



DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HOUSING SERVICES MANAGER	PLANNING COMMITTEE	8 MARCH 2023	4
FYLDE HOUSING NEEDS SURVEY			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

In 2020 approval was given to draw down S106 funds to undertake a district wide Housing Needs Assessment that considers current and future housing need in the Borough, different types of affordable housing tenures required and the economic needs/income levels the tenures should meet in the Borough of Fylde over the next five years.

The purpose of the survey is to provide a key piece of evidence base to support the Council in driving the delivery of affordable housing of appropriate types in different parts of the Borough and ensuring that the needs of particular groups are met.

In total 2,973 households completed a survey, of which 2,492 were households originally targeted through sampling and 481 completed forms on-line. The total response rate was therefore 20.4% from the targeted sample, rising to 24.4% if additional completions are included. The consultant comments that these response rates are very high relative to those currently seen for similar surveys across the country.

A Housing Need Assessment is a 'snapshot' that assesses housing need at a particular point in time. The robustness of the data to inform future housing and planning policies is determined by the response rates at the time of the survey. Due to the response rates to the housing need assessment the data is considered robust.

The main findings note a significant need for affordable homes, with a particular focus on the provision of social or affordable rented accommodation, therefore Housing and Planning Policies should prioritise the delivery of affordable rented products, or rented products into home ownership where opportunities arise.

Many households are likely to face difficulties in accessing market owner-occupation, including discounted market housing, due to the level of deposits required. Also of concern is the high level of debt of households living in rented accommodation both within the social and private rented sectors. This is further impacted by the inability of these households to join the register for social housing if rent arrears are above £500 or there is a payment plan in place for a 12 month period. This could be driving a highly benefit dependent private rented sector as households are stuck within expensive private rented accommodation that they are unable to afford, with many households not being eligible or believing they have little chance of being re-housed; and not applying.

RECOMMENDATIONS

1. That the findings of the Housing Needs Survey be noted;
2. That the type of affordable housing secured through planning decisions henceforth reflects the findings of the Housing Needs Survey in accordance with Local Plan Policy H4, in particular reflecting the need for the majority of affordable homes provided on such sites to be delivered as affordable rented or rent-to-buy accommodation;
3. That officers be requested to update the Affordable Housing Supplementary Planning Document (SPD) to reflect the key findings of the Housing Need Survey.

SUMMARY OF PREVIOUS DECISIONS

[Decision Item – Environmental Health and Housing Committee 17th March 2020 - Fylde Affordable Housing Delivery Programme](#)

Recommend to the Finance and Democracy Committee approval to an addition to the Capital Programme for 2020/21 in the sum of £60,000 to undertake a district wide Housing Needs Assessment that considers current and future housing need, different types of affordable housing tenures required and the economic needs/income levels the tenures should meet. Funding will be met from S106 developer contributions held by the Council to facilitate the provision of affordable housing in the administrative area of Fylde, to be taken from delivery to be taken from 12/0717 Moss Farm, Cropper Road, Westby;

[Decision Item – Finance and Democracy Committee 22nd June 2020 – Addition to Capital programme – Housing Needs Assessment](#)

It was RESOLVED to approve an addition to the Capital Programme for 2020/21 in the sum of £60,000 to undertake a district wide Housing Needs Assessment that considers current and future housing need, different types of affordable housing tenures required and the economic needs/income levels the tenures should meet. Funding will be met from s106 developer contributions held by the Council to facilitate the provision of affordable housing in the administrative area of Fylde, to be taken from 12/0717 Moss Farm, Cropper Road, Westby.

Environment, Health and Housing Committee 24 January 2023 resolved to–

1. Note the findings of the Fylde Housing Need Survey completed in January 2022 and use the data to secure affordable housing that meets the needs of the Borough; and
2. That Officers work with Registered Providers to have in place separate nominations arrangements, with stock in Fylde, for households in rent arrears as a direct cause of affordability in their own homes; and
3. That Officers work with Fylde Coast Housing Providers to amend the Consistent Assessment Policy (CAP) of MYHomeChoiceFyldeCoast, to enable households with housing debt of over £500, to be eligible to register if assessed as being in housing need due to the affordability of their current accommodation

CORPORATE PRIORITIES

Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

Background

1. In 2020 approval was given to draw down S106 funds to undertake a district wide Housing Needs Assessment that considers current and future housing need in the Borough, the different types of affordable housing tenures required and the economic needs/income levels the tenures should meet in the Borough of Fylde over the next five years.

