1,349	328	2,849

Chesterfield results

C5.28 The results of the analysis can be summarised as follows:

Growth – 1000 per annum

Demand

New households forming within the Local Authority area – 847

In-migration – 1,705

Households moving within the Local Authority area – 2,753

Total demand = 5,305

Supply

Household dissolution (through death) – 462

Out-migrant – 1,090

Households moving within the Local Authority area – 2,753

Total supply = 4,305

C5.29 The results of the calculations are shown in the following table:

Table C5.29 BHM – Chesterfield Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	97	192	-79	76	287
Private rent	236	283	63	-0	583
Intermediate	0	16	0	0	16
Social rent	-115	168	74	-13	114
TOTAL	219	659	59	63	1,000

C5.30 The details of the individual demand components are presented in the following four tables:

Table C5.30 Chesterfield Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	48	187	24	0	259
Private rent	183	83	0	0	266
Intermediate	0	42	0	0	42
Social rent	129	151	0	0	280
TOTAL	360	463	24	0	847

Table C5.31 Chesterfield Demand II: Demand from in-migrants by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	18	408	379	151	956
Private rent	168	284	66	0	518
Intermediate	0	0	0	0	0
Social rent	162	69	0	0	231
TOTAL	349	761	445	151	1,705

Table C5.32 Chesterfield Demand III: Demand from existing households by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	69	410	532	281	1,292
Private rent	109	131	195	0	435
Intermediate	0	0	0	0	0
Social rent	214	496	299	17	1,026
TOTAL	392	1,037	1,026	298	2,753

Table C5.33 Chesterfield Demand IV: Total demand by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	135	1,005	936	432	2,507
Private rent	461	498	261	0	1,220
Intermediate	0	42	0	0	42
Social rent	505	716	299	17	1,536
TOTAL	1,100	2,261	1,495	449	5,305

The details of the individual supply components are presented in the following four tables:

Table C5.34 Chesterfield Supply I: Supply from household dissolution					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	20	56	122	16	215
Private rent	4	1	7	0	12
Intermediate	0	7	0	0	7
Social rent	148	53	27	0	228
TOTAL	172	118	156	16	462

Table C5.35 Chesterfield Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	247	277	195	720
Private rent	59	24	25	0	107
Intermediate	0	0	0	0	0
Social rent	78	123	32	30	263
TOTAL	137	395	334	225	1,090

Table C5.36 Chesterfield Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	17	509	614	144	1,285
Private rent	162	190	166	0	518
Intermediate	0	18	0	0	18
Social rent	394	372	166	0	931
TOTAL	573	1,089	947	144	2,753

Table C5.37 Chesterfield Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	37	813	1,014	356	2,220
Private rent	224	215	198	0	637
Intermediate	0	25	0	0	25
Social rent	619	548	225	30	1,422
TOTAL	881	1,602	1,437	386	4,305

Mansfield results

C5.31 The results of the analysis can be summarised as follows:

Growth – 1000 per annum

Demand

New households forming within the Local Authority area – 847

In-migration – 1,705

Households moving within the Local Authority area – 2,753

Total demand = 5,305

Supply

Household dissolution (through death) – 462

Out-migrant – 1,090

Households moving within the Local Authority area – 2,753

Total supply = 4,305

C5.32 The results of the calculations are shown in the following table:

Table C5.38 BHM – Mansfield Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	238	424	-58	88	693
Private rent	49	-33	-121	-0	-105
Intermediate	0	-3	17	0	14
Social rent	-20	290	24	-37	257
TOTAL	268	678	-138	51	859

C5.33 The details of the individual demand components are presented in the following four tables:

Table C5.39 Mansfield Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	137	330	67	0	534
Private rent	79	119	0	0	198
Intermediate	0	0	0	0	0
Social rent	78	102	0	0	179
TOTAL	294	550	67	0	912

Table C5.40 Mansfield Demand II: Demand from in-migrants by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	58	222	448	171	900
Private rent	40	167	93	0	299
Intermediate	0	0	0	0	0
Social rent	20	12	97	0	129
TOTAL	118	400	638	171	1,327

Table C5.41 Mansfield Demand III: Demand from existing households by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	64	473	513	293	1,343
Private rent	33	131	149	0	314
Intermediate	0	0	21	0	21
Social rent	183	406	243	0	832
TOTAL	280	1,010	927	293	2,509

Table C5.42 Mansfield Demand IV: Total demand by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	259	1,024	1,029	464	2,776
Private rent	152	417	242	0	811
Intermediate	0	0	21	0	21
Social rent	281	519	340	0	1,140
TOTAL	692	1,960	1,632	464	4,748

C5.34 The details of the individual supply components are presented in the following four tables:

Table C5.43 Mansfield Supply I: Supply from household dissolution

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	8	74	120	21	222
Private rent	3	8	9	0	20
Intermediate	0	3	4	0	7
Social rent	65	44	6	8	122
TOTAL	76	129	138	29	371

Table C5.44 Mansfield Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	126	363	133	621
Private rent	40	91	19	0	149
Intermediate	0	0	0	0	0
Social rent	136	18	56	29	239
TOTAL	176	234	437	161	1,009

Table C5.45 Mansfield Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	13	401	605	222	1,241
Private rent	59	351	336	0	747
Intermediate	0	0	0	0	0
Social rent	100	167	254	0	522
TOTAL	172	919	1,195	222	2,509

Table C5.46 Mansfield Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	21	600	1,087	376	2,084
Private rent	103	450	363	0	916
Intermediate	0	3	4	0	7
Social rent	301	229	316	37	883
TOTAL	424	1,282	1,770	413	3,889

North East Derbyshire results

C5.35 The results of the analysis can be summarised as follows:

Growth – 630 per annum

Demand

New households forming within the Local Authority area – 573

In-migration – 1,717

Households moving within the Local Authority area – 1,482

Total demand = 3,772

Supply

Household dissolution (through death) – 415

Out-migrant – 1,245

Households moving within the Local Authority area – 1,482

Total supply = 3,142

C5.36 The results of the calculations are shown in the following table:

Table C5.47 BHM – North East Derbyshire Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	96	43	38	21	198
Private rent	68	279	-69	13	291
Intermediate	18	8	-0	0	26
Social rent	6	181	-94	22	114
TOTAL	189	510	-125	56	630

C5.37 The details of the individual demand components are presented in the following four tables:

Table C5.48 North East Derbyshire Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	19	108	61	0	187
Private rent	27	106	14	0	147
Intermediate	18	21	0	0	39
Social rent	46	147	7	0	200
TOTAL	109	383	81	0	573

Table C5.49 North East Derbyshire Demand II: Demand from in-migrants by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	17	306	508	227	1,057
Private rent	58	241	26	24	349
Intermediate	0	0	0	0	0
Social rent	42	145	102	22	311
TOTAL	117	692	635	273	1,717

Table C5.50 North East Derbyshire Demand III: Demand from existing households by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	86	312	274	206	878
Private rent	43	72	29	27	171
Intermediate	0	0	0	0	0
Social rent	135	187	110	0	433
TOTAL	265	571	413	233	1,482

Table C5.51 North East Derbyshire Demand IV: Total demand by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	122	725	842	433	2,123
Private rent	128	419	68	52	667
Intermediate	18	21	0	0	39
Social rent	223	480	219	22	944
TOTAL	491	1,645	1,129	506	3,772

