Nathaniel Lichfield & Partners
Planning. Design. Economics.

Bradford Local Plan Core Strategy - Publication Draft

Wharfedale Local Area - Housing Market Signals Analysis

On behalf of CEG Land Promotions Ltd; Barratt David Wilson Homes - Yorkshire West Division and Redrow Homes

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Appendices

1.0 Introduction

1.1 This statement has been prepared by Nathaniel Lichfield & Partners [NLP] on behalf of CEG Land Promotions Ltd [CEG], Barratt David Wilson Homes - Yorkshire West Division [Barratt] and Redrow Homes [Redrow] following the publication of the Bradford Local Plan Core Strategy – Publication Draft [BLPCS].

1.2 This statement forms a key piece of objective evidence to support the representations being made by CEG, Barratt and Redrow to the proposed distribution of the City-wide housing requirement and in particular the level of housing identified for the Wharfedale sub-area as indicated in policies HO3 and WD1 of the BLPCS.

1.3 This report specifically seeks to explain why there is a strong case to build housing in the Wharfedale area over and above the numbers required by policies HO3 and WD1 of the BLPCS.

1.4 For the purposes of this report, it is worth noting that the consortium considers that the BLPCS objectively assessed housing needs figure as it stands should rise to approximately a 2,500 dpa level based on our assessment of the Core Strategy and OAN for housing from the 2,200 dpa figure currently promoted by the Council. This is set out in a separate document prepared by NLP in response to Policy HO1.

1.5 In preparing this report, NLP has liaised with both Johnson Brook Planning Consultants and Dacres Residential and Commercial Agents to obtain their input into the key market signals affecting the Wharfedale housing market.

2.0 Background

Wharfedale Area

2.1 For the purposes of this report, the greater Wharfedale Area has been taken to mean the combined Menston, Addingham, Ilkley and Burley in Wharfedale sub-area outlined in section 4.3 of the BLPCS[1]. However, to avoid confusion it should be noted that this area is often defined geographically differently depending on which publication 'Wharfedale' is mentioned in and the area in the Bradford SHMA 2010 and Update 2013 is slightly different as this also includes the settlement of Silsden.

2.2 For information, Wharfedale has a population of 43,018 and contains 18,538 households according to the Bradford SHMA Update 2013 sub-area portrait. The 2010 and 2013 sub-area portraits are attached as Appendix 1 and 2 and provide useful information as to the make-up of this particular part of the Borough.

2.3 It is difficult to find information on the number of houses developed in recent years in the area.

2.4 However, information contained in the SHLAA update (May 2013) shows that no houses are envisaged to be delivered in the Addingham and Burley in Wharfedale area in the short term since there are no sites "suitable now", with 264 in Ilkley and 400 in Menston envisaged.

2.5 In relation to the BLPCS, Policies HO3 and WD1 allocate 800 dwellings to Ilkley over the plan period, 200 each to Addingham and Burley in Wharfedale and 400 to Menston.

2.6 It is therefore clear that little new housing is likely to come forward in the sub-area in the short term and in the long term comparatively little is planned to come forward in comparison to other areas within the District.

Planning Practice Guidance (PPG)

2.7 Guidance for assessing housing need is contained within the recently published PPG.

2.8 At Paragraph 014 (Reference ID: 2a-014-20140306) it states that:

> *"Establishing future need for housing is not an exact science"*

and that:

> *"No single approach will provide a definitive answer".*

2.9 It continues that plan makers should avoid expending significant resources on primary research (i.e. information that is collected through surveys, focus

[1] The BLPCS contains detailed sub area policies for Wharfedale in this section and Policy WD1.

groups or interviews etc.) and that they should instead look to rely predominantly on secondary data (e.g. Census, national surveys) to inform their assessment of housing need.

2.10 In view of this advice, in looking at the Wharfedale housing market area, NLP has deliberately taken a similar approach to be consistent with guidance.

2.11 At Paragraph 19 of the PPG (Reference ID: 2a-019-20140306: "*How should market signals be taken into account*"?) the guidance suggests that the housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings.

2.12 As part of separate representations to Policy HO1, NLP has used the household projections data to demonstrate that the housing need for the entire Bradford Area should rise from 2200 to 2500 dpa. In addition Johnson Brook in their evidence response on behalf of Barratt and Redrow has proposed a re-distribution of the enhanced dwelling numbers to Wharfedale settlements, whilst NLP on behalf of CEG has proposed a revised figure for Burley-in-Wharfedale. Additionally Baker Consultants has provided a full critique of the Habitats Assessment in relation to its impact on development in Wharfedale settlements.

2.13 In the absence of specific household projections for the specific Wharfedale area we have sought to reflect appropriate market signals and other market indicators, again as suggested in the PPG.

2.14 The PPG goes on to suggest in paragraph 19 that:

> *"Prices or rents rising faster than the national / local average may well indicate particular market undersupply relative to demand.*

And that:

> *Relevant signals may include the following:*
>
> ***Land Prices***
>
> *Land values are determined by the demand for land in particular uses, relative to the supply of land in those uses. The allocation of land supply designated for each different use, independently of price, can result in substantial price discontinuities for adjoining parcels of land (or land with otherwise similar characteristics). Price premiums provide direct information on the shortage of land in any locality for any particular use.*
>
> ***House Prices***
>
> *Mix adjusted house prices (adjusted to allow for the different types of houses sold in each period) measure inflation in house prices. Longer term changes may indicate an imbalance between the demand for and the*

supply of housing. The Office for National Statistics publishes a monthly House Price Index at regional level. The Land Registry also publishes a House Price Index and Price Paid data at local authority level.

Rents

Rents provide an indication of the cost of consuming housing in a market area. Mixed adjusted rent information (adjusted to allow for the different types of properties rented in each period) shows changes in housing costs over time. Longer term changes may indicate an imbalance between demand for and supply of housing. The Office for National Statistics publishes a monthly Private Rental Index.