2. The purpose of the survey is to provide a key piece of evidence base to support the Council in driving the delivery of affordable housing of appropriate types in different parts of the Borough and ensuring that the needs of particular groups are met.
3. The formal procurement exercise was delayed due to the Covid pandemic and completed in August 2021. The successful Contractors were Justin Gardner Consulting (JGC) in partnership with CNB Housing Insights.
4. JGC are an independent consultancy providing specialist research studies to public sector clients with a track record of preparing housing needs studies, including Strategic Housing Market Assessments (using both primary and secondary data models); Housing Needs Studies/Surveys (district-wide and local) including parish and neighbourhood level studies; Housing requirements (demographic analysis) – including fully interactive models to allow a range of scenarios for growth to be developed; and Stakeholder/community consultation.
5. CNB focus on local housing needs assessments, working closely with parish councils and neighbourhood planning groups to deliver reliable evidence bases for neighbourhood planning. They have undertaken many assignments for community land trusts providing evidence of need for housebuilding for business planning and to support planning applications. They have been involved in major studies involving household surveys for local authorities who appreciate the value of the fine-grained information that can only be achieved using a properly designed household survey.

Methodology

6. The survey ran from the 17th January 2022 and closed on the 13th February 2022. A total of 12,193 survey forms were sent out to a sample of households selected in the urban areas and a 100% sample in rural locations. Households were given the option of completing the form on line or via paper.
7. The survey was carried out across the whole Borough and a key aspect was to understand the differences between the areas, and for this a total of 10 sub-areas were defined, made up of seven urban locations and three rural. Table 1 shows the sub-areas studied in the analysis and all reporting tables reference these sub areas.
8. The survey was promoted by weekly press releases and social media posts along with posters and surveys available at the Town Hall, libraries and the YMCA swimming pools and gyms. Additional households (not sampled) were encouraged to complete an online form, this included households living outside the Borough but with a connection to the council area (and who might therefore seek housing in the Borough). A final booster of 1,000 forms were hand delivered to areas of St Annes known to have high levels of private renting to try to encourage completed forms from this group of households.
9. In total 2,973 households completed a survey, of which 2,492 were households originally targeted through sampling and 481 completed forms on-line. The total response rate was therefore 20.4% from the targeted sample, rising to 24.4% if additional completions are included. The consultant comments that these response rates are very high relative to those currently seen for similar surveys across the country.
10. The housing needs and household survey was a key source of evidence for the report. Analysis was also drawn on a range of other sources of information. These secondary sources were used for a range of purposes, including to check the accuracy of survey data (and to allow reweighting for bias as appropriate) and to provide data not collected or readily available from a survey. This includes data on house prices and rent levels. Data sources other than the survey include:
 - a. Council Tax Register
 - b. Office for National Statistics (ONS) tenure estimates
 - c. Department for Levelling Up, Housing & Communities (DLUHC) dwelling stock data
 - d. Valuation Office Agency data on dwelling types
 - e. ONS population data (age structure)
 - f. Land Registry
 - g. ONS private rental market statistics
 - h. Internet price/rent level research (e.g. through Rightmove)
 - i. Data from Continuous Recording of Sales and Lettings (CoRe)

- j. Local Authority Housing Statistics
 - k. Department of Work and Pensions (Housing Benefit data)
 - l. Regulator of Social Housing (social/affordable rent data)
 - m. Data from the Council – including homelessness data and information about relets of social housing
11. The final report sets out the findings that cover a range of core subject areas with a particular focus on the need for affordable housing:
- a. Income and affordability
 - b. Affordable Housing Need
 - c. Types of affordable housing
 - d. Housing history and future aspirations
 - e. Needs of particular groups
12. A Housing Need Assessment is a ‘snapshot’ that assesses housing need at a particular point in time. The robustness of the data to inform future housing and planning policies is determined by the response rates at the time of the survey. Due to the response rates to the housing need assessment the data is considered robust.

