

PANNAL AND BURN BRIDGE PARISH NEIGHBOURHOOD PLAN

REPORT on the HOUSING NEEDS SURVEY ANALYSIS

Prepared by the Housing Focus Group

This is the interim report submitted to the Steering Group on 30 September 2018. It is "interim" only because aspects of Part Two require follow up and further analysis (see page 15). All the rest of the report (the large majority) is essentially "Final" (i.e. Parts One and Three, Section Four, and the Preface on general information and data quality).

EXECUTIVE SUMMARY

This survey was conducted during May/June 2018 on behalf of Pannal and Burn Bridge Parish Council during the development of its Neighbourhood Plan (NP). It was designed by the Housing Focus Group to obtain detailed data on the housing needs of parish residents, and to form part of the NP public consultation process. The survey had a high response rate, from 257 households (27% of the parish). This report provides a detailed analysis of the survey returns, which places the housing needs of the parish on a sound, quantitative factual basis instead of conjecture and supposition.

The report has three parts: demographic and financial profiles of residents and current housing provision, detailed housing needs of residents with specific plans to move within the parish, and residents views on housing needs,. A fourth section asks if housing currently under construction in the parish meets any of the needs identified in the survey. The main findings are as follows:-

(1) Demographics, finances, and current housing provision:

- The median age of parish residents is in the mid-50s, older than Harrogate District and North Yorkshire generally, and is progressively increasing.
- There has been a net decrease in the number of parish residents in recent years, mainly due to people leaving for employment or full-time education.
- There has been a recent influx of high-income families with young children, especially in the last three years.
- Total household incomes before tax are generally high; 20% of households, spread across all age groups, earn more than £100,000 per annum.
- A very high proportion of homes (94%) are owner-occupied; only 4% are rented. These homes are predominantly 4 or 5-bedroom detached houses, together with a smaller number of relatively large detached mainly 3-bedroom bungalows.
- An exceptionally high proportion of homes (69%) are owner occupied with no mortgage; these are distributed across the entire range of home values represented in the parish.
- The total home equity held by this survey's sample of the parish's homeowners is approximately £75 Million to £100 Million.

(2) Housing needs:

The current needs of parish residents fall into three clearly distinct groups, each requiring specific housing types that are rarely available in the parish:

- 1. Downsizers and people with special needs (e.g. limited mobility) make up the largest group, predominantly needing 1 to 3-bedroom accommodation with a strong preference for bungalows. A large downsizing bottleneck exists among retirees because such homes are in very short supply in the parish.
- 2. "Up-sizers and upgraders" are a smaller group; they generally have high household income and growing families. They want larger or more suitable homes, primarily more spacious detached houses.
- 3. Young adults, who plan to move out of their parents' home, and young people needing a starter home to raise a family, require truly affordable homes, mainly with 1 to 3 bedrooms, including rentals and shared ownership arrangements.
- Part Three of the report analyses these categories in quantitative detail.
- Section 4 of the report compares the supply of homes currently being built in the parish with the needs of these parish residents, and shows that only a small proportion of the needs could be met by current construction.

(3) Residents' views on housing needs:

- There is strong general awareness, across all age groups of residents, that the specific housing needs listed above do exist in the parish.
- The survey responses suggest that a large majority of respondents would support a number of relatively small-scale housing developments in the parish if they were designed specifically to meet these true needs.
- Strong interest and support also emerged for the idea of a Community Land Trust, and for a range of other approaches to community housing in the parish.
- Conversely, strong opposition was expressed to large-scale developments that do not address these parish community needs; respondents' comments noted the following concerns:
 - Negative impacts of developments on the highly valued green spaces, both the Special Landscape Area and the Greenbelt, surrounding the villages.
 - Developments that threaten the continuous rural green gap separating Pannal and Burn Bridge from Harrogate.
 - Developments that destroy or are out of keeping with the existing scale and character of the villages.
 - Developments that place additional stress on the already over-stretched infrastructure. Traffic gridlock and inadequate roads were mentioned in a high proportion of the respondents' comments.

The Housing Focus Group has compiled a list of follow-up questions in order to investigate residents' views more thoroughly during the public consultation phase of the Neighbourhood Plan. These questions place more emphasis on the crucial issues of the scale and location of developments.

Preface: General information on the Housing Needs Survey and Data Quality

This survey was conducted during May/June 2018 on behalf of Pannal and Burn Bridge Parish Council during the development of its Neighbourhood Plan. The survey was designed by the Housing Focus Group both (a) to obtain data on the housing needs of parish residents, and (b) to serve as an element of the public consultation process for the Neighbourhood Plan.

The Parish Council funded PMD Creative Solutions of Baildon (a) to produce the printed format of the survey questionnaire for distribution, and (b) to carry out the manual data entry from the completed printed returns into SurveyMonkey. The consultant Ruralis (David Gluck) provided the electronic SurveyMonkey implementation and converted the completed electronic data set into .csv format for analysis by the Housing Focus Group. The definitive version of the full raw data set is the backed-up archival .csv file held by the both the Parish Council and Housing Focus Group.

Ruralis also provided a preliminary text/graphics output file using the SurveyMonkey software. However, that file was made from the raw unfiltered data set and includes the redundant and erroneous records identified below. It also used inappropriate default software modes to create graphical plots for several questions that required non-default parameters. Therefore that output is too preliminary to include in the Neighbourhood Plan evidence base. It is superseded by the present report based on the Housing Focus Group's analysis.

The Housing Focus Group, chaired by Parish Councillor David Oswin, designed and drafted the questionnaire, analysed the data, and wrote this report. This is a volunteer group of experts who reside in the Parish and, collectively, have long-standing relevant professional experience in the fields of housing, survey design/analysis, statistical analysis, impartial presentation of quantitative data, report writing, and project management. They worked as follows:-

Designed and drafted the questionnaire:

Sarah Hart, Jackie Wootton, Dave Oswin, Mick Phipps, Anne Gaskell

Timing and distribution logistics:

Andrew Macdonald and volunteers

Data analysis, statistics, graphical presentation:

Dr. John Wootton, (Professor Ken Brodlie)

Wrote the report:

Dr. John Wootton, Sarah Hart, Jackie Wootton, Dave Oswin

Questionnaire design and validation: The Pannal and Burn Bridge questionnaire is a modified and expanded version of a previously validated Housing Needs Survey questionnaire developed by Stanford on the Vale Neighbourhood Plan group. Changes included: (1) several questions added to obtain more detailed demographic and

financial profiles and specific housing needs of individuals and households planning to move within the parish (Part Three of the survey); (2) clarification of questions on Affordable Housing, Self-build, and Community Land Trusts by addition of an Appendix with information and statutory definitions for these terms; and (3) for many questions, redefinition of the category boundaries (age groups, income brackets etc.) and wording to better reflect the demographic, financial, and current housing profiles of Pannal and Burn Bridge residents. A pilot test was carried out on a small group of volunteers who found the questionnaire to be logical and clear.

Anonymity, privacy, and data protection: The questionnaire and this report comply with GDPR. No personally identifiable information was requested or obtained. The survey packages were hand delivered to all homes in the parish in sealed envelopes. These contained the printed questionnaire and the SurveyMonkey access details, offering the choice of either online or paper return. The questionnaire returns were anonymous in both formats. A stamped addressed envelope was included for return of questionnaires completed on paper.

Data integrity and consistency analysis: The primary archival raw data set contained a total of 260 records, 237 from manual data entry of paper questionnaire returns and 23 from online direct submissions. The 260 records were reduced to a working set of 257 records by (a) deletion of 2 records submitted online that were identified (by IP address matches) as redundant partial entries, and (b) flagging of one record derived from a paper submission that contained an obvious data entry error (the number of 0-10 year-old females in a household was entered as "21" for Question 4). All of these 257 records are unique (no duplicates). Analysis of the IP addresses and entry times/dates showed no evidence of irregularities or data tampering in the 21 online submissions. Of these, 18 IP addresses mapped to local OpenReach ADSL nodes known to serve Pannal and Burn Bridge and 3 IP addresses were from widely used national commercial private networks. Accordingly, in the absence of evidence to the contrary, all 257 records were deemed to be authentic.

