



West Midlands North Housing Market Area



STRATEGIC HOUSING MARKET ASSESSMENT 2007

FINAL REPORT

April 2008



WEST MIDLANDS NORTH HOUSING MARKET AREA

STRATEGIC HOUSING MARKET ASSESSMENT

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FOREWORD

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EXECUTIVE SUMMARY

APPROACH

1. In May 2007, the North Housing Market Area Strategic Group commissioned **Outside** to undertake a comprehensive Strategic Housing Market Assessment. The study comprised two separate Stages:
 - ❑ **Stage One** - collation of key information and data by staff of the authorities and partner organisations in the North Housing Market Area Strategic Group
 - ❑ **Stage Two** - a consultant to provide advice, to undertake analysis and to produce an analytical written report
2. The Strategic Housing Market Assessment provides a detailed sub-regional market analysis of housing demand and housing need, identifying the key drivers in the North housing market area. In addition it provides a robust evidence base for current and future requirements in terms of market and affordable housing to inform local policies and strategies.
3. The Strategic Housing Market Assessment methodology relies on the collation and analysis of a wide range of secondary data and relevant literature alongside qualitative inputs from stakeholders in the Housing Market Area.
4. The Assessment has been conducted within the framework of *PPS3: Housing* and the *Strategic Housing Market Assessment Practice Guidance*. In addition it has taken account of the Housing Green Paper, Regional Housing Strategy, Regional Spatial Strategy, West Midlands Economic Strategy, the agendas for New Growth Points and for Housing Market Renewal.

DEMOGRAPHIC & ECONOMIC CONTEXT

5. The North Housing Market Area, with a total population of around 689,900, contains 12.9% of the West Midlands region population. Between 1991 and 2001 the population of the North Housing Market Area declined by 0.2%; this was driven primarily by out migration from the sub-region, whilst the Region experienced population growth of 1.0% and England & Wales grew by 3.2%. Nowhere was the decline in population more evident than in Stoke-on-Trent where the population fell by 9,000 overall (or 3.6%). Staffordshire Moorlands also

recorded a decline in population in the same period; although this was primarily driven by natural change (more deaths than births), which reflects Staffordshire Moorlands ageing population. East Staffordshire experienced significant population growth and the population of both Newcastle-under-Lyme and Stafford grew by 1.0% in the period.

6. Since 2001 the North Housing Market Area has seen population growth of 1.2%, fuelled almost entirely by positive net migration. Stafford has been the main recipient of in-migrants followed by East Staffordshire, which continues to be the fastest growing area in the Housing Market Area. Newcastle-under-Lyme, Stafford and Staffordshire Moorlands have all experienced negative natural change, but have made up for this with positive net migration meaning that the three areas have all grown in size. The population decline in Stoke-on-Trent has slowed considerably and recent evidence suggests there may even be some slight signs of growth in the area.
7. In terms of migration flows Burton-upon-Trent has very strong ties to Derbyshire to the east and Lichfield to the south. As such it is less influenced by changes to the north and west. However, Uttoxeter is gaining and losing population to Staffordshire Moorlands and Stafford and whilst it is not necessarily independent of Burton-upon-Trent it will not be subject to all the same influences.
8. Newcastle-under-Lyme is quite focussed in its relationship to Stoke-on-Trent, which dominates above all others. That said the peripheries are influenced by north west Stafford, Congleton and Biddulph.
9. Stafford has a highly dispersed pattern of movement, which suggests that Stafford town and Stone operate independently causing population to flow north, south and east, and to a lesser extent west. Stone is most likely drawing population in from Stoke-on-Trent, whilst Stafford town is linking south.
10. Staffordshire Moorlands is closely tied to Stoke-on-Trent and of the five North Housing Market Area districts is most influenced by its Housing Market Area partners. Staffordshire Moorlands splits between the non-National Park west whose towns are part of a market that draws in population from Stoke-on-Trent, Newcastle-under-Lyme and the towns of Congleton and Macclesfield, and the National Park which is a non-centred rural area operating independently of the rest of the Borough.
11. Stoke-on-Trent has a particular regionally unique housing market that operates in such a way to disperse population to its neighbours. People move in significant numbers to both Newcastle-under-Lyme and Staffordshire Moorlands and it is likely that this reflects

different aspirations and separate markets. The links to Stafford suggest a southern market focused around Stone.

12. In terms of tenure, the proportion of owner-occupiers is very high in Staffordshire Moorlands (83.5%), and also high in Stafford (76.1%). However, Stoke-on-Trent has a far lower rate of owner-occupation (at 65.2%). The proportion of social rented households is highest in Stoke-on-Trent (24.4%) and lowest in Staffordshire Moorlands (9.0%). Stoke-on-Trent also has the greatest percentage of private rented accommodation with 10.4%, followed by East Staffordshire with 10.1%.
13. In terms of the age profile of the population, Newcastle-under-Lyme and Staffordshire Moorlands have the highest proportion of pensioner households. However, Stoke-on-Trent (15.4%) has the highest proportion of single pensioner households, followed by Newcastle-under-Lyme. These high levels have implications for care and support services for older people living alone.
14. East Staffordshire has the greatest proportion of 0-14 year olds in the North Housing Market Area; above both the West Midlands and the England & Wales average. This tendency towards greater representation of families is also reflected in the proportion of 35-49 year olds.
15. Stoke-on-Trent has the highest proportion of 20-34 year olds, which will in part be due to the University. This younger population will be residing in Stoke-on-Trent partly because housing is relatively cheap and if the market renewal intervention delivers a more vibrant economy then they will be retained and will contribute to the urban renaissance.
16. Staffordshire Moorlands has high proportions of people aged 35-49 and 50-64; suggesting a stable population, but also (in the case of the older segment) one that in ten to twenty years could start to increase pressure on services for older people.
17. The relatively older population profile of the North Housing Market Area, (less youthful than Central Housing Market Area) combined with demographic trends towards the ageing of the general population, has potential implications for future accommodation such as:
 - ❑ Increased requirements for support to enable older people to stay at home
 - ❑ Increased need for specialised accommodation for older people
 - ❑ Under occupancy of larger stock, creating a potential blockage in the market which may force younger families to leave the area

18. Arrivals of foreign nationals (international migration) into North Staffordshire have increased over the past three years. In particular the origins of these workers have changed dramatically from Asia to Eastern Europe. 49.1% of new National Insurance registrations from overseas nationals settled in Stoke-on-Trent. Although nationally 25.9% of overseas nationals receiving National Insurance numbers were from Poland, the proportion from Poland was much higher than this in East Staffordshire (48.9%); Staffordshire Moorlands (36.4%); Stafford (33.9%) and Newcastle-under-Lyme (28.3%).
19. New arrivals tend towards employment in jobs that low paid, casual and temporary, which has consequent implications for the type of housing they take up and its location. Often they find themselves in poorly maintained private rented homes, HMOs and even caravans. This will impact upon their decisions about when and where to establish longer term homes should their families be with them or be planning to join them.
20. Recently there have been falling levels of economic activity and falling employment rates among the working age population in Newcastle-under-Lyme and East Staffordshire, whilst there have been rising levels among the working age population in Stafford and Stoke-on-Trent. Levels of unemployment rose during 2004-06 in all areas except Stoke-on-Trent.
21. East Staffordshire's workforce is tending towards growth amongst managers and senior officials and, along with Staffordshire Moorlands, increases in the professional class. On the other hand, there is no substantial increase in proportions of managers or professionals in Stoke-on-Trent, where proportions in these groups remain relatively low. In part, Stoke-on-Trent's renaissance will require a more attractive housing offer for these higher earners.
22. With the exception of Staffordshire Moorlands, median earnings have increased by a greater percentage than lower quartile earnings, suggesting an increasing gap between medium/high earners and low earners.
23. In East Staffordshire only seven of the 21 wards have a mean household income below £30,000 p.a. and two (Bagots and Yoxall) are above £40,000. Newcastle-under-Lyme in contrast has only one ward (Keele) where the mean income is above £40,000. The wards with the lowest mean incomes are concentrated in the urban area. Stafford has two wards with a mean income over £40,000 and only five wards below £30,000. Mean incomes in Staffordshire Moorlands are lower than East Staffordshire, Newcastle-under-Lyme and Stafford. Only one ward has a mean above £35,000, and twelve wards have a mean income below £30,000. The three towns of Leek, Cheadle and Biddulph have the lowest mean incomes. In Stoke-on-Trent, mean incomes fall between £22,000 and £34,000; a range of

£12,000. This is both the lowest and the narrowest income range in the North Housing Market Area. Eleven wards have a mean income between £20,000 and £25,000.

24. Of the 118 wards in the North Housing Market Area, six of the ten wards with the lowest mean income are in Stoke-on-Trent (three are in Newcastle-under-Lyme and one in Staffordshire Moorlands). Of the ten wards with the highest mean income four are in East Staffordshire, four are in Stafford and two in Newcastle-under-Lyme.

HOUSING STOCK

25. Staffordshire Moorlands has the lowest percentage of social housing stock in the North Housing Market Area with only 8.2%. This is less than half of the North Housing Market Area percentage of 17.7% and the regional average of 19.9%. Stoke-on-Trent has the highest percentage with 23.5%.
26. All of the districts except for Stoke-on-Trent have a higher percentage of private housing than the regional average of 80.1%. The North Housing Market Area average is 82.2% compared to 80.1% for the region. Staffordshire Moorlands has the highest percentage with 91.8% of dwellings in the private sector.
27. The proportion of private rented accommodation in the North Housing Market Area is lower than the national average.
28. The predominant dwelling type in the North Housing Market Area is semi-detached housing with almost two out of five households living in semi-detached housing. The predominant type of housing in Staffordshire Moorlands and Stafford is detached. Stoke-on-Trent has a high proportion of terraced housing.

THE ACTIVE MARKET

29. The cost of housing for sale varies considerably across the North Housing Market Area: the highest overall mean price is in Stafford at £180,569, more than £80,000 higher than the lowest mean price (Stoke-on-Trent). Although average house prices in all areas are well below the West Midlands average, only Stoke-on-Trent and Newcastle-under-Lyme fall below the national average of £145,142. The average house price in Stoke-on-Trent of £98,868 stands out as being noticeably lower than prices in other areas of the North Housing Market Area, as well as low in comparison to the West Midlands and England as a whole.

30. A number of patterns emerge. First, the villages and settlements in South and West Newcastle-under-Lyme are considerably more expensive than the areas to the east of the motorway, which more closely reflect the Stoke-on-Trent market. In fact these parts of Newcastle-under-Lyme, in price terms, are more closely aligned to those of Stafford Borough west of the M6. Second, in Stafford Borough, prices are at their highest around Stone and are lower in Stafford town. The same pattern is true in East Staffordshire, where the rural parts of the District are higher priced than Burton-upon-Trent. This will in part reflect the more varied house types available in the urban area compared to rural areas. Third, the highest priced area is the Peak National Park, but prices are relatively high across all the rural parts of the Housing Market Area. Finally, prices across Stoke-on-Trent are uniformly low except to the south where the City borders Stafford Borough. The parts of Staffordshire Moorlands (e.g. Biddulph) that border Stoke-on-Trent to the east and Newcastle-under-Lyme and Kidsgrove to the west and northwest all reflect Stoke-on-Trent's low price housing market.
31. In most areas the change in lower quartile house prices over the whole 5-year period is considerably greater than the change in mean and median house prices. This indicates that entry-level properties have become less affordable over the period at the same time as the disparity between median and lower quartile incomes has increased. These two factors combined are making owner occupation less and less affordable in the North Housing Market Area.
32. It is also clear that flats/maisonettes have become more expensive relative to the *overall* mean price in some areas of the North Housing Market Area. This is significant as these properties are a significant entry point into owner occupation.
33. Of the 118 wards in the North Housing Market Area, five of the ten wards with the highest mean income to house price ratio are in Staffordshire Moorlands. Of the 118 wards in the North Housing Market Area, eight of the ten wards with the lowest mean income to house price ratio are in Stoke-on-Trent.
34. Stafford has the highest entry-level price (£120,000), followed by Staffordshire Moorlands (£110,000). Entry-level property prices are lowest in Stoke on Trent at £65,000 and in Newcastle-under-Lyme at £92,500. Entry-level property prices in both of these areas fall well below the regional and national averages.
35. There is considerable variation in affordability as measured by the gross income required to purchase an entry-level property amongst the different local authorities. Entry-level properties are most affordable in Stoke-on-Trent where single income households must be

earning £18,571 per annum to be able to afford a mortgage on an entry-level property. Two income households must be earning £22,413 per annum. In contrast to this, single income households in Stafford need to be earning £34,285 per annum to be able to afford an entry-level property. Two income households in this area need to be earning £41,379.

36. Private sector rents overall vary across the North Housing Market Area from £77.15 in Stoke-on-Trent to £86.97 in East Staffordshire. In most cases they are below the West Midlands and the England average, with the exception of bedsits in Stafford and Staffordshire Moorlands and 4 bed or more properties in Stafford.
37. What is more interesting is that private sector rents diverge far less than house prices; where the purchase price of the lowest priced dwelling is 55% of the highest priced dwelling, the lowest rent is 86.5% of the highest rent. This would suggest that in Stoke-on-Trent demand in the private rented sector is much stronger than in the owner occupied sector and is resulting in rents that are closer to the North Housing Market Area norm and closer in their relative spread to RSL rents.
38. Private rents are much more affordable in the North Housing Market Area than owner occupation. As there is far less variation in private rents than in house prices the income required for a 1 bed property ranges from £15,049 to £17,630 and for a 2 bed property from £16,503 to £20,498. At the very least this represents a salary of 19.0% less in Stoke-on-Trent and 38.6% less in Stafford. Private renting represents a significantly more affordable option across the North Housing Market Area than owner occupation.

THE FUTURE HOUSING MARKET

39. The growth of population and households in the West Midlands is considered first as “unconstrained” (figures that derive from household-based projections produced by the Office of National Statistics) and second as policy-driven (figures that take account of Regional Spatial Strategy).
40. The unconstrained number of households in the North Housing Market Area is predicted to grow between 2006 and 2029 by:
 - ❑ 12,000 households or 27% in East Staffordshire
 - ❑ 9,000 households or 17% in Stafford
 - ❑ 5,000 households or 13% in Staffordshire Moorlands
 - ❑ 6,000 households or 11% in Newcastle-under-Lyme

- 6,000 households or only 6% in Stoke-on-Trent
41. Due to social and economic changes in the country the household change that will occur in the next twenty years does not necessarily run parallel to the population change. In population terms Stoke-on-Trent will decline further and Newcastle-under-Lyme will barely change. Stafford and Staffordshire Moorlands will experience moderate increases in population numbers of 4.1%, but East Staffordshire will grow significantly by 16.0%.
 42. These changes in growth patterns will have significant impacts upon housing markets in the five areas, putting increasing pressure on both Stafford and East Staffordshire to meet the needs of both their existing and increasing populations. The Regional Spatial Strategy Preferred Option grants Stafford well above (121.8%) its total predicted demand. East Staffordshire and Staffordshire Moorlands receive an indicative annual allocation of 105.8% and 100.2% respectively of their predicted annual demand. The urban areas (and those most affected by market renewal) are further constrained: Newcastle-under-Lyme receives 80.1% and Stoke-on-Trent receives 72.4%.
 43. The proposals for housing growth in the Regional Spatial Strategy differ from the unconstrained patterns of household change. East Staffordshire is consequently expected to grow by 12,900 dwellings, Newcastle-under-Lyme by 5,700, Stafford by 10,100, Staffordshire Moorlands by 6,000 and Stoke-on-Trent by 11,400 dwellings. It is these policy-based figures that will drive development to 2026.
 44. In terms of household types, there will be a steady decline in each area of married couple households, although the proportions are likely to stay above the regional average. Although there is a growth in cohabiting couple households it does not equal the decline in married couple households. Instead what we see is significant growth in one person households.
 45. Social, economic and cultural factors are leading to marital breakdown at one point in the age spectrum at the same time as a growth in couples “living apart together” or “LAT”. This will create increased demand for smaller properties, but not so small that they cannot accommodate overnight guests (e.g. children) or space to work at home (an increasing phenomenon as transport infrastructures become more and more clogged); in other words at least 2 bedrooms.
 46. A number of conclusions for growth and housing demand can be drawn:
 - In East Staffordshire the increase in the number of cohabiting couples exceeds the decline in married couple households by 2,167 households and if one also includes multi-person households then by a further 410. This would present a strong argument

for family housing. In addition, one person households account for 67% of the district's growth.

- ❑ In Newcastle-under-Lyme the decline of married couple households exceeds the growth of cohabiting couple households; suggesting less requirement for new family housing except to replace what is lost through demolitions for example. 98.7% of growth in Newcastle-under-Lyme will be amongst one person households, although it would be wrong to simply translate this into future demand being for smaller properties only.
- ❑ Although not to the same extent as East Staffordshire, the growth of cohabiting couple households in Stafford will exceed the decline in married couple households. As with all areas, there will be significant new demand from one person households.
- ❑ In Staffordshire Moorlands the changes in married couple and cohabiting couple households almost cancel each other out. Once again the growth is amongst one person households.
- ❑ Stoke-on-Trent sees the starkest decline in married couple households (7,797); more than twice the size of any growth amongst cohabiting couple households. What growth in household numbers there will be in Stoke-on-Trent is driven by the formation of one person households.

HOUSING REQUIREMENTS OF SPECIFIC GROUPS

47. In terms of older people, Staffordshire Moorlands had the highest percentage of their total population aged over 60. On the other hand, the highest proportion of all residents over 80 was found in Stafford. The proportion of pensioner households in owner-occupation is highest in Staffordshire Moorlands. The proportion of pensioner households in social rented housing on the other hand, is highest in Stoke-on-Trent. Single pensioner households represent over 14.0% of the population in four out of five districts.
48. The number of single pensioner households has implications for types of housing as well as care and support services within each district, as it suggests that the older person may not benefit from care and support within the home from another member of their household if the need arose. In Stoke-on-Trent, the proportion of social rented single pensioner households has implications for decisions around the quality and the sustainability of the high proportion of local authority bungalow accommodation in terms of space standards, mobility and access requirements, and the balance between category 1, category 2 and extra care/retirement village accommodation. In other districts, such as Staffordshire Moorlands, the higher levels of home ownership coupled with increasing numbers of single pensioner households, will present challenges for providing for growing numbers of older people with equity in their own homes with housing choice.
49. Key issues for older people in rural areas can include support for older homeowners as many are asset rich but income poor, and there are only patchy support systems to assist

them with maintenance and upkeep. Preventative services are crucial for maintaining independence and preventing isolation.

50. In terms of **households with specific needs**, there are varying levels of households with *at least* one person with limiting long-term illness across the districts of the North Housing Market Area. Highest levels are for Stoke-on-Trent (42.5%), compared to Newcastle-under-Lyme (38.6%) and Staffordshire Moorlands (36.8%). All these three authorities have an incidence of households with at least one person with Limiting Long-Term Illness above the West Midlands and above England.
51. What is significant is that the distribution of carers does not entirely match the households with at least one person with Limiting Long-Term Illness and more closely reflects the relative “wealth/poverty” of each area. Although only 11.2% of the Stoke-on-Trent population provide unpaid care, the ratio of households with one person with a Limiting Long-Term Illness to carers is the highest (1.6 households to each carer). At the other end of the spectrum Stafford has the lowest rate of households with at least one person with Limiting Long-Term Illness and the highest rate of carers to households.
52. In other words, Stoke-on-Trent has the highest incidence of households with at least one person with Limiting Long-Term Illness, but the lowest incidence of carers. Since the population will reside in the poorest housing in the Housing Market Area, with the lowest incomes, the fact that people with Limiting Long-Term Illness have lower rates of carer provision will put a greater burden on public and voluntary provision in the area. Those households with special needs members are more likely to be in small households (one or two persons); socially rented housing; and living in unsuitable housing than non-special needs households.
53. East Staffordshire and Stoke-on-Trent have higher proportions of **black and minority ethnic households** than other areas within the North Housing Market Area. Staffordshire Moorlands has the lowest percentage of BME households.
54. 3.4% of Stoke-on-Trent households are from BME groups. Households from Other ethnic groups are over-represented in private rented housing, with 40% of such households in this tenure, compared to 7.5% of households overall.
55. People from BME groups do not on the whole regard social housing as a tenure of first choice. Issues around social housing included a perception of anti-social behaviour on council estates and long waiting times for council homes and a preference for owner-occupation. Intermediate tenures are also not considered particularly attractive and many

people from BME groups are not aware of this tenure. In terms of tenure aspirations amongst people from BME groups, owner-occupation is the first choice. Housing pathways are needed that make it easier for people from BME groups to move away from crowded housing markets in urban areas and that housing associations should market their housing more, especially intermediate tenures.

56. Households accepted as homeless and in priority need dropped in 2005/6 and again in 2006/07 across the Housing Market Area. Use of temporary accommodation in the Housing Market Area dropped significantly in all areas in 2006. The rate of homelessness almost doubled in Stoke-on-Trent from 2002/3 to 2004/5, before falling again in 2005/6 to be in line with the West Midlands average.

HOUSING MARKET SECTORS

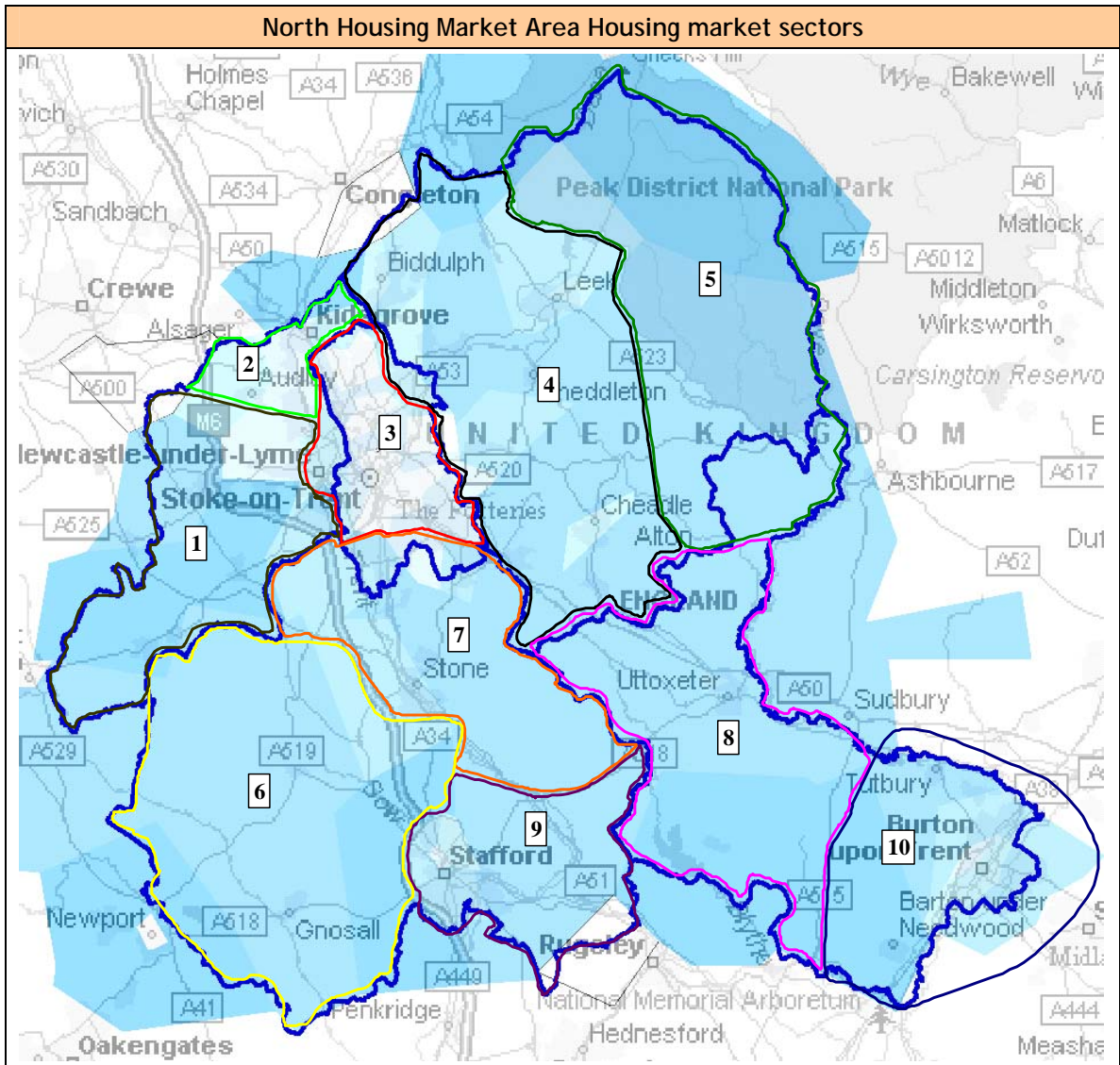
57. In order to identify the housing market sectors operating within the North sub-regional Housing Market Area has involved analysis and bringing together of a number of different aspects of this study. The primary drivers for identifying these market sectors are:

- Population change and migration
- Local incomes and local house prices
- Affordability and entry-level housing
- Housing need and demand for social housing
- Stakeholder consultations

58. The first stage was to identify a suitable geography for analysis that could be applied to the various datasets analysed as part of the Strategic Housing Market Assessment. We decided that, despite boundaries that may appear arcane at times, electoral wards are the appropriate building block geography to provide outputs that are both robust and replicable. The second stage was to identify commonality in various identifiers (e.g. tenure, house, income, affordability). The aim was to find areas where, from the perspective of the home purchaser, there was substitutability (either one dwelling for another or one price for another) or a match in affordability. The third stage was to overlay the different elements (price, type, income) over one another to see where they correspond and where they diverge. The final stage was to compare this map of findings with the views of stakeholder to see to what extent the markets described qualitatively matched those defined quantitatively.

59. This analysis has consequently identified ten housing market sectors:

- | | |
|---|-------------------------|
| 1. West Newcastle-under-Lyme | 6. Stafford West |
| 2. Audley/Kidsgrove | 7. Stone & environs |
| 3. Stoke-on-Trent/Central Newcastle | 8. Uttoxeter & environs |
| 4. Three Towns (Biddulph, Leek & Cheadle) | 9. Stafford town |
| 5. North East Staffordshire | 10. Burton-on-Trent |



60. **West Newcastle-under-Lyme** West takes in four wards (Keele, Halmerend, Loggerheads & Whitmore, Madeley) in the borough of Newcastle-under-Lyme. There are some acute affordability pressures in the sector particularly in Loggerheads & Whitmore where the mean income to mean house price ratio is 1:7. The sector has the third highest mean house price and the second highest mean income in the North Housing Market Area. There is a migratory relationship west to North Shropshire, which has resulted in a net population loss of 80 people in the last five years (610 in and 690 out). Overall in terms of balance there is:

- ❑ An under supply of mid-sized properties (particularly semi-detached and terraces)
 - ❑ A shortage of social housing and correspondingly affordability pressures
 - ❑ A relative (but not acute) under supply of private rented housing
61. **Audley/Kidsgrove** takes in nine wards to the north of the Newcastle-under-Lyme borough. This is an area very much in the lower-range on a range of housing market indicators. The mean house price is the second lowest of the ten sectors and the mean income is the third lowest. Population is being lost through migration to Crewe and Nantwich and to Congleton although overall this will be more than made up by gains from Stoke-on-Trent. Overall in terms of balance there is:
- ❑ The tenure balance is broadly in line with the North Housing Market Area as a whole
 - ❑ An under supply of detached and terraced dwellings and apartments, coupled with an abundance of semi-detached dwellings
62. **Stoke-on-Trent/Central Newcastle:** There are clearly significant ties that link the urban centre of Stoke-on-Trent with the town of Newcastle-under-Lyme, not the least of which is geography. What defines this housing market sector is:
- ❑ Low house prices (the lowest sector in the North Housing Market Area), but rapidly rising
 - ❑ Low incomes (the lowest sector in the North Housing Market Area), but due to low house prices, this is the most affordable sector in the North Housing Market Area, which offers the potential to expand home ownership and sustainability both through outright sales and shared equity products
 - ❑ Significant population decline, led by out-migration of families, but with signs of a slow down and some, albeit small, predicted growth in household numbers
 - ❑ Low levels of owner occupation and correspondingly high levels of social housing
 - ❑ Poor quality housing, but major interventions are addressing this, with a shortage of detached dwellings and an oversupply of terraces. A high level of long-term vacant dwellings.
 - ❑ Limited economic and geographical mobility, but recent improvements to the road network (e.g. A500), will facilitate employment opportunities beyond the urban core
 - ❑ Smaller younger households who, if the housing offer is right, could be encouraged to stay
 - ❑ Older households in poor private and social housing
63. **Three Towns (Biddulph, Leek & Cheadle)** takes in the bulk of Staffordshire Moorlands outside the Peak National Park district. The three towns share a lot of common characteristics whilst the rural strip that runs through the middle of the sector from Horton

south through Cheddleton, Bagnall & Stanley and Caverswall presents a high priced, rural market with some commonality with Peak National Park to the east. This is clearly exemplified in the affordability ratios ranging from 1:4 in Biddulph East to 1.10 in Caverswall. There is a very strong owner occupied sector, and house prices overall are above the sub-regional average (£154,463). However there are marked differences between wards. Overall in terms of balance there is:

- ❑ There is a very high proportion of owner occupation and low proportions of social housing
- ❑ The low levels of private rented housing suggests scope for growth in this part of the market
- ❑ In terms of housing type, there is a shortfall of smaller properties both terraces and apartments

64. **North East Staffordshire:** This housing sector consists of the Peak National Park in Staffordshire Moorlands along with other wards in Staffordshire Moorlands (Alton, Churnet, Dane, Hamps Valley, Ipstones, Manifold) and East Staffordshire (Weaver). It is a highly dispersed rural area characterised by small villages and hamlets. The sector is disproportionately dominated by owner occupation and detached homes, and the terraced properties are most likely rural cottages, higher priced than their terraced equivalents in the urban core. The social housing sector is very under-represented here. Incomes range from just under £30,000 to over £35,000, and house prices go up as high as £270,000 in Manifold and Dane. Consequently these two wards have affordability ratios of over 1:9. Across the North Housing Market Area, four of the ten wards with the highest mean income to house price ratio are in this sector. Overall in terms of balance there is:

- ❑ A dominance of owner occupation over all other tenures
- ❑ A need for more affordable housing and social housing in particular
- ❑ An under supply of mid-sized units such as semi-detached and terraced dwellings and also need for more smaller apartments
- ❑ An oversupply of detached properties

65. **Stafford West** is a polycentric, rural housing market that shares common features but is less well defined than the urban focussed markets. There is no one natural centre to the sector and consequently its focus is quite dispersed. The sector takes the rural north west of Stafford Borough (Eccleshall) and shares common characteristics with Newcastle-under-Lyme West as well as parts of Telford & Wrekin and North Shropshire. House prices are high here and parts of the sector have seen some strong price rises in the last few years, ranging from £222,935 in Eccleshall to £307,766 in Church Eaton. Likewise household

incomes are relatively high although affordability is as high 1:8.28 in Church Eaton. Overall in terms of balance there is:

- ❑ A dominance of owner occupation over all other tenures
- ❑ A need for more affordable housing and social housing in particular
- ❑ A significant oversupply of detached properties to the detriment of mid-sized units such as semi-detached and terraced dwellings in particular

66. **Stone and environs:** The northern part of Stafford Borough has links to the southern fringes of Stoke-on-Trent. This sector takes in seven northern wards of Stafford Borough along with Blurton, Longton South, Meir Park & Sandon and Trentham & Hanford in Stoke-on-Trent. Stone itself is a town that has seen strong price growth such that it is now outstripping Stafford. The ward of St Michael's has a mean income £41,500. Some parts of the town are experiencing affordability pressures. Trentham and Hanford (Stoke-on-Trent) also displays some common characteristics with Stone and as such are contributors to this sector rather than the urban core. The strongest migration links between the northern part of the Stafford borough and Stoke-on-Trent. Overall in terms of balance there is:

- ❑ A dominance of owner occupation over all other tenures
- ❑ A need for more affordable housing and social housing in particular
- ❑ A significant oversupply of detached properties to the detriment of mid-sized units such as semi-detached and terraced dwellings in particular
- ❑ Scope for growth in the private rented sector

67. **Uttoxeter and environs:** This is a relatively dispersed housing market centred around Uttoxeter that includes brings together high priced rural wards such as Bagots and Yoxall with lower priced urban wards in Uttoxeter. In addition, incomes are also high in the rural wards. Three of the top 10 highest mean incomes wards are in this sector. The common features of the sector include:

- ❑ Higher mean incomes
- ❑ High house prices
- ❑ Higher house price change
- ❑ Concentrations of detached dwellings
- ❑ Some affordability pressures
- ❑ Limited scope for development in the rural areas

68. Overall in terms of balance there is:

- ❑ Higher levels of owner occupation
 - ❑ A need for more affordable housing and social housing in particular
 - ❑ Oversupply of detached properties and a corresponding shortfall of smaller/mid-sized units such as terraced dwellings
69. **Stafford town**, at the southern end of the borough is relatively self-contained and displays strong links to the Central Housing Market Area, in particular Cannock Chase and South Staffordshire. Incomes in the town are quite mixed with some wards at the lower end of the mean income range (Highfields & Western Downs and Manor) and one (Rowley) at the top end (mean income £39,000). Affordability across the whole town is fairly similar with the ratio of mean house price to mean income ranging from 1:4 to 1:6, suggesting some pressures which again are being felt most keenly in the east of the town. Overall in terms of balance there is:
- ❑ Reasonable balance of owner occupation, social housing and private rented housing
 - ❑ In terms of house type, Stafford has a well balanced supply of different forms of stock, although there may be a slight oversupply of smaller terraces and apartments
 - ❑ Growth in one person households could put pressure on the smaller properties in the future
70. The town of **Burton-on-Trent** lies at the south east corner of the East Staffordshire district and as such has limited market connections with the rest of the district. In fact Burton-on-Trent is far more strongly tied to Derby, Derbyshire Dales, South Derbyshire and other parts of the East Midlands than it is to rest of the North Housing Market Area. Incomes range from £25,752 in Burton to £39,778 in Branston (the eighth highest mean ward income in the North Housing Market Area). House price growth is relatively strong, but mean prices vary from £91,361 in Anglesey to £245,375 in Needwood. This results in affordability ratios from 1:3.44 (in Anglesey, the sixth lowest out of the 118 wards in the North Housing Market Area) to 1.6.93 (in Needwood). Overall in terms of balance there is:
- ❑ A shortfall in affordable housing, although this may in part be offset by the private rented sector
 - ❑ Under supply of larger detached and semi-detached properties

HOUSING REQUIREMENTS OF HOUSEHOLDS IN NEED

71. The housing needs model recommended for the North Housing Market Area implies a shortfall of affordable housing in all five districts.

Summary of net annual housing need					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
STAGE 1 CURRENT HOUSING NEED					
1.4 Total current housing need (gross)	2048	2044	1031	789	4072
STAGE 2 FUTURE HOUSING NEED					
2.4 Total newly arising housing need	478	622	655	528	1571
STAGE 3 AFFORDABLE HOUSING SUPPLY					
3.1 Affordable dwellings occupied by households in need	271	173	371	132	1297
3.2 Surplus stock	0	0	0	0	0
3.3 Committed supply of new affordable housing	105	28	54	11	41
3.4 Units to be taken out of management	0	73	0	0	566
3.5 Total affordable housing stock available (3.1 + 3.2 + 3.3 - 3.4)	376	128	425	143	772
3.6 Annual supply of social re-lets (net)	520	736	483	228	1704
3.7 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	0	0	0	0	0
3.8 Annual supply of affordable housing (3.6 + 3.7)	520	736	483	228	1704
ESTIMATE OF NET ANNUAL HOUSING NEED					
(((1.4 minus 3.5)* 20%)+ 2.4) minus 3.8	293	269	293	429	527
Shortfall as % of total households	0.6%	0.5%	0.5%	1.1%	0.5%

72. In terms of developing affordable housing targets in local development documents, the Strategic Housing Market Assessment can provide indications of suitable targets. The regional affordable housing targets and the level of housing provision required for each local authority area as set out in the Regional Spatial Strategy provide the framework.

- East Staffordshire is expected to build on average 645 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 610 households per annum. The housing needs model would imply affordable housing targets of between 45% and 48%.

- ❑ **Newcastle-under-Lyme** is expected to build on average 285 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 356 households per annum. The housing needs model suggests affordable housing targets of between 75% and 95%.
 - ❑ **Stafford** is expected to build on average 505 units per annum to meet the requirements of the Preferred Option (and demand is expected at a rate of 415 households per annum. This would imply an affordable housing target of between 58% and 71%.
 - ❑ **Staffordshire Moorlands** is expected to build on average 300 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 299 households per annum. The housing needs model implies affordable housing targets of 100% on all developments; clearly this is neither appropriate nor desirable.
 - ❑ **Stoke-on-Trent** is expected to build on average 570 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 787 households per annum. This would imply an affordable housing target of between 67% and 93%. Stoke-on-Trent has capacity for 4,747 new dwellings in the next five years; which implies an average of 949 dwellings per annum. If this level of building were to continue then the figures would suggest 56% affordable housing on all future developments
73. As the figures suggested by the model are in most cases greater than the Districts' total completion targets for affordable housing and past performance on delivery of affordable housing, there is clearly a need to look very carefully at the sites coming forward in the future and their suitability for mixed, sustainable developments as the Councils may need to seek a considerably higher proportion of affordable housing than has been the target in the past.
74. By maintaining the model and updating annually, it will be possible to see whether an increase in the delivery of affordable housing through firmer and higher targets than have been achieved previously has the desired effect of reducing the shortfall across the Housing Market Area.
75. One way to assess the scope for intermediate tenures in an area is to calculate the ratio of entry-level market house prices to social rents; where the former is more than fourteen times annual social rents, there is likely to be scope for intermediate affordable housing. In all areas of the North Housing Market Area, the equivalent mortgage accessible for those on social housing rents is significantly below the lower quartile entry-level house price. The closest entry-level property price is in Stoke-on-Trent and this is more than 25 times the annual social housing rent.
76. Also where there is a significant gap between social housing rents and private sector rents there may be scope for intermediate tenures, such as sub-market rents or shared equity. Evidence presented here suggests that there is a significant difference between social

housing rents and private sector rents. The closest private rents to social housing rents are in Staffordshire Moorlands, where they are 56.8% higher; in Stafford they are 87.8% higher.

77. Although discounted housing would result in reductions in housing costs for many households, the issue in the Housing Market Areas is the relatively low incomes. With the exception of Stoke-on-Trent, households on median incomes could not afford a discounted property at 30%. For those on lower quartile incomes, there are shortfalls ranging from 11.1% in Stoke-on-Trent to over 70% in Stafford, Staffordshire Moorlands, and East Staffordshire. Consequently it would seem that discounted sale homes cannot be regarded as affordable dwellings in the North Housing Market Area for single income or dual income households, although they come closest to meeting some need at the most heavily discounted rate in Stoke-on-Trent.
78. There is a role for shared ownership in the delivery of affordable housing in North Housing Market Area, although it may be limited. For East Staffordshire, Newcastle-under-Lyme, Stafford and Staffordshire Moorlands only a home with an equity share of 30% would start to lift those on median incomes into the housing market. In Stoke-on-Trent, a 50% share would help those on median incomes and a 30% share would benefit those on both median and lower quartile incomes. Shared ownership has a greater impact than discounted sale housing, although it would still not be an affordable option for many of those households identified as being in housing need.
79. It is only with a shared equity home at 30% of the market value that a household on lower quartile income could afford in all areas, except in Stoke-on-Trent where 50% equity would also make a contribution. It would be highly unusual for shared equity packages to be as low as 30% equity.
80. In terms of the size of affordable housing units there is both a strong need for smaller units and a demonstrable need for two and three bed properties in all areas and 4 or more bed properties in Newcastle-under-Lyme.

1 APPROACH

1.1 Purpose and objectives of the study

1.1.1 In May 2007, the North Housing Market Area Strategic Group commissioned **Outside** to undertake a comprehensive Strategic Housing Market Assessment. The study comprises two separate Stages:

- (i) **Stage One** - collation of key information and data by staff of the authorities and partner organisations in the North Housing Market Area Strategic Group
- (ii) **Stage Two** - a consultant to provide advice, to undertake analysis and to produce an analytical written report

1.1.2 The Strategic Housing Market Assessment needs to provide a detailed sub-regional market analysis of housing demand and housing need, identifying the key drivers in the North housing market area. In addition it will need to provide a robust evidence base for current and future requirements in terms of market and affordable housing to inform local policies and strategies.

1.1.3 The study's key objectives can be summarised as follows:

- (i) to present findings for each local authority and local planning authority area
- (ii) to identify the functional local housing market areas that exist within the sub-region
- (iii) to put the North Housing Market Area in a wider policy context
- (iv) to give a thorough analysis and interpretation of the North Housing Market Area and areas within it
- (v) to provide an overview of the demographic and migratory characteristics of the population, housing supply and conditions, and housing market segments
- (vi) to describe housing demand and cost in the North Housing Market Area and the local income profiles
- (vii) to assess the likely affordability of local housing by tenure
- (viii) to outline geographical aspects of the housing market
- (ix) to maintain a clear distinction between the analysis and the consequences of policy choice

- (x) to carry out a housing market diagnostic to check 'balance' in the sub-regional housing market
- (xi) to identify the factors necessary to create balanced housing markets and sustainable communities
- (xii) to inform each individual authority of all housing needs in its area, ranging from affordable, intermediate and market housing
- (xiii) to assist authorities to make informed decisions about the targeting of housing resources and specifically to determine spending priorities
- (xiv) to assist authorities in developing their approach to flexible tenure arrangements,
- (xv) to provide to each authority a robust assessment of the annual need for affordable housing split by tenure
- (xvi) to identify the accommodation needs of particular groups
- (xvii) to analyse the Supporting People and Changing Lives programmes to inform their development and to identify the impact of these policies in each local authority
- (xviii) to support the development of planning documents including the Core Strategy and Local Development Frameworks
- (xix) to identify the use and the impact of planning measures (i.e. section 106 agreements, occupancy controls) as a means of addressing housing needs
- (xx) to identify any adjacency issues with neighbouring local housing markets outside the boundary of the North Housing Market Assessment
- (xxi) to assess the linkages between the housing market and the local economy, including the influence of the investment market

1.2 Methodology

- 1.2.1 The Strategic Housing Market Assessment methodology relies on the collation and analysis of a wide range of secondary data and relevant literature alongside qualitative inputs from stakeholders in the Housing Market Area.

Literature review

- 1.2.2 There is a significant amount of housing research that has already been carried out in the West Midlands, in the Housing Market Area and in the districts, including:

- Completed housing needs studies

- ❑ Relevant local, sub-regional and regional research including studies on black and minority ethnic communities and Gypsies and Travellers
- ❑ Plans and strategies including existing Regional Spatial Strategy, Regional Housing Strategy, Local Development Documents, and local Housing Strategies
- ❑ Ongoing analysis by RENEW North Staffordshire
- ❑ Estimate of Housing Need and Demand in the West Midlands 2006-26
- ❑ Other housing market assessments being undertaken in the Region, particularly in the West and Central Housing Market Areas and the completed work in the South Housing Market Area

Data analysis and statistical projections

- ❑ 2001 Census and related population estimates to capture indicators of household change and movement
- ❑ Housing register data for 2006-07 and lettings data for 2006-07 from major RSLs and LSVT providers
- ❑ Income and household information from housing needs studies and other local and sub-regional income data
- ❑ Data from online sources including NOMIS, National Statistics, Neighbourhood Statistics and the Land Registry on the labour market, earnings, demographics and house prices
- ❑ Internal data sources including the HSSA
- ❑ Information on housing costs and income from local research and national data sources
- ❑ Data on personal incomes and modelled household income data

1.2.3 Where information is drawn from these sources, their details are cited in footnotes.

Stakeholder consultation

1.2.4 The input of stakeholders into the study adds value to the research, as well as contributing to the process of validation. It is also a tried and tested approach to addressing the needs of hard-to-reach groups.

1.2.5 The purpose of the qualitative elements is:

- (i) to gather qualitative information on key groups under-represented in the household survey
- (ii) to ensure that the qualitative experience and knowledge of stakeholders is captured to inform and validate the quantitative analysis
- (iii) to access key secondary data sources and inform our interpretation of the data

- (iv) to ensure we are fully conversant with the issues around demand, needs and supply and the whole market in each of the districts and the sub-region
- 1.2.6 Specific research questions addressed through the stakeholder consultations (and secondary data analysis also), include:
- (i) Barriers for entering the housing market particularly for specific groups such as black and minority ethnic communities and vulnerable people
 - (ii) The supply and demand for dwellings of different ages, sizes, tenure, type and location, including how existing stock can be better utilised and the influence of second homes
 - (iii) The characteristics that have been important in producing strong and weak housing market sub-areas - e.g. facilities, schools, stock market performance, employment, public transport etc
 - (iv) The inter-connecting influences of districts examining the links between travel and employment (and hence housing) especially across different employment groups (e.g. managerial, manual etc)
 - (v) The influence of transport connections in the region - both positive and negative and any potential benefits that are unrealised
- 1.2.7 A seminar was held on 24th September 2007 that was attended by developers, estate agents, RSLs and representatives of local and regional government. At the seminar initial findings from the Strategic Housing Market Assessment were presented, followed by workshops that focused on the housing needs and the housing market issues prevalent in the North Housing Market Area.
- 1.2.8 Comments from stakeholders are shown in "tan" boxes at various points through the report.

1.3 Report structure

- 1.3.1 This Strategic Housing Market Assessment report is structured to reflect the current government guidance.¹ Analysis is presented in six broad sections:

Policy context, including

- Planning Policy Statement 3: Housing
- Strategic Housing Market Assessments
- Regional Spatial Strategy
- Housing Green Paper

¹ *Strategic Housing Market Assessments: Practice Guidance Version 2*, CLG, August 2007, p9

- The current housing market, including:
- The demographic and economic context
 - The housing stock
 - The active market

- Future housing market, including:
- Macro-economic climate
 - Household change
 - Market change

- Housing need, including:
- Current housing need
 - Future need
 - Affordable housing supply
 - Housing requirements of households in need

- Housing requirements of specific household groups, including:
- Families
 - Older people
 - Minority and hard-reach groups
 - Households with specific needs

Conclusion and recommendations

2 POLICY CONTEXT

2.1 Planning Policy Statement 3 (PPS3): Housing

2.1.1 Planning Policy Statement 3: Housing (PPS3), published in November 2006, provides a national policy framework for planning for housing and sets out what is required at regional and local levels to deliver housing within sustainable communities.

2.1.2 The objectives of PPS3 are:

- (i) to ensure that a wide choice of housing types is available, for both affordable and market housing, to meet the needs of all members of the community
- (ii) to deliver a better balance between housing demand and supply in every housing market and to improve accessibility where necessary
- (iii) to create sustainable, inclusive, mixed communities in all areas - developments should be attractive, safe and designed and built to a high quality, and located in areas with good access to jobs, key services and infrastructure

2.1.3 PPS3 refers to the use of **sub-regional housing market assessments** and **housing land availability assessments** to be carried out by local authorities to develop consistent evidence bases to underpin the spatial strategies.

2.1.4 The regions should undertake a **sustainability appraisal** taking into account various sustainability criteria. PPS3 sets out seven criteria that should be taken into account when undertaking a sustainability appraisal on the distribution of housing:

- ❑ affordability
- ❑ household projections
- ❑ the impact of the proposals on affordability
- ❑ housing market assessments
- ❑ housing land availability assessments
- ❑ environmental, social and economic implications
- ❑ impact upon infrastructure.

2.1.5 With reference to Local Planning Authorities, site allocation development plan documents should always include at least **five years supply of land** for development from the date

they are adopted. In determining which sites to include in the five year land supply, Local Planning Authorities should have regard to the sustainability appraisal of the site allocation development plan document. The priority for development, and beyond the five year land supply should the Local Planning Authority choose to do this, is developable brownfield land.

- 2.1.6 Local Planning Authorities should develop **density policies** for their plan. The presumption is that in developing density policies, the minimum should be no less than 30 dwellings per hectare. PPS3 sets out an approach which suggests minimum densities for city centre, urban, suburban and rural locations.
- 2.1.7 PPS3 says that Local Planning Authorities should have regard to the relevant sub-regional housing market assessment and regional and local housing strategies in **determining the overall mix** of different household types and sizes. A broad mix of housing should be provided on large sites. On smaller sites, a mix should be provided that contributes to the creation of sustainable communities.
- 2.1.8 Sub-regional housing market assessments should help determine whether affordable housing is needed and **guide the size, type and location of affordable housing provision**. Separate targets for social rented and intermediate housing (shared ownership) should be set by Local Planning Authorities where appropriate. PPS3 also confirms that low-cost market housing is not considered 'affordable' housing.
- 2.1.9 Local Planning Authorities should set a **site size threshold** for the provision of affordable housing and take into account the level of affordable housing to be sought, site viability, the impact on the delivery of provision and the objective of creating mixed and sustainable communities. The presumption is that affordable housing should be provided on-site.
- 2.1.10 New development should be of **high quality inclusive design and layout** and be informed by its wider context, having regard not just to neighbouring buildings but to the townscape and landscape of the wider locality. PPS3 makes it clear that this does not mean that new development should replicate its surroundings; the key consideration is whether a development positively improves the character and environmental quality of an area and the way it functions. Local Planning Authorities should encourage applicants to apply the principles of **sustainable and environmentally-friendly design** and construction to new developments, in particular referring to the *Code for Sustainable Homes*.

2.2 Strategic Housing Market Assessments

- 2.2.1 Housing needs do not exist within a vacuum; they have a symbiotic relationship with the wider housing market. For practical and structural reasons, housing needs are measured within the confines of a given local authority's borders, whereas housing markets are not similarly constrained.
- 2.2.2 The approach to housing market assessments used by **Outside** is based in government guidance and utilises an analytical framework that sets housing needs in their markets context. The starting point is to consider the operation and scope of the current housing markets then identify key drivers within the housing system to assess the future housing market and subsequently assess the housing needs of the district(s).
- 2.2.3 Strategic Housing Market Assessments are crucial to decision-making and resource-allocation processes for local authorities. From a land-use planning perspective, housing needs assessments are legally necessary to support affordable housing policies in local plans, particularly to secure developer contributions to affordable housing via s106 agreements.
- 2.2.4 Other reasons for undertaking Strategic Housing Market Assessments include:
- informing local and regional spatial planning and housing strategies
 - assisting authorities with decisions on social housing allocation priorities, private sector renewal options and the valuation of new-build low cost home ownership units
 - informing the development of housing policies on stock conversion, demolition and transfer
- 2.2.5 The role of housing assessments can be summarised thus:

*"Assessments are...key to investment decisions; helping authorities to look at local housing markets when new settlements are planned, particularly where catchments cover several local authority areas. In these situations, understanding the housing market will help authorities to assess housing demand and need in relation to new settlements. It will also help authorities to justify a certain level of affordable housing whilst ensuring that the dwelling mix reflects the profile of local housing demand and need; and in relation to planning policies for affordable housing, aiding an appreciation of how housing need translates into different sizes and types of affordable housing (i.e. intermediate market, social rented) so that they can negotiate appropriate mixes on new sites."*²

² *Local Housing Assessment, A Practice Guide (Discussion Draft)*, March 2005, p8

2.2.6 In terms of both housing markets and housing need analysis, our approach has always been grounded in current government guidance. This includes:

- ❑ Bramley, G. et al, *Local Housing Needs Assessment: A Guide to Good Practice*, DETR, July 2000
- ❑ DTZ Pineda, *Housing Market Assessment Manual*, ODPM, February 2004
- ❑ *Local Housing Systems Analysis Best Practice Guide*, Communities Scotland, 2004
- ❑ *Local Housing Market Assessment Guide*, Welsh Assembly Government, 2006
- ❑ Draft guidance including *Local Housing Assessment, A Practice Guide (Discussion Draft)*, March 2005 and *Housing Markets Assessments, Draft Practice Guidance*, ODPM, December 2005
- ❑ *Strategic Housing Market Assessments: Practice Guidance Version 1 and Version 2*, Communities and Local Government, March 2007 and August 2007

2.2.7 It is significant that the Guidance provides greater defence to challenge by defining the terms that ensure a robust set of outputs:

...a strategic housing market assessment should be considered robust and credible if, as a minimum, it provides all of the core outputs and meets the requirements of all of the process criteria in figures 1.1 and 1.2 (see Table 1 and Table 2 below). In such circumstances there is no need for the approach used to be considered at the independent examination³

2.2.8 Furthermore the Guidance states that:

...strategic housing market assessments will not provide definitive estimates of housing need, demand and market conditions. However, they can provide valuable insights into how housing markets operate both now and in the future. They should provide a fit for purpose basis upon which to develop planning and housing policies by considering the characteristics of the housing market, how key factors work together and the probable scale of change in future housing need and demand.⁴

³ *Strategic Housing Market Assessments: Practice Guidance Version 2*, CLG, August 2007, p9

⁴ *ibid*, p9

Table 1: Core Outputs	
1	Estimates of current dwellings in terms of size, type, condition, tenure
2	Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market
3	Estimate of total future number of households, broken down by age and type where possible
4	Estimate of current number of households in housing need
5	Estimate of future households that will require affordable housing
6	Estimate of future households requiring market housing
7	Estimate of the size of affordable housing required
8	Estimate of household groups who have particular housing requirements e.g. families, older people, key workers, black and minority ethnic groups, disabled people, young people, etc.

Table 2: Process Checklist	
1	Approach to identifying housing market area(s) is consistent with other approaches to identifying housing market areas within the region
2	Housing market conditions are assessed within the context of the housing market area
3	Involves key stakeholders, including house builders
4	Contains a full technical explanation of the methods employed, with any limitations noted
5	Assumptions, judgements and findings are fully justified and presented in an open and transparent manner
6	Uses and reports upon effective quality control mechanisms
7	Explains how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken

2.3 Housing Green Paper

2.3.1 The Housing Green Paper represents a commitment from central Government to address the affordability issues that are increasingly evident across the country and the need to achieve an increased level of housing supply at an appropriate mix. It sets out the need for housing growth and the Government's intention to deliver three million new homes by 2020 supported by a proposed increase in investment of approximately £3 billion and a significant increase in supply of affordable housing that this will bring.

2.3.2 However, the Green Paper does not fully acknowledge the challenges facing areas in the North and the West Midlands in achieving housing growth, while also remodelling and

regenerating areas with obsolete and very poor quality older private housing, and poor quality and poorly laid out social housing estates. In addition, some would question whether the Green Paper gives enough emphasis to ensuring that existing housing is utilised to enable enhanced access to housing of choice and requirement. The Green Paper very much concentrates on capital spending on new house building and contains little reference to supporting revenue investment that is needed to help meet personal housing needs and requirements of many vulnerable households which are essential in building communities.

- 2.3.3 Housing market renewal and restructuring is an essential part of achieving housing growth overall. The rapid price rises amongst some of the poorer stock in North Staffordshire led, in part, by speculative investment has left them unaffordable to first time buyers and unattractive to anyone except speculative investment landlords and less reputable landlords letting at the very bottom of the market.
- 2.3.4 The achievement of housing growth also brings challenges in terms of land release and sequencing. Policy currently is to release greenfield land only if brownfield land is insufficient to meet expected supply. However, brownfield sites tend to be smaller and tend to have high development costs leading to developers seeking to protect their returns by building apartments rather than a mix of housing types.
- 2.3.5 The Green Paper continues the target for 60% of new housing to be on brownfield land. There is a suggestion to replace the Planning Gain Supplement proposal with one for a Planning Land Charge. This may find a reasonable course between the interests of developers and feasibility of developments and avoiding indefensible gain from land uplift while enabling an additional source of funding for infrastructure.
- 2.3.6 There is little support in the Green Paper to the provision of sub-market rented housing. Many working households on below average incomes can increasingly neither afford to buy nor rent privately, and would not have priority need for social rented housing. There is a large gap between social and market rents and support should be given to housing associations or other agencies to provide mid-market rented housing. If local housing markets are to operate effectively it is essential that there is a continuum in the provision of housing of a range of costs.
- 2.3.7 The Green Paper contains proposals for assisting first time buyers and a drive for more homes under shared ownership and shared equity with encouragement to the private sector to play a greater role in offering shared equity mortgages or shared ownership homes. Although the Green Paper promotes social housing provision and shared ownership homes in

villages and rural areas, there are concerns that shared equity/shared ownership may still be unaffordable in some village areas, even at 17.5% levels proposed.

2.3.8 It is the Government’s intention to offer social housing tenants more opportunity to buy a stake in their home through Social Homebuy, but as with the Right to Buy (RTB), Social Homebuy takes the property out of the lettings pool. Therefore any expansion must be linked to real and significant increases in the social housing stock to replace stock lost through RTB and Homebuy.

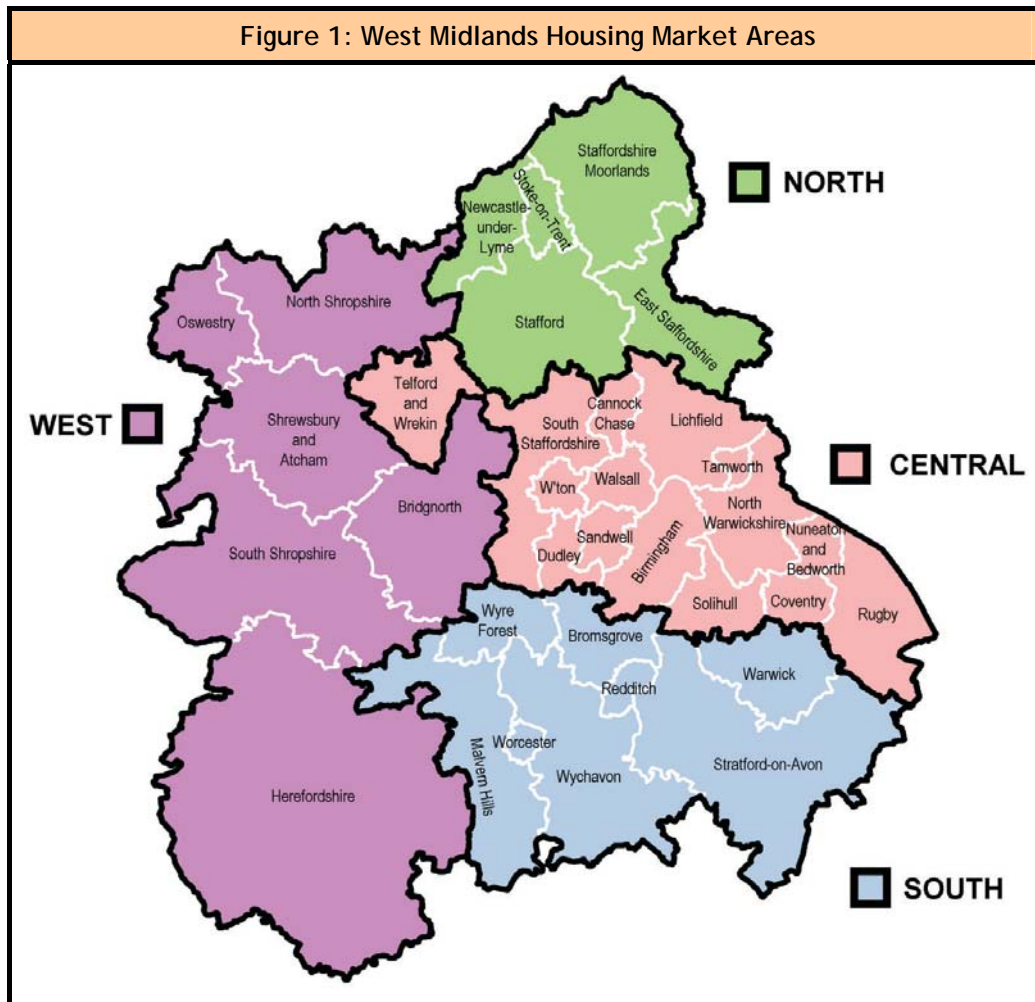
2.4 Regional Housing Strategy

2.4.1 The West Midlands Regional Housing Strategy identifies four sub-regional Housing Market Areas in the West Midlands Region: North, South, Central and West. The Central Housing Market Area has been divided into three areas: C1, C2 and C3 (see Table 3 and Figure 1).

Table 3: West Midlands Housing Market Areas			
Central	North	South	West
<u>C1</u> Birmingham Lichfield Solihull Tamworth	East Staffordshire Newcastle-under-Lyme Stafford Staffordshire Moorlands Stoke-on-Trent	Bromsgrove Malvern Hills Redditch Stratford-on-Avon Warwick Worcester Wychavon Wyre Forest	Bridgnorth Herefordshire North Shropshire Oswestry Shrewsbury South Shropshire
<u>C2</u> Coventry North Warwickshire Nuneaton & Bedworth Rugby			
<u>C3</u> Cannock Dudley Sandwell South Staffordshire Telford & Wrekin Walsall Wolverhampton			

2.4.2 The analysis that developed this construct identified areas where similar dwellings command similar prices and where there is sufficient evidence of a functional connection

as demonstrated through travel to work and other interactions.⁵ The statistical work repeatedly exposed similar patterns of sub-regional variation, showing considerable stability in the way house prices are formed across the Region and, despite expectations to the contrary, a remarkably good fit with the administrative boundaries of the Region and travel to work patterns.