Affordability

Assessing affordability involves comparing house costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Department for Communities and Local Government publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority district.

Rate of Development

Local planning authorities monitor the stock and flows of land allocated, permissions granted, and take-up of those permissions in terms of completions. Supply indicators may include the flow of new permissions expressed as a number of units per year relative to the planned number and the flow of actual completions per year relative to the planned number. A meaningful period should be used to measure supply. If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan. The Department for Communities and Local Government publishes quarterly planning application statistics.

Overcrowding

Indicators on overcrowding, concealed and sharing households, homelessness and the numbers in temporary accommodation demonstrate un-met need for housing. Longer term increase in the number of such households may be a signal to consider increasing planned housing numbers. The number of households accepted as homeless and in temporary accommodation is published in the quarterly Statutory Homelessness release.

2.15 It goes to say in Paragraph 20 (Reference ID: 2a-020-20140306) in relation to "*How should plan makers respond to market signals*"? that:

"Appropriate comparisons of indicators should be made. This includes comparison with longer term trends (both in absolute levels and rates of

> *change) in the: housing market area; similar demographic and economic areas; and nationally.* ***A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections*** *……"*

2.16 It continues that:

> *"In areas where an upward adjustment is required, plan makers should set this adjustment at a level that is reasonable.* ***The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be".***

> *"Market signals are affected by a number of economic factors, and plan makers should not attempt to estimate the precise impact of an increase in housing supply. Rather they should increase planned supply by an amount that, on reasonable assumptions and consistent with principles of sustainable development, could be expected to improve affordability ….."*

> *"The list of indictors above is not exhaustive. Other indicators, including those at lower spatial levels, are available and may be useful in coming to a full assessment of prevailing market conditions. In broad terms, the assessment should take account both of indicators relating to price (such as house prices, rents, affordability ratios) and quantity (such as overcrowding and rates of development)".*

2.17 The above clearly suggests that organisations looking at housing need should assess the 6 signals named specifically, assess worsening trends and consider whether larger affordability is needed and additional supply is required amongst other things. With these specific points in mind, NLP have sought to access a range of information, to try to assess the Wharfedale housing market and to see if the housing numbers proposed by the Council are reasonable and justifiable and how they meet housing need for the area.

3.0 Analysis of Available Data

Analysis of 6 key market signal indicators outlined in the PPG

Land Prices

3.1 NLP has found no direct information on Land Prices available to review covering the whole Wharfedale area barring that contained in the *Bradford District Local Plan Core Strategy – Viability Assessment* (September 2013).

3.2 At paragraph 4.5.1 this report indicates:

> *"a wide range of residual site values reflecting the diversity of market characteristics across the District, with value area 1 (Wharfedale) generating site values of £3.26m per ha (£1.32m per acre), and at the other end of the spectrum, value area 5 (inner Bradford and Keighley), producing negative land values".*

3.3 This is graphically illustrated in the below table.

Table 3.1 Base appraisal results (Base scenario current values)

	Residual site value	Residual site value per ha	20% GDV	20% GDV per ha	Sum available for policy standards
Value Area 1 (Wharfedale)	£4,884,622	£3,256,415	£2,505,420	£1,670,280	£1,586,135
Value Area 2	£2,416,618	£1,611,079	£1,778,040	£1,185,360	£425,719
Value Area 3	£1,319,689	£879,792	£1,454,760	£969,840	£-90,048
Value Area 4	£222,998	£148,66	£1,131,480	£754,320	£-605,654
Value Area 5 (Inner Bradford and Keighley)	£0	£0	£969,840	£646,560	£-646,560

Source: Bradford District Local Plan Core Strategy - Viability Assessment (September 2013)

3.4 What this information shows is that the residual site value per hectare is considerably higher in Wharfedale than the rest of the area, indicating a price premium for land here, a higher demand for land and potentially a shortage of it in this locality.

House Prices / Affordability

3.5 The below, taken from the Bradford SHMA 2013: Wharfedale 2013 – Sub Area Portrait, shows a significant difference between the lower quartile and median house prices in the Wharfedale and Bradford areas. It also illustrates the relative the lack of affordability of the Wharfedale area in comparison to Bradford.

House Prices

Table 3.2 House Prices 2013

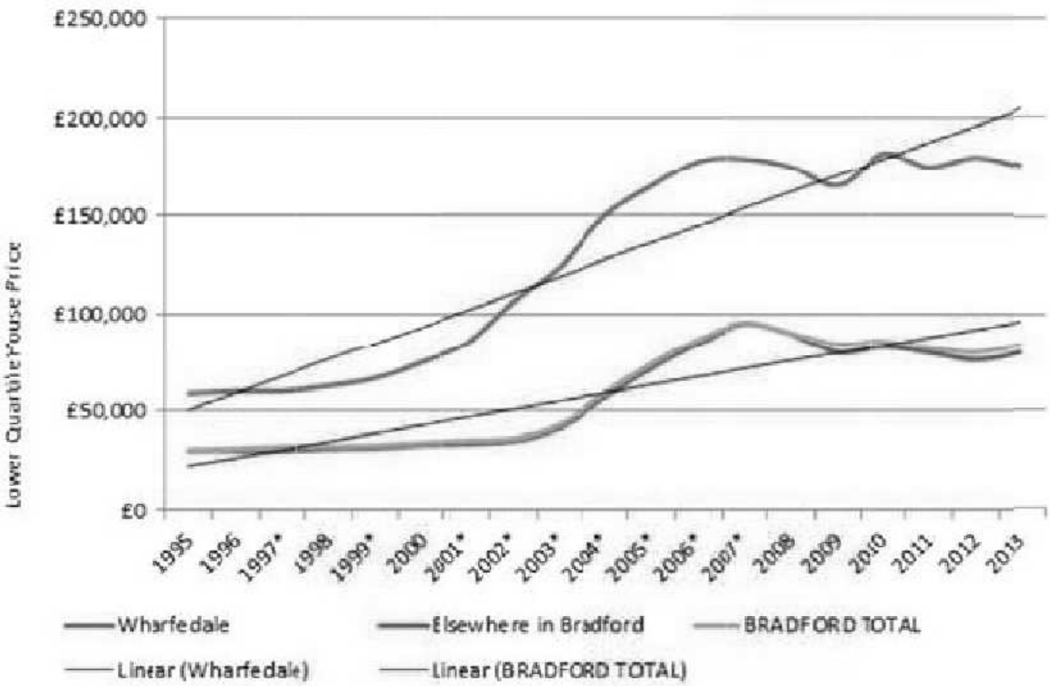
Housing Market 2012	Wharfedale	Bradford
Median House Price	£210,000	£115,000
LQ House Price	£155,000	£80,000
Median Household Income	£29,400	£15,325
LQ Household Income	£11,700	£6,500