Identification of within-record inconsistencies: Of the 36 questions in the questionnaire, 32 (namely Questions 1 to 18 and 23 to 36) were answered by respondents in an internally consistent way and were suitable for informative quantitative data analysis. However, within-record inconsistencies were identified affecting Question 19 and its follow-up Questions 20 to 22 (these requested information on people who "used to live in the parish and want to return"). Only the 25 respondents who answered "Yes" to Question 19 should have followed up by answering Questions 20 to 22. However, 27, 27, and 41 respondents respectively answered Questions 20, 21, and 22; several of these had either skipped Question 19 or entered "No" as the answer. We could not find any consistent explanation for these anomalies: they may reflect under-response to Question 19 or inappropriate responses to the follow-up questions or a combination of both. Accordingly, given the high likelihood of unreliable data, all responses to Questions 19 to 22 were excluded from this survey analysis. In contrast, Part Three of the survey (Questions 23 to 36) is not subject to any such unreliability: Questions 23 to 36 obtained very detailed, consistent, information from household members with clearly defined plans to relocate or establish new homes within the parish.

1. Part One: Demographics and Housing Provision

Part One of the survey covered the basic demographic and financial profiles of households and the current housing provision in the parish. The analysis presented here is based on the responses from 257 households to questions Q1 to Q14 of Section One, a 27% response rate for this part of the survey.

1.1 Demographic Profiles of Pannal and Burn Bridge Residents

To provide a broader perspective, we compare the data from these parish households with national and regional data and trends published by the UK Government's Office of National Statistics (ONS). Further insights emerge from comparisons with the Pannal and Burn Bridge Parish Community-Led Plan questionnaire (February 2015), which had a larger, 48%, response rate, and demographic data reported in the Harrogate District Strategic Housing Market Assessments produced by GL Hearn consultants for HBC in 2016 and 2017.

As described below, this analysis reveals:-

- The parish population is mostly settled and ageing, similar to North Yorkshire and Harrogate generally but with an older median age.
- The total number of residents in the parish has decreased somewhat in the last few years, largely due to members of households moving away for employment or full-time study.
- Trending towards counteracting this decrease, there has been a notable recent influx of families with young children, especially during the last 3 years.

1.1.1 High and increasing median age

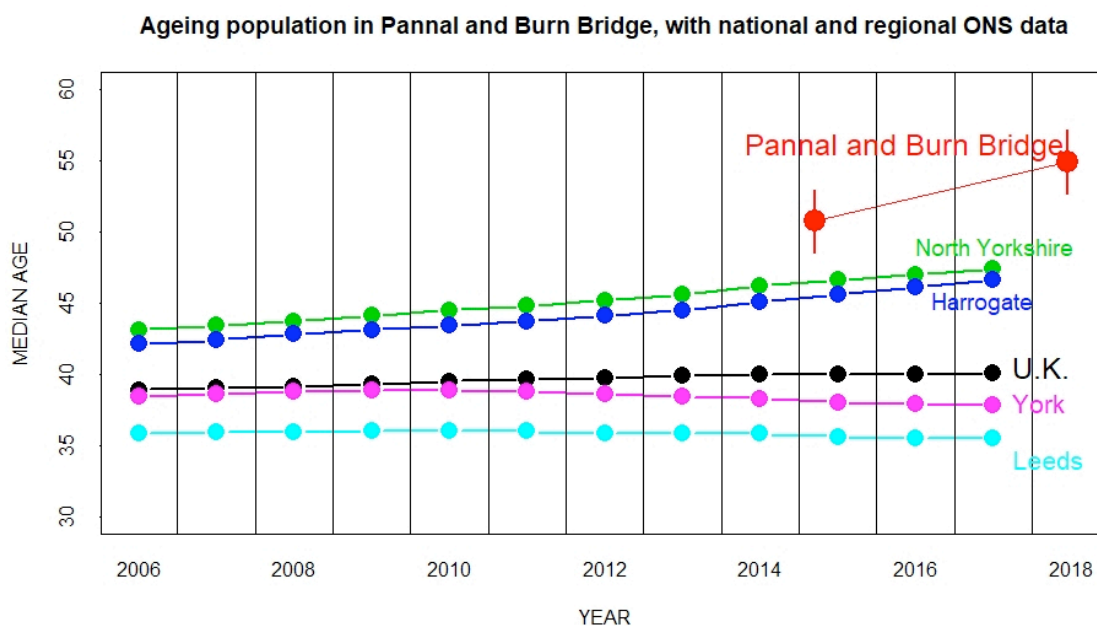
From both the Community-Led Plan (CLP, February 2015) and this survey (HNS, June 2018), the median age of parish respondents lies within the broad 45-64 age group. ("Median age" is the mid-point age with 50% of a population younger and 50% older; this is the parameter used by ONS to describe national and regional population trends.)

To estimate more precisely where these parish median age values lie within the 45-64 age groups, we have used well-established computer algorithms like those employed by ONS. **These give median age estimates of 50.9 (+/- 2.2 years) and 54.9 (+/- 2.2 years) for the CLP and HNS data respectively, consistent with the 3 to 4 year age shift between the two surveys** (the statistical confidence intervals are indicated by bars in Figure 1 below). These computations also showed that **the whole adult age distribution (the 25 to 85+ year range) shifted roughly 4 years older moving from the CLP (February 2015) to the HNS (June 2018)** - see the graph in Section 1, Appendix (below) as an example.

A predominantly settled parish population of long-term residents, with a high proportion of retirees, is also shown by the responses to Q6 of the HNS ("*How many years have you lived in Pannal & Burn Bridge Parish?*"): 69% of the respondent households are of more than 10 years standing and 48% of more than 20 years.

The Pannal and Burn Bridge community is older than the North Yorkshire and Harrogate District populations in general. The 2016 median ages from ONS annual surveys are 47.0 for NYCC and 46.1 for HBC. **Figure 1 below** shows the parish median ages in the broader perspective of district, county, city, and UK median ages and trends from 2006 to 2017, using the annual mid-year data published by ONS.

Figure 1



The increasing age trend in the parish community parallels, at a higher level, the long-standing 12-year ageing trend in the entire North Yorkshire and Harrogate populations. In contrast, the median age of the U.K. as a whole is younger and has increased only slightly over this period (38.9 in 2006 to 40.1 in 2017). Moreover, Leeds (35.5) and York (37.9) show an even younger, and currently decreasing, median age trend, as is typical of large cities.

