

Fylde Coast Strategic Housing Market Assessment

Blackpool Council, Fylde
Council and Wyre Council

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Executive Summary

1. This report represents a new Strategic Housing Market Assessment (SHMA) for the Fylde Coast authorities. The research has been undertaken by Turley Associates in partnership with specialist demographic consultancy Edge Analytics.

Purpose of the SHMA

2. The purpose of this document is to develop a new National Planning Policy Framework (NPPF) compliant SHMA to update the evidence base of housing needs and demand across the Fylde Coast.
3. This assessment will provide evidence for the Councils as to how many dwellings of different tenures may be needed over the next fifteen years and beyond. This will inform the respective Local Plans of Blackpool, Fylde and Wyre, and allow the development of complementary housing strategies.
4. This report will also enable a greater understanding of the dynamics and drivers of the sub-regional housing market, and will allow the identification of actions that will help to deliver better housing and socio-economic outcomes for those living in Blackpool, Fylde and Wyre.

Overview of SHMA Findings

5. The SHMA has identified a need for new housing across the Fylde Coast, reflecting demographic pressures and the realisation of overall growth in employment. Importantly, the analysis confirms that a proportion of households will require affordable housing, reflecting the income profile and variations in house price across the Fylde Coast geography.
6. The research reinforces the existence of a housing market area geography across the Fylde Coast, while also recognising the important linkages with surrounding authorities and the larger economic centres, including Preston, Lancaster and Manchester. The analysis has also illustrated the important spatial variations at a sub-authority level.
7. The baseline analysis of the stock profile of the area highlights notable spatial distinctions which relate to the evolution of areas over time, as well as more recent development.
8. Consideration has been given to the specific needs of different groups within the housing market, with the SHMA identifying that the needs of elderly households in particular will represent an important challenge over the next 15-20 years.
9. With regards to each of the component authorities in the Fylde Coast, the following key messages emerge from the SHMA analysis:
 - **Blackpool** – with high concentrations of terraced and flatted properties, there is a notable imbalance of housing stock in Blackpool. Furthermore, the population is characterised by a younger demographic, although there is an overall trend of population decline. The private rented sector is particularly dominant in Blackpool, due to relatively low rental values, and demand is driven in particular by a high proportion of Housing Benefit claimants. Overall, there is an estimated need for 264 affordable homes per year in Blackpool, with modelling of a range of scenarios suggesting that there is an objectively assessed need for between 250 and 400 dwellings per annum;

- **Fylde** – there are a significant number of detached properties in Fylde, particularly in the rural areas, while there has been substantial delivery of flats in Lytham & St Annes such that almost 90% of the borough's flatted stock is located within this area. Overall, with regards to tenure, owner occupation levels are high, while in the context of national levels the proportion of social rented stock is low. Whilst the proportion of private rented stock is lower than in Blackpool, there are higher concentrations in the urban areas. The housing stock is typically relatively large in Fylde, with larger dwellings historically delivered in the rural areas in particular, and coupled with an older population, there is a relatively high level of under-occupation. House prices are high in Fylde, relative to the rest of the Fylde Coast, with properties on average invoking a premium of at least £40,000 over comparable properties elsewhere, and areas of the borough remain among the least affordable in the Fylde Coast. Overall, there is an estimated need for 207 affordable homes per year in Fylde, with an objectively assessed need for between 300 and 420 dwellings per annum;
- **Wyre** – 70% of the housing stock in Wyre is detached or semi-detached, reflecting a low number of flats in most sub-areas. Over three quarters of households are owner occupied, with fewer instances of private and social renting, although there is a high concentration of the latter in Fleetwood. The population of Wyre grew marginally between 2001 and 2011, although population growth was strongest through the first half of the decade. The economy in Wyre is relatively strong, compared to elsewhere in the Fylde Coast, with strong job creation between 2001 and 2011 and a positive picture of growth forecast in the latest economic forecasts and the Council's evidence base. House prices in Wyre are typically lower than Fylde but higher than Blackpool, with properties on average at least £20,000 more expensive than a comparable property in Blackpool. Overall, there is an estimated need for 300 affordable homes per year in Wyre, and modelling of scenarios indicates that there is an objectively assessed need for between 340 and 485 dwellings per annum.

10. The SHMA considers the underlying evidence behind these conclusions based on the structure set in the existing guidance. These points are considered in turn below.

Estimates of current dwellings in terms of size, type, condition and tenure

11. There are a total of 156,851 household spaces in the Fylde Coast, with Blackpool, Fylde and Wyre containing 44%, 24% and 32% of spaces respectively. As expected, the majority of household spaces are located within urban areas, with fewer dwellings in the rural parts of the study area.
12. The average property in Blackpool has fewer rooms than the comparable property in Fylde and Wyre, with an average property size that is lower than the national profile. Properties in all authorities have generally grown in size between the 2001 and 2011 Censuses, reflecting national trends, although this trend has been least pronounced in Blackpool, where there remains a high proportion of 1 bedroom properties, particularly in the inner area.
13. Blackpool has a substantially lower proportion of detached stock than the Fylde Coast and England averages, and a subsequently higher level of semi-detached, flatted and particularly terraced properties. This is driven by the high concentration of flats and

terraces in the Inner Blackpool area, and a high frequency of semi-detached properties elsewhere in the borough.

14. The current stock profile in Fylde and Wyre is relatively similar, with higher levels of detached stock, fewer terraced properties and more caravans. There are two notable differences, however – Fylde has a significantly higher proportion of flats when compared to Wyre, and Wyre has a higher level of semi-detached stock.
15. Collectively, local authority surveys have identified just over 50,000 dwellings that can be classified as non-decent. The survey identified that the housing stock in Blackpool is typically older than that found in England as a whole, with double the national average of dwellings built between 1919 and 1944 and subsequently fewer modern dwellings. In contrast, the housing stock in Fylde is more modern, with the greatest proportion built since 1965. This pattern is replicated, albeit to a lesser degree, in Wyre.
16. On average, outright ownership of properties is more common in the Fylde Coast than nationally, with a slightly higher level of private renting and substantially fewer instances of social renting. Blackpool closely follows national housing tenure trends, with the main exception being that there is a lower proportion of social rented property and a greater concentration of private renting from a landlord or agent. The latter is particularly prevalent in the Inner Blackpool area, where half of all properties are classified as privately rented and the levels of ownership are lower than any other sub-area. Wyre and Fylde have much higher levels of outright ownership, with both the social and private rental market lower than the Fylde Coast average. It should also be recognised that Blackpool in particular contains a large number of shared households, accounting for around 70% of all shared households in the Fylde Coast.
17. In October 2013, there were 2,718 long-term empty properties in the Fylde Coast, of which over half were located in Blackpool. This generates long-term vacancy rates of 2.1%, 1.6% and 1.1% for Blackpool, Fylde and Wyre respectively, with the majority located within urban areas.

Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price / affordability

18. The housing market in the Fylde Coast has closely followed the national trend, with substantial growth in the early 2000s – most significantly in Fylde – that reinforced the spatial variability in house prices. Since 2008, house prices have fallen slightly, but there has been a sharp decline in the number of residential transactions between 2007 and 2008 that has preceded a relatively low level of activity since. The level of house building in the Fylde Coast has also dropped in this period.
19. Based on an analysis of 1,546 residential transactions over a six month period between March and July 2013, it is clear that properties in Blackpool serve the lower end of the market, with a median house price of £95,000. In contrast, house prices in Fylde are higher, with a median of £167,500, and Wyre operates in the middle with a median value of £129,998.
20. Rental prices in the Fylde Coast are typically lower than the national average, for property of all sizes. Properties in Fylde and Wyre do, though, yield higher rents than the comparable figures for Lancashire, with rental properties in Blackpool generally cheaper.

21. Household income in Fylde is generally higher than the other Fylde Coast authorities, and average income in Blackpool is lower. This has informed the calculation of affordability benchmarks to understand the income required to access different housing tenures. There is some variation across the Fylde Coast, with the income required to purchase a lower-quartile house in Blackpool lower than the income required to access rental market housing. In contrast, a considerable gap exists in Fylde, highlighting the challenge for households in getting onto the housing market.

Key drivers underpinning the housing market

22. Population change is one of the key drivers underpinning the housing market, and Fylde and Wyre in particular saw moderate population growth between 2001 and 2011, with particular growth in the sub-areas of Lytham & St Annes and Thornton. The population in Blackpool fell during the same period, caused by population loss in the inner area and a decline in the level of net in-migration over more recent years which has historically driven population growth in the authority.
23. The population profile of the Fylde Coast changed between 2001 and 2011, with a general ageing of the population in line with national trends, and this is particularly pronounced in Fylde and Wyre. There are a lower proportion of older people in Blackpool than other areas of the Fylde Coast. This is reinforced by the age profile of migrants, with a net out-migration of those aged over 55 and strong net in-migration in the 20-29 and 40-49 age groups. This is different to the other Fylde Coast authorities, where there are constant net inflows of the older population as well as those of working age.
24. Another important driver of change is the operation and performance of the local economy. Historically, over the period 2001 to 2011, Wyre saw the greatest increase in employment levels, with job losses in Fylde and, most notably, Blackpool over this period. Collectively, almost 5,000 jobs have been lost across the Fylde Coast, representing a 3% decline.
25. Unemployment rates are highest in Blackpool and lowest in Fylde, with all three authorities experiencing a higher level of unemployment between 2008 and 2012 relative to the preceding period. Home owners are more likely to be in employment, although a relatively high proportion of those living in this tenure are retired across the area. Blackpool has the highest proportion of unemployed occupants across all tenures.
26. Employment forecasts sourced from Experian and Oxford Economics suggest that between 3,500 and 4,500 jobs will be created in the Fylde Coast economy over the period 2011 to 2030. The distribution of the forecast growth in these jobs geographically provides an interesting context.
27. Wyre is identified as having the potential to see quite strong job growth, reflecting historic trends. Fylde is also forecast to see employment growth, although the Council's evidence base highlights that the scale of growth will be influenced, at least in part, by the success of key projects including the Enterprise Zone. The forecasts suggest some uncertainty over whether Blackpool will generate employment growth over the projection period, with this again influenced by historic performance and the current employment base.