2.4.3 In particular, the analysis identified:

- a dominant Central Housing Market Area centred on the conurbation
- a second Housing Market Area centred on North Staffordshire
- the rural West, although not strongly centred, clearly separated from the conurbation
- a South Housing Market Area with separate house prices in Stratford, Warwick and Wychavon, aligning them more clearly with Oxfordshire and Gloucestershire

2.4.4 Other key findings included:

⁵ West Midlands Regional Housing Strategy 2005, June 2005, p29

- ❑ The distinctiveness of the west of the Region stands in sharp relief to other areas in housing market terms and in levels of workplace attachment
- ❑ Highly different housing market conditions characterise the north and south of the Region, but aspects of both are found in the interface with the central area where the conurbation is located
- ❑ Workplace attachment in and around the conurbation provides a distinctive focus for this area, servicing both the conurbation and a wider ring of settlements around it
- ❑ Specific workplace attachments are weaker elsewhere in the Region, and in rural areas are virtually non-existent by comparison

2.4.5 It should be noted that none of the Housing Market Area boundaries intersect local authority boundaries. For pragmatic reasons and for the development of policy, the consultation process suggested the importance of maintaining the integrity of local authority boundaries whilst acknowledging that the strategic housing market issues do not stop at these boundaries. The issues presented across local authorities in adjacent Housing Market Areas are most significant in the following areas:

- ❑ The similarity of housing market conditions between south Solihull and the South Housing Market Area
- ❑ The relationship between the conurbation (Central Housing Market Area) and Bromsgrove/Redditch (South Housing Market Area)
- ❑ Bridgnorth and its interface with the Central Housing Market Area (Telford and South Staffordshire)
- ❑ The western part of Malvern Hills (Tenbury Wells) and the West Housing Market Area and
- ❑ Telford's interface with the West Housing Market Area

2.5 Regional Spatial Strategy

2.5.1 The current planning policy framework for the Housing Market Area is Regional Planning Guidance for the West Midlands (RPG11), which was adopted in June 2004 and became Regional Spatial Strategy with the commencement of the Planning and Compulsory Purchase Act 2004.

2.5.2 Some aspects of the current Regional Spatial Strategy are being reviewed and the second phase of that review - housing, employment, transport and waste - is now under way. This does not change the vision and objectives, but it does affect decisions about where new development should occur, in what form and on what scale.

- 2.5.3 A considerable degree of background technical work has already been completed and a Spatial Options paper was published on 8th January 2006. On 22nd October 2007, the Regional Planning Partnership approved the Preferred Option for the Regional Spatial Strategy Phase Two Revision, which will be submitted to the Secretary of State in December 2007. Further Consultation will take place in 2008, with an Examination in Public leading to Adoption in 2009.
- 2.5.4 The Review has to reflect the Government's aim for a one third increase in the level of house building by 2016. This is in response to the new 2003 based household projections, which give higher increases in the West Midlands than in many other parts of the country. It also needs to reflect the monitoring evidence of the extent to which the key aims and objectives of the Regional Spatial Strategy are being met so far:
- There is early evidence that the rate of migration from the conurbation has slowed down, and that the required changes to the patterns and levels of housing development are beginning to take place
 - Provision of affordable housing has failed to show any progress towards the doubling that would be required to meet the Regional Spatial Strategy target of 6,000 to 6,500 p.a.
- 2.5.5 The implications of the housing growth discussed in background papers for the Regional Spatial Strategy and the outcomes in terms of the Preferred Option are discussed in Chapter 6, *The Future Housing Market*.

2.6 West Midlands Economic Strategy

- 2.6.1 *Delivering Advantage*, the West Midlands Economic Strategy for 2004-2010⁶, sets out a Vision for transforming the West Midlands into a world-class region by 2010. An updated West Midlands Economic Strategy is due to be published in 2007, which will look forward to 2020 and establish what more the region needs to do to continue to improve its economic performance.
- 2.6.2 The key challenges facing the Region that relate to housing include:
- (i) to link housing availability and quality to employment opportunities to support the creation of conditions for growth

⁶ *Delivering Advantage: The West Midlands Economic Strategy and Action Plan 2004-10*, WMRA/Advantage West Midlands

- (ii) to regenerate communities through economic inclusion, particularly in areas of the region experiencing social exclusion and underperforming economies, such as North Staffordshire and the Black Country

2.6.3 Regenerating Communities is a key pillar in the strategy, driving actions to counter unemployment, poor skills, low income, poor housing, high crime rates, poor quality environment and all areas of economic inclusion. To facilitate this, partners will link opportunity to need, and develop capacity and sustainability for communities.

2.7 New Growth Points

2.7.1 Announced in December 2005, the New Growth Points initiative⁷ is designed to provide support to local communities who wish to pursue large scale and sustainable growth, including new housing, through a partnership with Government.

2.7.2 The Government invited local authorities to submit strategic growth proposals which were sustainable, acceptable environmentally and realistic in terms of infrastructure to be assessed by Government and its agencies.

2.7.3 29 areas have been named as New Growth Points across the East, South East, South West, East Midlands and West Midlands. If all of the proposed growth is realised New Growth Points would contribute around 100,000 additional dwellings by 2016, an increase of around 32 per cent on previous plans for housing supply in these areas.

2.7.4 They will share in £40m in 2007/08 for a first round of infrastructure projects and to support growth-related studies, masterplanning and capacity-building in the New Growth Points. This money will help overcome local infrastructure problems, unlock sites for new housing and enhance the local environment.

2.7.5 New Growth Points status is not a statutory designation but is about a relationship between central government and local partners. It is built on four principles:

- (i) early delivery of housing as part of the growth plans
- (ii) supporting local partners to achieve sustainable growth
- (iii) working with local partners to ensure that infrastructure and service provision keep pace with growth
- (iv) ensuring effective delivery

⁷ Communities and Local Government, Housing, [New Growth Points](#)

- 2.7.6 Levels of growth will be subject to comprehensive testing and public consultation through the regional and local planning processes to ensure that individual proposals are sustainable, acceptable environmentally and realistic in terms of infrastructure.
- 2.7.7 There are five new Growth Points identified in the West Midlands
- (i) East Staffordshire - Burton-upon-Trent
 - (ii) Birmingham and Solihull
 - (iii) Coventry
 - (iv) Hereford
 - (v) Shrewsbury & Atcham
- 2.7.8 East Staffordshire has a diverse urban and rural economy that has undergone a significant period of re-structuring. It has however enjoyed a period of economic growth, with employment growing by 20 per cent since 1998, out-stripping the rest of the West Midlands region. Despite this there are a variety of key issues that are threatening the economic prosperity of the area such as an over-reliance on manufacturing and low value added service sectors, a low wage economy and a lack of economic opportunity in areas of multiple deprivation.
- 2.7.9 There is a need to stimulate further regeneration and economic growth by bringing forward large scale development sites and develop infrastructure to attract quality housing, high value industries and facilitate significant job creation. In supporting East Staffordshire as a new Growth Point, the Government is entering into a long-term partnership with East Staffordshire Borough Council, recognising their ambitions for growth, subject to the statutory regional and local planning process. The Council's aims are for the diversification and renewal process of Burton-upon-Trent and to boost the area's competitiveness and long-term economic prosperity.
- 2.7.10 Local partners' ambitions for East Staffordshire include:
- ❑ an additional 5,000 high quality homes by 2016 with a further 7,000 by 2026
 - ❑ redevelopment of 282 hectares of high quality premium employment land attracting high value industries
 - ❑ comprehensive Area Action Plans for Burton-upon-Trent Town Centre stimulating new urban living vision and employment opportunities; creation of a "professional " community
 - ❑ improvements to key gateways, ensuring that the area is renowned for its beautiful green spaces and quality developments

- preserve the rural nature of the borough through enhancement of natural environment, green spaces, canals and rivers
- 2.7.11 Levels of growth will be subject to comprehensive testing and public consultation through the regional and local planning processes to ensure that individual proposals are sustainable, acceptable environmentally and realistic in terms of infrastructure. For East Staffordshire future work will include using the findings of a Strategic Flood Risk Assessment to inform decisions on locations of growth; addressing issues of water supply and sewerage treatment capacity; ensuring growth is fully consistent with the National Forest Strategy; and working with the Department for Transport to assess the impacts of growth proposals on the transport network and to develop sustainable transport solutions.
- 2.7.12 Achieving these ambitions will depend on a range of public and private funding programmes, including developer contributions. Government is committing to work with local partners to achieve sustainable growth to get the best outcomes from this investment and to help overcome obstacles to delivery. In support of East Staffordshire's growth ambitions Government is allocating around £310,000 in 2007-08 from the first year's funding pot, subject to detailed negotiation and appraisal. Future funding is dependent upon the outcome of the Comprehensive Spending Review in 2007.

2.8 Housing market renewal

- 2.8.1 Housing market renewal is a programme to rebuild housing markets and communities in parts of the North and the Midlands where demand for housing is relatively weak and which have seen a significant decline in population, dereliction, poor services and poor social conditions as a result. Its objective is to renew failing or weak housing markets and reconnect them to regional markets. £1.2bn is being invested between 2002 and 2008 and the Government expects to commit around £1bn to the programme over the period 2008-2011.
- 2.8.2 People living in areas affected by low demand often have limited housing choices. Their homes are typically valued at prices significantly below local averages, making it difficult to move, even if the home is no longer suitable for their needs. The stock available to them is often unpopular, with high levels of vacancies, and in poor condition. People have found themselves trapped in homes they cannot afford to maintain or improve.
- 2.8.3 These neighbourhoods have typically experienced long periods of economic decline, as job patterns have shifted and people have moved away to take up new opportunities. Despite being close to within cities where the economy is growing, these neighbourhoods remain

disconnected from the new jobs, with residents experiencing low skills levels, worklessness, high levels of crime or fear of crime, and poor facilities.

- 2.8.4 In 2002 nine such areas were identified by the Government as needing specific housing market renewal support through the pathfinder programme.
- 2.8.5 The North Staffordshire market renewal area (RENEW North Staffordshire) is made up of a large number of non-contiguous areas within the North Staffordshire conurbation. These are focused on the heavily industrialised urban core, peripheral council estates, and ex-mining areas within the sub-region. The programme will invest in an area of 67,000 properties which is home to 145,000 people, which includes most of Stoke-on-Trent, parts of Newcastle-Under-Lyme and part of Biddulph (Staffordshire Moorlands).
- 2.8.6 RENEW North Staffordshire was granted £30 million for 2004 - 06, with an additional £37.5 million from other sources. In March 2006 RENEW North Staffordshire received a further £67.5 million funding for 2006-08 and in March 2008 an allocation of £114 million for 2008/11 was announced.
- 2.8.7 The most recent review of the market renewal programme⁸ sets out a number of findings that are pertinent to the Strategic Housing Market Assessment:
- (i) There has been significant house price growth in the pathfinder areas in recent years. After this catching up, prices are now rising broadly in line with regional averages. However, HMR areas remain relatively low value.
 - (ii) These higher house prices have brought increased private investment and higher values for public and private assets, in part as a result of the activities of HMR partnerships. But they have also brought costs, most notably growing affordability problems and higher-cost HMR interventions.
 - (iii) Data on vacancies and demographic change shows continuing vulnerability in the HMR, even where urban populations are growing.
 - (iv) It is vital that new building programmes deliver increased choice in terms of housing type and tenure, to create high quality neighbourhoods and ensure that populations stabilise and grow.
 - (v) Speculative purchasing has been difficult to avoid and has had an impact in HMR areas, at an estimated cost of some £50 million out of a total programme of £1.2 billion, or 4 per cent of the budget.

- (vi) 20 per cent of dwellings in HMR areas are located in wards where the vacancy rate is more than double the Core Cities average. These wards contain more than 150,000 properties. More than 50,000 HMR dwellings are in wards where vacancy rates are 200 per cent greater than the Core Cities average.

⁸ Transition to Transformation: One Year On - Discussion paper from the market renewal partnership chairs, prepared by Brendan Nevin & Philip Leather, September 2007

3 THE DEMOGRAPHIC AND ECONOMIC CONTEXT

Table 4: Summary of demographic and economic data ⁹		
Step	Principal data sources	Data items
1.1 Demography and household types	Census data, ONS mid-year estimates, NHS registration data, ONS social trends	Population by ethnicity, age and numbers of households by type (e.g. families, couples, lone parents, etc.), tenure and household representative rates, migration estimates
1.2 National and regional economic policy	Local authority economic development teams, regional development agencies/regional observatories	Interest rate trends, levels of housing benefit, Government funding for regeneration, economic growth rates
1.3 Employment levels and structure	Labour Force Survey, Annual Business Inquiry, Business Register and Employment Survey, Census	Employees in each industrial sector (SIC) and by occupational classification, commuting patterns
1.4 Incomes and earnings	Inland Revenue personal incomes, CACI Paycheck, Experian, CORE, Annual Survey of Hours and Earnings, local surveys	Individuals and households by income band, distribution of income by age

3.1 Introduction

3.1.1 This chapter examines the demographic, economic and employment trends that affect the housing markets in the North Housing Market Area. Sections 3.2 to 3.5 provide an analysis of recent demographic and household type and tenure trends in the housing market areas. Section 3.6 looks briefly at international migration, while section 3.7 looks at the impact of national and regional economic policy. Section 3.8 examines recent employment and labour force trends in the housing market areas. The final section looks at incomes and earnings in the housing market areas.

⁹ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p19

3.2 Population change

- 3.2.1 The North Housing Market Area, with a total population of around 689,900, contains 12.9% of the West Midlands region population. The components of change 1991-2006 of the population in the North Housing Market Area are shown in Table 5 and Table 6.
- 3.2.2 Between 1991 and 2001 (Table 5) the population of the North Housing Market Area declined by 0.2%, driven primarily by out migration from the sub-region. At the same time the Region experienced population growth of 1.0% and England & Wales grew by 3.2%. Nowhere was the decline in population more evident than in Stoke-on-Trent where the population fell by 9,000 overall (or 3.6%). Despite recording the highest level of growth in terms of natural change (2,600), there was a significant loss of population through migration (11,400). Staffordshire Moorlands also recorded a decline in population in the same period; 1,100 or 1.1%. In contrast to Stoke-on-Trent, this was primarily driven by natural change (more deaths than births), which reflects Staffordshire Moorlands ageing population. East Staffordshire experienced significant population growth: 6,100 or 6.2%. This was the result of both natural change and positive net migration. The population of both Newcastle-under-Lyme and Stafford grew by 1.0% in the period.
- 3.2.3 Since 2001 (Table 6), the picture has changed somewhat. Overall the North Housing Market Area has seen population growth of 1.2%, fuelled almost entirely by positive net migration. Stafford has been the main recipient of in-migrants (3,100) in the period 2001-06, followed by East Staffordshire (2,800). East Staffordshire continues to be the fastest growing area in the Housing Market Area; growing by a further 3.7% overall in the period 2001-06. Newcastle-under-Lyme, Stafford and Staffordshire Moorlands have all experienced negative natural change, but have made up for this with positive net migration meaning that the three areas have all grown in size. The population decline in Stoke-on-Trent has slowed considerably, even taking into account the shorter period, and recent evidence suggests there may even be some slight signs of growth in the area.
- 3.2.4 Recent patterns of population change suggest increasing growth in Newcastle-under-Lyme and Staffordshire Moorlands and possibly a slowing down in Stafford.

Table 5: Population change 1991-2001 (thousands)										
	Mid-1991 population	Live births	Deaths	Natural change	% of net change	Net migration & other changes	% of net change	Net change	Rate of growth/decline	Mid-2001 population
East Staffordshire	97.9	12.6	11.1	1.5	25.4%	4.4	74.6%	6.1	6.2%	103.9
Newcastle-under-Lyme	120.8	12.9	13.6	-0.7	-25.9%	2.0	74.1%	1.2	1.0%	122.0
Stafford	119.5	12.6	13.0	-0.3	-17.6%	1.4	82.4%	1.2	1.0%	120.7
Staffordshire Moorlands	95.7	9.1	10.8	-1.7	-77.3%	0.5	22.7%	-1.1	-1.1%	94.6
Stoke-on-Trent	249.4	31.2	28.8	2.6	18.6%	-11.4	-81.4%	-9.0	-3.6%	240.4
North Housing Market Area	683.3	78.4	77.3	1.4	31.1%	-3.1	-68.9%	-1.6	-0.2%	681.6
West Midlands	5,229.7	669.0	562.0	107.1	65.6%	-56.1	-34.4%	51.1	1.0%	5,280.7
England & Wales	50,748	6,474	5,555.0	918.4	57.0%	693.5	43.0%	1,612.1	3.2%	52,360.0

Source: Office for National Statistics

Table 6: Population change 2001-2006 (thousands)										
	Mid-2001 population	Live births	Deaths	Natural change	% of net change	Net migration & other changes	% of net change	Net change	Rate of growth/decline	Mid-2006 population
East Staffordshire	103.9	6.2	5.4	0.9	24.3%	2.8	75.7%	3.8	3.7%	107.7
Newcastle-under-Lyme	122.0	6.0	6.5	-0.5	-17.9%	2.3	82.1%	1.7	1.4%	123.8
Stafford	120.7	5.9	6.4	-0.5	-13.9%	3.1	86.1%	2.6	2.2%	123.4
Staffordshire Moorlands	94.6	4.2	5.2	-1.2	-38.7%	1.9	61.3%	0.8	0.8%	95.3
Stoke-on-Trent	240.4	15.3	13.8	1.6	41.0%	-2.3	-59.0%	-0.8	-0.3%	239.7
North Housing Market Area	681.6	37.6	37.3	0.3	3.7%	7.8	96.3%	8.1	1.2%	689.9
West Midlands	5280.7	320.3	269.9	50.5	58.7%	35.5	41.3%	86	1.6%	5366.7
England & Wales	52,360.0	3,127.8	2,618.1	509.8	37.2%	859.3	62.8%	1,369.0	2.6%	53,728.8

Source: Office for National Statistics

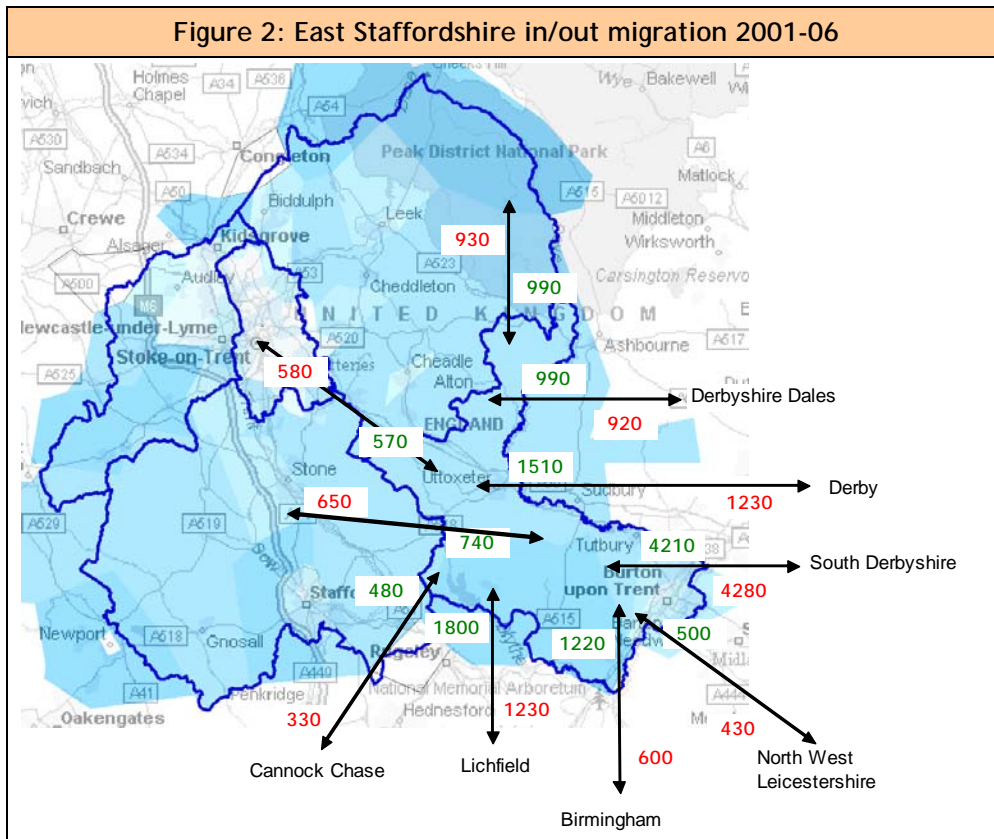
3.3 Migration

3.3.1 Analysis of migration patterns across the United Kingdom provides an insight into the strength and scale of links that one district has with another. Figure 2 to Figure 6 show the in and out migration for each of the five districts in the North Housing Market Area between 2001 and 2006, focusing, for clarity, on the areas that accounted for more than 50% of the inflows and outflows.¹⁰

3.3.2 East Staffordshire's (Figure 2) strongest ties are with areas in the East Midlands, notably with the highly rural South Derbyshire (albeit home to Toyota's British Car Production Site) and Derbyshire Dales (which includes the market towns of Ashbourne, Bakewell, Matlock and Wirksworth) and Derby. 16.4% of in-migration comes from South Derbyshire and 18.9% of out migration goes to South Derbyshire; an overall East Staffordshire net loss of 70 in the period. At the same time East Staffordshire Moorlands gains the same amount (70) from Derbyshire Dales. This would suggest strong levels of inter-changeability between these

¹⁰ In the diagrams, the numbers in green represent inflows and those in red represent outflows

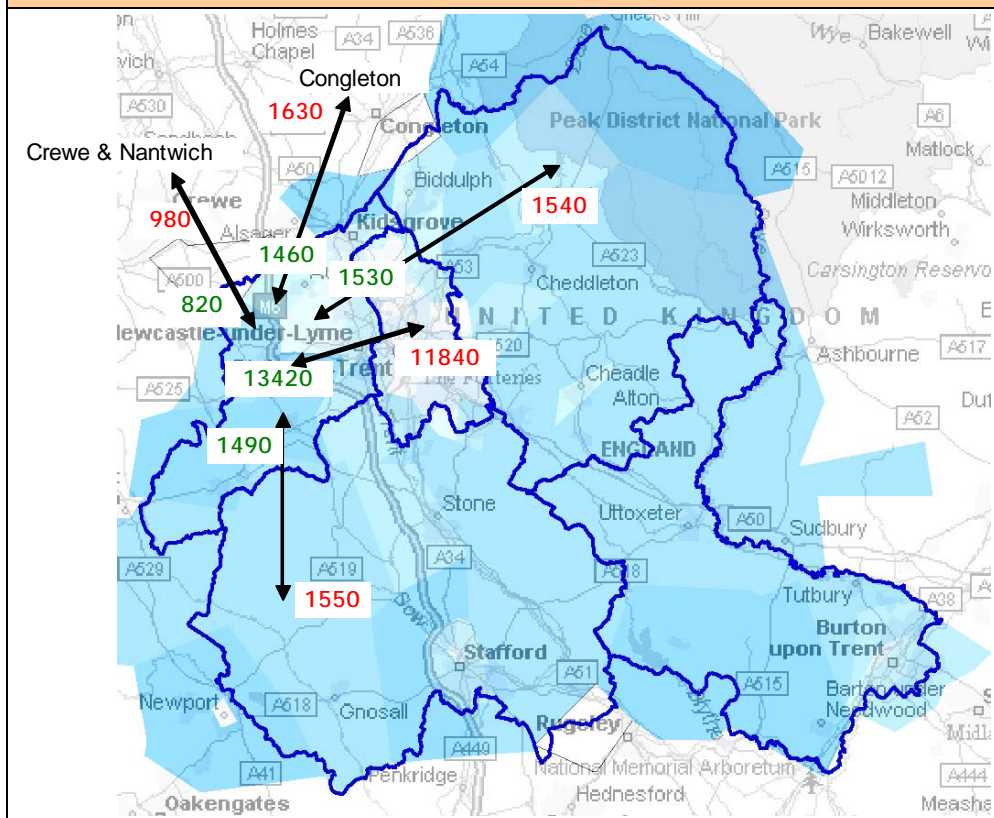
three rural districts and the existence of a rural housing market that overlaps their boundaries with Burton-on-Trent at the centre.



Source: Office of Public Sector Information 2007

3.3.3 But East Staffordshire also links across the West Midlands. Its greatest net population gain comes from Lichfield (net 710) and Birmingham (620) to the south. The links with the rest of the North Housing Market Area are not as significant: the strongest tie is to Staffordshire Moorlands (3.9% of in-migration and 4.1% of out migration), which is comparable to the ties to Derbyshire Dales. In terms of numbers in and out, from Staffordshire Moorlands' perspective this is not their most significant link.

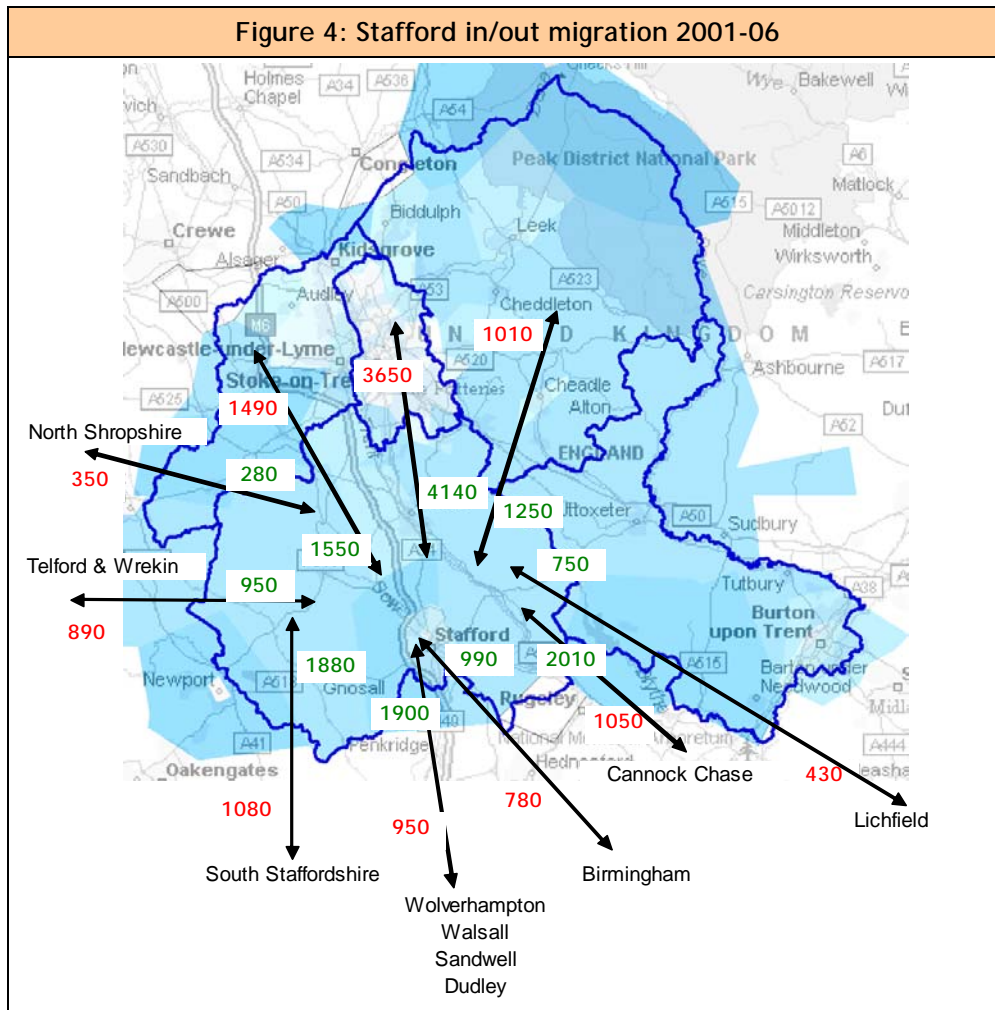
Figure 3: Newcastle-under-Lyme in/out migration 2001-06



Source: Office of Public Sector Information 2007

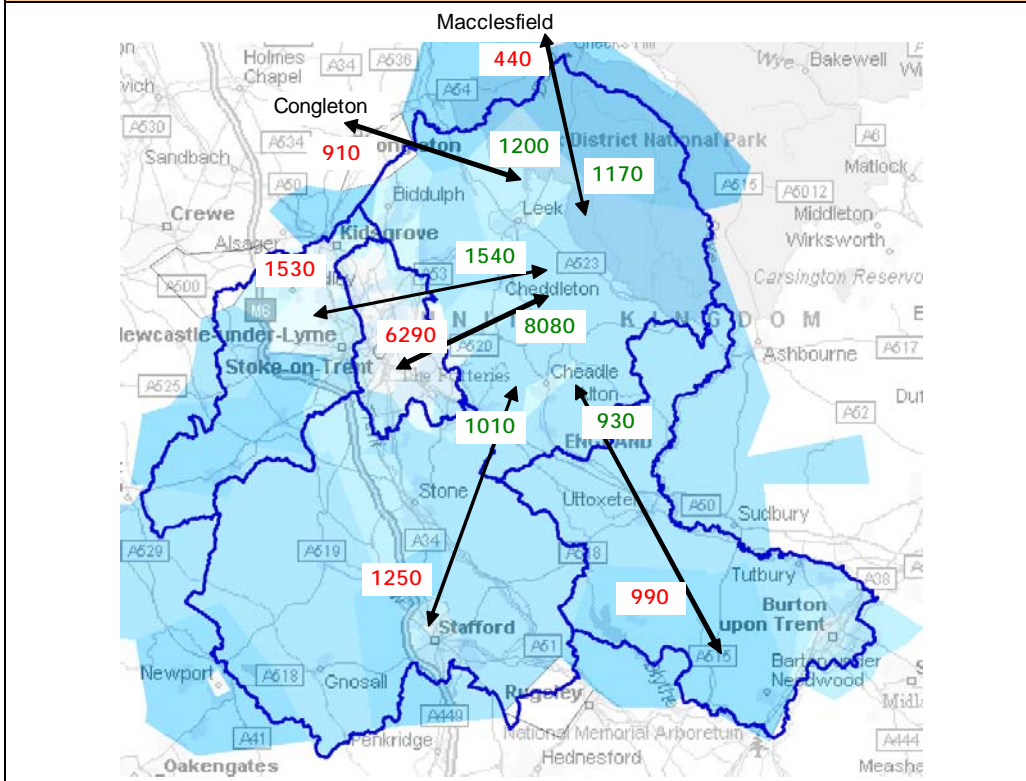
- 3.3.4 Newcastle-under-Lyme (Figure 3) has a highly significant population link with Stoke-on-Trent. Stoke-on-Trent accounts for 37.7% (13,420) of Newcastle-under-Lyme's population inflow and 34.8% of its outflow (11,840) in the last five years. Overall Newcastle-under-Lyme gained 1,580 people from Stoke-on-Trent in the five year period 2001-6. In comparison the equivalent figures for Staffordshire Moorlands are 4.3% (1,530) and 4.5% (1,540) respectively (a net loss of 10). Also Newcastle-under-Lyme lost population to Congleton (170) and Stafford (60). Clearly Newcastle-under-Lyme and Stoke-on-Trent share a commonality in terms of the population flows that influence the housing market.
- 3.3.5 Of the five districts, Stafford (Figure 4) has the most dispersed pattern of migration with the top 50% of in-migration coming from 14 districts and out-migration from 21 districts. That said, Stoke-on-Trent is the major flow: 4140 in and 3650 out. The largest net gains are from Cannock Chase (960) and South Staffordshire (800). Stafford also gains population from Walsall (350), Wolverhampton (330), Lichfield (320), Staffordshire Moorlands (240) and Birmingham (210) and loses population to North Shropshire (70).
- 3.3.6 So Stafford shares a strong relationship with Stoke-on-Trent (and to a lesser extent with Newcastle-under-Lyme) to the north, but also has strong ties to parts of the Central

Housing Market Area, notably C1 (Lichfield and Birmingham) and C3 (Cannock Chase, Dudley, Sandwell, South Staffordshire, Walsall and Wolverhampton).



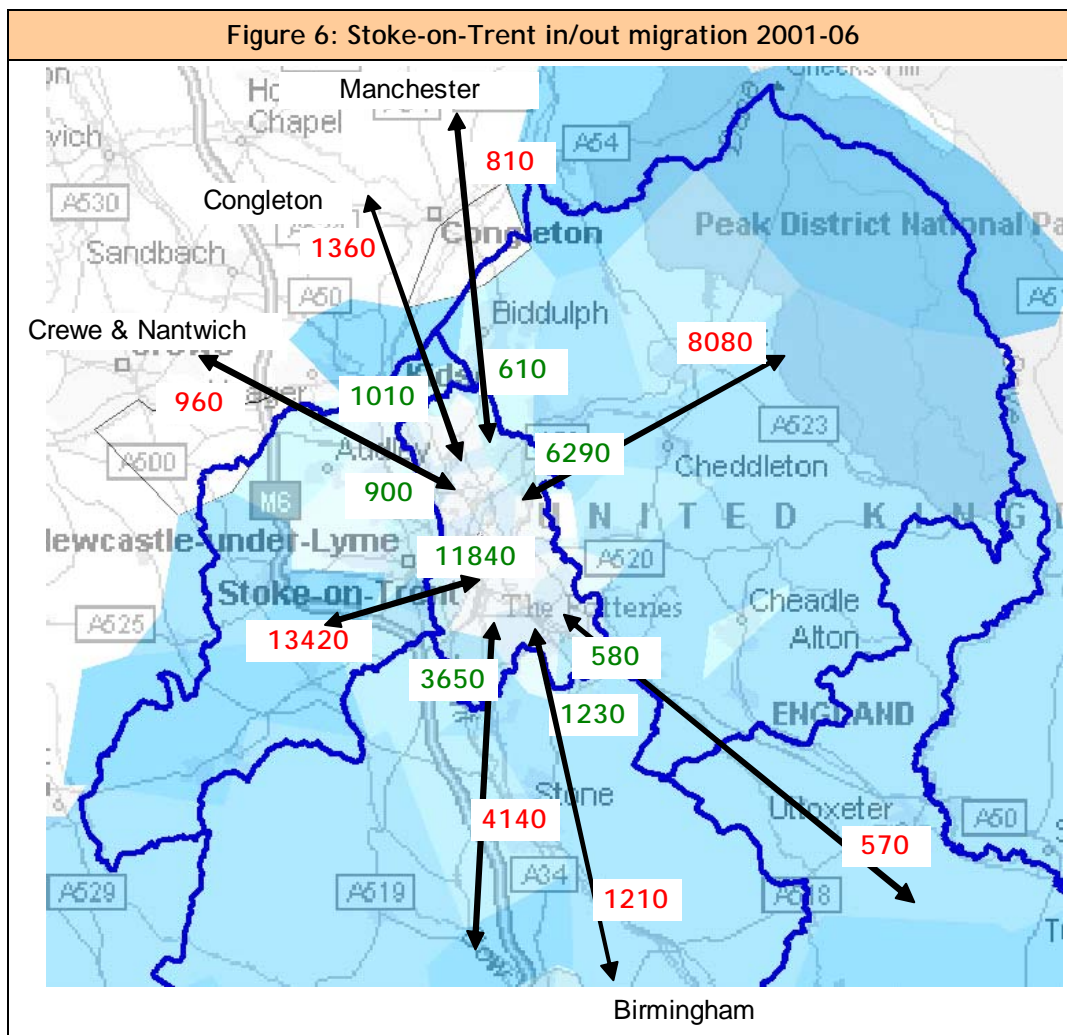
Source: Office of Public Sector Information 2007

Figure 5: Staffordshire Moorlands in/out migration 2001-06



Source: Office of Public Sector Information 2007

- 3.3.7 Staffordshire Moorlands (Figure 5) has gained 1,790 people from Stoke-on-Trent (2001-06); 35.6% of the inflow and 31.9% of the outflow. In addition Staffordshire Moorlands gained 730 from Macclesfield to the north.
- 3.3.8 The district also exchanges population with Newcastle-under-Lyme (net gain 10) and Congleton (net gain of 290). The district lost 240 people to Stafford and 60 to East Staffordshire. Relatively the relationship to East Staffordshire is less significant and to Derbyshire, Manchester or South Yorkshire even less so.



Source: Office of Public Sector Information 2007

3.3.9 Stoke-on-Trent (Figure 6) loses population through migration in significant numbers. The largest net beneficiaries are Staffordshire Moorlands (1,790), Newcastle-under-Lyme (1,790) and Stafford (490). In the period Stoke-on-Trent did gain population, albeit in small numbers from Birmingham (20) and East Staffordshire (10). The links south to elsewhere in the West Midlands appear stronger than those north to Manchester or closer parts of the North West region.

3.3.10 The migration analysis confirms the patterns seen in other aspects of the housing market:

- (i) Burton-upon-Trent in East Staffordshire has very strong ties to Derbyshire districts to the east and Lichfield to the south (aided by the A38 Derby road) ahead of its partners in the North Housing Market Area. As such it is less influenced by changes to the north and west. However, Uttoxeter will be gaining and losing population to Staffordshire Moorlands and Stafford and whilst it will not necessarily be independent of Burton-upon-Trent it will not be subject to all the same influences.

- (ii) Newcastle-under-Lyme is quite focussed in its relationship to Stoke-on-Trent, which dominates above all others. That said the peripheries are influenced by north west Stafford, Congleton and Biddulph.
- (iii) Stafford has a highly dispersed pattern of movement, which suggests that Stafford town and Stone (equidistant between Stoke-on-Trent and Stafford town) operate independently causing population to flow north, south and east and to a lesser extent west. Stone is most likely drawing the population in from Stoke-on-Trent, whilst Stafford town is linking south. With the M6 bifurcating the Borough, it is surprising that the links to the West are not stronger than they appear, although there is a small population loss to North Shropshire and gain from Telford and Wrekin.
- (iv) Staffordshire Moorlands is closely tied to Stoke-on-Trent and of the five North Housing Market Area districts is most influenced by its Housing Market Area partners. Staffordshire Moorlands probably splits between the non-National Park west whose towns are part of a market that draws in population from Stoke-on-Trent, Newcastle-under-Lyme and the towns of Congleton and Macclesfield, and the National Park which is a non-centred rural area operating independently of the rest of the Borough.
- (v) Stoke-on-Trent has a particular regionally unique housing market that operates in such a way to disperse population to its neighbours. People move in significant numbers to both Newcastle-under-Lyme and Staffordshire Moorlands and it is likely that this reflects different aspirations and separate markets - an East Stoke-on-Trent/Biddulph market and a West Stoke-on-Trent/Newcastle-under-Lyme market. The links to Stafford suggest a southern market focused around Stone.

3.4 Household types and tenure

3.4.1 The total household numbers and corresponding proportions by tenure within each district as recorded in the 2001 Census are shown in Table 7. The overall proportion of owner occupied households is high in some but not all districts. The proportion of owner-occupiers is very high in Staffordshire Moorlands (83.5%), and also high in Stafford (76.1%). Levels are slightly lower for Stafford (75.8%) and Newcastle-under-Lyme (72.5%). However, Stoke-on-Trent has a far lower rate of owner-occupation (at 65.2%). Overall, in 2001, proportions in owner occupation (72.5%) had hardly changed since 1991.¹¹

¹¹ West Midlands Regional Housing Strategy 2005, North HMA Sub-Region Report, The University of Sheffield

3.4.2 The proportion of social rented households is comparatively highest in Stoke-on-Trent (24.4%) and lowest in Staffordshire Moorlands (9.0%). Again, there are striking contrasts across the districts. The proportion of private rented households is highest in Stoke-on-Trent and East Staffordshire (10.4% and 10.2% respectively), and lowest in Newcastle-under-Lyme and Staffordshire Moorlands (7.8% and 7.6% respectively).

Table 7: Household tenure by district								
Area	Owner-occupied		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%
East Staffordshire	32360	75.8	5988	14.0	4368	10.2	42716	100.0
Newcastle-under-Lyme	36778	72.5	10008	19.7	3948	7.8	50734	100.0
Stafford	38074	76.1	7066	14.1	4892	9.8	50032	100.0
Staffordshire Moorlands	32381	83.5	3480	9.0	2933	7.6	38794	100.0
Stoke-on-Trent	67279	65.2	25210	24.4	10707	10.4	103196	100.0

Source: Census 2001

3.4.3 The composition of housing by tenure within each district is shown in Table 8. Newcastle-under-Lyme has the highest proportion of pensioner households of the five Local Authorities (25.2% of all households are single or couple pensioner households). Proportions are also relatively high in Staffordshire Moorlands (24.9%). The levels are not very differentiated across the districts, but Stafford (23.8%) and Stoke-on-Trent (23.7%) have slightly lower levels of pensioner households. However, Stoke-on-Trent (15.4%) has the highest proportion of single pensioner households (15.4%), followed by Newcastle-under-Lyme (15.3%). These high levels have implications for care and support services for older people living alone. Stoke-on-Trent also has the highest level of single 'other' (non-pensioner) households of the five districts across the three tenures (16.1% of all households are single non-pensioner households), and the highest proportion of lone parents with children households (11.1%). Staffordshire Moorlands has the highest proportions of households consisting of couples with children (31.8% of all households). By contrast, proportions of households consisting of couples with children are lower in Stoke-on-Trent (26.7%).

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children (31.8% of all households). By contrast, proportions of households consisting of couples with children are lower in Stoke-on-Trent (26.7%).

Table 8: Household composition by tenure (%)									
Type	Tenure	Single pensioner	Single other	All pensioner family	Couple no children	Couple with children	Lone parents with children	Other	Total
East Staffordshire	Owner occupied	8.9	8.5	7.8	17.6	25.3	4.3	3.3	75.8
	Social rented	3.4	2.4	1.1	1.2	2.7	2.7	0.6	14.0
	Private rented	1.6	2.8	0.4	1.5	1.6	1.5	0.7	10.2
	All	14.0	13.7	9.2	20.3	29.7	8.5	4.6	100.0
Newcastle-under-Lyme	Owner occupied	9.1	7.6	8.0	16.2	24.3	4.6	2.7	72.5
	Social rented	4.8	3.6	1.5	1.9	4.0	3.1	0.9	19.7
	Private rented	1.4	2.0	0.3	1.1	1.1	1.2	0.7	7.8
	All	15.3	13.2	9.9	19.1	29.4	8.9	4.3	100.0
Stafford	Owner occupied	8.2	8.1	8.8	18.8	24.9	4.3	3.1	75.8
	Social rented	3.7	2.2	1.2	1.2	2.7	2.5	0.7	14.1
	Private rented	1.5	2.4	0.4	1.8	1.6	0.9	1.1	10.2
	All	13.4	12.7	10.4	21.7	29.2	7.7	4.9	100.0
Staffordshire Moorlands	Owner occupied	10.2	7.6	9.7	19.5	28.6	4.7	3.2	83.5
	Social rented	2.5	1.1	0.7	0.7	1.9	1.6	0.4	9.0
	Private rented	1.3	2.2	0.4	1.1	1.2	1.0	0.4	7.6
	All	14.1	10.8	10.8	21.2	31.8	7.4	4.0	100.0
Stoke-on-Trent	Owner occupied	8.1	8.4	6.3	13.7	21.2	4.6	2.9	65.2
	Social rented	5.5	4.9	1.7	2.1	4.5	4.7	1.1	24.4
	Private rented	1.8	2.8	0.3	1.1	1.1	1.8	1.5	10.4
	All	15.4	16.1	8.3	16.8	26.7	11.1	5.6	100.0

Source: Census 2001

- 3.4.5 The age profile of the household residents within each of the five districts as recorded in the 2001 Census is shown as proportions in (Table 9 and illustrated in Figure 7).
- 3.4.6 East Staffordshire has the greatest proportion of 0-14 year olds in the North Housing Market Area; above both the West Midlands and the England & Wales average. This tendency towards greater representation of families is also reflected in the proportion of 35-49 year olds.
- 3.4.7 In terms of 20-34 year olds (one group forming new households) Stoke-on-Trent has the highest proportion, which will in part be due to the University, although this is not true for Stafford. This younger population will be residing in Stoke-on-Trent partly because housing

is relatively cheap and if the market renewal intervention delivers a more vibrant economy then they will be retained and will contribute to the urban renaissance.

3.4.8 Staffordshire Moorlands has high a high proportion of people aged 35-49 and 50-64. This suggests a stable population, but also (in the case of the older segment) one that in ten to twenty years could start to increase pressure on services for older people. Currently Staffordshire Moorlands and Newcastle-under-Lyme have the highest proportions of 65-84 year olds, but Stafford has a much larger proportion of over 85s.

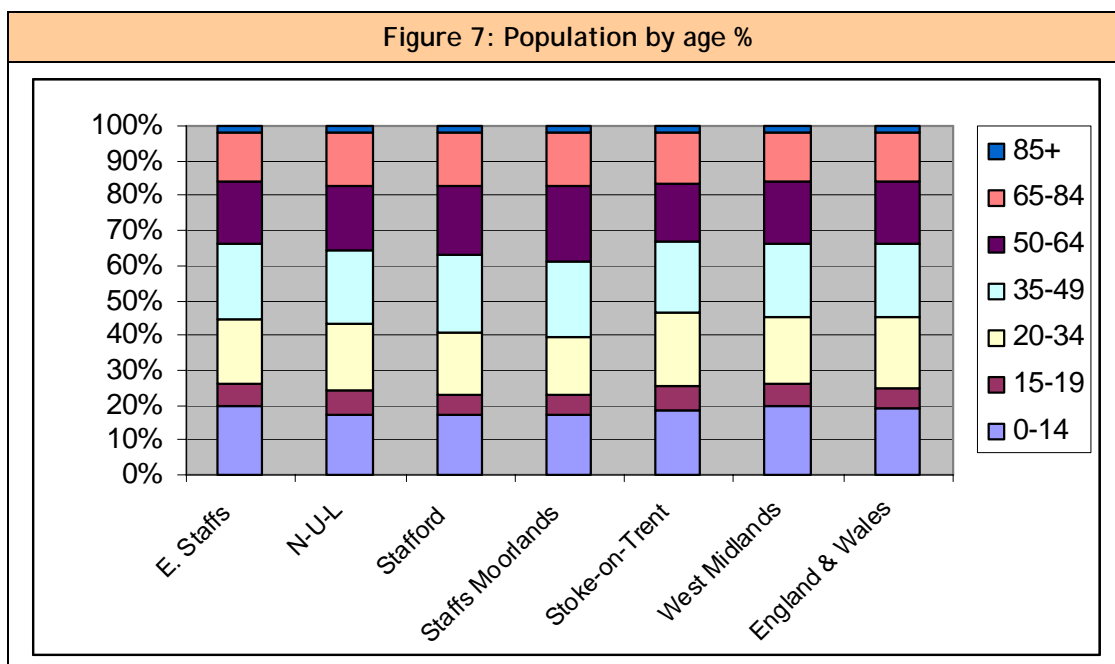
3.4.9 The relatively older population profile of the North Housing Market Area, (less youthful than Central Housing Market Area¹²) combined with demographic trends towards the ageing of the general population, has potential implications for future accommodation such as:

- (i) Increased requirements for support to enable older people to stay at home
- (ii) Increased need for specialised accommodation for older people
- (iii) Under occupancy of larger stock, creating a potential blockage in the market which may force younger families to leave the area

Table 9: Population by age %							
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands	England & Wales
0-14	19.9%	17.4%	17.2%	17.0%	18.7%	19.5%	18.9%
15-19	6.1%	6.6%	6.0%	5.9%	6.7%	6.5%	6.2%
20-34	18.3%	19.5%	17.9%	16.9%	21.0%	19.6%	20.3%
35-49	22.0%	20.9%	21.7%	21.4%	20.2%	20.7%	21.2%
50-64	18.0%	18.8%	20.3%	21.4%	17.2%	17.8%	17.5%
65-84	13.9%	15.1%	14.9%	15.6%	14.5%	14.2%	14.0%
85+	1.8%	1.8%	2.0%	1.8%	1.7%	1.8%	1.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Census 2001

¹² West Midlands Regional Housing Strategy 2005, North HMA Sub-Region Report, The University of Sheffield



3.5 Black and minority ethnic communities

3.5.1 The West Midlands region has the largest proportion of black and minority ethnic communities within its population of any region outside of London (11.3% in 2001¹³). The main BME population concentrations within the West Midlands are within the Central Housing Market Area (Birmingham, the Black Country and Coventry) and to some extent the North (Stoke-on-Trent). The West Midlands Regional Housing Strategy¹⁴ describes differentiation between and within different BME communities. Pakistani and Bangladeshi communities, among the poorest of BME communities, do not have as significant a presence in moderate and high value housing markets, with little spatial movement across the region. These communities value proximity to social and cultural networks but aspirations may be changing generationally. Black Caribbean households are relatively disproportionately housed in social housing. Indian communities show much greater dispersal, apparently driven by improved educational outcomes, increased prosperity and desire to be closer to public services.

3.5.2 91% of the West Midlands Region's non-white BME population live in the Central Housing Market Area, 4.2% live in the North, 4.0% in the South and less than 1% in the West.¹⁵ The 2001 Census ethnic profile of the North Housing Market Area is shown in Table 10. Data has

¹³ Office of National Statistics

¹⁴ The West Midlands Regional Housing Strategy, June 2005

¹⁵ The West Midlands Regional Housing Strategy, June 2005

been grouped for purposes of summarising the profile across many different ethnic categories.

- 3.5.3 Over 94% of the population across the North Housing Market Area is classified as British-White, although there is some variation across the districts. The BME population is relatively larger in East Staffordshire and in Stoke-on-Trent than in the other areas. There is a considerable range amongst Asian communities. The highest proportion of Asian people is found in East Staffordshire (4.3%) and in Stoke-on-Trent (3.5%). On the other hand the proportion of Asian people is low in Stafford (1.0%); Newcastle-under-Lyme (0.8%) and Staffordshire Moorlands (0.2%). The proportion of people grouped as Other - White varies from 1.0% in Staffordshire Moorlands to 1.9% in Stafford. There are also substantial differences between the proportions of the population classified as 'mixed': East Staffordshire (0.9%); and Stafford (0.9%) have higher proportions than Stoke-on-Trent (0.4%).
- 3.5.4 Some towns and settlements away from the central conurbation of the West Midlands have seen growth in the black and minority ethnic population. There are particular urban centres with higher BME populations than elsewhere: for example Burton-on-Trent in East Staffordshire has a BME population of 6.1%. Burton-on-Trent contains four wards with proportions of BME population of more than 10% of the ward population. Stafford and Newcastle-under-Lyme also have high proportions of BME population.¹⁶ In Stoke-on-Trent, where the proportion of the BME population is lower, according to the 2001 Census, there has been anecdotal evidence of increase since then, suggesting that a significant number of new migrants from Eastern Europe have moved in since 2001, together with inflow due to secondary migration.¹⁷
- 3.5.5 Certain ethnic groups are under-represented through the ethnic categories used in Census data. A challenge for understanding the impact of the BME population is that growth is partly made up of migrant workers for whom numbers are not easily available.

¹⁶ Staffordshire Supporting people 5 year Strategy, 2005-2010

¹⁷ Local Economic Analysis for Stoke-on-Trent, Local Economy Solutions, 2007

Table 10: Ethnic profile of population %										
Ethnicity	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent	
	No.	%	No.	%	No.	%	No.	%	No.	%
British - White	95,893	92.4	117,713	96.5	115,324	95.6	92,852	98.3	225,197	93.6
Other - White	1,552	1.5	1,832	1.5	2,237	1.9	914	1.0	2,917	1.2
Mixed	899	0.9	661	0.5	899	0.9	1,003	0.8	349	0.4
Asian	4,488	4.3	966	0.8	1,166	1.0	173	0.2	8,496	3.5
Black	624	0.6	274	0.2	578	0.5	43	0.0	1,061	0.4
Other	314	0.3	555	0.5	366	0.3	114	0.1	824	0.3
Total	103,770	100.0	122,001	100.0	120,674	100.0	94,445	100.0	240,630	100.0

Source: Office for National Statistics

3.6 International migration

3.6.1 Much has been made of the impact of international migration, particularly from European Union A8 accession states in recent years, upon the sub-regional economy.

3.6.2 Obtaining accurate data on new arrivals and migrant workers is problematic as there are significant limitations on the quality of the data:

- (i) Migrant workers transient nature and sometimes short term stays mean they are much less likely to show up on official data
- (ii) A worker's place of work rather than residence is recorded
- (iii) There is no record of movement beyond the initial entry point

3.6.3 Table 11 shows the distribution of new residents in the Housing Market Area from overseas during 2005/6. 49.1% (2,160 out of 4,400) new National Insurance registrations from overseas nationals settled in Stoke-on-Trent. The next biggest influx was to East Staffordshire (20.0%; 880 out of 4,400).

3.6.4 Although nationally 25.9% of overseas nationals receiving National Insurance numbers were from Poland, the proportion from Poland was much higher than this in East Staffordshire (48.9%); Staffordshire Moorlands (36.4%); Stafford (33.9%) and Newcastle-under-Lyme (28.3%). Stoke-on-Trent and Staffordshire Moorlands also received significant (higher than the national average) proportions of international migrants from Slovak Republic, while East Staffordshire also received higher than the national average proportions of international migrants from Latvia, and Stafford received higher than the national average proportions of international migrants from Czech Republic.

Table 11: National Insurance Number allocations to overseas nationals 2005/06									
	All	Poland %	India %	Rep of Lithuania %	Slovak Rep %	South Africa %	Latvia %	Czech Rep. %	Other %
All	662,390	25.9	6.9	4.7	4.1	3.6	2.2	2.0	50.6
East Staffordshire	880	48.9	4.5	3.4	3.4	2.3	8.0	2.3	27.2
Newcastle-under-Lyme	310	28.3	4.3	-	4.3	2.2		2.2	48.7
Stafford	460	33.9	10.2	1.7	8.5	1.7	1.7	5.1	37.2
Staffordshire Moorlands	590	36.4	4.5	-	13.6	4.5	4.5	-	26.5
Stoke-on-Trent	2160	20.8	9.3	3.2	11.6	1.4	2.8	2.3	48.6

Source: DWP

- 3.6.5 Arrivals of foreign nationals to North Staffordshire have increased over the past three years (see Table 12); particularly since the A8 states have joined the European Union.¹⁸ In particular the origins of these workers have changed dramatically from Asia to Eastern Europe. So even though the number of arrivals from India has stayed relatively stable, there has been a dramatic growth in arrivals from Poland and the Slovak Republic.

¹⁸ *Market Intelligence – what the evidence is telling us*, RENEW North Staffordshire, August 2007, p77

Table 12: Migrant workers 2004-2006				
	All	Top three sources 2004		
		India	Pakistan	Philippines
East Staffordshire	350	70	70	20
Newcastle-under-Lyme	240	20	10	20
Stafford	310	80	10	0
Staffordshire Moorlands	100	10	0	0
Stoke-on-Trent	1050	120	140	150
TOTAL	2050	300	230	190
		Top three sources 2005		
		Poland	India	Pakistan
East Staffordshire	560	160	40	80
Newcastle-under-Lyme	280	40	20	0
Stafford	520	130	60	20
Staffordshire Moorlands	100	20	0	0
Stoke-on-Trent	1440	90	160	160
TOTAL	2900	440	280	260
		Top three sources 2006		
		Poland	Slovak Rep	India
East Staffordshire	880	430	20	40
Newcastle-under-Lyme	460	130	20	20
Stafford	590	200	50	60
Staffordshire Moorlands	220	80	30	10
Stoke-on-Trent	2160	450	240	200
TOTAL	4310	1290	360	330

Source: *Market Intelligence*, RENEW North Staffordshire, August 2007

- 3.6.6 New arrivals tend towards employment in jobs that low paid, casual and temporary (see Table 13), which has consequent implications for the type of housing they take up and its location. Often they find themselves in poorly maintained private rented homes, HMOs and even caravans. This will impact upon their decisions about when and where to establish longer term homes should their families be with them or be planning to join them.

Table 13: Main occupations of A8 arrivals	
Occupation	Total
Process operative (other Factory worker)	928
Warehouse Operative	278
Packer	74
Cleaner, domestic staff	47
Leisure and theme park attendants	34
Welder	29
Care assistants and home carers	29
Security Guard	27
Driver, bus	22
Labourer, building	21
Kitchen and catering assistants	21
Driver, HGV (Heavy Goods Vehicle)	21

Source: *Market Intelligence*, RENEW North Staffordshire, August 2007

- 3.6.7 Recent research on the housing pathways of new immigrants to the United Kingdom highlights the different experiences of groups from different parts of the world.

The housing careers of migrant workers arriving from Poland paralleled the well-trodden path taken by many new immigrants who arrive into the UK and are reliant upon their own resources to secure and maintain accommodation.

In contrast, refugees have a right of access to social housing and this opportunity was found to have proved critical to the efforts of new immigrants from Somalia and Liberia to secure longer term, permanent accommodation. These respondents tended to be living in relatively unpopular, low-demand accommodation on peripheral local authority estates, in a clear break with the settlement patterns of previous immigration streams into the city.

The settlement patterns of new immigrants arriving into the UK from Pakistan on a spouse visa were found to be reinforcing the established settlement patterns of this long-standing immigrant population - respondents moving in with a spouse and his/her family.¹⁹

- 3.6.8 The situations endured and experiences by these new immigrants were consistent with established understanding of the problems encountered living in temporary accommodation. However, while Liberian respondents typically lived in these situations for a matter of days and Polish respondents often reported choosing to 'put up' with such situations (to minimise costs and maximise capital accumulation), Somali respondents were forced to endure these circumstances for, on average, 13 months, while their asylum application was being processed.

¹⁹ *The housing pathways of new immigrants*, David Robinson, Kesia Reeve and Rionach Casey, Sheffield Hallam University, 2007

- 3.6.9 These problems often continued after new immigrants had moved into more secure, long-term accommodation (for example, a social housing tenancy). At the point when it might be presumed that new immigrants had finally secured a settled situation and targeted support and assistance were no longer required, participants were reporting problems of insecurity and poor living conditions. Basic material needs were often not satisfied and security of tenure often proved to be an illusion, with new immigrants struggling to maintain, and in some cases losing, their place in the housing system and becoming homeless.
- 3.6.10 In addition, whatever the new immigrants' attitude towards the location in which they arrived, place proved to be a critical determinant of their experiences; more extreme problems arose for new immigrants settled in locations with little previous history of accommodating diversity and difference. A key conclusion was the need to recognise the benefits of settlement in established areas of diversity and the challenges raised by dispersal to locations with little previous history of accommodating difference.

Stakeholders on International migration

- *Inward migration from secession states is propping up areas in Stoke-on-Trent that would otherwise be unsustainable. The influx is slowing down though and the East European population and asylum seekers are integrating more and being accepted.*
- *East European migrants tend to be single men, whereas asylum seekers tend to be families.*
- *In Newcastle-under-Lyme people are registering in better private rented housing not in social housing estates because it is "safer".*
- *Black and minority ethnic communities are absent from large social housing estates. In Coalville people from all nationalities are there.*

3.7 Economic performance

- 3.7.1 It is recognised in the Regional Economic Strategy²⁰ that there are disparities in economic performances and circumstances at local levels across the Housing Market Areas. For example, there has been a shift towards the South Housing Market Area with the growth of professional and managerial occupational groups in that area, and concentrations of high tech and computer-based employment in that area contributing to high affordability issues. It can be expected that the future growth of employment in the West Midlands will primarily be around the city centre of Birmingham, with further concentrations to the South and South West of the city.

- 3.7.2 The North Housing Market Area includes the North Staffordshire conurbation, Stafford, small towns such as Leek and Uttoxeter, Burton-on-Trent, and number of rural settlements. There is geographical separation from the Central Housing Market Area and separation from the West with its complex travel to work patterns. The overall economic profile of the North Housing Market Area nevertheless shares much with the Central Housing Market Area.²¹
- 3.7.3 The spatial patterning of economic activity in the West Midlands has been described as shifting away from Birmingham to a belt encircling the conurbation.²² The belt includes such centres as Stratford on Avon, Lichfield, Bridgnorth, and Bromsgrove. Beyond the belt there is evidence of an increased multi-centred structure to economic activity, with innovative activity in such centres as Newcastle-under-Lyme and Stafford (in North Housing Market Area).
- 3.7.4 The West Midlands region altogether has traditionally relied primarily on manufacturing, but over the last thirty years restructuring has led to turbulence related to downsizing or relocation of manufacturing industries, and an increasing proliferation of financial and business services. This poses challenges to areas like Stoke-on-Trent, traditionally dominated by manufacturing. Closures and reclamation of former industrial and coal mining land has sped up over recent years. There has been marked population decline in some areas of the North Housing Market Area - particularly Stoke-on-Trent. Stoke-on-Trent has issues around affordability since there has been no increase in income to match steady house price increases.²³
- 3.7.5 There is localised metal manufacturing sectoral activity in the districts of North Staffordshire, extended into Stoke-on-Trent. There has been innovation in the manufacture of office machinery and computers in Newcastle-under-Lyme, and as a trigger for growth in Stoke-on-Trent, and Stafford.
- 3.7.6 Stoke-on-Trent remains a centre for ceramics production, and related to this the Newcastle-under-Lyme/Stoke-on-Trent area has economic linkages extending into Cheshire and along the M6 corridor. Related to development of specialist businesses, attraction and retention of professional staff is a challenge in Stoke-on-Trent. A further economic area of

²⁰ West Midlands Regional Housing Strategy; West Midlands Regional Spatial strategy, Partial Review, Shared Evidence Base, Stage 2 report: Shared evidence Base informing the Regional Housing Strategy, Centre for Urban and Regional Studies, University of Birmingham, 2005

²¹ West Midlands Regional Housing Strategy 2005

²² The Functioning Economic Geography of the West Midlands, University of Birmingham, West Midlands Regional Observatory, 2006

²³ West Midlands Regional Housing Strategy 2005

significance in North Housing Market Area is the transport logistics industry. With the expansion of the M6 corridor, and addition of a second runway at Birmingham airport, the transport logistics industry has developed along the M6 corridor, running from Newcastle-under-Lyme through South Staffordshire. This sector altogether is expected to grow with job creation, boosting the economic strength of Newcastle-under-Lyme.

