

7 HOUSING NEED AND AFFORDABILITY

7.01 This section covers the issues of affordability and housing need within the sub-region. The data available for this analysis is based on information from the Housing Needs Study completed in 2007 by John Herington Associates (JHA) and secondary data analysed by DTZ.

Housing Needs Survey

7.02 The Housing Needs Survey (HNS) was completed in March 2007 by John Herington Associates (JHA) and covers the same study area as the Strategic Housing Market Assessment.

7.03 The HNS provides information about the housing needs at the HPDD Sub-Area and local authority level, and splits the urban and rural housing needs.

7.04 The HNS refers to the study area as the Peak Sub-Region. For accuracy and consistency, all factual references drawn from the HNS in this Strategic Housing Market Assessment shall refer to the area as the High Peak Derbyshire Dales (HPDD) Sub-Area.

Key Points

- House prices in the HPDD Sub-Area have risen notably faster than the national and regional averages since 2001, with those in Derbyshire Dales rising at a particularly high rate
- Communities and Local Government's PSA5 target, Ratio of Lower Quartile House Prices to Lower Quartile (Individual) Earnings, suggests a significant worsening of affordability generally over the past decade, with the worsening affordability in High Peak resembling the regional and national trends, and affordability ratio in Derbyshire Dales worsening significantly over the period 2003-200, from 1:6 to 1:10
- Affordability issues are compounded by a shortage of small entry level properties, with a lack of one and two bed accommodation in the area (See Section 6)
- Owner occupation is beyond the means of the majority of households, with only 33% of HPDD Sub-Area households being able to afford the cheapest two bed house in Glossop - Hadfield - Gamesley, the most affordable sub area. In Whaley Bridge, Chapel-en-le-Frith and New Mills, the figure falls to 24%, and then to 18% in the following three sub-areas, which cover Derbyshire Dales and the National Park: – Matlock - Darley Dale – Tansley – Wirksworth – Middleton - Cromford - Matlock Bath, Ashbourne, and National Park – Hope Valley and Bakewell
- In addition to progression onto owner occupation becoming increasingly hard (as suggested by the affordability ratios), progression “up the property ladder” from a three bed house to a four bed house is steep (a 54% uplift on average), and so will be prohibitive for many. The preponderance of larger housing in Derbyshire Dales suggests that progression from a three bed house to a four bed house might be particularly challenging in Derbyshire Dales, and this might account for the low stock turnover rate here compared to High Peak and the regional and national benchmarks

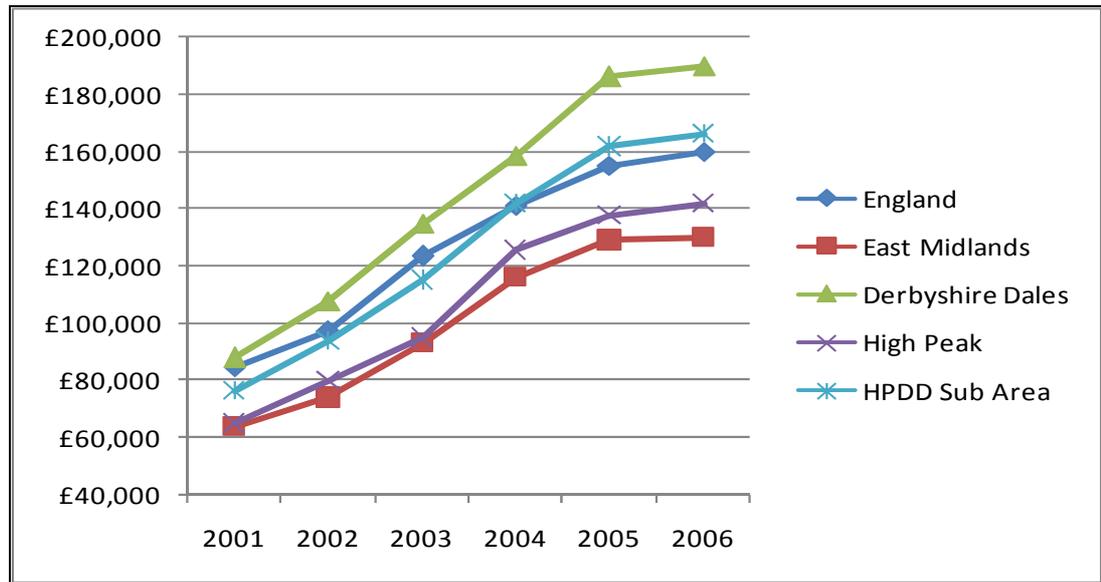
- The Housing Needs Study (HNS) identifies key areas of housing need as being amongst the 18-25 and 26-45 age groups, and particularly single person households; though the shortfall in housing would, in the future, be concentrated on two and three bed family homes, which would account for two-thirds of likely need in the HPDD over the five years from 2007. Some of this need (20%) could be met through intermediate housing products
- Taking into account the calculated annual need to reduce the backlog, and projected affordable supply (based on turnover/ re-lets), the HNS projected a geographical share of 54% to High Peak Borough, 33% to Derbyshire Dales, and 13% to the National Park, of a suggested additional annual target of 248 new affordable homes over the next five years
- At the sub-area level, Glossop and North (Matlock) are identified as the primary areas of overall need, followed by the area of Derbyshire Dales District within the National Park, then Ashbourne and Buxton. However, the HNS also cautions that the projected headline supply of housing used in the needs calculation does not provide a true indication of the type of affordable housing required at the sub-area level to address need, because it is the types of re-lets available in different places and the turnover within different property types that affects the nature of the shortfall.
- The HNS advised that just over three-quarters (77%) of affordable housing needed over the following five years provision be one and two bed dwellings, 20% three bed dwellings, and just 3% for four and five bed dwellings; some 80% (200) of the suggested annual provision of 248 affordable housing should be in urban areas, and 20% (48) in the rural areas, with 32 of the 48 rural units being in the National Park. It was advised that 65 of the 248 dwellings be for “key workers”; the highest quantum of demand for key worker housing being in the north and central parts of the HPDD Sub-Area, both actually relatively affordable areas, with two (Matlock and Ashbourne) of the three towns (the other being Buxton) with the most acute affordability problems being found further south.
- The HNS identifies problem housing as a significant contributor to housing need; nearly half of those households that need to move were unable to raise a mortgage for homes of the size appropriate to their need; 37% of households identified with special needs / mobility impairments were likely to be living in unsuitable, and therefore “problem” housing, and 25% of people aged 75 and over were estimated to be living in problem housing
- Research, including that of the HNS, confirms that the majority of older people wish to remain in their own houses for as long as possible. This has implications for local planning and housing authorities
 - Increased demand on support services and / or adaptations
 - Increasing incidence of under-occupancy as the HPDD population ages, a process accentuated by the following local factors
 - Most older people who do decide to move (and this is a small group, just 4% of all movers), do so in early old age as prompted by a lifestyle change. Indeed, the growth of the 45-64 age group (See Section 4) suggests that the HPDD Sub-Area is a receptor of many such lifestyle moves, so it may be presumed that relatively few of this cohort will move again as they approach old/older age