Future Housing Needs

28. The SHMA report includes a detailed analysis of modelling undertaken to understand the potential changing future housing needs across the Fylde Coast and within the individual authorities, linked to the key drivers of the housing market. The NPPF and the emerging draft DCLG published NPPG, as well as other available guidance to assessing 'objectively assessed need' (PAS/LGA, 2013) highlight a number of important points for considerations. These include the need to:
- Understand the implications of changing population growth based on demographic factors including natural change and migration, based on an understanding of historic trends;
 - Ensure that the assessment of need considers the impact of employment change on future migration and population growth or decline;
 - Understand market signals, including, for example, the scale of the need for affordable housing and understand how this aligns with the overall scale of need related to population and household growth; and
 - Recognise that the assessment of need should not be constrained by supply or capacity factors with these required to be considered through the development of policy.
29. In line with these considerations, a range of potential dwelling requirements linked to associated demand generated from household growth have been presented within this report. These have been built to take account of a range of factors identified as having a direct bearing on the establishment of the objectively assessed needs for housing across the Fylde Coast.
30. The range of scenarios show a projected change in the number of households ranging from approximately 890 to 1,305 dwellings per annum across the Fylde Coast. This includes the following ranges by authority:
- **Blackpool** – 250 – 400 dwellings per annum
 - **Fylde** – 300 – 420 dwellings per annum
 - **Wyre** – 340 – 485 dwellings per annum
31. The scenarios of population and household change represent a range of alternative futures based upon the application of alternative assumptions relating to the strategic drivers of housing market demand and need.
32. Importantly, this assumes that the current economic profile will remain unchanged, in terms of labour force and commuting rates. Therefore, alternative scenarios have been considered to complement the analysis to illustrate the impact that adjusting these assumptions would have. However, for these to be considered further in analysing need, additional work would be required to examine the economic prospects of the authorities, particularly Blackpool, and the impact of the spatial delivery of employment opportunities.
33. It is evident even from the range presented above that there is a broad spectrum of alternative assessments of potential need based on the modelling.
34. As identified through the SHMA, and recognised within the NPPG, due to the complexities of the housing market and the various factors and assumptions which feed into the modelling of future needs, there is no single number which can be identified as conclusively representing the objectively assessed housing needs within the Fylde Coast over the projection period.

35. Evaluation for each of the authorities shows that a continuation of longer-term demographic trends, for example – representing the bottom of this range – would only support a sustaining of current employment levels, assuming that the current labour force profile remains unchanged. There is a further need to ensure that the level of provision reflects identified needs in order to balance supply and demand in a way that does not exacerbate affordability issues.
36. These imbalances are evident in the significant differentiation in house prices and rental values across different areas of the Fylde Coast. Inner Blackpool, for example, is characterised by its prevalence of small flats and associated concentration of Housing Benefit claimants, while in the more rural areas of the Fylde Coast, high house prices represent another form of affordability issues.
37. In order to align more closely with the current forecast potential growth of the economy, taking into account economic forecast data provided by Experian and Oxford Economics, and recognising the changing age structure of the area and current labour force indicators, the analysis identifies that a higher level of housing provision would be required. Careful monitoring will be required to ensure an alignment between economic growth and housing need, recognising that scenarios assume that the current economic profile remains unchanged, and scenarios should be updated as required as Local Plan policy is developed.
38. The NPPG advocates plan-makers consider the required uplift from a starting point of demographically driven household projections taking into account the economic and market signals context and this will need to be considered by the Council's as they refine their evidence base and policy. Careful monitoring will be required to ensure an alignment between economic growth, demographic pressures and affordable housing need, with the scenario modelling updated as required to respond to new data releases as Local Plan policy is developed.

Affordable Housing Needs

39. There is a significant level of demand pressure for non-market housing in the Fylde Coast, as evidenced by waiting list data. This relates primarily to higher proportions of lower income households, particularly in Blackpool but also in a number of the other urban areas across the area, in the context of rising prices and rents. This has been further compounded by the impact of the recession, with subsequent reductions in income and job losses. The analysis around affordability benchmarking clearly illustrates this issue when comparing household income levels against the price of entry into different tenures within each authority. This SHMA has included a running of the Affordable Housing Needs calculation, based on the 2007 SHMA Guidance and noting the latest information within the draft NPPG.
40. There are currently 1,352 households on the housing register in priority need for affordable housing across the Fylde Coast, with almost three quarters (1,006) in Blackpool. There are lower numbers currently on the housing register in Wyre and Fylde, with 216 and 138 households in need recorded respectively. At a sub-authority scale, there are particularly concentrated areas of need in Blackpool, Fleetwood and Lytham & St Annes, suggesting that need is more pronounced in predominantly urban areas. It should be noted that these households include households classified as homeless or in

temporary accommodation, yet exclude existing social tenants requesting a transfer from their current social dwelling.

41. Stage 2 of the DCLG Guidance for assessing need focuses on estimating the number of households that will require Affordable Housing over the short-term (five years). The analysis presented in section 8 identifies a total newly arising need (gross per year) of 1,337, of which 643 are based in Blackpool, 411 in Wyre and 283 in Fylde.
42. These estimates do not, however, take account of the supply of stock to absorb demand. By utilising the DCLG Guidance calculation process, and taking into account the supply available on an annual basis (re-lets/surplus stock/pipeline new supply), the housing needs analysis indicates that the Fylde Coast authorities will need to provide for a net annual Affordable Housing Need of 771 dwellings per annum, broken down to:
 - **Wyre** – 300 dwellings per annum over the next five years
 - **Blackpool** – 264 dwellings per annum over the next five years
 - **Fylde** – 207 dwellings per annum over the next five years
43. In order to meet the level of affordable housing need in full within a five year time horizon, the rate of development would need to far exceed any single year's provision as seen over the last ten years. This is extremely unlikely to be realised, and therefore this level of provision should not be reasonably expected to be delivered. This also does not recognise that the private rented sector plays an important role in absorbing affordable need.
44. Looking to the long-term, it is difficult to accurately assess how house prices, and the financial requirements of households to obtain mortgage credit, will change. Arguably, the recent comparatively low levels of supply of new housing – both market and Affordable – are likely to result in sustained house price increases. This suggests that, over the short-term at least, the demand for non-market housing is unlikely to abate. Moreover, the government's ongoing programme of welfare reform is anticipated to put additional pressure on both the social rented and private rented market within each authority. Clearly, these are important informing influences on the future split of the market and the level of Affordable Housing required.
45. The analysis in the SHMA has shown that, currently and in the short-term, while a large proportion of need can only be addressed through traditional social housing products in each authority, there are a number of households in need who could have their needs met through other Affordable products. These could include various 'Intermediate' housing products, providing an important step onto the housing ladder in the future.
46. Intermediate housing products have the ability to play a limited role in meeting the affordable housing needs of households across the Fylde Coast. The traditional shared ownership model is favourable as delivery would reduce the reliance on social rented housing. However, this must be balanced with the viability of delivering this product, which due to low value returns (see Figure 6.5), is challenging across much of the Fylde Coast.
47. Analysis of data within section 9 illustrates that a mixture of affordable property sizes are required in each authority, as shown in the table below as a proportion of total annual housing need.

Figure i – Affordable Housing Need by Size

Local Authority	Dwelling Size (Bedrooms)			
	1	2	3	4+
Blackpool	61%	2%	16%	21%
Fylde	64%	16%	11%	9%
Wyre	51%	26%	13%	10%

48. Importantly, this assessment does not fully take account of the impact of the government's on-going programme of welfare reforms. The calculation of Affordable Housing need uses data that pre-dates the changes to Housing Benefit and therefore does not take into account the impact of the extension of the Shared Accommodation Rate (SAR) to single persons under 35 years of age. It is likely that their ability to afford a 1 bedroom tenancy would have been reduced if the extension of the SAR was applied, with the resulting being an increased demand for smaller shared accommodation such as bedsits or studios. This will require careful monitoring regarding the appropriateness of available stock of this nature, noting the highlighted issues in relation to the prevalence of Housing Benefit claimants in private rented stock in Inner Blackpool.
49. On the basis of the above it will be necessary for the Fylde Coast authorities and partners to continue to monitor this situation as data becomes available and both effectively prepare for and record the impacts of reform.