- 3.7.7 The North Housing Market Area contains significant rural economies, especially in Staffordshire Moorlands and East Staffordshire. There are issues concerning the sustainability of farm incomes, and capacity weaknesses. The rural district of Staffordshire Moorlands contains eight wards that feature in the top 20% most deprived in the UK in terms of access to services.²⁴ East Staffordshire contains a mix of urban and rural areas including the market town of Uttoxeter and surrounding rural communities. ODPM's Indices of Deprivation 2004 consists of seven different domains to measure relative deprivation. The rural domain, which looks at barriers to housing and services, shows the Bagot ward (with the exception of Abbots Bromley), to be in the top 5% most deprived areas in the country in this domain.²⁵ In Staffordshire, agricultural output (£259m.) and employment levels (1.7% of the working population), contribute significantly to the economy.
- 3.7.8 There is great variation in the rural economies of the West Midlands region. Categories for analysis which have been proposed²⁶ distinguish between different types of complex local economies in the West Midlands:
- (i) rural areas in the south and east "where private sector-led employment and GVA growth is strong and where skills, enterprise rates and private investment are highest"
 - (ii) rural areas, most particularly the ex-mining communities in Staffordshire that are "experiencing industrial re-structuring"
 - (iii) rural areas that are "performing reasonably well and where there may be scope to better link residents into economic success" and
 - (iv) "the most rural areas, i.e. the Marches area of West Herefordshire and Shropshire which are less linked into the rest of the regional economy and tend to face demographic challenges of out-migration of young people, in-migration of retirees and low paying and low value-added employment."

²⁴ Staffordshire Moorlands District Council, Housing Strategy, 2002-2007

²⁵ East Staffordshire Housing Strategy 2004-2007, p9

²⁶West Midlands Economic Strategy Review 2006-200, Consultation on Policy Choices – Rural Commentary

3.8 Employment

- 3.8.1 Some recent labour force trends in the North Housing Market Area are shown in Table 14 and Table 15. The tables show significantly falling levels of economic activity and falling employment rates among the working age population in Newcastle-under-Lyme and East Staffordshire. In Newcastle-under-Lyme economic activity rate fell by 9.3% from February 2004-December 2006, while the employment rate fell by 10.4%. In East Staffordshire economic activity rate fell by 3.1% from February 2004-December 2006, while the employment rate fell by 5.6%. On the other hand, there are rising levels of economic activity and rising employment rates among the working age population in Stafford, and, marginally, Stoke-on-Trent. In Stafford economic activity rate rose by 4.3% from February 2004-December 2006, while the employment rate rose by 2.8%. In Stoke-on-Trent economic activity rate rose by 0.9% from February 2004-December 2006, while the employment rate rose by 2.3%.
- 3.8.2 Levels of unemployment rose during the same period from February 2004-December 2006 in East Staffordshire (by 3.5%); Newcastle-under-Lyme (by 1.9%); Stafford (2.8%), and Staffordshire Moorlands (0.9%). Levels of unemployment only fell in Stoke-on-Trent (by 2.0%) during this same period, but here unemployment levels are considerably higher.

Table 14: Employment and unemployment trends %

	East Staffordshire				Newcastle-under-Lyme				Stafford			
	Jan 2006- Dec 2006	Jan 2005- Dec 2005	Jan 2004- Dec 2004	Mar 2003- Feb 2004	Jan 2006- Dec 2006	Jan 2005- Dec 2005	Jan 2004- Dec 2004	Mar 2003- Feb 2004	Jan 2006- Dec 2006	Jan 2005- Dec 2005	Jan 2004- Dec 2004	Mar 2003- Feb 2004
Economic activity rate - working age	80.7	81.0	77.3	83.8	74.8	76.2	76.7	84.1	84.6	78.0	82.5	80.3
Employment rate - working age	75.5	78.1	75.0	81.0	70.8	73.6	74.1	81.2	81.6	76.3	79.8	78.8
Unemployment rate - working age	6.4	3.6	2.9	3.3	5.4	3.4	3.5	3.5	3.6	2.3	3.2	3.8
Managers and senior officials	18.1	18.8	11.6	15.7	12.3	11.7	11.5	10.8	12.2	13.4	16.6	16.7
Professional	12.9	12.5	10.1	11.4	10.4	13.2	11.9	10.3	13.4	12.0	15.1	14.6
Associate professional & technical	16.0	9.5	8.9	8.7	12.5	9.5	12.0	13.1	16.1	17.9	15.5	12.5
Admin and secretarial	9.3	5.3	10.3	14.5	8.2	11.7	10.6	9.9	12.4	12.6	13.6	14.1
Skilled trades	5.3	14.0	17.3	13.5	17.2	14.5	12.4	11.6	12.1	9.8	6.5	10.1
Personal service	4.4	11.2	6.2	4.0	9.1	6.3	9.9	9.1	7.4	9.6	6.5	5.2
Sales and customer service	9.4	5.7	10.2	6.3	6.1	7.9	9.0	7.3	7.5	5.7	8.2	6.8
Process, plant and machine operatives	11.8	11.1	14.3	12.4	6.7	10.5	11.3	11.9	8.6	7.3	6.8	8.4
Elementary	11.4	15.5	12.0	13.4	16.7	15.8	14.9	15.5	10.3	12.9	8.5	11.2

Source: Neighbourhood Statistics

Table 15: Employment and unemployment trends %								
	Staffordshire Moorlands				Stoke-on-Trent			
	Jan 2006- Dec 2006	Jan 2005- Dec 2005	Jan 2004- Dec 2004	Mar 2003- Feb 2004	Jan 2006- Dec 2006	Jan 2005- Dec 2005	Jan 2004- Dec 2004	Mar 2003- Feb 2004
Economic activity rate - working age	80.3	81.3	82.4	79.7	73.3	73.9	73.5	72.4
Employment rate - working age	78.3	80.3	80.5	78.4	70.3	69.6	70.0	68.0
Unemployment rate - working age	2.5	1.2	2.3	1.6	4.1	5.7	4.8	6.1
Managers and senior officials	13.5	10.2	9.5	15.7	9.9	10.6	10.3	10.6
Professional	14.5	10.0	6.3	8.2	5.7	6.7	5.5	5.7
Associate professional & technical	14.0	15.3	12.6	13.0	11.4	10.8	11.4	10.3
Admin and secretarial	10.1	13.3	14.9	11.4	10.5	10.4	11.2	10.3
Skilled trades	14.6	17.2	17.0	16.0	15.3	15.9	16.6	17.1
Personal service	6.5	6.4	8.6	6.2	9.8	8.8	8.0	8.6
Sales and customer service	7.1	5.6	5.6	6.9	8.9	10.8	9.3	9.1
Process, plant and machine operatives	7.5	8.2	10.7	8.4	12.0	11.5	11.3	11.6
Elementary	12.3	11.9	12.0	14.3	15.9	14.1	16.2	16.1

Source: Neighbourhood Statistics

3.8.3 Trends in the proportion of the labour force in each of the five districts employed at different levels across the same period are also indicated in Table 14 and Table 15. The tables show the percentage in employment who are in the following categories: managers and senior officials; professional occupations; associate professional and technical; administrative and secretarial; skilled trades occupations; personal service occupations; sales and customer services; process plant and machine operatives; elementary occupations.

3.8.4 East Staffordshire shows an increase in the period in the proportion of the labour force who are managers and senior officials (by 2.4%). Stafford on the other hand shows a marked decrease (by 4.5%). East Staffordshire and particularly, Staffordshire Moorlands show an increase in the professional class (by 2.5%, and 6.3% respectively). On the other hand, there is no substantial increase in proportions of managers or professionals in Stoke-on-Trent, where proportions in these groups remain relatively low. Proportions in skilled trades rose sharply in Newcastle-under-Lyme (by 5.6%), but fell sharply in East Staffordshire (by 8.2%) in the same period. Proportions in administrative and secretarial professions have declined during the period, across all districts except Stoke-on-Trent, where levels

remained stable. Overall comparisons suggest the high proportions of managerial, professional and associate professional occupations enjoyed within East Staffordshire, and Staffordshire Moorlands, and, conversely the far lower proportions in these occupations in Stoke-on-Trent, where on the other hand there are higher proportions of process, plant and machine operatives and 'elementary' occupation workers than in the other districts.

Table 16: Benefits Data Indicators, Working Age Clients, August 2004 %							
Benefits	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands	England
All Claiming	12	14	10	13	22	16	14
Job Seekers	1	1	2	1	2	3	2
Incapacity Benefits	6	9	6	8	14	8	7
Lone Parent	2	1	1	1	3	2	2
Carer	1	1	1	1	1	1	1
Others- Income Related	0	0	0	0	0	0	0
Disabled	1	1	1	1	1	1	1
Bereaved	0	0	0	0	0	0	0
Unknown	0	0	0	0	0	0	0
Male	11	14	10	12	22	15	13
Female	13	15	11	13	23	17	15
16-24	10	8	7	7	14	11	10
25-49	10	12	9	10	21	14	13
50 +	17	23	15	20	33	22	20
16-24	10635	15664	13089	8846	30833	624750	5783053
25-49	37083	40552	40960	30570	80442	1812409	17730016
50-64 (male) 50-59 (female)	16636	19935	21510	17817	36107	817150	7545984

Source: Neighbourhood Statistics

- 3.8.5 The levels of benefit among working age clients for each Local Authority in the North Housing Market Area as of August 2004 is shown proportionally in Table 16. Overall levels of benefit claimants are well below the average for the West Midlands and for England, with the exception of Stoke-on-Trent, which has a very high proportion of those claiming benefits (22% of the working age population). The lowest proportion of those claiming benefits is in Stafford (10%). Stoke-on-Trent also has the highest proportion of those people aged 50 and over claiming benefits (33%) and the highest proportion of those people aged 25-49 claiming benefits (21%).

3.8.6 Trends in benefit data indicators over the years 2001-2004 are shown in Table 17. The table shows little change over four years in percentages by district for all people of working age claiming a key benefit for each Local Authority in the North Housing Market Area. Stafford in particular, and East Staffordshire, remain well below regional and national averages, while Newcastle-under-Lyme and Staffordshire Moorlands are closer to the national average.

Table 17: Benefits Data Indicators, Working Age Clients, August 2004 %							
Benefits (all claimants)	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands	England
August 2004	12	14	10	13	22	16	14
August 2003	12	15	11	13	23	16	14
August 2002	13	15	11	13	23	16	15
August 2001	12	15	11	13	22	16	14

Source: Neighbourhood Statistics

3.9 Income and earnings

3.9.1 Evidence drawn from the ONS Annual Survey of Hours and Earnings for 2002 and 2006, in Table 18, shows how earnings have increased overall from 2002-2006 in North Housing Market Area, in terms of both lower quartile and median earnings.

Table 18: Lower quartile and median earnings 2002 to 2006						
Local authority	Lower quartile earnings			Median earnings		
	2002	2006	% change	2002	2006	% change
East Staffordshire	£10,220	£11,640	13.9%	£15,932	£18,363	15.3%
Newcastle-under-Lyme	£9,377	£11,319	20.7%	£13,769	£17,737	28.8%
Stafford	£12,075	£13,365	10.7%	£17,942	£20,753	15.7%
Staffordshire Moorlands	£10,734	£12,332	14.9%	£18,502	£20,476	10.7%
Stoke-on-Trent	£10,440	£11,706	12.1%	£14,610	£16,854	15.4%
West Midlands	£10,000	£11,772	17.7%	£16,243	£18,781	15.6%
England and Wales	£10,285	£11,935	16.0%	£17,182	£19,712	14.7%

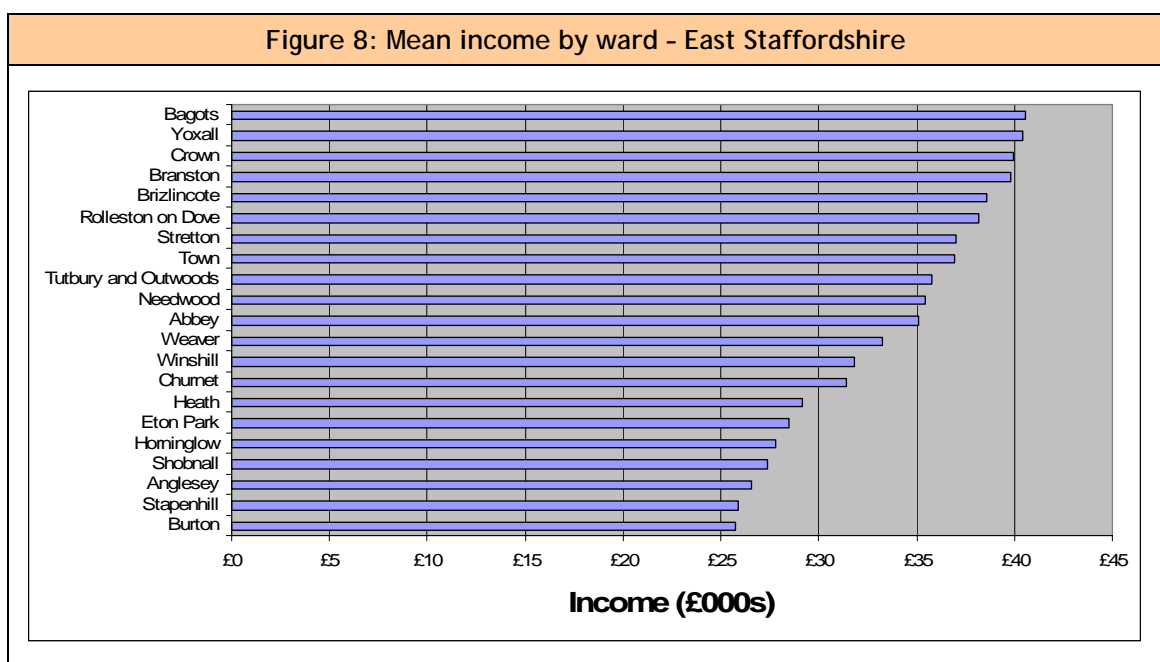
Source: ASHE 2002 and 2006

3.9.2 With the exception of Staffordshire Moorlands, median earnings have increased by a greater percentage than lower quartile earnings from 2002 to 2006. Stafford and Staffordshire Moorlands have higher earnings at both the lower quartile and median levels than the West Midlands and England & Wales. Stafford, which has the highest lower quartile and median earnings, shows the second highest disparity between the increase in lower quartile

earnings (10.7%) and median earnings (15.7%). Earnings in Newcastle-under-Lyme have increased by far and away the greatest amount with median earnings rising by 28.8% in the period.

3.9.3 The distribution of mean incomes across the wards of the North Housing Market Area is shown in Figure 8 to Figure 12.

3.9.4 In East Staffordshire (Figure 8) only seven of the 21 wards have a mean income below £30,000 p.a. and two (Bagots and Yoxall) are above £40,000. The majority (twelve) have a mean income between £30,000 and £40,000. All mean incomes fall between £26,000 and £41,000; a range of £15,000.

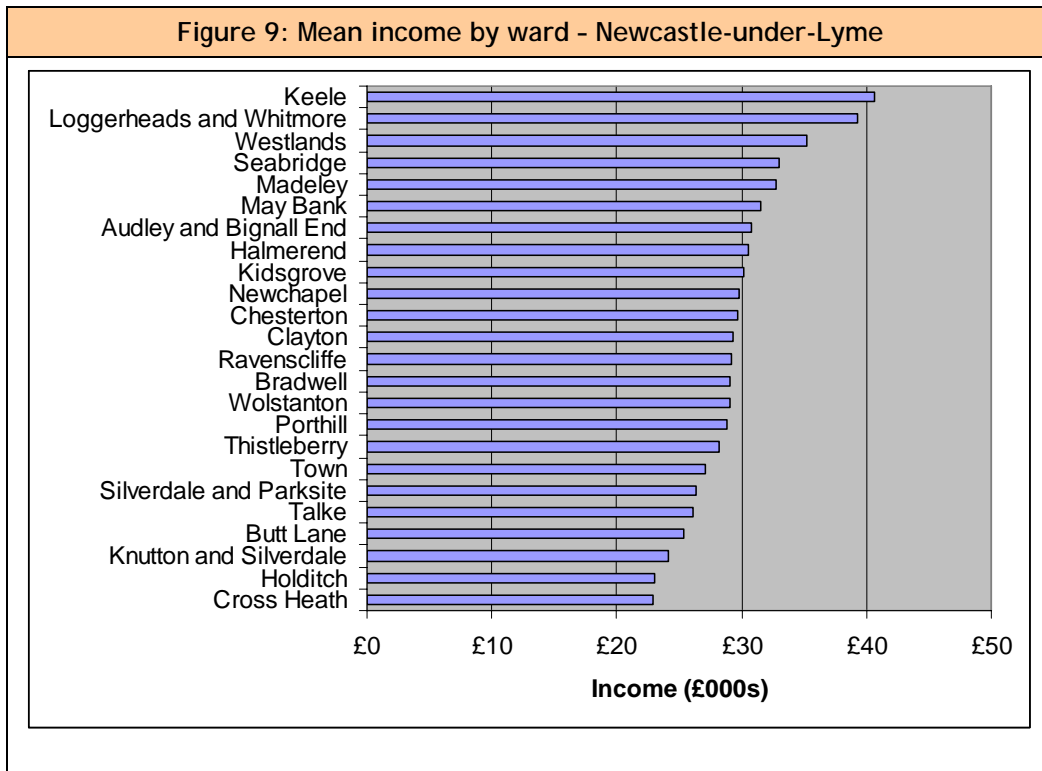


Source: CACI 2007

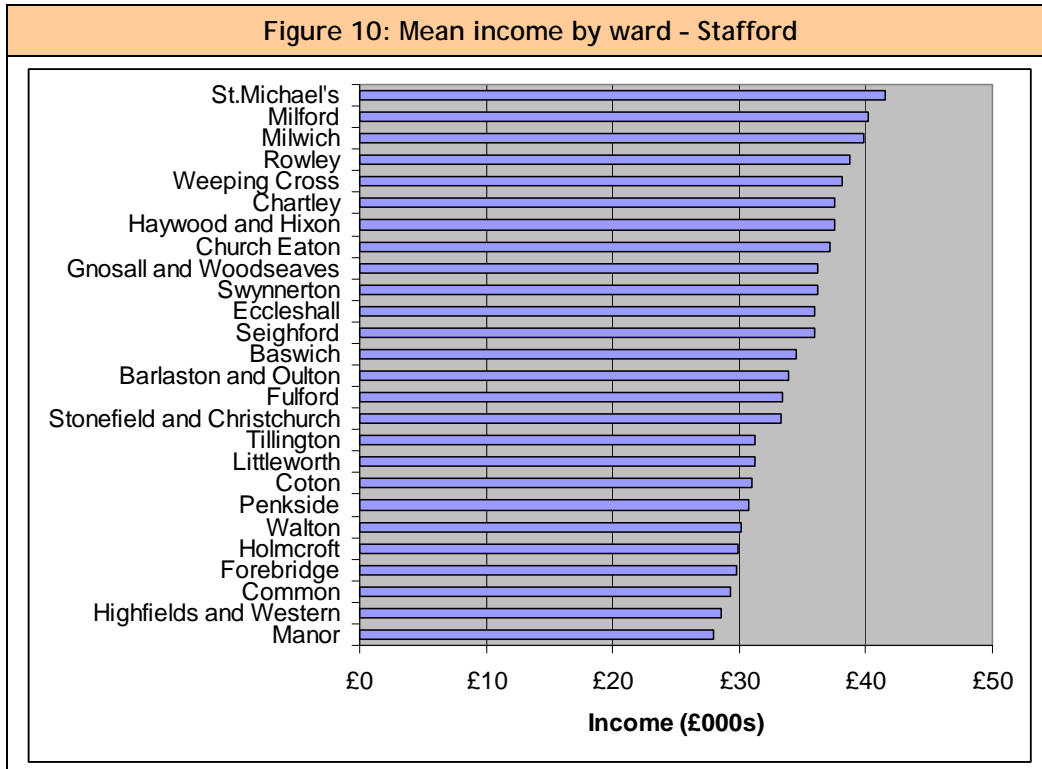
3.9.5 Newcastle-under-Lyme (Figure 9) in contrast has only one ward (Keele) where the mean income is above £40,000. The wealthier wards tend to be south and/or west of the M6 and east of the M6 where the district borders Stafford borough and Stone in particular. The wards with the lowest mean incomes are concentrated in the urban area. All mean incomes fall between £23,000 and £41,000; a range of £18,000.

3.9.6 Stafford (Figure 10) has two wards with a mean income over £40,000 and only five wards below £30,000. The wards with the higher mean incomes are relatively dispersed across the borough: the wealthiest ward is in Stone, the second one in the more rural area to the east of Stafford town, the third to the east of Stone and fourth in the west of Stafford town. This ward (Rowley) borders the two wards with the lowest mean incomes (Highfields

& Western and Manor). All mean incomes fall between £28,000 and £42,000; a range of £14,000.



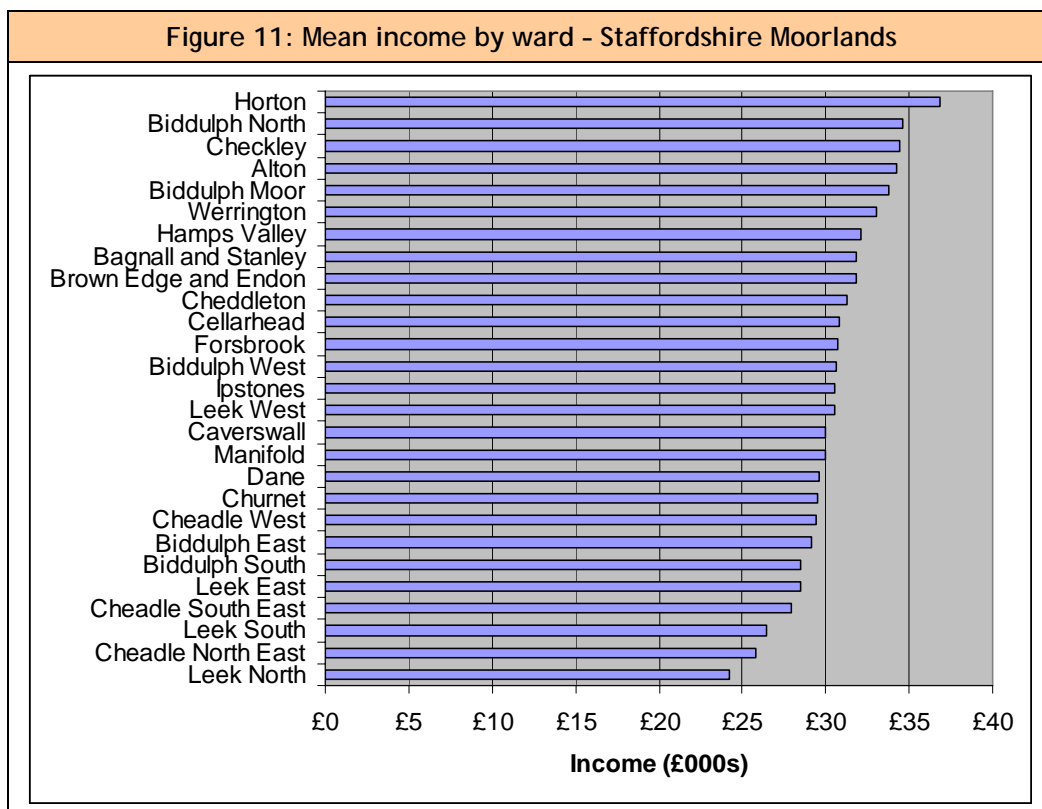
Source: CACI 2006



Source: CACI 2006

3.9.7 Mean incomes in Staffordshire Moorlands (Figure 11) are lower than East Staffordshire, Newcastle-under-Lyme and Stafford, falling in a lower and tighter range (between £24,000

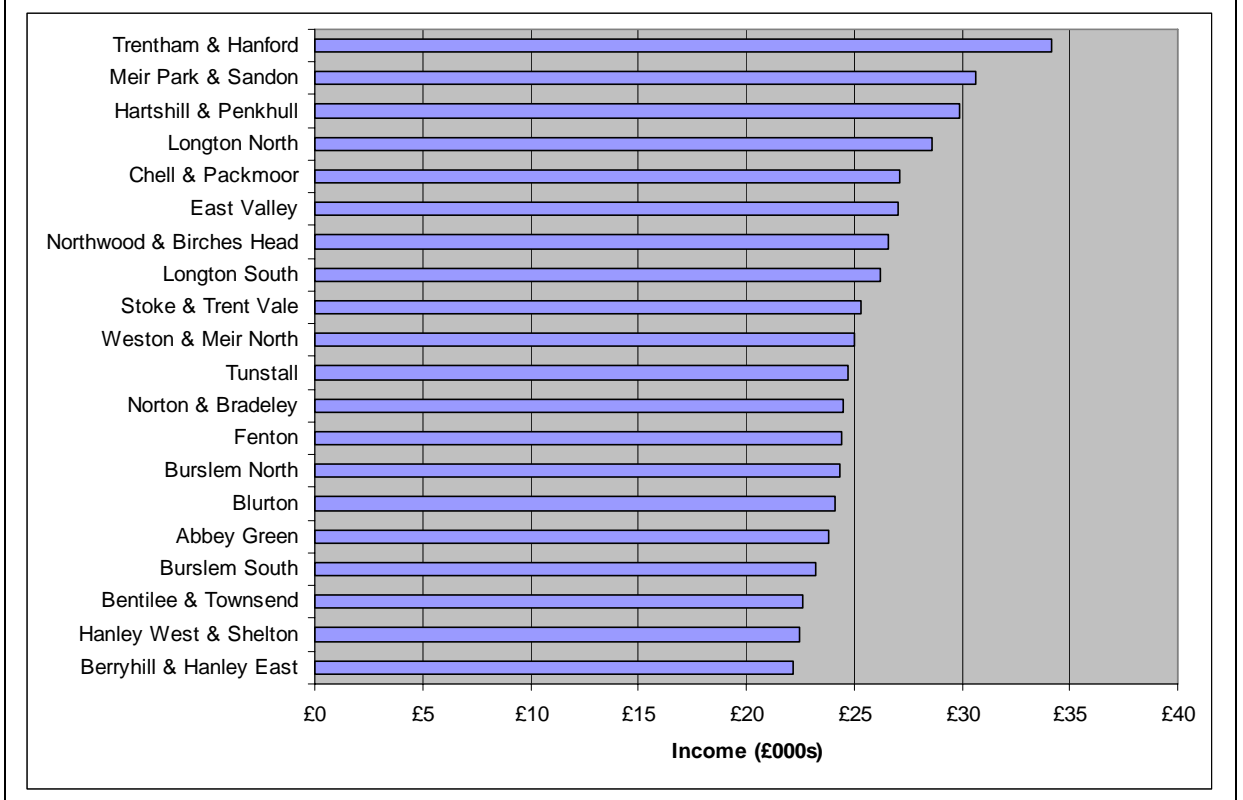
and £37,000; a range of £13,000). Only one ward, Horton to the west of Biddulph has a mean above £35,000, and twelve wards have a mean income below £30,000. It is the wards in the three towns of Leek, Cheadle and Biddulph that are the one with the lowest mean incomes.



Source: CACI 2006

- 3.9.8 In Stoke-on-Trent (Figure 12) all the mean incomes by ward fall between £22,000 and £34,000; a range of £12,000. This is both the lowest and the narrowest income range in the North Housing Market Area. Eleven wards have a mean income between £20,000 and £25,000. the five with the lowest mean incomes form a horseshoe around the urban area taking in Burslem, Hanley, Shelton, Berryhill and Abbey Green. The ward with highest mean income (Trentham and Hanford) borders Stafford borough.
- 3.9.9 Of the 118 wards in the North Housing Market Area, six of the ten wards with the lowest mean income are in Stoke-on-Trent (three are in Newcastle-under-Lyme and one in Staffordshire Moorlands). Of the ten wards with the highest mean income four are in East Staffordshire (Burton, Stapenhill, Shobnall and Anglesey), four are in Stafford (St. Michael's, Milford, Milwich, Rowley) and two in Newcastle-under-Lyme Keele, Loggerheads & Whitmoor)

Figure 12: Mean income by ward - Stoke-on-Trent



Source: CACI 2006

4 THE HOUSING STOCK

Table 19: Summary of housing stock datasets ²⁷		
Step	Principal data sources	Data items
2.1 Dwelling profile	National Register of Social Housing (NROSH), Housing Strategy Statistical Appendix (HSSA), Business Plan Statistical Appendix (BPSA), Regulatory Statistical Return (RSR), Census, Dwelling Stock by Council Tax Band NeSS Dataset, Council Tax Register	Number of dwellings in the area by size, type, location and tenure
2.2 Stock condition	NROSH, HSSA, BPSA, RSR, Stock condition surveys, Decent Homes Modelled Data and Census	Condition of stock (unfit, in need of major/minor repairs) by tenure and location
2.3 Shared housing and communal establishments	Census, Student accommodation services, Voluntary sector and key informants, LA Registers of Licensed Houses in Multiple Occupation, NeSS Licensed HMO dataset, Local surveys	Estimated numbers of households living in shared houses and communal establishments

4.1 Introduction

- 4.1.1 This chapter looks at the current supply of market and social housing, including privately rented accommodation. It looks at the current stock profile by size, type, tenure and location and highlights changes in dwelling type over the last ten years.
- 4.1.2 The condition of the housing stock is also examined with reference to the fitness standard, decent homes standard and the new Housing Health and Safety Rating System (HHSRS).
- 4.1.3 The provision of shared accommodation is also detailed with particular reference to houses in multiple occupation.
- 4.1.4 The evidence presented in this Chapter from the Housing Strategy Statistical Appendix is drawn from the 2006 return.

²⁷ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p23

4.2 Tenure

- 4.2.1 The latest Housing Investment Programme Housing Strategy Statistical Appendix for each Local Authority provides details of the total number of dwellings in the area on 1 April 2006. Table 20 and Table 21 illustrate the number of dwellings, and the proportion this represents, in each district by ownership. The lower half of the table compares public and private ownership. Private ownership includes owner occupation and private rented property.
- 4.2.2 Apart from four properties in Newcastle-under-Lyme, Stoke-on-Trent is the only local authority to still maintain stock at the time of writing. East Staffordshire, Newcastle-under-Lyme, Stafford and Staffordshire Moorlands have transferred their stock to Registered Social Landlords (RSLs).
- 4.2.3 Staffordshire Moorlands has the lowest percentage of social housing stock in the North Housing Market Area with 8.2%. This is less than half of the North Housing Market Area percentage of 17.7% and the regional average of 19.9%. Stoke-on-Trent has the highest percentage with 23.5% combined ownership of RSLs and Local Authority stock.
- 4.2.4 All of the districts except for Stoke-on-Trent within the North Housing Market Area have a higher percentage of private housing than the regional average of 80.1%. The North Housing Market Area average is 82.2% compared to 80.1% for the region. The average for England lies in-between these two figures at 81.5%. Staffordshire Moorlands has the highest percentage with 91.8% of dwellings in the private sector followed by East Staffordshire with 86.3%.

Table 20: Housing stock profile								
Ownership	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands	
	No.	%	No.	%	No.	%	No.	%
Local authority	0	0.0	4	0.0	0	0.0	0	0.0
RSL	6200	13.4	9918	18.8	7079	13.0	3458	8.2
Other public	71	0.1	0	0.0	1521	2.8	0	0.0
Total public	6271	13.6	9922	18.8	8600	15.8	3458	8.2
Private	39862	86.3	42917	81.2	45957	84.2	38540	91.8
Total	46162	100.0	52846	100.0	54557	100.0	41998	100.0

Source: HSSA 2006

Table 21: Housing stock profile							
Ownership	Stoke-on-Trent		North Housing Market Area		West Midlands		England
	No.	%	No.	%	No.	%	%
Local authority	20089	18.2	20129	6.6	221603	9.6	9.4
RSL	5897	5.3	32552	10.6	230593	10.0	8.7
Other public	48	0.0	1640	0.5	6062	0.3	0.4
Total public	26034	23.5	54321	17.7	457690	19.9	18.5
Private	84589	76.5	251865	82.2	1840753	80.1	81.5
Total	110623	100.0	306186	100.0	2299011	100.0	100.0

Source: HSSA 2006

- 4.2.5 Table 22 shows the type of housing by tenure within each district as proportions of the total housing stock (residents in caravans and mobile structures have not been included and residents living rent-free are included in the private rented section).

Table 22: Dwelling type by tenure 2001							
		Detached	Semi	Terraced	Flat	Shared dwelling	Total
East Staffordshire	Owner occupied	30.2	26.3	18.1	1.3	0.0	75.8
	Social rented	0.6	5.0	3.1	5.3	0.1	14.1
	Private rented	1.6	2.2	4.0	2.3	0.1	10.1
	Total	32.3	33.5	25.2	8.9	0.2	100.0
Newcastle-under-Lyme	Owner occupied	22.8	33.7	14.8	1.2	0.0	72.5
	Social rented	0.8	8.8	3.8	6.4	0.0	19.7
	Private rented	1.0	2.7	2.1	1.9	0.0	7.8
	Total	24.5	45.3	20.7	9.4	0.1	100.0
Stafford	Owner occupied	36.2	27.1	10.9	1.9	0.0	76.1
	Social rented	0.7	4.5	3.8	5.2	0.0	14.2
	Private rented	2.1	2.7	2.3	2.7	0.0	9.7
	Total	39.0	34.2	17.0	9.7	0.0	100.0
Staffordshire Moorlands	Owner occupied	38.9	31.8	12.1	0.7	0.0	83.5
	Social rented	0.4	4.8	2.1	1.7	0.0	9.0
	Private rented	1.7	2.2	2.1	1.5	0.0	7.5
	Total	41.1	38.8	16.2	3.9	0.0	100.0
Stoke-on-Trent	Owner occupied	12.2	31.0	21.1	0.9	0.0	65.2
	Social rented	1.0	12.5	5.1	5.8	0.1	24.4
	Private rented	0.5	2.7	5.0	2.1	0.1	10.4
	Total	13.7	46.2	31.2	8.8	0.1	100.0
North Housing Market Area	Owner occupied	28.1	30.0	15.4	1.2	0.0	74.6
	Social rented	0.7	7.1	3.6	4.9	0.0	16.3
	Private rented	1.4	2.5	3.1	2.1	0.0	9.1
	Total	30.1	39.6	22.1	8.1	0.1	100.0

Source: Census 2001

4.2.6 All of the districts in the North Housing Market Area except Stoke-on-Trent have a higher percentage of owner occupied accommodation than the regional or national averages of 69.6% and 68.7% respectively. These percentages relate to the dwelling stock at the time of the Census 2001.

4.2.7 In contrast, all of the districts except Stoke-on-Trent have a lower than average proportion of socially rented properties. The figures in Table 20 and Table 21 relate to the dwelling stock five years later and show an increase in the proportion of socially rented stock in the North Housing Market Area from 16.3% to 17.7%.

4.2.8 The proportion of private rented accommodation in East Staffordshire, Stafford and Stoke-on-Trent is higher than the regional average of 9.8% (at the time of the Census 2001) but the North Housing Market Area has a lower proportion of private rented accommodation, 9.1%, compared to the national average of 12.0%. Stoke-on-Trent has the greatest percentage of private rented accommodation with 10.4%, followed by East Staffordshire with 10.1%.

4.3 Dwelling type

4.3.1 The predominant dwelling type in the North Housing Market Area is semi-detached housing with almost two out of five households living in semi-detached housing. The tables show a high proportion of semi-detached housing in most districts. In Stoke-on-Trent, Newcastle-under-Lyme and Staffordshire Moorlands semi-detached housing represents the highest proportion of housing type whereas the predominant type of housing in Staffordshire Moorlands and Stafford is detached. Stoke-on-Trent has a high proportion of terraced housing with almost a third, 31.2%, and East Staffordshire with over a quarter, 25.2%, compared to the average for the North Housing Market Area, 22.1%. Detached and semi-detached housing combined constitute nearly four fifths of the housing stock in Staffordshire Moorlands, 79.9%, reflecting the rural nature of the district, compared to almost three fifths, 59.9%, in the city of Stoke-on-Trent. The highest percentage of flats is in Stafford, 9.7%, whereas Staffordshire Moorlands has a small housing stock of flatted dwellings with 3.9%.

4.3.2 Table 23 provides some further information on the owner occupied sector. High percentages of owner occupiers own their property outright in these districts which may reflect the older population having paid off their mortgage or loan.

4.3.3 It is also interesting to compare the percentage of owner occupiers with shared ownership across the North Housing Market Area. The figures provide a basis from which to compare future changes in the proportions of intermediate housing tenure in the districts. At the time of the Census 2001, Stoke-on-Trent followed by Newcastle-under-Lyme had the highest percentage of shared ownership within the owner-occupied sector with 1.7% and 1.2% respectively.

Table 23: Breakdown of owner occupation		
	% of owner occupiers who own outright	% of owner occupiers with shared ownership
East Staffordshire	44.1	0.5
Newcastle-under-Lyme	45.0	1.2
Stafford	43.9	0.5
Staffordshire Moorlands	49.2	0.4
Stoke-on-Trent	43.8	1.7
North Housing Market Area	45.2	0.9

Source: Census 2001

- 4.3.4 Table 24 shows the type and tenure of dwellings in the 1991 Census to demonstrate change in the period 1991-2001 (see Table 22 for 2001 figures). Over the ten year period to 2001 there was a very small increase of 0.6% in the proportion of owner occupied properties across the North Housing Market Area despite Right To Buy sales during that period. Stoke-on-Trent experienced a decrease in owner occupation from 1991 to 2001 declining from 66.5% to 65.2% of housing stock. East Staffordshire, Newcastle-under-Lyme and Stafford witnessed an increase of about 1.4% in owner occupation over the ten year period.
- 4.3.5 The proportion of dwellings in the social rented sector decreased from an average 19.4% for the North Housing Market Area in 1991 to an average of 16.3% by 2001. The greatest change in the proportion of social dwellings in relation to all dwellings occurred in East Staffordshire with 3.8% less social rented property by 2001. Newcastle-under-Lyme witnessed a similar reduction of 3.7%. Staffordshire Moorlands experienced the least change in the tenure proportions of its housing stock.
- 4.3.6 The proportion of dwellings in the private rented sector increased in all districts over the ten year period with the average for the North Housing Market Area rising from 6.6% to 9.1%. The most significant increase was in Stoke-on-Trent where private rented properties rose by 4.5%, from 5.9% to 10.4% of housing stock in the district.
- 4.3.7 Semi-detached housing remained the predominant dwelling type over the ten year period slightly increasing its proportion by 2001 from 39.2% to 39.6%. The proportion of detached properties increased in all districts from 1991 to 2001 rising from an average 27.1% to 30.1% for the North Housing Market Area. The greatest increase was in east Staffordshire where detached properties rose from 27.5% to 32.3%.

4.3.8 The proportion of flats across the North Housing Market Area rose slightly from an average of 8.0% to 8.1% of the dwelling stock. Stoke-on-Trent witnessed the greatest increase in flatted properties rising from 7.7% to 8.8% in 2001. East Staffordshire saw a decline in flatted housing stock from 10.0% to 8.9%. The proportion of terraced properties reduced in all districts over the ten year period with the most significant reduction in Stoke-on-Trent decreasing from 37.2% of housing stock in the area to 31.2%.

Table 24: Dwelling type by tenure 1991							
		Detached	Semi	Terraced	Flat	Shared dwelling	Total
East Staffordshire	Owner occupied	25.8	25.8	21.3	1.4	0.0	74.4
	Social rented	0.2	5.7	5.2	6.9	0.0	17.9
	Private rented	1.5	1.3	3.1	1.7	0.1	7.6
	Total	27.5	32.8	29.6	10.0	0.1	100.0
Newcastle-under-Lyme	Owner occupied	20.1	34.2	15.8	0.9	0.0	71.1
	Social rented	0.2	9.6	6.4	7.2	0.0	23.4
	Private rented	0.8	1.9	1.2	1.6	0.1	5.5
	Total	21.1	45.7	23.4	9.7	0.1	100.0
Stafford	Owner occupied	34.7	27.1	11.0	1.8	0.0	74.6
	Social rented	0.2	4.7	6.6	5.9	0.0	17.4
	Private rented	2.1	2.4	1.8	1.6	0.1	7.9
	Total	37.0	34.2	19.4	9.2	0.2	100.0
Staffordshire Moorlands	Owner occupied	37.0	32.1	13.7	0.8	0.0	83.6
	Social rented	0.1	5.8	3.2	1.3	0.0	10.5
	Private rented	1.9	1.4	1.4	1.2	0.0	5.9
	Total	39.0	39.3	18.3	3.3	0.1	100.0
Stoke-on-Trent	Owner occupied	10.4	30.0	25.4	0.8	0.0	66.5
	Social rented	0.2	13.1	9.0	5.3	0.0	27.6
	Private rented	0.3	1.1	2.8	1.6	0.1	5.9
	Total	10.8	44.2	37.2	7.7	0.1	100.0
North Housing Market Area	Owner occupied	25.6	29.8	17.4	1.1	0.0	74.0
	Social rented	0.2	7.8	6.1	5.3	0.0	19.4
	Private rented	6.6	1.6	2.1	1.5	0.1	6.6
	Total	27.1	39.2	25.6	8.0	0.1	100.0

Source: Census 1991

4.3.9 Table 25 illustrates the size of dwellings by the total number of rooms in a property. The higher incidence of semi-detached properties in the North Housing Market Area is reflected in the high proportion of five and six room properties across all districts. There are a higher proportion of larger sized properties, six rooms or more in the North Housing Market

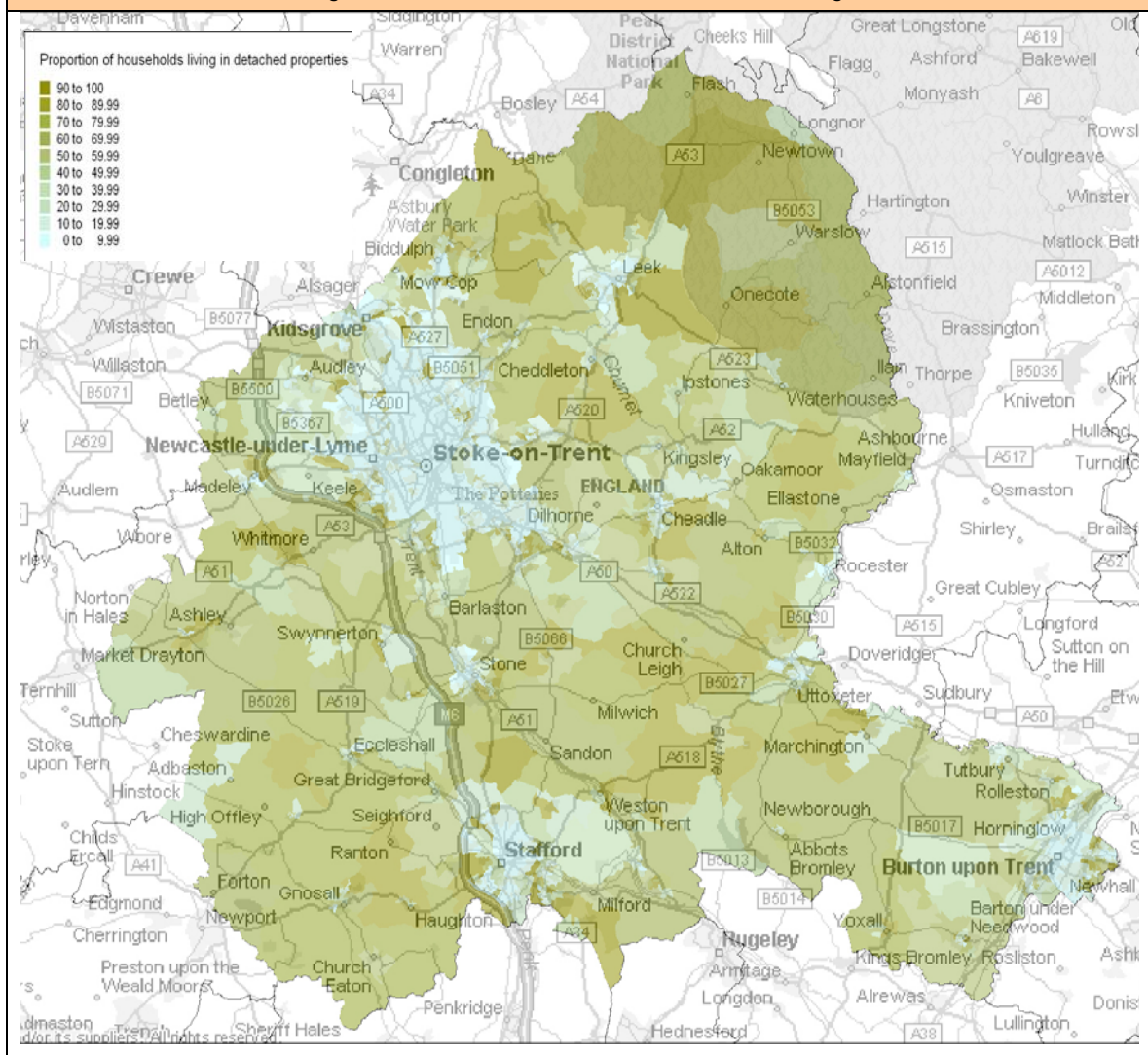
Area compared to the regional average. Stoke-on-Trent has much smaller properties compared to Stafford and East Staffordshire.

Table 25: Size of dwellings							
No of rooms	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	North Housing Market Area	West Midlands
One	0.3	0.3	0.3	0.2	0.4	0.3	0.5
Two	1.4	1.3	1.2	0.9	1.4	1.3	1.7
Three	5.6	7.1	6.1	4.6	7.2	6.1	7.9
Four	16.5	18.9	15.4	18.5	24.7	18.8	17.6
Five	27.3	31.8	22.6	29.1	37.6	29.7	29.9
Six	24.8	22.7	25.0	23.3	19.5	23.1	22.6
Seven	10.7	8.5	13.2	11.3	5.3	9.8	9.5
Eight	13.4	9.5	16.1	12.0	3.9	11.0	10.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Census 2001

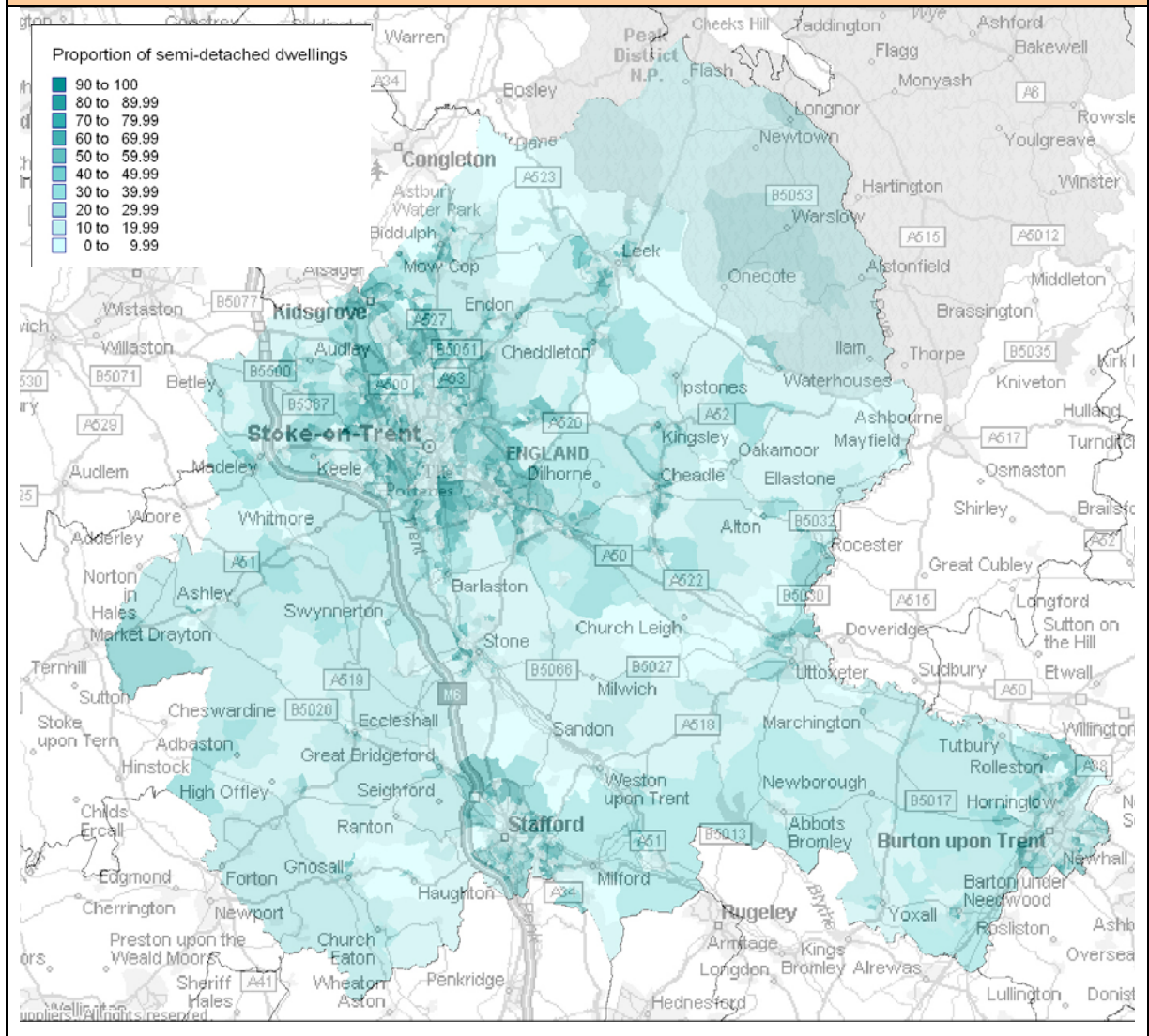
- 4.3.10 The spatial distribution of each dwelling type across the North Housing Market Area is shown in Figure 13 to Figure 16. The deeper concentration of colour represents a higher proportion of that type of dwelling in the locality. The high proportion of semi-detached property across the North Housing Market Area is represented by the strong blue shading of Figure 14. Deeper concentrations of detached housing are also shown in Figure 13 particularly in Staffordshire Moorlands and more rural areas. Stoke -on-Trent shows a high concentration of semi-detached properties but little detached property.
- 4.3.11 The maps highlight the main urban concentrations in the North Housing Market Area with Stoke-on-Trent, Newcastle-under-Lyme, Stafford and Burton-upon-Trent exhibiting the highest concentration of terraced and flatted properties. Small pockets of flatted housing are also indicated at Uttoxeter, Eccleshall, Stone and Leek. The higher prevalence of terraced property to flatted property in the North Housing Market Area is shown by the greater spread of colour in Figure 15 compared to Figure 16.

Figure 13: Distribution of detached dwellings



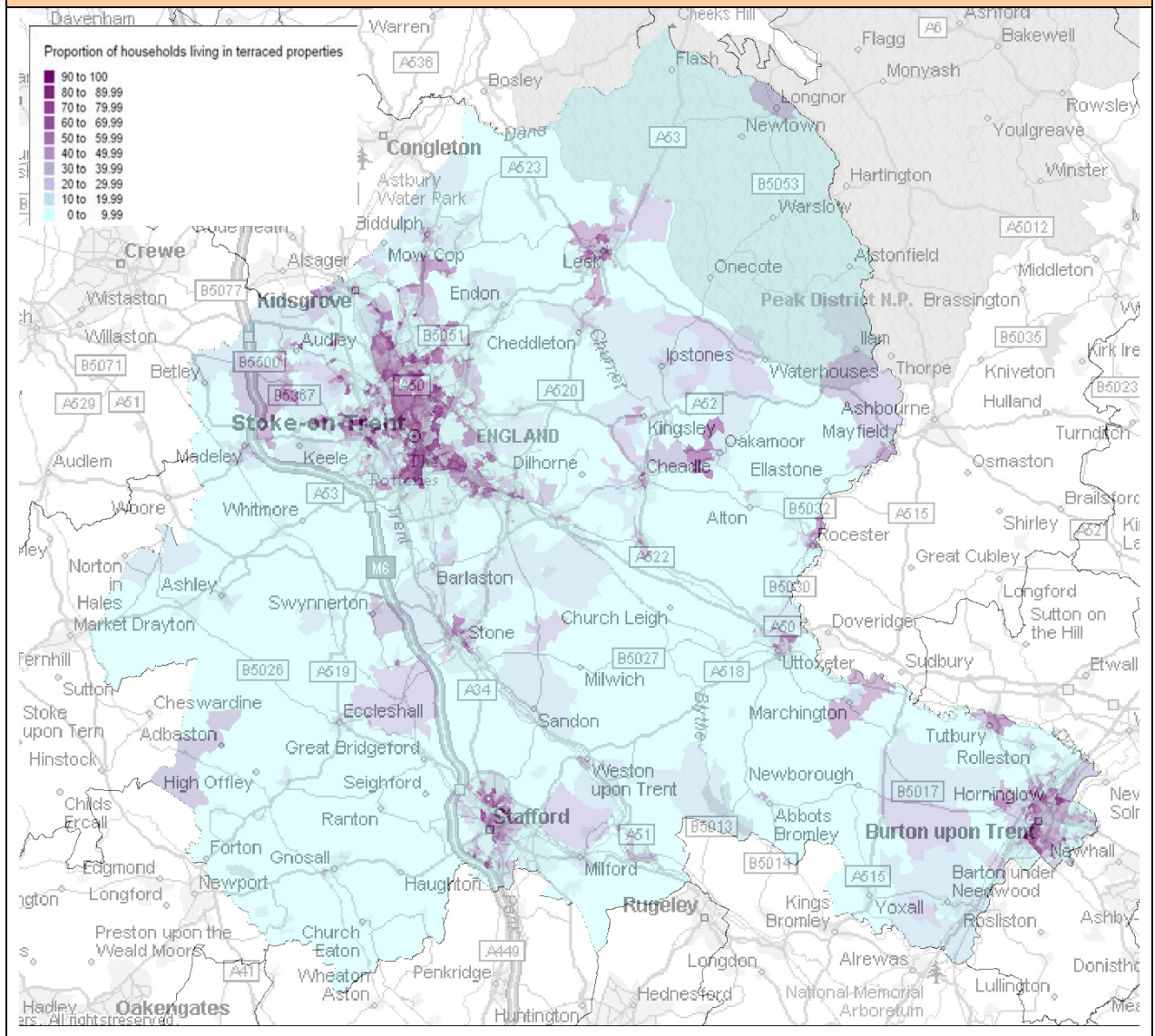
Source: 2001 Census

Figure 14: Distribution of semi-detached dwellings



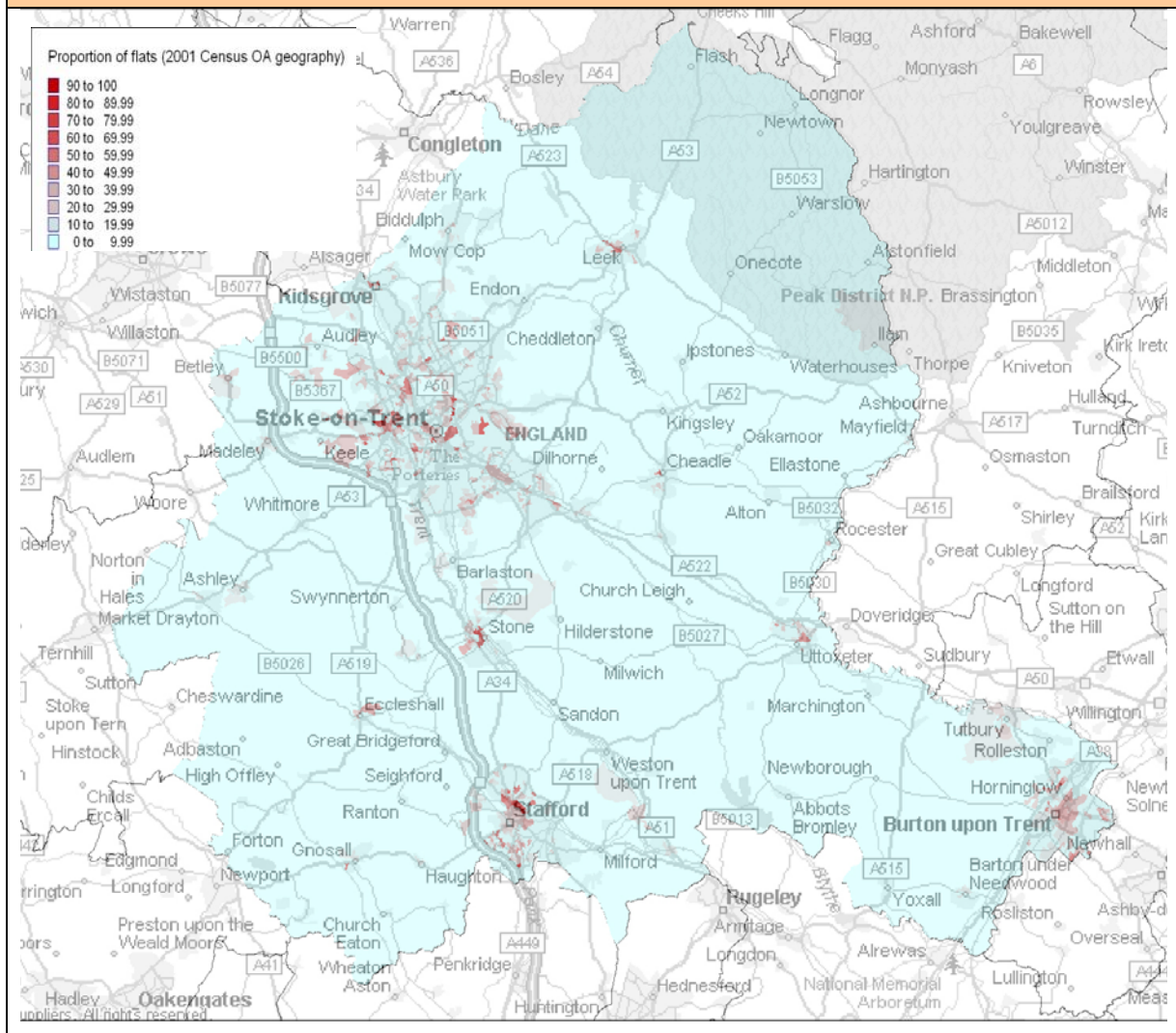
Source: 2001 Census

Figure 15: Distribution of terraced dwellings



Source: 2001 Census

Figure 16: Distribution of flats/apartments



Source: 2001 Census

4.4 Stock condition

4.4.1 The condition of housing stock within these five districts can be assessed by different measures ranging from the minimum fitness standard²⁸ to basic quality standards of acceptable accommodation including the Decent Homes Standard and assessment through the Housing Health and Safety Rating System²⁹.

²⁸ Section 604, 1985 Housing Act amended by 1989 Local Government and Housing Act

²⁹ The Communities and Local Government Housing Health and Safety Rating System 2005

'A home should be above the current statutory minimum standard for housing, in a reasonable state of repair, have reasonably modern facilities and provide a reasonable degree of thermal comfort' ³⁰

- 4.4.2 However baseline assessment of the condition of housing stock in all districts under each of these different criteria is not yet available as some districts most recent private sector stock condition surveys predate the major changes to housing legislation brought in by the introduction of the Housing Health and Safety Rating System in April 2006 which replaced the fitness standard. Some also predate the introduction of the decent homes target to include vulnerable people living in non-decent homes.
- 4.4.3 Table 26 provides details of unfit dwellings in each district as a proportion of total dwellings of that type. Stoke-on-Trent is the only local authority with housing stock of which 1.4% is considered unfit. East Staffordshire, Newcastle-under-Lyme and Stoke-on-Trent show levels of unfitness in properties owned by Registered Social Landlords, but only East Staffordshire with 0.7% is higher than the regional average of 0.6%.
- 4.4.4 The greatest proportion of unfit property is located in the private sector. The level of unfitness in private sector properties in Stoke-on-Trent, 12.3%, is almost twice the figure for the North Housing Market Area, 6.3%, and far more than twice the regional average of 4.8%. Staffordshire Moorlands and Newcastle-under-Lyme have unfitness levels below the regional average. Three of the districts, Stoke-on-Trent, Stafford and East Staffordshire have a higher level of unfitness than the national average of 4.2%.