The details of the individual supply components are presented in the following four tables:

Table C5.52 North East Derbyshire Supply I: Supply from household dissolution					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	3	94	99	11	207
Private rent	0	20	4	5	29
Intermediate	0	0	0	0	0
Social rent	63	86	30	0	179
TOTAL	66	199	133	16	415

Table C5.53 North East Derbyshire Supply II: Supply from out-migrant households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	11	374	271	178	835
Private rent	0	108	85	17	209
Intermediate	0	13	0	0	13
Social rent	49	117	22	0	187
TOTAL	60	612	378	195	1,245

Table C5.54 North East Derbyshire Supply III: Supply from existing households

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	11	215	433	222	882
Private rent	59	13	49	17	137
Intermediate	0	0	0	0	0
Social rent	105	96	262	0	463
TOTAL	176	323	744	239	1,482

Table C5.55 North East Derbyshire Supply IV: Total supply by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	26	683	804	412	1,924
Private rent	60	140	138	39	376
Intermediate	0	13	0	0	13
Social rent	217	299	313	0	829
TOTAL	303	1,134	1,254	450	3,142

Newark and Sherwood results

C5.38 The results of the analysis can be summarised as follows:

Growth – 1350 per annum

Demand

New households forming within the Local Authority area – 763

In-migration – 2,160

Households moving within the Local Authority area – 2,367

Total demand = 5,290

Supply

Household dissolution (through death) – 429

Out-migrant – 1,144

Households moving within the Local Authority area – 2,367

Total supply = 3,940

C5.39 The results of the calculations are shown in the following table:

Table C5.57 BHM – Newark and Sherwood Overall results					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	213	227	211	279	930
Private rent	168	149	43	12	371
Intermediate	44	3	20	30	97
Social rent	-4	-126	115	-33	-48
TOTAL	420	253	390	287	1,350

C5.40 The details of the individual demand components are presented in the following four tables:

Table C5.58 Newark and Sherwood Demand I: Household formation by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	121	265	57	0	443
Private rent	152	52	0	0	204
Intermediate	44	38	0	0	81
Social rent	34	0	0	0	34
TOTAL	351	355	57	0	763

Table C5.59 Newark and Sherwood Demand II: Demand from in-migrants by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	259	735	497	1,491
Private rent	51	306	148	40	545
Intermediate	0	0	0	0	0
Social rent	13	64	47	0	124
TOTAL	64	629	930	537	2,160

Table C5.60 Newark and Sherwood Demand III: Demand from existing households by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	132	375	588	249	1,344
Private rent	87	243	50	17	397
Intermediate	0	0	20	30	50
Social rent	191	194	191	0	576
TOTAL	411	812	849	296	2,367

Table C5.61 Newark and Sherwood Demand IV: Total demand by tenure and size required

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	253	900	1,380	745	3,279
Private rent	291	600	197	58	1,146
Intermediate	44	38	20	30	132
Social rent	238	257	238	0	734
TOTAL	825	1,795	1,836	833	5,290

The details of the individual supply components are presented in the following four tables:

Table C5.62 Newark and Sherwood Supply I: Supply from household dissolution

Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	14	113	99	24	250
Private rent	1	12	10	0	23
Intermediate	0	1	0	0	2
Social rent	73	74	5	3	155
TOTAL	89	200	113	27	429

Table C5.63 Newark and Sherwood Supply II: Supply from out-migrant households					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	25	229	460	174	888
Private rent	26	133	21	28	208
Intermediate	0	0	0	0	0
Social rent	0	23	25	0	48
TOTAL	51	385	505	202	1,144

Table C5.64 Newark and Sherwood Supply III: Supply from existing households					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	0	331	610	269	1,210
Private rent	96	307	124	17	544
Intermediate	0	33	0	0	33
Social rent	169	286	93	31	579
TOTAL	265	957	828	317	2,367

Table C5.65 Newark and Sherwood Supply IV: Total supply by tenure and size required					
Tenure	Number of bedrooms				TOTAL
	1	2	3	4+	
Owner-occupied	40	673	1,169	467	2,348
Private rent	123	452	155	46	775
Intermediate	0	35	0	0	35
Social rent	243	383	123	33	782
TOTAL	405	1,543	1,446	546	3,940

PART D STAKEHOLDER INPUTS

D1. Stakeholder inputs

Introduction

D1.1 Stakeholder input to the study was achieved through a variety of means. The principal routes are described below.

Stakeholder involvement

D1.2 Stakeholders were involved in the study through the following means.

(a) Stakeholder Forum

D1.3 Three separate events were organised to secure stakeholder input.

D1.4 An initial meeting on 7 July 2006 provided input to the scoping process. A second Forum event on 18 October 2006 provided an opportunity for stakeholder feedback to the initial results. At a third event on 23 November 2006 a further Q & A session allowed further opportunity for stakeholders to raise issues and concerns about the study findings.

D1.5 Fordham Research also attended a Stakeholder Forum held on 27 September 2006 in respect of the Nottingham Core Housing Market Area Assessment.

(b) Structured telephone interviews

D1.6 Structured interviews were conducted with a range of stakeholders and internal departments of the seven participating Districts.

(c) Visits to Estate & Lettings Agents

D1.7 Visits were made to a total of 26 agents' offices. These were located in:

Ashfield 3	Bolsover 2	Chesterfield 3
Clay Cross 1	Dronfield 1	Hucknall 2
Newark 3	Mansfield 4	Retford 2
Southwell 1	Worksop 4	

D1.8 Agents were interviewed and provided qualitative feedback on the nature of local markets,

(d) Other meetings & telephone discussions

D1.9 A range of other meetings and telephone discussions were held with stakeholders and other parties. These were a combination of planned and ad hoc discussions.

(e) Newsletter

D1.10 In addition to the above, two editions of a Stakeholder Newsletter were circulated to all addressees on the List of Stakeholders identified by the client councils.

Stakeholder Participation

D1.11 Organisations who participated in one or more of the above stakeholder events (Items 1 to 4) are listed below.

Barratt
Ben Bailey Homes
Bob Line
Bovis Homes (initial contact only)
City of Lincoln
David Blount
David Wilson Homes
Derbyshire Supporting People
Derbyshire County Council
Derwent Living HA
E Midlands HA
Eastern Shires Housing Group
East Midlands Development Agency
EMRA
Freeth Cartwright
GOEM
Hallam Land Management Ltd
Home Housing
Housing Corporation
Landlords' Forum
Longhurst Homes and Longhurst Group
Lovells
Mansfield Area Community Partnership
McCann Homes
Meden Valley Making Places Ltd
Midlands Rural Housing/East Midlands Rural Affairs Forum
Newark & Sherwood Homes
Nottingham City Council

Nottinghamshire County Council
Nottinghamshire Community Housing Association
Nottinghamshire Rural Community Council
Nottinghamshire Supporting People
Rushcliffe DC
Trent Valley Partnership
William Davis (initial contact only)

D2. Feedback from Ashfield DC

D2.1 Ashfield DC was a member of the Steering Group for the SHMA, but is also a stakeholder. The Council felt that in the case of two issues they had some remaining concerns. The concerns on Hucknall were considered and weighed up in the relevant sections of the Northern Sub-region (Chapter 4) and Nottingham Outer (Chapter 3) but the Council wished its views to be expressed as below. In the second case, of the DEFRA rural/urban classification a note has been made in the main text of both Northern Sub-region and Nottingham Outer reports directing readers to this extract, but it is not possible to change the DEFRA classification.