Specific Housing Needs

50. The summary of specific housing needs in section 10 presented the following key findings:
- **Older people** – the population of 65+ residents is expected to grow across the Fylde Coast authorities, with increases of 19.4%, 33.8% and 41.2% in Blackpool, Wyre and Fylde respectively. There is particular proportional growth forecast in the 85+ age bracket, which will necessitate the provision of specialised accommodation to meet specific housing requirements. The tenure of older persons housing also provides an indication of the kind of housing required, with older persons in the Fylde Coast typically opting to own their own home – at a higher rate than seen nationally. There is also a lower level of reliance on the social rented sector for older persons accommodation, although there are more instances of private renting;
 - **Households with support needs** – the number of residents predicted to have a learning disability is consistent in Blackpool over the period 2012-2020, although at the wider Lancashire scale, an increase is expected, largely driven by increases in the older persons population. A similar picture is apparent in assessing forecasts of moderate or serious personal care disabilities, with little change in Blackpool over the time period but an increase in the number of those with physical disabilities in Lancashire. A strategic approach will be necessary to ensure that the continued needs of this group are met, with sufficient capacity for specialist accommodation where required;

- **Black and minority ethnic (BME) households** – all authorities have a high proportion of White British residents, which significantly exceeds the national average rates. All other ethnicities are proportionally under-represented. While a clear majority of residents were born in the UK, Blackpool has the highest proportion of residents with a country of birth other than the UK. The peak years of inward migration to the Fylde Coast authorities was between 1991 and 2009 – again, reflecting the national trend; and
- **Gypsies, Travellers and Travelling Showpeople** – the Fylde Coast authorities have commissioned a separate study which will consider the specific needs of Gypsies, Travellers and Travelling Showpeople.

1 Introduction

- 1.1 This report represents a new Strategic Housing Market Assessment (SHMA) for the Fylde Coast authorities. The research has been undertaken by Turley Associates in partnership with specialist demographic consultancy Edge Analytics.

Purpose of the SHMA

- 1.2 The purpose of this document is to develop a new National Planning Policy Framework (NPPF) compliant SHMA to update the evidence base of housing needs and demand across the Fylde Coast.
- 1.3 This assessment will provide evidence for the Councils as to how many dwellings of different tenures may be needed over the next fifteen years and beyond. This will inform the respective Local Plans of Blackpool, Fylde and Wyre, and allow the development of complementary housing strategies.
- 1.4 This report will also enable a greater understanding of the dynamics and drivers of the sub-regional housing market, and will allow the identification of actions that will help to deliver better housing and socio-economic outcomes for those living in Blackpool, Fylde and Wyre.

The National Planning Policy Framework

- 1.5 Looking specifically at the NPPF in relation to the guidance it sets for preparing this evidence, firstly it is important to recognise that the NPPF is built around a policy commitment to the achievement of sustainable development. At the heart of the NPPF is a “presumption in favour of sustainable development”, which requires local authorities in the development of their Local Plans to adopt a positive approach in order to “seek opportunities to meet the development needs of an area” (CLG, 2012, para 14 first bullet).
- 1.6 Further clarification is provided through the core planning principles set out at Paragraph 17 of the Framework. Importantly, this includes the following requirement that planning should:
- “Proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities.” (CLG, 2012, para 17, 3rd bullet)*
- 1.7 With regards housing, the Framework states (Paragraph 47) that in order to boost the supply of housing, local planning authorities should:

“Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework.” (CLG, 2012, para 47 bullet point 1)

- 1.8 The Framework provides further guidance on the use of a ‘proportionate evidence base’. At paragraph 158 it states that:

“Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. Local planning authorities should ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.” (CLG, 2012, para 158)

- 1.9 Further guidance as to the informing data and drivers which should be considered in establishing this estimate of the objectively assessed need facing the authority for housing is set out within paragraph 159 of the NPPF:

“Local planning authorities should have a clear understanding of housing needs in their area. They should:

- Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Market Assessment should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:*
- Meets household and population projections, taking account of migration and demographic change;*
- Addresses the need for all types of housing, including affordable housing and the needs of different groups...; and*
- Caters for housing demand and the scale of housing supply necessary to meet this demand.” (CLG, 2012, para 159)*

Relevant Guidance

- 1.10 Evidently the NPPF identifies that local authorities are required to undertake an assessment of the need for housing. The NPPF identifies the SHMA as representing the central evidence based document for establishing objectively assessed needs.
- 1.11 On the 28th August 2013 the DCLG released a full set of new National Planning Practice Guidance (NPPG) notes in draft form. These were at the time of writing subject to a period of consultation prior to being formally published in early 2014. Of particular relevance to the production of SHMAs and housing requirement evidence is the publication of the guidance note titled ‘Assessment of housing and economic development needs’. It is understood that this is intended, following formal publication

later in 2013, to replace the current SHMA Guidance 'Strategic Housing Market Assessments – Practice Guidance' which was published in August 2007 (hereafter 'the Guidance').

- 1.12 The NPPG sets out a framework that local authorities can follow to develop a good understanding of how housing markets operate in line with the requirements of the NPPF. It retains the core methodological processes set out in the 2007 SHMA guidance whilst providing additional clarity on the methodology required to establish objectively assessed need within a housing market area. The new guidance implies that there are benefits associated with co-joining analysis around housing need and the supply/demand balance for employment land. This piece of research was commissioned by the Councils prior to the release of this guidance and therefore the scope of works concentrates solely on producing a SHMA output. The SHMA has not sought to appraise alternative economic futures in detail but has sought to take account of available employment demand evidence prepared to date by the authorities.
- 1.13 The NPPG recognises that housing markets are dynamic and complex and as a result assessments of need are not intended to provide definitive estimates of household need, demand and market conditions. The assessment should, however, provide valuable insights into how housing markets operate both now and in the future. It should also provide a fit for purpose basis upon which to develop planning and housing policies by considering the characteristics of the housing market, how key factors work together and the probable scale of change in future housing need and demand.
- 1.14 The approach taken within this SHMA is structured to align with the draft NPPG whilst also retaining reference to the existing 2007 Guidance. This includes referencing the core outputs set out in Table 1.1 of the 2007 Guidance recognising that at the time of writing the new emerging guidance remains in draft form. Table 1.1 from the 2007 SHMA Guidance is replicated in Figure 1.1 below with an additional column outlining within which section of this SHMA report the core output is addressed.

Figure 1.1 – Compliance with DCLG 2007 Guidance Core Outputs

SHMA Guidance – Core Outputs Table 1.1	Report Section in which Key Outputs are presented and analysed
Output 1 - Estimates of current dwellings in terms of size, type, condition, tenure	Section 4
Output 2 – Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market.	Sections 5 and 6
Output 3 – Estimate of total future number of households, broken down by age and type where possible	Section 7
Output 4 – Estimate of current number of households in housing need	Section 9
Output 5 – Estimate of future households that will require affordable housing	Section 9
Output 6 – Estimate of future households requiring market housing	Section 7 / 11
Output 7 – Estimate of the size of affordable housing required	Section 9
Output 8 – Estimate of household groups who have particular housing requirements e.g. families, older people, key workers, black and minority ethnic groups, disabled people, young people, etc...	Section 10

1.15 The draft NPPG states with regards the calculation of objectively assessed needs:

“The assessment of development needs is an objective assessment of need based on facts and unbiased evidence. Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic under performance infrastructure or environmental constraints. However, these considerations will need to be addressed when

bringing evidence plans together to identify specific policies within development plans". (DCLG, 2013¹)

- 1.16 In advance of the publication of updated Guidance the Planning Advisory Service / Local Government Association published a guide to assist local authorities in assessing their objectively assessed needs and translating these into policy (July 2013). This is a useful additional reference point prior to the formal publication of the NPPG and reinforces a number of important principles in terms of the interpretation of the NPPF. These are summarised in the following paragraphs:

"Corroboration, consistency and integration will ensure a joined up strategy and be more likely to deliver a good and sound plan. For example consideration of the long term demographic and economic led projections may reveal that they are producing a similar level of housing requirement. If this will ensure you meet your objective of achieving x jobs over the plan period as well as addressing the high level of affordable need that exists, then there is a consistent set of evidence which integrates your strategy together and can be justified.

Conversely it is inappropriate and perverse for a strategy which seeks to increase jobs across the district to be accompanied by a low level of housing based on demographic projections with low migration trends. This is because the ambition for new jobs is only likely to be achieved by the in-migration of economically active people. Likewise a corporate strategy which seeks to address the high affordable housing need is unlikely to be delivered by a very low level of housing provision." (pg. 10, 2013²)

Duty to Co-operate: The Policy and Legislative Framework

- 1.17 The NPPF sets out that local authorities have a 'Duty to Co-operate' on planning issues that cross administrative boundaries. The Planning and Compulsory Purchase Act (2004) also requires that the local authority engage constructively with its neighbours.
- 1.18 Particular reference within the NPPF is made to the importance of effectively fulfilling this duty when considering, and presenting, the strategic policies to deliver new homes and jobs within Local Plan preparation.
- 1.19 The NPPF provides guidance to local authorities regarding the appropriate measures to undertake in order to fulfil the duty:
- Joint working on areas of common interest is to be diligently undertaken to the mutual benefit of neighbouring local authorities;
 - Collaborative working is to be undertaken between local authorities and other bodies such as Local Enterprise Partnerships (LEPs); and
 - Consideration of the preparation of joint planning policies on strategic matters.

