

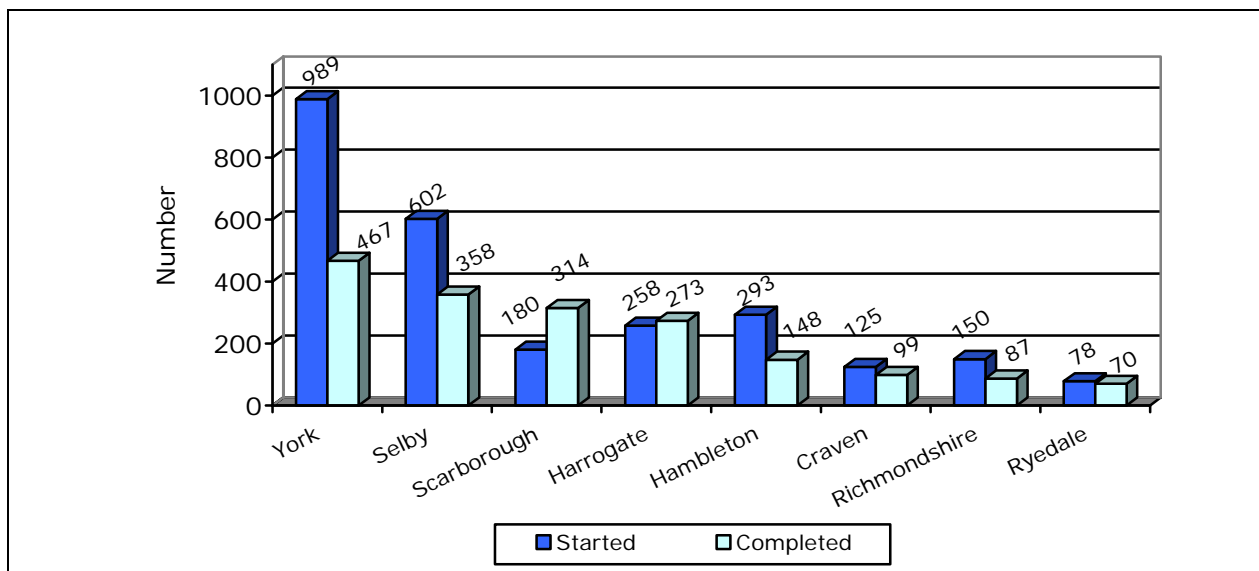
8 Rural housing

The aim of this priority area is to “Understand and address housing needs in rural areas, recognising and tackling issues of fuel poverty”.

8.1 Housing completions in York and North Yorkshire

In York and North Yorkshire there were around 1,800 completions (with the vast majority being private enterprise). This figure is also below the projected 3,000 required to match household growth forecasts. Although findings vary between years, it is arguably in York and Selby where development activity could be regarded as substantial, while moderate levels are seen in Hambleton and Harrogate where demand is high.

Figure 8-1 Dwellings started and completed: 2004/2005



Source: The National House Building Council

As such figures are heavily influenced by the size of the population, it is also important to consider housing completions per 1,000 of the population. This shows that during 2004/2005 Selby sees the highest level of any district in the region (4.6), yet the remaining four rural 80 districts, i.e. Ryedale, Craven, Richmondshire and Hambleton are amongst the lowest.

In 2003/2004 76% of housing completions in York and North Yorkshire were on previously developed land and through conversions, which exceeded the regional average. At a Local Authority level the mixed districts of Harrogate and York see the highest figures, with the rural districts often seeing considerably lower figures.

8.2 Local authority stock

In recent years stock transfer (principally to Registered Social Landlords - Housing Associations) and the right to buy have significantly reduced the number of Council owned housing which is available (see below for more detail). In York and North Yorkshire local authority stock has decreased considerably (to around 17,000).