Table 26: Unfit dwellings														
	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent		North Housing Market Area		West Midlands	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
LA	0	0.0	0	0.0	0	0.0	0	0.0	286	1.4	286	0.3	922	0.4
RSL	47	0.7	53	0.5	0	0.0	0	0.0	22	0.4	122	0.3	1497	0.6
Other	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	136	2.2
Public	47	0.7	53	0.5	0	0.0	0	0.0	308	1.2	408	0.5	2555	0.6
Private	1970	4.9	1375	3.2	3570	7.8	1191	3.1	10391	12.3	18497	6.3	88233	4.8
Total	2017	4.4	1428	2.7	3570	6.5	1191	2.8	10699	9.7	18905	5.2	90788	3.9

Source: HSSA 2006

- 4.4.5 Table 27 shows the estimated cost of making fit the unfit housing stock in the private sector in each district. The sums are based on estimates from private sector stock condition surveys carried out at different times as detailed in the final column. The

³⁰ *Strategic Housing Market Assessments: Practice Guidance Version 2*, CLG, August 2007

varying dates make comparison problematic. Stoke-on-Trent has the highest level of unfitness with 10,391 properties unfit in the private sector. The figures for Stafford and Staffordshire Moorlands represent considerable expenditure.

Table 27: Cost of making fit unfit private sector		
District	Estimated cost (£)	Survey date as basis of estimate
East Staffordshire	8,610,000	2003
Newcastle-under-Lyme	2,100,000	2002
Stafford	35,200,000	2003
Staffordshire Moorlands	17,370,000	2003
Stoke-on-Trent	105,000	2004

Source: HSSA 2006

- 4.4.6 The Government Decent Homes Standard provides a means of assessment going beyond the minimum fitness standard to ensure the property is also in a reasonable state of repair, has adequate modern facilities and provides a reasonable degree of warmth to its occupiers. Initially introduced as a requirement for all Local Authorities and Registered Social Landlords to make all their dwellings decent under these criteria by the end of 2010, the provision was extended in 2004 to include vulnerable people³¹ in the private sector. The current requirement in the private sector³² is for 65% of dwellings to be decent by 2006/7, 70% by 2010/11 and 75% by 2020/21.
- 4.4.7 The stock condition surveys for some of the districts in the North Housing Market Area are now five years old. Data in stock condition surveys is valid for at least five years and 2007/2008 is the time when some districts are proposing to carry out a new stock condition survey. The following table provides details of the most recent data for each district on achievement of the decent homes standard. Information is taken from district housing strategies and the latest private sector house condition surveys.

³¹ Vulnerable households are defined as households in receipt of a means tested or disability benefit

³² Public Sector Agreement (PSA) 7

Table 28: Non-decent dwellings by tenure			
District	Social housing	Private sector	Year of estimate
East Staffordshire	16.0% non decent	3060 vulnerable people living in non-decent homes	2004 ³³
Newcastle-under-Lyme	13.5% non decent ³⁴	2995 (42%) non decent homes occupied by vulnerable households (reduced to 2737 (38%) by Dec 2007)	Jan 2004 baseline
Stafford	3316 properties non decent ³⁵	N/k	2003
Staffordshire Moorlands	0.0% ³⁶	23.5% across the district	2002
Stoke-on-Trent	37.0% ³⁷	57.3% ³⁸	2004

- 4.4.8 Local Authorities that have transferred their stock to Registered Social Landlords express an expectation that the decent homes standard will be met for all these properties by 2010. Registered Social Landlord housing stock providers generally state confidence in achieving the decent homes standard target in their properties by 2010. These assessments are based on an appraisal of expenditure requirements and a planned programme of action. However Stoke-on-Trent retains local authority stock, and in 2004 37.0% of the properties were considered non-decent. It seems possible that they may fail to meet the Decent Homes target for social housing in 2010.
- 4.4.9 There is insufficient data available to assess whether these districts are likely to reach the government target for 70.0% of vulnerable households in the private sector to be living in decent homes by 2010. The level of non-decency in Stoke-on-Trent makes this very unlikely with more than half the private sector properties failing the decent homes standard in 2004.
- 4.4.10 The Stoke-on-Trent Private Sector House Condition Survey in 2004 concluded that private sector housing conditions in the city were significantly worse than the national average.

³³ East Staffordshire Housing Strategy 2004 - 2007

³⁴ Newcastle-under-Lyme Housing Strategy 2005 - 10

³⁵ Stafford Housing Strategy 2003

³⁶ Staffordshire Moorlands Draft Housing Strategy 2007 report to Cabinet

³⁷ Stoke-on-Trent Council House Condition and Investment Needs Survey 2004

³⁸ Stoke-on-Trent Private Sector House Condition Survey 2004

The estimated cost of improving non decent housing was a minimum £357.96 million at 2004 prices. Key findings in the report included:

- ❑ A high level of non decent homes in the private rented sector
- ❑ Most non decency occurs in properties constructed before 1919
- ❑ Longer term questions on the sustainability of older terraced housing were raised against evidence of low demand and high improvement costs
- ❑ Many non decent homes were occupied by elderly households, people on low incomes or those economically vulnerable.

4.4.11 Similar findings were reported in surveys in Stafford, Staffordshire Moorlands and Newcastle-under-Lyme with an added issue of the prevalence of non decent homes in rural areas. These conclusions highlight key issues for housing stock condition in the North Housing Market Area.

4.4.12 Improving private sector housing operates through various approaches including advice, encouragement, grants and ultimately enforcement. Private sector renewal policies aim to encourage joint working between voluntary and statutory sectors to influence the private sector including combining new forms of assistance, for example equity release, with the more traditional grants scheme.

4.4.13 An indication of the level of activity towards meeting the decent home standard in the private sector is shown in Table 29. This illustrates trends in recent and planned levels of private sector renewal assistance through grants; owner-occupiers principally receive these. Figures for 2006/07 and 2007/08 are planned expenditure.

4.4.14 The highest expenditure and number of grants made in the North Housing Market Area was in 2003/2004 with 791 grants worth £3,259,000 total renewal assistance of which 39.6% was in Stoke-on-Trent. The following year saw a further 762 grants worth £2,373,000 with 48.2% of this spending in Stoke-on-Trent. Private sector renewal assistance subsequently dropped considerably in 2005/06 with just 298 grants worth £1,855,000. Planned expenditure for 2006/07 and 2007/8 shows an expectation that the number of grants will rise once more to £2,312,000 for the whole of the North Housing Market Area. East Staffordshire has no actual planned budget for either year.

4.4.15 Stoke-on-Trent City Council, in particular, has moved away from Private Sector Renewal Assistance grants toward Equity Loans. Consequently, there is likely to be reduced expenditure on grants; in its place the City has a £2m annual loans programme going forward over 2008/11.

Table 29: Private sector renewal assistance grants										
Year	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent	
	No	£000's	No	£000's	No	£000's	No	£000's	No	£000's
2002/03	118	143	76	585	128	594	150	675	34	300
2003/04	159	90	58	907	101	443	91	528	382	1291
2004/05	92	61	113	735	70	240	58	194	429	1143
2005/06	4	14	85	835	31	66	51	154	127	786
2006/07	0	0	70	700	85	400	40	112	120	1100
2007/08	0	0	50	600	85	400	40	112	83	1200

Source: HSSA 2006 - Section K2

- 4.4.16 The Housing Health and Safety Rating System (HHSRS) replaced the unfit dwelling criteria for assessing the quality of current housing stock in an area from April 2006. The process identifies defects within a dwelling and scores the potential risk of this hazard to the health and safety of persons using the building. Key hazards considered within an assessment include the risk of falls, hot surfaces and materials positioned inappropriately, above average risk of fire, damp and mould growth and excessive cold. Unlike the fitness standard the HHSRS takes into account the likely risk to possible occupiers of the building. Housing stock which is classed as being subject to a Category 1 Hazard require a mandatory response from a Local Authority as they are considered to have an unacceptably high risk of serious injury or mortality.
- 4.4.17 None of the districts in the North Housing Market Area have carried out a stock condition survey following the introduction of the HHSRS and so only limited information is currently available on the number of dwellings and percentage this represents of private sector housing stock subjected to Category 1 Hazards in each district. Staffordshire Moorlands estimated in 2002/3 that 23.5% of dwellings across the district were non-compliant with the decent homes standard and a further 5.7% would be considered to fail under the HHSRS³⁹. In Newcastle-under-Lyme a stock condition survey was commissioned which at that time estimated the unfitness rate at 3.0% rising to 6.5% with the introduction of HHSRS⁴⁰.

4.5 Over-crowding and under occupation

- 4.5.1 The 'occupancy rating' within the 2001 Census provides a measure of under-occupancy and over-crowding. For example a value of -1 implies that there is one room too few and that

³⁹ Staffordshire Moorlands Draft Housing Strategy report to Cabinet, 2007

⁴⁰ Newcastle-under-Lyme Housing Strategy 2005 -10

there is overcrowding in the household. It relates the actual number of rooms to the number of rooms 'required' by the members of the household (based on an assessment of the relationship between household members, their ages and gender).

- 4.5.2 Table 30 presents the occupancy rating for each district within the North Housing Market Area. It is clear that all 5 local authorities have relatively high proportions of households living in under-occupied properties. 62.8% of properties in Stafford have two extra rooms for the household sizes occupying them.

Table 30: Occupancy rating (%)				
	Occupancy rating of + 2 or more	Occupancy rating of + 1	Occupancy rating of 0	Occupancy rating of -1
East Staffordshire	58.6	24.2	13.3	3.9
Newcastle-under-Lyme	53.2	26.5	16.4	3.9
Stafford	62.8	21.6	12.6	3.0
Staffordshire Moorlands	58.2	26.1	12.9	2.8
Stoke-on-Trent	43.0	32.2	19.6	5.1
England	49.1	25.5	18.2	5.0

Source: 2001 Census UV59

4.6 Shared housing and communal establishments

- 4.6.1 Shared housing and communal establishments include homeless hostels, older people's specialist accommodation and student housing.
- 4.6.2 There is also a statutory requirement⁴¹ for local authorities to inspect, register and license properties which are three storeys and above with five or more bed spaces. There are minimum conditions to address including fire safety requirements. Other houses in multiple occupation (HMOs) do not currently require a license.
- 4.6.3 Table 31 details the number of houses in multiple occupation in each district.

⁴¹ Housing Act 2004

Table 31: Number of houses in multiple occupation		
	No.	Registered
East Staffordshire	170	N/k
Newcastle-under-Lyme	377	0
Stafford	500	N/k
Staffordshire Moorlands	120	0
Stoke-on-Trent	1210	N/k

Source: HSSA 2006

- 4.6.4 Stoke-on-Trent has the highest number of houses in multiple occupation reflecting its city status. Stafford as a university town also has a high level of shared housing.

5 THE ACTIVE MARKET

Table 32: Summary of active market datasets ⁴²		
Step	Principal data sources	Data items
3.1 The cost of buying or renting a property	Land Registry, Estate & Letting Agents, Rent Service, HSSA	Average and lower quartile prices and rents by tenure, sizes, types and location
3.2 Affordability of housing	Outputs of Step 3.1 and Step 1.4	Mapping of which areas and property types are most and least affordable
3.3 Overcrowding and under-occupation	Census, Local surveys	Dwelling and household size, overcrowding, under-occupancy
3.4 Vacancies, turnover rates and available supply by tenure	Outputs from Step 2.1, NROSH, HSSA returns, Council tax register, LA/HA records, Land Registry transactions, Estate and letting agents, Survey of Mortgage Lenders	Vacancy rates by tenure, size, type and location, transactions data, turnover, and an indication of available supply by tenure, type, size and location

5.1 Introduction

5.1.1 This chapter examines the outputs of housing supply and demand in terms of certain macro-level indicators:

- ❑ The cost of housing for sale
- ❑ The cost of the private rented sector
- ❑ The cost of social housing
- ❑ Affordability of different tenures
- ❑ Vacancies, supply and turnover

⁴² *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p26

Stakeholders on Defining the Housing Market Area

- *The North Housing Market Area is a patchwork quilt; a collection of convenience, but it works on an organisational level. The commonality is one of expected house prices across the housing market area which are consistently below the expected average for this part of the world.*
- *East Staffordshire strongly connected to the East Midlands - more than to elsewhere in the West Midlands, Stoke-on-Trent a sub-market all on its own. Burton-on-Trent caught in hot spot as a result of the road network, airports, proximity to Derby and East Midlands, but local people are being driven out due to decline of traditional industries.*
- *Stafford split by the greenbelt, north Stafford borough does link to Stoke-on-Trent, but south of Borough more closely tied to Birmingham and elsewhere in West Midlands. People in greenbelt fringes of Stoke-on-Trent (i.e. north Stafford borough) are commuting into Stoke-on-Trent, but elsewhere in Stafford Borough people go south not north. People coming out from the central conurbation as far as Stafford.*
- *People are from rural areas in Staffordshire Moorlands are moving into the market towns (Biddulph, Cheadle and Leek) and young people are moving into Stoke-on-Trent to rent or to buy.*
- *Stoke-on-Trent consists of very local markets - residents want to stay in their areas. People with higher incomes 25-44 tend to move further afield and move out. People are very parochial; e.g. one young man only ever left Bentilee to go to the Accident Unit.*

5.2 The cost of housing for sale

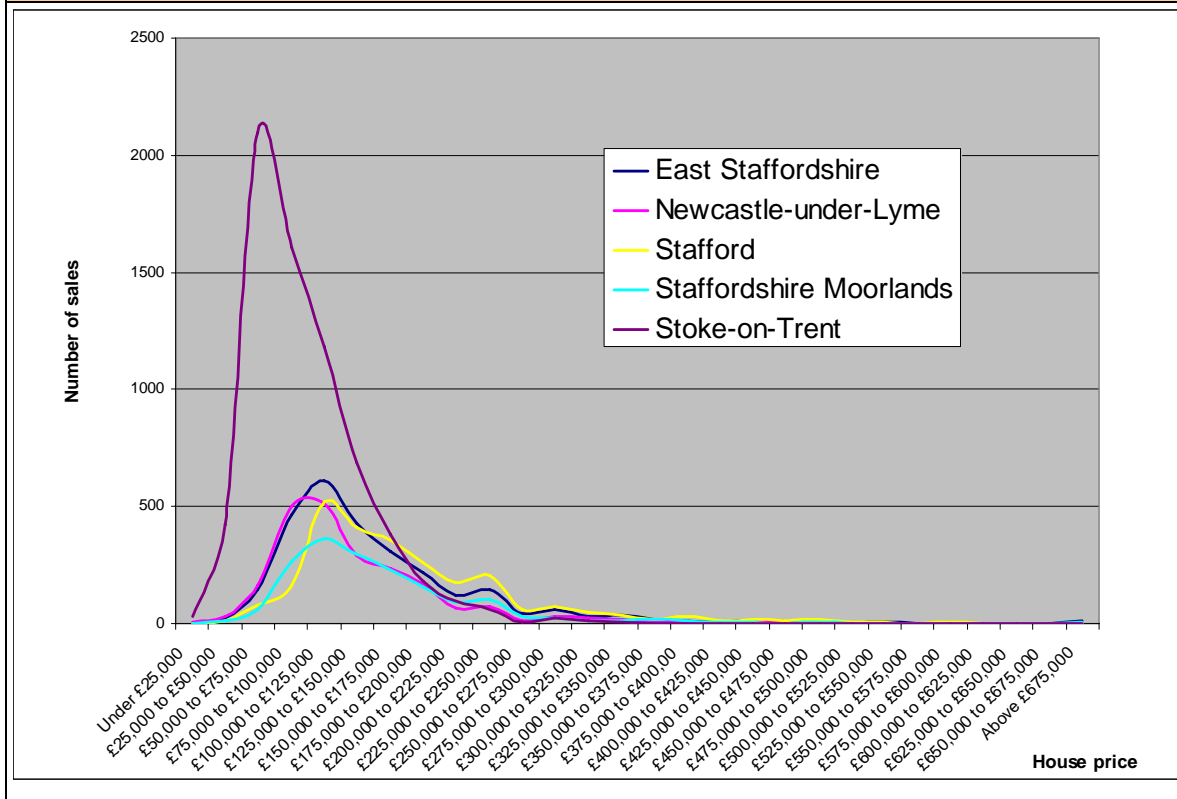
5.2.1 Mean overall prices within the North Housing Market Area for the period April 2006 to March 2007 are presented in Table 33. Average prices in the different areas of the North Housing Market Area vary considerably. The highest overall mean price is in Stafford at £180,569, more than £80,000 higher than the lowest mean price in the Housing Market Area. Although average house prices in all areas are well below the West Midlands average, only Stoke-on-Trent and Newcastle-under-Lyme fall below the national average of £145,142. The average house price in Stoke-on-Trent of £98,868 stands out as being noticeably lower than prices in other areas of the North Housing Market Area, as well as low in comparison to the West Midlands and England as a whole.

Table 33: Mean house price	
Local Authority	Average price April 2006-March 2007 (£)
East Staffordshire	£157,920
Newcastle-under-Lyme	£139,963
Stafford	£180,569
Staffordshire Moorlands	£158,573
Stoke-on-Trent	£98,868
West Midlands	£145,142

Source: Land Registry

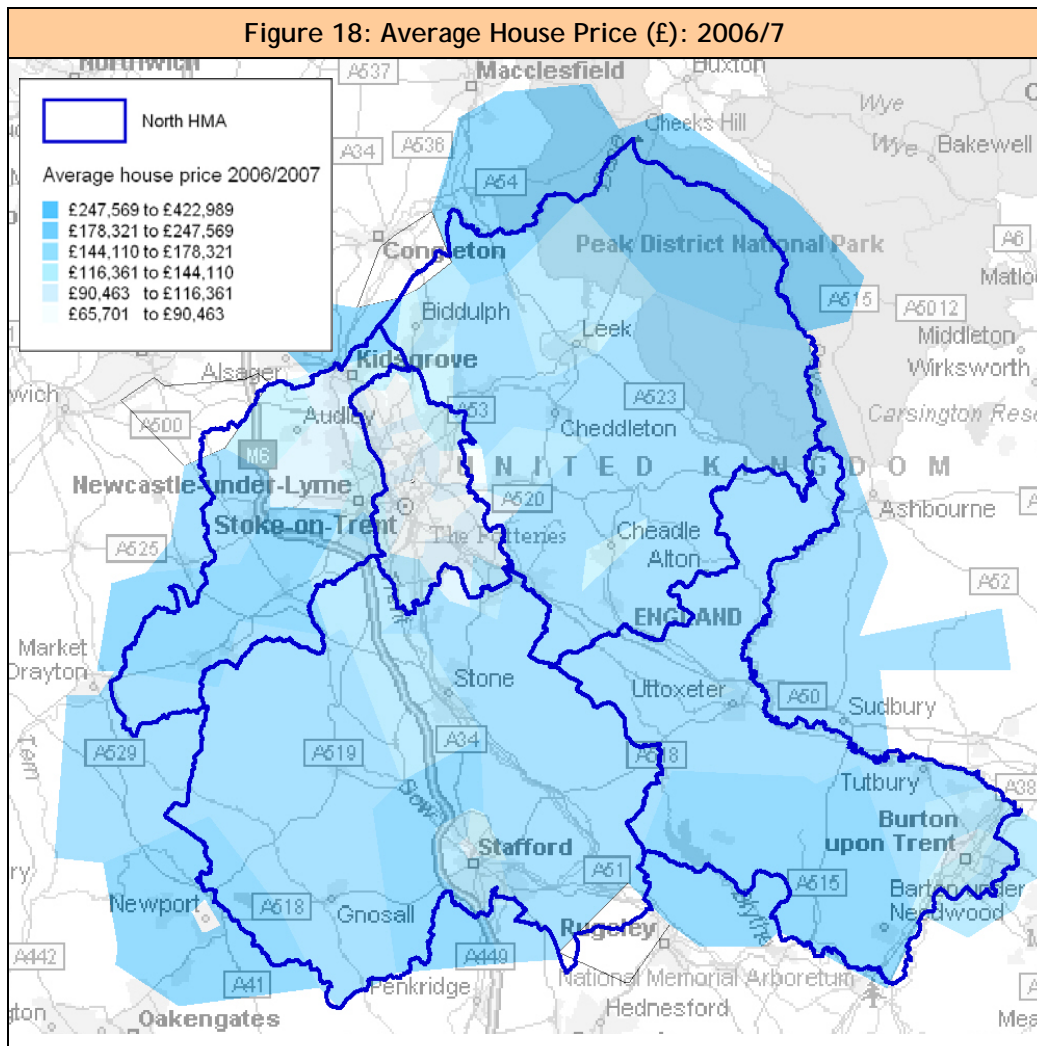
- 5.2.2 The distribution of house prices across the North Housing Market Area is depicted in Figure 17. The important point to note is where the price at which the peak (and the bulk) of sales occur, as opposed to the volume of sales as this will partly reflect the dwelling profile.
- 5.2.3 In Stoke-on-Trent the vast majority of sales occur between £50,000 and £200,000; peaking between £75,000 and £100,000. The peak in Newcastle-under-Lyme falls between £100,000 and £125,000 and majority of sales lie between £75,000 and £225,000. Although Staffordshire Moorlands and East Staffordshire peak around the same point (£125,000 to £150,000), the line initially declines more slowly in the former suggesting a greater proportion of sales in the £150,000 to £200,000 with East Staffordshire having a greater proportion above £225,000. Stafford's peak is in the same bracket but slightly nearer £150,000 and the proportion of high price sales (over £250,000) is lower than East Staffordshire.

Figure 17: Distribution of house sales 2006/7



Source: Land Registry

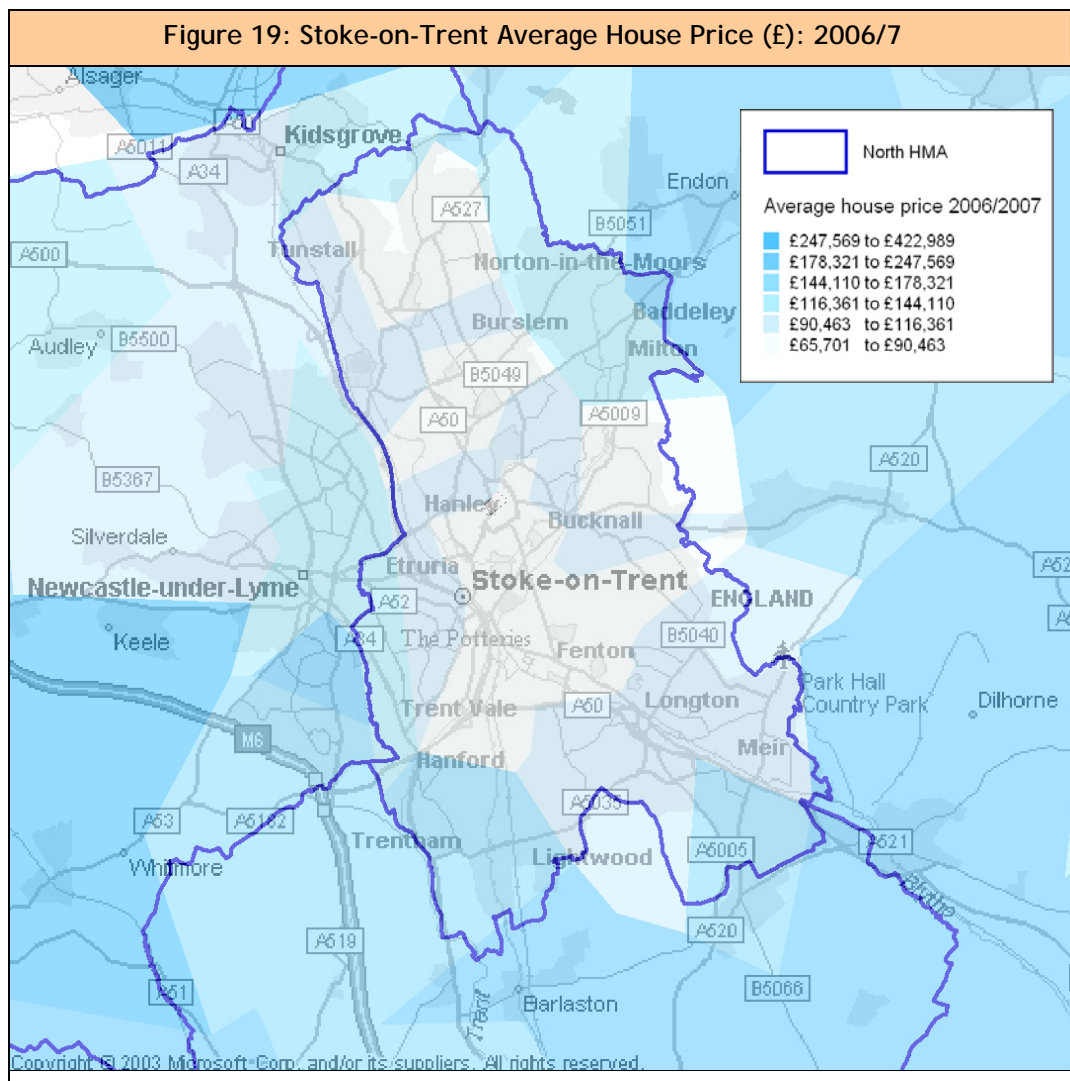
5.2.4 The variation in average house prices across the North Housing Market Area is mapped in Figure 18 by postal sector. Although the data can be mapped by Census Output Area, which are smaller units, the numbers of house sales in a high proportion of Output Areas are too small to be used as reliable indicators of average price. Figure 19 shows average house prices for Stoke-on-Trent as this area has a larger number of postal sectors and so can be shown in more detail.



Source: Land Registry

- 5.2.5 What emerges from the map is a mixed picture. First there is a boundary created by the M6. The villages and settlements in South and West Newcastle-under-Lyme are considerably more expensive than the areas to the east of the motorway, which more closely reflect the Stoke-on-Trent market. In fact these parts of Newcastle-under-Lyme, in price terms, are more closely aligned to those of Stafford Borough west of the M6.
- 5.2.6 Second, in Stafford Borough, prices are at their highest around Stone and appear lower in Stafford town. The same pattern is true in East Staffordshire, where the rural parts of the District are higher priced than Burton-upon-Trent. This will in part reflect the more varied house types available in the urban area compared to rural areas.
- 5.2.7 Third, the highest priced area is the Peak National Park, but prices are relatively high across all the rural parts of the Housing Market Area
- 5.2.8 Finally, as is more clearly shown in Figure 19, prices across Stoke-on-Trent are uniformly low except to the south where the City borders Stafford Borough. The parts of

Staffordshire Moorlands (e.g. Biddulph) that border Stoke-on-Trent to the east and Newcastle-under-Lyme and Kidsgrove to the west and northwest all reflect Stoke-on-Trent's low price housing market.



Source: Land Registry

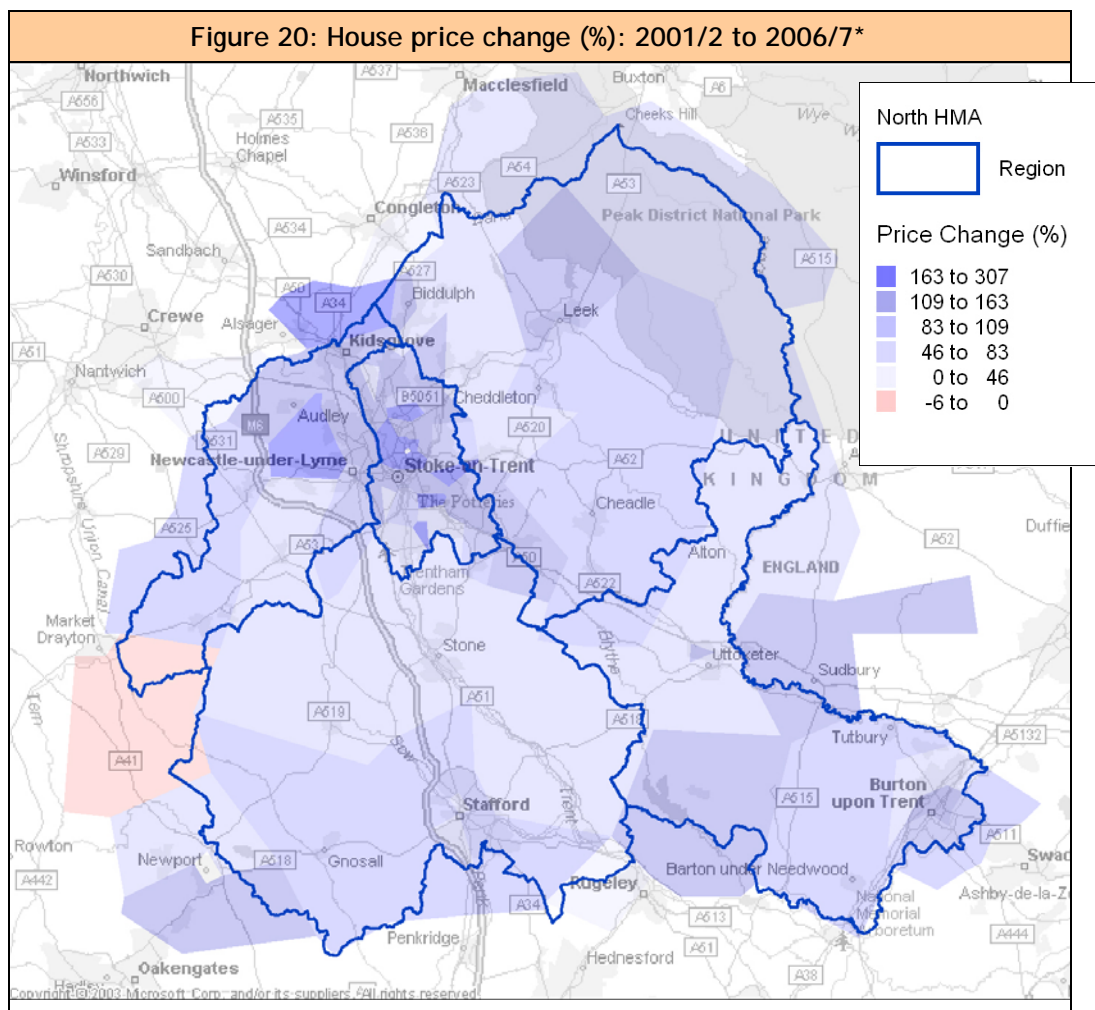
5.3 House price change

5.3.1 All areas have experienced rapid price growth since 2001/2002, growth rates well in excess of both the regional and national averages. As shown in Table 34, in 2005-2006 house price inflation was greatest in East Staffordshire (10.7%), but over the last five years it was Newcastle-under-Lyme and Stoke-on-Trent that experienced the fastest rising prices (110.1% and 107.8% respectively).

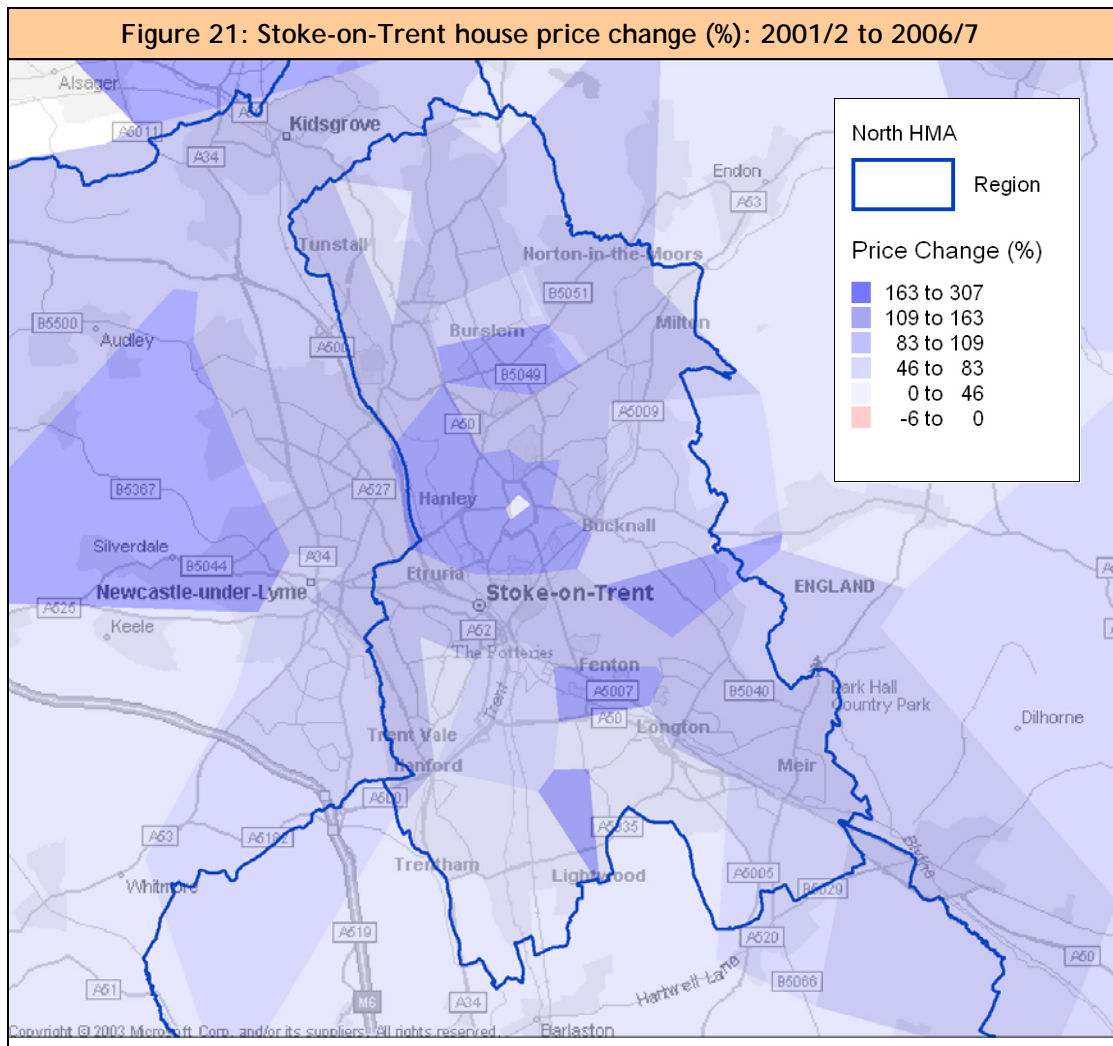
Table 34: Mean house price and five-year change			
Local Authority	Average price April 2006-March 2007 (£)	Increase on April 2005 - March 2006 (%)	Increase on April 2001-March 2002 (%)
East Staffordshire	£157,920	10.7	90.0
Newcastle-under-Lyme	£139,963	5.5	110.1
Stafford	£180,569	3.0	82.0
Staffordshire Moorlands	£158,573	2.2	96.3
Stoke-on-Trent	£98,868	5.6	107.8
West Midlands	£145,142	4.3	57.5

Source: RENEW North Staffordshire, Land Registry

5.3.2 Figure 20 and Figure 21 present spatially the change in prices experienced across the North Housing Market Area between 2001/2 and 2006/7.



5.3.3 It is clear that whilst house prices have risen in almost all postal sectors there is variation in the size of the increase across the North Housing Market Area. The postal sector on the border of Newcastle-under-Lyme and Stafford that shows a fall in average house prices over the 5 year period (coloured red) is based on only a very small number of house sales that fell within the boundaries of these 2 local authorities. It does not, therefore, necessarily reflect a general fall in the value of house prices in this area.



Source: Land Registry

5.3.4 Table 35 to Table 39 show changes in mean, median and lower quartile house prices in each area over a 5-year period. Table 40 shows annual house price change for the West Midlands as a whole. Note that these tables give figures for the calendar years from 2001 through to 2006, rather than financial years, as this was the most recent aggregate data available for median and lower quartile prices.

5.3.5 In all areas of the North Housing Market area, the changes in mean, median and lower house prices from 2001 to 2006 are greater than the West Midlands average. The greatest

changes in mean, median and lower quartile prices over the 5-year period can be observed in Newcastle-under-Lyme and Stoke-on-Trent.

5.3.6 In most areas the change in lower quartile house prices over the whole 5-year period is considerably greater than the change in mean and median house prices. This indicates that entry-level properties have become less affordable over the period. This pattern can also be observed in house price change in the West Midlands as a whole. The only exception to this is Stafford, where although the change in lower quartile house prices from 2001 to 2006 is still higher than the mean change; it is very similar to the overall change in median house prices.

5.3.7 All areas show a general slowing of the rate of increase of mean house prices from 2005.

Table 35: East Staffordshire house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	82,164	-	67,973	-	45,000	-
2002	100,533	22.4	79,950	17.6	54,000	20.0
2003	118,422	17.8	96,000	20.1	69,950	29.5
2004	139,749	18.0	120,000	25.0	83,000	18.7
2005	143,240	2.5	120,000	0.0	95,000	14.5
2006	156,626	9.3	132,500	10.4	102,000	7.4
5 year change		90.6		94.9		126.7

Source: CLG Live Tables 585, 586 and 587

Table 36: Newcastle-under-Lyme house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	67927	-	55000	-	38000	-
2002	79620	17.2	64000	16.4	44000	15.8
2003	101070	26.9	82000	28.1	59000	34.1
2004	122071	20.8	99950	21.9	77500	31.4
2005	130331	6.8	110750	10.8	84950	9.6
2006	139053	6.7	120000	8.4	92950	9.4
5 year change		104.7		118.2		144.6

Source: CLG Live Tables 585, 586 and 587

Table 37: Stafford Borough house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	96698	-	78000	-	59500	-
2002	114521	19.2	93000	19.2	69950	17.6
2003	137676	26.9	118000	26.9	85000	21.5
2004	163335	18.6	139950	18.6	108996	28.2
2005	178620	5.0	147000	5.0	116838	7.2
2006	180672	6.1	156000	6.1	120000	2.7
5 year change		86.8		100.0		101.7

Source: CLG Live Tables 585, 586 and 587

Table 38: Staffordshire Moorlands house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	80681	-	67000	-	46000	-
2002	94046	16.6	76500	14.2	51950	12.9
2003	114077	21.3	94000	22.9	68500	31.9
2004	143785	26.0	125000	33.0	89950	31.3
2005	151319	5.2	127978	2.4	95000	5.6
2006	159440	5.4	139000	8.6	110000	15.8
5 year change		97.6		107.5		139.1

Source: CLG Live Tables 585, 586 and 587

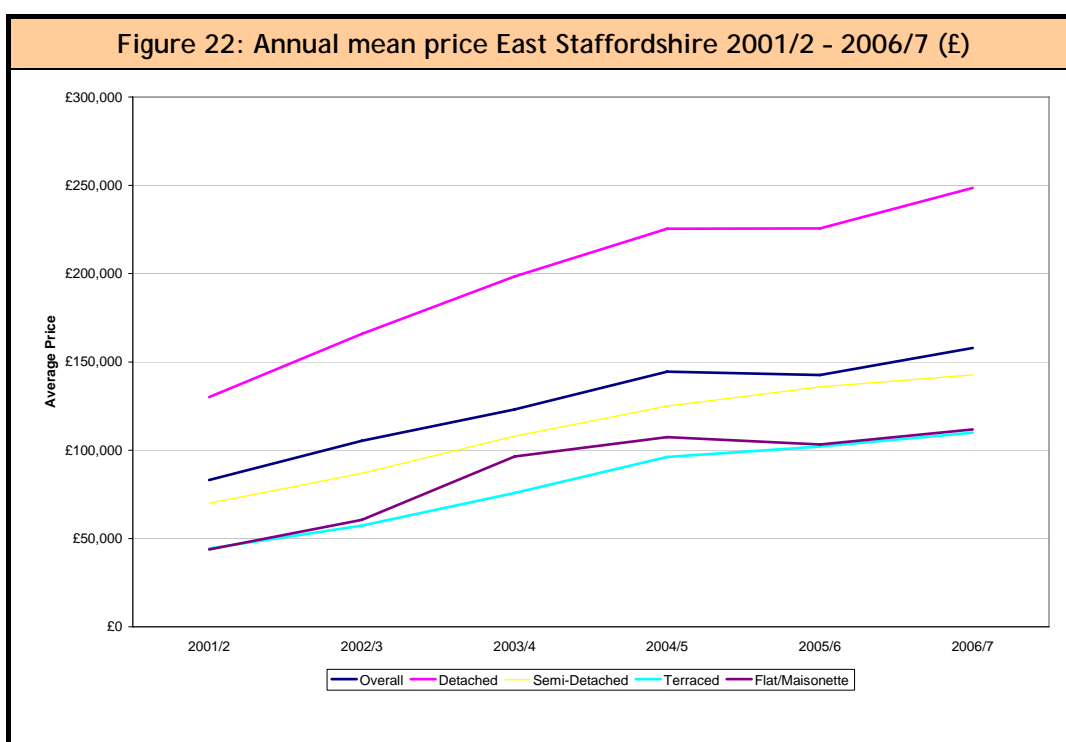
Table 39: Stoke-on-Trent house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	46685	-	38000	-	26950	-
2002	52329	12.1	41000	7.9	27950	3.7
2003	62355	19.2	49000	19.5	32950	17.9
2004	81088	30.0	69950	42.8	49000	48.7
2005	92851	14.5	80500	15.1	60000	22.4
2006	98598	6.2	87000	8.1	65000	8.3
5 year change		111.2		128.9		141.2

Source: CLG Live Tables 585, 586 and 587

Table 40: West Midlands house price change 2001-2006						
Year	Mean		Median		Lower Quartile	
	£	%	£	%	£	%
2001	95015	-	75950	-	52500	-
2002	111429	17.3	89950	18.4	62000	18.1
2003	131135	17.7	110000	22.3	77950	25.7
2004	151183	15.3	128000	16.4	92950	19.2
2005	158751	5.0	134000	4.7	102000	9.7
2006	168530	6.2	142250	6.2	110000	7.8
5 year change		77.4		87.3		109.5

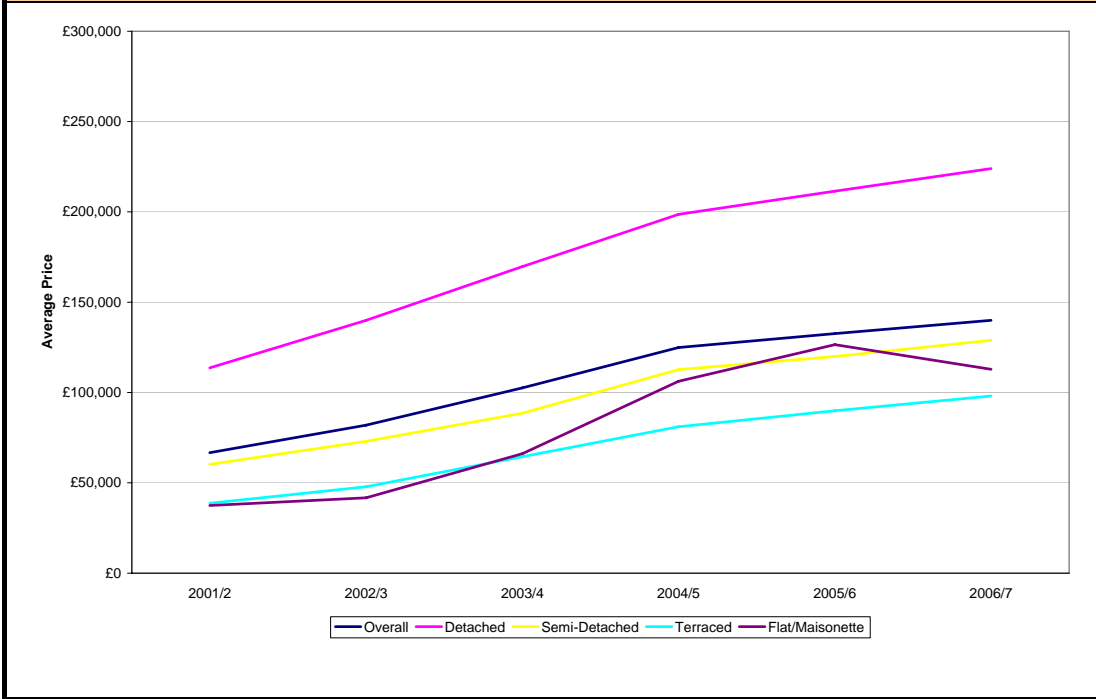
Source: CLG Live Tables 585, 586 and 587

5.3.8 Property prices over the five years from 2001/2 to 2006/7 are shown by property type in Figure 22, Figure 23, Figure 24, Figure 25 and Figure 26. All areas show an upward trend in overall average house price. A levelling off or slowing of the rate of price increase is evident in all areas from 2004/5. Fluctuations in average house prices were more common for flats and maisonettes. It is quite possible that this partly reflects the smaller numbers of annual sales of these types of property rather than a tendency for instability in this housing market.



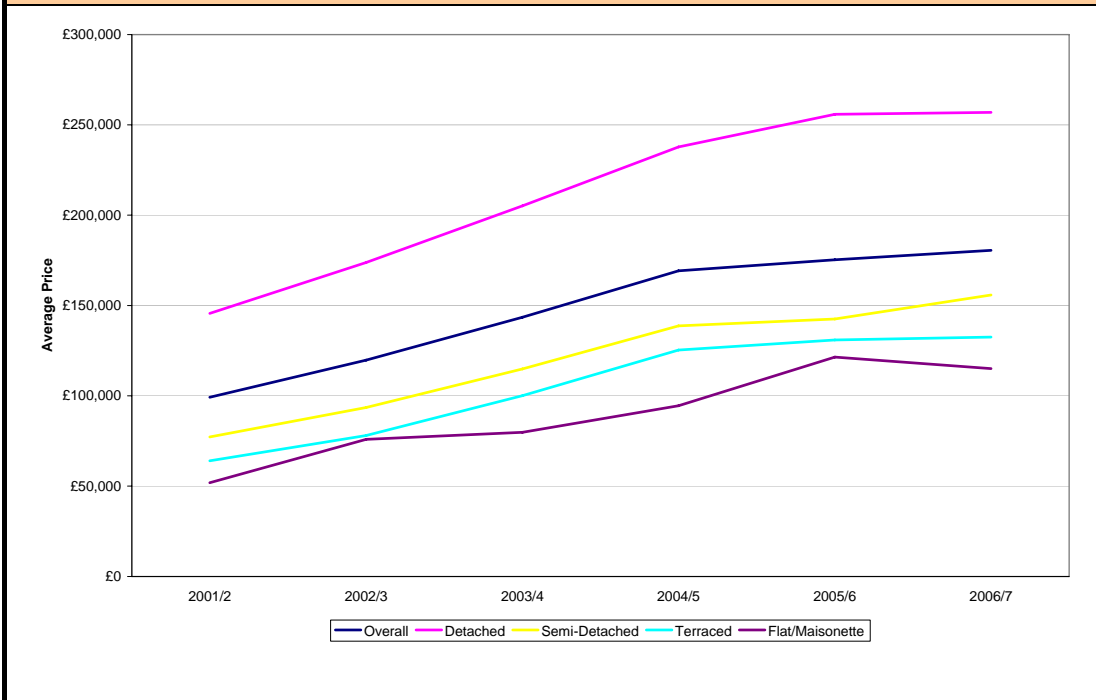
Source: Land Registry

Figure 23: Annual mean price Newcastle-under-Lyme 2001/2 - 2006/7 (£)



Source: Land Registry

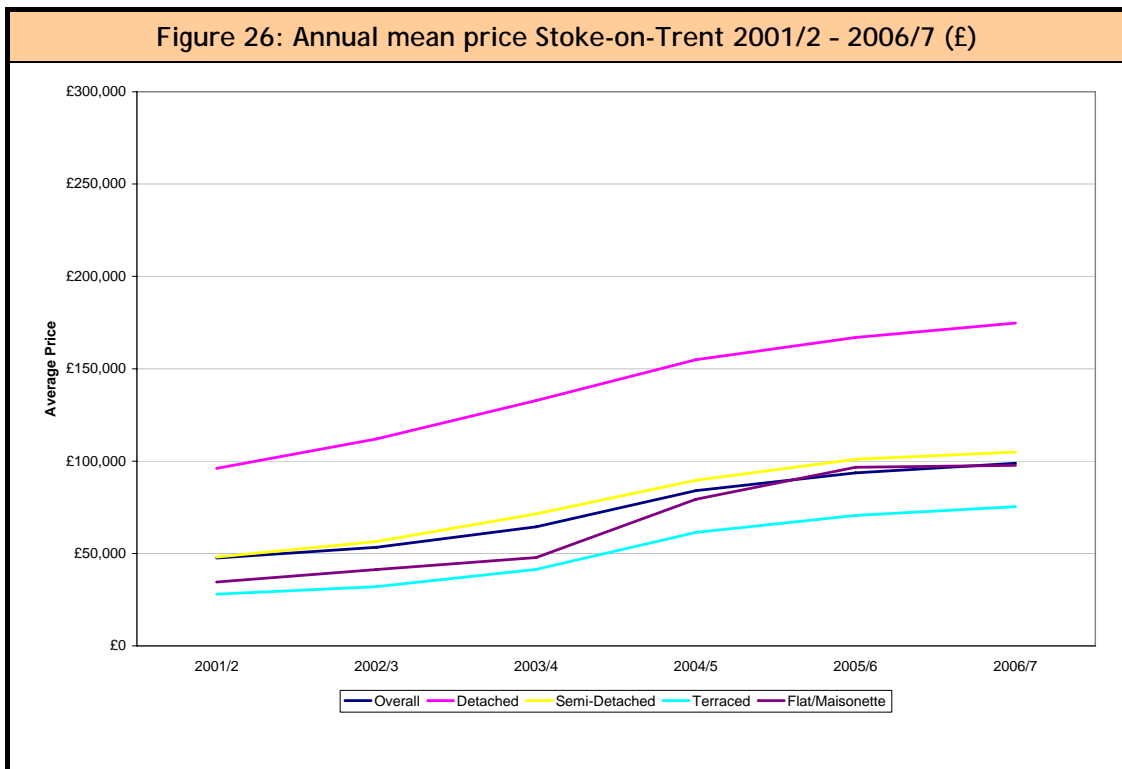
Figure 24: Annual mean price Stafford 2001/2 - 2006/7 (£)



Source: Land Registry



Source: Land Registry



Source: Land Registry

5.3.9 Table 41 shows price changes by property type from 2001/2 to 2006/7 for each area; the mean price for each property type as a ratio to the overall property price is also given for 2001/2 and 2006/7. The change over the 5-year period is shown in the final column of each

table. The ratios show how the price for a particular property type compares against house prices generally in an area.

Table 41: Average 5-year house price and price ratio change by type				
	Five-year price increase (%)	Ratio to overall in 2001/2	Ratio to overall in 2006/7	Change in ratio to overall
East Staffordshire				
Detached	91.1	1.56	1.57	0.01
Semi-detached	103.8	0.84	0.90	0.06
Terraced	148.1	0.53	0.70	0.16
Flat/maisonette	155.5	0.53	0.71	0.18
Overall	90.0	1.00	1.00	0.00
Newcastle-under-Lyme				
Detached	97.1	1.71	1.60	-0.11
Semi-detached	113.8	0.91	0.92	0.02
Terraced	153.5	0.58	0.70	0.12
Flat/maisonette	201.3	0.56	0.81	0.24
Overall	110.1	1.00	1.00	0.00
Stafford				
Detached	76.4	1.47	1.42	-0.04
Semi-detached	101.9	0.78	0.86	0.09
Terraced	106.9	0.65	0.73	0.09
Flat/maisonette	121.9	0.52	0.64	0.11
Overall	82.0	1.00	1.00	0.00
Staffordshire Moorlands				
Detached	87.3	1.50	1.43	-0.07
Semi-detached	113.9	0.79	0.86	0.07
Terraced	136.7	0.57	0.68	0.12
Flat/maisonette	113.0	0.62	0.68	0.05
Overall	96.3	1.00	1.00	0.00
Stoke-on-Trent				
Detached	81.9	2.02	1.77	-0.25
Semi-detached	118.0	1.01	1.06	0.05
Terraced	170.1	0.59	0.76	0.18
Flat/maisonette	183.0	0.73	0.99	0.26
Overall	107.8	1.00	1.00	0.00

Source: Land Registry

- 5.3.10 With the exception of Staffordshire Moorlands, the greatest increases in average property prices have been in flats/maisonettes. The average price of a flat/maisonette in Newcastle-under-Lyme rose by over 200% in the 5-year period from 2001/2 to 2006/7 and

by 183.0% in Stoke-on-Trent. The increases in these two areas are however based on small numbers of sales in 2001/2⁴³, which makes the average price of sales in that year a less reliable indicator of the average price of *all* flats/maisonettes. It is also clear that flats/maisonettes have become more expensive relative to the *overall* mean price in some areas of the North Housing Market Area. This is particularly so in Newcastle-under-Lyme and Stoke-on-Trent and is evident from the five year change ratios. In contrast, detached properties, which have experienced less price growth than other property types, have become comparatively less expensive in almost all areas. The only exception to this is East Staffordshire where the ratio of the average price of detached properties to the overall average price of properties is almost unchanged over the 5 year period.

5.3.11 In summary:

- (i) it is clear that across the North Housing Market Area that prices for all property types have increased substantially since 2001/2, but that since 2005 prices have tended to become more stable
- (ii) the relative price of smaller properties has risen the most which has implications for those entering the housing market

5.3.12 The relative affordability of property types and location are examined in more detail in section 5.8 below.

5.4 Sales and turnover

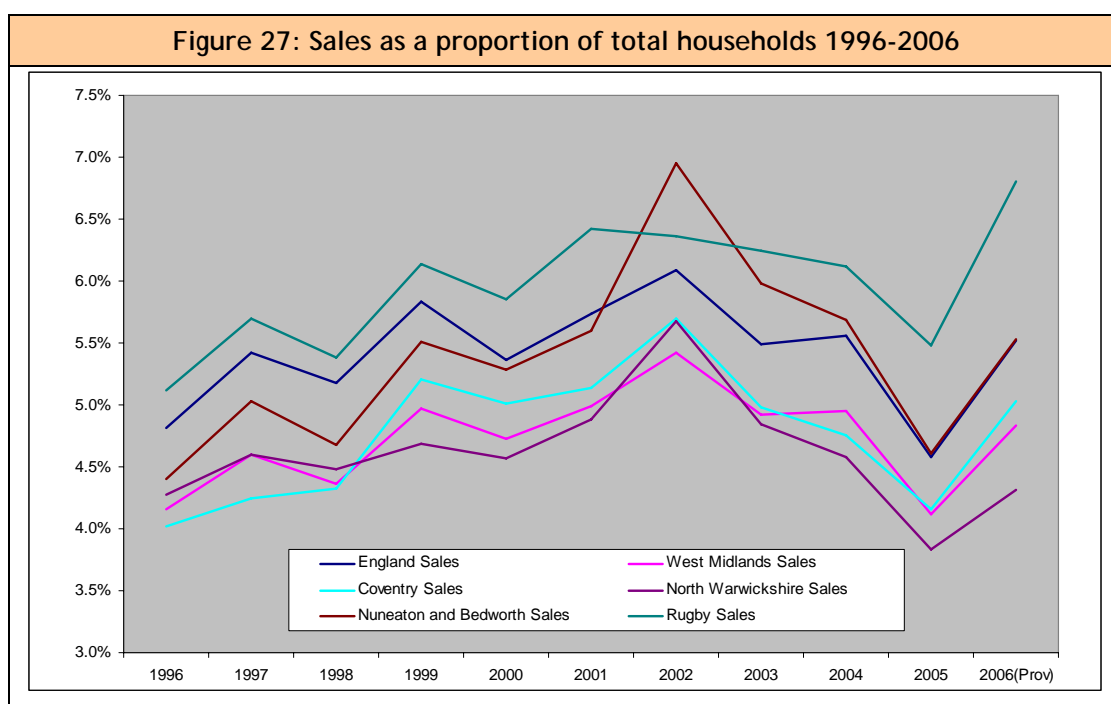
5.4.1 In all five local authority areas, the volume of sales was higher in 2006 than in 1997 and they have outstripped the growth in households. The two authorities that have experienced the greatest growth in sales are Stoke-on-Trent (47.9% higher in 2006 compared to 1997) and East Staffordshire (47.0% higher). Stoke-on-Trent is even more significant when one takes into account that there has been no discernible household growth in the same period.

⁴³ In total, 32 flats/maisonettes were sold in Newcastle-under-Lyme in 2001/2 and 59 were sold in Stoke-on-Trent UA

Table 42: Volume of sales 1996 to 2006						
Local Authority	1997		2006		% Change	
	Households	Sales	Households	Sales	Households	Sales
East Staffordshire	40000	1723	45000	2532	12.5	47.0
Newcastle-under-Lyme	50000	1893	53000	2263	6.0	19.5
Stafford	49000	2390	53000	2696	8.2	12.8
Staffordshire Moorlands	38000	1382	40000	1793	5.3	29.7
Stoke-on-Trent	104000	3989	104000	5901	0.0	47.9
West Midlands	2103000	87392	2245000	108606	6.8	24.3
England	19727000	948810	21519000	1187605	9.1	25.2

Source: DCLG Live Table 588

- 5.4.2 As a proportion of total households (Figure 27) sales in Stoke-on-Trent have been rising sharply since 2000 (with a slight fall in 2005). Sales in East Staffordshire peaked in 2000 and have slowed since then (albeit as with all authorities a rise 2005-06). Activity also peaked in Staffordshire Moorlands around 1999-2000. Newcastle-under-Lyme tracked Stoke-on-Trent 1996-2000, but its growth since then has been more modest than its neighbour. Stafford has fluctuated up and down over the period, but is now at a similar point to where it was in 1997.



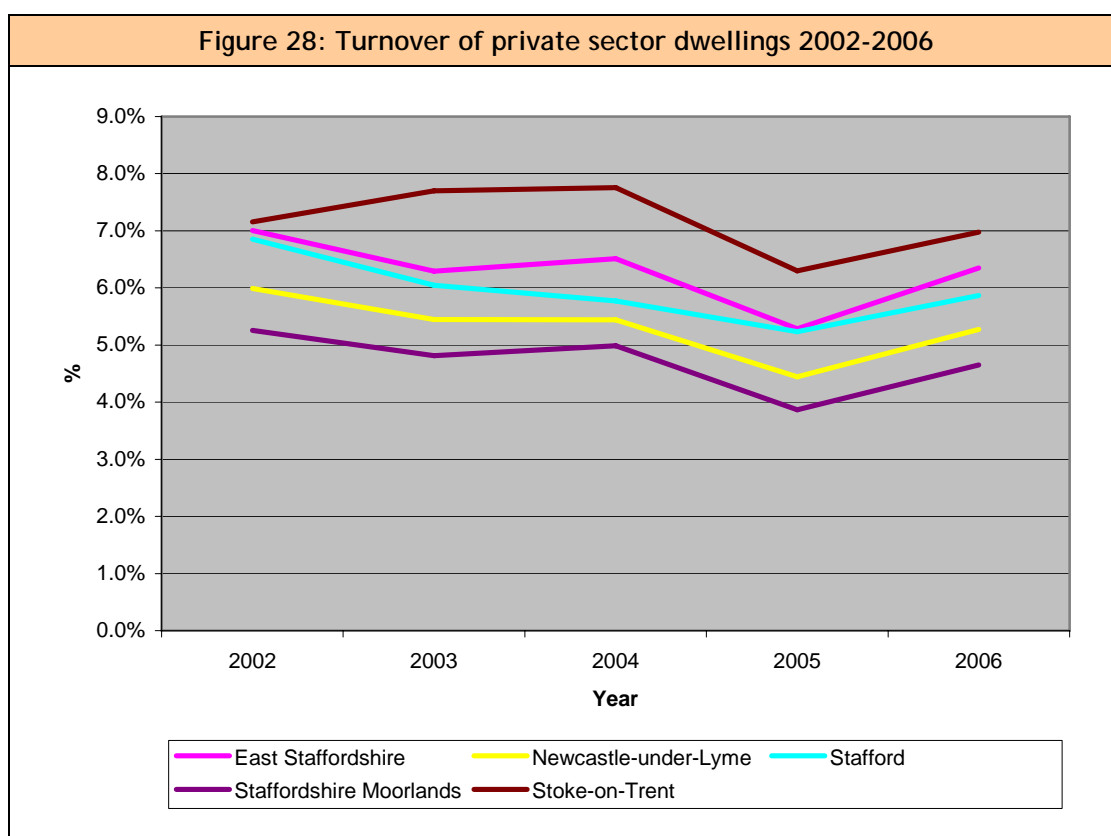
Source: DCLG Live Table 588

- 5.4.3 Table 43 and Figure 28 show the turnover of owner occupied homes over the last five years. With the exception of Stoke-on-Trent, all authorities saw a reduction in turnover between 2002 and 2005, with a subsequent growth in 2005-06. Stoke-on-Trent saw growth 2002-04, a steep fall in 2005 and then a return to 2002 levels in 2006.