¹ DCLG. National Planning Practice Guidance – Assessment of housing and economic development needs. 2013

² 'Ten key principles for owning your housing number – finding your objectively assessed needs', PAS / LGA, July 2013

1.20 The Duty to Co-operate therefore acts as the mechanism by which local planning authorities can effectively:

“...ensure that strategic priorities across local boundaries are properly coordinated and clearly reflected clearly in Local Plans” (DCLG, 2012 para 179³).

1.21 The NPPF states that the required outcome of the duty to cooperate is that, through this constructive process, it should enable:

“...local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas...” (DCLG, 2012 para 179⁴)

1.22 The Fylde Coast authorities have previously produced a sub-regional SHMA (DTZ, 2008 Fylde Coast SHMA) which used the Fylde Coast area as its geography recognising the strong market linkages and levels of containment. This new SHMA adopts the same geography again recognising the important linkages with other surrounding authorities with which there are evidenced housing market linkages.

1.23 The Fylde Coast authorities are all committed to maintaining a process of engagement in order to ensure compliance with the Duty to Co-operate and are partners within the Lancashire Local Enterprise Partnership.

Methodological Approach

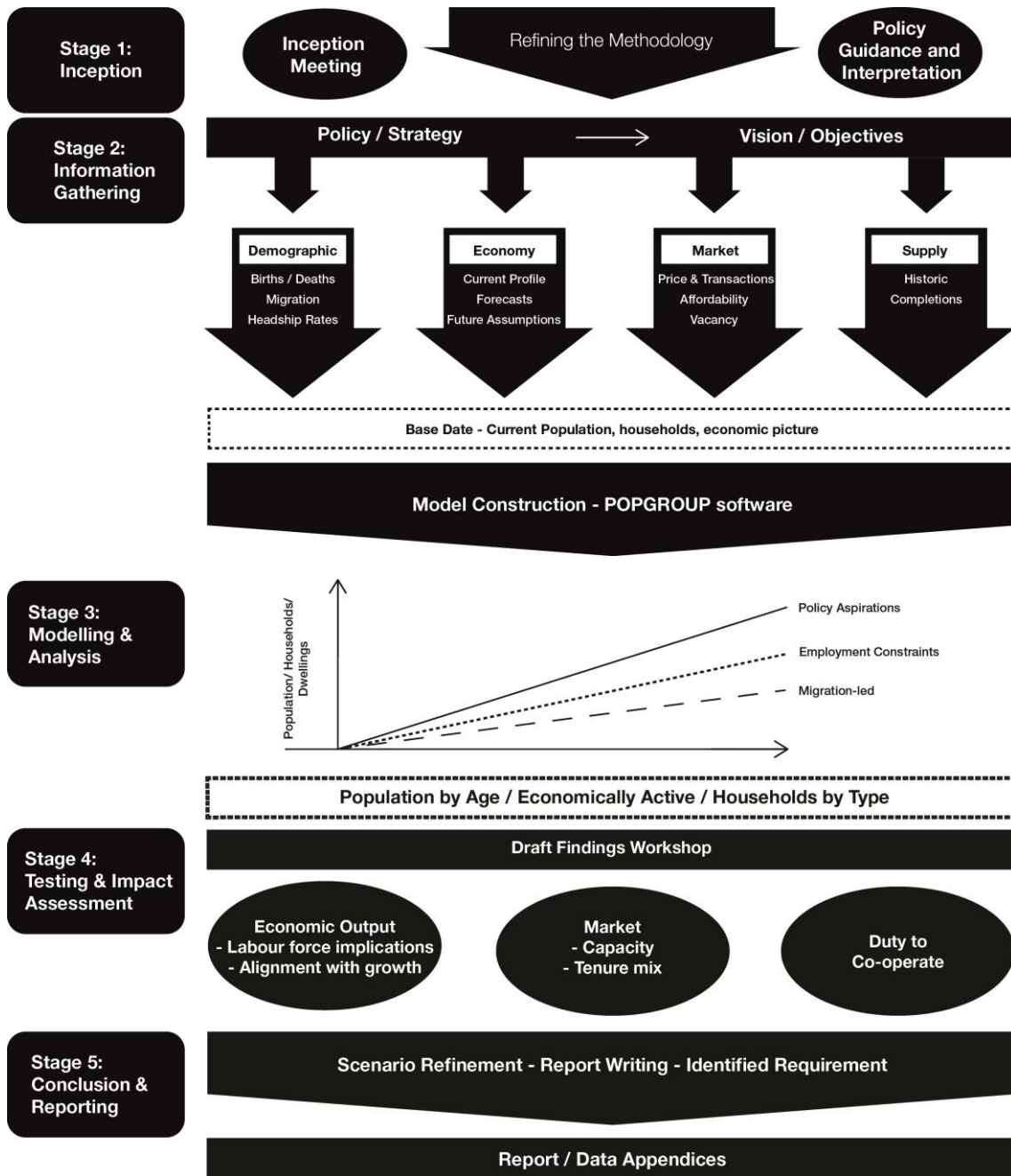
1.24 The turbulent economic climate and housing market context at the point in which this research is undertaken (2013) makes it an extremely interesting time to evaluate the extent to which the market has evolved, but also presents challenges in forecasting likely trajectories of change.

1.25 In order to reflect these issues in understanding housing need the analysis adopts a scenario driven approach which considers the impacts of different input assumptions relating to demographic and economic factors. The broad approach is set out in the following diagram.

³ NPPF (2012) – CLG (p42, para 179)

⁴ Ibid

Figure 1.2 – Overall Methodology – Objectively Assessed Needs



Stakeholder Workshop

- 1.26 A stakeholder workshop was held in Blackpool on 16th September where Turley Associates presented the interim findings of this report. This was attended by 24 stakeholders with an interest in the Fylde Coast, including housebuilders, housing groups and landowners, along with representatives from Blackpool Council, Fylde Council and Wyre Council.
- 1.27 The event included a presentation of the study methodology and interim findings, followed by a question and answer session. A wide range of issues were discussed,

ranging from clarification on the adopted methodology to specific points that should be considered. A full account of the discussions at the workshop is provided in Appendix 1.

Report Structure

1.28 The remainder of this report is structured around the following sections, where appropriate reflecting the steps set out in the Guidance to assist in extracting key information from the report:

- **2: Placing the SHMA Research in Context** – This section considers the complexities, priorities, opportunities and challenges across the Local Authorities as articulated through current and emerging national, regional and local strategy and policy which are considered likely to have an impact on the future housing market;
- **3: A Review of the Housing Market Area Geography** – Consideration of existing housing market area definitions alongside analysis of the latest commuting and migration datasets to define the market geographies used within the SHMA research.

Part 1: The Current Housing Market

- **4: The Housing Stock** – An assessment of the current profile of the housing stock across the Local Authorities and its change over time. This includes estimates of the current ‘housing offer’ in terms of the number of current dwellings broken down by size, type, condition and tenure;
- **5: Demographic and Economic Drivers of the Market** – An assessment of the key long-term drivers of the housing market including demographic and economic factors;
- **6: The Active Market** – The relationship between supply and demand manifests itself in the operation of the active housing market. House prices, rental levels and key measures of demand including the number of households on waiting lists are all symptoms of market behaviour which are clear indicators of the current health of the market and future direction of travel. A comprehensive assessment of the active market is undertaken, with key issues around affordability examined in detail;

Part 2: Future Housing Market and Need

- **7: Fylde Coast Population and Household Projections** – A range of population and household projections are presented built using the POPGROUP model. The assumptions underpinning these projections are derived from the analysis of historic and future trends set out in Part 1. The impact of the projected growth in the number of households is translated into associated estimates of the implied requirement for new housing for all tenures. In addition the analysis of the changing household and age structure of the population is used to inform an assessment of the different sizes of housing likely to be required over the plan period under a range of scenarios;
- **8: Alternative Projection Scenarios** - The SHMA research and in particular the modelling of alternative population and household projections has highlighted a number of areas where potential changes in the operation of the economy could impact on future demand and need for housing. This section considers a number of ‘sensitivities’ relating to commuting flows in Fylde and Wyre and economic activity

levels in Blackpool. The outputs of this modelling are provided for illustrative purposes only and require further research and investigation by the Councils prior to them being considered in evidencing the objective assessment of need for each authority as prescribed by the NPPF / NPPG;

- **9: Affordable Housing Need** – A calculation of the short-term level of housing need for affordable housing has been undertaken following the stepped process set out in the DCLG Guidance. Data to populate the model has been drawn from a range of secondary data sources. Income and housing costs are considered in order to assess the role of different 'affordable' products in meeting need, including intermediate housing. This section concludes with an estimation of the breakdown by size of the affordable housing identified as being required over the next five years at local authority level;
- **10: Housing Requirements of Specific Household Groups** – The analysis focuses on the information collected through secondary sources to draw out specific conclusions related to a series of household groups with particular housing requirements;
- **11: An Objective Assessment of Need** – The evidence presented in the preceding sections is used to assess and evaluate an appropriate range of objectively assessed need across the Fylde Coast and within each of the constituent authorities; and
- **12: Drawing the Evidence Together – Conclusions** – The SHMA concludes with a section outlining the conclusions and recommendations arrived at through the research. Conclusions are presented to directly respond to the core outputs set out in Figure 1.1 of the DCLG Guidance with reference to the draft NPPG.