D2.2 Formal statement from Ashfield DC:

Hucknall

D2.3 Ashfield District Council strongly feels that Hucknall should be treated as a separate housing market area from the rest of Ashfield District. The Hucknall housing market area has strong links to the Nottingham Core housing market area despite the fact that Hucknall is administratively under the umbrella of Ashfield. The Council has historically separated Hucknall from the rest of Ashfield in terms of all housing needs based upon Sub-Area boundaries identified in the Structure Plan.

D2.4 The council offers the following alternative conclusions based on the Fordham Research Evidence.

- i) Hucknall has a strong link to Nottingham City through place of work data at 32.1% (table 4.7 of Nottingham Outer SHMA), much higher than the links between the rest of Ashfield and Nottingham at only 11%. Whilst the rest of Ashfield has very high place of work links to elsewhere, areas outside of Ashfield and Nottingham.
- ii) Hucknall is connected to Nottingham City with a tramline. The fact that the tramline does not extend further into Ashfield would suggest that all commuters using the tramline are Nottingham bound. This tramline was completed in 2004 after research showed a substantial demand for the link.
- iii) Table 3.2 of this document states that Hucknall shows 37% self containment, however, self containment for the rest of Ashfield is 54%. Movement from Nottingham to Hucknall is 19% whilst movement from Nottingham to the rest of Ashfield stands at 4%. Movement from elsewhere into Hucknall is 41% and movement from elsewhere to the rest of Ashfield is 34%. This series of comparisons clearly show that Hucknall is less self contained than the rest of Ashfield and has

much greater links with Nottingham. It could even be debated whether Hucknall actually has a high level of self containment.

- iv) The recent high levels of speculative interest in developing new homes in Hucknall comes from developer's keen observations on the 63% of households moving to Hucknall as opposed to the 37% who are moving within the town. Developers are also aware that as the mean income for residents of Ashfield is £21,476 (table 5.3 this document) most residents will not be able to afford new build homes and therefore their market lies largely outside of Hucknall.
- v) Classifying Hucknall as administratively under Ashfield should not be a contributory factor in discounting Hucknall's stronger housing market links with Nottingham City as Ashfield District Council has historically treated Hucknall separately, based on Structure Plan Sub-Areas. When the South Nottinghamshire Affordable Housing Needs Model (formulated and approved by 6 Local Authorities in 1997 and subject to 4 subsequent reviews) was applied, it found a marked difference in affordable housing needs and requirements in each area. The split was further reinforced by the 2004 Ashfield Housing Market Study and Needs Assessment and the Ashfield District Council Housing Strategy 2005 – 2010.

D2.5 The council believes that the above interpretation of the evidence provided by Fordham Research, combined with previous studies such as the 2004 Housing Market Study and Needs Assessment, validates its decision to continue to treat Hucknall as a separate housing market area with strong links to the Nottingham Core housing market area.”

D2.6 Ashfield District Council has requested that Fordham Research address our concerns about Hucknall being within a separate housing market area from the rest of Ashfield. The issues surrounding the Hucknall housing market area in Ashfield have not in our opinion been addressed fully and conflicts with neighbouring data and research carried out.

[Fordham Research has considered the matter in detail and come to the conclusions stated in the main text of the Nottingham Outer (Chapter 3) and Northern Sub-region report (Chapter 4)].

Rural/Urban Classification

D2.7 Ashfield District Council accept that the primary data used by Fordham Research, i.e., the National Statistics Rural and Urban Classification of Output Areas, categorises the majority of Ashfield District as 'urban'. However, the oversimplification of postcode data gives a misleading picture and it is considered that the villages lying to the west of the M1 motorway (i.e. Selston, Underwood, Jacksdale and Bagthorpe) should more accurately be defined as Rural in character.

- D2.8 It is assumed that the classification is a result of amalgamating settlements within a close proximity of each other. However, all of these villages are below 10,000 population and there is a strong feeling of individual identity from the local community. This has been reinforced by the outcome of consultation undertaken in the production of the Selston Parish Plan (2006) and the Rural Housing Needs Survey (2005). Redefining these areas will clearly have an impact upon the percentage of rural population in table 11.2, and ultimately the gross supply and need figures currently stated at 0 in table 11.18 of the report.
- D2.9 In order to help remedy this anomaly, it is therefore proposed that Ashfield District Council will make full use of all secondary data available in making policy decisions on rural issues within the District.

PART E OTHER MATERIAL

E1. Policy Context for Rural Areas

The rural question in general

- E1.1 About 20% of the national population live in fairly rural areas. Four out of five people no longer have any day to day contact with the rural environment that even a century or two ago was the home to the majority of the population.
- E1.2 A major step in addressing rural issues was the Rural White Paper ('Our Countryside: the future' 2000). It reviews a wide range of matters that have led to problems for those living in rural areas. The following are some key comments:

'The character vitality and beauty of our countryside are important to all of us. But many rural communities are going through difficult changes. Basic services have become over-stretched. In traditional industries such as farming incomes are falling and jobs are disappearing. There has been pressure for unwelcome development. Wildlife diversity has declined' (Foreword)

'Changes in the countryside is nothing new, but over the past 20 years, the pressures have become acute. Many rural areas are prosperous but elsewhere there is real loss....farm incomes have fallen 60% in the Last five years, as a result of global competition, exchange rates and the effects of BSE' page 9

'In rural counties monitored between 1965 and 1990 each year 1 of 2% of small settlements experienced closure of their Last general store or food shop, representing a loss for around 15% of rural communities over this period. Between 1991 and 1997 a total of 4,000 food shops closed in rural areas. Closures of rural schools increased in the 1970's to reach a peak of 127 in 1983 continuing at around 30 a year up to 1997 and declining to 2 in 1999' page 9

- E1.3 The White Paper goes on to identify a number of areas of concern: the decline of incomes, of service infrastructure and of population. The White Paper addresses the issue of deprivation in rural communities: a problem often made worse by their isolated state, and exacerbated by ill-health.
- E1.4 The White Paper considers the vital services required by villages, and what is involved in improving the situation. Apart from grant aid where appropriate, measures would include more tourism and conservation, trying to balance the need for rural people to earn a living with the need to preserve an environment, Landscape and culture that can both be enjoyed by rural people and by those who come from urban areas and elsewhere to enjoy it.

Other key Guidance

E1.5 'Rural Strategy 2004' from DEFRA sets out a series of important changes to rural policy including objectives of regeneration, social justice, enhancing the value of the countryside and delivery reforms including funding ones.

E1.6 Perhaps the most important of these are:

- i) Each of the nine English regions to develop a Rural Delivery Framework
- ii) The Delivery Framework is then translated via a Rural Action Plan into specific and relevant actions

E1.7 In the present context it is worth noting that the document attributes considerable importance to improving the evidence base.