Table 43: Turnover of private sector dwellings 2002-2006					
	2002	2003	2004	2005	2006
East Staffordshire	7.0%	6.3%	6.5%	5.3%	6.4%
Newcastle-under-Lyme	6.0%	5.4%	5.4%	4.4%	5.3%
Stafford	6.9%	6.0%	5.8%	5.2%	5.9%
Staffordshire Moorlands	5.3%	4.8%	5.0%	3.9%	4.7%
Stoke-on-Trent	7.2%	7.7%	7.8%	6.3%	7.0%

Source: CLG Live Table 588, HSSA 2002-6

5.4.4 It is interesting to note how the turnover of social housing (see Table 79 in section 0 below) differs from owner occupation. In East Staffordshire the turnover of social housing (11.6%) is almost twice that of the private sector. In Newcastle-under-Lyme it is also significantly higher (8.3%). Social housing in Staffordshire Moorlands and Stoke-on-Trent turns over faster (6.5% and 7.2% respectively), whereas in Stafford private housing turns over faster than social housing (5.5%).



Source: CLG Live Table 588, HSSA 2002-6

5.4.5 According to Land Registry data there were 89,720 sales of private properties in the market for private ownership in the North Housing Market Area over the six-year period from 2001/2-2006/7. Just under 40% of these sales (34,488) were of properties in Stoke-on-Trent. Table 44 shows the proportion of sales by property type. Sales of detached and semi-detached properties account for the majority of sales in all areas with the exception

of Stoke-on-Trent, where almost a half of sales were of terraced properties. Terraced properties also account for around a third of property sales in East Staffordshire and Newcastle-under-Lyme.

Table 44: Volume of sales by property type for period 2001 to 2006 (%)					
Local Authority	Detached	Semi-detached	Terraced	Flats	Total
East Staffordshire	30.8	30.3	33.4	5.5	100.0
Newcastle-under-Lyme	25.2	40.4	31.3	3.1	100.0
Stafford	36.4	34.1	22.7	6.8	100.0
Staffordshire Moorlands	35.3	35.7	26.5	2.5	100.0
Stoke-on-Trent	13.9	35.0	48.2	2.9	100.0
North Housing Market Area	25.0	34.9	36.0	4.0	100.0

Source: Land Registry

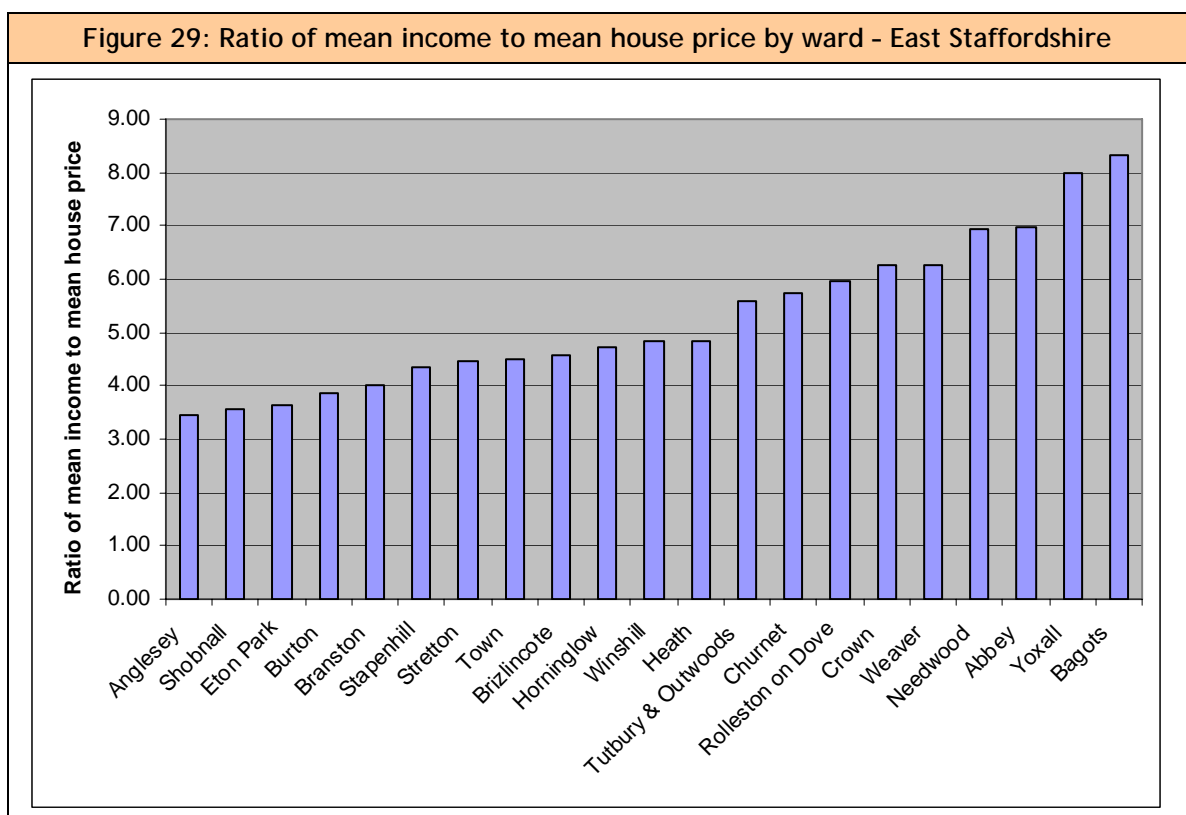
- 5.4.6 Table 45 presents the estimated turnover by property type for each local authority area. Turnover is calculated as the number of property sales as a proportion of the total dwelling stock. In all areas turnover is highest within the stock of terraced properties. Turnover in the North Housing Market Area is lowest for flats/maisonettes (4.1%). East Staffordshire is, however, an exception to this with a particularly high rate of turnover (7.0%) amongst flats/maisonettes.

Table 45: Turnover by property type 2006/7 (%)						
Local Authority		Detached	Semi-detached	Terraced	Flats/Maisonettes	Total
East Staffordshire	Dwellings	13,737	14,249	10,722	3,771	42,479
	Turnover	5.5	5.5	8.6	7.0	6.4
Newcastle-under-Lyme	Dwellings	12,433	22,945	10,482	4,780	50,640
	Turnover	3.9	4.1	6.2	2.1	4.3
Stafford	Dwellings	19,373	17,017	8,474	4,842	49,706
	Turnover	4.4	5.0	7.5	4.2	5.1
Staffordshire Moorlands	Dwellings	15,904	15,016	6,274	1,513	38,707
	Turnover	3.7	4.2	7.3	3.6	4.4
Stoke-on-Trent	Dwellings	14,095	47,583	32,179	9,100	102,957
	Turnover	5.4	5.4	9.7	4.1	6.6
North Housing Market Area	Dwellings	75,542	116,810	68,131	24,006	284,489
	Turnover	4.5	4.9	8.5	4.1	5.6

Source: Land Registry and 2001 Census (NOMIS)

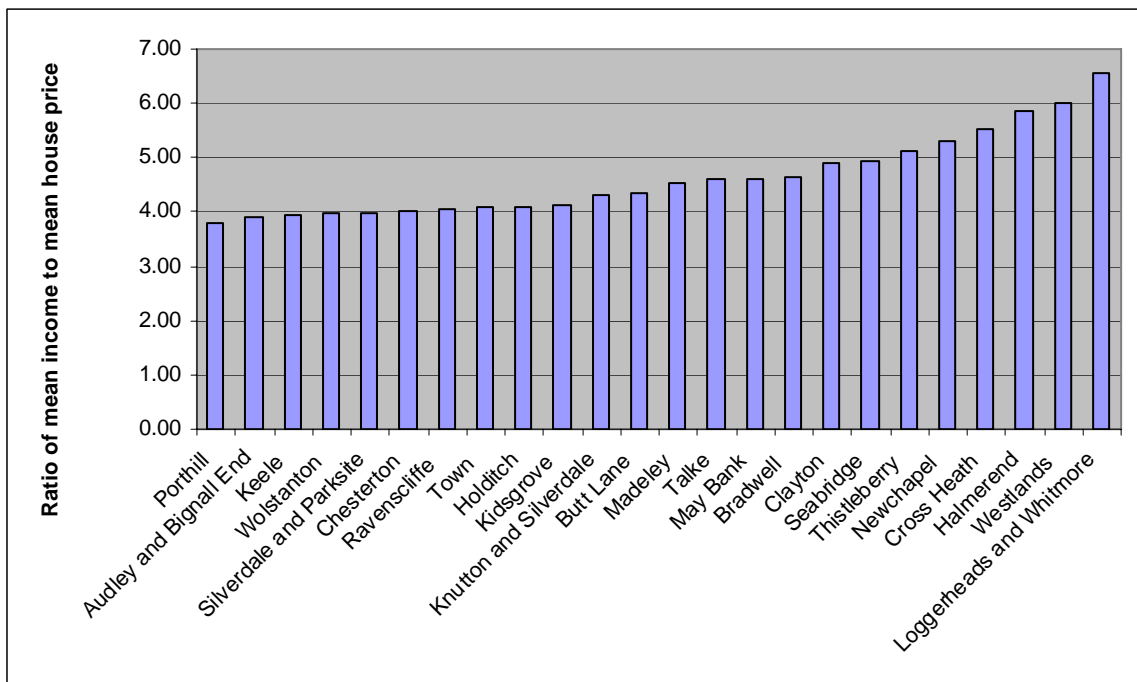
5.5 Local incomes and local house prices

- 5.5.1 To build up a picture of how incomes at a local level relate to local house prices, analysis has been done that compares mean incomes (detailed at Section 3.9 above) to mean house prices to calculate the variation in the ratios across the 118 wards in the North Housing Market Area. This is the lowest level geography that would facilitate a meaningful analysis due to the limited number of property sales in some parts of the Housing Market Area.
- 5.5.2 In East Staffordshire (Figure 29) the two wards with the highest mean incomes (Bagots and Yoxhall) are the two with the highest house price to income ratio; i.e. potentially the ones with greater affordability problems. It is the more rural wards with fewer sales and relatively higher prices that have the greatest difference between income and house price. The ratio ranges from 3.44 (Anglesey) to 8.33 (Bagots).
- 5.5.3 Newcastle-under-Lyme (Figure 30) has a mixture of urban and rural wards with the greatest difference between house price and income. Whitmore & Loggerheads, Westlands and Halmerend are the three wards with the highest ratio of house price to income. Keele which had the highest mean income has the third lowest ratio (3.96). The ratio ranges from 3.81 to 6.57.



Source: CACI 2007/Land Registry

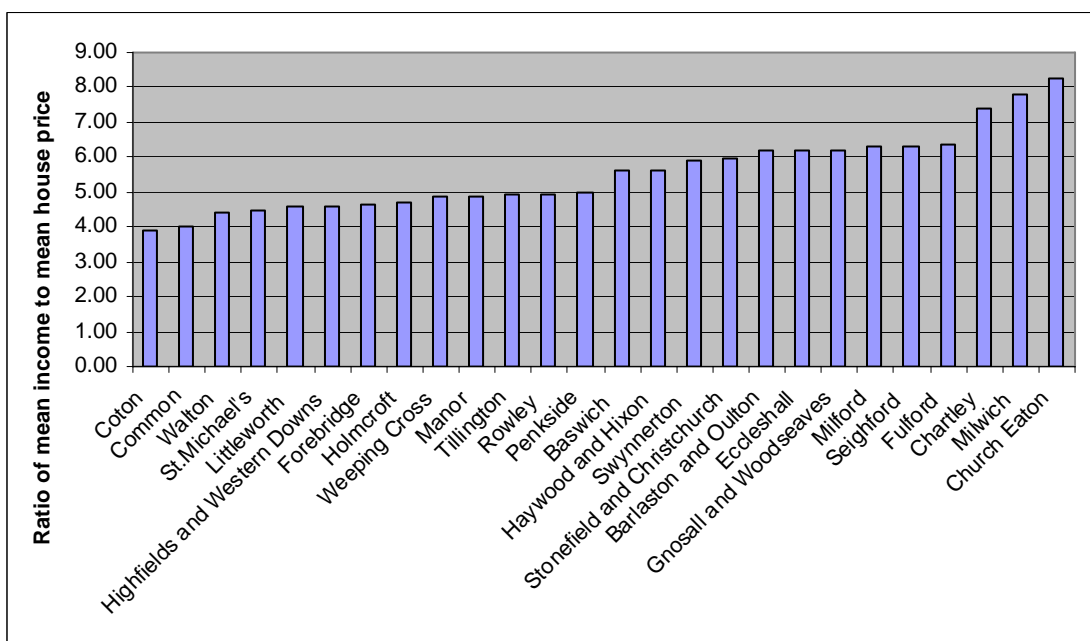
Figure 30: Ratio of mean income to mean house price by ward - Newcastle-under-Lyme



Source: CACI 2006/Land Registry

5.5.4 Milwich in Stafford (Figure 31) has the third highest mean income and is also the second highest house price to income ratio (7.80). The five highest ratios were all recorded in rural wards of the Borough. The ratio ranges from 3.91 (Coton) to 8.28 (Church Eaton).

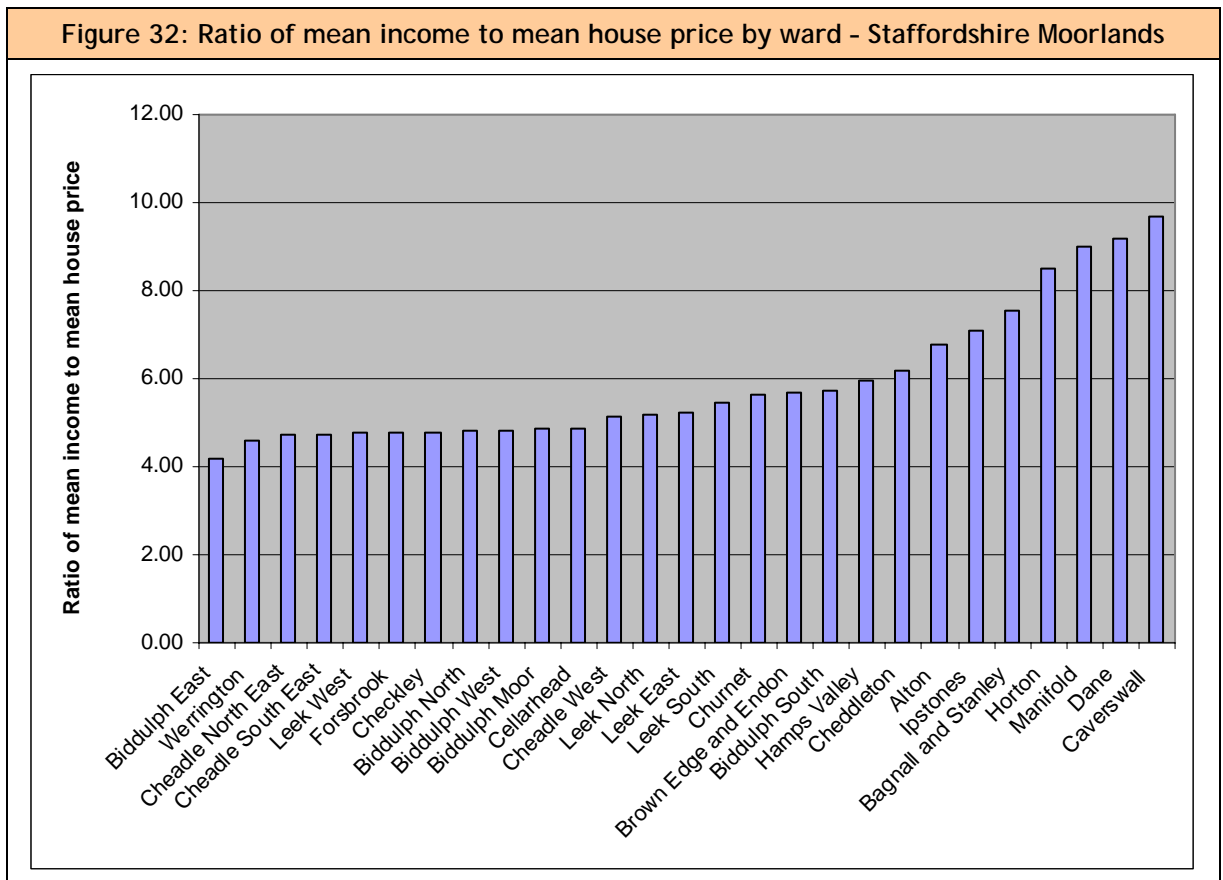
Figure 31: Ratio of mean income to mean house price by ward - Stafford



Source: CACI 2006/Land Registry

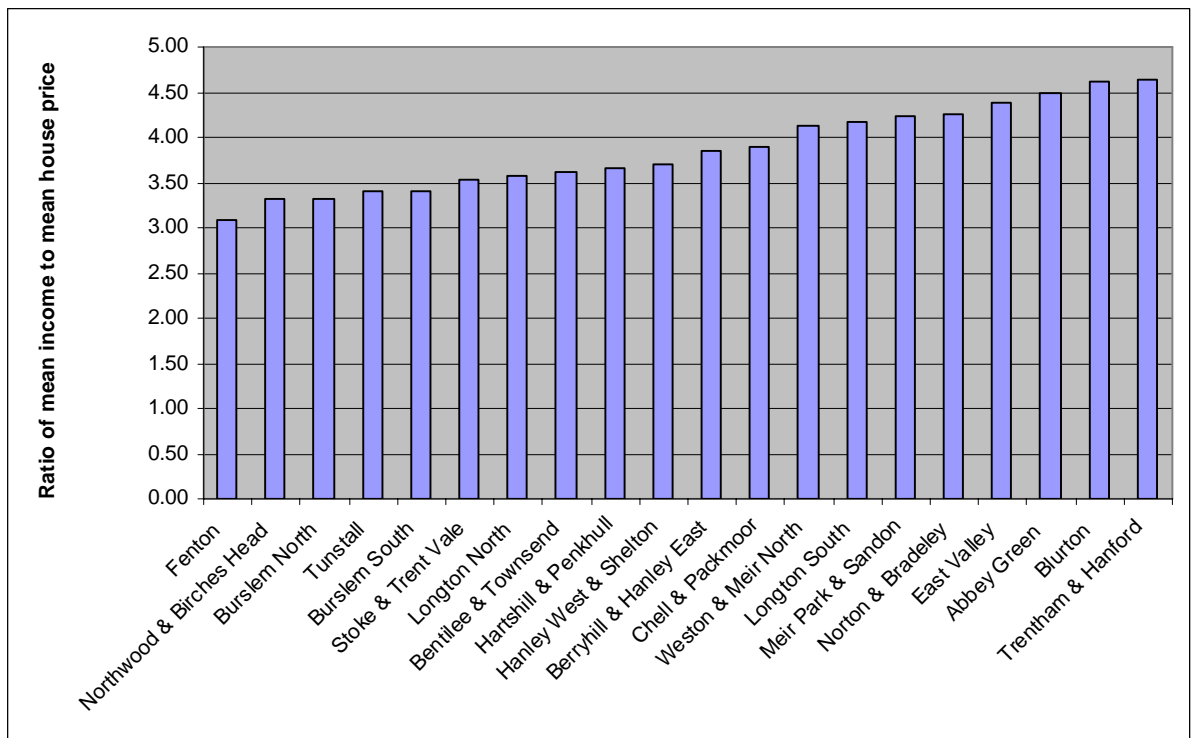
5.5.5 In Staffordshire Moorlands (Figure 32) four wards (Horton, Manifold, Dane and Caverswall) recorded a ratio of over 8:1 house price to income ratio. These high differentials are as a result of relatively low incomes compared to house prices that are comparable with the wealthier East Staffordshire. The ratio ranges from 4.16 (Biddulph East) to 9.68 (Church Eaton).

5.5.6 In Stoke-on-Trent (Figure 33) the relationship between house prices and incomes is much narrower and much lower: the ratio varies from only 3.09 (Fenton) to 4.63 (Trentham and Hanford).



Source: CACI 2006/Land Registry

Figure 33: Ratio of mean income to mean house price by ward - Stoke-on-Trent



Source: CACI 2006/Land Registry

5.5.7 Of the 118 wards in the North Housing Market Area (Table 46), five of the ten wards with the highest mean income to house price ratio are in Staffordshire Moorlands. Of the 118 wards in the North Housing Market Area (Table 47), eight of the ten wards with the lowest mean income to house price ratio are in Stoke-on-Trent.

Table 46 Wards with highest ratio of mean income to mean house price

Ward	Local authority	Mean house price to income ratio
Chartley	Stafford	7.38
Bagnall and Stanley	Staffordshire Moorlands	7.57
Milwich	Stafford	7.80
Yoxall	East Staffordshire	7.98
Church Eaton	Stafford	8.28
Bagots	East Staffordshire	8.33
Horton	Staffordshire Moorlands	8.52
Manifold	Staffordshire Moorlands	9.02
Dane	Staffordshire Moorlands	9.16
Caverswall	Staffordshire Moorlands	9.68

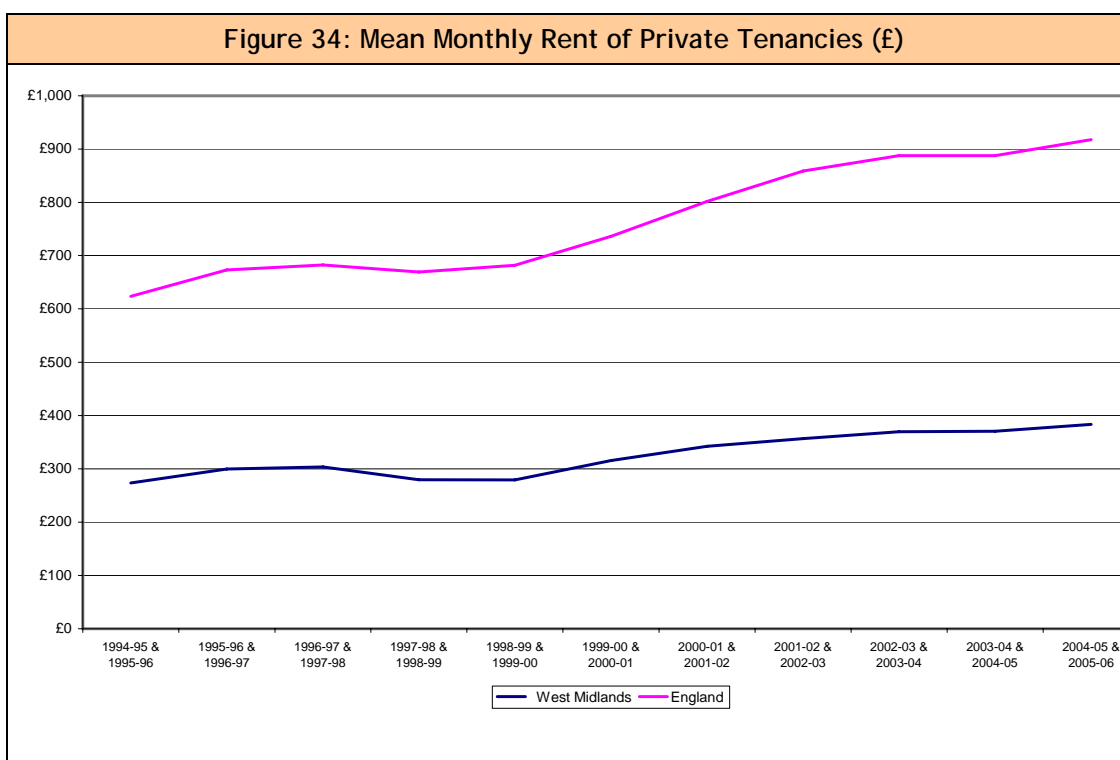
Source: CACI 2006/Land Registry

Table 47 Wards with lowest ratio of mean income to mean house price		
Ward	Local authority	Mean house price to income ratio
Fenton	Stoke-on-Trent	3.09
Northwood & Birches Head	Stoke-on-Trent	3.32
Burslem North	Stoke-on-Trent	3.32
Tunstall	Stoke-on-Trent	3.40
Burslem South	Stoke-on-Trent	3.40
Anglesey	East Staffordshire	3.44
Stoke & Trent Vale	Stoke-on-Trent	3.53
Shobnall	East Staffordshire	3.56
Longton North	Stoke-on-Trent	3.57
Bentilee & Townsend	Stoke-on-Trent	3.62

Source: CACI 2006/Land Registry

5.6 The cost of private rented housing

- 5.6.1 Private rents are a function of the price of market housing i.e. landlords charge more when the acquisitive price of a given property is of a greater cost to them, and demand is such that they are able to. Given market conditions at the present time, therefore, costs will be high for households wishing or requiring rent in the private sector within the North Housing Market Area.
- 5.6.2 Figure 34 shows the trend in mean monthly rents for private tenancies in the West Midlands and England over an eleven-year period. The rents have been calculated over 2 year periods (e.g. from April 2004 to March 2006) and clearly show rents in the West Midlands to be well below the national average. Given the relationship between house prices and private rents, it is likely that private rents across the North Housing Market Area are likely to be lower than the West Midlands average. Mean house prices in all the authorities making up the North Housing Market Area have been shown to be considerably lower than the West Midlands average (see Table 33).
- 5.6.3 Following a period of relative stability from the mid 1990's, Figure 34 shows private rents to have increased from the late 1990's both regionally and nationally, which is a reflection of house price inflation during this period and the growth in the buy-to-let market.



Source: CLG Live Table 734

Table 48: Private sector rents per week 2005/6

	Bedsit	1 bed	2 bed	3 bed	4 bed +	All sizes
East Staffordshire	£71.32	£81.11	£92.84	£92.57	£104.65	£86.97
Newcastle-under-Lyme	£66.49	£77.24	£86.53	£83.71	£97.75	£81.06
Stafford	£77.25	£84.76	£98.55	£103.00	£126.79	£89.18
Staffordshire Moorlands	£82.84	£74.29	£82.87	£88.64	£107.26	£79.40
Stoke-on-Trent	£63.41	£72.35	£79.34	£82.73	£90.46	£77.15
West Midlands	£73.68	£87.99	£102.73	£108.60	£119.99	£95.46
England	£92.89	£101.15	£122.69	£140.33	£163.54	£111.47

Source: Dataspring

5.6.4 Private sector rents overall vary across the North Housing Market Area from £77.15 per week in Stoke-on-Trent to £86.97 in East Staffordshire. In most cases they are below the West Midlands and the England average, with the exception of bedsits in Stafford and Staffordshire Moorlands and 4 bed or more properties in Stafford.

5.6.5 What is more interesting is that private sector rents diverge far less than house prices. The highest mean price for a home (see Table 33) in the North Housing Market Area is in Stafford (£180,569) and the cheapest is in Stoke-on-Trent (£98,868), which is 54.8% of the Stafford price. In terms of overall rent the same two districts are at the extremes, but the average rent in Stoke-on-Trent is 86.5% of Stafford. This would suggest that in Stoke-on-Trent demand in the private rented sector is much stronger than in the owner occupied

sector and is resulting in rents that are closer to the North Housing Market Area norm and closer in their relative spread to RSL rents.

Stakeholders on Investors and Landlords

- *In Stoke-on-Trent in particular, property investors are buying property very quickly, paying in cash and “ordinary” people can not compete with this.*
- *The rent that investors expect to achieve means that rent has become unaffordable.*
- *Some investors are purchasing affordable housing but not renting them out: ‘buy to sell’. They wait a year and sell them on at a profit. Impossible to quantify, as investors will say a property is empty because they are waiting for new tenants.*
- *This is also true of new stock on the market, in particular apartments; often whole blocks left empty to sell on later. This also means council tax is not recovered. Shared ownership properties have been purchased like this and sold on a few months later at a vast profit.*
- *On the plus side it has been observed that particularly with regard to the older stock/terraced properties, some landlords have been making great improvements to the properties and helping to sustain neighbourhoods.*

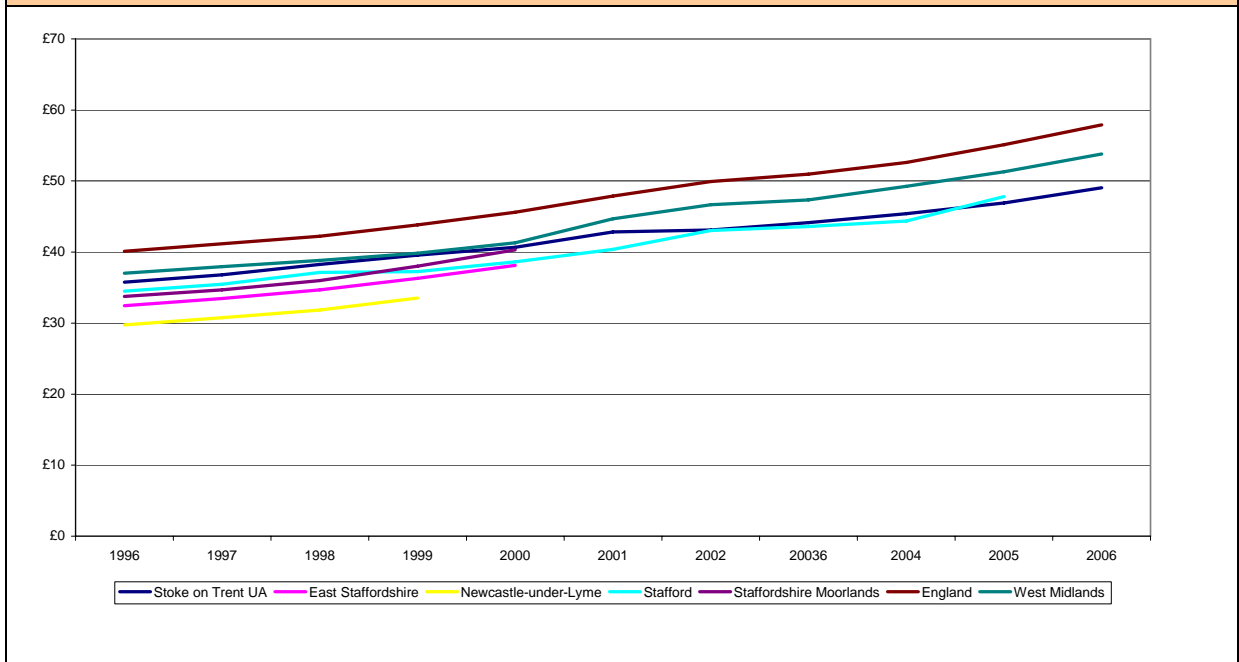
5.7 The cost of social housing

5.7.1 In economic terms the role of the social housing sector is to provide subsidised, affordable housing to those households unable to afford housing in the private sector. Rents are therefore significantly lower than in the private sector, and indeed should remain so in order to fulfil this role. Places are allocated through an administrative system rather than through market mechanisms, with the result that imbalances between supply and demand are evident in a rising waiting list rather than higher prices.⁴⁴

5.7.2 2006 data on local authority rents is only available for one of the areas in the North Housing Market Area (Stoke on Trent) as in the other areas all or most of the local authority stock has been transferred to the RSL sector, making the average rent no longer applicable. Figures for 2006 place the average weekly local authority rents in Stoke on Trent at £49.06, below the West Midlands average of £53.81 and the national average of £57.90 (see Figure 35).

⁴⁴ There may be other contributory factors to a rising waiting list, such as changes to marketing of social housing or eligibility rules

Figure 35: Local authority weekly rents (£)*



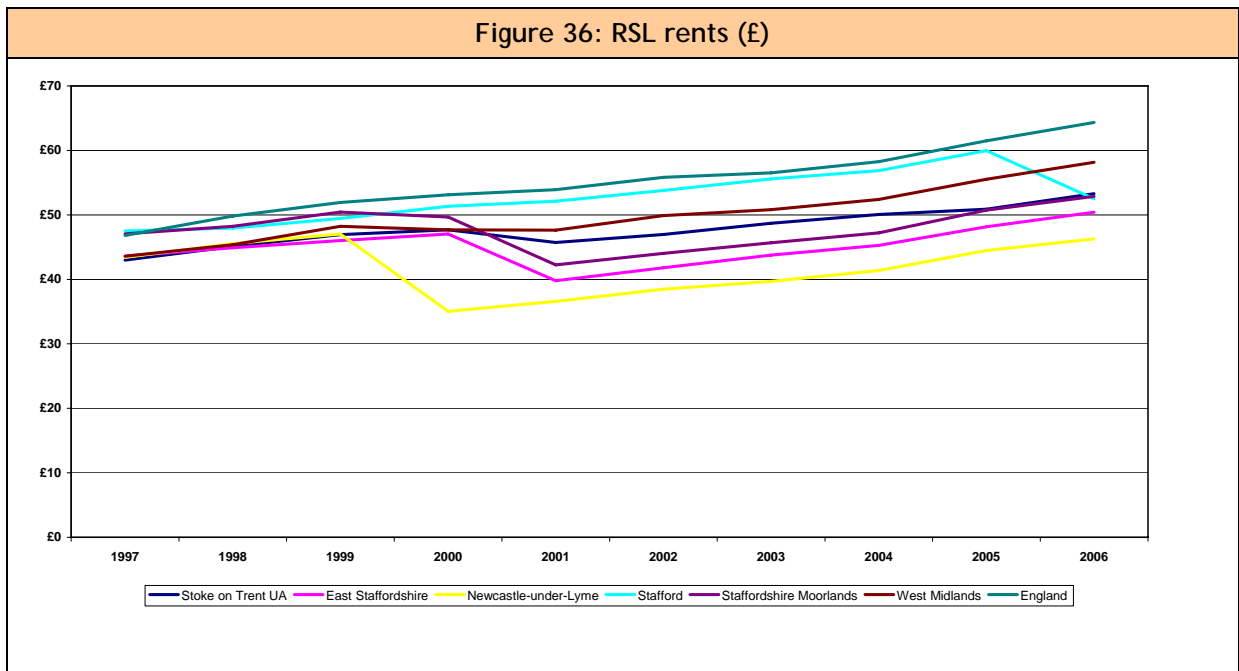
Source: DCLG Live Table 702

- 5.7.3 Rents in Stoke on Trent have risen at a slower rate than across the region and the country as a whole - see Table 49.

Local Authority	1996	2006	% change 1996- 2006
Stoke on Trent	£35.76	£49.06	37.2%
West Midlands	£37.03	£53.80	45.3%
England	£40.13	£57.90	44.3%

Source: DCLG Live Table 702

- 5.7.4 The average RSL rent in 2006 in Stoke on Trent was £53.27, higher than local authority rent of £49.06. Figure 36 shows RSL rents in all areas from 1997 to 2006 and clearly demonstrates the widening of the gap between areas in rents over this period. Rents in all areas in 2006 were well below the regional and national averages.
- 5.7.5 Rents dropped sharply in Newcastle-under-Lyme in 2000 and in East Staffordshire and Staffordshire Moorlands in 2001. A similar fall was evident in Staffordshire in 2006. These drops coincide with large-scale voluntary transfer of the councils' stock to the RSL sector. If the average rents for the former LA stock were lower than the average rents in the RSL sector this transfer will have lowered the overall average rent across the expanded RSL sector.



Source: DCLG Live Table 704

5.8 Entry-level housing

- 5.8.1 In order to assess affordability, the price of an entry-level property is determined using the most recent year's data from the Land Registry. At the time of writing this was January - December 2006. The entry-level price is that which a household entering the market can be expected to pay on average.
- 5.8.2 In line with Communities and Local Government guidance, the entry-level property is calculated using the 25th percentile price of all properties sold. The results for the areas in the North Housing Market Area are presented in Table 50. Stafford has the highest entry-level price (£120,000), followed by Staffordshire Moorlands (£110,000). Entry-level property prices are lowest in Stoke on Trent at £65,000 and in Newcastle-under-Lyme at £92,500. Entry-level property prices in both of these areas fall well below the regional and national averages.
- 5.8.3 The wide differences in lower quartile house prices suggest significant differences in the markets in these local authority areas, suggesting that there is little confluence or interaction. Only Stoke-on-Trent is below the North Housing Market Area average. Newcastle-under-Lyme is close to the Housing Market Area average and Staffordshire Moorlands is the same as the West Midlands lower quartile price.

Table 50: Entry-level property price		
	2006 Lower quartile house prices (provisional) (£)	Index (North Housing Market Area = 100)
East Staffordshire	102,000.00	112.9
Newcastle-under-Lyme	92,500.00	102.4
Stafford	120,000.00	132.8
Staffordshire Moorlands	110,000.00	121.8
Stoke-on-Trent	65,000.00	71.9
North Housing Market Area	90,346.16	100.0
Staffordshire	113,995.00	126.2
West Midlands	110,000.00	121.8
England	£122,000.00	135.0

Source: CLG Live Table 587

- 5.8.4 It should be borne in mind that across each authority in different locations entry-level property prices will vary. For example within the more remote rural areas, where the proportion of detached properties is likely to be higher the price of an entry-level property is likely to be higher.

Stakeholders on Entering the Housing Market

- *People are using means to enter the housing market that have not been used before. Single working people purchasing purpose-built apartments, obtaining 35-50 year mortgages, working two jobs, purchasing houses together.*
- *A developer indicated there is no shortage of those wishing to enter the housing market. As a one off he built a one bedroom property which he doubted would sell; there were 45 applicants for it.*
- *Those entering the housing market prefer new housing to the older terraced property.*
- *There is housing need amongst owner-occupiers, people who are at the limits of what they can afford and are unable to make improvements to their property. Many are on the edge financially and when a crisis occurs they can no longer pay their mortgages.*
- *This is often the case with older people in older stock/right to buys who cannot maintain the standards within their homes.*

- 5.8.5 The incomes required to be able to afford to access the market at the entry-level property price is discussed below in Section 5.9 below followed by an assessment of income distribution and affordability thresholds across the Housing Market Area.

5.9 Affordability of housing for sale

- 5.9.1 The concept of affordability is critical in the needs assessment process. The degree to which households can afford market housing is based upon the ratio between household incomes and housing costs. The needs assessment uses gross household incomes and entry-level house prices to estimate housing need for affordable housing. This involves assessing whether or not current households who are in unsuitable housing can afford suitable market housing and also applying affordability analysis to newly forming and concealed households to establish numbers of actual and potential households who are likely to be in need of affordable housing.
- 5.9.2 A household is considered unlikely to be able to afford to buy a home that costs more than 3.5 times the gross household income for a single income household or 2.9 times the gross household income for two income household. If possible, any allowance for existing equity that could be used towards the cost of home-ownership should be taken into account.

Stakeholders on Affordable housing

- *Currently social housing is not considering what people need as they get older i.e. their physical needs. The route and purpose of social housing has changed. It is now a means of gathering the socially disadvantaged together; the result a ghetto of sorts. It was once given to those with some financial wherewithal nowadays given to those with immediate problems.*
- *In Newcastle-under-Lyme there is a definite need for affordable housing but not necessarily social housing, there are those who cannot afford anything but social housing and those who have different needs and could afford intermediate housing.*
- *In Stoke-on-Trent there has been a massive increase in demand for social rented housing in the last five years. Five years ago, if you had gone on the waiting list you would have got housed immediately but now you have to wait a lot longer.*
- *Problem lies in not knowing who the customers are, not having a customer profile of both existing and new clients. There is also no sharing of profiles so can not assess what customers want or where they want to be. Sorting this out would help.*
- *Need more flexible housing stock and to be able to give access to housing stock to those who can prove they can afford to look after it.*
- *There should be a flexibility of tenures and mixed tenures. People need to be enticed into other forms of tenure and other forms of tenure are needed.*
- *Tenures/properties need to change as needs change.*

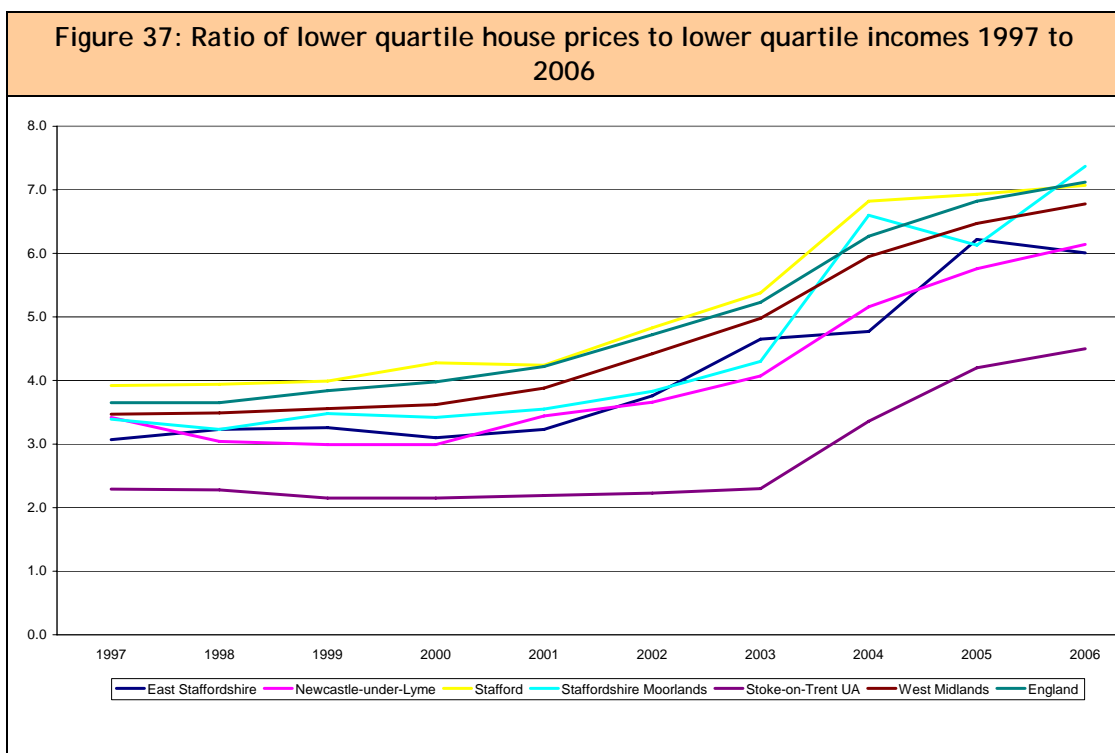
- 5.9.3 A household is considered able to afford market renting where the rent payable is no more than 25 per cent of their gross household income.⁴⁵
- 5.9.4 A household is taken as being able to afford a shared equity property where the rent and mortgage costs are no more than 25 per cent of gross income.
- 5.9.5 The yearly and monthly earnings that would be required for a mortgage on an entry-level property, as priced in Table 50, are shown below in Table 51. Earnings refer to gross income and assume a 100% mortgage of 3.5 times salary for single income households, and 2.9 times salary for two income households, as per the guidance.

⁴⁵ 'Rent payable' is the entire rent due, even if it is partially or entirely met by HB. Other housing-related costs, such as council tax and utility bills should not be included.

Table 51: Required gross income for entry-level mortgage (£)				
Local Authority	Single income		Two income	
	Yearly	Monthly	Yearly	Monthly
East Staffordshire	£29,142.86	£2,428.57	£35,172.41	£2,931.03
Newcastle-under-Lyme	£26,428.57	£2,202.38	£31,896.55	£2,658.05
Stafford	£34,285.71	£2,857.14	£41,379.31	£3,448.28
Staffordshire Moorlands	£31,428.57	£2,619.05	£37,931.03	£3,160.92
Stoke-on-Trent	£18,571.43	£1,547.62	£22,413.79	£1,867.82
West Midlands	£31,428.57	£2,619.05	£37,931.03	£3,160.92
England	£34,857.14	£2,904.76	£42,068.97	£3,505.75

Source: Land Registry

- 5.9.6 There is considerable variation in the gross income required to purchase an entry-level property amongst the different local authorities. Entry-level properties are most affordable in Stoke-on-Trent where single income households must be earning £18,571 per annum gross, equivalent to £1,547 per month, to be able to afford a mortgage on an entry-level property priced at £65,000. Two income households must be earning £22,413 per annum, or £1,867 per month. The levels of gross income required to purchase entry-level properties in Stoke-on-Trent as well as in East Staffordshire and Newcastle-under-Lyme are below the levels required across the region as a whole. In contrast to this, single income households in Stafford need to be earning £34,285 per annum (£2,857 per month) to be able to afford an average entry-level property priced at £120,000. Two income households in this area need to be earning £41,379 (£3,448 per month). Although these required incomes are close to the national average they are well above the regional average incomes required in the West Midlands.
- 5.9.7 One indicator of affordability is to look at the ratio of lower quartile incomes to lower quartile house prices. Figure 37 below shows the trend since 1997 of the growth in the gap between incomes and house prices in all areas. It is also clear that the ratios in Stafford and Staffordshire Moorlands are above the West Midlands average, indicating a greater differential between housing prices and earnings. The ratio is lowest in Stoke-on-Trent.



Source: DCLG live tables 576 (Land Registry and ONS Annual Survey of Hours and Earnings)

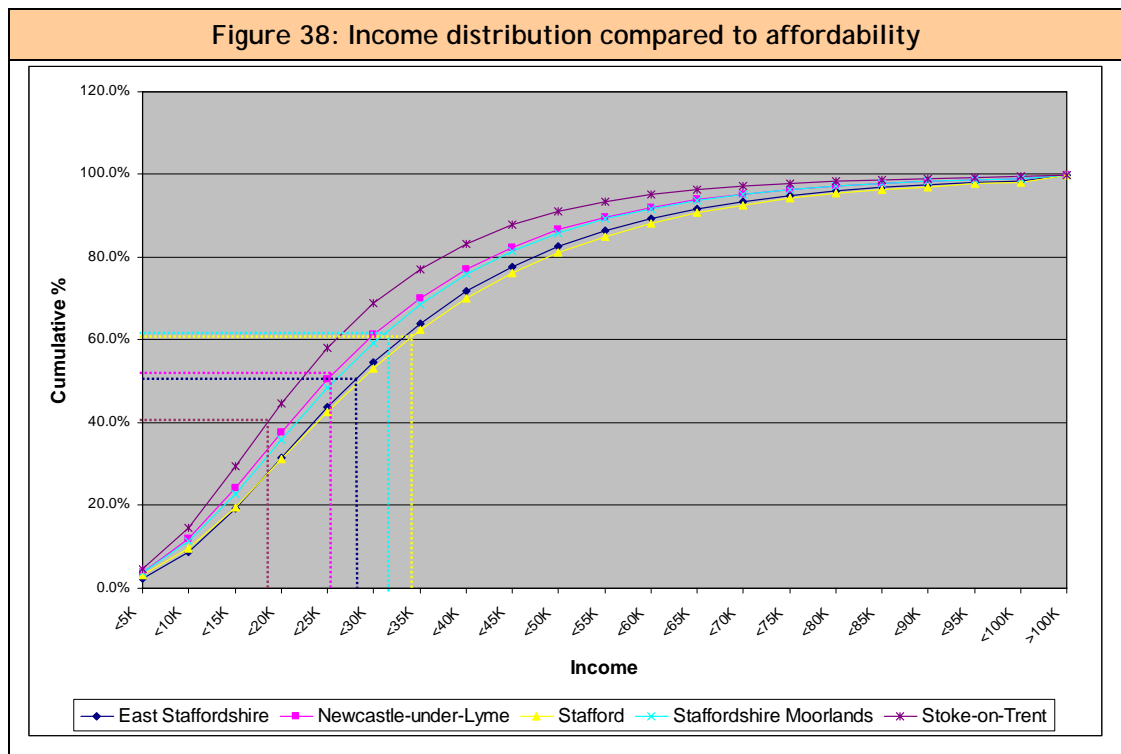
- 5.9.8 Table 52 shows that the ratio of lower quartile house prices to incomes more than doubled in Staffordshire Moorlands from 3.39 in 1997 to 7.37 in 2006.

Local Authority	1997	2001	2006	% change 1997-2006
East Staffordshire	3.07	3.23	6.01	95.8
Newcastle-under-Lyme	3.42	3.44	6.14	79.5
Stafford	3.92	4.24	7.07	80.4
Staffordshire Moorlands	3.39	3.55	7.37	117.4
Stoke-on-Trent	2.29	2.19	4.50	96.5
West Midlands	3.47	3.88	6.78	95.4
England	3.65	4.22	7.12	95.1

Source: DCLG live tables 576 (Land Registry and ONS Annual Survey of Hours and Earnings)

- 5.9.9 Figure 38 shows the income distribution for the five areas. It demonstrates that the distribution of income amongst households in the five local authority areas varies considerably. Stoke-on-Trent has far higher numbers in receipt of lower incomes and consequently the line (purple) is above the others. Newcastle-under-Lyme (pink) is next, but it closely follows Staffordshire Moorlands (turquoise). East Staffordshire (dark blue) and Stafford (yellow) have higher incomes than the other three.

5.9.10 The dotted lines plot the proportion of households unable to afford the housing costs associated with the entry-level housing in their district (also shown in Table 54). Once again, Stoke-on-Trent, as the cheapest housing market, has the lowest proportion unable to afford. Newcastle-under-Lyme and East Staffordshire come next with a very similar proportion unable to afford despite the differences in incomes. Similarly, although incomes differ in Stafford and Staffordshire Moorlands, the affordability rates are very similar and the highest in the Housing Market Area.



Source: East Staffordshire (CACI PayCheck 2007), All other areas (CACI PayCheck 2006)

5.10 Affordability of private rented housing

5.10.1 Private rents are much more affordable in the North Housing Market Area than owner occupation. As there is far less variation in private rents than in house prices the income required for a 1 bed property ranges from £15,049 (Stoke-on-Trent) to £17,630 (Stafford) and for a 2 bed property from £16,503 (Stoke-on-Trent) to £20,498 (Stafford). At the very least this represents a salary of 19.0% less in Stoke-on-Trent and 38.6% less in Stafford.⁴⁶

⁴⁶ Comparing the salary for a single income household to buy an entry-level house with the income requirement to rent a one bed dwelling

Table 53: Required gross income for private sector rent (£)				
	1 bed		2 bed	
	Annual rent	Required income	Annual rent	Required income
East Staffordshire	£4,217.72	£16,870.88	£4,827.68	£19,310.72
Newcastle-under-Lyme	£4,016.48	£16,065.92	£4,499.56	£17,998.24
Stafford	£4,407.52	£17,630.08	£5,124.60	£20,498.40
Staffordshire Moorlands	£3,863.08	£15,452.32	£4,309.24	£17,236.96
Stoke-on-Trent	£3,762.20	£15,048.80	£4,125.68	£16,502.72
West Midlands	£4,575.48	£18,301.92	£5,341.96	£21,367.84
England	£5,259.80	£21,039.20	£6,379.88	£25,519.52

Source: CACI PayCheck 2007 (East Staffordshire only), CACI PayCheck 2006

- 5.10.2 Private renting represents a significantly more affordable option across the North Housing Market Area than owner occupation. Interestingly it also reverses the position of Stoke-on-Trent: where this authority is the most affordable for those wishing to buy it is the least for those wishing to rent.

Table 54: Proportion unable to rent or owner occupation (%)		
Local authority	Private renting (1 bed)	Owner occupation
East Staffordshire	23.8	52.9
Newcastle-under-Lyme	27.1	53.5
Stafford	25.7	61.1
Staffordshire Moorlands	23.9	62.0
Stoke-on-Trent	29.5	40.3

Source: CACI PayCheck 2007 (East Staffordshire only), CACI PayCheck 2006

Stakeholders on Rural housing

- *Stafford has 36 rural parishes. Housing markets focus on the urban areas. Development boundaries are so tight. Social housing in rural areas has been sold so there is very little social housing now.*
- *Little opportunity to build new social housing in rural areas.*
- *Rural communities have changed - lost local amenities and services - so difficult to put social housing back in because the infrastructure is no longer there.*
- *Sustainability issues make development easier to deliver in market towns and their environs rather than rural villages.*
- *On the other hand you could put it in and perhaps the services will follow, but we are sustaining the polarisation?*
- *Shared ownership works in rural areas, but experience suggests that people take shared ownership and then do not want to move on.*

6 THE FUTURE HOUSING MARKET

6.1 Market commentary⁴⁷

- 6.1.1 Events following the Bank of England acting as lender of last resort to Northern Rock have created headlines around the world, and there is still uncertainty over the full ramifications. However, the run on the bank came about due to funding problems, associated with dislocations to asset-backed securities as a result of problems in the US sub prime market, rather than the quality of credit on its book. The full extent of the wider financial market turmoil is yet to become clear, but the UK housing and mortgage markets have proved resilient in the past and there are a number of factors likely to prove supportive once the dust settles.
- 6.1.2 The problems faced by the US sub prime market, which were initially driven by credit quality issues, look far less intense here. The recent cut in interest rates by the Federal Reserve does little to dent the much sharper increases seen in the US compared to the UK. The UK has not seen risk layering or teaser rates being discounted to the same extent as in the US, so the payment shock from coming off fixed rate deals will not be nearly as severe. Although it is difficult to make direct comparisons, most evidence points to considerably higher default rates in the US. Additionally, with falling house prices in the US, many are faced with negative equity and a deteriorating position due to continued declines. In comparison, UK house prices are still up around 10% compared to a year ago.
- 6.1.3 Although there is still much uncertainty, the seizing up of credit markets looks to have begun to unwind and most commentators expect it to dissipate within a few months. Three month interbank lending rates are already down around 0.6% from the peaks in the second week of September, but remain around 0.3% higher than at the start of July.
- 6.1.4 The immediate outlook has become a little softer. August data points to a slowing in mortgage activity, broadly in line with expectations following the rise in interest rates over the preceding twelve months. Approvals for other loans, mainly further advances, fell to their lowest level in six years. Slower house price growth and weaker lending volumes are expected going into next year, but much of this is down to rises in interest rates over the past year, rather than a specific reaction to events in the financial markets. The Council of Mortgage Lenders has already noted some softening in activity over the summer months and

⁴⁷ Council of Mortgage Lenders, October 2007; Business Guardian, October 4th 2007

this looks to have continued. Estate agents have reported some easing in prices, although this is yet to show up in the price indices, while buyer demand continues to soften. The level of site visitors viewing new homes has tailed off and builders are raising incentives to entice buyers.

- 6.1.5 However, there are numbers of factors providing underlying support to the market.
- 6.1.6 The expected path for interest rates has reversed since the financial market turbulence appeared. The Bank rate had been expected to rise by another 0.25% before the end of this year. Although the financial markets expected the next move in rates to be down, the Bank of England left interest rates steady at 5.75% this month amid growing speculation that a weaker housing market and continuing turmoil in credit markets will soon force it to ease policy. This is the third meeting in a row that the Bank of England's monetary policy committee has left rates on hold, having raised them five times since August last year in a bid to cool an overheating economy. Many economists believe the cost of borrowing will be cut either next month or in December.
- 6.1.7 At the same time, inflation has fallen below target, creating some slack for a loosening in monetary policy without threatening the inflation target.
- 6.1.8 Up until the run on Northern Rock, lenders believed that the squeeze in the financial markets would likely to be reflected in a fall in credit made available to the corporate credit sector, rather than either secured or unsecured household credit being squeezed. The Bank of England's new *Credit Conditions Survey* of lenders, which ended the day before the run, also revealed an improvement in the default rate on secured loans in the third quarter. This contrasted with earlier expectations of deterioration. Lenders continued to expect some worsening in loan default rates in the coming months. Demand for prime mainstream lending is expected to be strong going forward and, despite difficulties faced over the availability of wholesale market funding, more secured credit is expected to be made available over the last part of the year. Demand for buy-to-let and "other" (mainly sub prime and further advances) borrowing is expected to ease a little.
- 6.1.9 The UK economy and employment situation remain critical supporting factors. Economic growth has been above trend and employment growth has been strong this year, while unemployment has been on a downward trend.
- 6.1.10 Although some softening in market conditions is expected going forward, the indications are that this will be focused away from prime mainstream mortgage lending. The re-pricing of risk will hit non-prime borrowers hardest as lenders re-assess these products in

light of recent developments and reflecting concerns carried over from the United States. But, once market turbulence recedes, there would seem no reason to expect the mainstream market to be adversely affected for a protracted period. The underlying economic environment remains strong, interest rates may start to fall, there remains an under supply of housing in the UK and demand for mainstream household borrowing is expected to hold up.

- 6.1.11 In short, the fundamental drivers behind the housing and mortgage markets remain strong despite recent turbulence in the financial markets.

6.2 Population and household change

- 6.2.1 Updated household projections were published by CLG in March 2007, based upon ONS 2004 based population projections; these are shown in Table 55 and illustrated in Figure 39.

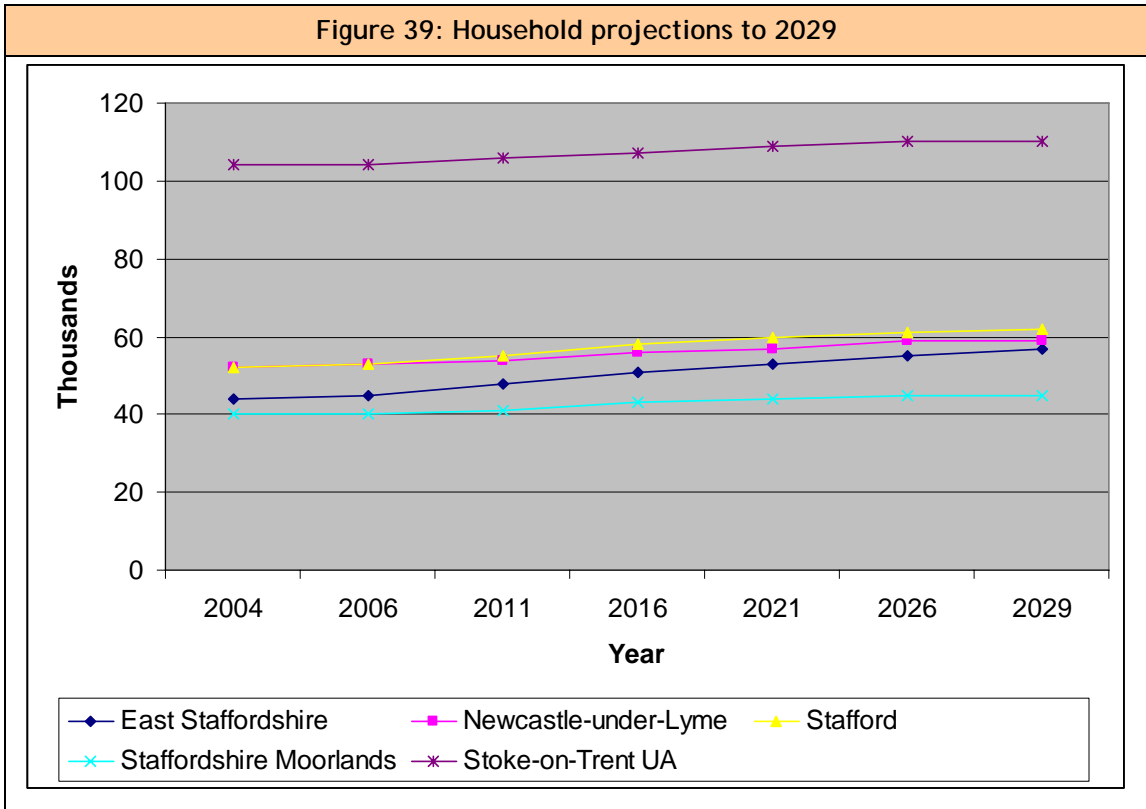
- 6.2.2 East Staffordshire is predicted to grow the most both in real and relative terms between 2006 and 2029; 12,000 more households or 27% growth. Stafford is expected to grow by 17% or 9,000 households. Growth in Staffordshire Moorlands is predicted to be 13% (5,000 households) and in Newcastle-under-Lyme growth of 11% (6,000 households) is expected. Stoke-on-Trent on the other hand is predicted to increase by 6,000 households, which is only 6%. All three North Staffordshire authorities grow between 2006 and 2026 and then plateau to 2029.

- 6.2.3 Newcastle-under-Lyme and Stafford currently contain similar household numbers, but diverge over the next twenty years as Stafford grows more quickly.

Table 55: Household projections to 2029 (thousands)							
	2004	2006	2011	2016	2021	2026	2029
East Staffordshire	44	45	48	51	53	55	57
Newcastle-under-Lyme	52	53	54	56	57	59	59
Stafford	52	53	55	58	60	61	62
Staffordshire Moorlands	40	40	41	43	44	45	45
Stoke-on-Trent	104	104	106	107	109	110	110

Source: New projections of households for England and the regions to 2029, CLG Release 2007/0045, Table F: Sub regional Household Projections, England - 2004 based

Figure 39: Household projections to 2029



6.2.4 Significant work has been done to support the Regional Spatial Strategy revision, which draws upon the 2003 population and household projections. It is valuable to look at these here since they provide the backdrop for the Preferred Option.

6.2.5 Due to social and economic changes in the country the household change that will occur in the next twenty years does not necessarily run parallel to the population change. In population terms Stoke-on-Trent will decline further (by 8.8%), and Newcastle-under-Lyme will barely change (0.5% growth). Stafford and Staffordshire Moorlands will experience moderate increases in population numbers of 4.1%, but East Staffordshire will grow significantly by 16.0%, which will bring it into a position similar to Newcastle-under-Lyme and Stafford.

6.2.6 The number of households in the West Midlands is predicted to grow by a fifth (20.6%) to 2026. Growth in Stafford and Staffordshire Moorlands is comparable (19.0% and 19.1% respectively) to the regional growth.