Source: Wharfedale 2013 – Sub Area Portrait. Bradford SHMA Update 2013

3.6 This conclusion is further reinforced when looking at data on house prices paid between 1995 and 2014 from the Land Registry.

3.7 The table below shows the average house prices paid in Wharfedale and the rest of Bradford for lower quartile housing.

Table 3.3 Lower Quartile Housing 1995-2013



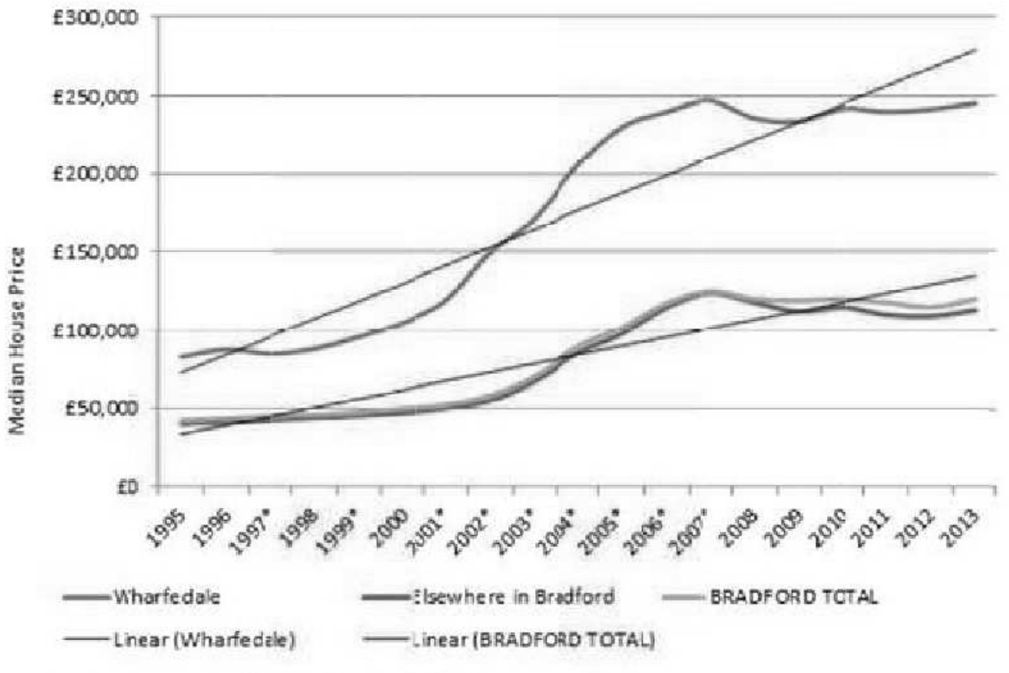
Source: HM Land Registry: Price Paid Data

3.8 In summary, the table shows that lower quartile prices in Wharfedale have risen by 297% between 1995 and 2013 in comparison to 267% in the rest of Bradford and that the average lower quartile price paid on a property in Wharfedale is £175,000 and £80,000 in the rest of Bradford. This is a difference of well over 100%.

3.9 For information, the average price paid on a property in 2013 in Wharfedale is £294,158 and in the rest of Bradford £125,799. Within Ilkley alone average house prices for the first quarter of 2014 have reached a figure of £330,000 which is well beyond the Bradford District average and the averages for the County of North Yorkshire

3.10 In relation to the median quartile, the figures show that house prices in Wharfedale have risen by 297% between 1995 and 2013 in comparison to 283% in Bradford and that the average median quartile price paid on a property in Wharfedale is £245,500 and £113,000 in the rest of Bradford. Again this is a difference of well over 100%.

Table 3.4 Median Quartile Housing 1995-2013



Source: HM Land Registry: Price Paid Data

3.11 NLP has also investigated the income needed to obtain a lower quartile property in Wharfedale and the rest of Bradford. In Wharfedale it is £50,000; in Bradford it is £22,857.

3.12 In conclusion, what this information shows is that properties in Wharfedale are over double the value of those in the rest of Bradford and that they are unaffordable for the majority of the population in Bradford in comparison to the rest of the City. Furthermore, in NLP's view, it indicates an "*imbalance between the demand for and supply of housing*" inferred in paragraph 19 of the PPG and that this can only be lessened by increasing the supply of housing to meet demand in the Wharfedale area.

Rents

3.13 In relation to rental values, the SHMA sub-area portrait for Wharfedale 2010 states that, in relation to the 2008 housing market, the median private rent in 2008/9 for Wharfedale area was £650 in comparison to £495 for Bradford.

3.14 To illustrate the recent change in rental values, the below table shows that both the 2014 lower quartile and mean average rental values in Wharfedale are considerably higher than either in the city centre (BD1) or central Bradford area (Bradford South East).