Table 8-1 Local authority dwelling stock

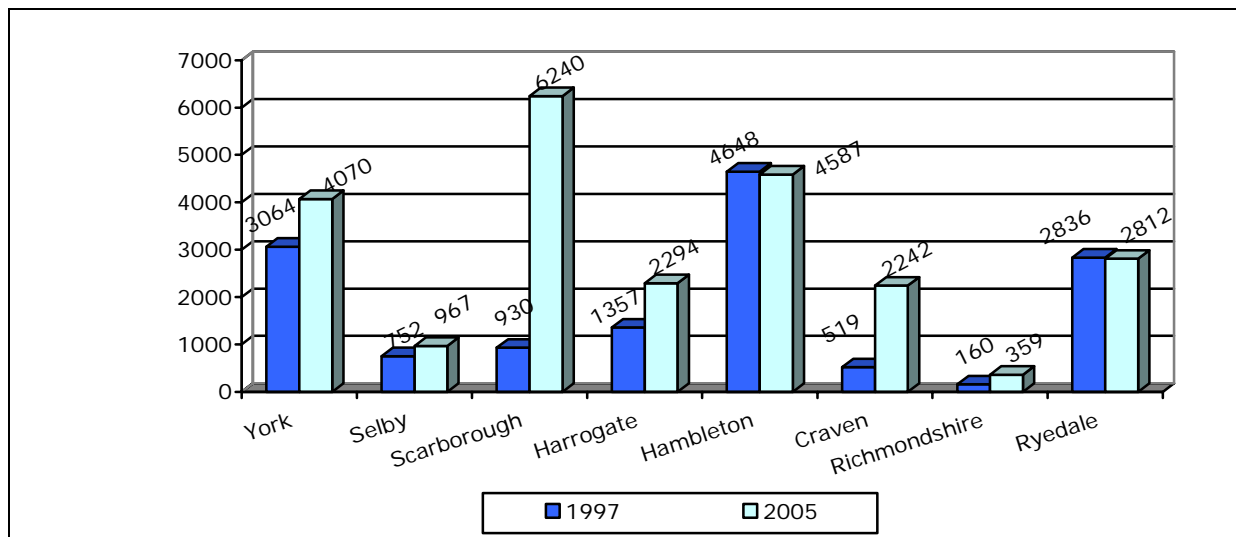
	Number of dwellings within a district						
	1995	1997	1999	2001	2003	2005	% change 95-05
Craven	1,839	1,765	1,717	1,647	0	0	-100%
Hambleton	0	0	0	0	0	0	n/a
Harrogate	4,951	4,806	4,540	4,316	4,074	3,909	-21%
Richmondshire	2,158	2,087	2,015	1,925	1,772	1,672	-23%
Ryedale	2	2	2	2	2	0	-100%
Selby	4,162	3,994	3,840	3,673	3,450	3,246	-22%
Scarborough	6,492	6,276	5,721	5,221	4,717	0	-100%
York	9,726	9,497	9,212	8,775	8,406	8,125	-16%

Source: Housing Strategy Statistical Appendix (HSSA) return

8.3 Registered Social Landlord (RSL) Stock

With over 23,000 homes RSLs (or housing associations) are the major social landlord in the sub region. In Scarborough and the rural area of Hambleton the numbers involved are substantial in relation to the local housing market; although even some districts which have high levels of Council owned homes also have a significant number of homes under RSL ownership and management. Focusing on the rural districts, Selby and Richmondshire see relatively low proportions of RSL stocks, with Ryedale and particularly Hambleton seeing high proportions. Since 1997 Craven has seen a four-fold increase due to its local authority stock transfer.

Figure 8-2 Registered social landlord stock (1997 to 2005 comparison)



Source: Housing Corporation

To get a better picture of the stock of social housing figures 8.1 and 8.2 should be looked at together. In doing so the greatest change in total stock has been in the rural 80 district of Richmondshire where the total has decreased by 216 (or just over 10%). The other rural districts have remained relatively static.

Investment in housing

Sub regional Housing Corporation Investment for 2004-2006 amounted to in excess of £30m, which was predominantly under two main regional priorities - affordable housing (£13.3m) and rural housing (£11.8m). This investment covers 748 units at an average unit cost of £41,000. The largest allocations were to the mixed districts (although the 43% of units in York and Harrogate arguably reflect the proportion of the sub region living in these areas). It is also worth noting that of the rural districts Richmondshire received the largest share.