6.2.7 Unsurprisingly the household growth in East Staffordshire in the same period is predicted to make a major impact upon the borough: 32.3% growth or 13,752 new households. Despite minimal population change in Newcastle-under-Lyme, households will grow by 13.4% and population decline in Stoke-on-Trent a small growth in households is expected (4.6%).

Table 56: Population change 2001-26				
	2001 population	2026 population	2001-26 change	2001-26 % change
East Staffordshire	103,900	120,500	16,600	16.0%
Newcastle-under-Lyme	121,900	122,500	600	0.5%
Stafford	121,100	126,100	5,000	4.1%
Staffordshire Moorlands	94,500	98,400	3,900	4.1%
Stoke-on-Trent	240,700	219,600	-21,100	-8.8%
Major Urban Areas	2,808,900	2,920,200	111,300	4.0%
Other Areas	2,473,800	2,730,400	256,600	10.4%
WEST MIDLANDS	5,282,700	5,650,600	367,900	7.0%

Source: WMRA Housing Demand Paper, January 2007, p34

Table 57: Household change 2001-26				
	2001 households	2026 households	2001-26 change	2001-26 % change
East Staffordshire	42,633	56,385	13,752	32.3%
Newcastle-under-Lyme	50,559	57,324	6,765	13.4%
Stafford	50,138	59,657	9,519	19.0%
Staffordshire Moorlands	38,815	46,221	7,406	19.1%
Stoke-on-Trent	103,032	107,748	4,716	4.6%
Major Urban Areas	1,135,677	1,327,391	191,714	16.9%
Other Areas	1,018,937	1,270,898	251,961	24.7%
WEST MIDLANDS	2,154,614	2,598,289	443,675	20.6%

Source: WMRA Housing Demand Paper, January 2007, p42

6.2.8 These changes in growth patterns will have significant impacts upon housing markets in the five areas, putting increasing pressure on both Stafford and East Staffordshire to meet the needs of both their existing and increasing populations.

6.3 Housing demand

6.3.1 The total amount of new housing required is the combined projection of:

- (i) the net growth in the number of households within each district (taking account of both formation and dissolution), plus
- (ii) the net effect of in-migration and out-migration of existing households

6.3.2 A measure of total potential housing demand can be deduced from the 2003 sub-national household projections; the Regional Spatial Strategy Spatial Options paper shows the effect

of projecting past trends forward in Appendix One Table 2. For the North Housing Market Area the estimate of housing demand is shown in Table 58.

Table 58: Estimate of housing demand 2001-26 ⁴⁸				
	Indicative annual average ⁴⁹	Total demand	Demand from local need	Demand from migration
East Staffordshire	609.8	15,246	7,049	8,197
Newcastle-under-Lyme	355.9	8,897	6,680	2,218
Stafford	414.6	10,364	6,317	4,047
Staffordshire Moorlands	299.3	7,483	2,215	5,268
Stoke-on-Trent	787.2	19,680	30,180	-10,500
Major Urban Areas	12,569.0	314,224	392,450	-78,225
Other Areas	104,41.6	261,040	139,250	121,790
WEST MIDLANDS	230,10.6	575,264	531,699	43,565

Source: West Midlands Regional Spatial Strategy - Housing Background Paper: Appendix 1, Table 2

- 6.3.3 It is important to note that these estimates of housing demand in the West Midlands are “unconstrained” in that they derive from household-based projections of population and households that do not take account of Regional Strategy.
- 6.3.4 The significant issues that emerge from this analysis are:
- (i) In the two more rural districts of East Staffordshire and Staffordshire Moorlands the demand from migration constitutes 53.8% and 70.4% of the total demand respectively
 - (ii) In Stoke-on-Trent the population loss through out-migration reduces the total demand by more than a third (10,500 or 34.8%); this pattern is reflected in the Major Urban Areas
- 6.3.5 It does not follow that all growth and migration demand should, or even could, be fully provided for within each district. After adjustments to accord with the aims and objectives of the Regional Spatial Strategy, the numbers proposed in the Preferred Option⁵⁰ are shown in Table 59.
- 6.3.6 These two tables give an indication of the market pressures that are likely to be exerted as a consequence of the differences between the identified demand and the proposed targets

⁴⁸ This table uses 2003-based household projections

⁴⁹ The estimate of total housing demand over the period 2001-26 divided by 25 to provide an indicative annual demand

⁵⁰ Regional Spatial Strategy Phase Two Revision: Preferred Option, Agenda Item 6, 22/10/2007, p41-2

for each district. The Regional Spatial Strategy Preferred Option (annualised over 20 years) grants Stafford well above (121.8%) its total predicted demand (annualised over 25 years). East Staffordshire and Staffordshire Moorlands receive an indicative annual allocation of 105.8% and 100.2% respectively of their predicted annual demand. The urban areas (and those most affected by market renewal) are further constrained: Newcastle-under-Lyme receives 80.1% and Stoke-on-Trent receives 72.4%. These figures are comparable with the proportion for the Major Urban Areas (67.3%).

Table 59: North housing proposals 2006-26			
	Proposal total (net)	Indicative annual average ⁵¹	Annual proposal as % of annual total demand
East Staffordshire	12,900	645	105.8
<i>of which Burton-upon-Trent</i>	<i>11,000</i>	<i>550</i>	
Newcastle-under-Lyme	5,700	285	80.1
<i>of which Newcastle urban area</i>	<i>4,800</i>	<i>240</i>	
Stafford	10,100	505	121.8
<i>of which Stafford town</i> ⁵²	<i>7,000</i>	<i>350</i>	
Staffordshire Moorlands	6,000	300	100.2
Stoke-on-Trent	11,400	570	72.4
Major Urban Areas ⁵³	169,100	8,455	67.3
Other Areas	196,500	9,825	94.1
WEST MIDLANDS	365,600	18,280	79.4

Source: Regional Spatial Strategy Phase Two Revision: Preferred Option, Agenda Item 6, 22/10/2007, Table 1

6.4 Newly arising need

- 6.4.1 A recent study by the Cambridge Centre for Housing and Planning Research⁵⁴ has estimated unconstrained figures for housing demand and newly arising need in the West Midlands (see Table 60).

⁵¹ The indicative annual average is based on the total net for the period 2006 to 2026 divided by 20

⁵² Dependant upon the outcome of further local studies, some of the Stafford town allocation could be made, adjacent to the settlement, in South Staffordshire District

⁵³ Includes the Newcastle urban area

⁵⁴ *Household Projection-Based Estimate of Housing Demand and Need in the West Midlands in 2006-26: Unconstrained*, CCHPR, August 2007

Table 60: Net housing demand and need in the West Midlands 2006-2026 ⁵⁵				
	Market sector	Intermediate sector	Social sector	Total
Whole period (20 years)	227,000	60,000	103,000	390,000
Annual average	11,350	3,000	5,150	19,500
Percentage shares	58.2	15.4	26.4	100.0

Source: CCHPR

- 6.4.2 This study indicates a need for affordable housing to meet newly arising need (i.e. not including current or backlog need) of 8,150 dwellings per annum in the West Midlands, 63.2% of which should be social rented housing. The paper goes on to break down these figures for each of the authorities in the region (see Table 61).

Table 61: Net housing demand and need in the West Midlands 2006-2026 ⁵⁶				
	Market sector	Intermediate sector	Social sector	Total
East Staffordshire	6700	1000	2600	10300
Annual average	335	50	130	515
% shares	65.0%	9.7%	25.2%	100.0%
Newcastle-under-Lyme	3000	1000	2000	6000
Annual average	150	50	100	300
% shares	50.0%	16.7%	33.3%	100.0%
Stafford	5500	1400	2000	8900
Annual average	275	70	100	445
% shares	61.8%	15.7%	22.5%	100.0%
Staffordshire Moorlands	3800	600	1300	5700
Annual average	190	30	65	285
% shares	66.7%	10.5%	22.8%	100.0%
Stoke-on-Trent	3500	0	2800	6300
Annual average	175	0	140	315
% shares	55.6%	0.0%	44.4%	100.0%

Source: CCHPR

- 6.4.3 What the analysis shows is that there will be different pressures across the sub-region in terms of the demand and newly arising need. In the more rural districts of East Staffordshire and Staffordshire Moorlands there will be greater demand in the market sector (65.0% and 66.7% respectively). Newcastle-under-Lyme and Stoke-on-Trent will experience the greatest demand in the social rented sector with 33.3% and 44.4%

⁵⁵ Household Projection-Based Estimate of Housing Demand and Need in the West Midlands in 2006-26: Unconstrained, CCHPR, August 2007, p16

⁵⁶ Household Projection-Based Estimate of Housing Demand and Need in the West Midlands in 2006-26: Unconstrained, CCHPR, August 2007, p18

respectively of newly arising need. In terms of demand for intermediate tenures the Newcastle-under-Lyme and Stafford have the greatest capacity to meet need in this way (16.7% and 15.7% respectively), whereas the analysis suggests no role for intermediate tenures in Stoke-on-Trent.

6.5 Future household types

6.5.1 Household projections broken down by household type are only available at regional level, although total household numbers are available at local authority level. The following analysis has taken these two sets of projections to provide an indication of the changes in household types in each of the North Housing Market Area districts over the next twenty years.⁵⁷

6.5.2 Table 62 shows the household type breakdowns in 2006. With the exception of Stoke-on-Trent, all the areas have a greater proportion of married couple households than in the West Midlands (in the cases of Stafford and Staffordshire Moorlands more than half of all households). With the exception of Staffordshire Moorlands, all the areas have a higher proportion of cohabiting couples than the region. Lone parent households and one person households are together the largest household type in Stoke-on-Trent (43.1%).

Table 62: Household types 2006 (%)						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
Married couple households	49.0%	48.3%	51.7%	54.4%	41.8%	45.7%
Cohabiting couple households	10.4%	10.2%	9.7%	9.4%	10.5%	9.6%
Lone parent households	6.8%	7.1%	6.2%	5.9%	8.9%	8.1%
Other multi-person households	4.7%	4.4%	5.0%	4.0%	5.7%	6.1%
One-person households	29.2%	30.0%	27.5%	26.3%	33.2%	30.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

6.5.3 Table 63 and Table 64 show how these proportions start to change over time. There is a steady decline in each area of married couple households, although the proportions are likely to stay above the regional average. Although there is a growth in cohabiting couple households it does not equal the decline in married couple households. Instead what we see is significant growth in one person households.

⁵⁷ There may well be some rounding errors that will mean that the final numbers do not precisely match household numbers quoted elsewhere in this report

6.5.4 Social, economic and cultural factors are leading to marital breakdown at one point in the age spectrum at the same time as a growth in couples “living apart together” or “LAT”.⁵⁸ This will create increased demand for smaller properties, but not so small that they cannot accommodate overnight guests (e.g. children) or space to work at home (an increasing phenomenon as transport infrastructures become more and more clogged); in other words at least 2 bedrooms.

Table 63: Household types 2016 (%)						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
Married couple households	42.9%	42.3%	45.7%	48.3%	36.1%	39.9%
Cohabiting couple households	12.7%	12.4%	11.8%	11.6%	12.6%	11.7%
Lone parent households	7.0%	7.3%	6.4%	6.2%	9.0%	8.3%
Other multi-person households	4.7%	4.3%	5.0%	4.1%	5.5%	6.1%
One-person households	32.7%	33.7%	31.1%	29.9%	36.7%	34.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 64: Household types 2026 (%)						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
Married couple households	38.9%	38.3%	41.6%	44.1%	32.4%	36.1%
Cohabiting couple households	13.6%	13.3%	12.7%	12.5%	13.4%	12.5%
Lone parent households	6.8%	7.2%	6.3%	6.1%	8.8%	8.1%
Other multi-person households	4.6%	4.2%	4.9%	4.0%	5.4%	6.0%
One-person households	36.0%	37.0%	34.4%	33.2%	40.0%	37.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

6.6 Implications for the future housing market

6.6.1 Table 65 sets out the numbers implied by these changes in household types. A number of conclusions for growth and housing demand can be drawn:

- (i) In East Staffordshire the increase in the number of cohabiting couples exceeds the decline in married couple households by 2,167 households and if one also includes multi-person households then by a further 410. This would present a strong argument for family housing. In addition, one person households account for 67% of the district’s growth.

⁵⁸ The common definition of a LAT relationship is a couple, that does not share household, each of the two lives in his or her own household, in which other persons also might live, but they define themselves as a couple

- (ii) In Newcastle-under-Lyme the decline of married couple households exceeds the growth of cohabiting couple households; suggesting less requirement for new family housing except to replace what is lost through demolitions for example. 98.7% of growth in Newcastle-under-Lyme will be amongst one person households, although it would be wrong to simply translate this into future demand being for smaller properties only.
- (iii) Although not to the same extent as East Staffordshire, the growth of cohabiting couple households in Stafford will exceed the decline in married couple households. As with all areas, there will be significant new demand from one person households.
- (iv) In Staffordshire Moorlands the changes in married couple and cohabiting couple households almost cancel each other out. Once again the growth is amongst one person households.
- (v) Stoke-on-Trent sees the most stark decline in married couple households (7,797); more than twice the size of any growth amongst cohabiting couple households. What growth in household numbers there will be in Stoke-on-Trent is driven by the formation of one person households.

Table 65: Household change 2006-26						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
Married couple households	-622	-3007	-2029	-1894	-7797	-82,000
Cohabiting couple households	2789	2427	2656	1867	3786	110,000
Lone parent households	721	465	584	384	410	31,000
Other multi-person households	410	194	365	197	47	18,000
One-person households	6701	5921	6404	4410	9513	294,000
Total	10,000	6000	8,000	5,000	6,000	371,000

Stakeholders on Housing market change

- *Huge recovery of house prices in Stoke-on-Trent and recent inward migration has disproved some of the predictions of a few years ago. Demand has recovered for social housing.*
- *Stoke-on-Trent has unique set of problems. Decline of Potteries and coal industry had major effect on Stoke-on-Trent.*
- *Recycling of brownfield and increased infill development has been a major change. Most new development in Stoke-on-Trent on former industrial sites.*
- *Congleton and Macclesfield have restricted development so some of it has come to Staffordshire Moorlands and caused some growth in demand.*
- *Stone has become more expensive than Stafford over the last fifteen years.*
- *The work to regenerate Stoke-on-Trent, development of transport infrastructure (e.g. A50 is now a good road to bypass Birmingham, A500) has made a major difference to get in and out of the area.*
- *Market for new build is fragmenting: buy to let, buy to leave (invest) and buy to live in, although investment purchases are still relatively modest compared to say Manchester. Not student driven as growth in student numbers has largely come from the local population.*
- *Investors are forcing the prices up and therefore forcing first-time buyers out.*

7 CURRENT HOUSING NEED

Table 66: Summary of data required for current housing need ⁵⁹	
Step	Data items
1.1 Homeless households and those in temporary accommodation	Homeless agencies data, Priority homeless households in temporary accommodation
1.2 Overcrowding and concealed households	Census, Survey of English Housing, Local Housing Registers
1.3 Other groups	Housing Register, Local Authority and RSL transfer lists, Hostel move-on needs
1.4 Total current housing need (gross)	1.1 + 1.2 (+ 1.3)

7.1 Assessing the need for affordable housing

- 7.1.1 The most recent CLG guidance⁶⁰ for assessing the need for affordable housing establishes a step-by-step approach over a three-stage methodology. These steps and the suggested data sources are summarised at the start of this and the following two chapters. **Outside** has examined a wide range of secondary data sources in this assessment. The Guidance is clear that there is not a preferred data source at each step of the model and that the quality and reliability of different sources will vary from one authority to another and from one sub region to another. **Outside** has attempted to reference the same data sources for each of the North Housing Market Area local authorities, in order to follow a consistent approach. In one or two places adjustments have had to be made where local data has not been of a reliable quality or there have been problems of comparability. At each step of the model, more than one data source has been considered in order to compare and validate analysis. In some cases different data sets corroborate one another and in other cases they appear to contradict. In each case sources have been considered alongside local information and stakeholder perceptions in order to determine which source is considered to most closely reflect the local level of housing need.
- 7.1.2 In determining the level of current housing need, a combination of Census 2001 and local information collated on each authorities Housing Strategy Statistical Appendix (HSSA), generally produces higher levels of housing need than indicated from an assessment of local housing registers. It is **Outside's** view, based on previous experience working in the North Housing Market Area and from a long track record in assessing housing need based on

⁵⁹ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p43

⁶⁰ Ibid

individual household surveys, that the secondary data sources drawn from Census and HSSA can overestimate the level of current need and that an assessment of need drawn from local housing registers can underestimate the level of current need. However, on balance the local housing register data is considered the more reliable data source, although the estimates produced are conservative and the data quality could be improved.

7.1.3 In determining the level of future housing need in the North Housing Market Area an analysis of recent activity on each local housing register has been selected as the most locally appropriate source of data in preference to relying on household projections. The analysis of housing registers for each authority is closer to the evidence collated from previous household surveys and ties in with local stakeholder perceptions.

7.1.4 Chapters 7, 8, and 9 set out the model for assessing the net annual housing need in each of the five districts of the North Housing Market Area for the next five years. Chapter 11 brings the evidence together in a summary table that sets out the overall estimate of net annual housing need.

7.1.5 Throughout, the text and tables follow the convention of referring to the CLG guidance stepped approach:

- ❑ Current housing need - steps 1.1, 1.2, 1.3 and 1.4
- ❑ Future housing need - steps 2.1, 2.2, 2.3 and 2.4
- ❑ Affordable housing supply - steps 3.1 to 3.8

7.1.6 This, the first of these chapters, looks at current housing need and presents evidence for the first three steps of the model. Chapter 8 presents evidence for estimating the level of future housing need. Chapter 9 considers the supply of affordable housing in each district.

7.2 Defining housing need and unsuitable housing

Housing need

7.2.1 Overall, one can talk of the housing requirements of a district and these requirements are made up of both demand and need. Households that can enter the general market without intervention of any sort are defined as demand. This is the same as the economic definition of demand in that demand will become apparent in the general housing market and has a cost relationship with supply. On the other hand, households that are unable to enter the general market without some form of intervention by public service providers are defined as need. PPS3 defines housing need as:

The quantity of housing required for households who are unable to access suitable housing without financial assistance⁶¹

7.2.2 Consequently the guidance states that:

For the purposes of assessment, this means partnerships need to estimate the number of households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market.⁶²

7.2.3 From the point of view of social housing providers, need is more significant. From the point of land use planning, both demand and need are relevant.

7.2.4 Need in this case, may also necessitate an understanding of aspirations. Much of recent government policy, not only in housing, seeks to empower citizens by taking into account the needs they identify for themselves, as opposed to those identified by “experts”. These aspirations are recognised as a legitimate basis for policy-making and should be taken into account, if possible, when assessing the housing requirements of an area. However, this can only realistically be achieved through the use of primary data collection methods such as bespoke household surveys.

7.2.5 **Outside** takes a pragmatic approach towards identifying housing need and demand that focuses on transparency and a clear audit trail to provide defensible data. This accords with the latest guidance, which states that:

No one methodological approach or use of a particular dataset(s) will result in a definitive assessment of housing need and demand. The quality of the data used is the important consideration in determining whether an assessment is robust and credible rather than its nature.⁶³

7.2.6 The Housing Needs Model is a dynamic tool that both measures progress towards achieving policy aims and balancing housing markets and facilitates “what-if” scenarios to measure impacts of market change or market intervention.

7.2.7 The Model calculates the current housing need, future housing need and affordable housing supply as annual flows to arrive at a net figure for the number of additional affordable dwellings required in a District. This model is based upon the latest DCLG guidance. Table 67 outlines the key stages in the model.

⁶¹ *Planning Policy Statement 3 (PPS3): Housing, Communities and Local Government, November 2006, p27*

⁶² *Strategic Housing Market Assessments: Practice Guidance, Communities and Local Government, March 2007, p41*

⁶³ *Strategic Housing Market Assessments: Practice Guidance, Communities and Local Government, March 2007, p11*

Table 67: Housing needs assessment model

<p>CURRENT HOUSING NEED (gross backlog) (times a yearly quota)</p> <p><i>Plus</i></p> <p>FUTURE HOUSING NEED (gross annual estimate)</p> <p><i>Minus</i></p> <p>AFFORDABLE HOUSING SUPPLY</p> <p><i>Equals</i></p> <p>ESTIMATE OF NET ANNUAL HOUSING NEED</p>

7.2.8 Each line in the model is explained in detail with supporting information. Modelling housing needs is as much an art as a science and is very sensitive to the assumptions and interpretations made in the analysis. Our practice is to ensure that these assumptions are transparent in order that they are understood and agreed with the client before being finalised.

7.2.9 Having identified the scale of housing need, we can determine the range of appropriate responses to the need including the breakdown of social housing and intermediate tenures such as shared ownership and shared equity products.

Unsuitable housing

7.2.10 Those in unsuitable housing are defined in the guidance through a series of criteria, presented in Table 68. Households who are not in housing need but would like affordable housing are excluded from this modelling section of the Housing Market Assessment.

Table 68: Unsuitable housing ⁶⁴	
Main category	Sub-divisions
Homeless households or insecure tenure	Homeless households
	Households with tenure under notice, real threat of notice or lease coming to an end; housing that is too expensive for households in receipt of housing benefit or in arrears due to expense
Mismatch of housing need and dwellings	Overcrowded according to the bedroom standard
	Too difficult to maintain (e.g. too large) even with equity release
	Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household
	Households containing people with mobility impairment or other specific needs living in unsuitable dwelling (e.g. accessed via steps) which cannot be made suitable in-situ
Dwelling amenities and condition	Lacks a bathroom, kitchen or inside WC and household does not have the resources to make fit (e.g. through equity release or grants)
	Subject to major disrepair or unfitness, and household does not have the resources to make fit (e.g. through equity release or grants)
Social needs	Harassment from others living in the vicinity which cannot be resolved except through a move

7.2.11 It is not necessary to use the affordability measures to test whether households can afford their existing accommodation. Only households in arrears or in receipt of housing benefit should be regarded as being in housing need, on the grounds that their accommodation is too expensive. Otherwise, households should be assumed to be managing to afford their current housing.

7.2.12 The size of mortgage required should be compared to the entry-level price of a property of an appropriate size for the household (this is based on the size of the household whereby the bedroom standard can be applied and also the degree to which 'ideal' sized properties are available).

7.3 Total current housing need (gross per year)

7.3.1 District housing registers are an important and objective indicator of unmet housing need. It depends on the quality of individual housing registers, but in principle, all applicants are subject to detailed scrutiny as to their circumstances. It is not unreasonable to assume that applicants are in housing that is unsuitable for their present or imminent circumstances, through their current accommodation being too expensive, insecure, defective, too small, or through problems of internal and external accessibility and that

⁶⁴ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p41

they are unable to either find in situ solutions to their difficulties or are unable to afford to access appropriate market housing.

7.3.2 Having examined the housing registers of each authority, there are clear differences between authorities in terms of the management of the registers and the apportioning of points and priority status. There are three ways forward:

- (i) To accept the total number on the register as recorded on the HSSA 2006/07 return as at the 31st March 2007 (step 1.4a Table 69)
- (ii) To assume that a proportion of the households on the register will be able to find alternative accommodation either through private rent or access to home ownership and that a proportion be discounted based on the CACI modelled income distribution data for West Midlands and the lower quartile house prices giving an estimate of affordability for each of the five North Housing Market Area districts as presented at Table 54 above. (step 1.4b Table 69)
- (iii) To only count those households on the register that are defined on the HSSA as being "in a reasonable preference category" (step 1.4c Table 69)

7.3.3 At this stage, having considered the available data, we recommend taking a different approach with each authority. In East Staffordshire, Newcastle-under-Lyme and Staffordshire Moorlands the proportion of households on the register deemed by the authority to be in a "reasonable category"⁶⁵ should be taken as the best available estimate of current need - 2,048, 2,044 and 789 respectively. In Stoke-on-Trent it is possible to distinguish from the housing register the proportion of households in band 1 (must find a home), band 2 (must move soon) and band 3 (need to move) and exclude those in band 4 (want to move). For Stoke-on-Trent this is considered the best available estimate of current need - 4,072. For Stafford because the number defined as being in a "reasonable category" on the HSSA 2007 is proportionately so much lower than the other authorities, indicating a difference in recording practices rather than a difference in need, the best approach is to take the total on the register multiplied by the proportion of households below the affordability threshold in the district - 1,031.

⁶⁵ This is a new field appearing on the HSSA 2006/07, where Local Authorities are asked to assess the number of households on their register that are in a reasonable category. There is great variety in interpretation of the definition, with Stafford setting the figure proportionally very low and East Staffordshire setting it proportionally very high. The figure in the East Staffordshire HSSA is not correct and will need to be amended when the model is updated in the future. Despite the number in a reasonable category being inaccurate it has not been changed in the model, because of the corroboration offered by the number produced at the same step using Census and HSSA data and in **Outside's** view the other alternatives do not adequately reflect the most likely level of current housing need in East Staffordshire.

7.3.4 Table 69 shows the numbers at step 1.4 recommended for each authority. If the number at step 1.4 is shown as a proportion of total households in each district, East Staffordshire, Newcastle-under-Lyme and Stoke-on-Trent are similar ranging from 3.9% of total households to 4.4%. Stafford and Staffordshire Moorlands have proportionally fewer households in current need at 1.9% and 2% respectively.

7.3.5 It is likely that the housing register based estimate for Stafford represents an under count of the backlog need in the area. There are two factors to note, one that the gross number on the register is proportionately much lower in Stafford than the other four authorities in the North Housing Market Area and two, that the affordability threshold is potentially set too low for the profile of households that are likely to be accepted on the waiting list.

Table 69: Current Housing Need (Model 2)					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
Step 1.4a - total	2067	2493	1688	2127	5565
Step 1.4b - can't afford	1092	1335	1031	1318	2243
Step 1.4c -reasonable category	2048	2044	300	789	4072
Recommended step 1.4	2048	2044	1031	789	4072
Proportion of total households	4.4%	4.0%	1.9%	2.0%	3.9%

Source: HSSA 2007 Numbers on housing register 2006/07

8 FUTURE HOUSING NEED

Table 70: Summary of data required for future housing need ⁶⁶	
Step	Data items
2.1 New household formation (gross per year)	Census, SEH (from Chapters 3 and 4)
2.2 Proportion of new households unable to buy or rent in the market	Entry level rents/property prices identified in Chapter 3, SEH, Mortgage lenders, LA/RSL databases
2.3 Existing households falling into need	Housing register, LA/RSL data, tenants surveys
2.4 Total newly arising housing need (gross per year)	$(2.1 \times 2.2) + 2.3$

8.1 New household formation

8.1.1 In a secondary data based methodology, there are two broad approaches to estimating future housing need, one based on household projections and one based on an assessment of the number of households that join the housing register each year. As with all methods there are advantages and disadvantages associated with both approaches and neither tells the full story. All methods necessarily predict future need on the basis of past activity.

8.2 Total newly arising housing need

8.2.1 Previously in the North Housing Market Area, local authorities have used primary research from local household surveys to help to identify newly arising need. This assessment was established on the basis of a secondary data based methodology. However, the various conditions prevalent in the North Housing Market Area, lead to reservations about the value, particularly of projection based modelling. The local housing registers represent a middle ground between primary research and secondary research. Each waiting list is in effect a primary and up to date source of data that records the reality of households in need and monitors the rate of growth in demand and the turnover of demand. For these reasons it is felt that a better alternative to estimating newly arising need based on household projections is to look at the number of households joining the housing register in the previous year. The housing register includes both new forming households and existing households falling into need. The applicants on each register exclude households already living in social housing and applying for transfers.

⁶⁶ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p45

- 8.2.2 As with the analysis of the housing register under current housing need, there are different ways to interpret the data on recent applicants. Table 71 shows the total number of applicants on the housing registers in each district during the 2006/07 financial year that remain on the register at the year-end. Not all the applicants have the same level of need and it is reasonable to assume that a proportion will be able to access appropriate housing through their own resources.
- 8.2.3 One approach is to apply the same affordability threshold as applied to the backlog of current need figures. It has been argued that the proportion of new forming households encountering affordability issues is likely to be greater than that amongst existing households. This is based on the view that the vast majority of new forming households will be young people who are less likely to have household incomes equivalent to the whole household population. Evidence from primary research on housing need⁶⁷ would indicate that there is a difference in affordability between established households and new forming households. Affordability rates shown in step 2.4a below have been set at a higher threshold to take account of this difference based upon the difference between existing household affordability rates and new forming household affordability rates evidenced in local household surveys.
- 8.2.4 An alternative approach shown in step 2.4b is to count only those applicants that are defined as high priority on the housing register. There is no consistency between authorities as to the definition of high priority, banding or points allocation, which means that step 2.4b is not as useful as it might be in some districts.
- 8.2.5 In the case of Stoke-on-Trent, the number of applicants in the top two bands is felt to be a better measure of newly arising need than applying the affordability threshold of 50.8% to the total applicants. The applicants in bands 1 and 2 account for 66.2% of total applicants in the year. There are a further 317 applicants in band 3 that have not been included in step 2.4b, but which if added would increase the newly arising need figure to 1,888.
- 8.2.6 The same approach was not taken with the other four authorities because their respective housing register data was not available with clear comparable priority banding. In Newcastle-under-Lyme, in 2006/07 there were 828 applicants with a points allocation in excess of 100 (72.9% of total applicants in the year). In Staffordshire Moorlands there were 145 high priority applicants in 2006/07, which is just 20.4% of the total applicants in the year. In East Staffordshire the number of high priority applicants in 06/07 is 171, 20.6% of total applicants in the year and significantly lower than the proportion deemed by the

⁶⁷ **Outside** previous household surveys

authority to be a reasonable category as reported in the HSSA 2006/07. In Stafford the proportion of applicants with greater than 40 points is only 6%.

Table 71: Future Housing Need (Model 2)					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
Applicants 06/07	754	968	894	775	2387
Proportion unable to afford	63.4%	64.3%	73.3%	68.2%	50.8%
Number in high priority	171	**828	74	145	*1571
Step 2.4a	478	622	655	528	1212
Step 2.4b	171	828	74	145	1571
Recommended step 2..4	478	622	655	528	1571
% of total households	1.0%	1.2%	1.2%	1.4%	1.5%

Source: HSSA 2006/07 and local housing register data

*06/07 applicants to the Stoke-on-Trent register in bands 1 and 2

**06/07 applicants to the Newcastle-under-Lyme register with 100+ points

8.2.7 It has a considerable significance, where the line for priority status is drawn. The number of applicants to the register within the preceding year is an important indicator of need. Each one of these households will have been individually assessed in order to be accepted on to the list and as such represents the most accurate and up to date assessment of demand for social housing. This is an area of housing information that should be invested in and improved in order to provide better monitoring and updating into the future.

8.2.8 There are two main criticisms raised about use of housing register data in terms of defining housing need:

- (i) The register exaggerates the level of need as it contains people who have found other solutions to their housing need and should no longer be on the list. Having looked at the housing registers in all five districts the quality of the data appears to be well within acceptable limits. Whilst there are old records, the lists are cleaned up regularly and in terms of estimating newly arising need it is only the recent applicants that are counted. The tendency to over-estimate numbers is countered by discounting a proportion of households either through a priority rating system or through application of an affordability threshold.
- (ii) At the same time, it is also often stated that housing registers tend to under-represent the level of need especially in areas with very limited supply of social housing. It is assumed that many households do not bother to register their need in the unlikelyhood that their needs will be met. This is probably true, but there will always be hidden undiscoverable need and in this case in the North Housing Market

Area the housing register indicates higher numbers in need than the household projections would imply.

9 AFFORDABLE HOUSING SUPPLY

Table 72: Summary of data required for affordable housing supply ⁶⁸	
Step	Data items
3.1 Affordable dwellings occupied by households in need	Housing Register, Local Authority and RSL transfer lists, Over-crowding data
3.2 Surplus stock	Local Authority and RSL records
3.3 Committed supply of new affordable housing	Development programmes of affordable housing providers (RSLs, developers, LAs), Regeneration\ Pathfinder Schemes, including conversions and intermediate housing products
3.4 Units to be taken out of management	Demolition and conversions programmes of LAs, RSLs, Regeneration\Pathfinder Schemes
3.5 Total affordable housing stock available	3.1 + 3.2 + 3.3 - 3.4
3.6 Annual supply of social re-lets (net)	Lettings/voids system for providers, LA and RSLs, CORE data for RSLs, HSSA data
3.7 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	LA, RSL and other providers' lettings/voids system and data on re-sales of sub-market LCHO or shared equity schemes
3.8 Annual supply of affordable housing	3.6 + 3.7

9.1 Affordable dwellings occupied by households in need

- 9.1.1 It is first necessary to estimate the number of dwellings vacated by current occupiers that are fit for use by other households in need. This is an important consideration in establishing the *net* levels of housing need, as the movement of these households within affordable housing will have a nil effect in terms of housing need.
- 9.1.2 Consequently it is necessary to rule out transfers within the stock that have a nil net effect on the availability of affordable housing.
- 9.1.3 Table 73 shows the numbers of households that moved within the respective social housing stock over the last four years. This combines both RSL and LA transfer lets as recorded in the 2006/07 HSSA⁶⁹. For the purposes of completing step 3.1 of the model, an average of the three previous years is used in order to even out potential anomalies in the data. Despite this, the figure for Stafford with the impact of the 2006/07 number remains

⁶⁸ *Strategic Housing Market Assessments: Practice Guidance*, Communities and Local Government, March 2007, p47

⁶⁹ HSSA D1+D2+D3a+(D9-D10a)

proportionately much higher than for the other authorities in the North Housing Market Area.

Table 73: RSL and LA lettings excluding re-lets (Step 3.1)						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
2002/3	561	271	221	N/A	1531	10064
2003/4	285	252	333	168	1278	7491
2004/5	496	228	225	123	1348	6550
2005/6	207	170	344	153	1181	6191
2006/7	111	121	543	121	1362	N/A
Step 3.1*	271	173	371	132	1297	

Source: HSSA 2007, RSL and LA combined transfer lets - (HSSA D1+D2+D3a+(D9-D10a))

*An average of the last 3 years

9.2 Surplus stock

- 9.2.1 If there is surplus social housing stock this needs to be accounted for in the assessment. A certain level of voids is normal and allows for transfers and works on properties. However, where the rate is in excess of 3 per cent and properties are vacant for considerable periods of time, these should be counted as surplus stock.
- 9.2.2 Table 74 sets out the total housing stock and the number of vacant dwellings in each district. None of the five districts have vacant social housing stock that could be classed as surplus stock.

Table 74: Surplus stock (Step 3.2)					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
Housing stock	6271	9845	8600	3411	25751
Vacant dwellings	91	103	147	19	329
% Vacant dwellings	1.5%	1.0%	1.7%	0.6%	1.3%
Proportion > 3%	0	0	0	0	0
Total surplus	0	0	0	0	0

Source: HSSA 2007

9.3 Committed supply of new affordable units

- 9.3.1 It is important to take account of the new (i.e. new build and conversions) social rented and intermediate affordable dwellings that are committed at the point of the assessment.

Table 75: Additional social housing dwellings (Step 3.3)						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	West Midlands
2002/3	0	45	33	19	104	2789
2003/4	26	43	126	10	76	2862
2004/5	43	17	462	58	72	3411
2005/6	54	11	77	52	27	3595
2006/7 (planned)	44	3	125	34	164	N/A
2006/7 (outturn)	*105	28	54	11	41	
2007/8 (planned)	-	21	105	30	358	

Source: HSSA 2007

*NB: East Staffordshire 02/03 to 05/06 figures only include shared ownership and shared equity, the 06/07 outturn figure includes other new dwellings

9.4 Units to be taken out of management

- 9.4.1 Local authorities and RSLs should have information about planned demolitions or redevelopment schemes that lead to net reductions in stock. The number of social-rented or intermediate affordable housing units to be taken out of management should not include Right-To-Buy sales as authorities are not required to re-house these households.
- 9.4.2 At this point in time, evidence on demolitions for four out of five local authority areas is not available. Newcastle-under-Lyme has provided information indicating a total of 73 dwellings demolished between 2004 and 2006/07; 30 cleared from Knutton and Cross Heath, 32 cleared from Chesterton, and 11 of a potential 72 cleared from phase 1 AMI, due for completion in 2008. A further phase from 2008 to 2011, subject to government funding, will include 56 clearances from St Bernards Road and 134 in Cross Heath.
- 9.4.3 Demolition estimates incorporating data from the 2004 Regional Urban Capacity Study and the Metropolitan Authorities and Telford and Wrekin 2006 Refresh are utilised in the Regional Spatial Strategy housing demand projections. This data indicates a total of 14,141 demolitions in Stoke-on-Trent between 2001 and 2026, this would imply an annual figure of 566. This is clearly a significant factor in determining future housing need, particularly in the major urban areas. For the purposes of the Model an estimate of demolitions of 566 annually has been used for Stoke-on-Trent.

9.5 Low demand and difficult to let housing

9.5.1 Although not included in the model, it is worth commenting on the number of low demand and difficult to let properties in each district.

9.5.2 35.6% of the social housing stock in Stoke-on-Trent is recorded as low demand on the HSSA 2006/07 and 11.4% as difficult to let. Vacant dwellings, low demand and difficult to let are not mutually exclusive categories on the HSSA return and a dwelling can be counted under all three. Newcastle-under-Lyme also has significant numbers of dwellings categorised as low demand and difficult to let according to the 2006/07 HSSA.

Table 76: Low demand and difficult to let social housing						
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	North Housing Market Area
Social housing stock	6271	9856	8600	3411	25751	53889
Low demand	0	1584	0	183	9170	10937
Difficult to let	100	955	79	0	2941	4075
% low demand	0.0	16.1	0.0	5.4	35.6	20.3
% difficult to let	1.6	9.7	0.9	0.0	11.4	7.6

Source: HSSA 2007

9.5.3 Table 77 presents the vacancy and low demand housing rates in the private sector within the North Housing Market Area. All the low demand properties (according to the HSSA 2007 information) in the Housing Market Area are in Stoke-on-Trent, where low demand properties appear to make up 62.7% of the total private sector housing stock. Vacancy rates are also highest in Stoke-on-Trent at 8.4%.

Table 77: Private sector vacancy and low demand ⁷⁰ (%)			
Local Authority	Vacancy	Low demand	Total private sector dwellings
East Staffordshire	4.3	*	39862
Newcastle-under-Lyme	2.2	*	43387
Stafford	2.5	*	46280
Staffordshire Moorlands	3.2	*	38877
Stoke-on-Trent	8.4	62.7	85419

Source: Housing Strategy Statistical Appendix 2007

⁷⁰ Cells marked * indicate that data was not available or not known

Stakeholders on Long-term empties

- *In clearance areas more 10% of vacancies have not had a tenant for years.*
- *The number of long term empties is around 3,500 which has not really changed in five years. Not much information on where and what sort of properties are remaining empty. They have started to track now at address level and they have started to do some work using the Council Tax Register but they don't know whether its right to buy or whether its terrace stock.*
- *Stoke-on-Trent not got good handle on these voids. 3,500 stayed same for last 5 years but only now started to get information through on level.*
- *2007 pretty much the same picture in terms of areas suffering. Low prices across the piece with concentrations on long term voids. New build areas still being void for more than 6 months.*

9.6 Total affordable housing stock available

9.6.1 This is the sum of:

- Dwellings currently occupied by households in need - step 3.1
- Surplus stock - step 3.2
- and committed additional housing stock - step 3.3
- minus units to be taken out of management - step 3.4

Table 78: Total affordable housing stock available (Step 3.5)					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
Dwellings currently occupied by households in need	271	173	371	132	1297
Surplus stock	0	0	0	0	0
Committed additional housing stock	105	28	54	11	41
Units to be taken out of management	0	73	0	0	566
Total at step 3.5	376	128	425	143	772

Source: Compiled from Table 73, Table 74, Table 75, and paragraph 9.4 above

9.7 Future annual supply of social re-lets (net)

9.7.1 In order to provide a figure for social re-lets that avoids one-off changes that can distort the number, it is advisable to calculate this on the basis of past trends; usually the average number of re-lets over the previous three years is taken as the predicted annual level. This

excludes internal transfers and transfers of tenancies to other household members; only properties that come up for re-let to a new household are counted.

- 9.7.2 In the North Housing Market Area, there is evidence of a decline in re-lets over the last four years in East Staffordshire, Newcastle-under-Lyme and Stoke-on-Trent. The picture is more stable in Staffordshire Moorlands, but in Stafford appears more erratic, with a drop in 2004/05 and a sharp rise in 2005/06. For these reasons the approach of taking an average over three years is not considered appropriate in the sub region, with the exception of Stafford. If the re-lets continue to fall then the figure will need to be readjusted accordingly.
- 9.7.3 The numbers in Table 79 are a composite of both local authority and RSL lettings with a number of adjustments made. There are undoubtedly different ways in which a re-let figure can be derived from available sources, the method chosen here is in line with that undertaken in the South Housing Market Area. The important point is that the measure is consistent across the five authorities.

Table 79: Annual supply of social re-lets (step 3.6)					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
2003/4	719	983	481	278	1998
2004/5	952	876	176	206	1910
2005/6	654	824	643	206	1760
2006/7 ⁷¹	520	736	629	228	1704
06/07 turnover	8.3%	7.5%	7.3%	6.7%	6.6%
Average 2005-07	709	812	483	224	1791
Average turnover	11.3%	8.2%	5.6%	6.6%	7.0%

Source: HSSA 2007⁷²

- 9.7.4 These different turnover rates across the North Housing Market Area will both reflect the population differences in the sub-region and the nature of the supply on offer. Obviously though they will also have an impact on the need for affordable housing, and demand for market housing, as they represent a constraint or otherwise on supply.

⁷¹ The re-lets figures for the years prior to 2006/07 take off the outturn in new affordable housing. For the most recent year that data is available, 2006/07, rather than take off the outturn as the model is looking forward, the re-lets figure is adjusted to take off the planned new affordable housing. The only exception being East Staffordshire where the 2006/07 HSSA does not have a planned figure for 07/08 – the outturn for 06/07 is used instead.

⁷² $Total\ social\ housing\ relets = HSSA\ D4 + D5 + D6 - D7a + D9 - (N9a(planned\ 07/08)) - D3a$

9.8 Future annual supply of intermediate affordable housing

- 9.8.1 The number of intermediate affordable housing units that come up for re-let or re-sale will increasingly play a role in the overall supply of affordable housing (step 3.7). Where operators of intermediate housing schemes monitor this, it is useful to include it in the supply figures. However, it should only include those properties that meet the definition of intermediate affordable housing as set out in PPS3. It should not include properties that are no longer affordable, such as social rented homes bought under the Right-to-Buy or shared equity homes where the purchaser has entirely bought out the landlord's share.
- 9.8.2 Where homes may be bought back as affordable housing by a RSL, or the money received by the landlord is used to fund future shared equity schemes through the recycling of capital grant, these units should be counted under the supply of new affordable housing (step 3.3).
- 9.8.3 At this point in time, there is no evidence of intermediate affordable housing units that have come up for re-let or re-sale that will result in net reductions in supply.

9.9 Future annual supply of affordable housing units

- 9.9.1 This is the sum of:
- Social rented units, and
 - Intermediate affordable units
- 9.9.2 Steps 3.6 and 3.7 are brought together in Table 80. As a proportion of the total number of households in the respective authorities the supply ranges from Staffordshire Moorlands with 0.6% (and the lowest number of units at 228) to Stoke-on-Trent at 1.6%. Stoke-on-Trent has the highest number of implied units (1,704). Both Newcastle-under-Lyme and Stoke-on-Trent have proportionally high implied numbers for annual supply of re-lets, at 1.5% and 1.6% respectively, they are considerably higher than any other authorities in the West Midlands, including Birmingham.

Table 80: Future annual supply of affordable housing units					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
Social rented units	520	736	483	228	1704
Inter-mediate units	0	0	0	0	0
Total (Step 3.8)	520	736	483	228	1704
% of total households	1.1%	1.5%	0.9%	0.6%	1.6%

10 HOUSING REQUIREMENTS OF SPECIFIC HOUSEHOLD GROUPS

10.1 Introduction

10.1.1 This chapter looks at the housing requirements of specific household groups.

10.1.2 The local policy context is set out followed by sections that focus on

- (i) the housing requirements of older people
- (ii) households with specific needs
- (iii) black and minority ethnic households

10.2 Supporting People

10.2.1 Maintaining independence and giving people the choice to continue to live in their own homes for as long as they can is a key national and local driver bringing increased partnership between housing, primary care, community health services, social services as well as a variety of voluntary organisations. Effective housing for older people and people with specific needs requires this partnership approach.

10.2.2 Enabling people to remain independent in their existing accommodation has implications in terms of:

- maintenance of the property
- heating
- timely adaptations and equipment as necessary
- support and assistance if greater need arises
- wider accessible services in the area to encourage continuing independent living

10.2.3 Staffordshire' Supporting People (SP) Five Year Strategy fleshes out the need for housing-related support for older people and people with specific needs. Supporting People has a key role in helping people to live independently at home, taking account of key issues in private housing which include an ageing population, and rural isolation.

- 10.2.4 Supporting People have been providing over 15,000 units of support within Staffordshire (including districts outside North Housing Market Area) and a further 2174 in Stoke-on-Trent by 2004/05 for the two priority groups of older people with support needs and frail older people.
- 10.2.5 Yet supply may fall well short of need. High levels of home-based/floating support needs are indicated for owner-occupiers. In Stoke-on-Trent alone, recent needs mapping work showed an undersupply of supported housing (3098) and floating support (435) for older people.⁷³ Supporting People development priorities include extra care accommodation 'county-wide' for frail older people, especially in Staffordshire Moorlands. A further priority, concerning older people with support needs, is exploration of remodelling options where low demand is in evidence around: extending warden services into the community to support people in their own homes; remodelling accommodation to meet different groups' needs.

10.3 Changing Lives

- 10.3.1 Changing Lives is Staffordshire County Council's change programme which aims to improve services for older people and people with disabilities. The Changing Lives vision is to promote independence, inclusion and well-being for older or disabled residents, by enabling them to:
- ❑ have more control over their lives
 - ❑ live safe, healthy and fulfilled lives
 - ❑ have an active role in a stronger and prosperous community, and
 - ❑ access the support they need in order to be as independent as they choose
- 10.3.2 There are three main drivers to change in this area. First and most important is what older people and people with disabilities have said about how they want to live and about the support they need. Second is the Government's White Paper *Our Health, Our Care, Our Say* which sets out requirements for community-based services that help people remain in their own home. The third and final driver is the predicted increase in the number of older people who will require support, and the financial pressures this will bring.
- 10.3.3 The programme will lead to a fundamental move away from the current limited range of services to a menu of services offering a greater focus on prevention, rehabilitation and support, to promote each individual's independence.

10.3.4 The Changing Lives programme will take around six years to be fully implemented. It will require the re-provision of residential care homes and day centres operated by the County Council. These will be replaced by a range of new and expanded services such as direct payments, rehabilitation, various therapies, adult placement, flexible respite care, intermediate care, day and night time care and support, and preventative services.

10.4 Local strategies

10.4.1 Support for older people to maintain independence has been a strategic priority for Local Authorities. Staffordshire's Strategy for Older People⁷⁴ includes within its aims: promoting independence, well-being and choice; focus on outcomes; support for the most vulnerable and their carers. Key objectives concerning independence, choice and confidence include:

- ❑ Provision of support to allow the majority of older people wishing to remain in their home to do so

10.4.2 Actions in support of this aim include:

- ❑ Partnership work with Supporting People and partners to develop a range of housing support services, including extra care
- ❑ community based care/support services
- ❑ further development of Home Improvement Agencies, handyperson and other support schemes in the home
- ❑ home safety checks
- ❑ assistive technology

10.4.3 Helping people to live in their own home involves provision of low level of care, and adaptations.

10.4.4 East Staffordshire Housing Strategy 2004-2007⁷⁵ draws on the East Staffordshire Housing Needs assessment. This showed a need for 989 units of sheltered housing against 288 units of sheltered housing in the Borough, and lack of provision of frail elderly accommodation. The accommodation strategy would investigate demand and include a sheltered stock review.

⁷³ Stoke-on-Trent City Council, Supporting People Strategy, 2005-2010

⁷⁴ Staffordshire County Council, Ageing with Opportunity in Staffordshire, A Strategy and Actions to improve the quality of life of older people

⁷⁵ East Staffordshire Borough Council Housing Strategy 2004-2007

- 10.4.5 Newcastle-under-Lyme Housing Strategy ⁷⁶ also highlights that there are 2,500 people over 75 with Limiting Long-Term Illness and poor health, some of whom would benefit from extra-care housing. There was also an identified need for improved advice and possible remodelling of older people's housing services.
- 10.4.6 Stafford Borough Council Housing Strategy⁷⁷ draws on the Stafford Housing Needs Study to suggest a requirement of 1,632 units of sheltered accommodation for older people. Considerable re-provision of current schemes was required to make them fit for purpose.
- 10.4.7 Staffordshire Moorlands Housing Strategy identifies shortfall in provision for older people, including sheltered housing, and aimed to provide 15-20 units of sheltered care, and 6-7 units of non-sheltered older person's accommodation. ⁷⁸
- 10.4.8 Stoke-on-Trent Supply and Demand Mapping for Older People's Housing recommends an increase in extra care and retirement village accommodation of 1044 units over the next 10 years, including some remodelling of existing RSL accommodation. It is assumed that a substantial proportion should be for sale and shared ownership. There would also be significant growth in category 1 style accommodation for older people.

10.5 Older people

- 10.5.1 This section looks at the housing needs of older people referring both to general housing and specialist accommodation across the five districts in North Housing Market Area. The home is recognised as a key factor in determining a person's quality of life with research suggesting older people spend between 70 - 90% of their time in their home⁷⁹.
- 10.5.2 Table 81 provides details of the population of all residents aged over 60 in each district of North Housing Market Area including residents in communal establishments, while Table 82 shows the breakdown for household residents, as at the Census 2001. Staffordshire Moorlands had the highest percentage of their total population aged over 60, (total 23.7%, household residents 22.7%). However, the high overall proportions for Staffordshire Moorlands have been particularly due to higher proportions of the younger generation of older people (aged 60-79) residing in Staffordshire Moorlands compared with neighbouring

⁷⁶ Newcastle-under-Lyme Housing Strategy 2005-2010

⁷⁷ Stafford Borough Council Housing Strategy 2003

⁷⁸ Staffordshire Moorlands Housing Strategy 2002-2007

⁷⁹ Baltes, M.M., Wahl, H-W, Schmid-Furstoss, U, (1990) The daily life of the elderly at home, Activity patterns, personal control and functional health, *Journal of Gerontology Social Sciences*, 45, 173-179, cited in *A Sure Start to Later Life: Ending Inequalities for Older People*, ODPM, 2006

districts. Residents between 60-79 comprised 19.1% of the population of Staffordshire Moorlands (18.9% of household residents). This compares with the proportions in Newcastle-under-Lyme (17.9% of all residents aged 60-79; 18.3% of household residents) and in Stafford (18.1% of all residents aged 60-79; 18.2% of household residents).

10.5.3 On the other hand, the highest proportion of all residents over 80 was found in Stafford (4.5% of the total resident population (3.7% of the household population)). The second highest proportion of all residents over 80 was found in Newcastle-under-Lyme (4.2% of the total resident population (3.8% of the household population)). By comparison, residents over 80 in Staffordshire Moorlands totalled 4.1% of the total resident population (3.7% of the household population).

Table 81: Population aged 60+ All residents										
Age	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent	
	No.	%	No.	%	No.	%	No.	%	No.	%
60-64	5239	5.0	6405	5.2	6771	5.6	5527	5.8	11429	4.7
65-69	4769	4.6	5831	4.8	5701	4.7	4825	5.1	10589	4.4
70-74	4234	4.1	5298	4.3	5177	4.3	4214	4.5	10112	4.2
75-79	3358	3.2	4356	3.6	4211	3.5	3460	3.7	8803	3.7
80-84	2096	2.0	2927	2.4	2840	2.4	2276	2.4	5462	2.3
85-89	1234	1.2	1537	1.3	1633	1.4	1156	1.2	2852	1.2
90-94	483	0.5	515	0.4	666	0.6	422	0.4	1025	0.4
95-99	126	0.1	129	0.1	122	0.1	108	0.1	228	0.1
100 +	21	0.0	33	0.0	18	0.0	12	0.0	28	0.0
All pop'n	103781	100.0	122029	100.0	120654	100.0	94487	100.0	240632	100.0
Pop'n 60 +	21560	20.8	27031	22.2	27139	22.5	22000	23.3	50528	21.0

Source: Census 2001

Table 82: Population aged 60+ Household residents										
Age	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent	
	No.	%	No.	%	No.	%	No.	%	No.	No.
60-64	5208	5.1	6380	5.4	6738	5.7	5493	5.9	11369	4.8
65-69	4741	4.6	5794	4.9	5659	4.8	4787	5.1	10506	4.4
70-74	4185	4.1	5239	4.4	5091	4.3	4143	4.4	9939	4.2
75-79	3246	3.2	4225	3.6	4018	3.4	3310	3.5	8502	3.6
80-84	1912	1.9	2748	2.3	2600	2.2	2110	2.3	5114	2.2
85-89	1042	1.0	1354	1.1	1336	1.1	954	1.0	2425	1.0
90-94	330	0.3	365	0.3	445	0.4	295	0.3	766	0.3
95-99	73	0.1	75	0.1	55	0.0	57	0.1	137	0.1
100 +	10	0.0	25	0.0	4	0.0	6	0.0	14	0.0
All pop'n	102588	100.0	118132	100.0	118026	100.0	93279	100.0	237069	100.0
Pop'n 60 +	20747	20.2	26205	22.2	25946	22.0	21155	22.7	48772	20.6

Source: Census 2001

- 10.5.4 Table 83 illustrates the proportion of total households consisting of pensioner households by tenure. The proportions of owner-occupied pensioner households is highest in Staffordshire Moorlands (19.9% of households), and quite high also in Newcastle-under-Lyme (17.1%) and Stafford (17.0%), but lower in East Staffordshire (16.7%), and strikingly low in Stoke-on-Trent (14.4%). The proportions of social rented pensioner households, on the other hand, is highest in Stoke-on-Trent (7.2%), and lowest in Staffordshire Moorlands (3.2%). The proportions of private rented pensioner households is highest in East Staffordshire (2.1%), but there is not much differentiation between the relatively low figures across the five districts.

Table 83: Pensioner household tenure by district (%)				
Area	Owner-occupied	Social rented	Private rented	Total
East Staffordshire	16.7	4.5	2.0	23.2
Newcastle-under-Lyme	17.1	6.3	1.7	25.2
Stafford	17.0	4.9	1.9	23.7
Staffordshire Moorlands	19.9	3.2	1.7	24.9
Stoke-on-Trent	14.4	7.2	2.1	23.7

Source: Census 2001

- 10.5.5 The proportion of the total household population which consists of single pensioner households is also high and rising, as Table 84 shows. Single pensioner households

represented over 14.0% of the population in four out of five districts. Stoke-on-Trent, according to the Census 2001 data, which under-represents the current growing pensioner population, has the highest proportion of single pensioner households, (15.4% of households), followed by Newcastle-under-Lyme (with 15.3%), Staffordshire Moorlands (14.1%); East Staffordshire (14.0%); and Stafford (13.4%).

Table 84: Single pensioner household tenure by district (%)				
Area	Owner-occupied	Social rented	Private rented	Total
East Staffordshire	8.9	3.4	1.6	14.0
Newcastle-under-Lyme	9.1	4.8	1.4	15.3
Stafford	8.2	3.7	1.5	13.4
Staffordshire Moorlands	10.2	2.5	1.3	14.1
Stoke-on-Trent	8.1	5.5	1.8	15.4

Source: Census 2001

- 10.5.6 It is striking that Stoke-on-Trent, which has only the third highest proportion of pensioner households of the five districts, has the highest proportions of single pensioner households, of social rented pensioner households, and of social rented single pensioner households. Newcastle-under-Lyme also has relatively high proportions of single pensioner households and of social rented single pensioner households. The information on household composition is important in assessing possible housing needs of older people. The number of single pensioner households has implications for types of housing as well as care and support services within each district, as it suggests that the older person may not benefit from care and support within the home from another member of their household if the need arose. Nationally there is a growing trend of an increasing number of older people living alone.
- 10.5.7 Expectations around space have changed, and types of housing-related support required differ from the past because of the expectations for continuing independence and choice. In Stoke-on-Trent, a city with relatively high levels of deprivation, the proportion of social rented single pensioner households has implications for decisions around the quality and the sustainability of the high proportion of local authority bungalow accommodation in terms of space standards, mobility and access requirements, and the balance between category 1, category 2 and extra care/retirement village accommodation.⁸⁰ In other districts, such as Staffordshire Moorlands, there are higher levels of home ownership. Home ownership levels, coupled with increasing numbers of single pensioner households, will

⁸⁰ City of Stoke-on-Trent, Supply and Demand Mapping For Older People's Housing and Accommodation

present challenges for providing growing numbers of older people with equity in their own homes with housing choice.

10.5.8 The projected change of different age cohorts in the population from 2007 - 2027 is detailed in Table 85-Table 88. Comparison with projections for all ages shows the trend for older people to form an increasing proportion of the population. This is particularly noticeable in the older age group aged 75 or over, over the years 2007-2022, as Table 88 shows. In the age group 75-79 a population increase of 63.9% from 2007-2027 is projected in Staffordshire Moorlands, with high proportional figures also in Stafford (63.6%). In the age group 80-84, the highest projected rate of increase is in East Staffordshire (87.5%), and Stafford (87.5%). In the age group 85+, very high rates of increase are projected for Staffordshire Moorlands (104.8%), Stafford (100.0%), and East Staffordshire (95.0%). Long-term increase in all the 60+ age cohorts is projected, although from 2007-2012 a decline in the 75-79 and 80-84 cohorts is projected for Stoke-on-Trent. The largest proportional increase for the first five years, 2007-2012, is projected for the 65-69 cohort (over 25% increase is projected in East Staffordshire, Newcastle-under-Lyme, Stafford), as Table 85 shows.

Table 85: Projected change 2007 - 2012					
Age	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
60 - 64	1.5	1.3	-1.1	1.4	0.7
65 - 69	28.0	27.1	26.9	25.5	22.9
70 - 74	4.4	1.9	16.7	10.9	3.3
75 - 79	5.4	6.8	9.1	11.1	-3.8
80 - 84	16.7	6.2	9.4	7.7	-3.3
85+	15.0	14.8	20.0	19.0	10.6
All ages	3.0	0.8	1.6	0.5	-1.3

Source: ONS 2004 based population changes

Table 86: Projected change 2007 - 2017					
Age	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
60 - 64	3.0	-6.3	-8.0	-8.3	-5.0
65 - 69	30.0	28.8	25.4	27.3	24.8
70 - 74	35.6	29.6	48.1	41.3	28.6
75 - 79	13.5	9.1	27.3	25.0	0.0
80 - 84	29.2	15.6	21.9	23.1	-3.3
85+	35.0	33.3	36.7	42.9	19.1
All ages	5.9	1.5	3.3	1.2	-2.2

Source: ONS 2004 based population changes

Table 87: Projected change 2007 - 2022					
Age	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
60 - 64	18.2	3.8	0.0	0.0	5.0
65 - 69	32.0	20.3	16.4	16.4	18.1
70 - 74	37.8	31.5	48.1	43.5	30.8
75 - 79	48.6	40.9	63.6	61.1	26.6
80 - 84	41.7	25.0	46.9	42.3	5.0
85+	65.0	51.9	63.3	71.4	29.8
All ages	8.7	2.0	4.8	1.7	-2.8

Source: ONS 2004 based population changes

Table 88: Projected change 2007 - 2027					
Age	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
60 - 64	33.3	13.9	9.1	8.3	12.1
65 - 69	52.0	33.9	28.4	27.3	31.4
70 - 74	37.8	22.2	38.9	32.6	25.3
75 - 79	51.4	45.5	63.6	63.9	30.4
80 - 84	87.5	59.4	87.5	84.6	33.3
85+	95.0	74.1	100.0	104.8	46.8
All ages	11.2	2.5	6.0	2.0	-3.3

Source: ONS 2004 based population changes

10.5.9 These figures demonstrate the importance of making sure housing options and appropriate housing for an increasing older population are available. The absolute number of older

people is increasing and the proportion of older people within the population is also increasing.

10.5.10 The proportions of older members of different ethnic groups in the Local Authorities of North Housing Market Area are shown in Table 89, reflecting data from the 2001 Census. The figures show proportions within the different age ranges and genders as proportions of the total numbers for the specific ethnic group. For the most part, the proportions of the BME populations within North Housing Market Area who are older than 60 are lower than the proportions of the British White population older than 60. However, there are exceptions to this. The proportions of Other White males and females over 60 are greater than the proportions of British White males and females over 60, across all five districts of the Housing Market Area. These high proportions may reinforce the suggestion that some minority groups such as the Polish community who are settled in various areas of the Housing Market Area are currently an ageing minority ethnic population.⁸¹ The proportion of Black males between 60-74 is above 8.0% in all districts except Staffordshire Moorlands, a considerably higher proportion than that of the White male group within the same age range. The proportion of Black females aged 60-74 is particularly high in East Staffordshire (12.3%). Whilst overall numbers and proportions for older members of BME groups remain low, the increasing proportions of older BME members will mean that increasingly culture-sensitive attention needs to be paid to their specific accommodation needs and aspirations.