- The recent growth in the 45-64 age group has been particularly large in the HPDD Sub-Area; they have been moving in as owner occupiers with their families, into spacious housing, and the above reasoning suggests they are unlikely to move
- The 45-64 age group aligns with the Baby Boomers generation, which some research predicts will demand more spacious homes and shun sheltered housing in favour of mainstream properties
- The HNS revealed that disabled people / people with mobility difficulties are also a significant group within the population, and some may have specific housing requirements that differ to the population as a whole.
- It should also be noted that research by the Disabled Persons Accommodation Agency highlights that comparatively low incomes restrict the access of this group to market housing, and also their ability to ensure that their additional needs are met. Furthermore, the need may be understated as the research revealed that people seeking special accommodation preferred to do so themselves, and did not register their housing need with a local authority. If they did actually register their need, it was revealed that some two-thirds might not be accepted on to the special needs list due to their not being permanent wheelchair users

Affordability: Market Context

7.05 Figure 7.1 below illustrates house price change in the HPDD Sub-Area, in comparison with the East Midlands and England. House prices in the HPDD Sub-Area have risen notably faster than the national and regional averages since 2001, with prices in Derbyshire Dales District increasing at a particularly high rate.

Figure 7.1: Comparative House Price Change



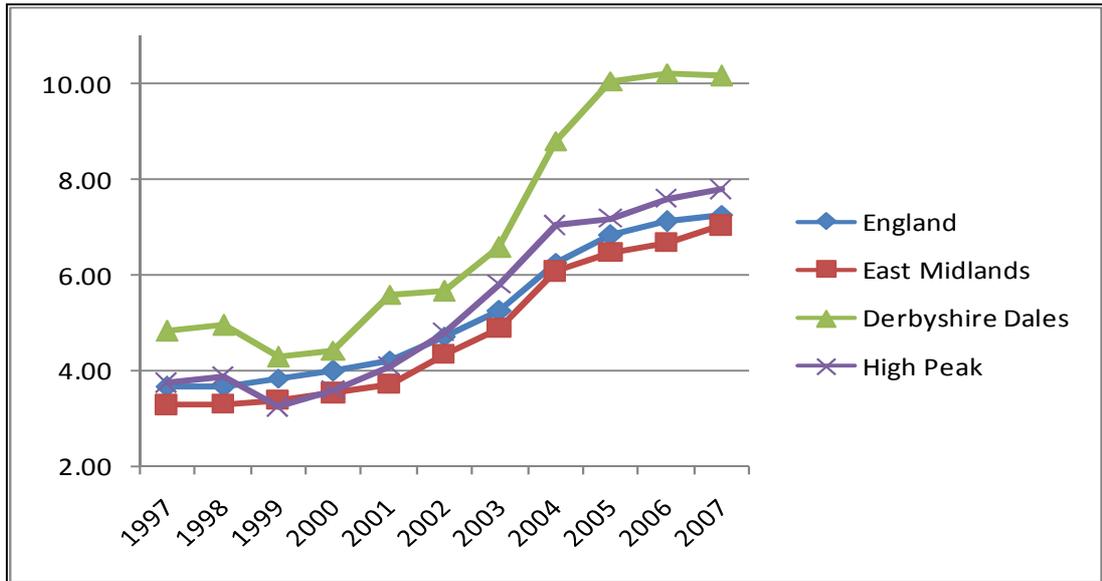
(Source: Communities and Local Government, 2007)