Table 3.5 Rental Values per-calendar month

Rents	Wharfedale	Bradford BD1	Bradford South East
Lower Quartile	£610 pcm	£390pcm	£395pcm
Median	£991pcm	£466pcm	£478pcm

Source: Rightmove

3.15 What these facts show is that, whilst there has been a significant rise in rental prices in Wharfedale over the past six-year period, the rental value has dropped slightly in other areas (6% in Bradford BD1 and 3.5% in Bradford South East). Clearly therefore, this has made the affordability of renting in Wharfedale significantly more expensive in comparison to other parts of Bradford than previously. Furthermore, it is clear evidence that rents are rising faster in Wharfedale than the local average. Consequently, as inferred in paragraph 19 of the PPG, this indicates a "*particular market undersupply relative to demand*".

Rate of Development

3.16 While the Council have not recorded definitive information with regard to rates of development in Wharfedale post the year 2000 detailed local knowledge provided and on the ground observations clearly demonstrate a particularly low level of development in the Bradford sub area of Wharfedale. Prior to the year 2000 there were a number of development schemes in Ilkley in large gardens including both relative dense flatted developments and detached/terraced dwellings. Post 2000 garden developments decreased in number and capacity as the character of certain areas of the town began to change and post 2010/2011 national policy guidance resulted in a more restrictive approach to this type of development. There are no main outstanding allocations to develop but small windfall sites continue to come forward.

3.17 In Menston the two main sites at Bingley Rd and Derry Hill, with a combined capacity of 300 dwellings, were allocated in 2005. It has taken eight years for these sites to be granted outline and full planning permission respectively and development is not expected to start for some 6 months while conditions are discharged. This delay has been almost entirely the result of community resistance to these proposals including for example a village green inquiry. The recent redevelopment of the working men's club site in the village has yielded circa 12 dwellings.

3.18 In Burley the two large developments to the south of the by-pass and at Scalebor Park were predominantly complete by 2000. Since then only very small developments have been completed or started including the Malt Shovel PH development of circa 20 units. The Moor Lane Centre redevelopment (the last phase of the Scalebor Hospital site) will commence shortly.

3.19 A number of these developments (especially the two allocations at Menston) will be provision for the backlog of need/demand identified during previous years. Moreover, information contained in Policy HO3 and WD1 of the BLPCS shows that the following numbers are proposed in the four areas of Wharfedale over the plan period.

Addingham	- 200 (Local Service Centre)
Burley In Wharfedale	- 200 (Local Service Centre)
Ilkley	- 800 (Principal Town)
Menston	- 400 (Local Service Centre)

3.20 Overall, the BLPCS proposes that Wharfedale will contribute just 1600 of the 42,100 total housing numbers proposed over the plan period or 3.9% of the total. Setting aside the need to address the market signals identified in this report, this is well below the proportion of housing which would be allocated to Wharfedale if they were distributed on a pro-rata basis based solely on population.

3.21 Furthermore, the SHLAA update May 2013 suggests the following numbers potentially "suitable now" (1-5 years) in Addingham, Burley In Wharfedale, Ilkley and Menston:

Table 3.6 Numbers of site / units - "Suitable Now"

Area	Number of Sites "Suitable Now"	Number of Dwellings
Addingham	0	0
Burley In Wharfedale[2]	0	0
Ilkley	14	264
Menston	7	400.4

Source: SHLAA - May 2013 Update

[2] It is noted that the SHLAA does not take account of the recent permission secured by Bellway Homes for 37 dwellings on the former Moor Lane Centre, Burley in Wharfedale.

3.22 In these circumstances, it is clear that, at least in the short term, little new housing is likely to come forward in the area in the next 5 years to meet any housing needs the area has. As stated above any development that does occur in the short term will primarily be addressing the backlog of unmet needs from recent years, rather than addressing future needs.

Overcrowding / Under Occupation

3.23 The overcrowding rates in figures in Wharfedale contained in the 2013 sub-area profile show an overcrowding rate of just over 2% in comparison to nearly 5% in Bradford generally.

3.24 Equally, the vacancy rate is 3.9% (in comparison to the Bradford average of 6%) and long term empty properties are just 2.5% (in comparison to the Bradford average of 3.8%).

3.25 In view of these facts, there is not considered to be any evidence to claim that there is an unacceptable level of overcrowding or vacancy occurring in the Wharfedale area.

3.26 However, a review of the 2011 census shows that for Wharfedale 84.4% of households were under-occupying their house, a figure that is far higher than the District (65%) and national (68%) average rates. This would therefore appear to show that elements of the population are unable to "downsize". This is because of a lack of alternative smaller housing in the area. Residents are therefore faced with the dilemma of either remaining in a house that is too large for them or moving out of the area to downsize because of the lack of supply of smaller housing in Wharfedale. Additionally, they are 'blocking' people moving into larger accommodation, thereby creating a lack of supply issue for those seeking larger accommodation.