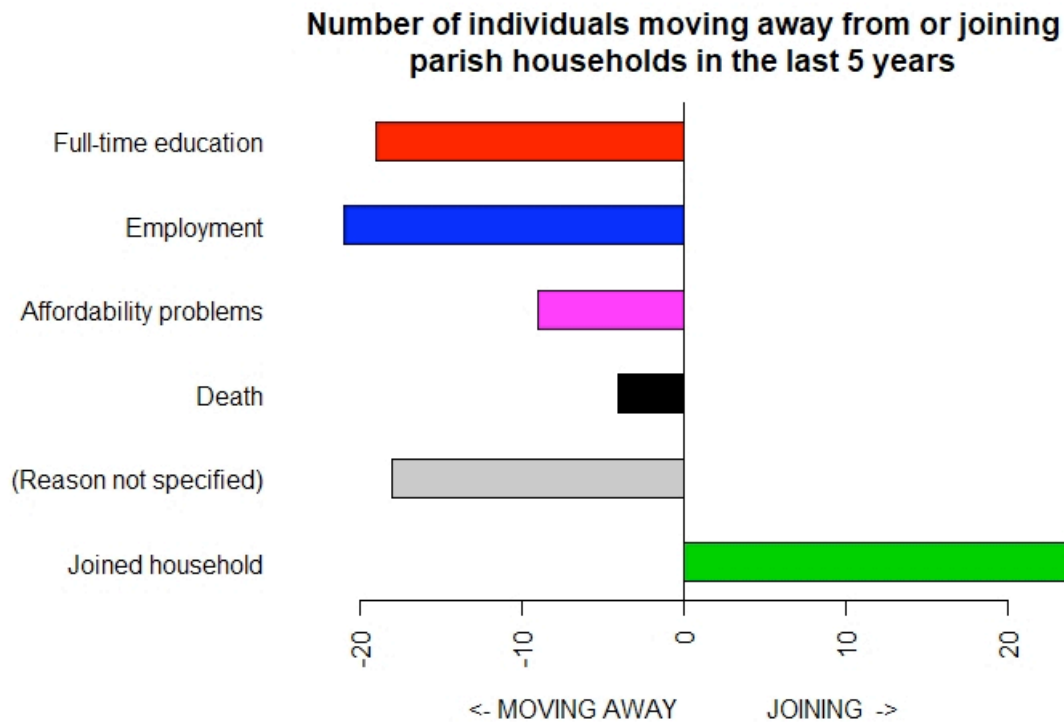
Overall, this analysis places the parish unambiguously in a **national demographic category that ONS calls "Coastal, Rural, and Amenity"** (i.e. high and increasing median age with many retirees in higher income brackets; although in recent years such people have been increasingly settling inland rather than in traditional coastal resorts such as Scarborough). Another characteristic of such communities, shown by ONS data nationally, is a recent population decline, as shown for the parish in the next section.

1.1.2 Recent net decrease in the number of parish residents

The population of Pannal and Burn Bridge Parish was 2235 in the 2011 national census. Since then, the number of parish households has increased slightly, but the estimated total number of residents appears to be lower: the preliminary total numbers as extrapolated from the 48% and 27% samples of the February 2015 CLP and June 2018 HNS are 2219 and 2152 respectively.

These extrapolations are too uncertain in themselves to show an unambiguous population change. However, strong evidence consistent with decreased total numbers, comes from the HNS responses to Q12 to Q14: (*Have any members of your household left the parish in the last five years? If yes, why did they move away? Have any people joined your household in the last 5 years? - this may be children moving back, new baby, new partner ... If yes, how many?*), as shown in Figure 2:-

Figure 2



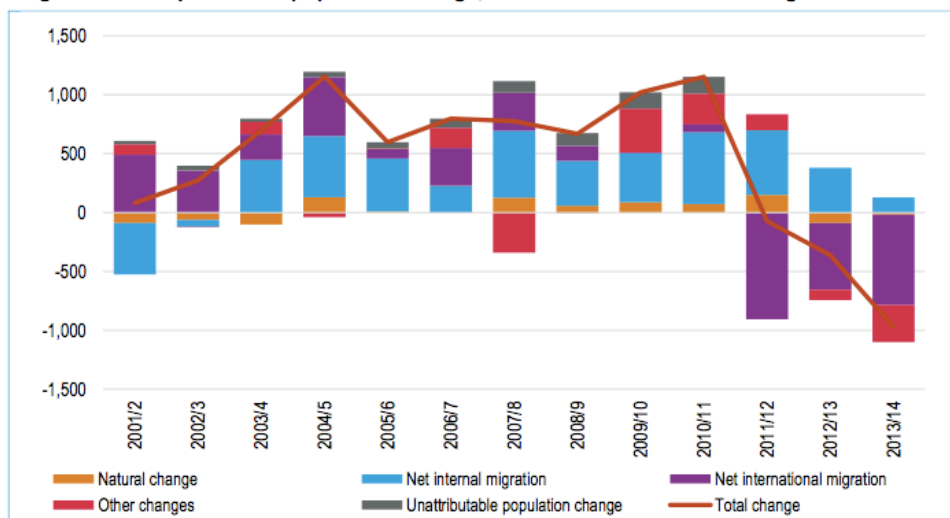
This shows that 71 people (from 42 households) moved away from the parish and 24 people (16 households) joined, **a net decrease of 47 individuals in this HNS sample of 27% of parish households.**

Caveat: A small uncertainty arises from any net changes of occupancy of whole households due to relocations in the last few years. For example, 27 households (10.5% of respondents) are in the "less than 3 years resident in the parish" category of Q6. Since the HNS provided no information on the previous occupants of these homes, any net population increase or decrease caused by these relocations is unknown. The 27 homes now include families with a total of 21 children in the 0 to 10 year age group, which might or might not contribute to a net increase of numbers in these homes. However, it is unlikely that any such changes could compensate for more than a small proportion of the net decrease (47 individuals) reported above.

Comparison with Harrogate Borough: This HNS evidence for population decrease in the parish is completely consistent with GL Hearn consultants' detailed report (2016) of changes in the whole HBC District. Using ONS data, they showed a clear decrease in certain population cohorts from 2010 to 2014 (Figure 3 below). Moreover, a data update released by ONS in July 2018 shows decreases continuing up to mid 2017.

Figure 3, reproduced from "Figure 2" and "Table 2" of the GL Hearn 2016 report for HBC

Figure 2: Components of population change, mid-2001 to mid-2014 – Harrogate



Source: ONS

Table 2: Components of population change, mid-2001 to mid-2014 – Harrogate

| Year | Natural change | Net internal migration | Net international migration | Other changes | Other (unattributable) | Total change |
|---------|----------------|------------------------|-----------------------------|---------------|------------------------|--------------|
| 2001/2 | -89 | -436 | 489 | 91 | 27 | 82 |
| 2002/3 | -63 | -59 | 357 | -4 | 41 | 272 |
| 2003/4 | -101 | 447 | 216 | 106 | 29 | 697 |
| 2004/5 | 131 | 517 | 502 | -39 | 44 | 1,155 |
| 2005/6 | 9 | 448 | 80 | 6 | 54 | 597 |
| 2006/7 | 0 | 227 | 320 | 172 | 79 | 798 |
| 2007/8 | 127 | 566 | 323 | -341 | 100 | 775 |
| 2008/9 | 57 | 381 | 129 | -7 | 108 | 668 |
| 2009/10 | 87 | 415 | 10 | 372 | 136 | 1,020 |
| 2010/11 | 72 | 610 | 66 | 262 | 142 | 1,152 |
| 2011/12 | 150 | 548 | -906 | 135 | 0 | -73 |
| 2012/13 | -89 | 381 | -565 | -88 | 0 | -361 |
| 2013/14 | -17 | 129 | -769 | -313 | 0 | -970 |