Table 1: List of sub-areas used in housing needs survey and description of area	
Sub-area	Description
St. Annes	Parish minus the postcodes identified in Fylde-Blackpool Periphery below
Lytham	Unparished area: this is the only unparished area in the Borough, so the whole of the unparished area of the Borough was treated as Lytham
Warton	Bryning-with-Warton (parish)
Fylde-Blackpool Periphery	Postcodes within the parish of Westby-with-Plumpton lying in the area bounded by (to the north and west of) School Road, Whitehill Road, Preston New Road and Peel Hill (but including properties on the east side of Peel Hill), plus properties lying within the Whyndyke Farm development site. Also properties within St Annes parish lying north of the nature reserve, Links golf course and Blackpool Airport
Kirkham	Parish
Wesham	Medlar-with-Wesham parish
Freckleton	Parish
Rural North	Staining (parish), Singleton (parish), Weeton-with-Preese (parish), Greenhalgh-with-Thistleton (parish), Elswick (parish), Little Eccleston-with-Larbreck (parish)
Rural West	Ribby-with-Wrea (parish), Westby-with-Plumpton (remainder of parish having subtracted the postcodes in Fylde-Blackpool Periphery above)
Rural East	Treales, Roseacre and Wharles (parish), Newton-with-Clifton (parish)

13. The Consultants were asked to provide details on the Margins of Error in regard to the results of the survey and their response is provided in paragraphs 14 to 17.
14. Although the estimate produced from a sample survey will rarely be identical to the population value, statistical theory allows us to measure the accuracy of any survey result. The standard error can be estimated from the values obtained for the sample and this allows calculation of confidence intervals which give an indication of the range in which the true population value is likely to fall.

15. The table below shows the margin of error associated with various different groups. The survey overall included 2,973 completed returns from an estimated population of 39,000 households. As well as the overall Borough-wide samples we have looked at sub-area samples; the survey saw a range of sub-area samples from 96 in the Fylde-Blackpool Periphery, up to 511 in St. Annes.
16. In all cases the error margins are based on 20% of the household population being in a particular category. For the whole survey, the error margin is 1.38% - this means if it was estimated that 20% of households had a particular characteristic, then we can be 95% confident that the true percentage is between 18.62% and 21.38%. For sub-areas, the error margins are larger, reflecting smaller samples.

Error margins associated with different sample sizes		
Description of group	Sample size	Margin of error (+/-)
Total sample	2,973	1.38%
Largest sub-area sample	511	3.40%
Smallest sub-area sample	96	7.66%

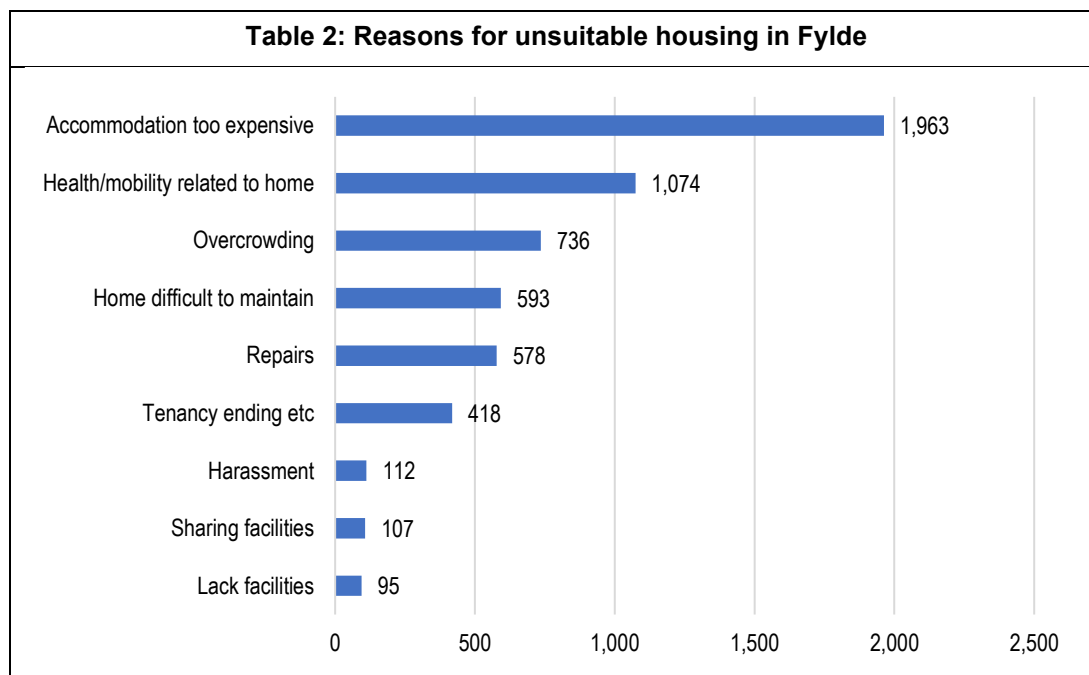
17. In interpreting these error margins, it does need to be remembered that the actual error for any given piece of data will relate to both the sample size and the proportion of the population with a given characteristic and so technically all data in the report will have its own error margin. Looking at the whole sample, if a characteristics were 50:50 (rather than 20:80) the error margin would be 1.73%, but if the characteristics were 5% (95:5) then the error is 0.75.