E1.8 The immediate body involved in this process is EMRAF (East Midlands Rural Affairs Forum). It has produced a draft Delivery Framework (January 2006). This identified a set of priorities, of which the first is improved access to affordable rural housing. The other priorities relate to employment, community development and climate change.

E1.9 A draft Rural Action Plan is emerging and due to be published in 2007. In it a series of 'key facts' are identified. The East Midlands has:

- The poorest overall biodiversity of all English regions
- Biodiversity is declining faster than almost anywhere else in Britain
- Only small areas of many habitat types remain
- The lowest proportion of special scientific interest sites
- Poor or poorer access to rural green space compared with the region's towns and cities (access to their green spaces)

E1.10 These are potential sources in most cases and so not capable of comment. One comment is that the analysis of affordability provided by the Joseph Rowntree analysis does not adequately describe the housing market, whether urban or rural, as it is confined to income. This prevents it using financial capacity, which is the only robust way to analyse affordability.

E1.11 In general it is therefore too early in this process to connect it to the detail in the housing market assessment, though it will be important to do so at a later stage.

The Rural housing Commission

- E1.12 One of the most acute problems for functional rural dwellers has for some time been that market prices and rents for housing have been driven up out of the reach of many households. There are many reasons for this, which include in-migration of formerly urban dwellers. These have capital derived from urban housing markets, and equally that many urban households have come to be able to afford a second home. There is also a general pressure arising from national upward trends in prices and rents. Such pressure obviously tends to be great in areas which are either very attractive to live in, or fairly accessible to urban centres or both.
- E1.13 Recently the Government has set up the Rural Affordable Housing Commission to address the problem, and it published its final report in mid 2006. The report covers the full range of issues from defining the problem to proposing solutions. Two key definitions are worth summarising:

Definitions

Affordable housing and affordability are defined in the same way as in the general guidance: namely that affordable housing must be at below market housing costs, and be either intermediate or social rented.

Rural is defined in terms of areas with settlements having populations under 10,000. However it is recognised that this is a difficult matter, and says that where appropriate it may be more feasible to take whole districts as being rural.

- E1.14 However the definition of council areas in terms of 'rurality' has been the subject of a rather detailed study published by DEFRA (*'Rural definition and Local Authority Classification'* July 2005). Both the broad definition quoted in the previous paragraph and the classification of districts comes from the same research programme. It defined, for 'Census Output Area' (a small scale geographical classification), built up from a basic distinction between 'urban' (over 10,000 population) and various rural sub-categories (rural town, hamlet etc).
- E1.15 Among other things this means that each local authority is classified into three urban or three rural categories, as follows:
1. Major urban (MU)
 2. Large urban (LU)
 3. Other urban (OU)
 4. Significant rural (Social rent)
 5. Rural -50 (at least 50% of population is in the rural categories) (R50)
 6. Rural -80 (at least 80% of population is in the rural categories) (R80)

E1.16 Although the De Montfort University 'Profiles' of March 2006 see the Northern housing market area as 'wholly rural' (page 62) it is hard to see the logic for this, as Chesterfield and its conurbation with Staveley is clearly urban on any measure, and is much more than a market town.. The Nottingham Outer housing market area is mixed, as Newark and Sherwood are quite different from the two urban districts.

E1.17 There is therefore a significant rural dimension to the Northern Sub-region. Whereas only 20% of the national population is rural, and some 30% of the East Midlands' population (EMDA: East Midlands Evidence Base 2006: Vol 1 Chart 5), some 57% of the districts in the Northern Sub-region are rural.

Rural housing need

E1.18 In terms of need, the Commission states:

'The Commission's inquiry has revealed an acute shortage of affordable housing in rural areas of all regions of England' (Section 2 of the Executive Summary)

E1.19 It points out that prices are rising even faster in rural areas than urban: 73% over the period 2000 to 2005 compared with 68% in urban areas, and rural prices are themselves higher than urban ones. At the same time rural earnings are much lower: £17k in rural areas compared with £22k in urban (2004/5 based on individual earnings) (page 15). This highlights the rural housing problem. Clearly the disparity in house prices is due to an urban rather than rural 'driver', which identifies one of the underlying problems of the town dominating the country.

E1.20 The Commission urges more consistency in the measurement of need:

Needs assessment should 'start from the bottom up through housing market and housing need assessments containing enough detail to identify what rural communities have and what they require. The Commission recommend that a consistent means of measuring need is developed which can be operated at local, regional and national levels. Progress will be hampered if the way need is assessed locally is inconsistent with Government's approach nationally' (Section 3.3 of Executive Summary)

- E1.21 This is powerful and significant for the methodology of a housing market assessment. To measure rural housing need in the sort of detail implied, it has to involve combining primary and secondary data. Only using this can data be derived on the types of housing occupied by rural households, afforded by them, and where the gaps are in existing provision. No secondary source can provide the evidence on financial capacity allied to migration patterns and housing problem identification required to meet the stated requirement. But that also means that the regional and national estimate must be rooted in primary data. In turn this means that much more should be done to ensure consistent methods and quality of survey and analysis, as otherwise the regional and national figures will be a mixture of fact and error.
- E1.22 Despite the best efforts to follow the Latest DCLG Guidance, the recently produced 'Calculating housing needs in Rural England' (Commission for Rural Communities May 2006) is an example of this. Although the form of the calculation is like that of the housing needs model in the December 2005 Housing Market Assessment Guide from DCLG (then ODPM) the figures are from secondary sources. As a result, they cannot show the true affordability situation, as there is no way of connecting the income and any financial capacity information to the actual housing circumstances of particular households. The approach is fraught with the likelihood of Large and immeasurable bias, and so the specific results are not pursued further here.
- E1.23 Using its best estimates, the Affordable Rural Housing Commission judges that 11,000 new dwellings should be built in settlements of 10,000 or less. The aim is to achieve new affordable dwellings per rural ward, whose population is typically about 5,000. The Commission recognise that there will be local hostility to any new development in many instances, and calls for a 'bottom up consensus' to ensure that their recommendations are fulfilled.
- E1.24 The Commission does not expect public funding to do the job, sends a clear message:
- We believe that if local authorities use the tools they already have, particularly those relating to quotas and site thresholds, coupled with those we recommend, they may be able to secure considerably more affordable housing, even from current levels of market build.*
- E1.25 This is quite strong. However it is moderated by recognition that local authorities in rural areas have limited staff and budgets, and are often afraid of going out on a limb at planning inquiries which could cost a lot of money. (page 28)

- E1.26 Second homes, which are one of the reasons for upward pressure on price; also have a damaging effect on community life by meaning that the homes in question are only occupied at weekends and by households that do not have any functional connection to the area. The Commission considers that the impact of the problem is, at national scale only modest: 93,000 across all rural areas (p 62) though locally acute on coasts and in areas of high Landscape value.
- E1.27 The Commission makes a number of suggestions for innovative funding of rural housing, and its management. These are not the main focus in the present context, where we are mainly concerned with establishing a reliable evidence base on the nature and extent of the housing needs and problems as a basis for policy analysis.

E2. Northern Sub-regional Housing Strategies Summaries

E2.1 This section of the report summarises the housing strategies of the seven Northern Sub-regional District Councils.