Table 8-2 Housing corporation investment for 2004-2005 (number of units in brackets)

Area	HC grant (£)
York	5,524,756 (187)
Selby	2,097,252 (92)
Scarborough	1,745,232 (24)
Harrogate	4,926,129 (129)
Hambleton	4,183,482 (71)
Craven	2,718,113 (42)
Richmondshire	5,137,723 (115)
Ryedale	4,223,046 (88)

Source: Housing Corporation

8.4 Number of households on local authority waiting lists

In 2004 there were approximately 13,000 households on the local authority waiting lists. Although such figures are heavily influenced by the population, the highest were numbers are seen in the three mixed areas (e.g. York), with lower figures particularly seen in Craven and to a lesser degree in Hambleton.

However the figures do show a significant increase in the numbers within the rural districts of Richmondshire and Ryedale.

Table 8-3 Numbers of households on local authority waiting lists, 2001 – 2004

Area	2001	2002	2003	2004	% change 2001 – 04
Yorkshire and Humber	150,386	162,365	195,742	197,646	31
Craven	700	570	740	593	-15
Hambleton	1,167	1,259	1,446	1,205	3
Harrogate	1,409	1,636	1,557	2,093	49
Richmondshire	456	563	806	911	100
Ryedale	857	962	1,065	1,504	75
Scarborough	1,567	1,569	2,314	3,201	104
Selby	970	1,102	1,248	1,503	55
York	4,425	3,459	3,625	1,888	-57

Source: Office of the Deputy Prime Minister, Housing Improvement Plan Returns, 2004.

8.5 Homelessness

Homelessness figures are often seen to be underestimated as there is "hidden" homelessness, e.g. where someone stays on a short term basis with family and friends. In the sub region it is estimated that in excess of 1,600 households were accepted as homeless.

Table 8-4 Number of Households Accepted as Homeless: 2005

District	Number of Households Accepted as Homeless	Proportion of the total number of households	Rank of all districts in England (354)
Craven	78	0.34	273
Hambleton	90	0.26	307
Harrogate	226	0.35	268
Ryedale	119	0.57	119
Richmondshire	148	0.78	107
Scarborough	282	0.60	159
Selby	144	0.45	229
York	536	0.69	130

Source: Crisis: England

The Commission for Rural Communities recently reported that nationally homelessness is growing faster in rural areas than urban areas.

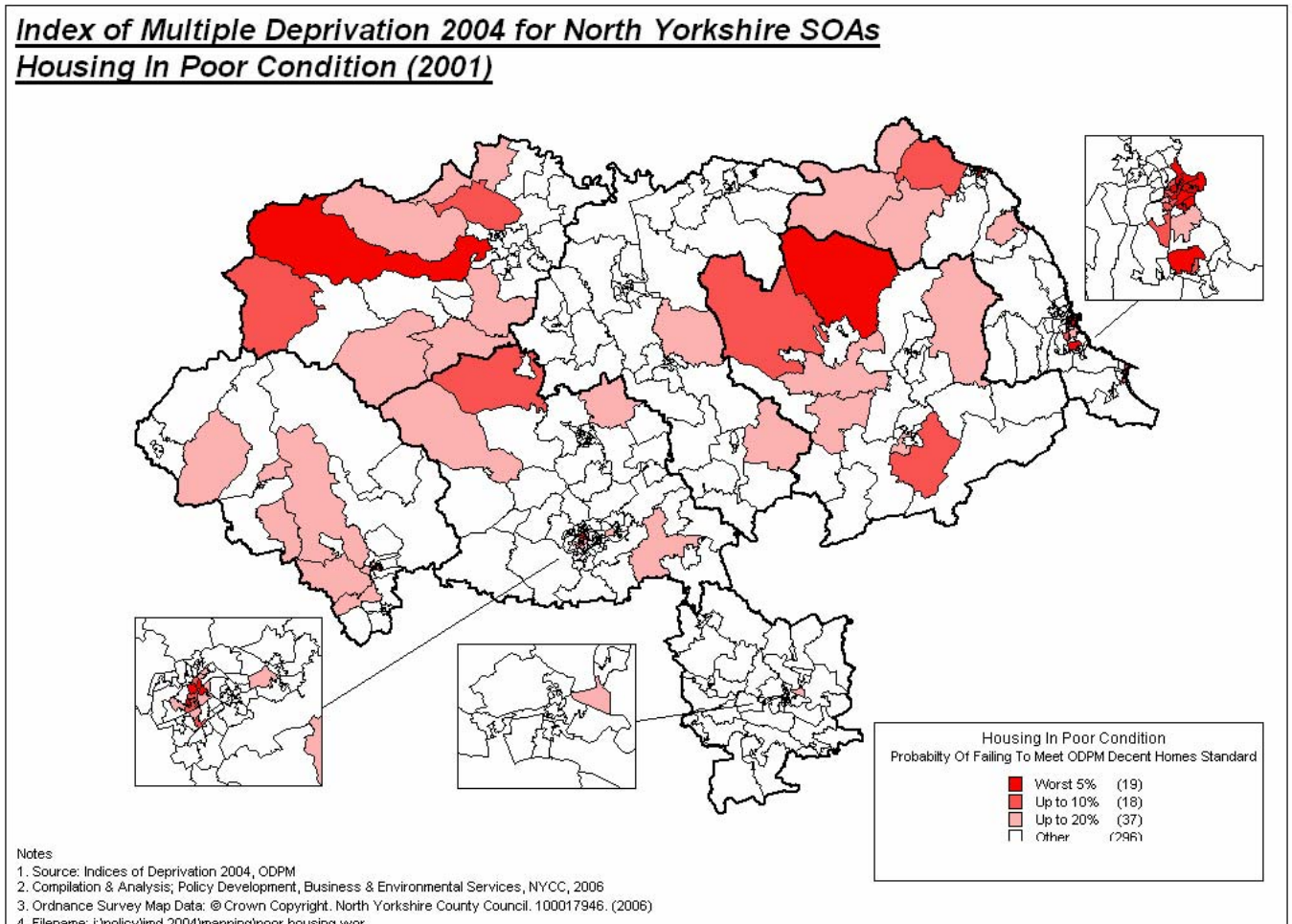
8.6 Condition of Housing and Energy Efficiency