- 7.06 For the purposes of the Strategic HMA, DTZ have identified the percentage of the population of the HPDD Sub-Area who can afford to buy the lower quartile two bed property in key settlements within and outside the National Park (based on the sub-areas defined by JHA in the HNS). The workings are based on a comparison of average price data, for each sub-area of a lower quartile two bed house, and the annual gross household income profile of the HPDD Sub-Area.
- 7.07 Both data sets are taken from the Housing Needs Study. Households with an annual gross income which, when multiplied 3.5 times, falls short of the house price are presumed not to be able to afford to buy the house.
- 7.08 The analysis gives a flavour of the degree to which owner occupation is beyond the means of the majority of households, with only 33% of HPDD Sub-Area households being able to afford the cheapest two bed house in Glossop - Hadfield - Gamesley, the most affordable sub area. In Whaley Bridge, Chapel-en-le-Frith and New Mills, the figure falls to 24%, and then to 18% in the following three sub-areas: Matlock, Darley Dale, Tansley, Wirksworth, Middleton, Cromford, Matlock Bath (Derbyshire Dales), Ashbourne (Derbyshire Dales) and National Park.
- 7.09 Based on this analysis a household would need an income of £40,000 to afford a two bed property in the latter three sub-areas, which cover Derbyshire Dales and the National Park. The data suggests disparities in the levels of affordability across the HPDD Sub-Area. There are particular problems in areas popular as tourist destinations such as Matlock.
- 7.10 This has a number of implications for the HPDD Sub Area in terms of availability of accommodation for key workers, existing families and newly forming households. The out-migration of young economically active residents is further compounded by the relative lack of one and two bed social and private rented accommodation, as considered in the previous section.
- 7.11 The housing affordability indicator used by CLG under its PSA5 Target (SR 2004) "Housing Demand and Supply" is the long term trend in the ratio of lower quartile house prices to lower quartile (individual) earnings which reflects entry level affordability ratios.

The Government has indicated, in its response to the recommendations of the Barker Review of Housing Supply in the UK, that this continues to be its headline measure of housing market affordability.

7.12 Figure 7.2, below, shows how affordability ratios for the HPDD Sub-Area local authorities, regional and national comparators have changed over time. As indicated by the index, there has been a significant worsening of affordability generally, and an exceptional worsening in affordability for Derbyshire Dales.

Figure 7.2: Comparative Affordability Ratios



(Source: Communities and Local Government, 2007)

7.13 It is possible to analyse the price gaps between different “rungs” of the housing ladder using data on house prices by dwelling size. It is assumed that the next step up the housing ladder for most households is a dwelling with an extra bedroom. As part of the HNS, JHA surveyed estate agents regarding “entry level” house prices of different house sizes in the HPDD Sub-Area. We have analysed the price gaps between the different size “rungs” and the table below shows median prices for one – four bed dwellings:

Table 7.1: Price Uplift by Dwelling Size in HPDD Sub-Area (Source of Data: John Hetherington Associates)

Dwelling Size	Median House Price for an “Entry Level” Property	% Price Uplift by Size
1 bedroom	£95,487	
2 bedroom	£138,667	45%
3 bedroom	£152,350	10%
4 bedroom	£235,000	54%

7.14 Table 7.1 shows that the average price for a two bed dwelling in the HPDD Sub-Area is 45% higher than a one bed dwelling, with a three bed house being only 10% higher than a two bed dwelling in price. This is typical and suggests that households face initial difficulty entering the bottom of the housing ladder but may be better able to move up it at a later date. However, the gap between the price of a one bed dwelling and a three bed

house is quite significant, which limits the choice of some households to the type of home they occupy.

- 7.15 The data also illustrates that households towards the top end of the housing ladder, many of which may be families who need to occupy larger dwellings, also face a big jump in prices to trade up. Those looking to move from a three-bed house to a four bed house face a 54% price increase in the HPDD Sub-Area. This price gap is likely to reflect a variety of factors and, not just the limited supply of larger four bed homes. For example, it may reflect differences in the quality of three and four bed homes, the location or relative attractiveness of the neighbourhood in which they are found. All the same, the price progression from a three bed house to a four bed house is steep and prohibitive for many.