Ashfield District Council

E2.2 Ashfield's Housing Strategy 2005 – 2010 identifies its seven key priorities as:

1. Ensuring that all members of the community have access to a home that is classed as decent in accordance with National Standards
2. Ensuring that all residential neighbourhoods offer a high quality environment where people wish to live and where crime and the fear of crime are minimised
3. Ensuring that the range of local housing supply meets the needs of all sectors of the community
4. Supporting vulnerable people and ensuring that all local residents will be able to live independently in houses of their choosing
5. Ensuring that housing and housing services in Ashfield contribute to an improvement of health of the community
6. Creating inclusive communities who are equally able to participate in the activities of the community
7. Achieving sustainable physical and social regeneration of local communities based on a sufficiently strong local economy

- E2.3 The Council acknowledge that the transition from a manufacturing to a service based economy over the past twenty five years has created significant challenges. Although the economy has diversified as a result of the growth of new industries, a significant proportion of the employment is low paid and unskilled. The State of the District, the Council's comprehensive economic, social and environmental audit of Ashfield undertaken in April 2005, found that between 1998 and 2003, the number of people in employment in Ashfield decreased by 4%, compared to an increase of 5.8% nationally. Also, in 2002 - 2003, the total average income in Ashfield was £16,200, in contrast to the national average of £21,442. Total household income in 2005 averaged just under £20,000 and Ashfield is ranked 395th out of 408 districts in Great Britain for prosperity.
- E2.4 Importantly, whilst wages have risen slowly house prices have risen very steeply, increasing the need for affordable housing. In 2004, the Council calculated that the average house price in Ashfield was £111,078, more than double what it was five years ago. Though this was well below the average for Nottinghamshire (£144,340) and Great Britain (£188,509), it was still far out of the reach of most wage earners in Ashfield¹. Using an affordable housing model, the Council estimates that it would need to obtain over 60% of all new developments for affordable housing. However, it recognises that this is an unrealistic figure, as it would make developing new housing economically unviable, leading developers to reduce new developments in Ashfield. Instead, it seeks a balance between ensuring affordable housing and encouraging new development within Ashfield. Lastly, the further reduction in affordable housing under the Right to Buy legislation combined with decreasing affordability has led to an increase in the number of applicants on the Council's waiting list since 2001. As of 1st April 2005 there were 4,861 applicants on the waiting list and a total of 7,344 council owned properties in Ashfield. This means that the number of applicants waiting for every available vacancy has risen from 3.67 on 1st April 2002 to 6.75 on 1st April 2005.
- E2.5 In response to the need for affordable housing, Ashfield work closely with the District's main affordable housing provider, AHL. AHL manage 7,452 properties owned by the Council and were judged an 'excellent' service with excellent prospects of improvement by the Audit Commission in December 2005. Applicants for their properties are able to choose the area in which they wish to live, down to street level, and they are allocated a property that is of a suitable size and type for their needs. Provision can be made for special needs through disabled facilities grants and housing support workers. The Council also currently work in partnership with Housing Associations and the Housing Corporation to provide new affordable housing through funding from the Single Regional Housing Pot. They have three preferred partner Housing Associations for the development of this type of affordable housing: East Midlands Housing Association, Derwent Living and Metropolitan Housing Trust. Over the past three years the Council has helped them develop over 160 properties across Ashfield.

¹ By Q2 2006 the average house price in Ashfield had risen to £118,748 (BBC, UK House Prices, located at http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/37ub.stm accessed on 15 December 2006).

- E2.6 Most of the new affordable housing that the Council is able to secure for the District comes through Section 106 agreements, which are planning agreements that require developers to provide an element of affordable housing on new developments of over one hectare in area or that contain twenty five dwellings or more. The Housing Strategy Team works closely with the Councils' Development Control Section, developers and Housing Associations in the early stages of planning applications to ensure that the developer provides the right type of affordable housing, the right tenure of affordable housing and in the right position on the estate. (It has been estimated that the Council needs to negotiate through Section 106 agreements, 30 new properties per year to begin to meet the need for affordable housing.) This adds up to 15.8% of the total amount of development expected in this time and is higher than the current average return. The Council currently has agreements with developers for the provision of 412 properties by 2010. Of these properties, 285 will be let through Housing Associations at sub-market rents and 127 properties sold into shared ownership.
- E2.7 Lastly, in 2003/04, a study for the Regional Housing Board found that in Ashfield, potential areas of low or changing demand were all in the Northern Market area. Although many of the decency issues in areas of low or changing demand have been addressed by improvement of the Council's housing, there are still many owner-occupied properties that are below the Decent Homes Standard. The Council plans to spend £3.25 million over the next five years and the Regional Housing Board plan to spend £42.5 million over the next two years across the region. Despite this there will still be insufficient funds to bring 70 percent of the estimated properties up to the Decent Homes Standard by 2010.

Bassetlaw

- E2.8 Similar to neighbouring Districts within the region, over the Last 25 years, Bassetlaw was severely affected by the decline of traditional industries, particularly coal mining and associated activities. However, in recent years economic decline has been reversed and modern industrial development has been attracted to the area, particularly to the Manton Wood Enterprise Zone, as well as a number of other locations. The improvement in Bassetlaw's economic position was reflected in reducing unemployment comparative to regional and national trends.

E2.9 Although the District has become significantly more prosperous in terms of earnings since 2003, house price inflation has outstripped earnings, thus probably making entry to the housing market more difficult. Rental prices has not kept pace with wage inflation and house price inflation, possibly making access to the private rental market slightly easier. House prices have continued to rise in Bassetlaw with minimum prices for a one bed roomed flat reaching £61,000 and a two bed-roomed house reaching £88,000 in 2005. Though wage levels have risen, this has been for less than house price inflation. This has led to more people not being able to gain access to the Housing Market and needing to look to the social sector. A comprehensive Housing Needs Survey was completed by Fordham Research in autumn 2003, and the basic needs assessment was updated through a desk top survey during 2005. In assessing need and identifying priorities, the Council has also taken into account waiting list information, Census Data, Homelessness information (arising from the Homelessness Strategy and Review first undertaken in 2003 and revised in 2005), housing market information and income levels. The 2003 survey analysed existing need (households currently living in unsuitable accommodation and requiring a move to resolve a housing problem) and newly arising need (new household formations) taking into account households requiring affordable housing. The survey reached the conclusion there was an annual gross affordable requirement of 1,028 units in 2003 compared with a supply of 923 leading to a shortfall of 105 units annually (the net affordable requirements). This had increased to 201 units when a desk-top update of the survey was undertaken in 2005.

