

## Bradford MDC Local Plan

### Report to the Planning Inspector regarding the proposed development for Wharfedale

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This report shows that the Local Plan that is being proposed by Bradford Metropolitan District Council is unsound in so far as it places a disproportionate and unjustified level of housing in the highest value area of the District (Wharfedale) while neglecting to address the housing needs of the population of the Bradford MDC area

Where Wharfedale is defined, as it is in the final draft of the Local Plan for Bradford District – Core Strategy February 2014, as the following settlements with LS29 postcodes:

- Ilkley
- Addingham
- Burley in Wharfedale
- Menston

the data available shows the following:

That Wharfedale does not form part of the wider Bradford housing market. It falls into the North Leeds/North Yorkshire housing market known locally and nationally as 'the golden triangle'. This conclusion is based on the following:

The differential between property prices in other parts of Bradford and Wharfedale is such that 'trading up' from elsewhere in Bradford District to Wharfedale is rare.

- Land Registry sales data for the year 2013 shows that property in Wharfedale is priced at **3.4 times** the district average. Where all property types (flats, terraces, semi-detached and detached) are considered the mean sold price for Wharfedale property was **£321,328**, the mean for the District as a whole was **£94,402**.

NB much of the analysis underpinning the Local Plan uses the median as a measure of central tendency rather than the mean. Although this can be the preferred measure when dealing with skewed samples it is generally not used with ratio data such as house prices because it degrades it, thereby preventing further analysis and back checking for accuracy. It can also introduce some bizarre results, for example the median win for any National Lottery draw would be zero. This is plainly wrong as some people do win money on the lottery; the mean would show this by giving a figure of a few pence. Looking at the raw data shown on the Land Registry site there does not seem to be the skewing in house prices that would justify abandoning the mean in favour of the median. The Land Registry site itself displays means.

- Land registry sales data for the same period (2013) shows that even trading up from the next most expensive part of the District, the prime parts of Bingley and Shipley (postcodes BD16 3, BD17 5 and BD17 6) is likely to be rare. 2013 Land Registry data for these postcodes shows an overall mean sold price of **£201,674, Wharfedale prices are 59% higher.**

This assumption is substantiated by evidence contained in

- The differential between prices in Wharfedale and any other part of the Bradford District is such that building more housing in the Valley is highly unlikely to render property there more affordable/accessible to the wider population of Bradford. That would only be achieved by engineering a collapse in prices by excessive development and/or inappropriate development (such as building housing that destroyed the character of the settlements and their setting, building housing without the necessary infrastructure or introducing industry).
- Since Wharfedale does not form part of the wider Bradford housing market but draws in purchasers (and a limited number of renters) from elsewhere building houses in the valley will in no way address the housing needs of people in Bradford. The strategy therefore places **1600** of the **42,087** new homes proposed in the Local Plan or **3.8% of all the new homes planned** into settlements where they will be inaccessible to people from other parts of the District. This wipes out any contribution those houses might make to meeting local housing need or even meeting effective demand generated within the District.

### **The proposal to locate affordable housing in Wharfedale is unrealistic and unjustifiable**

The differential between property prices in Wharfedale and those in the rest of the District is such that it is not feasible or justifiable to locate affordable housing in the area. The original LDF draft proposed that 40% of the housing delivered in the area would be 'affordable', this has been reduced to 30% in the current Local Plan. The Affordable Housing Economic Viability Assessment (AHEVA) produced by LEVVEL as part of the evidence pack supporting the Local Plan outlined a number of scenarios associated with different strengths of housing market (robust, moderate and weak) as part of its analysis and proposed that depending on market strength, site size and housing density the split in relation to affordable housing might be anything from 70:30 social rented to intermediate housing to 50:50. Based on the current assumption that 30% of the housing in Wharfedale would be affordable this gives figures of anything from **336** social rented and **144** intermediate affordable homes to 240 of each type. However neither figure is realistic or achievable or justifiable for the following reasons:

- It is naïve to assume that developers would be willing to compromise their margins on what are potentially some of the most profitable sites in the north of England by building mixed developments involving social rented housing on them.