Analysis of other data sources

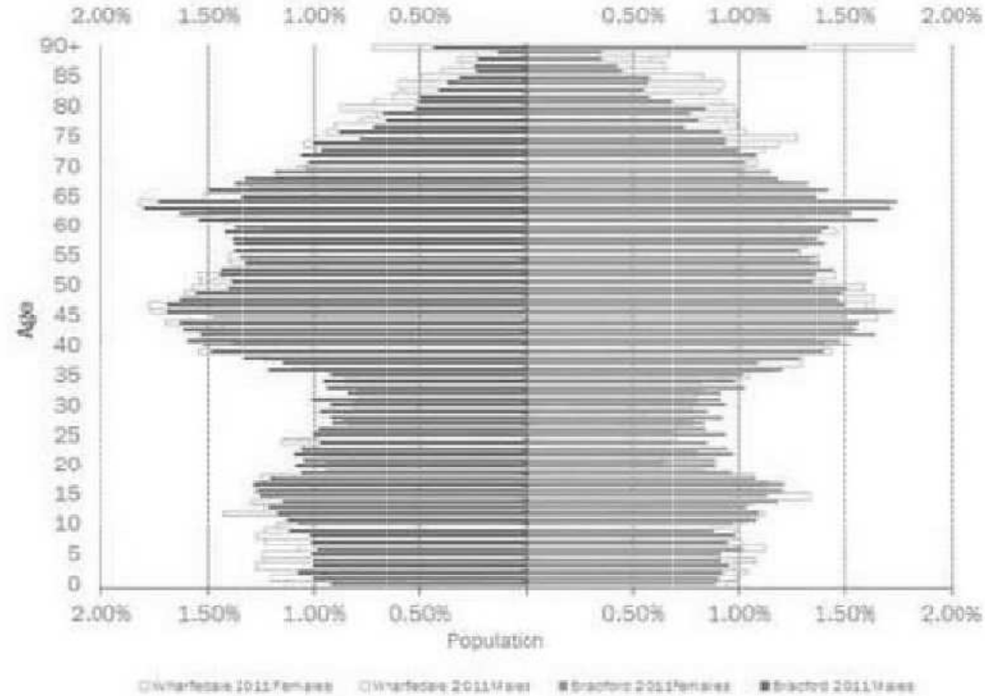
Population Demographics

3.27 The age demographic chart shown below shows graphically the make-up of the age make-up of the population of Bradford with the population of Wharfedale added onto it. The key points the chart below reveals are:

– Wharfedale has a substantially aging population, particularly females;

– There is a significant lack of people in Wharfedale in the 20-36 year old age bracket.

Table 3.7 Bradford Population



Source: Census 2011

3.28 Overall, these figures show that the population age range normally associated with starting households and raising families (20-36) are absent in Wharfedale - almost certainly in part because of the lack of and unaffordability of housing to meet their needs. NLP hold that the absence of this sector of the population, plus the significant number of elderly people in the area, does not create a mixed, balanced and sustainable community. Indeed, there are signs that it is becoming increasingly unbalanced. Furthermore, if this is allowed to continue, there will be will not be a "*supply of housing required to meet the needs of present and future generations*[3]", in all sectors of the population, to the detriment of the make-up of the area.

Viability

3.29 In relation to viability, the Council has produced a document entitled the "Bradford District Local Plan Core Strategy – Viability Assessment" (September 2013) as a result of the need for viability testing of the Local Plan to meet the requirements of the NPPF.

3.30 In relation to Wharfedale, it shows that it is the only area in Bradford that:

- Can generate site values of £3.26m per ha (£1.32m per acre), while at the other end of the spectrum Inner Bradford and Keighley produce negative land values (Paragraph 4.5.1)
- "*Reaching Level 6 of the Code for Sustainable Homes is indicated to be unviable in all areas other than the higher value area of Wharfedale at current values*". (Paragraph 4.7.3)

[3] Paragraph 7 NPPF.

- Wharfedale can support the highest percentage of affordable housing in the Borough (the report at paragraph 4.13.1 considers it can support 40%. The emerging policy – HO11 - suggests up to 30% can be delivered in Wharfedale. In both cases, this is a higher level of affordable housing being sought than elsewhere in the Borough).

3.31 In addition to the information contained in the viability assessment, information provided from local agents active in the area suggest that recent land sale transactions have achieved circa £1m net per acre. When grossed back to a comparable greenfield site value, this has resulted in figures close to £2m/acre.

3.32 In these circumstances, it is clear that Wharfedale is clearly a viable area to build houses in and is therefore, at least in these terms, attractive to developers to deliver both market and affordable homes.

SHMA Update 2010 and 2013

3.33 The SHMA sub area portraits, attached as Appendix 1 and Appendix 2, demonstrate a number of notable trends of relevance to this analysis. For ease of reference, we have tabulated them below.

Table 3.8 Rising over 60+ Population

	2010 Wharfedale / Bradford	2013 Wharfedale / Bradford
Population Age Groups – Over 60's	23% / 18%	30% / 19%

Source: Bradford SHMA 2010 and Update 2013

3.34 What the above shows is that, whilst the over-60 population in Bradford has grown slightly in the last three years, the elderly population in Wharfedale has grown by 7% according to the Council's own sub-area profile. For comparison purposes, the figure for over-60's in England is 22.7% (Source: 2011 Census) – 7.3% lower than in Wharfedale.

3.35 What this amplifies is that Wharfedale has an above average over 60+ population.

Tenure

3.36 In relation to tenure, the below shows that in the last three years there has been a marked decline in owner occupied properties in Wharfedale (down 7%) and subsequent rise in private rented properties (whilst rented affordable housing has remained broadly similar).

3.37 This would appear to indicate that the current affordability issues may be, at least in part, reducing the number of people getting on the property ladder, with more people choosing to rent in the private market instead.

Table 3.9 Tenure Mix

Tenure %	2010 - Wharfedale / Bradford	2013 - Wharfedale / Bradford
Owner Occupied	87% / 70%	80% / 65%
Private Rented	8% / 14%	13% / 20%
Affordable	5% / 16%	6% / 15%

Source: Bradford SHMA 2010 and Update 2013

3.38 The above also shows that there are very low levels of affordable housing in Wharfedale in comparison to the rest of the Borough. As such, there is a clear lack of supply for those families and individuals with modest or average incomes who would like to settle in the Wharfedale area. The same is true of low cost market housing which makes it particularly difficult to access new entry level starter homes within these market conditions. Given the very limited availability of vacancies in the existing stock this makes it difficult for young households 25- 35 age range to access entry level housing.