Source: ONS

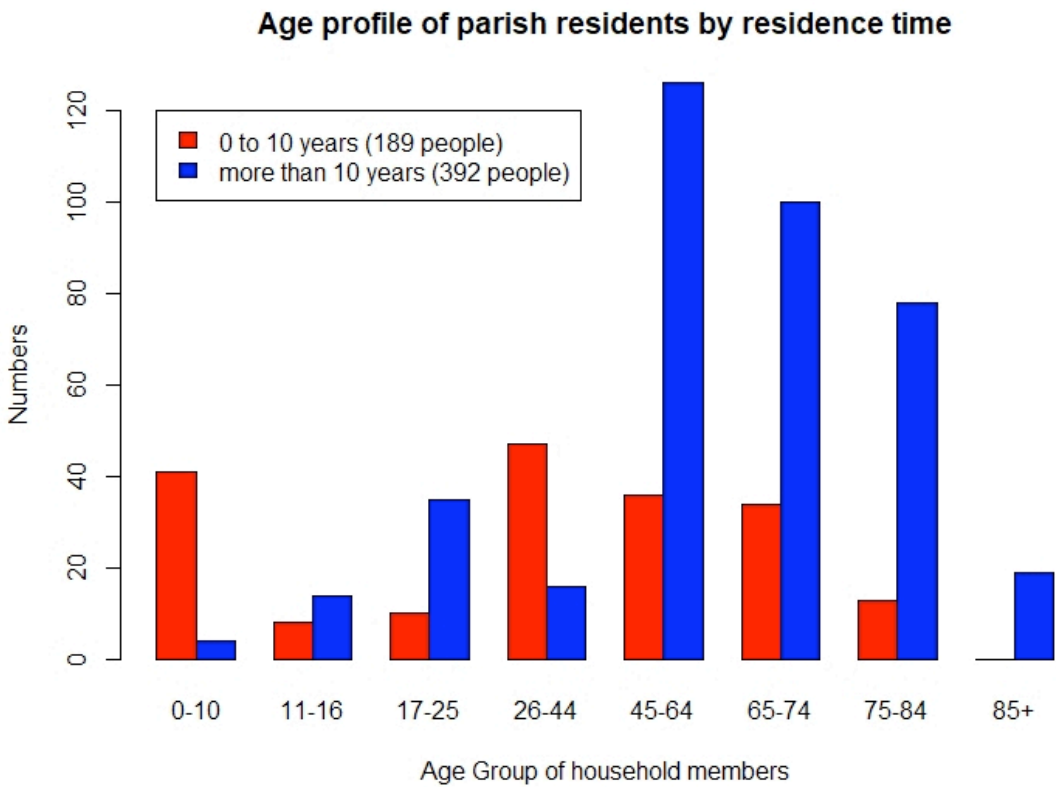
1.1.3 The recent influx of families with young children

Residents who have lived in the parish for 10 years or less show several distinct demographic attributes compared with more long standing residents. **A large proportion of this more recent influx consists of families who currently have young children, and a lesser proportion consists of retirees joining the**

community (Figure 4). This trend might be accelerating, as inferred from the 254 households who answered both Q4 (age group data) and Q6 (length of residence). Notably, out of a total of 45 children in the 0 to 10 year age group reported by these 254 respondents, **the largest number of children, 21 (47%), are in households who have lived in the parish less than 3 years** and a further 20 (44%) are in families who have been parish residents for only 3 to 10 years.

In part, this trend could be explained by predictable generational drift, boosted by the likelihood that most of these young children are grandchildren of the post-WW2 "baby-boomer" generation. However, the high reputation of the Pannal Primary School is also likely to be attracting such families. Residence within the parish guarantees that children have places at this heavily oversubscribed school, which, in turn, acts as a gateway to highly coveted places at Harrogate Grammar School. (Further characteristics of this cohort of less than 3-year residents are explored in later sections of this report below.)

Figure 4

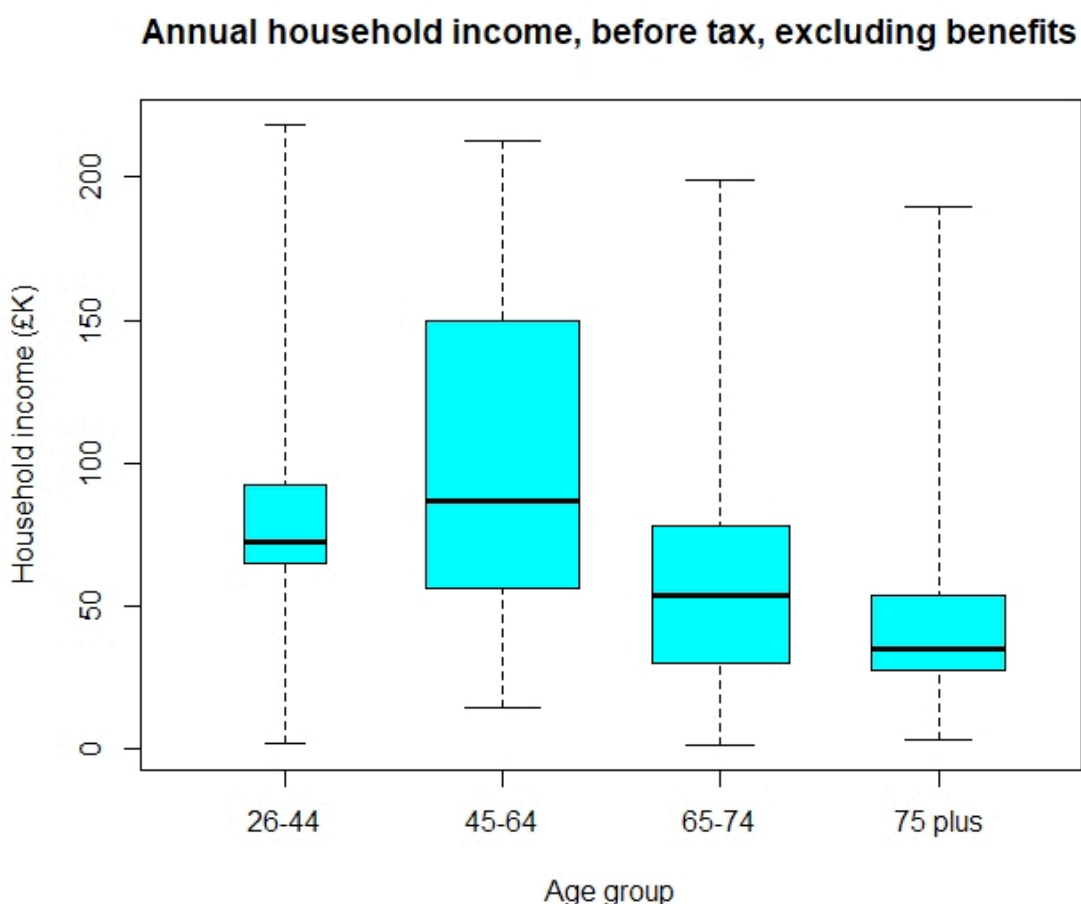


1.2 Households in the parish and their financial status

1.2.1 Household income

213 respondents reported total gross household annual income from all earners, before tax and excluding benefits (question Q10). The amounts reported are generally high by national standards. This is the case for all age groups of household principal earners, as shown by the statistical distributions plotted in Figure 5, which also show the expected decreasing trend in household income for ages 65 or over. Horizontal black lines in the inter-quartile boxes denote the median of each age group. The overall median is in the £50,001 to £100,000 income bracket. 43 respondents (20.2%, distributed across all the age groups) reported annual household incomes greater than £100,000.