The 2006 Strategic Economic Assessment reports that all local authorities are on a committed course to meet the Decent Homes standard in their social housing stock by 2010. Craven, Hambleton, Ryedale and Scarborough have already transferred their housing stock to RSLs. Selby submitted an application for the 2005 stock transfer programme, whilst Harrogate, Richmondshire and York were seen as able to deliver Decent Homes using their current resources.

Of greater concern is the condition of housing in the private sector, where an estimated 22% to 30% of homes are non-decent. Further, there are concerns about capacity to meet the private sector Decent Homes target. Work under the North Yorkshire Warm, Independent, Safe & Healthy (WISH) programme remains a priority. The programme aims to release equity for private sector owners to fund improvements. It is part of the Yorkshire-wide Property Appreciation Loan (PAL) Scheme targeting vulnerable homeowners and occupiers living in non-decent private housing. All local authorities across York and North Yorkshire financially support the work of The Energy Partnership and Energy Advice Centre which is a not-for-profit organisation that aims to help households and small businesses save money, energy and the environment.

According to the 2004 Indices of Deprivation, in relative terms there are only "small pockets" in rural areas which show poor levels of overcrowding. Similarly across some of the rural areas, including parts of Ryedale, Scarborough and Craven there are "relative" incidences of households that do not have central heating. The poor condition of housing is perhaps more of an issue as the map below highlights.

Figure 8-3 Poor condition of housing



Source: North Yorkshire County Council

8.7 Housing Affordability

According to HM Land Registry, house prices in the sub-region are consistently higher than is seen nationally and regionally. For April – June 2005 the average for York and North Yorkshire was above £190,000. Hambleton and Harrogate significantly exceeded this, with Richmondshire and Ryedale broadly in line with this figure. Even where the lowest house prices are seen - Scarborough and Selby, between 1999 and 2005 these had however experienced the highest increases (being in the magnitude of 150%). The Rural Evidence Hub (using information from Defra) also shows that house prices in rural areas also vary greatly with wards, e.g. being highest in parts of Harrogate, yet lower elsewhere, e.g. in some coastal areas, “eastern parts” of Selby and also in “localised” areas within Craven, Richmondshire and Hambleton.

Using (2004) figures from The Joseph Rowntree Foundation, it is possible to consider the important issue of house prices in relation to income. Not only is housing now “less affordable”, but the rural areas of Ryedale, Richmondshire and Hambleton see the highest ratios, with prices exceeding earnings fivefold. This can also be set within a context that the Affordable Rural Housing Commission (May 2006) used a definition of affordable as a house price to earnings ration of 3.5 to 4.0.