Key Issues

3.39 The SHMA sub-area portrait usefully includes, amongst other things, a list of housing and demographic differences that are distinct to the districts overall area profile. It shows the following that is useful for considering the Wharfedale housing market:

The Wharfedale area has:

- Low levels of social and private rented stock.
- Low levels of Terraced Stock.
- Low levels of one bedroom stock.
- Low levels of persons aged 0-15.
- A low vacancy and overcrowding rate.
- High levels of owner occupied stock.
- High levels of 4 bedroom stock
- High levels of persons aged 60+.
- High under-occupancy rates.
- High house prices, Incomes.
- High private rent prices.

3.40 It also identifies in its key issues section amongst other things that Wharfedale:

- Is a high value area with the higher house prices and affordability ratios in the district;
- Has historically lower levels of housing delivery;
- Has high levels of under-occupancy;
- Has access to affordable housing issues for existing and newly forming households.
- Has a need to ensure delivery of affordable housing alongside market housing in the area.

3.41 NLP cannot disagree with these findings. Indeed, our findings on:

- Land Prices
- House Prices
- Affordability of Housing
- Rental Levels;
- Rates of Development;
- Overcrowding;
- Population Demographics;
- Elderly Population work; and,
- Tenure mix,

all support the position outlined in the SHMA area profile.

3.42 In view of this agreement about the issues the Wharfedale housing market faces and the market signals it is sending out, it is clear that both the Council and NLP have similar concerns about imbalances in the Wharfedale market. In these circumstances, it needs to be considered what, if anything, needs to be done to improve these imbalances whilst still meeting the tests of sustainable development outlined in paragraph 7 of the Framework and particularly:

> "...*ensuring that sufficient land of the right type is available in the right places and at the right time to support growth .....*"

> "*.... supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations*"

3.43 This question is considered in the last section of this report

4.0 Conclusions

Policy Background

4.1 The Council's policy HO3 seeks to indicate how the proposed housing requirement will be split between different planning areas and ultimately how many homes each of the settlements in the district will be allocated.

4.2 In summary, having:

- Determined the general principles underlining the distribution of housing growth; and,
- Developed a "base line distribution" which could then be compared and reality checked against a range of criteria,

the district wide housing requirement of 42,100 was assigned according to the proportion of population within the each settlement.

4.3 The consequence of this process was that it resulted in:

- 263 dwellings being proposed on this basis in Addingham.
- 518 dwellings being proposed on this basis in Burley in Wharfedale.
- 1194 dwellings being proposed on this basis in Ilkley.
- 362 dwellings being proposed on this basis in Menston.

4.4 However, the Council then used "key factors and evidence" to adjust and finalise the housing distribution. Having done this, the Council reached the following conclusions in relation to Wharfedale.

Ilkley was considered as a principal town, with the Council settling on a figure of 800 or 1.9% of the district wide total. This figure was 394 dwellings below the 'proportionate' figure of 1194 proposed.

Addingham was considered as a local service centre, with the Council settling on a figure of 200 or 0.5% of the district wide total. This figure was 63 dwellings below the 'proportionate' figure of 263 proposed.

Burley in Wharfedale was considered as a local service centre, with the Council settling on a figure of 200 or 0.5% of the district wide total. This figure was 318 dwellings below the 'proportionate' figure of 518 proposed.

Menston was considered as a local service centre, with the Council settling on a figure of 400 or 1% of the district wide total. This figure was 38 dwellings more the 'proportionate' figure of 362 proposed.

4.5 These figures were subsequently translated into policies HO3 and WD1.

Conclusion

4.6 It was shown in the previous section that both the Council and NLP's evidence agrees that the key housing issues in the area are that it:

- Is a high value area with the higher house prices and affordability ratios in the district;
- Has historically lower levels of housing delivery;
- Has high levels of under-occupancy;
- Has access to affordable housing issues for existing and newly forming households.
- Has a need to ensure delivery of affordable housing alongside market housing in the area.

4.7 In summary, the approach that the Council is recommending in policy HO3 (and subsequently WD1) will not meet local housing need as outlined in their key issues for the area.

4.8 Specifically this is because:

1. Without building further houses in the area, and therefore increasing the supply of houses available, it is difficult to see how house prices will not continue to be significantly above those in the rest of Bradford. Moreover, the areas lack of affordability will continue to mean that those starting households (those between the ages of 20-36) will continue not to settle in Wharfedale and those houses available will continue to be beyond all but those earning the highest income levels, in turn creating an unsustainable community.
2. The relatively few housing numbers proposed will continue to mean that the low level of housing delivery will continue, thereby exacerbating the numerous current problems already showing in the current housing market.
3. Without any smaller houses to move to there will continue to be high levels of under-occupancy in the area since the only other alternative available to current residents will be to move out of the area.
4. With such a low level of housing build proposed, there will be little or no potential access to affordable housing for existing and newly formed households, thereby exacerbating current issues of unaffordability, lack of supply and an unsustainable demographic age distribution. This is all the more disappointing since the Council's own viability study clearly shows that the area is most able to support the development of affordable housing.
5. Both the SHMA profile and NLP agree that there is a need to ensure delivery of affordable housing alongside market housing in the area.

> However, the lack of proposed housing numbers for the plan period is clearly contrary to this agreed strategy and will just exacerbate the issues identified by both parties including low levels of social and private rented stock; an unbalanced population demographic; high under-occupancy rates; high house prices, private rent prices and affordability issues.

4.9 As stated previously, the advice contained in paragraph 20 of the PPG clearly indicates that:

> *"A worsening trend in any of these (market signal) indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections ......"*

4.10 It continues that:

> *"The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be".*

4.11 In these circumstances, NLP does not consider that the proposed allocation in Wharfedale meets local housing needs and therefore must be contrary to both the Council's justification for the housing targets proposed for Local Service Centres and paragraph 7 of the Framework which seeks to ensure:

> *"...that sufficient land of the right type is available in the right places and at the right time to support growth ....."*
>
> *".... supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations"*

4.12 The PPG clearly indicates that an increase in housing supply is appropriate where market signal indicators show a market has affordability issues and indicators of high demand.