Housing Need

- 7.16 Trends in homelessness and numbers on the Housing Register provide an important proxy for the need for social rented housing and, more generally, the extent to which housing has become unaffordable and difficult to access for the poorest households.
- 7.17 At 1st April 2006, the HNS confirms the number of households on the Housing Register was 5,853. From the Joint HNS, the number of households registered needing to move was 2,121 of whom 1,133 were living in problem housing. Of these, 938 were not able to afford to buy or rent. The HNS estimates that this represents only 41.2% of the true extent of housing need in the sub-region taking account of the results of the survey.
- 7.18 The HNS indicates that the number of accepted homeless cases has increased from 235 in 2001/2 to 274 in 2005/6. Levels of homeless in priority need have also increased from 176 in 2001/2 to 354 in 2004/5.
- 7.19 The HNS identified key areas of housing need by age profile within the sub-region. Of those in housing need, the HNS stated that 28.3% were between the 26-45 year age group, 24.4% between the 18-25 year age group and 12.3% between the 46-64 year age group.
- 7.20 Data from the Housing Needs Survey indicates that the key groups in greater need of affordable accommodation are single person households (54.4%), single person with children households (17.2%) and couples with children (15.8%).
- 7.21 The need to accommodate newly emerging households in the sub-region has been analysed and indicates that the shortfall in housing in the future will be concentrated on the need for two and three bed family homes which will account for two-thirds of the likely need within the sub-region within the next five years. Some of this need could be met through the intermediate housing market utilising shared ownership and intermediate renting or sub-market renting.
- 7.22 The HNS states that 62.1% of the existing backlog of concealed households could not afford owner occupation. The provision of intermediate housing market products will, therefore, play a role in housing a proportion of these households, although it is acknowledged that a large proportion may require social rented housing. PPS 3 defines intermediate housing as:

“housing at prices and rents above those of social rent, but below market price or rents. These can include shared equity products (e.g. Homebuy), other low cost homes for sale and intermediate rent”.

- 7.23 The Joseph Rowntree Foundation report 'Affordability and the Intermediate Housing Market' relates to the intermediate housing market. Two definitions of the intermediate housing market are used, namely:
- The broad definition, being the proportion of working households unable to purchase at lower quartile house prices, for two and three bed dwellings.
 - The narrow definition, being the proportion of working households that can afford to pay social rent without recourse to Housing Benefit, but cannot purchase at lowest decile house prices for two and three bed dwellings.
 - The proportion of households within the intermediate housing market using the broad definition is 33% in the East Midlands indicating that these households are unable to buy a dwelling at the average lower quartile price, but are in work.
- 7.24 The extent to which the intermediate market can accommodate the needs of the sub-region was analysed through the HNS and this identified that if shared ownership were to be delivered at 50% equity, then 80.5% of households would still require social rented housing. If sub-market renting were provided, 88.4% of households would require social rented housing. If neither shared ownership or sub-market rental properties were provided then 96.7% would require social rented housing.
- 7.25 The HNS indicates that the local planning authorities should plan for a shortfall in affordable housing provision of between 443 and 591 annually over the next 5 years taking account of supply of new affordable housing and housing need.
- 7.26 Put alongside provision for commitments already made, the HNS estimated that a minimum of 604 and a maximum of 752 affordable homes would be required annually.
- 7.27 The HNS estimated that the size distribution of affordable property needed by households over the next 5 years was as follows:
- 34 % need affordable one bed accommodation;
 - 43% need affordable two bed accommodation;
 - 20% need affordable three bed accommodation;
 - 3% need affordable four, five or more bed accommodation.
- 7.28 The potential shortfall of affordable and market housing was analysed and confirmed that the largest shortfall would be for two bed accommodation at 35.9%, in addition to 30.1% for one bed accommodation and 17.9% for three bed accommodation.

Geography of Housing Need

- 7.29 The HNS identified newly arising levels of need (2006/7 – 2010/11) based on past trends over a three year period. These needs are projected on the basis of favourable and unfavourable circumstances.
- 7.30 **The highest levels of need are projected to be within the High Peak Borough at 61% compared with 29% within the Derbyshire Dales District. A further 10% is expected to arise in the areas of both authorities covered by the Peak District National Park.**

- 7.31 The highest level of newly arising need has been identified **within Glossop (High Peak Borough) 37% (of newly arising need), Buxton (High Peak Borough) 14.1%, and Matlock (Derbyshire Dales District) area 12%** The four lowest ranking positions were occupied by the four rural sub-areas.
- 7.32 Overall, the HNS calculated that 63% of newly arising need would be (by local planning authority) in High Peak Borough, 28% in Derbyshire Dales District, and 9% in the National Park. The overall urban / rural split was 83% / 17%.
- 7.33 Taking into account the calculated annual need to reduce the backlog, and projected affordable supply (based on turnover / re-lets), the HNS projected a slightly different distribution of overall housing need, with the National Park share rising to 13% (compared to 9% based on newly arising need), and the High Peak Borough share falling to 54%. The overall urban / rural split was 80% / 20%.
- 7.34 At the sub-area level, Glossop and North (Matlock), are the primary areas of overall need (as they were with newly arising need), followed by the area of Derbyshire Dales District within the National Park, then Ashbourne and Buxton; a notably different arrangement than for newly arising need alone, reflecting the effects of lower levels of stock and hence the potential for re-lets in rural areas.
- 7.35 The HNS also cautions that the projected headline supply of housing used in the Needs calculations does not provide a true indication of the type of affordable housing required at the sub-area level to address need, because it is the types of re-lets available in different places and the turnover within different property types that affects the nature of the shortfall.