E2.10 In acknowledging that the Housing Market does not meet the needs of all the local community, Bassetlaw states that increasing the supply of affordable housing, particularly housing for rent, is one of the its key priorities. The Council are looking to achieve this through:

- Working with Registered Social Landlords (Housing Association) to attract public subsidy to the area and increase supply
- Working with developers through Section 106 Planning Agreements to ensure a supply of affordable housing is generated on new development sites
- Working with Private Landlords to stimulate the supply of quality affordable housing for rent in the private sector

- E2.11 Lastly, the Council states that increases in house prices² has meant that there is no longer a good supply of cheaper, older (terraced) property available, particularly in Worksop, to meet demand for lower cost housing for sale. Also, much private developer newbuild has been of the executive type, with the development of 3 and 4 bedroom detached housing particularly popular. To some degree this housing has not benefited local people. The investment requirement of the Councils housing stock to achieve the Decent Homes Standard was estimated at over £103.8 million. The resources available to meet this target, had housing management arrangements remained with the District Council, were estimated at £41.3 million. As it was clear that there was a significant shortfall of £62 million in achieving this expenditure. To be able to increase our resources the Authority has undertaken an Option Appraisal with HACAS Chapman Hendy, who concluded that an LSVT or ALMO was the best way to achieve additional resources.
- E2.12 The ALMO, A1 Housing (Bassetlaw) Ltd became operational from October 2004. Unfortunately, despite continuous improvement in performance, the A1 Housing failed to achieve two star status when inspected by the Audit Commission in May 2005. Of particular concern to the Audit Commission was the way services were procured by A1 Housing. The Council is supporting A1 Housing in delivery of the improvement plan through improved monitoring arrangements and by providing additional resources. However, the Council does have to consider alternatives should it not be possible to access the £62 million borrowing approvals. Options now under further consideration include bringing housing management and maintenance services back in to Council control and voluntary transfer of the stock to a Registered Social Landlord.

Chesterfield

Changes in the Housing Market

- E2.13 Similarly to other Councils within the Sub-region, Chesterfield has witnessed a shift in housing demand in recent years. The Council identifies significant areas of high demand e.g. in the Western part of the HMA, but low levels of demand, e.g. in the Northern/Eastern area. It also states that demand varies in all areas with latterly, sheltered housing demand declining markedly. They are currently working on Local Lettings Policies in order to build sustainable communities and assist with demand issues.

² Q2 2006 average house price for Bassetlaw was £150,165 (BBC, UK House Prices, located at: http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/37uc.stm accessed on 15 December 2006).

- E2.14 Consistent with regional and national housing trends, housing affordability has become a major issue. Although house prices in Chesterfield are still lower than in other parts of the country, they more than doubled between 1999 and 2004³. This sharp increase, combined with a relatively low wage economy, is impacting on local people in terms of managing their home budgets. The proportion of people unable to buy a reasonable terraced/semi-detached house based on 3.5 times their income now stands at nearly 60%. Around 25% of households cannot afford to move without some form of subsidy. The Council's resources are stretched in terms of meeting needs through existing housing, and the absence of new monies from the Housing Corporation means an over reliance on generating funding from Section 106 Planning Agreements (on expensive brownfield sites) and other sources including Housing Association Resources. The Council argues that whilst its enabling track record is 'second to none', a greatly reduced land bank and the lack of Social Housing Grant will limit any significant new provision for general purpose and special needs housing for the foreseeable future.
- E2.15 In mid-2004 Chesterfield DC completed a local Social Housing Needs and Housing Markets Study. The Study indicated the need for the provision of 125 affordable homes a year. In the longer term this is likely to increase to some 360 homes a year. Significant need for homes with special housing requirements also exists. The survey was based on over 2,700 postal and personal interview surveys. Survey data was weighted for any measurable bias and at the time of the survey it was estimated that there were 44,850 households in the Borough. Prices in Chesterfield more than doubled between 1999 and 2004, rising at a rate of 118%. This is a higher rate than that of both the region and nationally, but average prices in Chesterfield still remain below the equivalent national and regional figures. The average income of households in the Borough was estimated to be £336 per week (net income including non-housing benefits). Average incomes in the Borough are estimated to be around 20% below national averages. Around 25% of households cannot afford to move without the help of some form of subsidy (around three-quarters of these households live in Council housing). The Basic Needs Assessment Model suggests that there is an affordable housing shortfall of 125 units a year. The Balancing Housing Markets Model suggests future needs for affordable housing may be as high as 360 units per year.
- E2.16 These shortfalls in overall numbers mask the fact that in some areas there is an excess of some property types and pockets of low demand that the council will need to address by conversion, sale, partnership, disposal or demolition as appropriate in each circumstance. The survey highlighted that an estimated 15.6% of households contained someone with a special need (6,999 households). Some 621 households feel a need for their homes to be adapted for wheelchair access, and 275 households expect to need some form of specialist accommodation.

³ Q2 2006 average house price for Chesterfield was £139,233 (BBC, UK House Prices, located at: http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/17ud.stm accessed on 15 December 2006).

E2.17 In response to the issues outlined above, Chesterfield is seeking to maximise outputs from Section 106 Agreements through Supplementary Planning Guidance for Developers. They are looking for both onsite provision and commuted sums as appropriate. As well as modest new provision, they will continue to meet needs through making good use of existing stock. Importantly, their Empty Homes Strategy (Revised and Updated in May 2004) will play a key role in:

- Making available private rented stock for people on our Waiting List.
- Supporting first-time buyers acquiring long-term empty homes with renovation grant funding to help repair and improve their homes.
- Addressing market imbalances and affordability issues through our partnership with Home Housing Association, by re-marketing empty homes on a shared ownership basis.
- Making these properties available for homeless people, people on the Waiting List and BME families. It also supports our special housing needs strategies.

E2.18 They are also seeking to support RSLs by proving Land, strategic or technical support; funding RSL partnerships; maximising on-site provision; supporting private sector improvements; developing effective strategies to meet the needs of 'hard to reach' groups through 'Special Capital Bids'; and developing and implementing a 'young persons housing strategy'.

Mansfield

E2.19 Mansfield DC's Housing Strategy for 2004 – 2009 identifies seven priorities including: improving 'non-decent' homes; dealing with low demand housing; increasing the supply of affordable housing; implementing 'rethinking construction policy'; implementing special and supported housing needs policy; undertaking regeneration and neighbourhood renewal; and tackling anti-social behaviour. Tenants have influenced these priorities through working with Mansfield DC on Best Value reviews undertaken in the past few years.

E2.20 In contrast to the other six district councils, Mansfield DC does not consider housing affordability to be an important issue⁴. Information from the New Earnings Survey 2002 shows that the average gross annual earnings (based on an average of male full time and female full time) in Mansfield for 2002 was £18,643.56. In 2002, this corresponded to an income/price ratio for a terraced house of only 1.6. However, this compares with an income/price ratio for semi-detached housing of 2.9 and that for detached housing of 6.2 suggesting that affordability beyond the market for terraced housing may be more limited. Also, Mansfield does acknowledge that their figures only show relative affordability and is simply an indicator that there may be affordability issues. For example, the Council's affordability model showed that there is a need for 15 affordable housing units required annually over the period up to 2011. Although a low figure, it does indicate that the problem is one of matching supply with demand.

E2.21 Despite being a minor problem, the Council has responded to any affordability issues by fostering strong development partnerships with RSLs working in the district. Also, Social Housing Grants (SHG) have been used to support the provision of increased affordable and supported housing provision. The Housing Department has worked with the Local Planning Section of the Council to incorporate an affordable housing policy into the Local Plan for the period covering 2003 - 2011. In addition, affordable housing guidance will be developed and published as Supplementary Planning Guidance. The policy will recognise the need for additional affordable housing units but balances this against existing stock utilisation within the district. The Council will take the innovative approach of requesting commuted sums to provide for the refurbishment of empty properties and bringing them back into use as affordable units. Lastly, the Council also works with East Midlands Housing Association in the promotion of their Home Buy scheme. This scheme helps people buy a home on the open market, with the Housing Association lending part of the money to help purchase it.