4.13 For these reasons NLP and the other professionals involved in this and parallel assessment exercises conclude that a very strong case exists for distributing higher housing numbers to the Wharfedale settlements. The current approach for the Wharfedale sub area as contained in draft policies HO3 and WD1 is unsound as it does not meet the objectively assessed housing needs of the area.

Appendix 1 Bradford SHMA 2010 - Wharfedale sub-area portrait

Wharfedale 2010

Craven, Ilkley, Wharfedale

Population 43,018

Households 18,585

Age Groups (%)	Wharfedale	Bradford
0 - 18	24	28
19 - 59	52	54
60+	23	18

Ethnicity (%)	Wharfedale	Bradford
White British	98	78
Indian	0	2
Pakistani	0	11
Bangladeshi	0	1

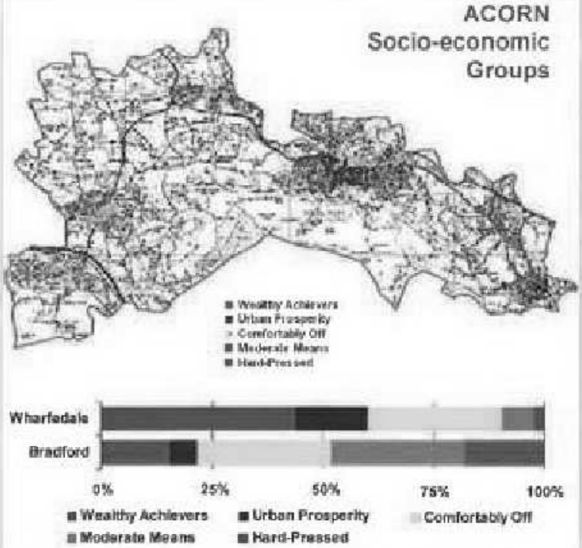
Migration Origin (%)	Wharfedale	Bradford
Within District	64	77
Outside District	36	23

Tenure (%)	Wharfedale	Bradford
Owner Occupied	87	70
Social Rented	5	16
Private Rented	8	14

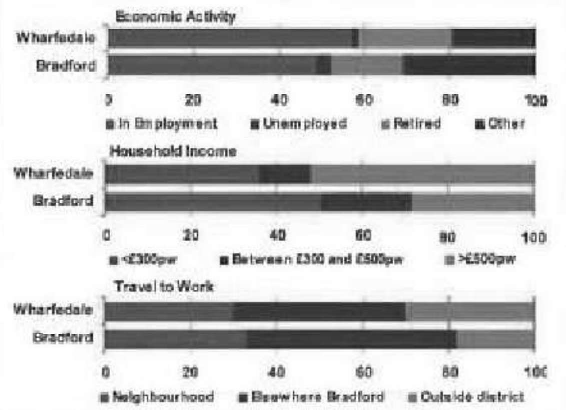
Property Type (%)	Wharfedale	Bradford
D/Semi-detached	57	44
Terraced	25	35
Bungalow	8	7
Flat	10	14

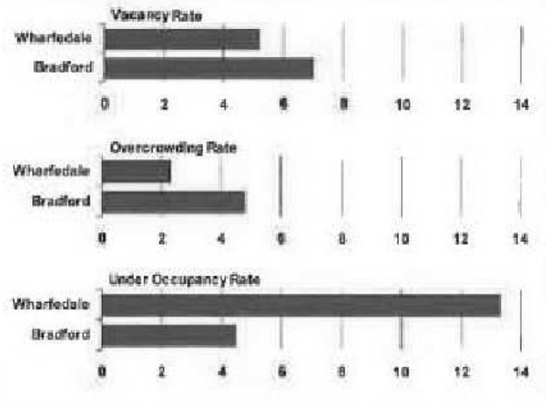
Bedrooms (%)	Wharfedale	Bradford
1-2 bedrooms	32	39
3-4 bedrooms	60	58
5+ bedrooms	9	4

ACORN Socio-economic Groups



Housing Market 2008	Wharfe dale	Bradford
Median House Price	£204,000	£120,000
LQ House Price	£152,200	£90,000
Median Household Income	£29,400	£15,325
LQ Household Income	£11,700	£6,500
Affordability Ratio (ASHE, Land Registry)	9.8	5.8
Median Private Rent (2008/9)	£650	£495





Wharfedale

Affordable Housing Need	
239 households in current need (PA) **127** households in future need (PA) **120** households in need – **NET shortfall** (Per annum) Equivalent to **16%** of total annual affordable housing need in the district. Shortfall of affordable accommodation in most sizes. In particular 2 and 3 bedroom general needs accommodation.	Affordability Requirements: General 1 Bed **-8** 2 Bed **70** 3 Bed **49** 4 Bed **1** Older 1 Bed **10** 2 Bed **-2** **Total** **120 Households**

Housing and Demographic differences (compared to district profile)	
LOW levels:	**HIGH levels:**
Social and private rented stock	Owner occupied stock
Terraced stock	Detached, semi-detached stock
1-2 bedroom stock	3+ bedroom stock
Persons aged 0-18	Persons aged 60+
BME population (virtually none)	White British Households
Within District Migration	Outside district migration
Unemployed persons	Employed persons
Households earning less than £500pw	Households earning more than £500pw
Persons working within neighbourhood	Persons working outside of neighbourhood
Vacancy rate, overcrowding rate	Under occupancy rate
-	House prices, Incomes
-	Affordability ratios, private rents
Hard-pressed (ACORN)	Wealthy achievers (ACORN)

Population Change

This sub-area had experienced a decrease in population over the period 2001-7 and there has been a noticeable outflow of residents aged 25-39. The number and proportion of older people (28.4%) is expected to increase and over the period 2001-7 the number of people aged 75 and over grew by 17%. There is in-migration particularly from Leeds, Craven and the North West Region which is helping to stem population loss and 80% of migrant heads of household are aged under 50, with some retirement migration into the sub-area.