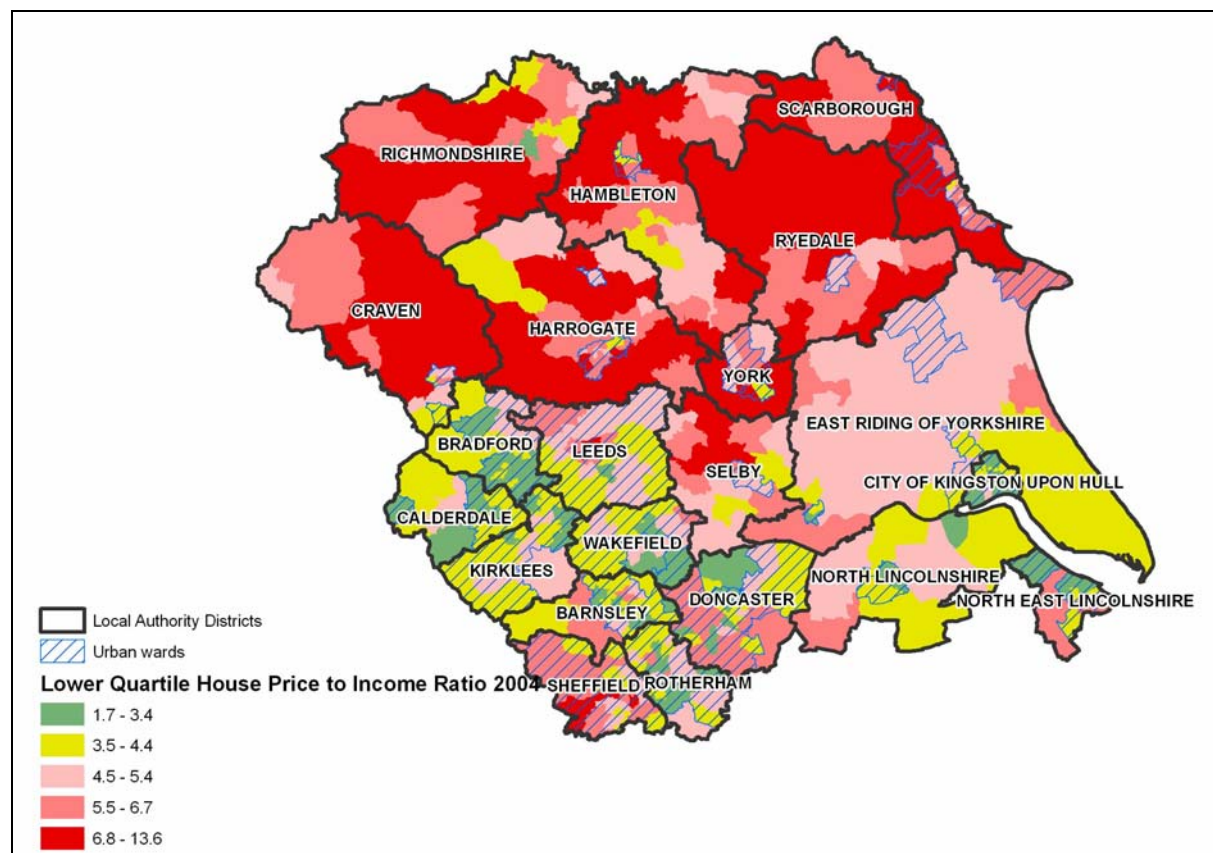
Table 8-5 House Prices to Income Ratio, 2004

Area	Household Earnings	Average House Prices	House price/income ratio
	2004	2004	2004 (2002 in brackets)
Ryedale	26,018	166,555	6.4 (2.96)
Richmondshire	25,787	147,051	5.7 (3.68)
Hambleton	31,287	172,005	5.4 (2.72)
Harrogate	37,050	168,240	4.5 (2.73)
Scarborough	29,033	130,120	4.5 (2.85)
York	33,692	152,725	4.5 (2.23)
Craven	32,832	141,562	4.3 (2.42)
England	38,106	157,986	4.2 (3.37)
Selby	38,218	125,934	3.3 (2.41)

Source: 2006 SEA (Affordability and the Intermediate Housing Market, JRF, 2005)

The map below uses ward level data on lower quartile house prices (as they are the most affordable in each ward) and median³⁰ household incomes data. As the index figure rises, house purchases become progressively less affordable. Whilst affordability is a problem across the whole region (with the vast majority of the regions rural wards are shown to be unaffordable), the problem is particularly acute in North Yorkshire.