Incomes and affordability

18. Affordability of market housing is crucial to understanding the suitability of the housing market. A market survey showed a lower quartile house price of £155,000 across all types and size of homes and lower quartile rents at £475 per month in Fylde.
19. The survey results show a median household income of around £30,400 and within this there was a range from below £20,000 with 11% of respondents earning above £80,000. The mean household income is higher at £38,500. Owner occupiers have relatively high incomes, with much lower incomes seen in the social and private rented sector.
20. Households were asked about savings and debt, which from the respondents showed a wide range of different household circumstances. A quarter of respondents said they were in debt, but around a third have savings in excess of £50,000.
21. The survey focussed on non-owners where savings levels were very low and debt relatively high and this is important as households would need to raise a deposit to access the owner-occupied sector. Using the full range of financial information from the survey it is estimated that the average private renting households could afford to buy for around £72,300, with a figure of £55,100 for social tenants. Figures well below the lower quartile price of £155,000 (12).

Affordable housing need

22. This section focusses on the need for affordable housing in Fylde. In the Borough it is estimated that a total of 3,900 households are living in unsuitable housing (10% of all households in the Borough).
23. Table 2 below shows the main reasons for unsuitable housing in Fylde. For most of the categories the figures are based on household's perceptions, the exception is overcrowding which is based on calculations set against the bedroom standards.



24. For the purposes of this survey it is assumed that households in the following categories do not have an in-situ solution to their housing problems: End of tenancy; Over-crowding; Sharing Facilities; and, Harassment. Added to these figures are the current number of households in temporary accommodation at the time of the survey.

Current housing need in Fylde

25. There is therefore an estimated current housing need for **720 households** in the Borough, which equates to an annual need for 144 dwellings across all tenures per annum. If this is compared with MyHomeChoice, in March 2022, this showed 598 households registered, of which only 138 are considered to be in a reasonable preference category. This does imply that the Register applies a strict definition of housing need.

Housing need from newly forming households in Fylde

26. Respondents to the survey (2,797 households) indicated the presence of newly forming households. This equates to 559 newly forming households per annum. The assessment concludes that around two-fifths of these newly forming households will be unable to afford market housing, which equates to **1,024 over a 5 year period or 205 per annum over a five-year period**. This is the number of households who would be unable to afford to rent privately without the need to claim Housing Benefit or the Housing Element of Universal Credit. Table 3 below estimates the need for social/affordable rented housing from newly forming households in the next five years across Fylde.