Key Issues

- High value area with the highest house prices and affordability ratios in the district.
- Strong links to Leeds in terms of travel to work and in migration to the area.
- Historically lower levels of housing delivery.
- High levels of under occupancy.
- Access to affordable housing is an issue for existing and newly forming households.
- Need to ensure delivery of affordable housing alongside market housing in the area.

Appendix 2 Bradford SHMA Update 2013 - Wharfedale sub-area portrait

Wharfedale 2013

Craven, Ilkley, Wharfedale

Population 43,018

Households 18,538

Age Groups (%)	Wharfedale	Bradford
0-15	18	23
16-39	23	34
40-59	29	25
60-74	18	12
75+	12	7

Ethnicity (%)	Wharfedale	Bradford
White; English/Welsh/Scottish/ Northern Irish/British	95	64
White; Others	3	4
Mixed/Multiple Ethnic	1	4
Asian/Asian British; Pakistani	0	3
Asian/Asian British; Other	1	20
Black/Black British	0	6
Other	0	2

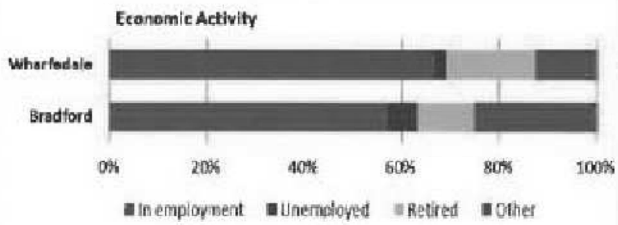
Migration Origin (%)	Wharfedale	Bradford
Within District	64	77
Outside District	36	23

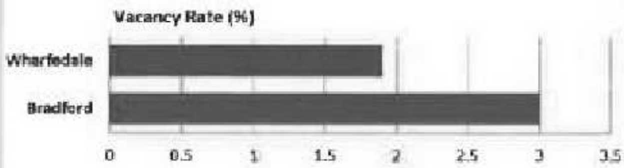
Tenure (%)	Wharfedale	Bradford
Owner occupied	80	65
Private Rented	13	20
Affordable (Social Rented/ Intermediate Tenure)	6	15

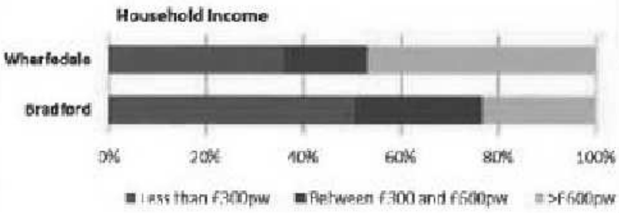
Property Type (%)	Wharfedale	Bradford
Detached	22	10
Semi-detached	23	29
Terraced	28	38
Bungalow	9	8
Flat	16	15
Not Known	1	1

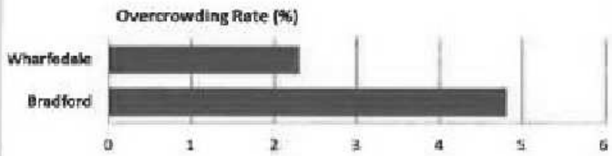
Bedrooms (%)	Wharfedale	Bradford
1 bedroom	7	11
2 bedrooms	27	27
3 bedrooms	46	52
4 bedrooms	19	8
Not known	1	1

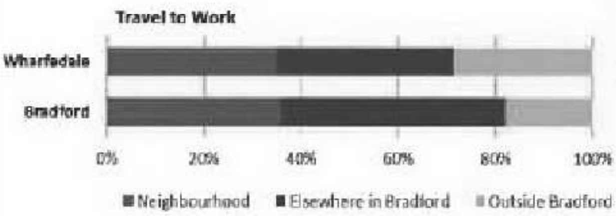
Housing Market 2012	Wharfedale	Bradford
Median House Price	£210,000	£115,000
LQ House Price	£155,000	£80,000
Median Household Income	£29,400	£15,325
LQ Household Income	£11,700	£6,500
Median Private Rent 2012	£495	£475

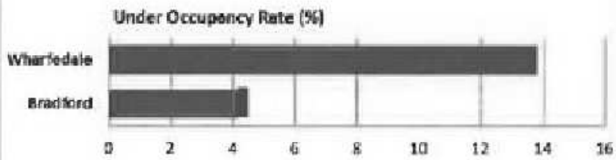












Wharfedale

Affordable Housing Need

21	Total backlog need (each year)	Affordability Requirements (households):		
29	Newly-arising need (each year)	General	1 Bed	**11**
39	Affordable supply (each year)		2 Bed	**-1**
			3 Bed	**0**
			4 Bed	**0**
		Older	1 Bed	**4**
			2 Bed	**-3**
11	**NET shortfall (each year)**	**Total**		**11**

Housing and Demographic differences (compared to district profile)

LOW levels:	HIGH levels:
Social and private rented stock	Owner occupied stock
Terraced stock	Detached stock
1 bedroom stock	4 bedroom stock
Persons aged 0-15	Persons aged 60+
BME population	White British Households
Within District Migration	Outside district migration
Unemployed persons	Employed persons
Households earning less than £600pw	Households earning more than £600pw
Persons working within neighbourhood	Persons working outside of neighbourhood
Vacancy rate, overcrowding rate	Under occupancy rate
	House prices, Incomes
	Private rent prices

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[redacted]