⁸¹ Staffordshire County Council, Ageing with Opportunity in Staffordshire, A Strategy and Actions to improve the quality of life of older people

Table 89: Age by ethnic group (%)								
Area	Age and gender	All %	British White %	Other White %	Mixed %	Asian %	Black %	Other %
East Staffordshire	Male 60-74	6.5	6.7	9.0	0.7	2.5	8.8	4.5
	Male 75+	2.6	2.7	3.9	0.0	0.7	1.9	0.0
	Female 60-74	7.3	7.5	11.9	0.7	1.8	12.3	3.2
	Female 75+	4.4	4.7	4.7	1.7	0.4	1.9	1.9
Newcastle-under-Lyme	Male 60-74	6.8	6.9	7.4	0.5	4.1	8.0	1.1
	Male 75+	2.8	2.8	5.2	0.0	0.9	1.1	0.0
	Female 60-74	7.6	7.7	7.8	0.9	3.0	1.1	2.0
	Female 75+	5.0	5.0	4.8	0.5	1.2	0.0	1.1
Stafford	Male 60-74	7.2	7.3	9.0	0.3	5.4	8.8	1.6
	Male 75+	2.9	2.9	5.1	1.5	0.9	1.9	1.6
	Female 60-74	7.4	7.5	10.7	1.2	3.2	6.7	3.3
	Female 75+	5.0	5.0	6.9	0.6	0.8	2.1	0.0
Staffordshire Moorlands	Male 60-74	7.5	7.5	11.2	3.4	2.9	7.0	0.0
	Male 75+	3.0	3.0	7.8	0.0	1.7	0.0	0.0
	Female 60-74	7.9	7.9	10.5	1.7	5.2	7.0	0.0
	Female 75+	4.8	4.9	5.8	2.6	1.7	0.0	0.0
Stoke-on-Trent	Male 60-74	6.2	6.4	9.3	0.6	2.1	8.0	2.2
	Male 75+	2.8	2.8	6.0	0.4	0.9	1.3	0.7
	Female 60-74	7.1	7.4	10.1	1.2	1.7	5.6	2.3
	Female 75+	4.9	5.1	5.8	0.7	0.8	1.6	1.5

Source: Office for National Statistics

10.5.11 With the growing populations of older people across different generations and different ethnic groups, the housing needs of a person aged 85 and those of a person aged 60 are likely to be very different. The type of accommodation needed may be different and the demand for health and social care services is likely to increase as a person ages.

10.5.12 An important factor is the high proportion of older people in rural areas. With the exception of Stoke-on-Trent, North Housing Market Area is located within Staffordshire, a largely rural county. Staffordshire Moorlands in particular is largely rural, with its increasing proportion of people aged over 65. Census data has shown that, nationally, almost 1 in 3 people in rural areas were aged 55 and over, compared to 1 in 4 people in urban areas. National research has shown that a greater proportion of rural older people were also owner-occupiers.⁸² Key issues for older people in rural areas can include support

⁸² The Housing and support needs of older people in rural areas, 2006, Commission for Rural Communities, Housing Corporation

for older homeowners as many are asset rich but income poor, and there are only patchy support systems to assist them with maintenance and upkeep. Preventative services are crucial for maintaining independence and preventing isolation.

10.5.13 Over the next 20 years the number of older people in rural districts will continue to rise, those in the 60-74 age group increasing by 40% and those over 75 by 60%. These trends have been augmented by the impact of migration, being driven primarily by middle-aged people moving into the countryside and staying there into retirement, while many young people in the 15-24 age group leave rural areas for further education or to find jobs.⁸³

10.5.14 The key preference of older people to stay in their own home requires provision of low level support in order to enable older people to maintain their independence, choice and control.

Stakeholders on Older people

- *In rural areas there is a limited choice of affordable housing. Here it is mainly older people, but for these people there is a lack of choice, no specialist accommodation i.e. sheltered accommodation.*
- *In Stoke-on-Trent there is demand for sheltered housing and there are queues to get in. In Newcastle-under-Lyme the stock for older people is just not fit for purpose - no room for carers to help etc. In the main the stock is not suitable, only bedsits and even here there are no vacancies. In Stafford the sheltered housing has been turned back into stock for general needs because the demand for general needs was so great.*
- *Retirement villages are being proposed as the way forward but the service charges are very expensive. They are selling them for £150,000 to £195,000 per unit, but the developers are resisting including affordable housing. One particular developer is proposing 160 units over 5 years but this is not enough to stop the problem.*
- *There are particular issues around older people living in very poor housing. A large stock of bungalows, with enormous gardens they can not maintain, not meeting their aspirations.*
- *Also the issue of people 50+ looking to downsize, to retire and Stoke-on-Trent has no appropriate stock to meet aspirations.*
- *Need more Lifetime Homes.*

10.5.15 Further consultation with older people is needed to explore the preferred choices of low-level support. The older persons housing market requires a range of choice and housing options with accessible information on the different services and housing provision available. The large proportions of younger older people who are owner-occupiers and live in large properties present challenges in future years and consultations are needed to

⁸³ Delivering for Older People in Rural Areas, A good practice guide, 2005, Age Concern/ Help the aged/Defra/Commission for Rural Communities

explore with them options for older age, for example concerning preferences for property size and tenure options, (taking account of the high proportion of lone pensioners over 75), including private supported or sheltered housing.

10.6 Households with specific needs

- 10.6.1 There is no single source for identifying the unmet needs of those people with special needs that may require housing to be purpose built or specially adapted. This section uses information about people with long-term limiting illness and disabled facilities grants data to provide indicative information about levels of potential need and delivery of adaptations.
- 10.6.2 An indication of the proportions of the household population who may have a requirement for adaptations to their home is shown in Table 90. The data indicates levels of disability, although not all people included here would have required adaptations to their home.
- 10.6.3 The data shows varying levels of households with *at least* one person with Limiting Long-Term Illness across the districts of the North Housing Market Area. Highest levels are for Stoke-on-Trent (42.5%), compared to Newcastle-under-Lyme (38.6%) and Staffordshire Moorlands (36.8%). All these three authorities have an incidence of households with at least one person with Limiting Long-Term Illness above the West Midlands and above England.
- 10.6.4 What is significant is that the distribution of carers does not entirely match the households with at least one person with Limiting Long-Term Illness and more closely reflects the relative “wealth/poverty” of each area. Although only 11.2% of the Stoke-on-Trent population (less than Staffordshire Moorlands and Newcastle-under-Lyme) provide unpaid care, the ratio of households with one person with a Limiting Long-Term Illness to carers is the highest (1.6 households to each carer). At the other end of the spectrum Stafford has the lowest rate of households with at least one person with Limiting Long-Term Illness and the highest rate of carers to households.
- 10.6.5 In other words, Stoke-on-Trent has the highest incidence of households with at least one person with Limiting Long-Term Illness, but the lowest incidence of carers. Since the population will reside in the poorest housing in the Housing Market Area, with the lowest incomes, the fact that people with Limiting Long-Term Illness have lower rates of carer provision will put a greater burden on public and voluntary provision in the area.

Table 90: Limiting Long-Term Illness and carers					
	Households with one or more person with a limiting long-term illness		All people who provide unpaid care		Ratio of carers to households with 1 person with LLTI
	No.	%	No.	%	
East Staffordshire	13,723	32.1	10,354	10.0	1.3
Newcastle-under-Lyme	19,606	38.6	14,111	11.6	1.4
Stafford	16,214	32.4	13,279	11.0	1.2
Staffordshire Moorlands	14,276	36.8	11,359	12.0	1.3
Stoke-on-Trent	43,886	42.5	26,870	11.2	1.6
West Midlands	768,985	35.7	558,421	10.6	1.4
England	6,862,037	33.6	4,877,060	9.9	1.4

Source: Census 2001

- 10.6.6 The numbers of mandatory disabled facilities grants completed and the total expenditure on mandatory grants is shown in Table 91. The table also shows planned expenditure for 2006-2007 and proposed expenditure for 2007-2008. An overall rise in numbers of grants and expenditure is noticeable across the districts between 2004-2005 and 2005-2006.

Table 91: Mandatory Disabled Facilities Grants										
Year	East Staffordshire		Newcastle-under-Lyme		Stafford		Staffordshire Moorlands		Stoke-on-Trent	
	No.	£000	No.	£000	No.	£000	No.	£000	No.	£000
2002-2003	80	336	61	389	73	304	40	271	212	1111
2003-2004	98	586	83	392	45	323	38	346	204	1001
2004-2005	98	575	99	557	56	445	56	358	198	991
2005-2006	80	552	112	548	143	600	78	424	295	1436
2006-2007 (planned)	80	531	110	550	163	686	65	450	150	1300
2007-2008 (proposed)	80	530	110	550	163	686	65	450	190	1400

Source: HSSA Appendix 2006 - Section M1

- 10.6.7 Staffordshire Supporting People Strategy (2005 - 2010) outlines the levels of housing-related support provided to assist people to live independently in appropriate accommodation. Major priorities are: developing work across geographical boundaries; tackling shortage of move-on accommodation, ensuring services are needs led.

- 10.6.8 Those households with special needs members are more likely to be in small households (one or two persons); socially rented housing; and living in unsuitable housing than non-special needs households.
- 10.6.9 To better understand the current housing requirements of people with disabilities, it is recommended that qualitative assessments involving stakeholders and/or service users and further baseline review are undertaken to explore in greater depth some of the issues raised below around need and options for addressing need.

10.7 Black and minority ethnic communities

- 10.7.1 This section looks at the housing needs of people from Black and Minority Ethnic communities. Table 92 to Table 96 show tenure by ethnic group for households within the North Housing Market Area using 2001 Census figures. The figures refer to the household reference person (i.e. head of household) rather than all individuals in the Housing Market Area. Data for owner-occupiers with a mortgage include those in Shared Ownership properties. Tables within the Demographic and Economic chapter provide details of the proportion of individuals from different ethnic groups within the five Local Authorities included in the North West Midlands.
- 10.7.2 East Staffordshire and Stoke-on-Trent tend to have higher proportions of BME households than other Local Authorities within the Housing Market Area, with 3.9% and 3.4% of households respectively (categorised by household reference person) coming from BME groups⁸⁴. As Table 92 shows, in East Staffordshire, households from Mixed groups tend to be over-represented in social and private rented housing, with 20.2% and 30.2% in each tenure respectively. This compares to all households in East Staffordshire, 14.0% of who live in social rented housing and 8.1% in private rented. It should be noted however, that percentages for people from Mixed groups are based on relatively small figures - 129 heads of household in total for East Staffordshire.

⁸⁴ 2001 Census: Office of National Statistics

Table 92: Tenure by ethnic group - East Staffordshire (%)						
Ethnic Group	Tenure					Total
	Own outright	Own with mortgage	Social rented	Private rented	Rent free	
White British	33.4	42.6	14.2	7.7	2.1	100.0
White Irish	35.3	33.5	18.3	8.8	4.3	100.0
White Other	33.3	37.3	8.8	16.9	3.7	100.0
Total White	33.5	42.5	14.2	7.8	2.1	100.0
Mixed White & Black Caribbean	0.0	29.6	37.0	27.8	5.6	100.0
Mixed White & Black African	33.3	0.0	0.0	66.7	0.0	100.0
Mixed White & Asian	19.4	61.3	0.0	19.4	0.0	100.0
Mixed Other	25.7	22.9	17.1	34.3	0.0	100.0
Total Mixed	14.0	33.3	20.2	30.2	2.3	100.0
Indian	23.4	46.9	0.0	29.7	0.0	100.0
Pakistani	36.3	43.5	4.1	14.6	1.5	100.0
Bangladeshi	17.6	64.7	17.6	0.0	0.0	100.0
Other	0.0	55.6	11.1	22.2	11.1	100.0
Total Asian	33.4	44.6	4.0	16.6	1.5	100.0
Black Caribbean	26.6	38.8	25.0	8.6	1.0	100.0
Black African	8.1	32.4	21.6	37.8	0.0	100.0
Black Other	12.5	45.8	41.7	0.0	0.0	100.0
Total Black	23.8	38.6	25.8	11.0	0.8	100.0
Chinese	33.3	36.8	15.8	14.0	0.0	100.0
Other Ethnic Group	23.1	23.1	23.1	11.5	19.2	100.0
Total Chinese or Other	30.1	32.5	18.1	13.3	6.0	100.0
ALL Households	33.3	42.4	14.0	8.1	2.1	100.0

Source: 2001 Census

- 10.7.3 Table 93 shows tenure by ethnic group for Newcastle-under-Lyme, which has 1.2% of its households from BME groups. Households from Asian groups tend to be under-represented in social rented housing, with 4.0% of Asian households overall living in this tenure, compared to 14.0% of all households in the Local Authority area. However, 17.6% of Bangladeshi households live in social rented housing, suggesting that they may have difficulty accessing other tenures. This also appears to be the case with Black Caribbean and Mixed White and Black Caribbean households.

Table 93: Tenure by ethnic group - Newcastle-under-Lyme (%)						
Ethnic group	Tenure					Total
	Own outright	Own with mortgage	Social rented	Private rented	Rent free	
White British	32.8	39.9	19.8	5.3	2.2	100.0
White Irish	32.2	33.7	25.8	6.0	2.2	100.0
White Other	28.6	34.9	17.3	16.7	2.6	100.0
Total White	32.8	39.8	19.8	5.5	2.2	100.0
Mixed White & Black Caribbean	7.1	47.6	38.1	7.1	0.0	100.0
Mixed White & Black African	25.0	25.0	25.0	25.0	0.0	100.0
Mixed White & Asian	15.8	42.1	21.1	21.1	0.0	100.0
Mixed Other	25.0	50.0	12.5	12.5	0.0	100.0
Total Mixed	15.5	44.0	25.9	14.7	0.0	100.0
Indian	27.4	54.8	2.2	15.6	0.0	100.0
Pakistani	28.6	53.1	12.2	6.1	0.0	100.0
Bangladeshi	29.6	37.0	11.1	22.2	0.0	100.0
Other	10.8	60.0	13.8	15.4	0.0	100.0
Total Asian	23.9	54.0	7.6	14.5	0.0	100.0
Black Caribbean	25.0	41.1	23.2	10.7	0.0	100.0
Black African	19.4	41.9	9.7	29.0	0.0	100.0
Black Other	27.3	72.7	0.0	0.0	0.0	100.0
Total Black	23.5	44.9	16.3	15.3	0.0	100.0
Chinese	28.9	49.5	3.1	18.6	0.0	100.0
Other Ethnic Group	14.6	41.7	12.5	25.0	6.3	100.0
Total Chinese or Other	24.1	46.9	6.2	20.7	2.1	100.0
ALL Households	32.6	39.9	19.7	5.6	2.2	100.0

Source: 2001 Census

- 10.7.4 According to the 2001 Census, 2.0% of households in Stafford are from BME groups. Table 94 shows tenure by ethnic group for this Local Authority area. Here, Asian households and in particular those from Indian and Pakistani groups, are over-represented in private rented housing, with 22.7% of Asian households in this tenure, compared to 7.5% of all households. In addition, 29.7% of households from Chinese or Other groups are in this tenure.

Table 94: Tenure by ethnic group - Stafford (%)						
Ethnic group	Tenure					Total
	Own outright	Own with mortgage	Social rented	Private rented	Rent free	
White British	33.4	43.2	14.1	7.1	2.3	100.0
White Irish	35.2	32.2	20.9	8.7	3.0	100.0
White Other	34.6	31.6	9.2	21.4	3.2	100.0
Total White	33.4	42.9	14.1	7.2	2.3	100.0
Mixed White & Black Caribbean	6.3	41.3	28.6	19.0	4.8	100.0
Mixed White & Black African	18.8	43.8	18.8	18.8	0.0	100.0
Mixed White & Asian	17.9	66.7	0.0	7.7	7.7	100.0
Mixed Other	10.4	39.6	18.8	25.0	6.3	100.0
Total Mixed	11.4	47.0	18.1	18.1	5.4	100.0
Indian	23.1	47.0	4.5	23.9	1.6	100.0
Pakistani	29.0	43.5	0.0	27.4	0.0	100.0
Bangladeshi	30.0	70.0	0.0	0.0	0.0	100.0
Other	23.5	50.0	8.8	17.6	0.0	100.0
Total Asian	24.3	47.5	4.4	22.7	1.0	100.0
Black Caribbean	19.2	36.6	33.8	6.1	4.2	100.0
Black African	15.4	30.8	7.7	46.2	0.0	100.0
Black Other	15.8	36.8	31.6	0.0	15.8	100.0
Total Black	18.5	35.8	29.9	11.4	4.4	100.0
Chinese	23.8	40.0	11.3	25.0	0.0	100.0
Other Ethnic Group	15.8	44.7	0.0	39.5	0.0	100.0
Total Chinese or Other	21.2	41.5	7.6	29.7	0.0	100.0
ALL Households	33.2	42.9	14.1	7.5	2.3	100.0

Source: 2001 Census

- 10.7.5 In the North Housing Market Area study area, Staffordshire Moorlands has the lowest percentage of BME households, at 0.6% of all households within the Local Authority. Table 95 shows tenure by ethnic group in Staffordshire Moorlands, with households from Chinese or Other groups over-represented in the private rented sector.

Table 95: Tenure by ethnic group - Staffordshire Moorlands (%)						
Ethnic group	Tenure					Total
	Own outright	Own with mortgage	Social rented	Private rented	Rent free	
White British	41.1	42.5	9.0	5.7	1.8	100.0
White Irish	41.0	33.3	13.5	8.3	3.8	100.0
White Other	40.8	35.0	9.1	12.9	2.3	100.0
Total White	41.1	42.4	9.0	5.7	1.8	100.0
Mixed White & Black Caribbean	34.1	51.2	7.3	7.3	0.0	100.0
Mixed White & Black African	0.0	100.0	0.0	0.0	0.0	100.0
Mixed White & Asian	0.0	60.0	0.0	20.0	20.0	100.0
Mixed Other	33.3	23.8	14.3	14.3	14.3	100.0
Total Mixed	26.3	47.5	7.5	11.3	7.5	100.0
Indian	46.4	53.6	0.0	0.0	0.0	100.0
Pakistani	50.0	50.0	0.0	0.0	0.0	100.0
Bangladeshi	0.0	0.0	0.0	0.0	0.0	0.0
Other	31.3	31.3	18.8	9.4	9.4	100.0
Total Asian	40.3	43.1	8.3	4.2	4.2	100.0
Black Caribbean	12.0	64.0	12.0	0.0	12.0	100.0
Black African	50.0	25.0	0.0	25.0	0.0	100.0
Black Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Black	24.3	51.4	8.1	8.1	8.1	100.0
Chinese	38.9	44.4	0.0	16.7	0.0	100.0
Other Ethnic Group	18.8	50.0	0.0	31.3	0.0	100.0
Total Chinese or Other	29.4	47.1	0.0	23.5	0.0	100.0
ALL Households	41.0	42.4	9.0	5.8	1.8	100.0

Source: 2001 Census

- 10.7.6 According to the 2001 Census, 3.4% of Stoke-on-Trent households are from BME groups. As Table 96 shows, households from Other ethnic groups are over-represented in private rented housing, with 40% of such households in this tenure, compared to 7.5% of households overall.
- 10.7.7 Data from the Commission for Racial Equality suggests that Stoke-on-Trent is much less diverse than other cities in the West Midlands and has a White population that is 'significantly proportionally greater than that of the region as a whole - and in England itself, for that matter'⁸⁵. The only other ethnic group that is over-represented in the city is

⁸⁵ Commission for Racial Equality

Pakistanis, particularly in the Hanley West and Shelton district. Here, 24% of the population is from a BME group, mostly Pakistani and Black Caribbean.

- 10.7.8 A study by De Montfort University showed that Pakistani groups make up 61.5% of the BME population in Stoke-on-Trent and grew by 47% between the 1991 and 2001 Censuses⁸⁶. The BME population is not evenly distributed across the city, but is mainly concentrated around six inner city areas, which between them are home to 35% to 79% of the seven BME groups included in the De Montfort study. Asylum seekers and refugees tend to be concentrated in five areas in the city, mainly in poor quality, low cost housing. In terms of access to social housing, the study found that people from BME groups tend to have longer waiting times for council housing. The average time on the waiting list for applicants from BME groups, at 4.52 months is higher than the average for Stoke-on-Trent, but rises to 7.06 months for those from Asian groups.

⁸⁶ The Housing Needs and Aspirations of Black and Minority Ethnic Communities and Asylum Seeker and Refugee Groups in Stoke-on-Trent, De Montfort University in partnership with the Housing Vision Consultancy, December 2003

Table 96: Tenure by ethnic group - Stoke-on-Trent (%)						
Ethnic group	Own outright	Own with mortgage	Social rented	Private rented	Rent free	Tenure
						Total
White British	28.6	36.9	24.7	7.1	2.8	100.0
White Irish	31.6	24.0	29.4	11.9	3.1	100.0
White Other	35.3	24.6	18.7	16.0	5.4	100.0
Total White	28.7	36.7	24.6	7.2	2.9	100.0
Mixed White & Black Caribbean	6.1	32.0	42.0	14.9	5.0	100.0
Mixed White & Black African	6.4	25.5	34.0	27.7	6.4	100.0
Mixed White & Asian	21.4	34.4	19.1	22.9	2.3	100.0
Mixed Other	14.6	23.2	34.1	20.7	7.3	100.0
Total Mixed	12.2	30.4	32.9	19.7	4.8	100.0
Indian	22.5	37.5	10.5	24.9	4.6	100.0
Pakistani	36.2	37.5	12.7	9.5	4.1	100.0
Bangladeshi	31.0	37.3	19.0	10.6	2.1	100.0
Other	23.8	36.9	18.1	18.8	2.5	100.0
Total Asian	32.6	37.5	13.1	12.9	3.9	100.0
Black Caribbean	18.3	35.7	33.2	11.4	1.4	100.0
Black African	8.5	22.2	28.2	35.0	6.0	100.0
Black Other	22.2	22.2	38.9	12.2	4.4	100.0
Total Black	16.9	30.8	33.1	16.4	2.8	100.0
Chinese	30.9	35.3	5.1	22.8	5.9	100.0
Other Ethnic Group	16.1	22.6	16.8	40.0	4.5	100.0
Total Chinese or Other	23.0	28.5	11.3	32.0	5.2	100.0
ALL Households	28.6	36.6	24.4	7.5	2.9	100.0

Source: 2001 Census

- 10.7.9 In all five Local Authorities within the Housing Market Area, households from Other White, Chinese and Other ethnic groups are over-represented in the private rented sector. For example, in Stafford, 21.4% of households from White Other groups, 25% from Chinese and 31.3% from Other ethnic groups live in private rented accommodation, compared to 7.5% of households from all ethnic groups. This suggests that these groups find it difficult to access other tenures, particularly social rented. It is unclear what proportion of households from White Other and Other groups are Eastern European. The figures for these ethnic groups

may now be higher than suggested in the tables, especially taking into account A8 Nationals⁸⁷, who would not have been included in the 2001 Census.

10.7.10 Table 97 shows the level of overcrowding and lack of central heating for West Midlands households by ethnic group. The data has been compiled from 2001 Census figures by the University of Birmingham Department of Health and Epidemiology. The table can be used as an indicator of housing quality, with overcrowding defined as having at least one room too few for the number of people in the household. The table shows that 27% of Pakistani households in the West Midlands live in a home with no central heating, compared to 7.6% of Chinese households. Over one third of Bangladeshi households (38.4%) are defined as overcrowded according to the 2001 Census, compared to 6% of White households.

Table 97: West Midlands households with overcrowding and no central heating by ethnicity (%)		
Ethnic group	No central heating	Overcrowded
White	9.7	6.0
Mixed White & Black Caribbean	13.3	15.0
Mixed White & Black African	11.9	19.7
Mixed White & Asian	13.1	15.2
Mixed Other	11.0	16.0
Indian	7.7	18.5
Pakistani	27.0	30.0
Bangladeshi	23.6	38.4
Other Asian	13.0	28.7
Black Caribbean	11.3	15.4
Black African	10.2	29.3
Black Other	10.9	20.1
Chinese	7.6	24.8
Other Ethnic Group	10.2	27.9
All households	10.3	7.9

Source: University of Birmingham, Department of Health & Epidemiology

10.7.11 Paragraph 10.5.10 and subsequent Table and paragraphs provide details on the proportions of older members of different ethnic groups in the Local Authorities of the North Housing Market Area and their housing needs.

10.7.12 In terms of housing aspirations, both the De Montfort study of Stoke-on-Trent and a report by the Centre for Urban and Regional Strategy on the West Midlands Housing Strategy⁸⁸

⁸⁷ A8 Nationals –People from countries that joined the EU on 1st May 2005 (excluding Malta and Southern Cyprus). A8 countries are Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia.

illustrate that people from BME groups do not on the whole regard social housing as a tenure of first choice. Issues around social housing included a perception of anti-social behaviour on council estates and long waiting times for council homes⁸⁹ and a preference for owner-occupation. The CURS study, for example found that amongst Indian communities, only 7.5% of respondents wanted to move to social housing, whereas 80% wanted home ownership. It also concluded that on the whole, BME groups consider council and housing association housing to be poor quality and located in unattractive areas. Intermediate tenures are also not considered particularly attractive and many people from BME groups in the study were not aware of this tenure. In terms of tenure aspirations amongst people from BME groups, owner-occupation is the first choice, followed by council housing because of the option of the Right to Buy, followed by housing association accommodation. The conclusions of the West Midlands study are that housing pathways should make it easier for people from BME groups to move away from crowded housing markets in urban areas and that housing associations should market their housing more, especially intermediate tenures.

10.8 Homeless households and those in temporary accommodation

- 10.8.1 Legislation places a responsibility upon Local Authorities to provide housing for individuals or households who are involuntarily homeless and in priority need.
- 10.8.2 Data on the number of homeless households and those in priority need from the Housing Strategy Statistical Appendix 2006⁹⁰ and the P1E quarterly return for the financial year 2006/07 is presented in Table 98, Table 99 and Table 100. Overall households accepted as homeless and in priority need dropped in 2005/6 and again in 2006/07 across the Housing Market Area.

⁸⁸ Report on the West Midlands Housing Strategy: Black and Minority Ethnic Communities Synthesis, CURS, University of Birmingham, March 2005

⁸⁹ The Housing Needs and Aspirations of Black and Minority Ethnic Communities and Asylum Seeker and Refugee Groups in Stoke-on-Trent, De Montfort University in partnership with the Housing Vision Consultancy, December 2003

⁹⁰ Each local authority completes P1E quarterly returns on homelessness, which are later in filled into the HSSA annual returns centrally by CLG. Summaries of homelessness statistics can be viewed from the CLG website in Live Table 627.

Table 98: Households accepted as homeless and in priority need							
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	North Housing Market Area	West Midlands
2002/3	151	200	152	163	444	1110	14962
2003/4	144	186	235	195	766	1526	15780
2004/5	148	160	248	200	855	1611	14125
2005/6	73	198	253	184	548	1256	11960
2006/7	82	98	219	59	469	927	8740

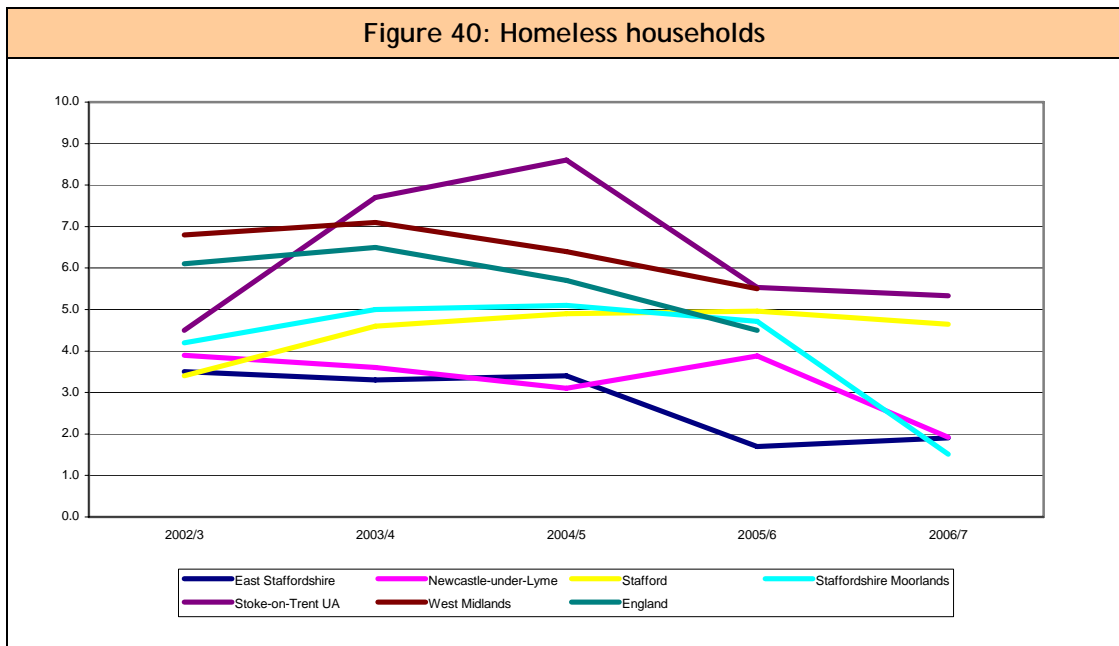
Source: CLG Live Table 627 for years 2002/03 to 2005/06 and P1E quarterly returns 2006/07: Households dealt with under the homelessness provisions of the 1996 Housing Act

- 10.8.3 Use of temporary accommodation in the Housing Market Area dropped significantly in all areas in 2006 (see Table 99). The figures for 2007 are similar to 2006 with a slight increase in the number of households in temporary accommodation at 31st March.

Table 99: Homeless households in temporary accommodation							
31 st March	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent	North Housing Market Area	West Midlands
2003	8	16	36	43	69	172	3028
2004	2	13	90	59	231	395	4352
2005	2	17	83	89	119	310	4355
2006	3	9	0	58	85	155	2840
2007	4	15	0	20	21	60	1620

Source: CLG Live Table 627 for years 2003 to 2006 and P1E quarterly returns 2006/07: Households dealt with under the homelessness provisions of the 1996 Housing Act (Figures include homeless at home)

- 10.8.4 Figure 40 presents the trend in the rate of homeless households (number per 1000 households) across the five North Housing Market Area local authorities.



Source: DCLG Live Table 627 and P1E quarterly returns for April 2006 to March 2007

- 10.8.5 Figure 40 shows the rates of homeless households and the trends to vary between different authorities in the North Housing Market Area. The rate of homelessness almost doubled in Stoke-on-Trent from 2002/3 to 2004/5, before falling again in 2005/6 to be in line with the West Midlands average.

Stakeholders on Homelessness

- *Problems of housing the homeless are getting greater as no one wants to rent to homeless people.*
- *Although figures indicate homelessness as falling it is still an increasing problem. This is due to a lack of facilities in particular Move On accommodation; they are housed in temporary accommodation but nowhere for them to go after this*
- *North Housing Market Area is inheriting problems from East Midlands and surrounding areas.*
- *Solution is to prevent homelessness by keeping people in their homes and tenancies. In Stoke-on-Trent there is a Homeless Prevention Team. There is more intervention to prevent people from not having a roof over their heads.*
- *In Staffordshire Moorlands there are a lot of families with children unable to purchase housing and living with parents. They are not presenting as homeless as they know there are large waiting lists for social housing and therefore there is no point. There are no voids for people to move into, as people just do not leave their properties.*

- 10.8.6 Information recorded on the HSSA for 2007, shows a drop in the number of dwellings let to homeless households across the Housing Market Area, with the exception of East Staffordshire.

Table 100: Dwellings let to homeless households							
	East Staffordshire	Newcastle- under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on- Trent	North Housing Market Area	West Midlands
2002/3	73	111	56	0	247	487	9110
2003/4	65	126	128	84	476	879	10589
2004/5	85	139	153	66	628	1071	9802
2005/6	42	164	179	91	461	937	8122
2006/7	72	95	170	42	436	787	N/A

Source: HSSA 2007 (Section E 6A + 7A)

11 DEMAND FOR SOCIAL HOUSING

11.1 Introduction

- 11.1.1 The following analysis looks at data from the housing registers of each of the five local authority areas in the North Housing Market Area. Because of differences in the type of information recorded and in management practices the analysis is not directly comparable between areas. The aim of the chapter is to look at the households on the waiting lists in each area by the length of time on the register, the household characteristics of applicants and the requirement for social housing by size and type if known.
- 11.1.2 Across the North Housing Market Area, the housing register data indicates a similar profile of social housing applicants between transfer and new applicants. Generally transfer applicants have greater proportions of older households and larger households looking for larger properties. New applicants are younger by contrast and have a much greater requirement for single bed accommodation.

Stakeholders on Housing registers

- *In Stafford the housing register looks like it is decreasing. It is not clear as to whether this is due to change in law, need being met or waste applicants.*
- *If need is not being met and social housing lets are declining, how can homelessness be declining? Are they accessing private sector?*
- *In Stoke-on-Trent there are waiting lists and a steady number of new applicants but can not house as many.*
- *The demand for social housing is changing with people remaining in their properties longer, tenancies lasting longer so turnover has reduced. Homelessness has reduced through preventative interventions: the homelessness service helping people to stay where they are.*
- *In Newcastle-under-Lyme they have had a clean up of the housing register now down to 2,400 applicants. The problem with the register is that it is one-dimensional with regards to housing need. It does not indicate the type of tenure and property needed. They need it to look at other dynamics, need the intelligence from a breakdown of the registers.*
- *There is a large demand as a result of choice based lettings; aspirations have been raised. People want more.*

11.2 East Staffordshire

- 11.2.1 In the financial year April 2006 to March 2007, according to information supplied by Trent and Dove Housing Association on behalf of East Staffordshire Borough Council there were

830 applications made for social housing that remain active applications as at July 2007, 76 were currently living in social housing and 754 were from non-social housing. This dataset does not indicate how many applications were made that resulted in an outcome removing them from the list.

- 11.2.2 The length of time applicants have been on the housing register is shown in Table 101. 19.0% of transfer applicants have been on the list for more than three years, compared with 10.3% of new applicants.

Table 101: East Staffordshire applicants by length of time on register				
Time on register	Social housing applicants		New tenancy applicants	
	Number	Percent	Number	Percent
<1 month	9	4.3	64	4.1
2-3 months	12	5.7	207	13.2
3-6 months	17	8.1	162	10.3
6-12 months	38	18.2	321	20.5
1-2 years	63	30.1	472	30.1
2-3 years	30	14.4	180	11.5
3-4 years	23	11.0	82	5.2
4-5 years	7	3.3	34	2.2
5-6 years	7	3.3	11	0.7
>6 years	3	1.4	35	2.2
Total	209	100.0	1568	100.0

Source: East Staffordshire Trent & Dove internal data - as at July 2007

- 11.2.3 Table 102 and Table 103 show a breakdown of existing social housing applicants and new applicants by household size and age composition. As with other areas, older applicants are more dominant amongst transfer applicants than new applicants, 10.2% compared with 6.6%. The proportion of single person and two person households is very similar for both applicant groups, but the proportion of older single person households is much lower amongst new applicants, 10.5% compared with 37.0%.

Table 102: East Staffordshire existing tenant applicant household composition								
Total number in household	Total households by type							
	With children 0-15	Row %	With adults 16-64	Row %	With adults 65+	Row %	Total	Col %
One	0	0.0	58	63.0	34	37.0	92	32.7
Two	14	23.7	39	66.1	6	10.2	59	21.0
Three	22	44.0	28	56.0	0	0.0	50	17.8
Four	21	47.7	22	50.0	1	2.3	44	15.7
Five	14	50.0	14	50.0	0	0.0	28	10.0
Six	4	50.0	4	50.0	0	0.0	8	2.8
Total	75	26.7	165	58.7	41	14.6	281	100.0

Source: East Staffordshire Trent & Dove internal data - as at July 2007

Table 103: East Staffordshire new applicant household composition								
Total number in household	Total households by type							
	With children 0-15	Row %	With adults 16-64	Row %	With adults 65+	Row %	Total	Col %
One	0	0.0	613	89.5	72	10.5	685	33.5
Two	157	26.4	382	64.3	55	9.3	594	29.1
Three	201	45.7	237	53.9	2	0.5	440	21.5
Four	85	46.2	97	52.7	2	1.1	184	9.0
Five	43	47.3	47	51.6	1	1.1	91	4.5
Six	15	46.9	16	50.0	1	3.1	32	1.6
Seven	6	50.0	6	50.0	0	0.0	12	0.6
Eight	2	40.0	2	40.0	1	20.0	5	0.2
Total	509	24.9	1400	68.5	134	6.6	2043	100.0

Source: East Staffordshire Trent & Dove internal data - as at July 2007

11.2.4 Applicants preferred property type and size requirements are shown in Table 104 and Table 105. Transfer applicants have a greater requirement for three plus bedroom accommodation than new applicants, reflecting the different age and household composition. However there are far fewer transfer applicants than new applicants and so the number requiring three plus bedroom accommodation is only 49 compared with 203 amongst new applicants.

Table 104: East Staffordshire existing social housing applicant demand								
	Bedrooms required							
	One		Two		Three		Four or more	
Property type preferred	No.	Table %	No.	Table %	No.	Table %	No.	Table %
No type specified	15	7.2	9	4.3	5	2.4	2	1.0
Bungalow	38	18.2	3	1.4	0	0.0	0	0.0
Flat	0	0.0	0	0.0	0	0.0	0	0.0
Ground floor flat	28	13.4	9	4.3	4	1.9	0	0.0
House	1	0.5	37	17.7	30	14.4	6	2.9
Maisonette	2	1.0	1	0.5	0	0.0	0	0.0
Upper floor flat	15	7.2	2	1.0	2	1.0	0	0.0
Total	99	47.4	61	29.2	41	19.6	8	3.8

Source: East Staffordshire Trent & Dove internal data - as at July 2007

Table 105: East Staffordshire new housing applicant demand								
	Bedrooms required							
	One		Two		Three		Four or more	
Property type preferred	No.	Table %	No.	Table %	No.	Table %	No.	Table %
No type specified	208	13.3	75	4.8	29	1.8	3	0.2
Bungalow	96	6.1	11	0.7	0	0.0	1	0.1
Flat	18	1.1	6	0.4	0	0.0	0	0.0
Ground floor flat	217	13.8	132	8.4	12	0.8	0	0.0
House	17	1.1	301	19.2	123	7.8	31	2.0
Maisonette	25	1.6	11	0.7	1	0.1	0	0.0
Upper floor flat	219	14.0	26	1.7	2	0.1	1	0.1
Total	800	51.0	562	35.8	167	10.7	36	2.3

Source: East Staffordshire Trent & Dove internal data - as at July 2007

11.3 Newcastle-under-Lyme

11.3.1 In 2006 according to information supplied by Newcastle-under-Lyme⁹¹, there were 1,176 applications made for social housing that remain active applications as at 8th August 2007, 208 of which were transfers and 968 were from the waiting list. This dataset does not indicate how many applications were made that resulted in an outcome removing them from the list. The following analysis looks at all active applications as at 08/08/07.

11.3.2 The length of time applicants have been on the housing register is shown in Table 106. There do not appear to be significant differences between transfer applicants and waiting

⁹¹ Excel download BDV0003 – Housing Demand Final – housing applicants as at 08/08/07

list applicants, although 12.7% of transfer applicants have been on the list for more than three years, compared with 7.5% of waiting list applicants.

Table 106: Newcastle-under-Lyme applicants by length of time on register				
Time on register	Transfer applicants		Waiting list applicants	
	Number	Percent	Number	Percent
Less than 6 months	153	25.6%	672	26.6%
6 months to 1 year	108	18.1%	546	21.6%
1 to 1.5 years	110	18.4%	471	18.6%
1.5 to 2 years	77	12.9%	392	15.5%
2 to 2.5 years	58	9.7%	211	8.3%
2.5 to 3 years	15	2.5%	50	2.0%
3.5 to 4 years	16	2.7%	32	1.3%
4 to 4.5 years	8	1.3%	27	1.1%
4.5 to 5 years	13	2.2%	40	1.6%
5 to 6 years	11	1.8%	22	0.9%
6 to 7 years	7	1.2%	17	0.7%
Over 7 years	21	3.5%	48	1.9%
Total	597	100.0%	2528	100.0%

Source: Newcastle-Under-Lyme internal data - BDV0003 - Housing Demand Final as at 08/08/07

- 11.3.3 Table 107 and Table 108 show a breakdown of housing register applicants by household type and age of the main applicant. Transfer applicants tend to be older than the main waiting list applicants, with 16.9% of transfer applicants being under 26 compared with 31.1% of waiting list applicants. 14.2% of transfer applicants were aged over 65 compared with 10.2% of waiting list applicants.
- 11.3.4 Of the transfer group, 23.9% of applicants were from single person households, 14.4% from single pensioner households. Single person households amongst waiting list applicants were more dominant at 40.8%, but the majority of these were younger single people with just 8.7% being single pensioner households. 54.9% of transfer applicants were made up of families and expectant households, compared with 39.8% of waiting list applicants.

Table 107: Transfer applicants by household type and age group of main applicant									
Applicant household type	Transfer applicant age group (table percentage)								
	Under 26	26 to 35	36 to 45	46 to 55	56 to 65	66 to 75	76 to 85	86 plus	Total
Adult household	0.0	0.5	0.5	1.2	0.2	0.0	0.0	0.0	2.4
Couple	0.7	0.5	0.3	0.8	0.0	0.0	0.0	0.2	2.5
Eligible for bungalow	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.2
Expectant couple	1.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0	1.9
Expectant single	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Family 1 child	6.1	6.8	4.2	1.2	0.5	0.0	0.0	0.0	18.8
Family 2 child ds	2.0	4.9	2.2	0.7	0.2	0.0	0.0	0.0	10.0
Family 2 child ss	2.5	5.1	2.0	0.8	0.5	0.0	0.0	0.0	11.0
Family 3 child ds	0.7	3.7	1.5	0.5	0.0	0.0	0.0	0.0	6.4
Family 3 child ss	0.0	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.7
Family 4+ child	0.3	1.9	2.4	0.2	0.3	0.0	0.0	0.0	5.1
Medical couple	0.0	0.2	0.3	0.5	0.0	0.0	0.0	0.0	1.0
Medical family	0.0	0.3	0.3	0.7	0.3	0.0	0.0	0.0	1.7
Medical single	0.2	0.5	0.7	0.8	0.3	0.5	0.2	0.0	3.2
Pensioner couple	0.3	0.0	0.2	0.2	4.1	2.9	0.7	0.0	8.3
Pensioner single	0.8	0.0	0.0	0.3	4.1	5.4	2.7	1.0	14.4
Pensioner(s) +1	0.0	0.0	0.2	0.0	1.2	0.5	0.2	0.0	2.0
Pensioner(s) +2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.2
Single person	1.0	3.2	2.5	2.7	0.0	0.0	0.0	0.0	9.5
Total	16.9	28.5	17.6	10.8	12.0	9.3	3.7	1.2	100.0

Source: Newcastle-Under-Lyme internal data - BDV0003 - Housing Demand Final as at 08/08/07

Table 108: Waiting list applicants by household type and age group of main applicant									
Applicant household type	Waiting list applicant age group (table percentage)								
	Under 26	26 to 35	36 to 45	46 to 55	56 to 65	66 to 75	76 to 85	86 plus	Total
Adult household	1.1	0.6	0.5	1.1	0.1	0.0	0.0	0.0	3.4
Couple	3.2	1.6	0.7	0.6	0.2	0.0	0.0	0.0	6.3
Eligible for bungalow	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expectant couple	1.9	0.8	0.1	0.0	0.0	0.0	0.0	0.0	2.9
Expectant single	1.4	0.3	0.0	0.0	0.0	0.0	0.0	0.0	1.7
Family 1 child	7.9	5.9	2.4	1.2	0.2	0.0	0.0	0.0	17.6
Family 2 child ds	0.8	2.4	1.8	0.4	0.1	0.0	0.0	0.0	5.5
Family 2 child ss	0.8	1.7	1.9	0.7	0.0	0.0	0.0	0.0	5.1
Family 3 child ds	0.3	1.6	1.4	0.4	0.0	0.0	0.0	0.0	3.7
Family 3 child ss	0.1	0.6	0.6	0.0	0.0	0.0	0.0	0.0	1.3
Family 4+ child	0.1	0.6	1.1	0.1	0.0	0.0	0.0	0.0	2.0
Medical couple	0.0	0.1	0.0	0.2	0.1	0.1	0.0	0.0	0.5
Medical family	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	1.0
Medical single	0.2	0.3	0.2	0.7	0.0	0.0	0.0	0.0	1.4
Pensioner couple	0.1	0.0	0.0	0.3	2.1	2.1	1.2	0.1	5.9
Pensioner single	0.0	0.0	0.0	0.2	2.7	2.9	2.1	0.8	8.7
Pensioner(s) +1	0.0	0.0	0.0	0.1	0.3	0.2	0.1	0.0	0.8
Pensioner(s) +2	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.2
Single person	13.2	7.6	6.5	4.1	0.5	0.1	0.0	0.1	32.1
Total	31.1	24.3	17.4	10.4	6.6	5.8	3.4	1.0	100.0

Source: Newcastle-Under-Lyme internal data - BDV0003 - Housing Demand Final as at 08/08/07

11.3.5 Table 109 and Table 110 show the required property size and preferred accommodation type of housing register applicants. Applicants on the Newcastle-under-Lyme register can state a preference for more than one type of property. This makes it difficult to estimate the actual requirement for houses, bungalows or flats. For the 596 transfer applicants presented in Table 109, 955 preferences were recorded, an average of 1.6 per applicant. However, because only one bedroom size is recorded per applicant household, it can be stated with a fair degree of confidence that as Table 109 shows, just over two thirds of households are looking for one and two bedroom properties and just under a third are looking for larger three plus bedroom properties. 7.6% of transfer applicants require four or more bedroom accommodation. This reflects the household types represented in Table 107 above.

Table 109: Newcastle-under-Lyme transfer applicants demand								
	Bedrooms required							
	One		Two		Three		Four or more	
Property type preferred	Number	Row %	Number	Row %	Number	Row %	Number	Row %
House	12	3.6%	135	40.1%	145	43.0%	45	13.4%
Bungalow	82	53.6%	54	35.3%	11	7.2%	6	3.9%
Maisonette	7	13.0%	27	50.0%	14	25.9%	6	11.1%
Ground Flat	52	43.7%	48	40.3%	13	10.9%	6	5.0%
Upper flat	69	48.9%	51	36.2%	15	10.6%	6	4.3%
Warden B	47	53.4%	24	27.3%	11	12.5%	6	6.8%
Warden F	29	46.0%	17	27.0%	11	17.5%	6	9.5%
Total	192	32.2%	212	35.6%	147	24.7%	45	7.6%

Source: Newcastle-Under-Lyme internal data - BDV0003 - Housing Demand Final as at 08/08/07

11.3.6 Table 110 presents the preferences for 2,525 waiting list applicants who recorded 4,048 different property types, an average of 1.6 per applicant. In contrast to the size requirements of transfer list applicants, just over half required single bedroom accommodation and the proportion looking for three plus bedroom property was just 16.5%. Again this reflects the difference in household types represented in Table 108 above.

Table 110: Newcastle-under-Lyme waiting list applicants demand								
	Bedrooms required							
	One		Two		Three		Four or more	
Property type preferred	Number	Row %	Number	Row %	Number	Row %	Number	Row %
House	79	7.5%	587	55.5%	276	26.1%	115	10.9%
Bungalow	344	70.5%	118	24.2%	21	4.3%	5	1.0%
Maisonette	86	26.9%	187	58.4%	42	13.1%	5	1.6%
Ground Flat	226	60.9%	115	31.0%	25	6.7%	5	1.3%
Upper flat	945	70.9%	314	23.6%	68	5.1%	5	0.4%
Warden B	178	67.4%	61	23.1%	20	7.6%	5	1.9%
Warden F	136	63.0%	55	25.5%	20	9.3%	5	2.3%
Total	1276	50.5%	830	32.9%	304	12.0%	115	4.5%

Source: Newcastle-Under-Lyme internal data - BDV0003 - Housing Demand Final as at 08/08/07

11.4 Stafford

11.4.1 The following analysis looks at applicants on the waiting list held by Stafford Borough Council as active applications November 2007. Applicants are split by whether they are an existing social housing tenant looking for a transfer and new applicants and also by sheltered housing applicants both transfer and new. There is an overlap between applicants on the Sheltered Housing waiting list and those on the housing waiting list. Every effort has been made to exclude duplicate applicants from the lists.

11.4.2 In terms of the length of time applicants have been registered on the waiting lists, 19.2% of transfer applicants have been on the list from before the 2004/05 year, compared with 7.3% of those on the waiting list, 11.7% of sheltered transfer applicants and 19.4% of new sheltered housing applicants.

Table 111: Stafford housing applicants by year of application								
Year of application	Transfer list		Waiting list		Sheltered transfer list		Sheltered waiting list	
Pre 2000-01	12	3.3	20	1.5	5	4.2	30	10.0
2000-01	4	1.1	7	0.5	3	2.5	2	0.7
2001-02	15	4.1	13	1.0	1	0.8	3	1.0
2002-03	13	3.6	26	2.0	3	2.5	12	4.0
2003-04	26	7.1	30	2.3	2	1.7	11	3.7
2004-05	58	15.9	72	5.5	8	6.7	22	7.4
2005-06	98	26.8	147	11.1	18	15.1	32	10.7
2006-07	83	22.7	497	37.7	36	30.3	82	27.4
2007-08	56	15.3	508	38.5	43	36.1	105	35.1
Total	365	100.0	1320	100.0	119	100.0	299	100.0

Source: Stafford BC internal data - as at November 2007

11.4.3 A breakdown of household type by waiting list type is shown in Table 112. Families dominate the transfer list and single person households represent 39.6% of new applicants to the waiting list. In terms of sheltered housing applicants, those looking to transfer are more likely to be single person households than new sheltered housing applicants.

Table 112: Stafford housing applicants by household type								
Household type	Transfer list		Waiting list		Sheltered transfer list		Sheltered waiting list	
	Couple, no others, min 1 bed	32	8.8	106	8.0	28	23.5	101
Family, 1 other, min 2bed	93	25.5	385	29.2	1	0.8	3	1.0
Family, 2 others, min 2 bed	19	5.2	37	2.8	0	0.0	0	0.0
Family, 2 others, min 3 bed	78	21.4	154	11.7	0	0.0	0	0.0
Family, 3 others, min 3 bed	44	12	73	5.5	0	0.0	0	0.0
Family, 3 others, min 4 bed	7	1.9	13	1.0	0	0.0	0	0.0
Family, 4 others, min 3 bed	5	1.4	8	0.6	0	0.0	0	0.0
Family, 4 others, min 4 bed	7	1.9	13	1.0	0	0.0	0	0.0
Family, 5 others, min 4 bed	9	2.5	7	0.5	0	0.0	0	0.0
Single, no others, min 1 bed	71	19.5	523	39.6	89	74.8	193	64.5
Total	365	100.0	1320	100.0	119	100.0	299	100.0

Source: Stafford BC internal data - as at November 2007

- 11.4.4 The age group of the main applicant on each register list is shown in Table 113. Generally transfer applicants have an older profile compared to new applicants. 29.5% (390) waiting list applicants are aged under 25, and over half are aged under 35.

Table 113: Stafford housing applicants by age group								
Age group of main applicant	Transfer list		Waiting list		Sheltered transfer list		Sheltered waiting list	
	Under 25	69	19.0	390	29.5	0	0.0	0
26 to 35	126	34.6	351	26.6	0	0.0	0	0.0
36 to 45	81	22.3	320	24.2	0	0.0	0	0.0
46 to 55	50	13.7	172	13.0	3	2.5	11	3.7
56 to 65	25	6.9	64	4.8	23	19.5	85	28.4
66 to 75	7	1.9	18	1.4	36	30.5	93	31.1
76 to 85	5	1.4	4	0.3	45	38.1	80	26.8
Over 85	1	0.3	1	0.1	11	9.3	30	10.0
Total	364	100.0	1320	100.0	118	100.0	299	100.0

Source: Stafford BC internal data - as at November 2007

- 11.4.5 The required size of accommodation for each applicant list is shown in Table 114. The requirement for single bed property is greatest amongst sheltered housing applicants and new applicants. 41.6% of transfer applicants are looking for three plus bedrooms, compared with 21.1% of new applicants. Applicants on the Stafford waiting lists are able to indicate multiple property types that they are interested in and it is not possible to assess the requirement by size and property type from the available data.

Table 114: Stafford housing applicants demand - type and size								
Housing register list	Bedrooms required							
	One		Two		Three		Four or more	
	No.	Row %	No.	Row %	No.	Row %	No.	Row %
Transfer list	90	24.7	123	33.7	130	35.6	22	6.0
Waiting list	599	45.4	442	33.5	245	18.6	33	2.5
Sheltered transfer list	102	85.7	17	14.3	0	0.0	0	0.0
Sheltered waiting list	228	76.8	69	23.2	0	0.0	0	0.0
Total	1019	48.5	651	31.0	375	17.9	55	2.6

Source: Stafford BC internal data - as at November 2007

11.5 Staffordshire Moorlands

11.5.1 Details from two housing register lists have been joined together for this analysis, Staffordshire Moorlands District Council housing register and Moorlands Housing register. There is an element of duplication between the two registers and every effort has been made to remove duplicate records as far as the information provided allowed.

11.5.2 Proportionally more existing social housing tenants are found among applicants that have been on the lists prior to 2004-05, 27.0% compared with 17.0% of new applicants. Roughly a third of the applicants that were active on the register at the end of the 2006-07 year were registered on the lists during the year.

Table 115: Staffordshire Moorlands applicants by year of application				
Year application made	Social housing applicants		New tenancy applicants	
	Number	Percent	Number	Percent
Pre 2000-01	37	6.2	84	3.7
2000_01	10	1.7	36	1.6
2001_02	29	4.9	42	1.9
2002_03	33	5.6	54	2.4
2003_04	51	8.6	167	7.4
2004_05	82	13.8	312	13.8
2005_06	163	27.5	721	31.9
2006_07	178	30.0	775	34.2
2007_08	10	1.7	72	3.2
Total	593	100.0	2263	100.0

Source: Staffordshire Moorlands DC register and Moorlands Housing waiting list combined - as at August 2007

11.5.3 The age breakdown of applicants is shown in Table 116. Age was not available for the Moorlands Housing waiting list data. 10.8% of existing social housing applicants were aged

under 25 compared with 24.6% of new applicants. The number of applicants aged under 25 is high, 478 altogether out of 2,856. 12.1% of existing social housing applicants were aged over 65 compared with 6.9% of new applicants.

Table 116: Staffordshire Moorlands applicants by age group				
Age group of main applicant	Social housing applicants		New tenancy applicants	
	Number	Percent	Number	Percent
No age details available	149	-	514	-
16 to 17	5	1.1	53	3.0
18 to 24	43	9.7	377	21.6
25 to 44	141	31.8	640	36.6
45 to 59	135	30.4	423	24.2
60 to 64	66	14.9	135	7.7
65 to 74	29	6.5	77	4.4
75 and above	25	5.6	44	2.5
Total	593	100.0	2263	100.0

Source: Staffordshire Moorlands DC register and Moorlands Housing waiting list combined - as at August 2007

- 11.5.4 A breakdown of type and size requirements is shown in Table 117 and Table 118. The main requirement amongst existing social housing tenants is for one-bed bungalows and two and three bed houses. Amongst new applicants the over half are looking for single bed accommodation and almost a third are interested in flats.

Table 117: Staffordshire Moorlands existing social housing applicants demand								
Property type preferred	Bedrooms required							
	One		Two		Three		Four or more	
	No.	Table %	No.	Table %	No.	Table %	No.	Table %
Bedsit	2	0.3	0	0.0	0	0.0	0	0.0
Bungalow	159	27.0	21	3.6	0	0.0	0	0.0
Flat	90	15.3	28	4.8	4	0.7	0	0.0
House	5	0.9	129	21.9	139	23.6	11	1.9
Total	258	43.9	178	30.3	143	24.3	11	1.9

Source: Staffordshire Moorlands DC register and Moorlands Housing waiting list combined - as at August 2007

Table 118: Staffordshire Moorlands new applicants demand								
	Bedrooms required							
	One		Two		Three		Four or more	
Property type preferred	No.	Table %	No.	Table %	No.	Table %	No.	Table %
Bedsit	10	0.5	0	0.0	0	0.0	0	0.0
Bungalow	391	17.8	43	2.0	1	0.0	0	0.0
Flat	686	31.2	103	4.7	9	0.4	0	0.0
House	56	2.5	625	28.4	260	11.8	14	0.6
Total	1143	52.0	771	35.1	270	12.3	14	0.6

Source: Staffordshire Moorlands DC register and Moorlands Housing waiting list combined - as at August 2007

11.6 Stoke-on-Trent

11.6.1 Salford Housing and Urban Studies Unit produced a discussion paper on council housing demand in May 2007⁹². Rather than repeat much of this analysis it would be more efficient to refer to the main findings of this work and to focus the analysis here on household types and size requirements.

11.6.2 The discussion paper main findings are that:

Over the last five years the council's housing stock has fallen by more than ten percent, mostly as a result of the Right to Buy. This reduction in stock numbers has been accompanied by a reduction in the vacancy rate, which has fallen from 2.14% to 1.33% over the same period.

The performance of the housing stock is highly differentiated by tenure in the City of Stoke-on-Trent. The vacancy rate in the private sector was 6.7% in 2006, compared to 2.4% for Housing Associations and 1.3% for council housing.

There is some evidence that demand has increased for housing in the Private Sector as a result of economic migrants and international migration. This increase in demand has prevented the vacancy rate from rising in the private sector, a situation, which would have occurred because of additions to supply from a vibrant new build market.

Conversely, there is no evidence that demand for council housing increased over the last five years. Data held by the council shows that the numbers registering for council housing has remained relatively stable year on year.

Despite there being little evidence to suggest increasing demand for council housing, over the period 2002/03 - 2006/07 the waiting list increased by 250%. The main reason for this increase was a decrease in the supply of council housing relets which fell from 2060 in 2002/03 to 1146 in 2006/07.

This increase in the waiting list has meant that the notional average waiting time for an applicant to be housed is now 4.4 years. There is some evidence to suggest that some people will remain on the waiting list rather than seek alternative options in the private rented sector (a sector which is growing within the city).

One reason why some people may choose to stay on the waiting list is because of the highly

⁹² The Demand for Council Housing in Stoke-on-Trent – a discussion paper, Salford Housing and Urban Studies Unit, May 2007

localised housing markets in Stoke-on-Trent. Analysis of lettings suggests that more than 80% of council lettings in the ST3 and ST6 postcodes are made to people who already live within the same postcode. This highly localised pattern of movement appears to apply to all tenures. Analysis of the 2001 census suggests that four micro markets exist within the city.

The north (ST6) and south (ST3) of the city have fewer options to rent than the core of the conurbation. The existence of small micro markets and differences in housing choice available within each of them suggests that allocations and housing strategy generally will need to be more place sensitive in future.

This research concludes by making suggestions for amendments to the City Council's Housing Application Form, highlighting a need to be able to assess the different categories of housing need, which exist in the area. Additionally there is a need to assess how people access housing opportunities while they are searching for accommodation, while the ability to measure housing demand and supply at a more local level is essential if the City Council's Housing Strategy is to be effective in meeting need in future.

11.6.3 In the financial year April 2006 to March 2007, according to information supplied by Stoke-on-Trent City Council there were 3,278 applications made for social housing that remain active applications as at 13th April 2007, 19 of which were homeless applicants, 900 were transfers and 2,368 were from the waiting list. This dataset does not indicate how many applications were made that resulted in an outcome removing them from the list.

11.6.4 The length of time applicants have been on the housing register is shown in Table 119. 15.3% of transfer applicants have been on the list for more than three years, compared with 9.5% of waiting list applicants.

Table 119: Stoke-on-Trent applicants by length of time on register						
Time on register	Homeless applicants		Transfer applicants		Waiting list applicants	
	Number	Percent	Number	Percent	Number	Percent
<1 month	18	94.7	110	4.8	598	9.7
2-3 months	1	5.3	209	9.1	485	7.9
3-6 months	0	0.0	163	7.1	391	6.4
6-12 months	0	0.0	418	18.2	898	14.6
1-2 years	0	0.0	572	24.9	1838	29.9
2-3 years	0	0.0	474	20.7	1353	22.0
3-4 years	0	0.0	244	10.6	416	6.8
4-5 years	0	0.0	75	3.3	133	2.2
5-6 years	0	0.0	15	0.7	25	0.4
>6 years	0	0.0	15	0.7	4	0.1
Total	19	100.0	2295	100.0	6141	100.0

Source: Stoke-on-Trent internal data - as at 13/04/07

11.6.5 Table 120 and Table 121 show a breakdown of transfer and waiting list applicants by household type and ethnic group. 22.2% of transfer applicants were elderly households

compared with 14.2% of waiting list applicants. 24.6% of transfer applicants were single person households compared with 45.6% of waiting list applicants. 51.8% of transfer applicants were families, compared with just 36.5% of waiting list applicants.