E2.22 In contrast to affordability, Mansfield states that there are some problems with housing conditions and areas of low demand. A stock condition survey of its own properties in November 2002 showed that 31% of their stock was classed as non-decent. In addition to this, 5,018 dwellings have the potential to become non-decent before 2010 if no work is done to them. In terms of investment, this means that just under £11m is required to deal with those dwellings that currently fail the standard and a further £9.1m to prevent other dwellings becoming non-decent. In respect of the stock option appraisal, the initial financial appraisal was completed in June 2003. The Cabinet made an 'in principle' decision in July 2003 to retain the Council's housing stock based on the Council's ability to achieve the decent homes standard, but acknowledged that tenants are key to the decision making process. However, following consultation with tenants in March 2005, Mansfield decided to retain the stock in the management of the Council.

⁴ Q2 2006 average house price for Mansfield was £120,047 (BBC, UK House Prices, located at: http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/37uf.stm accessed on 15 December 2006).

E2.23 Similarly, the East Midlands Northern Sub-region, including Mansfield, has been identified by the CURS report as having areas with dwellings at risk of low demand. These are characterised by high levels of voids (empty properties) or difficult to let housing in the social rented sector, and higher vacancies in the private sector. In respect of social letting, 86% of properties in the district are let through Moveahead, the choice based lettings system. Moveahead is a partnership between the Council and RSLs and it provides people who want to rent social housing with a greater degree of choice. The Council is therefore able to analyse demand for social housing by using the information held by Moveahead. In particular, it analyses demand with reference to area, size and type of properties. Finally, they are dealing with the problem of low demand by: redesigning stock, clearing stock, disposing of stock, undertaking refurbishment, and developing marketing strategies.

NE Derbyshire

E2.24 According to the NE Derbyshire DC Housing Strategy 2006-2009, much of the Council's stock fell below decent homes standards, prompting it to establish an ALMO. As at the 1st April 2006 the Council owned a total of 8,339 dwellings out of a total of over 41,000 homes in the district. This included with 2,840 non-traditional properties, of which 2,057 (33.5% of total stock) are defective. Most of the homes were built between 1945 and 1975 and it is estimated that over the next thirty years the cost of repairing these properties will be £195m. The key Government target for council stock and registered social Landlords is to meet and maintain the decent homes standard (DHS) by 2010. In the private sector the target is to ensure that 65% of properties inhabited by vulnerable households in the sector meet decent standards by 2006, with 70% by 2010 and 75% by 2020. As at the 1st April 2005, 23% of the Council's stock failed to meet the DHS. Following a Stock Options Appraisal in September 2005, and with the support of Members and tenants on the Steering Group, the decision was taken to establish an ALMO to enable the draw down of additional Government funding to undertake the most urgent improvements. The new ALMO took over the Landlord housing functions, enabling the Council to undertake more focused strategic work within the Council including greater monitoring, partnership and stakeholder involvement and delivery. The recent desk top update of the 2002 Housing Needs Survey, the joint Housing Needs and Demands survey due in 2007 and the Housing Market Assessment currently being undertaken will all help to inform this work.

E2.25 Again, affordability is a major problem for the district and is a key part of the Council's Community Strategy and the Corporate Plan. The number of Council dwellings is reducing by around 200 per year, mainly through Right to Buy, with 267 Council homes sold in 2003/2004. Although Right to Buy sales reduced to 116 in 2004/05, and 108 in 2005/06, house prices in the district have risen steeply. The average house price in North East Derbyshire Q4 2004 was £151,651, a terrace being £102,302 (Land registry Oct-Dec 2005) with the average income around £21,435 (ASHE 2005)⁵. A gross annual household income of £40,108 was needed to purchase a property at the average price level. In the private rented sector a 1 bedroom flat could be accessed at £300-£398 per month depending on which part of the district it is in. A two bedroom terraced house would be £370 - £442 per month. Based on 25% of gross income the cheapest one bed flat requires an income of £14,400 - £19,000 per year for the most expensive area. An annual income of £17,800 - £21,400 would be needed to rent a 2 bedroom house. An update of the Housing Needs Survey was carried out April/May 2006 indicated an increased need for affordable housing to an annual overall shortfall of 442 units. This is mainly due to the increasing gap between annual incomes and house prices in the district.

E2.26 In response, the Council has increased the percentage of affordable homes on suitable sites which come forward for residential development. Local Plan policies seek the provision of up to 40% of all new dwellings as affordable on sites of 0.5 hectares (0.1 hectares in smaller, rural settlements) and above, or 15 or more dwellings within the main settlements. The Council's Adopted Local Plan (November 2005) also sets out policies to maximise the provision of affordable housing need across the district. These include specific plans to address the continuing need for additional affordable housing in many of the rural parishes. In exception to the normal policies of constraint in the countryside, the Council will allow sites to be brought forward in areas without or outside of the defined Settlement Development Limits where there is shown to be a need. The Council has also approved a programmed release of Land to include provision of new affordable housing where needed, facilitate residential development and is considering alternative uses for under-used garage sites. Further, joint working between housing and planning has enabled the Council to obtain an element of affordable housing and influence the property mix on sites. Lastly, in an effort to reduce the ongoing loss of rural stock under the Housing Act 1985 Right to Buy Scheme, the Council is working with partnership with South Yorkshire Housing Association (SYHA). The trickle transfer of properties will enable investments to improve these properties for letting to local people, with the Council retaining 100% nomination rights to the properties from its housing register. For example 18 void properties were refurbished and let to council nominations in 2005/06.

⁵ Q2 2006 average house price for NE Derbyshire was £159,696 (BBC, UK House Prices, located at: http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/17uj.stm accessed on 15 December 2006).

Newark & Sherwood

- E2.27 According to Newark and Sherwood's Housing Strategy 2004/05-2006/07, the district's economy is characterised by a shift from manufacturing (engineering, brewing and food) to services. In less than twenty years, industrial (manufacturing and energy) employment has dropped by over 50%. Manufacturing now accounts for 18% of employment; distribution, hotels and restaurants account for 30%, and public administration, education, and health 21%. However, the District is still over represented in the traditional sectors and is under represented in the public sector jobs and higher value added services and knowledge-based sectors. Also, Newark and Sherwood is a relatively prosperous District and, as such, has not been designated as a Neighbourhood Renewal Area. However, the overall prosperity of the District masks pockets of deprivation and three of Newark & Sherwood's Wards fall within the 10% most deprived across the country.
- E2.28 In terms of affordability, the Council undertook a district-wide Housing Needs Survey in 2003, and updated in 2005, showing that the average house price for the Newark and Sherwood District, (as recorded by the Land Registry in June 2005), is £160,921. Whilst the overall house price increase in the district between 2003 and 2005 was 28.1%, the price of terraced houses, seen as the type of property a first time buyer would purchase, has increased by 34.5%. Therefore, the increases seen here have excluded a Large proportion of first time buyers from the owner occupied market. Importantly, the Council estimates that 88% of concealed households are unable to purchase a two-bed terraced property in the cheapest locality of the District, whilst 99.9% of concealed households are unable to purchase a two-bed terraced property in the most expensive locality of the District. Consequently, there will be a predicted annual affordable housing shortfall of 596 units a year.