Table 3: Estimated Need for Social/Affordable Rented Housing from Newly Forming Households (next 5-years)						
	Total Number of new households	1-bedroom need	2-bedroom need	3+-bedroom need	% unable to afford market housing	Newly forming households unable to afford market rents
St. Annes	891	278	520	92	35.0%	312
Lytham	631	202	363	66	48.5%	306
Warton	148	38	45	65	34.5%	51
FB Periphery	20	0	12	8	25.5%	5
Kirkham	348	164	136	48	28.5%	99
Wesham	152	9	56	87	45.3%	69

Freckleton	179	63	62	53	13.1%	23
Rural North	222	29	134	58	25.8%	57
Rural West	97	24	46	28	56.6%	55
Rural East	109	22	70	17	41.8%	46
TOTAL	2,797	830	1,446	522	36.6%	1,024

Supply of housing through relets or resales

27. The estimated future supply of housing through relets (the flow of affordable housing arising from existing stock available to meet current and future housing need) is therefore essential in informing Housing and Planning Policy.
28. Tables 4 and 5 estimate the need for affordable rented accommodation and affordable home ownership by sub area over the next 5 years in the Borough.
29. In summary there is a net need over the next 5 years for 2,091 homes for rent as either social/affordable rented accommodation and 874 units for low cost home ownership.

Net Need = Current Need + Need from Newly-Forming Households + Existing Households falling into Need – Supply of Affordable Housing

Table 4: Estimated Need for Social/Affordable Rented Housing by sub-area (5-years)							
	Current need	Newly forming households	Existing households falling into need	Total Gross Need	Relet Supply	Net Need	% of Total Net Need
St. Annes	222	312	328	861	160	701	33.5%
Lytham	137	306	395	838	90	748	36%
Warton	38	51	101	190	55	135	6.5%
FB Periphery	20	5	79	105	40	65	3%
Kirkham	61	99	75	235	100	135	6.5%
Wesham	0	69	74	143	70	73	3.5%
Freckleton	0	23	58	81	50	31	1.5%
Rural North	37	57	25	119	30	89	4.5%
Rural West	13	55	18	86	10	76	3.5%
Rural East	0	46	12	58	25	33	1.5%
TOTAL	527	1,024	1,165	2,716	625	2,091	100%

Source: Range of sources, including household survey

Table 5: Estimated Need for Affordable Home Ownership by sub-area (5-years)							
	Current need	Newly forming households	Existing households falling into need	Total Gross Need	Resales Supply	Net Need	% of Total Net Need
St. Annes	212	180	600	992	380	612	70%
Lytham	0	233	141	374	272	102	11.7%
Warton	19	38	14	71	43	28	3.2%

FB							-0.1%
Periphery	0	7	18	25	26	-1	
Kirkham	0	112	61	173	74	99	11%
Wesham	0	28	12	40	24	16	2%
Freckleton	0	21	0	21	60	-39	-4.5%
Rural North	0	95	11	106	60	46	5%
Rural West	0	39	0	39	34	5	.5%
Rural East	0	28	0	28	24	4	.5%
TOTAL	232	782	857	1,871	997	874	99.39%

Source: Range of sources, including household survey

Conclusion

30. There is a notable need for affordable homes, with a particular focus on the provision of social or affordable rented accommodation.
31. Housing and Planning Policies should prioritise the delivery of affordable rented products, or rented products into home ownership where opportunities arise.
32. Many households are likely to face difficulties in accessing market owner-occupation, including discounted market housing, due to low levels of deposits.
33. The level of debt of households living in rented accommodation both within the social and private rented sectors is high. This is further impacted by the inability of these households to join the register for social housing if rent arrears are above £500 or there is a payment plan in place for a 12 month period.
34. This could be driving a highly benefit dependent private rented sector as households are stuck within expensive private rented accommodation that they are unable to afford, with many households not being eligible or believing they have little chance of being re-housed; and not applying. My Home Choice only reflects 138 households in the reasonable preference categories in housing need.
35. Recommendations were made to the Environmental Health and Housing Committee on 24 January 2023 to note the findings of the study and allow officers to work to amend the Consistent Assessment Policy of MyHomeChoice to reflect households with housing debt of over £500 are eligible to register if assessed on affordability of their current accommodation.
36. Recommendations are made to Planning Committee to note the findings of the survey and request:
 - a. The key findings of the assessment to increase the supply of affordable rented accommodation form Planning Policy.
 - b. The Affordable Housing SPD be amended to reflect the key findings of the Housing Need Survey.

IMPLICATIONS	
Finance	None
Legal	None
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
MyHomeChoice Consistent Assessment Policy	2018	My Home Choice
Fylde Council Affordable Housing SPD	2021	Fylde Council

Attached documents

[Fylde Council Housing Need Survey](#)