Figure 5

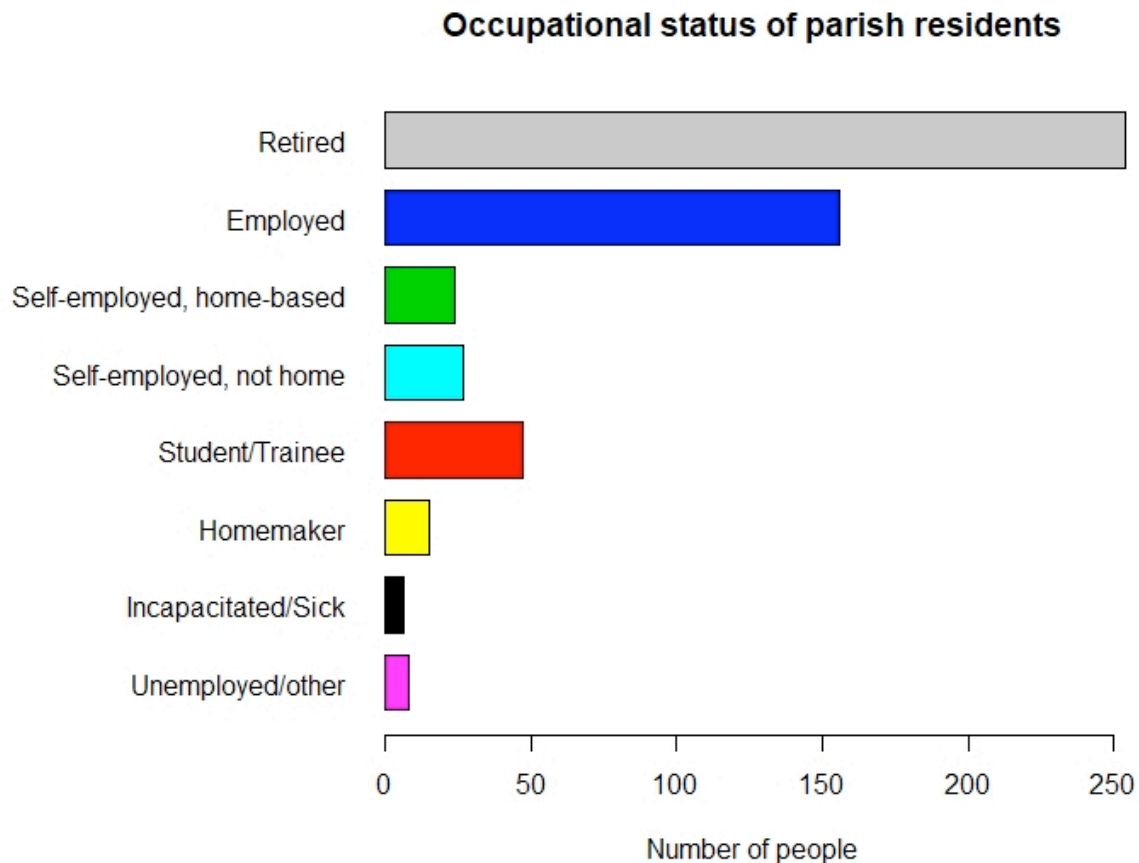


(For this figure, "Age group" means the estimated age group of the "Reference Person(s)" of each household in the sense used by ONS, i.e. the person(s) likely to be taking primary responsibility for the household finances. This was computed from the survey Q4 data using an ONS rule-based classification procedure.)

1.2.2 Occupational status

254 responses to Q5 of the survey provided the occupational status of a total of 537 residents, which represents an approximate 25% sample of the population of the parish. Of these people, 254 (47.3%) were reported as retired and 207 (38.5%) employed or self-employed including 24 home-based self-employed (Figure 6).

Figure 6

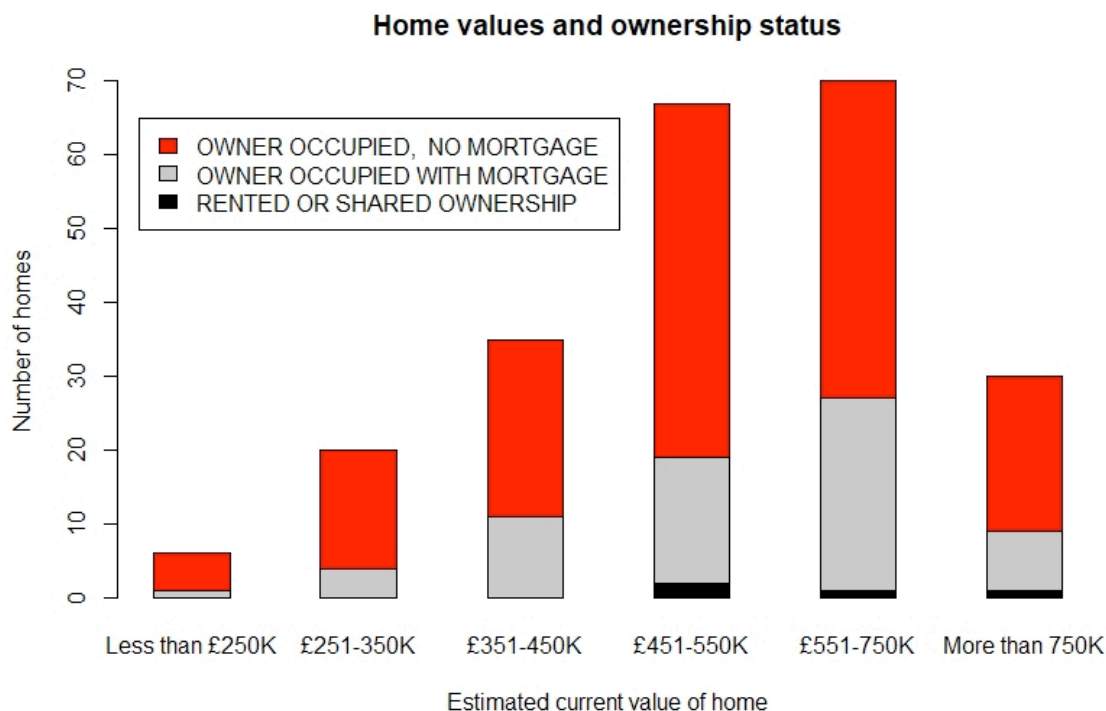


1.2.3 Home ownership and equity held by homeowners

From 254 responses to Q1 of the survey (home ownership status), 238 homes (93.7%) are owner occupied. The rest are private rented (5 homes), Housing Association rented (4), tied to a job (4), in Shared Ownership (2) or "rent free" (1).

228 of these respondents also provided data on the estimated current value of their home (Q8) as shown in Figure 7. Notably, **157 of these homes (68.9%, orange bars) are owner occupied with no mortgage, and these are distributed across the entire range of home values represented in the parish.**

Figure 7



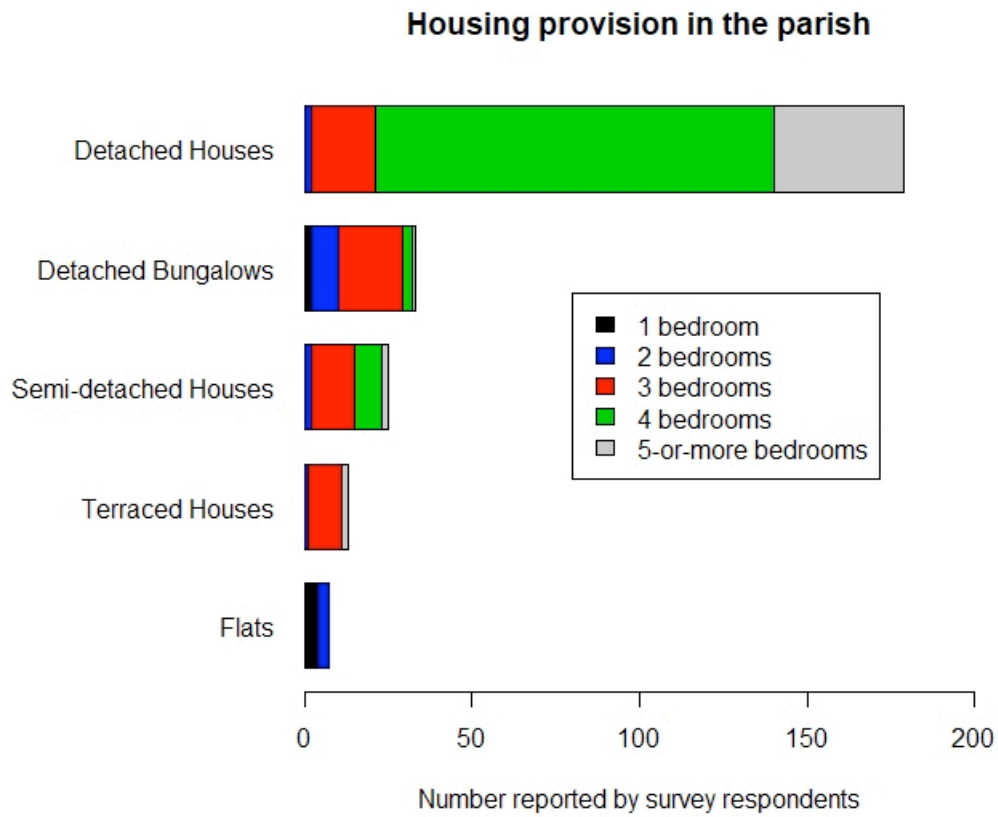
This demonstrates a **very significantly greater proportion of outright ownership than the national average** (for which published estimates vary in a wide 35% to 48% range, with a slowly increasing annual trend). In part, this reflects the predominance of retirees in the parish: the survey data do show the "no mortgage" category to be biased towards the 65+ age groups. Nevertheless, this category is spread across all the age groups from 25 upwards, including a substantial number (31 homes) of the younger households who have moved to the parish in the last 10 years.