2 Placing the SHMA Research in Context

- 2.1 Significant market changes in recent years, and an on-going disparity between supply and demand, have placed planning to meet housing need and demand high on the national agenda. There has subsequently been a significant level of debate emerging related to the detailed analysis of evidence.
- 2.2 This section, therefore, provides an important context to the research. The policy and strategy directions of the Fylde Coast authorities can be understood, while sub-regional, local and national strategies and priorities can be identified.

Addressing the ‘housing crisis’

- 2.3 Planning to meet housing need and demand is central to the Government’s national growth agenda as a response to the continued increase in the UK’s population, sustained affordability challenges and as an economic stimulus to assist in maintaining a return to economic growth.
- 2.4 This is illustrated recently, for example, by the Commons Communities & Local Government Select Committee which was tasked with looking at the measures needed to tackle what they call the country’s “housing crisis”. They concluded:

“There is no one ‘silver bullet’ with which the housing deficit can be removed. Many of the measures in the Government’s housing strategy will provide a welcome boost in the short to medium term. However, further action and a longer term approach will be needed if we are to see a sustainable change in housing supply. The country has not come close to delivering the number of homes it needs for many years, and this has been exacerbated by the recent financial crisis.”⁵ (p.3)

- 2.5 The importance of stimulating an increase in the supply of housing is not just a post-recession credit crunch priority. The publication of the 2004 Barker Review⁶ brought the issue into clear focus and provided an important informing component of the previous Government’s 2007 Housing Green Paper⁷. The Green Paper set a clear target for delivering 240,000 homes a year by 2016, therefore delivering a total of 2 million new homes by 2016 and 3 million new homes by 2020. Examining the latest CLG house building statistics⁸ on average between 2008-09 and 2012-2013 only 119,000 dwellings have been completed per annum in England. This clearly represents a significant undersupply against the targets set by the previous Government.
- 2.6 In November 2011 ‘Laying the Foundations: A Housing Strategy for England’ was published by the current Government. The Strategy acknowledged the evidence, in the form of the then latest official government household projections – released in 2010 – that demand for housing driven by household growth was set to continue (these forecasts

⁵ House of Commons Communities and Local Government Committee, ‘Financing of new housing supply’, HC 1652, 7 May 2012

⁶ ‘Barker Review of Housing Supply’ (March 2004), Kate Barker

⁷ ‘Homes for the future: more affordable, more sustainable’ (July 2007), CLG

⁸ Table 209 House building: permanent dwellings completed, by tenure¹ and country, CLG (accessed 25/07/13)

anticipated average household formation running at an average of 232,000 a year in England from 2008 to 2033⁹). The foreword of the Strategy clearly set out the Prime Minister and Deputy Prime Minister's acknowledgement of the long-term failure of Governments to build enough housing to meet growing need:

"One of the most important things each generation can do for the next is to build high quality homes that will stand the test of time. But for decades in Britain we have under-built. By the time we came to office, house building rates had reached lows not seen in peace-time since the 1920s. The economic and social consequences of this failure have affected millions: costing jobs; forcing growing families to live in cramped conditions; leaving young people without much hope that they will ever own a home of their own." (Laying the Foundations, November 2011)

- 2.7 More recently in the March 2013 Budget (20th March 2013), the Chancellor of the Exchequer, Right Hon George Osborne MP provided a further clear signal of the Government's intention to stimulate housing delivery and meet demand. The Budget Report¹⁰ stated at paragraph 1.100:

"Budget 2013 therefore announces Help to Buy, a package of measures that will increase the supply of low-deposit mortgages for credit-worthy households, increase the supply of new housing and contribute to economic growth."

- 2.8 The Budget Report continues at paragraph 1.107:

"The Government wants to ensure that there is a long-term supply of housing that is better matched to demand."

- 2.9 The Government also published in June 2013 the document 'Investing in Britain's Future' which is intended to provide a strategic, long-term plan for the UK to improve its key infrastructure. Housing is recognised as an integral part of the UK's economic and social infrastructure with a number of aims and commitments set out based on the recognition that:

"A well-functioning housing market is critical in supporting growth and competitiveness. People need homes that are affordable and within travelling distance of jobs and amenities. The economy needs a housing market that is stable, secure and which supports labour market flexibility." (Investing in Britain's future, para. 6.1, June 2013)

- 2.10 Alongside the wider economic growth proposals and funding packages the Government has also seen the reform of the planning system as an important assistance to the increased supply of housing. This is considered in more detail in this section.

⁹ Cited in 'The Numbers Game: Increased housing supply and funding in hard times', PWC & L&Q, 2012

¹⁰ HM Treasury Budget Report', 20th March 2013

Supporting Economic Growth and Sub Regional Priorities

- 2.11 In considering the continued emphasis on addressing the housing supply challenge by the current Government, it is impossible to separate it from the wider focus on stimulating and sustaining the economic recovery of the UK. Whilst the wider health of the UK economy is linked to global shifts, as illustrated through both the sub-prime crisis in the US and the on-going Eurozone challenges, the UK Government, has through a range of emerging and published policies set out its ambitions to reduce the deficit and maintain a course of austerity. The intention is over the longer-term to ensure a sound footing from which to achieve and sustain economic growth.
- 2.12 The latest Economic and Fiscal Outlook (EFO) report, published by the Office for Budget Responsibility in December 2013, recognises that the UK economy has grown faster than expected in 2013, with short-term indicators showing momentum into the final quarter of the year. The forecast for GDP growth in 2013 as a whole has subsequently been revised up from 0.6% to 1.4%, with growth in 2014 equivalent to 2.4% ahead of sustained growth in subsequent years driven by improvements in productivity and growth in real earnings.
- 2.13 As part of the supporting economic growth agenda the Government created local enterprise partnerships (LEPs) across the county in partnership with local authorities and private sector representatives.
- 2.14 The Fylde Coast authorities are located within the Lancashire LEP, which was formed in April 2011. The LEP has recently published its first Growth Plan¹², and this is intended to guide the LEP's economic investment priorities and actions up to 2015. The Growth Plan sets out that its incorporated priorities and actions have the potential to create up to 50,000 jobs over the next ten years, generating additional economic activity in excess of the current trend rate of growth.
- 2.15 The Fylde Coast authorities will deliver a Local Growth Accelerator Strategy in Blackpool and the Fylde Coast by spring 2014, in order to understand and address economic opportunities better at a local level to deliver economic change. This strategy will support the delivery of innovative approaches to tackling economic inactivity and deprivation, particularly through enabling access to new jobs for residents in deprived communities. This emphasises the positive economic potential of the market area.
- 2.16 Lancashire County Council, which covers the SHMA authorities with the exception of Blackpool Unitary Authority, sets out key objectives in the 2012/13 Corporate Strategy¹³. Specifically, there is a stated ambition to promote sustainable economic growth, improve roads and transport and protect and improve the environment. Furthermore, communities in Lancashire should be strengthened and general health and wellbeing should be improved while supporting people in need.
- 2.17 There are also significant developments elsewhere in Lancashire that will have relevance to the Fylde Coast. The Preston and Lancashire City Deal, for example, will lead to the creation of over 20,000 new jobs, 15,000 new homes and the generation of new

¹² Lancashire Enterprise Partnership (April 2013) Lancashire Growth Plan 2013/4

¹³ Lancashire County Council (2012) Corporate Strategy 2012/13

economic activity worth £1 billion over the next ten years¹⁴. This will be supported through the delivery of critical infrastructure that will help Preston and South Ribble to meet long-term growth ambitions, while also benefiting Lancashire as a whole. The Preston West distributor road, for example, will improve connections between the Enterprise Zones at Warton and Salmsbury. Proposed improvements to Junction 2 of the M55 and the provision of a Park and Ride at Cottom – serving significant new housing development – will also improve infrastructure, supporting future economic growth.

Emerging Local Plans

- 2.18 The three Fylde Coast authorities are currently in the process of preparing individual Local Plans, and are yet to formally adopt Core Strategies. However, for the purposes of this assessment, Preferred Options reports can be reviewed, as they provide an indication of policy and strategy directions. It is important to recognise that the SHMA will influence the evolution of the emerging Local Plans and the final housing growth requirements.

Blackpool

- 2.19 The Blackpool Local Plan Core Strategy is currently being prepared, and it is anticipated that it will be submitted to the Secretary of State in late 2014 ahead of adoption in 2015. The Revised Preferred Options report was open to public consultation during summer 2012¹⁵.
- 2.20 4,500 dwellings are planned over the period 2012 to 2027, at an average rate of 300 units per annum. These are to be located in the existing urban area, in south Blackpool and on major regeneration sites identified in the Strategic Housing Land Availability Assessment (SHLAA). There is further allowance for conversions and windfall delivery on major seafront sites. Although the pace at which housing development comes forward remains dependent on the housing market, it is anticipated that the housing target will be met in phases, with lower than average delivery in the first five years of the plan to 2017 compensated by increased supply between 2022 and 2027.
- 2.21 This policy is supported by the Housing Technical Paper¹⁶, released in 2012 to form part of the Core Strategy evidence base. This paper considers limiting new development to focus on meeting the needs of existing residents, meeting identified needs and encouraging higher population growth. It was considered that meeting projected household growth forecasts, provided by the Office for National Statistics (ONS), would provide the best balance of benefits and dis-benefits. The paper also explains the proposed deviation of Blackpool Council from the targets published in the North West Regional Spatial Strategy (RSS), where the authority was expected to deliver 444 dwellings per annum.