Figure 8-4 Housing affordability – house prices to income

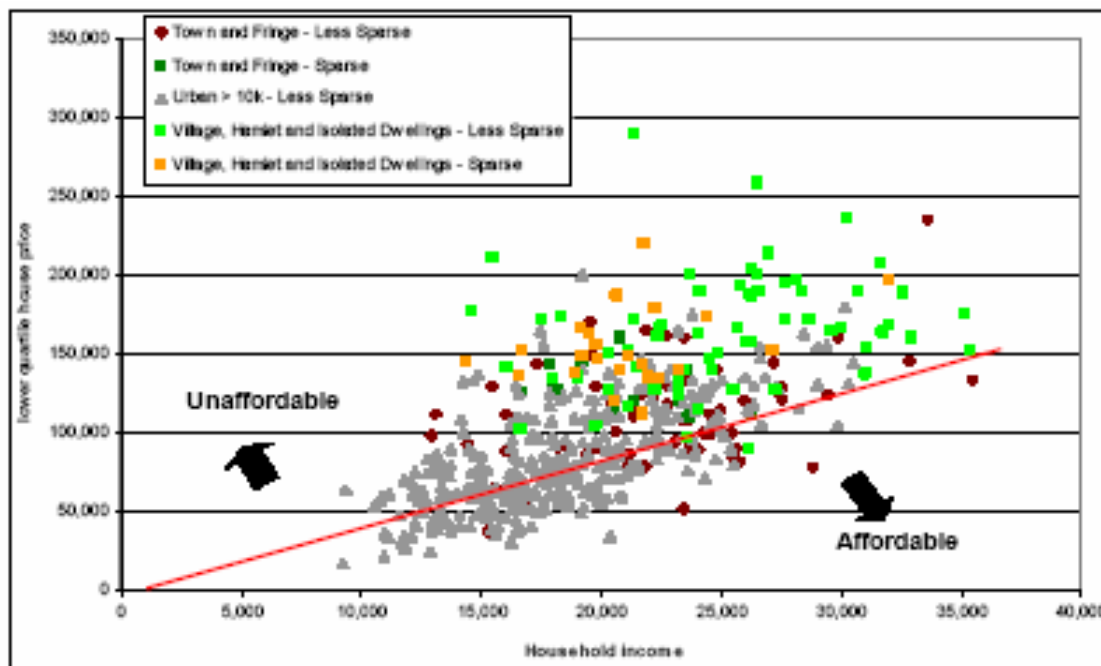


Source: Rural Evidence Base for the Yorkshire and Humber 2006

³⁰ Simplistically the median is the point that divides the distribution of scores in half

The Rural Evidence Base for the Yorkshire and Humber 2006 also displays the same lower quartile house prices and median income data at a ward level in the region. This shows the wards where households on median incomes would find housing affordable and unaffordable. Wards above the red line are unaffordable and wards below the line affordable. Those in the rural areas are nearly all classed as unaffordable, having generally higher house prices and higher incomes than urban areas.

Figure 8-5 Regional affordable housing, by rural definition at ward level, 2004



Source: Rural Evidence Base for the Yorkshire and Humber 2006

The effect of demand for second homes, homes for students and buy to let are increasing prices and reducing housing choice for, amongst others, first time buyers and local residents. A report by The Chartered Institute of Housing and the National Housing Federation records that a large number of second homes is a “local issue”, e.g. occurring in Scarborough, Ryedale and some wards within Richmondshire.

8.8 Fuel poverty

More recent information is soon to be published in this area. A household is defined as fuel poor if it spends more than 10% of its income on fuel use and heating its home to an adequate standard of warmth (21c in the living room and 18c in other occupied rooms). The Commission for Rural Communities Rural disadvantages report (September 2006) states that nationally in 2004 7.1% of rural households in England were fuel poor, compared to 5.6% in urban areas. It also explores the link here with non-decent homes – 60% of fuel poor lived in non-decent homes. Energy inefficient housing was also more common in rural areas.