Calculating from these estimated values, the total equity currently held in this sample of 157 homes owned with no mortgage is in the approximate range of £75 Million to £100 Million. This sample of 157 amounts to approximately 16.5% of the total households in the parish.

1.3 The housing provision in the parish

256 respondents provided data on both the type of their property (Q2) and its number of bedrooms (Q3). This represents an approximate 26% sample of all the dwellings in the parish. As shown in Figure 8, the large majority of this sample (179 homes, 69.9%) are detached houses, predominantly with 4, 5 or more bedrooms, and 33 homes (12.9%) are detached bungalows, mostly with 3 bedrooms, with the remainder being semi-detached or terraced houses, and only a small number (7) of flats.

Figure 8



In view of the strong demand for bungalows expressed by parish residents (especially downsizers) in Parts Two and Three of this survey, it is important to clarify the concept of "Bungalows" as represented in Pannal and Burn Bridge. These are almost all large and detached, with generous gardens and drives, many with garages.(Figure 9).

Figure 9

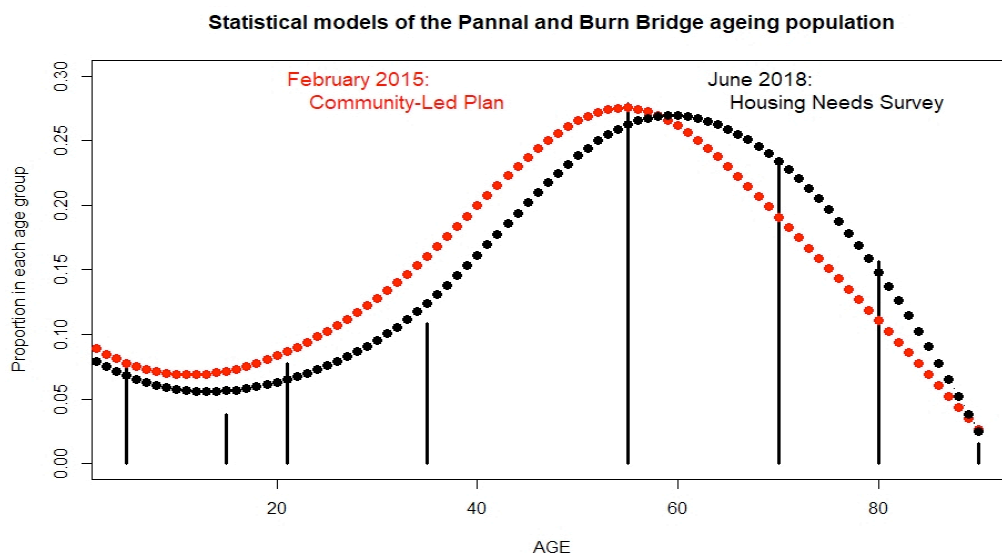


For 29 of the 33 bungalows reported in Q2 of the survey, the homeowners provided estimates of market values. 18 of the 29 (62.1%, mostly with 3 bedrooms but a few with 4 or 5) were valued at greater than £450,000, 4 of these greater than £550,000. Only 2 small bungalows (with 1 and 2 bedrooms) were valued at less than £250,000. **Overall, the bungalow valuations in the parish are substantially higher per bedroom (and probably per floor area) than the corresponding estimates for detached and semi-detached houses. Thus, very few of the existing bungalows in the parish could be considered to be affordable housing,** reflecting their high quality, desirable locations, and the fact that demand exceeds supply.

This raises the important question of what the potential downsizers (Part Three of this survey) mean by "bungalow". Many, but not all, of these people are in a favourable financial status, owning large houses with no mortgage (Section 1.2.3 above). Accordingly, their aspirations do not necessarily match the smaller, more densely packed designs of "retirement bungalows" or "affordable single storey housing" provided by certain current developments. **Recommendation: further follow-up questions could address the parish's need for different scales and types of bungalow as the Neighbourhood Plan public consultation phase continues.**

Section 1, Appendix

The computer analysis to infer more precise median ages from age group data (section 1.1.1) used well-established protocols based on a combination of smoothing and interpolating cubic B-splines. Several different weights and parameter sets were used to infer a credible range of uncertainty on the median age estimates (e.g. shown in Figure 1 above). This analysis also models the general statistical nature of the overall distribution of ages in the parish population. The example plotted below serves to illustrate how the population age drift from the 2015 CLP to the 2018 HNS is generally consistent with the 3-4 year interval between these surveys, given that the parish residents are predominantly settled and ageing. These analyses help to mutually validate these two surveys:-



2. Part Two: Residents Views

Questions Q15 to Q18, were designed to provide survey respondents an opportunity to record their views on housing needs of the parish and specific types of accommodation that may be required. All residents could respond, whether or not they themselves had specific needs, and 242 households responded to at least one of the questions.

In being "open to all", Part Two of the survey is crucially different from Part Three (Q23 to Q36, analysed below), which obtained extensive detailed and quantitative data from residents with their own well-defined housing needs who are seeking to establish a new home in the parish

Q15 to Q18 primarily used structured tick-boxes, but comment boxes were also provided ("Other please specify" for Q15 and Q16, "Comments Welcome" for Q18, plus a box for general comments). Respondents could choose to tick multiple boxes for Q15 (on needs for different categories of properties including "None"), Q16 (needs for various types of supported housing), and Q17 (preferred types of housing tenure). In contrast, Q18 asked for a single "Yes", "No" or "Don't know" response on the idea of a Community Land Trust for the Parish. Further information was provided in an Appendix to the questionnaire on "Affordable Housing", "Self-build" and "Community Land Trust", together with the administrative or statutory definitions of these terms.

Taken together, these responses and comments provide an interesting and nuanced picture of how residents see the parish needs for different types and categories of housing.

They reveal a strong general awareness, across all age groups of residents, that a certain level of need exists in the parish for (a) truly affordable housing, and (b) a range of housing types, predominantly bungalows, for retirees who wish to downsize and for people with special needs. Evidently, a large majority of respondents would broadly support a number of relatively small-scale housing developments in the parish, if they were designed specifically to meet these true needs.

Strong interest and support also emerged for the idea of a Community Land Trust, and several respondents wanted more details on this relatively unfamiliar type of development. Comments also revealed interest in a range of other approaches to community housing and how they might address the need for true affordability.

In total, respondents provided 50 comments in the various boxes provided in Part Two of the survey. 26 of these expressed and amplified their further support for the types of needs mentioned above, or suggested ways in which existing village amenities might be enhanced.