¹⁴ <http://council.lancashire.gov.uk/documents/s24432/Preston%20and%20Lancashire%20City%20Deal.pdf>

¹⁵ Blackpool Council (2012) Blackpool Local Plan Part 1: Core Strategy – Revised Preferred Option

¹⁶ Blackpool Council (2012) Housing Technical Paper

Fylde

- 2.22 The Fylde Local Plan to 2030 is also at Preferred Options stage¹⁷, with public consultation carried out in summer 2013 ahead of publication in March 2014 and adoption in December. The Preferred Options report sets out a target of 6,826 dwellings between May 2011 and January 2030, at a rate of roughly 360 units per annum.
- 2.23 This figure is based on the RSS target of 306 dwellings per annum, but has been updated to account for the deficit accumulated since 2003, when the annual target was last met. The RSS figure has been used due to its ongoing formal status during the plan production process, and because a locally assessed figure based on 2011 ONS projections has not been produced. Indeed, an Emerging Housing Requirement Paper, produced in 2011¹⁸, established the intention to revise downwards RSS targets to 280 dwellings per annum, based on 2008 ONS demographic projections, but the underpinning evidence was deemed outdated. It is anticipated that the figure suggested in the Preferred Options report will be revised in the next stage of the consultation, reflecting the council's ongoing resolve to develop its own target and not rely on regional guidance.

Wyre

- 2.24 The Wyre Core Strategy Preferred Options Report¹⁹ was released for consultation in spring 2012. The next consultation stage is anticipated to be held in 2014/15, and it is expected that the strategy will be adopted in 2015/16. The previous document set out an ambition to deliver 3,410 dwellings between 2011 and 2028. Around half of the dwellings planned for delivery between 2011 and 2028 were to be located in Thornton and Fleetwood, reiterating their strategic importance for regeneration purposes.
- 2.25 A Housing Growth Scenario Summary Statement was published in 2012 in tandem with the Preferred Options Core Strategy to explain the background and rationale to setting the housing requirement figure, which supported the government's growth agenda. The authority is currently redrafting the Core Strategy, linked to the outcomes of the SHMA and updates to other parts of its evidence base.

¹⁷ Fylde Council (2013) Fylde Local Plan to 2030 Part 1 – Preferred Options

¹⁸ Fylde Council (2011) Emerging Housing Requirement Paper 2011

¹⁹ Wyre Council (2012) Local Development Framework Core Strategy – Preferred Options March 2012

3 A Review of the Housing Market Area Geography

3.1 Understanding the housing market geographies affecting the Fylde Coast is important in order to fully understand the implications of compliance, with the Duty to Co-operate introduced in the Localism Act 2011 and reiterated in the NPPF.

3.2 The 2013 Draft DCLG Guidance states:

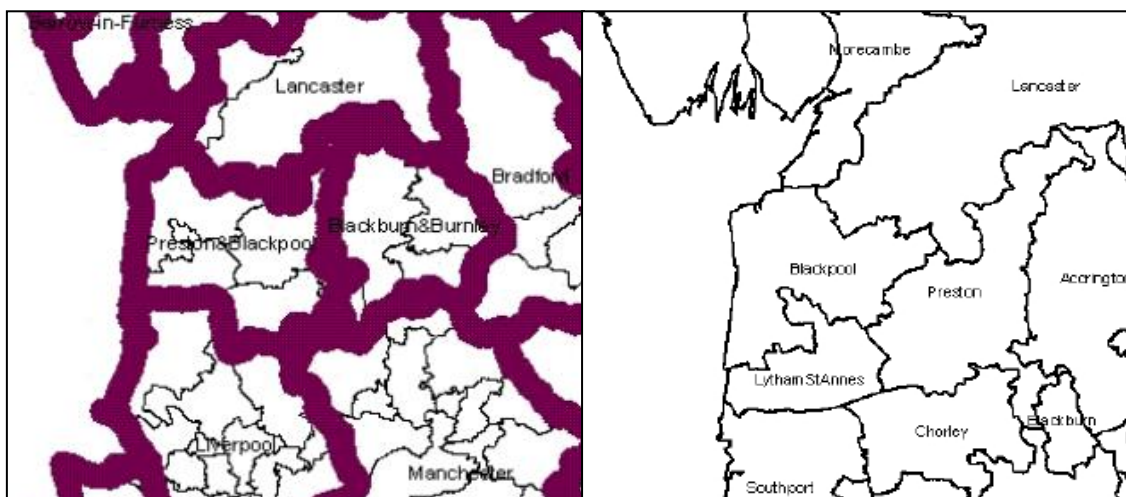
“A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work”²¹

3.3 This section considers firstly the definition of housing market area geographies defined by the National Housing and Planning Advice Unit (NHPAU) and the Department for Communities and Local Government (DCLG) in 2010. We will then consider more up-to-date commuting and migration statistics to inform the conclusions reached.

Existing Definitions

3.4 National research was undertaken in 2010 by NHPAU and DCLG to examine the identification of sub-regional housing markets across England, representing an important starting point for evidencing the functional housing market area geography of the Fylde Coast²². A two tier approach was advocated, through identifying the strategic market area as well as the local housing market area. These are defined based on the strength of market connections as identified through travel to work and migration connections and self-containment. Extracts from the spatial mapping are shown in the following figure, illustrating both the strategic and local market areas.

Figure 3.1 - Strategic (l) and Lower Tier (r) Housing Market Areas



Source: NHPAU/DCLG 2010

²¹ DCLG (2013) National Planning Practice Guidance – Assessment of housing and economic development needs

²² NHPAU/DCLG (2010) Geography of Housing Market Areas in England

- 3.5 At a strategic level, Preston and Blackpool were identified as a strategic market area. This includes all of the Fylde Coast authorities, with the exception of one ward in Wyre, where Wyresdale falls within the Lancaster strategic market area. Preston and Blackpool also includes wards in Blackburn with Darwen, South Ribble, Ribble Valley, Chorley and Preston.
- 3.6 The research further identifies lower tier markets of Blackpool and Lytham St Annes. Blackpool includes all wards in Blackpool, all but two wards in Wyre (excluding Brock and Wyresdale, which are located within the Preston and Lancaster market areas respectively) and two wards in Fylde (Elswick and Little Eccleston and Staining and Weeton). Lytham St Annes includes all remaining Fylde wards.
- 3.7 Alternatively, a single tier definition is presented that identifies the three Fylde Coast authorities as a single framework housing market area, based on a 75% commuting threshold. Importantly, this assessment fits with existing administrative boundaries, recognising that housing policies are determined at local authority levels. The identification of the Fylde Coast authorities as a single housing market area means that we can be confident that there is significant overlap in housing market activity between Blackpool, Fylde and Wyre, further justifying the joint preparation of this assessment.

Migration

- 3.8 The primary source of data on internal migration – movements within England and Wales – is the Patient Register Data Service (PRDS), which captures the movement of patients as they register with a GP. This data is used by the ONS in its mid-year population estimates and forms the basis for estimating migrant flows between local authority areas. It should be noted that the display of this data excludes flows to Scotland, although migration to and from Scotland is included within the overall migration net flows considered in section 5. These are summarised later in this section, for context.
- 3.9 The GP registration statistics can be used to summarise spatial variations in the inflow, outflow and net flow of migrants between the Fylde Coast authorities and other districts in England and Wales for the period 2001-2011. The top ten inflows and outflows are shown in the tables below.

Figure 3.2 – Gross Migration Flows 2001-2011

Blackpool			
Inflows	Average 2001/02 – 2010/11	Outflows	Average 2001/02 – 2010/11
Wyre	1,399	Wyre	1,755
Fylde	739	Fylde	988
Manchester	228	Preston	211
Preston	172	Manchester	192
Lancaster	153	Lancaster	153
Bradford	116	Leeds	100
Blackburn with Darwen	112	Salford	96
Leeds	110	Blackburn with Darwen	84
Salford	104	Bolton	83
Rochdale	97	South Ribble	82

Fylde			
Inflows	Average 2001/02 – 2010/11	Outflows	Average 2001/02 – 2010/11
Blackpool	988	Blackpool	739
Wyre	391	Wyre	359
Preston	307	Preston	227
South Ribble	109	Manchester	107
Lancaster	93	Lancaster	98
Manchester	90	South Ribble	86
Blackburn with Darwen	73	Leeds	69
Chorley	61	Chorley	52
Bolton	57	South Lakeland	51
Leeds	48	Liverpool	47

Wyre			
Inflows	Average 2001/02 – 2010/11	Outflows	Average 2001/02 – 2010/11
Blackpool	1,755	Blackpool	1,399
Fylde	359	Fylde	391
Lancaster	290	Lancaster	267
Preston	260	Preston	227
Manchester	123	Manchester	116
Bolton	92	South Lakeland	72
Rochdale	86	Leeds	72
Oldham	85	South Ribble	63
South Ribble	76	Liverpool	56
Blackburn with Darwen	74	Bolton	49

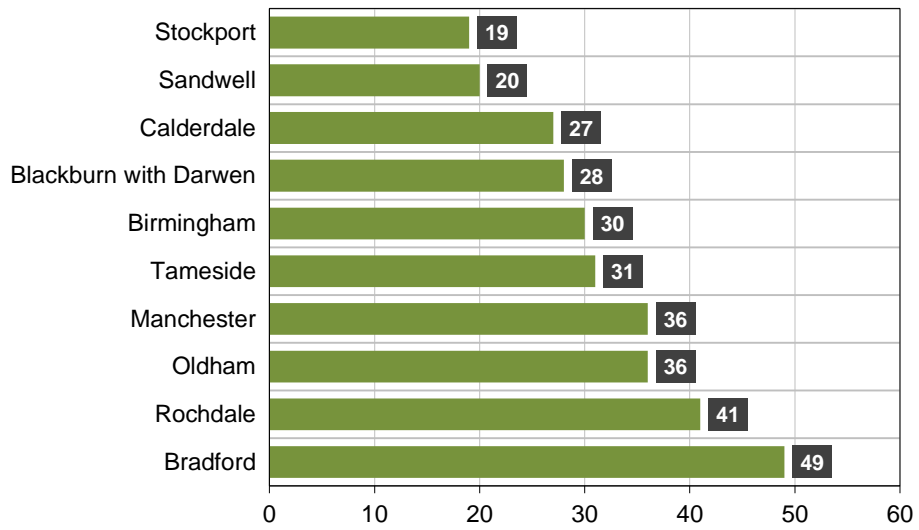
Source: PRDS, Edge Analytics 2013

3.10 Expectedly, it is clear that there is a strong level of gross migration flow between the Fylde Coast authorities, consistently ranking as the main migration origins and destinations in this assessment. All authorities also have strong relationships with Preston, Lancaster and Manchester.