E2.29 The overwhelming need in the District is for social rented housing. However, the Council recognises that affordable housing can take a number of different forms. They state that this is because increasingly the people who are seeking assistance in accessing housing are those who might have previously expected to resolve their own housing situation, through purchase or private renting. This has established the 'intermediate housing market.' A range of affordable housing products such as shared ownership and fixed equity sale have been introduced on new developments in order to cater for this market. The annual level of outstanding affordable housing need of 596 units, (after allowing for current relet supply), is not considered to be economically deliverable, bearing in mind past new supply levels of around 70 units per year. Indeed the overall housing supply in the District has been less than 600 units annually. In view of the current and predicted shortages in the stock, and to address the needs of single adults and couples, the Council will encourage the production of smaller units of accommodation, in particular flats and terraced houses, in both the private and affordable housing sectors. Lastly, whilst the Council's preference is for the on-site provision of affordable housing, they acknowledge in a minority of cases this may be unsuitable. In such instances we will work with the Developer to negotiate a suitable commuted sum that will be utilised to provide affordable housing elsewhere within the District.

E2.30 To summarise, Newark and Sherwood District Council has attempted to address the problem of decreasing housing affordability by: delivering over 200 new build affordable housing units by mid-2006; working with its preferred partner, Housing Associations, in the development and management of new affordable homes, securing funding from the Housing Corporation for additional social housing; utilising certain capital receipts received solely for the provision of affordable housing; completing an audit of its housing owned Land to assess each site's potential for affordable housing development; exploring the means of increasing the investment for the provision of affordable housing with its partners, including additional supported/specialist units of accommodation; and building on existing, and creating, new partnerships with national, regional and local stakeholders.

Bolsover

E2.31 Bolsover's *Housing Strategy 2005 – 2010* identifies nine key priorities:

1. To maintain an overview of the operation of local housing markets and continue to invest in detailed knowledge of our housing
2. To keep under review the need for affordable housing in the District in the light of changing circumstances
3. To ensure that new housing in the District is suitable in terms of type, size, price and location for those who wish to live here and to secure a balanced housing market

4. To ensure that the Council's housing and that of other social Landlords meets the needs of those who live in it now and are likely to in the future, both in terms of availability and types of property
5. To achieve and sustain the Decency standard both for the Council's own housing stock and for those houses in the private sector occupied by vulnerable people
6. The regeneration of specific areas of housing affected by coalfield closures with associated dereliction and degeneration
7. To ensure that housing areas are not undermined by anti-social behaviour
8. To ensure that the physical, environmental and social conditions in housing areas are such that people will want to live in the District's housing
9. To ensure that specific housing needs are met, for example, for young people, the elderly, the homeless and people with disabilities

E2.32 In contrast to all other Councils within the Northern Sub-region, the Council's 2003 Housing Needs Survey concluded that affordable housing need is not a major issue at present. Whilst there are some shortages locally of three and four bedroom houses, the survey showed a small net annual surplus of affordable homes over the next five years. In terms of the ODPM definition of 'housing need', the 2003 HNS identified an estimated annual surplus of 54 affordable homes. It further demonstrated a significant surplus of one and two bedroom properties and a shortfall in three and four bedroom properties of three and 52 a year respectively. These conclusions are consistent with the substantial number of families on the council's housing register. The Housing Needs Survey also shows that in the medium term there will be a shortage of market housing in the District and that in the owner-occupied market the demand is for two and four bedroom homes.

- E2.33 Also, Bolsover states that rising house price inflation combined with loss of stock through Right to Buy suggest a changing picture and the issue of need will be kept under review. For example, house prices between 2002 and 2003 increased by 22% for detached properties, 34% for semi detached properties and 40% for terraced properties. More recent figures suggest that, between Q1 2006 and Q2 2006, house prices increased by an average of 10.8% to £124,828. However, house prices still remain substantially below the Q2 2006 national average of £184,9246. In general, average prices are around 45% lower than for the average in the East Midlands. The increase in house prices, since 1999 follows a period of some seven years where the average price of a terraced house remained more or less constant. This is despite the national trend for terraced housing being one of escalating prices. Nonetheless, Bolsover will seek to negotiate for the provision of an element of affordable housing for all sites over one hectare in area or 25 dwellings or more in capacity.
- E2.34 Bolsover identifies private rented property in the District as having particular characteristics, a significant proportion having formally been National Coal Board housing and sold into the private rented sector. It is characterised by very high levels of unfitness and/or disrepair, presenting a significant housing challenge to the authority. The concentration of private renting varies markedly by area. On a ward basis it ranges from just over 2% to nearly 14%.
- E2.35 However, the Council states that one of the significant challenges facing Bolsover is the downward pressure on wages. The context for this is generally low household incomes. The Housing Needs Survey estimated that the average gross household income (excluding benefits) was £15,855. This average figure masks substantial local variations from £8,260 (Shirebrook North West) to £28,868 (Barlborough). The Annual Survey of Hours and Earnings (ASHE) 200413 show that on a local basis, average annual income in the District was £15,678 - the lowest in the East Midlands and 84% of the East Midlands average. On a national basis, the East Midlands has the fifth lowest level of personal income of the nine Government Office regions. There is a considerable mismatch between need and demand as expressed by the register and properties becoming available from the Council's stock. This is particularly the case when applicants who have the highest level of points, and who are therefore likely to be a priority for rehousing, are considered. This analysis shows a considerable shortfall of around 50% of both houses and flats to re-house those households within a year. The need for accommodation for elderly people is more or less in balance with that becoming available income of the nine Government Office regions.

⁶ BBC, UK House Prices, located at: http://news.bbc.co.uk/1/shared/spl/hi/in_depth/uk_house_prices/html/17uc.stm accessed on 15 December 2006.

Summary

- E2.36 A brief analysis of the seven Northern Sub-regional Housing Strategies suggests a number of common themes. The first is that the transition from a manufacturing to a service based economy over the past twenty five years has created significant challenges for all seven districts. In some areas, particularly ex-mining communities, this has left a legacy of low incomes and poor health, factors that may impact on access to suitable housing. However, following regional and national trends, strong economic development within the seven districts has generally led to rising prosperity. As such, throughout all seven districts it is possible to determine pockets of deprivation within affluent areas, and conversely, pockets of affluence within deprived areas.
- E2.37 However, possibly the single most important housing issue within the Sub-region is affordability (excepting Mansfield and Bolsover). Whilst wages have recently risen, house prices have risen very steeply increasing the need for affordable housing. Generally, house prices almost doubled in all seven districts between 1999 and 2004. For example, using an affordable housing model, Ashfield DC estimated that to meet housing need, 60% of all new developments would have to be affordable, a target that it naturally sees as unrealistic. In response, all councils have attempted to implement a myriad of policies aimed at increasing the supply of affordable housing including: working with partner RSLs to provide empty homes on a shared ownership basis; providing new affordable housing through funding from the Single Regional Housing Pot; using Section 106 agreements to develop new properties; making available private rented stock for people on waiting lists; and supporting first-time buyers acquiring long-term empty homes with renovation grant funding to help repair and improve their homes.