However, the other 24 comments addressed issues of scale and location and tell a different story: 20 of these (83%) expressed opposition, strongly worded in many cases, to large-scale housing developments in the parish. These were opposed to

(a) building on the highly valued green space, both Special Landscape Area and Greenbelt, especially anything that threatened the rural green gap separating Pannal and Burn Bridge from Harrogate, (b) large developments that destroy or are out of keeping with the existing character of the villages, and (c) any development of a scale that further burdens the already over-stretched infrastructure (traffic gridlock and inadequate roads were mentioned in 10 of these comments). Only one of these 24 comments expressed a contrary view by stating support for housing development on the Greenbelt south of Pannal, a view that is explicitly opposed in other comments.

The overall thrust of these comments on the potential scale and location of housing developments is well captured by quotes from 4 of the respondents:

"Houses/accommodation should only be built if there is a true identified 'need'."

"No need for high density of large, overpriced/unaffordable houses anywhere in the parish"

"Any extra housing would need a radical rethink on the infrastructure, roads etc."

"The biggest issue is where do you build"

Further work needed: This section, Part Two, of the Housing Needs Survey raises important additional questions, and the Housing Focus Group considers that further analysis is essential. (This is the only sense in which this report of 30th September 2018 is an "interim report": Parts One, Three, and Four of this document are essentially "final".)

Recommendation for additional work: The Housing Focus Group has produced a sheet of further questions for residents (submitted to the Neighbourhood Plan Steering Group) as a follow-up to this survey. Among other points, these questions explicitly address specific aspects of scale and location for building in the parish. We recommend that these questions be distributed to as many residents as possible, in the hope that a large representative sample of residents' views will be obtained for analysis. Our further analysis will also re-consider the responses to the 2015 Community-Led Plan (CLP) questionnaire, which, unlike this Housing Needs survey, did contain explicit questions on the scale and locations of developments. We also hope Professor Ken Brodlie, who carried out the data analysis for the CLP, will contribute his expertise to this further analysis.

3. Part Three: Housing needs of residents with specific plans to move within the parish

This section provides hard evidence and specific details for future housing needs in Pannal and Burn Bridge parish. Individuals, family groups or partnerships planning to relocate within, or establish a new household within, the parish responded to this section.

Out of 258 survey returns, 57 (22%) answered Part Three. The great majority of these respondents (51 out of the 57) provided full details of the housing categories and tenure they needed (Q26 to Q29), their motivation (Q23 and Q24), the personal and current housing profiles of the people involved (Q23, Q25, Q26 and Q 33 to 36), and their financial situation (Q30 to Q33). The remaining 6 responses could not be included because they did not provide sufficient personal, housing, and/or financial details for categorization and analysis.

These 51 responses provide the level of specific detail needed by the parish if its neighbourhood housing policies and implementation are to meet the community's needs over the next 10 years. The Part Three data have been analysed in conjunction with the personal, financial and household information in Part One of the survey (Q1 to Q11), thus providing an informative and statistically significant data set to characterise the local housing market needs in the parish.

These local needs illustrate, in a microcosm, several of the same housing market trends and problems that are widely recognised nationally, notably the lack of truly affordable housing, the downsizing bottleneck, and the demand for bungalows. This analysis also adds detailed numbers and substance to some of the opinions from stakeholder interviews reported in David Gluck's May 2018 Housing Market Supporting Paper for the Pannal and Burn Bridge Neighbourhood Plan.

MAIN FINDINGS

3.1. Three distinct categories of housing need in the parish

These categories, described in more detail in subsections 3.1.1 to 3.1.3 below, emerge clearly and objectively from impartial analysis of the data in the 51 survey responses.

(a) DOWNSIZERS and/or PEOPLE WITH LIMITED MOBILITY

32 households out of 51 responses (63.0%).

30 of these 32 households plan to relocate to a smaller home with fewer bedrooms. Of these, 13 also have special needs (limited mobility or wheelchair use, now or anticipated).

A further 2 households need a more suitable home for reasons of limited mobility but with the same number of bedrooms. These have the same general housing needs as the downsizers and are included with them.

(b) UPSIZERS and UPGRADERS

10 households out of 51 responses (19.5%). Families or partners with high household income, mostly with children, planning up-market relocation.

(c) ADULT CHILDREN LIVING WITH PARENTS and STARTER HOMES

9 households out of 51 responses (17.5%). Young adults, planning to move out of their parents' home, or wanting to establish a new starter household to raise a family.

3.1.1 Characteristics of Downsizers and People with Special Needs. (32 responses)

- Median age group: 65-75
- 28 out of the 32 (88%) want to move out of the following owner occupied houses:-
 - 5-bedroom houses (13: 10 detached, 2 semi-detached, 1 terraced)
 - 4-bedroom houses (15: 12 detached, 3 semi-detached).
 - The median estimated value range of these 28 houses is £551K-£750K (higher than the £451-£550 median range for the parish as a whole).
 - 16 of the 28 houses (57%) are owned outright with no mortgage.
 - (The 4 other respondents would be moving out of rented homes.)
- The preferred downsized (or special needs) requirements indicated are:-
 - 19 bungalows (3-bedroom: 11; 2-bedroom: 8)
 - 9 houses (4-bedroom: 4; 3-bedroom: 5)
 - 4 flats (2-bedroom: 3; 1-bedroom: 1)
- 4 respondents indicated "Supported" as a requirement; 5 noted "Affordable"; 7 are on the Harrogate Council Housing Registry; 3 plan to Self-build if suitable land becomes available.
- 15 respondents (46.8%) supported the idea of a Community Land Trust (i.e. "Yes" to Q18; a further 9 responded "Don't know")
- Tenure preferences for the downsized property were as follows:-
 - 26 of the 32 (81%) selected "Self-owned" preference. 24 of these would be moving out of owner-occupied homes, 2 from rented houses
 - 2 "Housing Association"
 - 1 "Shared Ownership"
 - (3 did not indicate a preference.)

Taken together, these responses demonstrate a **very large, unmet, potential demand for downsized housing, especially for 2- and 3-bedroom bungalows, some smaller (3-bedroom) houses, and 2-bedroom flats. Collectively, these 2-3 bedroom preferences account for 27 of the 32 responses (84%).**

If these bungalows and smaller homes were available, most acquisitions would be cash purchases. Indeed, from their responses to Q1 and Q8-10 in Part One of this survey, **the housing value equity owned by the 27 downsizers in this survey sample would amount to a total cash liquidity for their purchases probably within the broad range of £6 Million to £12 Million**, after allowing a generous margin for equity released for other purposes, and stamp duty, etc..

Moreover, their responses to Q28 show that **the downsizers overwhelmingly seek self-ownership, presumably freehold**. This would continue the type of tenure that they value and cherish in their present 4-5 bedroom homes (this might include for example, a scaled-down version of the same lifestyle, e.g. with their own gardens, and a location with most amenities and facilities within walking distance rather than requiring driving and parking).

If this potential downsizing demand could be met, it would also unblock a current housing market bottleneck by **releasing a significant number of desirable mature up-market homes (28 in this survey sample), thus reducing the pressure for large intensive new-build developments of 4-5 bedroom homes in the area**.

3.1.2 Characteristics of Upsizers and Upgraders (10 responses)

- Median gross household income bracket (before tax and excluding Child Benefit): £101K-£150K p.a. (i.e. in the top 20% of the parish as a whole)
- 7 of the 10 households include children under 17 years
- Median age of adults: 45
- Median value range of the present houses: £451-£550K (the same median range as for the parish as a whole). All 10 are owner occupied, 7 with mortgage.
- Present houses:
 - 3-bedroom houses: 1 detached, 2 terraced
 - 4-bedroom houses: 4 detached, 2 semi-detached
 - 5-bedroom houses: 1 detached
- Houses wanted:
 - 3-bedroom houses: 2 detached, 1 semi-detached
 - 4-bedroom houses: 5 detached
 - 5-bedroom houses: 2 detached
 - All to be self-owned
 - 1 of these is self-build (5-bedroom detached house)
- For those with mortgages, the potential monthly payments declared are all in the survey's uppermost range ("greater than £1,500 per month")
- Only 2 respondents supported the idea of a Community Land Trust (i.e. "Yes" to Q18; a further 4 responded "Don't know")

If these 10 households achieve their ambitions, **a group of desirable mid to upper value mature houses would be released onto the market**.