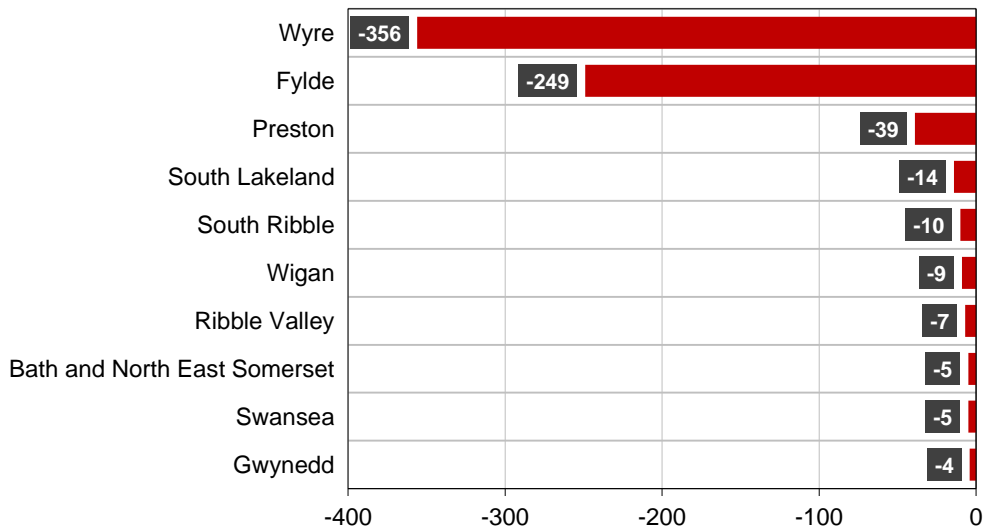
3.11 Net migration flows can also be calculated to identify relationships between authorities.

Figure 3.3 – Net Migration Flows 2001/02 – 2010/11 – Blackpool

Top ten net inflows



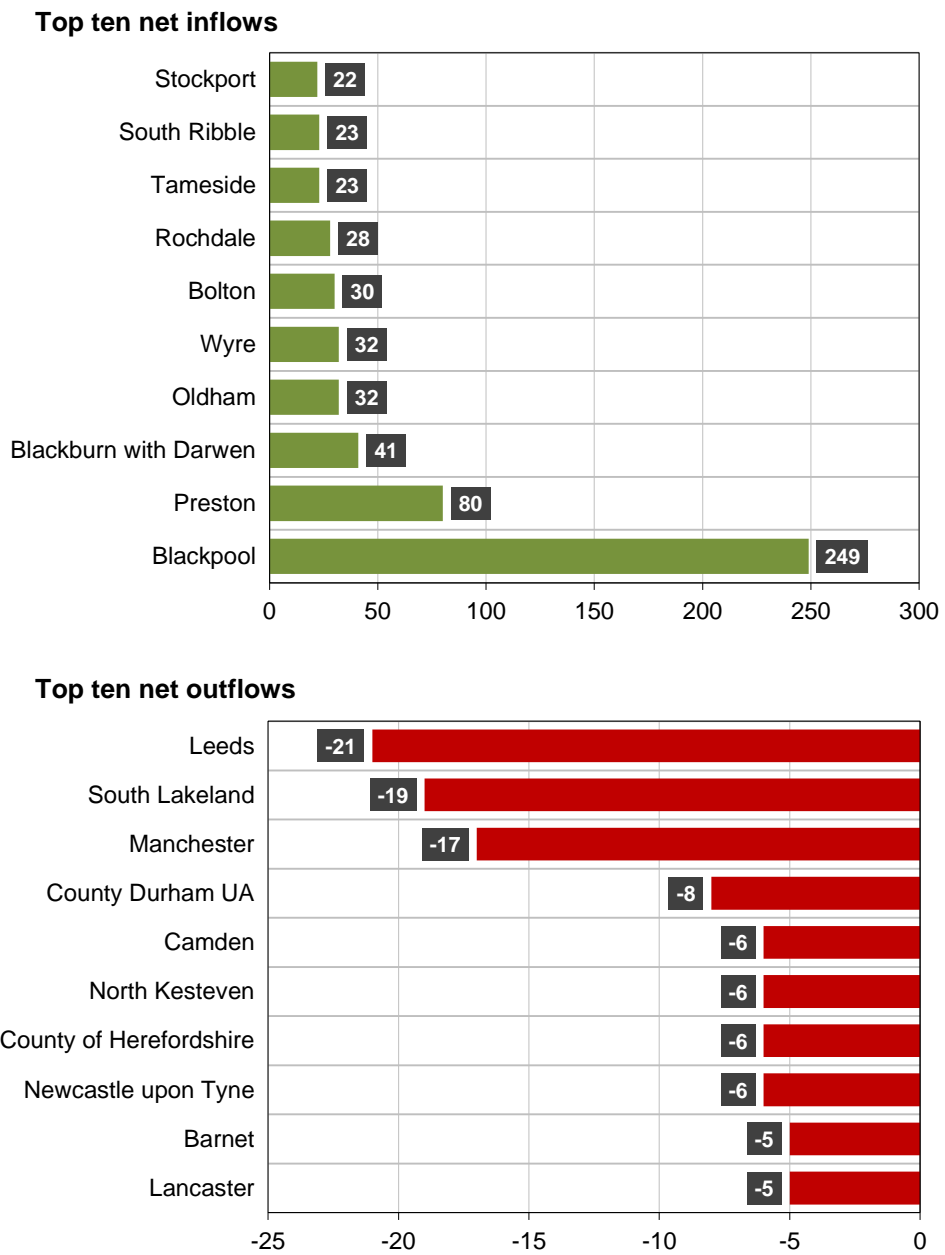
Top ten net outflows



Source: PRDS, Edge Analytics 2013

3.12 Blackpool has a significant level of net outmigration to Fylde and Wyre, indicating that more people move from Blackpool to elsewhere in the Fylde Coast. There are net inflows – albeit at a much lower scale – from Bradford and numerous Greater Manchester authorities.