8.9 Affordable Rural Housing Commission

A recent report (May 2006) outlined a number of key policy implications to tackle the problem of affordable rural housing. These included planning policies and recommendations, how supply can be increased and suggestions of how rural housing issues can be addressed. Further details are available within the technical appendix document, with the commissions report available at www.defra.gov.uk/rural/housing/ Key background information from this includes:

- There is an acute shortage of affordable housing in rural areas in all of the regions in England
- Between 1998 and 2005 there was a 6% decline in the overall number of new houses built in predominantly rural districts compared with an increase of 29% in predominantly urban districts
- Between 2001 and 2005 around 14% of new build in predominantly rural districts was affordable, compared to 22% in urban. Rural districts have also failed to get a pro rata share of the number of new affordable houses
- Affordability has deteriorated over recent years, with average house prices rising by 73% between 2000 and 2005 in rural areas
- Social housing (e.g. council and registered social landlord housing) is seriously lacking in rural areas – only 5% of houses in villages are social housing compared to a national average of 23%. The problem hits those on the lowest incomes the hardest
- There has been an assumption that, because small rural communities have already lost some of their services, they are intrinsically unsustainable and are therefore not suitable for affordable housing
- The inward migration of commuters, retirees and owners of second or holiday homes has contributed significantly to demand-led house price inflation. At the same time, Right to Buy³¹ has had a proportionately greater impact in reducing the stock of social housing in rural areas and fewer new homes have been built to replace those sold
- People performing essential jobs, but not covered by the public sector key worker scheme, such as those caring for the elderly, are finding it increasingly difficult to find housing
- The lack of affordable developments for those who work in the countryside has led to increased car use as low income families are forced to move to urban areas and commute
- Regional and local planning bodies have been encouraged by Governments to give priority to providing homes in urban areas and to minimise those in rural areas.

8.10 Strategies and policies

From the Regional Spatial Strategy and other Strategic Priorities, the following strategic housing priorities have been established for York and North Yorkshire. Accepting local authorities are already taking particular action to address these, these are as follows:

- The provision of affordable housing for rent and low cost home ownership across the sub region, including market towns and sustainable rural areas
- Addressing decency issues in both the public and private sectors
- Developing appropriate services for vulnerable people, particularly in rural areas
- Developing strategic links with key partners, including Yorkshire Forward, house builders and investors in order to co-ordinate action and maximise opportunities for investment and development.

³¹The Right to Buy Scheme is available to tenants of council properties (and also registered social landlords including housing association tenants) for them to buy their home at a price lower than the full market value

8.11 Conclusions and policy implications

The key findings regarding rural housing are:

- In relation to affordable housing:
 - There is an acute shortage of affordable housing in rural areas. It is also the case that housing is now “less affordable”, with Ryedale, Richmondshire and Hambleton seeing particular problems. This is exacerbated in these areas of the Dales and coast where there are large numbers of second homes and holiday homes
 - House prices in the sub-region are consistently higher than is seen nationally and regionally, particularly in Hambleton, Harrogate and Richmondshire. Even where relatively lower house prices are seen, these areas are actually experiencing the highest increases
 - The lack of affordable housing can lead to young families and graduates not being able to live in the area, increased commuting (from more urban areas) and employers having difficulties recruiting staff
 - Housing completions (with the vast majority being private enterprise) are below the required level to match household growth forecasts. The numbers on local authority waiting lists for housing have also increased
 - During the consultation stage it was also identified that demographic changes, especially in relation an aging population will affect housing, e.g. the need for adaptable housing which also meets the needs of single occupiers. This is an area for further research
- Within some localised areas of Richmondshire, Ryedale and Scarborough the high proportion of houses which are likely to be in a poor condition places these areas in the worst 10% in the country
- The number of houses within the local authorities and / or social housing stock has decreased in rural areas over the past 10 years, particularly in Richmondshire. However there has been an increase in investment over the past years
- The rural districts are encountering significant growth in the number of households on the housing waiting lists. The highest increases are in Richmondshire and Ryedale
- There is a need for further research to examine the extent and issues in relation to homelessness in rural areas.