Relevant question: **Would any of these 10 households be likely to purchase any of the 4- to 5-bedroom executive homes under construction in the parish, e.g. on the Station Road site?** The survey provides circumstantial evidence that at least 5 of the 10 would be unlikely to consider these new-build homes:- First, one respondent's project is already planned on their own self-build land. Second, 4 further households answered "None" to Q15 of Part One of the survey ("What type of accommodation do you think Pannal and Burn Bridge needs?"), indicating that they may be opposed in principle to large new-build developments in the parish. However, the survey does not rule out the possibility that the remaining 5 of these 10 respondents may be potential purchasers of the homes currently under construction, given these households'

favourable financial situation. Section 4 of the survey report (below) considers this and related topics more thoroughly.

3.1.3. Characteristics of Adult Children Living with Parents and Young People Seeking Starter Homes (9 responses)

These 9 responses include 15 people (4 reported as individuals, 8 as 4 pairs, and 3 as a trio). 10 of the 15 people are in the 17-25 year age group and 5 in the 26-44 group.

Caveat: the following analysis treats the data as if just 9 new households are to be established, each corresponding to one of the 9 survey responses. However, it is not fully clear whether, for example, some of the pairs were intended to indicate a need for two households.

- **Affordability:** For Q27 ("What type of home do you want?"), 8 of the 9 respondents made choices from the low cost end of the market ("Affordable housing", "Flat", "Terraced bungalow", "Terraced house", all in the 1-2 bedroom range). The remaining response wants a 4 bedroom detached house, and is also on the Harrogate Council Housing Registry (as are 2 others) or requires shared ownership.
- 6 respondents (66.7%) supported the idea of a Community Land Trust (i.e. "Yes" to Q18; a further 2 responded "Don't know")
- The potential monthly rent or mortgage repayment levels declared are in the following ranges:
 - Less than £500 - 3 cases
 - £501-750 - 1 case
 - £751-1000 - 2 cases
 - £1001-1500 - 1 case
 - Greater than £1500 - 1 case
- 3 are seeking rentals, 6 shared ownership or possibly self-owned
- 6 responses declare potential deposits for shared ownership or mortgages as follows:
 - £5-10K - 4 cases
 - £11-20K - 1 case
 - Greater than £20K - 1 case
- Although the survey does not explicitly request such information, these deposits may well include contributions from the "Bank of Mum and Dad". The corresponding parental (or family) housing and financial data provided in Part One of the survey (Q1, Q8 and Q10) make this a plausible possibility.

There is probably little if any truly affordable accommodation currently available in the parish that is within range for the majority of these people. One question is whether any part of the "Affordable" component of the homes currently under construction will be marketed on shared ownership terms that fall within the reach of these people.

Section 4. Does housing development currently under construction in the parish meet any of the needs identified in this survey?

A further 128 planned residences are currently under construction on the brown-field site that extends approximately southwards from Pannal railway station towards the A61, referred to here as the Station Road Development (SRD). When completed, this project would increase the housing provision in the parish by approximately 13%. Currently, 32 of the potential homes (25%) are to be classified as Affordable Housing (in the statutory Section-106 sense), and the remaining 96 homes are planned for the open market.

In this section, we compare the types of homes being built (according to the builders' Schedule of Accommodation (SofA), the site plan, and the architects' drawings) with the specific housing needs identified in Part Three of the survey above. (Because the survey represents a 27% sample of parish households, the needs for the whole parish are likely to be multiples of the numbers tabulated here.)

Technical point on the number of bedrooms: To make the numbers easier to compare with the usual concept of "bedroom" that the parish residents would typically use, we have reclassified the number of bedrooms listed in the SofA so that they consistently match the definitions of the UK Government's Nationally Defined Space Standard (NDSS). This reclassification corrects anomalies in the SofA where a standard-sized first-floor single bedroom by NDSS specifications is counted as a "study" in some styles of home and a "bedroom" in others; and an anomalous case with 5 full bedrooms by NDSS floor-area criteria but listed as 4-bedroom in the SofA.

4.1 The need for affordable starter homes and the needs of young adults in the parish ("HNS-3", i.e. the sample in Section 3.1.3 above) compared with the total Affordable Housing component of the SRD ("SRD-Af")

| No. of bedrooms | Flats: | | Bungalows: | | Houses: | |
|-----------------|--------|--------|------------|--------|---------|--------|
| | HNS-3 | SRD-Af | HNS-3 | SRD-Af | HNS-3 | SRD-Af |
| 1 | 2 | 4 | 1 | - | - | - |
| 2 | 1 | - | 1 | - | 4 | 20 |
| 3 | - | - | - | - | 1 | 7 |
| 4 | - | - | - | - | 1 | 1 |

These numbers show that the SRD Affordable Housing component as planned could, in principle, accommodate some of this cohort of young adults, although not those specifying bungalows or 2-bedroom flats. However, the crucial issue is that of true affordability: i.e. whether the shared ownership terms likely to be available for these properties will fall within the realistic reach of these people. This seems unlikely for most of them, given the amounts of rental and mortgage repayments and deposits they can currently afford, as listed in Section 3.1.3 above.

4.2 The needs of downsizing retirees and people with special needs ("HNS-1", described in Section 3.1.1 above), and of "upsizers and upgraders" ("HNS-2", in Section 3.1.2 above), compared with the total Open Market component of the SRD ("SRDOM")

| No. of bedrooms | Flats: | | | Bungalows: | | | Houses: | | |
|-----------------|--------|-------|-------|------------|-------|-------|---------|-------|-------|
| | HNS-1 | HNS-2 | SRDOM | HNS-1 | HNS-2 | SRDOM | HNS-1 | HNS-2 | SRDOM |
| 1 | 1 | - | 4 | - | - | - | - | - | - |
| 2 | 3 | - | 4 | 8 | - | - | - | - | 10 |
| 3 | - | - | - | 11 | - | - | 5 | 4 | 47 |
| 4 | - | - | - | - | - | - | 4 | 5 | 23 |
| 5 | - | - | - | - | - | - | - | 2 | 6 |

Clearly, the SRD homes do not meet the needs of the large majority of downsizing retirees and people with special needs. These people want bungalows and single-storey flats either by preference or for reasons of accessibility and limited mobility. Homes of these types constitute the major component of the parish's unmet housing needs, as revealed by this Housing Needs Survey.

On the other hand, the homes specified by the cohort of upsizers and upgraders (details in section 3.1.2 above) correspond closely, at least in terms of number of bedrooms, to the range of houses planned by the SRD, and most of this cohort would be well placed financially to afford SRD properties. However, as noted in more detail Section 3.1.2, above, other attributes of the SRD houses may well not match the preferences of several of these people who are planning to move within the parish.

Instead, it seems likely that the SRD houses may better match the needs of a potential influx of new parish residents who primarily commute to and from the various urban areas in the region. The needs of this target market may also underpin the design of the SRD site layout, which has more open market houses with 2-3 bedrooms (57, mostly either semi-detached or in composite terraces) than 4 or 5 bedrooms (29 houses, mostly detached and on larger plots).

Overall, the SRD provision could meet at most only a small proportion of the true housing needs of parish residents as identified by this Housing Needs Survey (especially Part Three of the survey above). Notably, one respondent raised a pertinent comment (using the alternative name "Dunlopillo site" for the SRD): *"The key issue is the lack of negotiating community benefit from the Dunlopillo site"*. This is one of many issues emerging from this survey that could be further addressed by the Neighbourhood Plan.