NB a recent development (pre-dating the Autumn Statement) in Ilkley did deliver some social rented housing. However, this was on an InCommunities site on the former council estate where

the housing that was demolished to deliver it was all social rented and the replacement housing was mixed. The cheapest property for sale in the development is being marketed at **£217,000**.

- To place social rented housing in an area that has mean property prices that are above the average for the Local Authority area as a whole runs counter to Government policy. In his Autumn Statement for 2013 the Chancellor made it clear that Local Authorities would be expected to sell 'expensive' social housing on the open market when tenancies are vacated and use the money raised to build more housing in cheaper areas. The background to this appears to be a report from the Policy Exchange (Ending Expensive Social Tenancies – Fairness, higher growth and more homes, Alex Morton, Policy Exchange 2012) in which expensive social housing is defined as a home that is worth more than the average price of a house across the local authority area. It applies to houses in parts of the LA which have high prices because they are desirable areas to live in. The Chancellor said:

**'Councils will sell off the most expensive social housing so they can house many more families for the same money.'**

He also said that councils seeking to access the Local Growth Fund should:

**'contribute public sector land and disposal of high value vacant stock to drive competitive bids'.**

Bradford no longer owns any social housing, it was passed to InCommunities which was established as an RSL to hold the stock. However, since the Autumn statement, it is highly unlikely that the Council would be able to use Section 106 receipts generated from developments in Wharfedale to build social rented housing in the Valley or transfer such receipts to InCommunities to do so. In addition, while it is possible for Local Authorities to specify in their Local Plans that any social housing generated by commercial development in high value areas will be used to build social housing elsewhere, Bradford Council has chosen not to do this. It is difficult to see why.

- The difficulties with social rented housing mean that any affordable housing delivered in the Valley would need to be intermediate. However this is no less problematic. If what is defined as affordable is 80% of market value then even affordable flats in the area would cost aspiring home owners well in excess of the mean property price for the District. The mean price of a flat in Wharfedale in 2013 (Land Registry Sales data) was **£169,952** (against a mean of **£321,328** across all property types in the Valley). This gives a prospective sales price of **£135,961** for flats marketed at a twenty percent discount. This is **44% more expensive** than the average property price for the District as a whole (which includes all types of property including large detached residences) and it is **2.5 times** more expensive than the average terraced house across the BMDC area (which at November 2013 was **£67,860** – Land Registry sales data) and 1.56 times as expensive as the average flat. The price of flats in the District is skewed upwards because they are primarily new builds and conversions of heritage buildings in the city centre or in prime locations such as Wharfedale. They are not typical of the bulk of the housing stock in the District which is dominated by pre-1919 terraces and mature semi-detached homes.

In addition, delivering genuinely affordable intermediate housing in Wharfedale isn't any more feasible than the outright-purchase option because tenants would be required to pay rents that are calculated against local (LS29) market rents. These are well in excess of those for Bradford as a

whole. Delivering homes at these prices and labelling them as 'affordable' while people in Bradford and Keighley who are in genuine poverty are deprived of housing would be unjustifiable. To do so when the average household across the District could not aspire to pay these sums for a home and there are cheaper homes on the open market would be scandalous. Estimates of the median household income for Bradford District vary slightly but fall between £19,100 and £18,750 per annum.

- Building subsidised intermediate housing in Wharfedale cannot even be justified on the grounds that it meets a highly localised need in the immediate area. Silsden, which is only 3.2 miles from Addingham and 6 miles from Ilkley, falls into Area 3 in terms of the property values described in the AHEVA. According to the Land Registry, during the year from December 2012 to November 2013, of the 125 properties sold in the village 53 were priced **below £135,000** (34 terraces, 12 semi-detached and 7 flats). Silsden is a very pleasant village with industrial origins set in beautiful countryside (Cobbydale) on the road between Wharfedale and Keighley/Bradford.

**In conclusion:**

**The proposal to deliver across Wharfedale the level of housing proposed in this Local Plan cannot be justified. This level of development is excessive.**