Specific Groups in Need

- 7.36 The HNS identified 12,381 households (17.8% of all households in the HPDD sub-area) as living in problem housing.
- 7.37 The HNS defined problem housing as housing that was unsuitable for the resident household. Circumstances of such unsuitability might include, among others, households living in overcrowded conditions, houses that are too large, houses that need adapting for someone who has a mobility impairment or other special need, houses that are subject to structural problems or households that need to be closer to friends or relatives for support.
- 7.38 The HNS revealed that Matlock and Glossop have the highest number and proportion of households living in problem housing. Overall, by local planning authority area, the highest number and proportion were living in Derbyshire Dales District and the Peak National Park area of High Peak.
- 7.39 Overall, within the urban areas, 13.7% of existing households were in problem housing Within the rural areas 26.1% of households were living in problem housing.
- 7.40 According to the HNS, the two most common causes of unsuitability behind problem housing are:
- Difficulties of being in the property for someone who is frail or elderly or who has impairments (17.8% of all reasons, and affecting 7.4% (5,125) of all households in the HPDD sub-area).
 - Too small for needs (14.8% of all reasons, and affecting 6.1% (4,259) of all households in the HPDD sub-area).

- 7.41 Of the households within the HPDD sub-area, 21% (14,652) were identified as having special needs or mobility impairments and a disproportionate proportion of these households (37% or 5,431) were found to be living in problem housing. The particular concentration (25% of the age group) of people aged 76+ living in problem housing was noted.
- 7.42 This has implications for the provision of accommodation and services for the elderly which has been identified as a key priority for future housing needs. The need for a combination of policies that address the future housing needs of this group providing both housing choices and support has been clearly highlighted. This could mean a range of options including in situ support, adaptations and provision of a number of alternative types of accommodation suitable for this group.
- 7.43 The HNS estimated that of the 5,067 households in problem / unsuitable housing that needed to move, that nearly half (of the “filtered sample”) would be unable to raise a mortgage in the current market for a dwelling of the size which is appropriate for their needs.
- 7.44 The HNS estimated that 43% of households in problem housing that need to move would be unable to access appropriate accommodation through the private rental market.
- 7.45 With regard to shared ownership possibilities for this group, the HNS estimated that only 1.3% of those currently living in problem housing could afford the current costs of shared ownership if such a scheme was provided at 25% and 50% equity levels, and that the “great majority” of those unable to buy or rent privately (estimated at 1,917 households) would also not be able to afford shared ownership.
- 7.46 The highest proportion of all households in problem housing were found living in Housing Association properties, followed by private rented, then council rented properties.
- 7.47 The HNS noted that around three quarters of households living in problem housing could have their needs resolved through appropriate improvements or adaptations, with around one quarter needing to move to a more suitable house.
- 7.48 The HNS identified older people and people with mobility disabilities as groups in the HPDD that might include people that have specific housing requirements that differ from households as a whole, and these need to be examined and taken into consideration in policy.
- 7.49 We have considered first those groups that have a relatively high incidence within the population as a whole, within the HPDD Sub-Area and / or the other benchmark areas. These are:
- Older people - a significant group, and one that will grow;
 - Disabled people.
- 7.50 The requirements of households within specific groups can be broadly divided into two categories:
- Households who require specially adapted housing e.g. elderly people, disabled people and, to some extent, students;

- Households who are limited by their ability to access the housing market or require accommodation that is beyond their means, e.g. BME households on low incomes, and migrant workers.

Older people

- 7.51 Research has shown that by 2051, people over 65 are likely to represent over 25% of the population in England. The ageing population is a national phenomenon.
- 7.52 Although this analysis focuses on people in the population over the age of 65, it is important to note that there can be no formal definition of when people are deemed old. In terms of individual circumstances and public policy, significant changes arise when people retire from work or become incapacitated in some way and linked to this lose the ability to live independently. Entitlement to benefits 'kicks in' at particular ages, but in reality there are different stages of old age. Consider the difference in personal circumstances of those who may be of the same age but:
- Remain in good health and have a high level of independence;
 - Are able to draw on their savings to fund later life;
 - Experience acute health problems and whose health may suddenly decline;
 - Have chronic health problems and poor quality of life.
- 7.53 In terms of their impact on the housing market, much depends on whether older people decide to move and if so, where they move to and what type of accommodation they move to. Many people will wish to retain their independence in their existing home by arranging adaptations as the HNS has suggested. Those who decide to move home tend to do so in earlier old age. Indeed, the growth of the 45-65 age group in the HPDD Sub-Area, as shown in Chapter 4, suggests that the HPDD Sub-Area is the receptor of many such lifestyle moves, and so it can be presumed that relatively few of this cohort will leave as they approach old age.
- 7.54 Indeed, the Survey of English Housing (2005/06) demonstrates that those in the 65-74 age group and those aged 75 or older are the least likely of all age groups to move home. In England as a whole, these age groups accounted for 2% of all household moves each. 51% of moves were 16-24 year olds, 23% were 25-34 year olds, 9% were 35-44 year olds and 4% were 45-64 year olds. Older households are less likely to move house than younger ones.
- 7.55 So, the HPDD Sub-Area faces a growing 65+ age group, particularly as the 45-65 cohort ages become increasingly static in terms of household movement.
- 7.56 Whilst on the one hand older people are over-represented in social housing, and so an increasingly elderly population throws up many issues with regard to the nature of bespoke social housing / services provision for the elderly, the driver of population growth in the HPDD Sub-Area is a wealthy 45-65 age group that has moved to the area as a lifestyle choice – into owner occupied family housing.
- 7.57 There are a number of implications arising from the ageing population in the benchmark areas and relevant to the HPDD Sub-Area in considering the reasons why the area appeals to certain age groups. The implications are diverse.