11.6.6 In terms of ethnicity, roughly a fifth of records had unusable codes, but of those that did record ethnicity information, there are proportionally fewer transfer applicants from ethnic groups than apparent amongst waiting list applicants. 4.4% of transfer applicants were of a non-white ethnic group compared with 13.9% of waiting list applicants.

Table 120: Stoke-on-Trent transfer list applicants by household type and ethnicity							
Applicant household type	Transfer list ethnic group						
	Asian	Black	Other	N/R	White	Total	Col %
Elderly 1 Bed	0	2	0	69	377	448	19.4
Elderly 2 Bed	1	3	0	9	48	61	2.6
Elderly 3 Bed	0	0	0	1	3	4	0.2
Elderly 4 Bed	0	0	0	0	1	1	0.0
Elderly 5 Bed	0	0	0	0	1	1	0.0
Family 2 Bed	13	19	0	160	431	623	27.0
Family 3 Bed	6	5	1	143	324	479	20.8
Family 4 Bed	3	1	0	30	52	86	3.7
Family 5 Bed	0	0	0	1	7	8	0.3
Family 6 Bed	0	0	0	0	1	1	0.0
Mobility 1 Bed	0	1	0	1	5	7	0.3
Mobility 2 Bed	0	0	0	0	1	1	0.0
Single 0 Dependents 0 Non Dep.	0	0	0	0	0	0	0.0
Single 0 Dependents 1 Non Dep	0	0	0	0	0	0	0.0
Single 1 Bed	13	8	1	149	395	566	24.6
Single 1 Dependent 0 Non Dep.	0	0	0	0	0	0	0.0
Single 2 Dependents 0 Non Dep.	0	0	0	1	0	1	0.0
Single 3 Dependents 1 Non Dep.	0	0	0	0	0	0	0.0
Single/Eld 0 Dep. 0 Non Dep.	0	0	0	0	0	0	0.0
No type/unclassified	0	0	0	2	16	18	0.8
Total	36	39	2	566	1662	2305	100.0

Source: Stoke-on-Trent internal data - as at 13/04/07

Table 121: Stoke-on-Trent waiting list applicants by household type and ethnicity							
Applicant household type	Waiting list ethnic group						
	Asian	Black	Other	N/R	White	Total	Col %
Elderly 1 Bed	7	5	2	169	589	772	12.5
Elderly 2 Bed	3	1	0	21	68	93	1.5
Elderly 3 Bed	3	0	0	3	5	11	0.2
Elderly 4 Bed	0	0	0	0	1	1	0.0
Elderly 5 Bed	0	0	0	0	0	0	0.0
Family 2 Bed	62	34	39	354	1040	1529	24.7
Family 3 Bed	46	19	14	192	370	641	10.4
Family 4 Bed	15	6	4	14	41	80	1.3
Family 5 Bed	3	0	0	1	4	8	0.1
Family 6 Bed	0	0	0	0	0	0	0.0
Mobility 1 Bed	0	0	0	0	3	3	0.0
Mobility 2 Bed	0	0	0	3	5	8	0.1
Single 0 Dependents 0 Non Dep.	0	0	0	5	0	5	0.1
Single 0 Dependents 1 Non Dep	0	0	0	1	0	1	0.0
Single 1 Bed	94	147	138	572	1871	2822	45.6
Single 1 Dependent 0 Non Dep.	0	0	0	1	1	2	0.0
Single 2 Dependents 0 Non Dep.	0	0	0	1	0	1	0.0
Single 3 Dependents 1 Non Dep.	0	0	0	1	0	1	0.0
Single/Eld 0 Dep. 0 Non Dep.	0	0	0	0	1	1	0.0
No type/unclassified	6	10	12	25	153	206	3.3
Total	239	222	209	1363	4152	6185	100.0

Source: Stoke-on-Trent internal data - as at 13/04/07

- 11.6.7 The information available on the housing register for Stoke-on-Trent did not include information on applicant preferences for property type. Table 122 and Table 123 show a breakdown of the bedroom size requirements for applicants by ethnic group. Overall, there is no evidence to suggest a difference in size requirements for different ethnic groups. The main differences reflecting the different household types represented in Table 120 and Table 121 above, indicate transfer applicants requiring generally larger housing than waiting list applicants.

Table 122: Stoke-on-Trent transfer list size requirement by ethnicity							
Applicant required number of bedrooms	Transfer list ethnic group						
	Asian	Black	Other	N/R	White	Total	Col %
None	1	1	3	14	45	64	2.8
One	9	2	10	79	311	411	17.8
Two	18	24	28	254	788	1112	48.2
Three	8	12	5	169	510	704	30.5
Four	0	0	0	6	6	12	0.5
Five	0	0	0	0	0	0	0.0
Six	0	0	0	0	2	2	0.1
Total	36	39	46	522	1662	2305	100.0

Source: Stoke-on-Trent internal data - as at 13/04/07

Table 123: Stoke-on-Trent waiting list size requirement by ethnicity							
Applicant required number of bedrooms	Waiting list ethnic group						
	Asian	Black	Other	N/R	White	Total	Col %
None	86	109	118	407	1472	2192	35.4
One	71	56	41	287	1031	1486	24.0
Two	44	40	32	380	949	1445	23.4
Three	31	16	16	262	654	979	15.8
Four	6	1	0	22	42	71	1.1
Five	1	0	2	3	2	8	0.1
Six	0	0	0	2	2	4	0.1
Total	239	222	209	1363	4152	6185	100.0

Source: Stoke-on-Trent internal data - as at 13/04/07

12 BRINGING THE EVIDENCE TOGETHER

12.1 Housing market sectors in the North Housing Market Area

12.1.1 In order to identify the housing market sectors operating within the North sub-regional Housing Market Area has involved analysis and bringing together of a number of different aspects of this study. The primary drivers for identifying these market sectors are:

- ❑ Population change and migration
- ❑ Local incomes and local house prices
- ❑ Affordability and entry-level housing
- ❑ Housing need and demand for social housing
- ❑ Stakeholder consultations

12.1.2 The process to identify the housing market sectors was as follows. The first stage was to identify a suitable geography for analysis that could be applied to the various datasets analysed as part of the Strategic Housing Market Assessment. Some datasets (e.g. house prices and incomes) are available at full postcode level, some are at Output Area, LLSOA or MLSOA level whilst others can only be obtained at local authority level. House prices are available at postcode level, but on the other hand if no sales occur within a given time period or few sales occur that are not representative of that geography, then analysis can be distorted at the small area level and inaccurate conclusions may be drawn. In addition, we are mindful of the requirement that all members of the Housing Market Partnership need to be able to maintain and update datasets in the future and that not all partners have access to mapping and statistical analysis or have the resources to undertake complex data mining and manipulation. Consequently, we decided that, despite boundaries that may appear arcane at times, electoral wards are the appropriate building block geography to provide outputs that are both robust and replicable.

12.1.3 The second stage was to identify commonality in various identifiers (e.g. tenure, house, income, affordability - all of which are discussed in preceding chapters). The aim was to find areas where, from the perspective of the home purchaser, there was substitutability (either one dwelling for another, or one price for another) or a match in affordability. A significant element in this stage, was obviously was geographical proximity; in other words

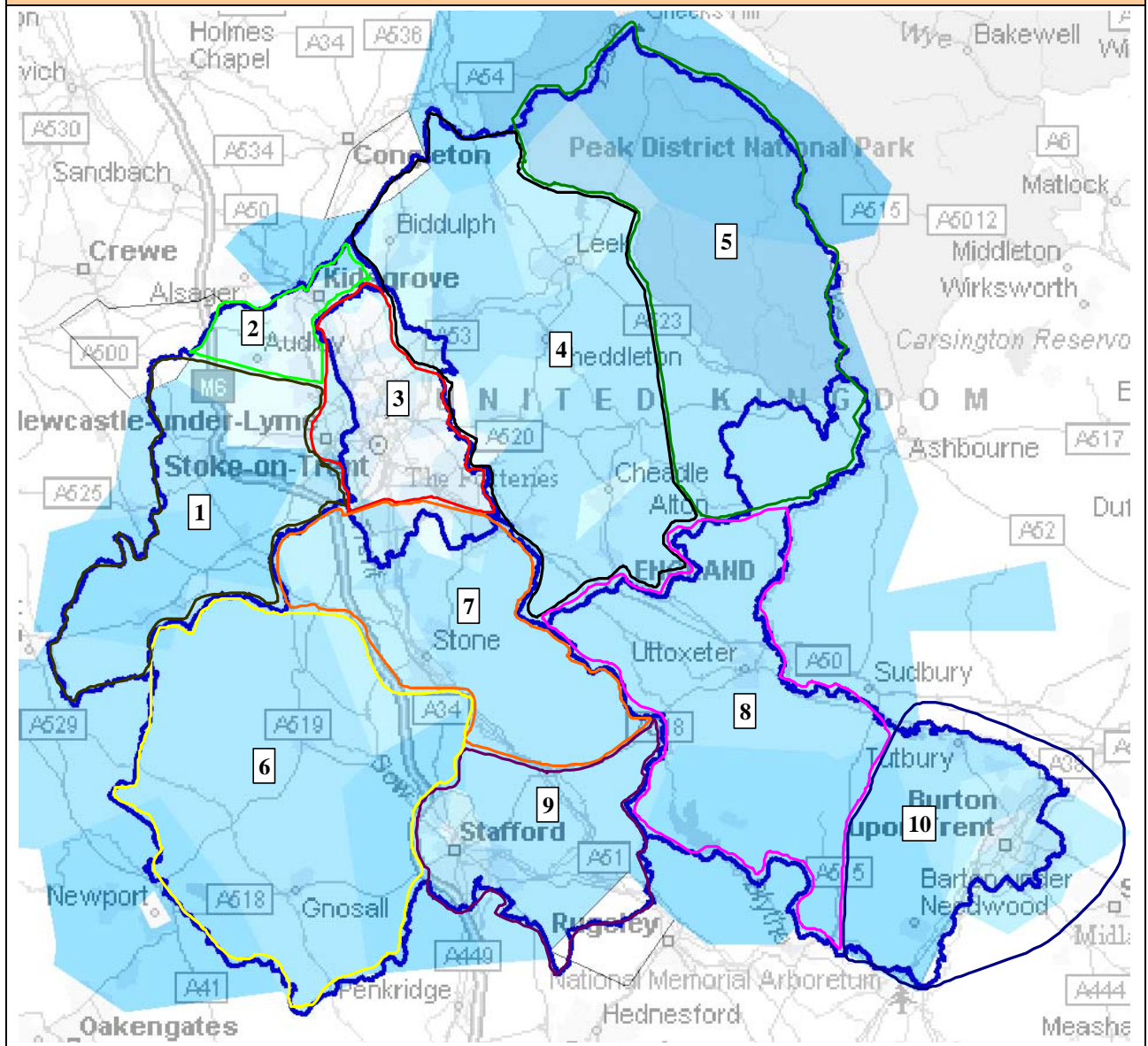
a semi-detached home for £150,000 in Stafford maybe be substitutable for one of the same price in Leek, but that does not mean the substitute will be made.

- 12.1.4 The third stage was to overlay the different elements (price, type, income) over one another to see where they correspond and where they diverge.
- 12.1.5 The final stage was to compare this map of findings with the views of stakeholders to see to what extent the markets described qualitatively matched those defined quantitatively. A half-day seminar, held during the course of the study, sought to illicit the views of stakeholders on the housing markets. However, this aspect was limited, in part due to lower levels of participation from some sectors than was expected or desired.
- 12.1.6 This analysis has consequently identified ten housing market sectors (see Table 124 and Figure 41):

Table 124: North Housing Market Area housing market sectors

Key	Name	Local authority & wards
1	West Newcastle-under-Lyme	Newcastle-under-Lyme: Keele, Halmerend, Madeley, Whitmore & Loggerheads
2	Audley/Kidsgrove	Newcastle-under-Lyme: Audley & Bignall End, Bradwell, Butt Lane, Chesterton, Kidsgrove, Newchapel, Ravenscliffe, Silverdale & Parksite, Talke
3	Stoke-on-Trent/Central Newcastle	Newcastle-under-Lyme: Clayton, Cross Heath, Holditch, Knutton & Silverdale, May Bank, Porthill, Sea Bridge, Thistleberry, Town, Westlands, Wolstanton Stoke-on-Trent: Bentilee & Townsend, Berryhill & Hanley East, Burslem North, Burslem South, Chell & Packmoor, Fenton, Hanley West & Shelton, Longton North, Northwood & Birches Head, Tunstall, Weston & Meir North, Abbey Green, East Valley, Norton & Bradeley
4	Three Towns (Biddulph, Leek & Cheadle)	Staffordshire Moorlands: Bagnall & Stanley, Biddulph East, Biddulph Moor, Biddulph North, Biddulph South, Biddulph West, Brown Edge & Endon, Caverswall, Cellarhead, Cheadle North East, Cheadle South East, Cheadle West, Checkley, Cheddleton, Forsbrook, Hoton, Leek East, Leek North, Leek South, Leek West, Werrington
5	North East Staffordshire	Staffordshire Moorlands: Alton, Churnet, Dane, Hamps Valley, Ipstones, Manifold East Staffordshire: Weaver
6	Stafford West	Stafford: Eccleshall, Gnosall & Woodseaves, Church Eaton, Seighford
7	Stone & environs	Stafford: Barlaston & Oulton, Fulford, Milwich, St. Michaels, Stonefield & Christchurch, Swynnerton, Walton Stoke-on-Trent: Blurton, Longton South, Meir Park & Sandon, Trentham
8	Uttoxeter & environs	East Staffordshire: Abbey, Bagots, Churnet, Crown, Heath, Town, Yoxall
9	Stafford town	Stafford: Baswich, Chartley, Common, Coton, Forebridge, Haywood, Highfields & Western Downs, Holmcroft, Littleworth, Manor, Milford, Penside, Rowley, Tillington, Weeping Cross,
10	Burton-on-Trent	East Staffordshire: Anglesey, Bolleston & Dove, Branston, Brizlincote, Burton, Eton Park, Horninglow, Needwood, Shobnall, Stapenhill, Stretton, Tutbury & Outwoods, Winshill,

Figure 41: Housing market sectors



12.1.7 The following sections describe each of the Housing Market Sector and draw comparisons between each sector and the North Housing Market Area as a whole in terms of key market indicators. These key indicators for the North Housing Market Area are shown below.

North Housing Market Area key indicators	
Number of households	294,862
Tenure:	
Owner occupied	74.0%
Social housing	19.4%
PRS	6.6%
Type:	
Detached	30.1%
Semi-detached	39.6%
Terraced	22.1%
Flats/apartments	8.1%
Long-term vacant dwellings	2,830
Average distance travelled to work	7.7 miles
Mean house price	£132,907
Mean household income p.a.	£29,595
Income to house price ratio	1:4.49

12.2 West Newcastle-under-Lyme

- 12.2.1 West Newcastle-under-Lyme takes in four wards (Keele, Halmerend, Loggerheads & Whitmore, Madeley) in the borough of Newcastle-under-Lyme. Of the 118 wards in North Housing Market Area, Keele has the second highest mean income (£40,667) and Loggerheads & Whitmore has the tenth highest mean house price.
- 12.2.2 There are some acute affordability pressures in the sector particularly in Loggerheads & Whitmore where the mean income to mean house price ratio is 1:6.57. The sector has the third highest mean house price and the second highest mean income in the North Housing Market Area.
- 12.2.3 There is a migratory relationship west to North Shropshire, which has resulted in a net population loss of 80 people in the last five years (610 in and 690 out).

West Newcastle-under-Lyme key indicators	
Number of households	6,927
Tenure:	
Owner occupied	79.6%
Social housing	10.8%
PRS	5.9%
Type:	
Detached	49.1%
Semi-detached	31.0%
Terraced	13.3%
Flats/apartments	6.1%
Long-term vacant dwellings	0
Average distance travelled to work	9.5 miles
Mean house price	£205,098
Mean household income p.a.	£35,389
Income to house price ratio	1:5.80

12.2.4 Overall in terms of balance there is:

- ❑ An under supply of mid-sized properties (particularly semi-detached and terraces)
- ❑ A shortage of social housing and correspondingly affordability pressures
- ❑ A relative (but not acute) under supply of private rented housing

12.3 Audley/Kidsgrove

12.3.1 Audley/Kidsgrove takes in nine wards to the north of the Newcastle-under-Lyme borough. This is an area very much in the lower-range on a range of housing market indicators. The mean house price is the second lowest of the ten sectors and the mean income is the third lowest. Mean house prices range from £104,828 in Silverdale & Parksite to £158,147 in Newchapel.

12.3.2 Affordability pressures range from 1:5.32 in Newchapel to 1:3.92 in Audley & Bignall End. Population is being lost through migration to Crewe and Nantwich and to Congleton although overall this will be more than made up by gains from Stoke-on-Trent.

Audley/Kidsgrove key indicators	
Number of households	19,972
Tenure:	
Owner occupied	72.9%
Social housing	19.8%
PRS	4.6%
Type:	
Detached	24.5%
Semi-detached	53.8%
Terraced	15.0%
Flats/apartments	6.6%
Long-term vacant dwellings	0
Average distance travelled to work	6.6 miles
Mean house price	£122,749
Mean household income p.a.	£28,638
Income to house price ratio	1:4.29

12.3.3 Overall in terms of balance there is:

- The tenure balance is broadly in line with the North Housing Market Area as a whole
- An under supply of detached and terraced dwellings and apartments, coupled with an abundance of semi-detached dwellings

12.4 Stoke-on-Trent/Central Newcastle

12.4.1 There are clearly significant ties that link the urban centre of Stoke-on-Trent with the town of Newcastle-under-Lyme, not the least of which is geography.

12.4.2 Although there is considerable evidence of the parochialism of residents of both Stoke-on-Trent and Newcastle-under-Lyme (stakeholders cited numerous examples of people never straying more than 1-2 miles of where they were born), nevertheless it is not appropriate for this study to identify groupings of specific neighbourhoods within the urban core that operate as localised sub-markets.

Stoke-on-Trent/Central Newcastle key indicators	
Number of households	108,811
Tenure:	
Owner occupied	64.1%
Social housing	25.6%
PRS	6.7%
Type:	
Detached	11.9%
Semi-detached	43.3%
Terraced	34.3%
Flats/apartments	10.2%
Long-term vacant dwellings	1,679
Average distance travelled to work	6.4 miles
Mean house price	£99,880
Mean household income p.a.	£24,949
Income to house price ratio	1:4.0

12.4.3 Where five years ago the simple definition of this housing market sector would have been one of market failure, now as a result of major market intervention, the picture is less stark. Whilst it might still be too early to say that this is a rising housing market, it is one edging towards the cusp of improvement and some signs of recovery are apparent. What defines this housing market sector is:

- (i) Low house prices (the lowest sector in the North Housing Market Area), but rapidly rising
- (ii) Low incomes (the lowest sector in the North Housing Market Area), but due to low house prices, this is the most affordable sector in the North Housing Market Area, which offers the potential to expand home ownership and sustainability both through outright sales and shared equity products
- (iii) Significant population decline, led by out-migration of families, but with signs of a slow down and some, albeit small, predicted growth in household numbers
- (iv) Low levels of owner occupation and correspondingly high levels of social housing
- (v) Poor quality housing, but major interventions are addressing this, with a shortage of detached dwellings and an oversupply of terraces. A high level of long-term vacant dwellings

- (vi) Limited economic and geographical mobility, but recent improvements to the road network (e.g. A500), will facilitate employment opportunities beyond the urban core
- (vii) Smaller younger households who, if the housing offer is right, could be encouraged to stay
- (viii) Older households in poor private and social housing

12.5 Three Towns (Biddulph, Leek & Cheadle)

12.5.1 Three Towns takes in the bulk of Staffordshire Moorlands outside the Peak National Park district. Although there are the three market towns (Biddulph, Cheadle and Leek), none of the three provide a natural strong centre. Instead the three towns share a lot of common characteristics whilst the rural strip that runs through the middle of the sector from Horton south through Cheddleton, Bagnall & Stanley and Caverswall presents a high priced, rural market with some commonality with Peak National Park to the east. This is clearly exemplified in the affordability ratios ranging from 1:4.16 in Biddulph East to 1.9.68 in Caverswall.

Three Towns key indicators	
Number of households	35,407
Tenure:	
Owner occupied	83.3%
Social housing	9.6%
PRS	4.6%
Type:	
Detached	38.2%
Semi-detached	40.0%
Terraced	17.1%
Flats/apartments	4.5%
Long-term vacant dwellings	0
Average distance travelled to work	6.7 miles
Mean house price	£154,463
Mean household income p.a.	£33,407
Income to house price ratio	1:4.62

12.5.2 There is a strong owner occupied sector (the highest proportion in the North Housing Market Area), and house prices overall are above the sub-regional norm (£154,463). However there are marked differences between wards. Bagnall & Stanley, Caverswall and

Horton have mean house prices of £241,187 £289,884 and £313,818 respectively (but this is based on only 54 sales in the three wards in 2006-07). Only Horton of these three has a high mean household income (£36,840). At the other end of the scale, incomes in Leek North are around £24,000.

12.5.3 Overall in terms of balance there is:

- ❑ There is a very high proportion of owner occupation and low proportions of social housing
- ❑ The low levels of private rented housing suggests scope for growth in this part of the market
- ❑ In terms of housing type, there is a shortfall of smaller properties both terraces and apartments

12.6 North East Staffordshire

12.6.1 This housing sector consists of the Peak National Park in Staffordshire Moorlands along with other wards in Staffordshire Moorlands (Alton, Churnet, Dane, Hamps Valley, Ipstones, Manifold) and East Staffordshire (Weaver). It is a highly dispersed rural area characterised by small villages and hamlets.

12.6.2 The sector is disproportionately dominated by owner occupation and detached homes, and the terraced properties are most likely rural cottages, higher priced than their terraced equivalents in the urban core. The social housing sector is very under-represented here.

North East Staffordshire key indicators	
Number of households	5,956
Tenure:	
Owner occupied	81.2%
Social housing	7.3%
PRS	6.8%
Type:	
Detached	57.3%
Semi-detached	24.6%
Terraced	15.2%
Flats/apartments	2.6%
Long-term vacant dwellings	0
Average distance travelled to work	10.4 miles
Mean house price	£208,559
Mean household income p.a.	£31,118
Income to house price ratio	1:6.70

12.6.3 Incomes range from just under £30,000 to over £35,000, and house prices go up as high as £270,000 in Manifold and Dane. Consequently these two wards have affordability ratios of over 1:9. Across the North Housing Market Area, four of the ten wards with the highest mean income to house price ratio are in this sector.

12.6.4 Overall in terms of balance there is:

- ❑ A dominance of owner occupation over all other tenures
- ❑ A need for more affordable housing and social housing in particular
- ❑ An under supply of mid-sized units such as semi-detached and terraced dwellings and also need for more smaller apartments
- ❑ An oversupply of detached properties

12.7 Stafford West

12.7.1 Stafford West is a polycentric, rural housing market that shares common features but is less well defined than the urban focussed markets. There is no one natural centre to the sector and consequently its focus is quite dispersed.

12.7.2 The sector takes the rural north west of Stafford Borough (Eccleshall) and shares common characteristics with Newcastle-under-Lyme West as well as parts of Telford & Wrekin and North Shropshire.

12.7.3 House prices are high here and parts of the sector have seen some strong price rises in the last few years, ranging from £222,935 in Eccleshall to £307,766 in Church Eaton. Likewise household incomes are relatively high although affordability is as high 1:8.28 in Church Eaton.

Stafford West key indicators	
Number of households	7,579
Tenure:	
Owner occupied	79.6%
Social housing	9.8%
PRS	6.8%
Type:	
Detached	60.1%
Semi-detached	27.0%
Terraced	6.8%
Flats/apartments	5.8%
Long-term vacant dwellings	119
Average distance travelled to work	10.9 miles
Mean house price	£233,139
Mean household income p.a.	£36,174
Income to house price ratio	1:6.44

12.7.4 Overall in terms of balance there is:

- A dominance of owner occupation over all other tenures
- A need for more affordable housing and social housing in particular
- A significant oversupply of detached properties to the detriment of mid-sized units such as semi-detached and terraced dwellings in particular

12.8 Stone and environs

12.8.1 The northern part of the Stafford borough has links to the southern fringes of Stoke-on-Trent. This sector takes in seven northern wards of Stafford Borough along with Blurton, Longton South, Meir Park & Sandon and Trentham & Hanford in Stoke-on-Trent.

12.8.2 Stone itself is a town that has seen strong price growth such that it is now outstripping Stafford. The ward of St Michael's has a mean income £41,500. Some parts of the town are experiencing affordability pressures.

12.8.3 Trentham and Hanford (Stoke-on-Trent) also displays some common characteristics with Stone and as such are contributors to this sector rather than the urban core. The strongest migration links between the northern part of the Stafford borough and Stoke-on-Trent.

Stone key indicators	
Number of households	34,044
Tenure:	
Owner occupied	73.4%
Social housing	18.8%
PRS	4.5%
Type:	
Detached	32.7%
Semi-detached	43.0%
Terraced	15.8%
Flats/apartments	8.2%
Long-term vacant dwellings	568
Average distance travelled to work	8.4 miles
Mean house price	£151,333
Mean household income p.a.	£30,964
Income to house price ratio	1:4.89

12.8.4 Overall in terms of balance there is:

- ❑ A dominance of owner occupation over all other tenures
- ❑ A need for more affordable housing and social housing in particular
- ❑ A significant oversupply of detached properties to the detriment of mid-sized units such as semi-detached and terraced dwellings in particular
- ❑ Scope for growth in the private rented sector

12.9 Uttoxeter and environs

12.9.1 This is a relatively dispersed housing market centred around Uttoxeter that includes brings together high priced rural wards such as Bagots (mean house price £337,793) and Yoxall (£322,580) with lower priced urban wards (Town and Heath) in Uttoxeter.

12.9.2 In addition, incomes are also high in the rural wards: Bagots has the highest mean household income in the sector (£40,559) closely followed by Yoxall (£40,400); Heath has the lowest income (£29,153). Three of the top 10 highest mean incomes wards are in this sector.

12.9.3 The common features of the sector include:

- (i) Higher mean incomes
- (ii) High house prices
- (iii) Higher house price change
- (iv) Concentrations of detached dwellings
- (v) Some affordability pressures
- (vi) Limited scope for development in the rural areas

Uttoxeter key indicators	
Number of households	10,925
Tenure:	
Owner occupied	78.4%
Social housing	12.5%
PRS	5.3%
Type:	
Detached	44.4%
Semi-detached	35.3%
Terraced	13.9%
Flats/apartments	6.1%
Long-term vacant dwellings	0
Average distance travelled to work	11.0 miles
Mean house price	£199,967
Mean household income p.a.	£35,524
Income to house price ratio	1:5.63

12.9.4 Overall in terms of balance there is:

- Higher levels of owner occupation
- A need for more affordable housing and social housing in particular
- Oversupply of detached properties and a corresponding shortfall of smaller/mid-sized units such as terraced dwellings

12.10 Stafford town

12.10.1 The borough of Stafford operates across more than one housing market sector. The town, at the southern end of the borough is relatively self-contained and displays strong links to the Central Housing Market Area, in particular Cannock Chase and South Staffordshire.

12.10.2 Incomes in the town are quite mixed with some wards at the lower end of the mean income range (Highfields & Western Downs and Manor) and one (Rowley) at the top end (mean income £39,000).

12.10.3 Although the town does not necessarily have the highest house prices in the sub-region there has been some strong price growth in the last five years, primarily to the east of the town. Affordability across the whole town is fairly similar with the ratio of mean house price to mean income ranging from 1:4 to 1:6, suggesting some pressures which again are being felt most keenly in the east of the town. Overall the relatively high incomes suggest less affordability issues than elsewhere in the North Housing Market Area.

12.10.4 The expected growth in one person households such that they constitute one third of the borough by 2026 will undoubtedly be felt most keenly in the town and in Stone.

Stafford key indicators	
Number of households	31,243
Tenure:	
Owner occupied	72.9%
Social housing	17.0%
PRS	6.6
Type:	
Detached	30.4%
Semi-detached	37.4%
Terraced	20.0%
Flats/apartments	11.4%
Long-term vacant dwellings	464
Average distance travelled to work	8.2 miles
Mean house price	£162,685
Mean household income p.a.	£32,663
Income to house price ratio	1:4.98

12.10.5 Overall in terms of balance there is:

- Reasonable balance of owner occupation, social housing and private rented housing
- In terms of house type, Stafford has a well balanced supply of different forms of stock, although there may be a slight oversupply of smaller terraces and apartments

12.11 Burton-on-Trent

- 12.11.1 The town of Burton-on-Trent lies at the south east corner of the East Staffordshire district and as such has limited market connections with the rest of the district. In fact Burton-on-Trent is far more strongly tied to Derby, Derbyshire Dales, South Derbyshire and other parts of the East Midlands than it is to rest of the North Housing Market Area.
- 12.11.2 Burton-on-Trent is strategically well positioned through its road links (A38 and A50) as a gateway to the East Midlands and to the motorway network (M6) offering strong economic ties and benefits.
- 12.11.3 Incomes range from £25,752 in Burton to £39,778 in Branston (the eighth highest mean ward income in the North Housing Market Area). House price growth is relatively strong, but mean prices vary from £91,361 in Anglesey to £245,375 in Needwood. This results in affordability ratios from 1:3.44 (in Anglesey, the sixth lowest out of the 118 wards in the North Housing Market Area) to 1.6.93 (in Needwood).
- 12.11.4 However some fear that this is resulting in the town becoming less affordable for local people sidelined by the decline in traditional local industries.

Burton-on-Trent key indicators	
Number of households	33,998
Tenure:	
Owner occupied	74.4%
Social housing	15.1%
PRS	7.4%
Type:	
Detached	27.4%
Semi-detached	32.2%
Terraced	29.4
Flats/apartments	10.3%
Long-term vacant dwellings	0
Average distance travelled to work	7.3 miles
Mean house price	£146,542
Mean household income p.a.	£32,045
Income to house price ratio	1:4.57

- 12.11.5 Overall in terms of balance there is:
- ❑ A shortfall in affordable housing, although this may in part be offset by the private rented sector

- Under supply of larger detached and semi-detached properties

12.12 Housing requirements of households in need

- 12.12.1 A summary of the net annual housing need for each of the five districts of the North Housing Market Area is shown in Table 125. The detailed working of the model is described step by step in Chapters 7, 8 and 9 above.
- 12.12.2 The model implies a shortfall of affordable housing in all five districts of the North Housing Market Area. There is reasonable consistency across four of the authorities in the North Housing Market Area with the shortfall ranging from 0.5% to 0.6% of total households in East Staffordshire, Newcastle-under-Lyme, Stafford and Stoke-on-Trent. The exception is Staffordshire Moorlands where the shortfall at 1.1% is proportionately much higher. It is likely that the shortfall shown for Stafford, whilst consistent with East Staffordshire, Newcastle-under-Lyme and Stoke-on-Trent, represents an under estimate of the need for affordable housing in the Borough⁹³.

⁹³ The high figure at step 3.5 has an important impact on the Stafford BC shortfall

Table 125: Summary of net annual housing need					
	East Staffordshire	Newcastle-under-Lyme	Stafford	Staffordshire Moorlands	Stoke-on-Trent
STAGE 1 CURRENT HOUSING NEED					
1.4 Total current housing need (gross)	2048	2044	1031	789	4072
STAGE 2 FUTURE HOUSING NEED					
2.4 Total newly arising housing need	478	622	655	528	1571
STAGE 3 AFFORDABLE HOUSING SUPPLY					
3.1 Affordable dwellings occupied by households in need	271	173	371	132	1297
3.2 Surplus stock	0	0	0	0	0
3.3 Committed supply of new affordable housing	105	28	54	11	41
3.4 Units to be taken out of management	0	73	0	0	566
3.5 Total affordable housing stock available (3.1 + 3.2 + 3.3 - 3.4)	376	128	425	143	772
3.6 Annual supply of social re-lets (net)	520	736	483	228	1704
3.7 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	0	0	0	0	0
3.8 Annual supply of affordable housing (3.6 + 3.7)	520	736	483	228	1704
ESTIMATE OF NET ANNUAL HOUSING NEED					
$((1.4 \text{ minus } 3.5) * 20\%) + 2.4$ minus 3.8	293	269	293	429	527
Shortfall as % of total households	0.6%	0.5%	0.5%	1.1%	0.5%

12.13 Targets for affordable housing

12.13.1 In the West Midlands Region during 2005/06, a total of 3,901 social/affordable housing units were completed, including intermediate housing.⁹⁴ This total equates to 19% of total completions, which represents an increase of 3 percentage points from last year, although the figure is still about 35% below the minimum number recommended by the Regional Spatial Strategy.

12.13.2 At April 2006, there were a total of 16,725 affordable housing commitments across the Region; a rise of 4,444 on the previous year. This figure does however include 1,388 commitments for Coventry.

⁹⁴ WMRA Annual Monitoring Report 2006, p40

12.13.3 Social/affordable housing completions across the Region continue to remain well below the estimated 6,000-6,500 affordable dwellings that Regional Spatial Strategy suggests are needed each year for the period 2001-2011. The work on Regional Housing Demand and Need (see Section 2.5 above) is proposing that 8,150 dwellings are required between 2006 and 2026: 3,000 intermediate tenures and 5,150 social rented dwellings.

12.13.4 The Regional Housing Strategy⁹⁵ breaks down the total regional requirements between the four Housing Market Areas between 2006 and 2021. In the North, an indicative figure of 2,162 affordable dwellings is proposed of which 1606 (74.3%), should be social rented housing (see Table 126).

Table 126: Affordable and social housing requirements by Housing Market Area 2001-21					
	2006/08	2006-11	2011-21	2001-21	2001-21 % share
Affordable (including social rented housing)					
Central	8874	22184	15163	45584	58.5
North	812	2031	131	3053	3.9
South	2246	5617	5145	16686	21.4
West	1530	3826	4698	12598	16.2
Totals	13464	33659	25137	77921	100.0
Of which social Housing					
Central	6020	15048	10330	30711	66.0
North	612	1528	78	2196	4.7
South	1132	2830	2622	8434	18.1
West	634	1583	1933	5206	11.2
Totals	8396	20989	14963	46547	100.0

Source: West Midlands Regional Housing Strategy 2005

12.13.5 In terms of developing affordable housing targets in local development documents, the Strategic Housing Market Assessment can provide indications of suitable targets. The regional affordable housing targets and the level of housing provision required for each local authority area as set out in the Regional Spatial Strategy provide the framework. As PPS3 explains, authorities need to consider other factors when determining affordable housing targets including:

- the policy definition of affordable housing
- an assessment of economic viability within the area

⁹⁵ West Midlands Regional Housing Strategy 2005, June 2005, p47

- the likely levels of finance available for affordable housing

12.13.6 Table 127 compares the target number of total annual completions for the five authorities in the Regional Spatial Strategy Preferred Option with the estimate of annual housing need in Table 125 above. Table 128 compares the housing demand figures from the Regional Spatial Strategy with the annual estimate of housing need.

Table 127: Affordable housing targets and the Preferred Option			
	Annual completion target (Preferred Option)	Estimate of annual housing need	Need as % of target
East Staffordshire	645	293	45.4%
Newcastle-under-Lyme	285	269	94.4%
Stafford	505	293	58.0%
Staffordshire Moorlands	300	429	100.0%
Stoke-on-Trent	570	527	92.5%

Table 128: Affordable housing targets and the housing demand			
	Annual housing demand (p.a.)	Estimate of annual housing need	Need as % of target
East Staffordshire	610	293	48.0%
Newcastle-under-Lyme	356	269	75.6%
Stafford	415	293	70.7%
Staffordshire Moorlands	299	429	100.0%
Stoke-on-Trent	787	527	66.9%

- East Staffordshire is expected to build on average 645 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 610 households per annum. The housing needs model would imply affordable housing targets of between 45% and 48%.
- Newcastle-under-Lyme is expected to build on average 285 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 356 households per annum. The housing needs model suggests affordable housing targets of between 75% and 95%. This is in excess of what has been achieved in the last ten years (circa 10%)⁹⁶ although the Preferred Option build rate is only just

⁹⁶ Newcastle-under-Lyme, Housing Development Monitoring Report 2007, p30

above the average dwelling delivery rate (the average number of dwellings completed per year since 1st April 1996 has been 244 ⁹⁷).

- (iii) Stafford has completed, on average, 495 dwellings per annum between 1996 and 2007. ⁹⁸ Stafford is expected to build on average 505 units per annum to meet the requirements of the Preferred Option (and demand is expected at a rate of 415 households per annum. This would imply an affordable housing target of between 58% and 71%.
- (iv) Staffordshire Moorlands has completed, on average, 256 dwellings per annum between 1996 and 2007. Staffordshire Moorlands is expected to build on average 300 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 299 households per annum. The housing needs model implies affordable housing targets of 100% on all developments; clearly this is neither appropriate nor desirable.
- (v) Stoke-on-Trent is expected to build on average 570 units per annum to meet the requirements of the Preferred Option and demand is expected at a rate of 787 households per annum. This would imply an affordable housing target of between 67% and 93%. Stoke-on-Trent has capacity for 4,747 new dwellings in the next five years; which implies an average of 949 dwellings per annum. If this level of building were to continue then the figures would suggest 56% affordable housing on all future developments.

12.13.7 As the figures suggested by the model are in most cases greater than the Districts' total completion targets for affordable housing and past performance on delivery of affordable housing, there is clearly a need to look very carefully at the sites coming forward in the future and their suitability for mixed, sustainable developments as the Councils may need to seek a considerably higher proportion of affordable housing than has been the target in the past. By maintaining the model and updating annually, it will be possible to see whether an increase in the delivery of affordable housing through firmer and higher targets than have been achieved previously has the desired effect of reducing the shortfall across the Housing Market Area.

12.13.8 The Councils will need to take account of these findings to set a suitable planning target for future development that takes into account the need for affordable housing as well as the long-term requirement to maintain a sustainable housing market.

⁹⁷ Op cit p12

⁹⁸ Stafford Housing Monitor 2007, p4

12.14 Intermediate tenures

12.14.1 Affordable housing is that housing which is provided to meet the *needs* of the local population. It includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. PPS3 states that affordable housing should:

- (i) *Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
- (ii) *Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision⁹⁹*

12.14.2 PPS3 goes on to define social rented housing as:

Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements...as agreed with the local authority or with the Housing Corporation as a condition of grant

12.14.3 And defines intermediate affordable housing as:

'Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.

12.14.4 The definition does not exclude homes provided by private sector bodies or provided without grant funding. Where such homes meet the definition above, they may be considered, for planning purposes, as affordable housing. Whereas, those homes that do not meet the definition, for example, 'low cost market' housing, may not be considered, for planning purposes, as affordable housing.

12.14.5 A rule of thumb for assessing the scope for intermediate tenures in an area is to calculate the ratio of entry-level market house prices to social rents; where the former is more than fourteen times annual social rents, there is likely to be scope for intermediate affordable housing. Also where there is a significant gap between social housing rents and private sector rents there may be scope for intermediate tenures, such as sub-market rents or shared equity.

⁹⁹ *Planning Policy Statement 3 (PPS3): Housing, Communities and Local Government, November 2006, p25*

12.14.6 Table 129, demonstrates this rule that the equivalent mortgage accessible for those on social housing rents is significantly below the lower quartile entry-level house price. The closest entry-level property price is in Stoke-on-Trent and this is more than 25 times the annual social housing rent. In other words, 14 times social rents does not result in a property price anywhere close to the entry-level dwelling price.

12.14.7 Table 130 shows that there is a significant difference between social housing rents and private sector rents. The closest private rents to social housing rents are in Staffordshire Moorlands, where they are 56.8% higher; in Stafford they are 87.8% higher.

Table 129: Estimate of scope for intermediate housing (social rents)				
	Average social housing rent pw	Cost per annum	Affordability (25%)	Mortgage accessible
East Staffordshire	£50.41	£2,621.32	£10,485.28	£36,698.48
Newcastle-under-Lyme	£46.26	£2,405.52	£9,622.08	£33,677.28
Stafford	£52.49	£2,729.44	£10,917.75	£38,212.14
Staffordshire Moorlands	£52.86	£2,748.89	£10,995.54	£38,484.40
Stoke-on-Trent	£49.03	£2,549.56	£10,198.24	£35,693.84

Source (of rents): CLG Live Tables 702 and 704

Table 130: Estimate of scope for intermediate housing (private rents)			
	Mean private sector rent (2 bed) pcm	Cost per annum	Difference to social housing costs
East Staffordshire	£402.31	£4,827.68	184.2%
Newcastle-under-Lyme	£374.96	£4,499.56	187.1%
Stafford	£427.05	£5,124.60	187.8%
Staffordshire Moorlands	£359.10	£4,309.24	156.8%
Stoke-on-Trent	£343.81	£4,125.68	161.8%

12.14.8 Clearly in some parts of the country, some forms of tenure are more appropriate than others and are better suited to the local housing market and the local political situation. The following sections consider the contribution that discounted sale homes, shared ownership and shared equity could make to the delivery of affordable housing in the North Housing Market Area.

Stakeholders on Intermediate tenures

- *Need to break up monolithic social housing with housing where people have an equity stake. Remodelling the stock can go hand in hand with introducing new tenure models such as shared ownership.*
- *Size mix is an important element as well as tenure mix in breaking up new developments and ensuring sustainability.*
- *There is an increasing gulf between people who can afford the bottom end of the open market and those who can only afford social rented housing. The answer is various forms of partial ownership, traditional shared ownership or fixed equity retained under a covenant. There is a huge promise in terms of what that can achieve but it is undersold and under recognised.*
- *There is an appetite for shared ownership with family homes not apartments it is very popular with older people as an equity release scheme.*
- *It is an ideal product for first-time buyers rather than buying with a friend who they might fall out with - needs better marketing. If it is all people, can afford then they will chose it.*
- *Need to get the message about shared ownership - need to ensure that success stories and successful methods are adopted and used elsewhere (e.g. Coalville).*
- *The social housing/intermediate tenure mix if 40% affordable housing is required on a site should be 30:10 or 20:20, but often ends up as 37:3! In Liverpool and Manchester whole estates are shared ownership and they are very popular.*
- *Intermediate tenures are not always popular in Stoke-on-Trent because traditionally prices have been so cheap people do not understand why they would buy and also pay rent. Consequently, people are more interested in social rent than they are in shared ownership options*
- *Is shared equity really going to people who really need it? Are they being selected by people who could actually afford more as they are only declaring one income; seems to be an abuse of the system?*
- *Not affordable in perpetuity due to "staircasing", might be good in Stoke-on-Trent to encourage home ownership, but elsewhere need to retain affordable housing for local housing need.*

Discounted sale homes

12.14.9 Table 131 below shows the difference in housing costs that would result from discounted sale housing at 10%, 20% and 30% of the entry-level dwelling.

12.14.10 Although discounted housing would result in reductions in housing costs for many households, the issue in the Housing Market Areas is the relatively low incomes.

Table 131: Housing costs for discounted market housing ¹⁰⁰							
Local authority	Entry-level property price 2006 (£)	10% discount	Income required	20% discount	Income required	30% discount	Income required
East Staffordshire	102,000.00	91,800.00	26,228.57	81,600.00	23,314.29	71,400.00	20,400.00
Newcastle-under-Lyme	92,500.00	83,250.00	23,785.71	74,000.00	21,142.86	64,750.00	18,500.00
Stafford	120,000.00	108,000.00	30,857.14	96,000.00	27,428.57	84,000.00	24,000.00
Staffordshire Moorlands	110,000.00	99,000.00	28,285.71	88,000.00	25,142.86	77,000.00	22,000.00
Stoke-on-Trent	65,000.00	58,500.00	16,714.29	52,000.00	14,857.14	45,500.00	13,000.00

Source: ASHE, Land Registry

12.14.11 With the exception of Stoke-on-Trent, households on median incomes could not afford a discounted property at 30%. For those on lower quartile incomes, there are shortfalls ranging from 11.1% in Stoke-on-Trent to over 70% in Stafford, Staffordshire Moorlands, and East Staffordshire.

Table 132: Lower quartile earnings compared to income requirements for discounted housing			
Local authority	Lower quartile earnings	Difference between LQ earnings and income for 30% discount	
		Amount (£)	%
East Staffordshire	11,640	8,760.00	75.3%
Newcastle-under-Lyme	11,319	7,181.00	63.4%
Stafford	13,365	10,635.00	79.6%
Staffordshire Moorlands	12,332	9,668.00	78.4%
Stoke-on-Trent	11,706	1,294.00	11.1%

Source: ASHE

12.14.12 Consequently it would seem that discounted sale homes cannot be regarded as affordable dwellings in the North Housing Market Area for single income or dual income households, although they come closest to meeting some need at the most heavily discounted rate in Stoke-on-Trent.

¹⁰⁰ For comparative purposes we have assumed an income to mortgage multiplier of 3.5

Shared ownership

12.14.13 Table 133 shows the housing costs of a shared ownership dwelling where the household purchased a 30% or a 50% share of an entry-level dwelling.

12.14.14 This demonstrates that the income requirements for a household purchasing a 50% share of their home are reduced by 29.0%. For a household purchasing a 30% share of their home their income requirements are reduced by 40.6%.

Table 133: Housing costs for shared ownership dwelling						
	Price (£)	Unsold equity (£)	Rental charge on unsold equity ¹⁰¹ (£)	Mortgage (£)	Total monthly costs (£)	Gross income required (£)
East Staffordshire	102,000	-	0	607.14	607.14	29,142.86
50% equity share	51,000	51,000	127.50	303.57	431.07	20,691.43
30% equity share	30,600	71,400	178.50	182.14	360.64	17,310.86
Newcastle-under-Lyme	92,500	-	0	550.60	550.60	26,428.57
50% equity share	46,250	46,250	115.63	275.30	390.92	18,764.29
30% equity share	27,750	64,750	161.88	165.18	327.05	15,698.57
Stafford	120,000	-	0	714.29	714.29	34,285.71
50% equity share	60,000	60,000	150.00	357.14	507.14	24,342.86
30% equity share	36,000	84,000	210.00	214.29	424.29	20,365.71
Staffordshire Moorlands	110,000	-	0	654.76	654.76	31,428.57
50% equity share	55,000	55,000	137.50	327.38	464.88	22,314.29
30% equity share	33,000	77,000	192.50	196.43	388.93	18,668.57
Stoke-on-Trent	65,000	-	0	386.90	386.90	18,571.43
50% equity share	32,500	32,500	81.25	193.45	274.70	13,185.71
30% equity share	19,500	45,500	113.75	116.07	229.82	11,031.43

12.14.15 These housing costs compared to median and lower quartile incomes (Table 134) suggest that the role of shared ownership would be limited in the Housing Market Area. For East Staffordshire, Newcastle-under-Lyme, Stafford and Staffordshire Moorlands only a home with an equity share of 30% would start to lift those on median incomes into the housing market. In Stoke-on-Trent, a 50% share would help those on median incomes and a 30% share would benefit those on both median and lower quartile incomes.

¹⁰¹ Rental charge per month is assumed to be 3% of the unsold equity divided by 12. The charge can vary between 2%-4%.

Table 134: Income for shared ownership compared to median and lower quartile earnings		
	Difference to median	Difference to lower quartile
East Staffordshire	-£10,780	-£17,503
50% equity share	-£2,328	-£9,051
30% equity share	£1,052	-£5,671
Newcastle-under-Lyme	-£8,692	-£15,110
50% equity share	-£1,027	-£7,445
30% equity share	£2,038	-£4,380
Stafford	-£13,533	-£20,921
50% equity share	-£3,590	-£10,978
30% equity share	£387	-£7,001
Staffordshire Moorlands	-£10,953	-£19,097
50% equity share	-£1,838	-£9,982
30% equity share	£1,807	-£6,337
Stoke-on-Trent	-£1,717	-£6,865
50% equity share	£3,668	-£1,480
30% equity share	£5,823	£675

12.14.16 As with discounted sale housing, shared ownership reduces households' income requirements for entering the housing market. Shared ownership has a greater impact than discounted sale housing, although it would still not be an affordable option for many of those households identified as being in housing need.

Shared equity

12.14.17 Table 135 below shows the difference in housing costs that would result from a shared equity dwelling where a purchaser bought at 30% or 50% of the price of the entry-level dwelling.

12.14.18 It is only with a shared equity home at 30% of the market value that a household on lower quartile income could afford in all areas, except in Stoke-on-Trent where 50% equity would also make a contribution. It would be highly unusual for shared equity packages to be as low as 30% equity.

Table 135: Housing costs for shared equity			
	Price	Required income	Difference to lower quartile income
East Staffordshire	£102,000.00	£29,142.86	-£17,503
50% equity share	£51,000.00	£14,571.43	-£2,931
30% equity share	£30,600.00	£8,742.86	£2,897
Newcastle-under-Lyme	£92,500.00	£26,428.57	-£14,789
50% equity share	£46,250.00	£13,214.29	-£1,574
30% equity share	£27,750.00	£7,928.57	£3,711
Stafford	£120,000.00	£34,285.71	-£22,646
50% equity share	£60,000.00	£17,142.86	-£5,503
30% equity share	£36,000.00	£10,285.71	£1,354
Staffordshire Moorlands	£110,000.00	£31,428.57	-£19,789
50% equity share	£55,000.00	£15,714.29	-£4,074
30% equity share	£33,000.00	£9,428.57	£2,211
Stoke-on-Trent	£65,000.00	£18,571.43	-£6,931
50% equity share	£32,500.00	£9,285.71	£2,354
30% equity share	£19,500.00	£5,571.43	£6,069

12.15 Balancing the housing market

12.15.1 PPS3¹⁰² indicates that a Strategic Housing Market Assessment along with other evidence should enable Local Planning Authorities to set out:

- (i) Likely overall proportions of households that require market or affordable housing
- (ii) Likely profile of household types requiring market housing e.g. multi-person, including families and children, single persons, couples

12.15.2 In terms of the proportions of affordable and market housing, a considerable amount of evidence has already been gathered at the regional and sub-regional level. This work, cited in section 6.3, depicts the demand that will arise in the sub-region in the market sector. Table 61 in particular suggests splits for the market, social and intermediate sectors, whilst section 6.4 indicates the role for different forms of intermediate tenures. Section 6.5, goes on to demonstrate how household types may change over the next twenty years. The significant growth of single person households over the period will require the delivery of appropriate housing to meet that change.

¹⁰² *Planning Policy Statement 3 (PPS3): Housing, Communities and Local Government*, November 2006, p9

- 12.15.3 Further evidence has also been cited that shows the disproportionate balance of housing types across the sub-region (see Sections 4.3 and 12.1) with high concentrations of larger, detached homes in the rural areas, whilst the urban core leads the way in terms of smaller dwellings, particularly apartments. With the growth of smaller households across the sub-region at the same time as the continued focus on brownfield sites, smaller dwellings may well be the appropriate direction for development, but only if at the same time there is development of larger city centre and town centre dwellings along with the infrastructure to make these centres sustainable for families and older people.
- 12.15.4 Likewise, what development that takes place in the more rural areas should not necessarily simply reflect the existing stock profile and should seek to balance the mix through the development of smaller, properties to encourage young and/or smaller households to remain in the rural settlements.
- 12.15.5 The work on housing needs presented in this report identifies possible targets for affordable housing (see section 12.13), whilst at the same time making it clear that the scale of affordable housing identified is beyond what is achievable through current policy allocations.
- 12.15.6 Consequently, policy makers need to take account of all this evidence on growth, demand and needs in order to identify the appropriate policy responses to meet the market and affordable housing requirements in the different sub-regional sectors and local planning areas, bearing in mind the final allocations agreed in the Regional Spatial Strategy.
- 12.15.7 Whilst the size requirements of market housing are driven by household change (section 6.6), the size requirements of affordable housing are considered below, based upon identified need.

Stakeholders on Dwelling size and type

- *Apartments are being left empty, but there is a huge demand for them from developers and customers.*
- *Stoke-on-Trent has reached saturation on 1 bed apartments - need for better space standards and better quality.*
- *Growth in 3 storey townhouses to meet density requirements - houses getting narrower and taller.*
- *The developers are being driven by land values - they would rather develop family homes, but density requirements lead to apartments.*
- *Tension between land values, design quality, energy efficiency, sustainable code for homes and viability.*
- *Not building larger homes to retain and attract people in Stoke-on-Trent. They are being built outside the city, but not in the city. Larger 3-4 bedroom properties needed at critical mass to retain population in Stoke-on-Trent.*
- *Need for second bedrooms rather than having to move on from 1 bed properties. First-time buyers are not 20 anymore they are 29 so they immediately need more than one bedroom.*
- *Good quality housing is the issue: quality not quantity.*

12.16 Size requirements for affordable housing

12.16.1 Analysis from the housing waiting lists of each authority in the North Housing Market Area, described above, gives some indication of the requirement for social housing by size in the sub- region. This is summarised in Table 136 below.

12.16.2 Although there is strong need for smaller units, there is also demonstrable need for two and three bed properties in all areas and 4 or more bed properties in Newcastle-under-Lyme.

Table 136: North Housing Market Area social housing demand (%)				
Local authority	Bedrooms required			
	One	Two	Three	Four or more
East Staffordshire	51.0	35.8	10.7	2.3
Newcastle-under-Lyme	50.5	32.9	12.0	4.5
Stafford	45.5	33.5	18.6	2.5
Staffordshire Moorlands	52.0	35.1	12.3	0.6
Stoke-on-Trent	59.4	23.4	15.8	1.3

- (i) East Staffordshire shows strong demand for two bed properties alongside single bed accommodation.

- (ii) Newcastle-under-Lyme has a particular pressure for properties of four bedrooms or more.
- (iii) Stafford has the highest pressure for three bed properties in the North Housing Market Area.
- (iv) Staffordshire Moorlands need for two bed units is similar to that of East Staffordshire and suggests a shortage of smaller properties in the more rural districts.
- (v) Stoke-on-Trent requires proportionally more single bed accommodation; undoubtedly fuelled by the younger population in the town.

13 RECOMMENDATIONS

1. That the North Housing Market Partnership and the West Midlands Regional Assembly note the findings of this report with regards to any future re-examination of the housing market partnerships operating in the West Midlands.
2. That the housing market linkages between Newcastle-under-Lyme, Stoke-on-Trent, Staffordshire Moorlands, East Staffordshire and Stafford are noted in terms of resource allocation to ensure sustainable communities.
3. To promote the development of:
 - ❑ higher density dwellings in the housing market sectors disproportionately dominated by detached dwellings
 - ❑ more “executive housing” in the housing market sectors shown to be disproportionately dominated by terraced dwellings
 - ❑ an adequate supply of smaller units of accommodation where they can be shown to make a valuable contribution to mixed sustainable communities
4. To support the private rented sector offer where it is contributing to the mix of occupied housing and encourage the growth of private rented accommodation in the North Housing Market Area in the housing market sectors where it is low and where it can be shown to contribute to sustainable communities.
5. To note the changing household structures in the future (particularly the significant growth in smaller households) and ensure that future development is mindful of the need for appropriate living space for these different household sizes, e.g.:
 - ❑ one person households need more than one room whether they are young people “LAT”, a single person with child care responsibilities (e.g. one half of a separated family) or an older person requiring space to accommodate family or carers.
 - ❑ the requirement for family housing in East Staffordshire
6. In West Newcastle-under-Lyme to note the acute affordability pressures in the sector and address the under supply of mid-sized properties (particularly semi-detached and terraces), social housing and private rented options.
7. In Audley/Kidsgrove to maintain the tenure balance that currently exists and address the mismatch in terms of housing type (i.e. detached and terraced dwellings and apartments)

8. In Stoke-on-Trent/Central Newcastle
 - ❑ To expand home ownership both through outright sales and shared equity products
 - ❑ To maintain the major interventions to address the poor housing offer and number of vacant dwellings
 - ❑ To maximise the housing offer to young people in Stoke-on-Trent to encourage retention of smaller younger households
 - ❑ To focus resources towards a more attractive housing offer to higher earners in Stoke-on-Trent to encourage growth of this population to support the City's renaissance
 - ❑ To note the numbers of older households in poor social and private housing and ensure appropriate support services and high quality accommodation choices are made available
9. In Three Towns (Biddulph, Leek & Cheadle) to address the mismatch in supply between the high levels of owner occupation and low levels of social housing and private rented housing and to encourage the development of smaller properties in order to ensure a supply that provides choice in terms of both size and price.
10. In North East Staffordshire, Stafford West and Stone and environs there is a significant requirement for more affordable housing, particularly social housing, to counteract the disproportionate dominance of owner occupation. There is also a need for more mid-sized and smaller units to offset the predominance of detached properties. Stone and environs also displays scope for growth in the private rented sector.
11. In Uttoxeter and environs there are high mean incomes, high house prices and high house price change creating affordability pressures. There is a need for more affordable housing and social housing in particular and a shortfall of smaller/mid-sized units such as terraced dwellings.
12. In Stafford town to maintain the tenure balance and type balance that currently exists and note the growth in one-person households, which could put pressure on the smaller properties in the future.
13. In Burton-on-Trent to note the shortfall in affordable housing, although this may in part be offset by the private rented sector and address the under supply of larger detached and semi-detached properties.
14. To note the findings of the housing needs model and use the evidence to support the adoption of robust planning policies that maximise the delivery of affordable housing, and social rented housing in particular, in all areas where affordability pressures and supply

shortages are shown to be acute. For the purpose of determining planning applications, as a minimum, affordable housing will be required on housing sites with 15 or more dwellings or greater than 0.5ha in area.

15. As the figures suggested by the model are in most cases greater than the Districts' total completion targets for affordable housing and past performance on delivery of affordable housing, there is clearly a need to look very carefully at the sites coming forward in the future and their suitability for mixed, sustainable developments as the Councils may need to seek a considerably higher proportion of affordable housing than has been the target in the past. In particular:
 - a. In **East Staffordshire** thresholds of ten dwellings in urban areas and three in villages should be considered alongside affordable housing targets of no less than 40% on all sites above the minimum threshold and 50% on sites of less than 15 dwellings.
 - b. In **Newcastle-under-Lyme** affordable housing targets should differentiate between urban and rural areas with lower targets in central Newcastle areas (that match those adopted by Stoke-on-Trent) and targets of 50% in the rural areas.
 - c. In **Stafford** affordable housing targets should differentiate between urban and rural areas with lower targets for the former and targets of 50% in the rural areas with a lower site size threshold of three dwellings.
 - d. In **Staffordshire Moorlands** the housing needs model implies affordable housing targets of 100% on all developments. Whilst this may not be appropriate or desirable lower site size thresholds of ten dwellings in urban areas and three in villages should be considered with minimum targets appropriate to the housing market sector including 50% on sites in rural locations and 100% on sites of less than three dwellings.
 - e. In **Stoke-on-Trent** there is a need to encourage the urban renaissance through the provision of high quality market homes, but there is also a requirement to replace obsolete housing stock with high quality affordable housing. On this basis there is an ongoing requirement to ensure a minimum of 30% affordable housing on sites above the site size minimum threshold.
16. To consider the role for shared ownership and shared equity where it has been shown to be affordable in the North Housing Market Area, but as an addition not a replacement to social rented housing particularly in housing markets demonstrating acute affordability pressures.

17. In terms of the size of affordable housing units there is both a strong need for smaller units and a demonstrable need for two and three bed properties in all areas and 4 or more bed properties in Newcastle-under-Lyme.
18. To maintain the evidence base and update key elements annually; particularly the housing needs model and the key housing market indicators to see whether an increase in the delivery of affordable housing through firmer and higher targets than have been achieved previously has the desired effect of reducing shortfalls across the Housing Market Area.
19. That the high proportions of single pensioner households in Stoke-on-Trent and Newcastle-under-Lyme, particularly in social housing, are noted to ensure that sufficient resources are allocated to appropriate care and support services for older people living alone.
20. That, in the light of the high proportions of older people in Staffordshire Moorlands in private housing, sufficient resources are allocated to support services (crucial for maintaining independence and preventing isolation) particularly for “asset rich - income poor” homeowners in rural areas to assist them with maintenance and upkeep to enable them to remain in their own homes.
21. That local housing choices and specialised accommodation for older people are offered that:
 - ❑ enable older people to move on when they need to
 - ❑ but also seek to minimise the extent of under occupation of larger properties
22. To note the mismatch between the numbers of households with specific needs and the distribution of carers particularly in the poorer parts of the North Housing Market Area and the implications this has for service provision.
23. To address the perceptions held by some black and minority ethnic communities who regard social housing as a second choice due to perceptions of anti-social behaviour on council estates and long waiting times for council homes and who may disregard intermediate tenures due to lack of awareness.
24. In terms of the rural neighbourhoods in the North Housing Market Area they should meet the needs of all residents and seek a housing offer that provides a variety of homes including flats and family houses. Affordable housing supply could be increased rapidly through a targeted programme to reduce empty property in rural areas and there could be greater restrictions on Right-to-Buy in areas of acute rural housing pressure. The need for affordable rented homes is critical in many rural areas in the North Housing Market Area.

25. That inter-regional research be commissioned that explores the economic relationships and housing market links between Burton-upon-Trent and neighbouring areas in the East Midlands.
26. That further research be commissioned to explore the rural housing markets across the North Housing Market Area, their specific needs and the common issues they face.



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