- The housing requirements of older people are often wider than their basic need for accommodation. Demand or need for housing amongst older people is often strongly influenced by health issues (and disability is strongly linked to age). There is likely to be a growing need for wider care, integrated with housing provision, which has implications for the cost to those households and the public sector. There are questions around who will provide care alongside housing - the public sector or private developers? There are also issues for mixed communities related to the location and nature of specialised provision for older people.
- The majority of older households will be owner occupiers which raises implications about how far they will wish to (or be forced to) draw upon their housing equity as an asset to fund their wider care needs. Disposable incomes are also lower amongst older households, even those in owner occupation, with implications for care and repair needs. Previous research and surveys suggest that by far the highest average basic repair costs are found in dwellings occupied by lone older households (often in excess of £1,000).
- Older people are often unaware of the full range and potential housing and support options available to them. Owner occupiers may be particularly disadvantaged, as they are less aware of the availability of services i.e. those provided by the public sector, including the availability of social housing and support services. Some research has suggested that older people often receive the 'wrong advice' from non-independent or emotionally attached people (e.g. family members and others). Older people can also be reluctant to complain about issues, which may prevent them from improving their circumstances.
- Increased numbers of older households will also impact upon the rest of the housing market. Older households are less likely to move house, even though they may appear to have far more space than they 'need', especially the significant numbers that have moved in recent times to family housing in the HPDD Sub-Area as a lifestyle choice. A comparison of resident and workplace incomes in the HPDD Sub-Area (Chapter 5) revealed significant disparities driven by these wealthy incomers, who are able to buy or occupy larger dwellings than their household size alone would suggest they need – pushing down occupancy rates. (Chapter 6 revealed that under occupancy is notably higher than in the wider East Midlands and England). The implication is that, in the future, an increasing number of the larger homes in the housing stock in each authority area may be occupied by older people who choose not to downsize. This may create further pressure on (and rising demand for) larger homes amongst more mobile households, including younger families.

7.58 PPS3 recognises the need to provide accommodation for older people as part of achieving a good mix of housing. But there is limited advice on what this accommodation should look like which makes the effective development of planning and housing policies more difficult. The Housing and Older People Development Group (HOPDEV) Conference (2006) identified three key criteria, choice, community and quality, that are the essential ingredients for successful housing options for older people:

- Older people need choice and a framework for 'active ageing' to maximise independence and well-being
- Independence at home should be maintained as long as possible with supporting services so that the community (including older people) can enjoy greater stability

- As needs change and vulnerability increases, elderly people need to live in a safe, warm and quality home that is right for them – either private accommodation or a community home.
- 7.59 The housing options for older people within the HPDD Sub-Area now and in the future can be divided into those within the mainstream housing stock and those within specialist accommodation. It is also useful to distinguish between owner-occupiers and those in social rented accommodation since the options available to them, and the impact of their choices on other households, will be different.
- 7.60 Moving home is a major ‘life’ decision, entailing important financial and personal decisions. On the financial side, key issues include consideration as to whether to use the value in the property to support an existing lifestyle, provide for care costs, or to assist the next generation to study or to enter the housing market. On the personal side, moving home raises issues about proximity to family and friends, formal and informal caring networks etc. Attitudes to these issues are in part culturally determined so people from differing backgrounds may be inclined to place different priorities on different aspects of their decisions.
- 7.61 Most older people currently live in mainstream housing. Some will remain in the home they have lived in for some time. Some will choose to move house when they retire which may mean long distance migration, not necessarily with the purpose of downsizing. We have already established that many people will have moved to the HPDD Sub-Area because it is an attractive destination for retirement. Others will move locally and perhaps downsize in order to release equity from their property and/or to move into a more manageable property.
- 7.62 Research (including the HNS) confirms that the majority of older people wish to remain in their homes as long as possible. There are a number of issues raised by this preference:
- Growing maintenance and adaptations required by older people living in their own homes in both the owner occupied and social rented sectors.
 - Wider support and service requirements of older people which have implications for how older people will access to such services or whether there will be a growing expectation that their wider needs will be delivered to them (for example, home care at the one extreme or demand for improved local services at the other).
 - There are likely to be growing impacts on the wider housing market if older households are reluctant to move – the housing market overall may become less fluid, particularly in locations with the highest proportions of older households. This is likely to push up demand (and prices) for certain types and location of dwellings which will impact on the accessibility of the housing market for those less able to compete. It is likely to have more serious implications for the social rented sector where older households occupy large social rented dwellings, which need to be freed for other priority households on local housing registers.
 - However, there are also significant positive implications associated with older households remaining in their own homes. Research suggests that this can help to develop and maintain community stability and cohesion.¹ It is also positive in terms

¹ Joseph Rowntree Foundation & Chartered Institute of Housing (2006) More than Tenure Mix: Developer and Purchaser Attitudes to New Housing Estates

of mixed communities to have a range of households of different ages living within a neighbourhood²

7.63 Some older households may choose to downsize, moving either locally or to a different location, though this is not a significant trend at present nationally, and is even less likely in the HPDD Sub-Area given its status as an attractive retirement location. There are a wide range of issues raised by this choice:

- Downsizing households in the owner occupied sector may be able to release equity from their homes either to fund their wider needs and activities or even to provide financial support for other younger family members, including helping them onto the housing ladder – with issues around the division of housing wealth and opportunities between younger households, some of whom have considerable family support and others who have none.
- Downsizing also releases a larger home onto the market or into the letting pool in the social rented sector – providing the opportunity for other households to trade up or access the space that they might need.
- The implication of increased downsizing amongst older households in an ageing society is that there ought to be increased demand for smaller homes that are more manageable and/or cheaper to downsize into. There is little evidence that this is happening on any scale yet. Anecdotal evidence suggests that those that do move will still demand (including the social rented sector) additional space. There is little desire or incentive for older households to move into small flats.
- Furthermore, some research predicts that the ‘baby boom’ generation (currently the 45-64 age group) will demand more spacious homes and shun sheltered housing in favour of ‘mainstream’ properties. For many older people, their activities and social patterns require as much space as earlier in their lives. This is a key point for the HPDD Sub-Area, for it is the 45-64 age group which is driving population growth in the HPDD Sub-Area and demand for larger housing, which they tend to under-occupy.
- Given that the majority of older households that do downsize will wish to remain in their local community, there is an issue around whether there are suitable alternative options locally so that people can move within their local neighbourhood as their life stage and needs change without the need to move away.

7.64 At present, the majority of elderly people do not live in specialised housing and do not wish to (as evidenced by the HNS), with most wanting to remain in their current homes or within the mainstream housing market, if possible. However, the HNS also revealed a notable demand for specialist housing provision for older people, although perhaps not at the scale and rate that might be expected given the size and rate of growth of the ageing population.

7.65 More recently, nationally, there has been downward pressure on the provision of institutional care with emphasis on keeping older people in their own homes. However, from a housing market flexibility perspective, it may be more desirable for older people to move, thereby freeing up accommodation for other households.

7.66 Success in encouraging elderly tenants in the social rented sector who currently under-occupy properties to downsize, depends on gaining a in-depth understanding on the

² Joseph Rowntree Foundation, English Partnerships & Housing Corporation (2006) *In the Mix: A Review of Mixed Income, Mixed Tenure and Mixed Communities*

particular circumstances of particular individuals, and planning bespoke solutions. Thus local authority housing managers need to engage with particular individuals and sensitively explore options.

- What does the tenant like about their existing home?
- What does he or she dislike?
- What location and type of property might better meet their needs?
- If they were to be offered such a property would they consider moving and what help would they need?

7.67 Once this information is available for a number of tenants, the authorities can explore if there are properties available that match these requirements, or could they be developed, and put in place a package of support for moving, which may provide some financial incentives (e.g. financial assistance with removal costs, and fixtures and fittings for the new property). The whole approach has to be very sensitive to the circumstances of older people and provide real alternatives that are attractive compared to living in what will often be a good sized house with a garden, even if the new property provides more space than the person's assessed need e.g. a new two bed apartment in a central location, for a couple or single elderly person.

7.68 Nationally, there was significant emphasis on the provision of sheltered housing in the 1970s and 1980s which was regarded as providing safe and secure care for elderly people so that they would not have to move to retirement homes for wider care, which was seen as an expensive option.

- The advantages cited for sheltered accommodation for older households are the benefits in terms of security, maintenance and the ability of older people to maintain their independence whilst being able to access a level of support (for example, a warden or other neighbours) if required.
- However, sheltered accommodation can be costly, particularly in terms of the service charges and is beyond the means of some older households, even though they may be owner-occupiers.
- Sheltered housing is not necessarily a long-term solution for all older households. Most sheltered housing schemes provide only limited support for elderly people – the intention being to support independence but not to provide extra care, which would invariably require a move to a residential or nursing home
- Sheltered housing schemes are also often accused of taking older households out of the wider community and preventing them from remaining active within their neighbourhood – though this is likely to vary hugely since much depends on location and access to local facilities.

7.69 Residential care homes provide extra care for older people who require it. It is health, rather than age, that determines whether older people need extra care. Research suggests that, other than retirement moves which are taken earlier, most people wait until their care needs are such that they are forced to move, often in advanced old age. The demand for homes that provide extra care (up to nursing care) for older people is likely to increase over time in all of the authorities.

- 7.70 This raises a number of challenges. Specifically, who will meet the cost of rising care needs? There is an expectation that owner-occupiers will fund their own care through the sale of their homes although increasing numbers are likely to take financial decisions earlier in their lives e.g. equity release which may impact on their ability to do this. The public purse will need to support those without the financial means, at a growing cost.
- 7.71 Retirement communities are a relatively new option for accommodation in the UK. As a result, little is known about what it is actually like to live in such communities and whether they adequately cater for the needs of the older age groups. The conclusion of recent research into retirement villages is that the viability of providing accommodation and care for a mix of 'fit' and 'frail' residents in retirement villages needs to be examined further before the model becomes more widely used. The research also highlighted that people want to live differently in their old age. This needs to be recognised in policy and by developers of retirement accommodation.³

Disabled People

- 7.72 The HNS revealed that 7.4% of households in the HPDD Sub-Area considered their housing unsuitable for their needs due to living conditions being "difficult for someone who is frail elderly or who has impairments", and 3.3% of households considered their housing unsuitable due to living conditions being "difficult for someone with serious ill health". These two categories cover both elderly persons with impairments, and other people with impairments or debilitating illness, and so it is not possible to quantify the incidence of problem housing for non elderly disabled persons in the HPDD Sub-Area, or assess whether the incidence is to a greater or lesser extent than it is nationally. Nevertheless, the housing need of disabled persons is worth specific consideration in this SHMA, as some may have specific housing requirements that differ to the population as a whole. This includes the need for specific adaptations to dwellings in some cases.
- 7.73 The definition of disability included in the Disability Discrimination Act is 'a physical or mental impairment which has a substantial and long-term adverse effect on his/her ability to carry out normal day-to-day activities.' There are various indicators of the level of disability within the population, though none specifically state the extent to which this affects people's housing requirements.
- 7.74 Research by the Disabled Persons Accommodation Agency (DPAA) claims that there is currently a lack of information on the specific housing requirements of disabled people. However, the research highlights a number of common housing 'barriers' that disabled people may face:
- **Market barriers:** the private housing market does not adequately provide for disabled people, significantly reducing the options available. Comparatively lower incomes also restrict disabled people from accessing the market to the same extent as the population as a whole and are also likely to restrict their ability to ensure that their additional needs in relation to their homes are met.
 - **Financial barriers:** disabled people are less likely than the population as a whole to be in full-time employment where they can access higher incomes.
 - **Practical and attitudinal barriers:** research shows that people seeking special accommodation preferred to do so themselves and did not register their housing

³ 'Housing and care for older people: life in an English purpose-built retirement village' Bernard M., Bernadette B., Sim J., Biggs S.

need with a local authority. They were not always aware of the options available to them. Two-thirds of survey respondents were unlikely to be accepted onto special needs waiting lists despite having a physical disability because they were not permanent wheelchair users. Furthermore, 36% of wheelchair users live in houses (not bungalows) and the majority do not want to move but would rather have adaptations carried out to the property.

7.75 In addition, the Survey of English Housing (2004/05 and 2005/06) estimates that nationally there are around 500,000 disabled people using wheelchairs who require specially adapted accommodation (around 1% of the population of England or 2% of households). The figures are higher in the social rented sector where 230,000 disabled people are using wheelchairs and require specially adapted properties – equivalent to around 6% of social rented households. However, around 25% of these households are living in properties that are unsuitable for their needs. This suggests that there is a case for securing a proportion of specifically adapted social rented properties through new development in order to boost the availability of these properties and meet the needs of the social rented population going forward.

7.76 Recently, the Government introduced Part M to the Building Regulations, requiring new buildings to be accessible and usable by disabled people, although this by no means facilitates full independent living for all people with disabilities. There are additional plans to incorporate the Lifetime Homes standards for accessibility into Building Regulations in the future. The Disabled Facilities Grant is also available for carrying out adaptations to the home of a disabled person and is allocated to those who can least afford the cost of adapting their property.

Key Workers

7.77 The HNS indicates that key worker households would require an income of £25,000 - £30,000 to afford even the cheapest house type on the market (£95,487 – median price for a one bed property). As noted the greatest problems with affordability, according to the HNS, are found in Matlock, Ashbourne and Buxton.

7.78 The HNS has identified the need for an additional 65 key worker dwellings per annum based on the number of key workers in problem housing who are unable to purchase at current market levels. Emphasis is placed on the intermediate market in providing a mix of accommodation choices and affordability levels for key workers. Options include shared ownership accommodation at low equity levels and low rental cost for those key workers on the lowest incomes. The HNS suggests specific targets for the provision of key worker accommodation at 38.5% social rent and 61.5% intermediate housing, which should include a mix of shared ownership and sub-market renting.

Affordable Housing Targets

7.79 The HNS highlights targets for the provision of affordable housing in the sub-region. These figures are based on the availability of sites without planning permission across the sub-region and the shortfall of housing needs in different sub-areas. Its recommendations are set out below:

- An area wide target of 248 affordable housing units in the next five years across the sub-region. This number represents 70% of the anticipated capacity of sites without planning permission and above the 15 threshold over the period 2006/7- 2010/11. (The HNS's study of need amongst backlog and emerging households implies that 80% of the provision should be social rented, and 20% should be shared ownership

- assuming provision at 50% of open market value with no more than a 2% residual rent being levied; notably, the Housing Corporation advise 2.75%.)

- Of the 248 units, 200 per annum should be on allocated as windfall sites in the urban area. This figure is based on survey evidence that suggests that the urban areas account for approximately 80% of the forecast shortfall.
- The remaining 48 units per annum (out of the 248 units) should be on allocated sites and exception sites in the rural areas with 32 of these within the National Park. This figure is based on survey evidence that suggests that the rural areas account for approximately 20% of the forecast shortfall.
- There is some scope for sub market renting and sub market sale; 12% of households could afford the former on the assumption of rents at 75% of market values for 1 – 3 bedroom homes, and 4% who were unable to afford owner occupation or private renting could afford sale housing at a discount of 34% on market prices.