Figure 3.4 - Net Migration Flows 2001/02 - 2010/11 - Fylde

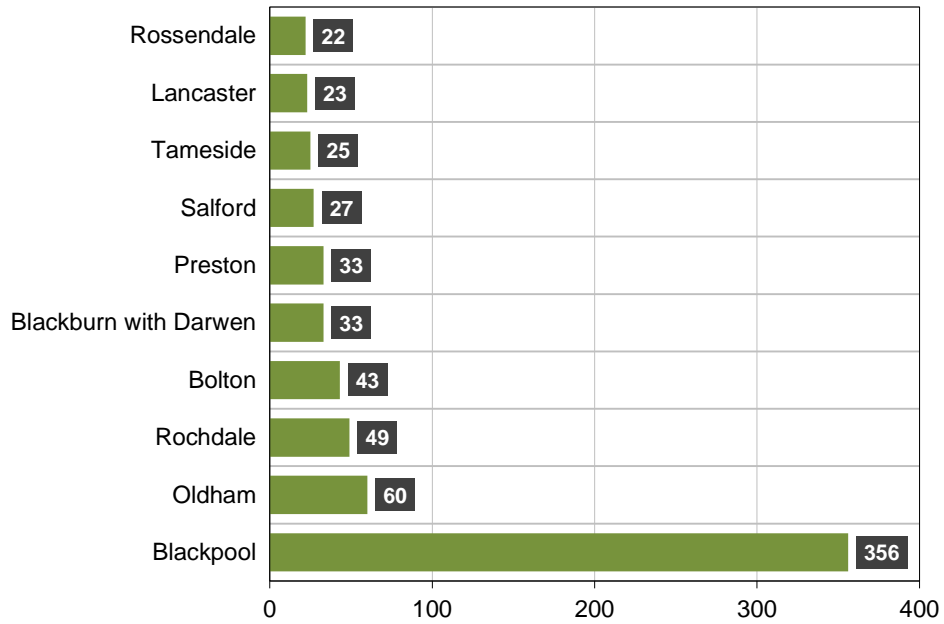


Source: PRDS, Edge Analytics 2013

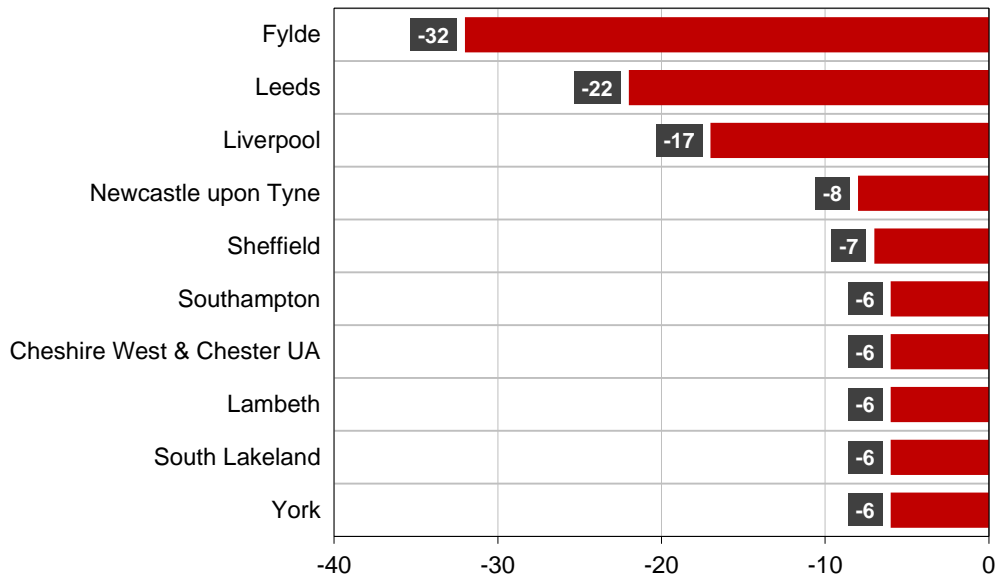
3.13 As shown in the previous graphs, Fylde has a significant net inflow of migrants from Blackpool, with net in-migration from Preston and Blackburn with Darwen, although at a much lower scale. Net outflows, too, are at a much lower scale, with Leeds, South Lakeland and Manchester the main destinations of net outmigration.

Figure 3.5 - Net Migration Flows 2001/02 - 2010/11 – Wyre

Top ten net inflows



Top ten net outflows



Source: PRDS, Edge Analytics 2013

3.14 Wyre receives a particularly high level of inflows from Blackpool, and again, there is also net in-migration from a number of Greater Manchester authorities. There is a net outflow of residents to Fylde, and also to several core cities, including Leeds, Liverpool, Newcastle upon Tyne and Sheffield – notably, large university towns.

Scotland

3.15 Due to the presentation of PRDS data, migration to and from Scotland has been excluded from the tables and charts above. For this reason, and in light of historic connections between Scotland and the Fylde Coast – and particularly Blackpool – the table below summarises migration flows with Scotland. Data is only available to cover the years 2010/11 and 2011/12, and these figures have been averaged to provide an indication of the scale of migration flows.

Figure 3.6 – Scotland Migration Flows (Average 2010/11 – 2011/12)

Migration into the Fylde Coast from Scotland		
Origin	Destination	Flow
Scotland	Blackpool	294
Scotland	Fylde	101
Scotland	Wyre	97
Migration into Scotland from the Fylde Coast		
Origin	Destination	Flow
Blackpool	Scotland	339
Fylde	Scotland	118
Wyre	Scotland	103

Source: ONS, 2013

3.16 This shows that, over the period analysed, there has been net migration out of the Fylde Coast into Scotland, with all three authorities seeing higher levels of out-migration than in-migration. Overall, and in absolute terms, it is evident that Blackpool is the main destination in the Fylde Coast for people moving from Scotland, although it is also the main origin for people moving from the area to Scotland.

Commuting

3.17 The 2001 Census remains the most recent detailed assessment of commuting dynamics, and demonstrates the important relationship between home and work. The Census shows that the Fylde Coast authorities play different commuting roles. The table below identifies the level of commuting between the Fylde Coast authorities, to allow an assessment of the proportion of residents of Blackpool, Fylde and Wyre who work within the Fylde Coast.

Figure 3.7 - Place of Work by Authority

Home Authority	Place of Work		
	Blackpool	Fylde	Wyre
Blackpool	70.0%	12.2%	8.4%
Fylde	14.7%	62.2%	3.9%
Wyre	21.5%	7.5%	54.1%

Source: Census 2001

- 3.18 The Census data shows that Blackpool has a balanced number of jobs and workers, with 70% of Blackpool residents also working in the authority. This represents the highest level of containment of the three authorities, and it can also be seen that over 90% of Blackpool residents work within one of the Fylde Coast authorities.
- 3.19 Fylde, however, has a lower level of containment at just over 60%, suggesting stronger links with neighbouring authorities than seen in Blackpool. The lower figure also suggests a larger group of inward commuters, supporting the view of Fylde as an importer of labour, with a higher number of jobs than workers in the authority. Overall, the evidence suggests that around 80% of residents work within one of the Fylde Coast authorities – again, a relatively high level of containment. Wyre, though, is an exporter of labour, with a surplus of workers over jobs. Only 54.1% of Wyre residents work within the authority, but in total, around 83% of residents work within the Fylde Coast. This suggests that, although an exporter of labour, the majority of commuters travel only a short distance to support the Fylde Coast economy.
- 3.20 A more recent picture of commuting flows can be gathered from the Annual Population Survey, although it should be considered that the group surveyed is significantly smaller. The tables below show the main inward and outward commuting flows for each Fylde Coast authority, with figures presented as a proportion of total inward or outward commuters. For clarity, only the top five destinations are listed for each authority.

Figure 3.8 – Commuting Flows 2011

Blackpool			
Inflows	Total	Outflows	Total
Blackpool	62.3%	Blackpool	71.4%
Wyre	14.3%	Fylde	9.1%
Fylde	11.0%	Wyre	7.0%
Preston	3.9%	Preston	3.9%
South Ribble	1.7%	Lancaster	2.5%
Fylde			
Inflows	Total	Outflows	Total
Fylde	67.5%	Fylde	50.2%
Blackpool	17.1%	Blackpool	17.6%
Wyre	5.0%	Lancaster	9.4%
Preston	2.2%	Preston	9.4%
Pendle	1.6%	Wyre	4.0%
Wyre			
Inflows	Total	Outflows	Total
Wyre	73.2%	Wyre	50.0%
Blackpool	12.0%	Blackpool	19.2%
Preston	5.6%	Preston	9.4%
Fylde	4.9%	Lancaster	5.8%
Lancaster	1.5%	Fylde	3.1%

Source: Annual Population Survey, 2011

- 3.21 Blackpool retains around 70% of outward commuters, with Fylde and Wyre the next most frequent workplace destinations, albeit at a much smaller scale. There are also links with Preston and Lancaster as employment destinations. A similar picture is clear when analysing inflows, although Wyre and Fylde account for a higher proportion of flows. There is also a stronger relationship with South Ribble, suggesting that Blackpool is an employment destination for residents of South Ribble.
- 3.22 Fylde only retains around half of all outward commuters, suggesting that a large proportion of residents commute to another authority. Blackpool is a popular destination for outward commuters, followed by Lancaster and Preston, reflecting their economic importance in Lancashire. There is a relatively weak connection between Fylde and Wyre for both inflows and outflows, although a marginally higher proportion of Wyre residents commute to Fylde, relative to commuters from Fylde. However, a higher proportion originate from Blackpool.

3.23 Again, Wyre has a relatively low level of containment of out-commuters, retaining half of all outflows. Apart from the authority itself, Blackpool, Preston and Lancaster are clearly the major employment destinations for residents of Wyre, with a weaker relationship with Fylde as a place of employment. This view is reinforced when looking at inflows, with Fylde accounting for a lower proportion of imported labour than Blackpool and Preston.

Neighbouring Authorities

3.24 The migration and commuting flows presented above are established and historical trends, and this report recognises that planned development may lead to changes, establishing new migration and commuting dynamics. As introduced earlier, there are a number of planned infrastructure improvements, such as the enhancement of Junction 2 of the M55, and the delivery of a new Park and Ride facility at Cottam. Here, there is also significant housing development planned, which may reduce the scale of inflow from Preston into the Fylde Coast.

3.25 The Preston and Lancaster City Deal, too, is of significant importance, leading to the creation of over 20,000 new jobs and 15,000 new homes²³. The delivery of this plan, over the course of a decade, could stimulate changes in established migration and commuting patterns, with Preston in particular becoming an increasingly important and attractive employment destination.

Sub-Authority Spatial Definitions

3.26 The SHMA can also provide a more detailed understanding of spatial variations within the Fylde Coast authorities, at a sub-authority level. The following sub-areas have been identified which reflect developing policies, and have been spatially constructed using a combination of wards and lower level super output areas (LSOAs). Further detail on how spatial areas have been defined is provided in Appendix 2. The table below also shows the number of household spaces within each sub-area to provide an indication of the distribution of housing in the Fylde Coast.

²³ <http://council.lancashire.gov.uk/documents/s24432/Preston%20and%20Lancashire%20City%20Deal.pdf>

Figure 3.9 - Sub-Authority Spatial Areas

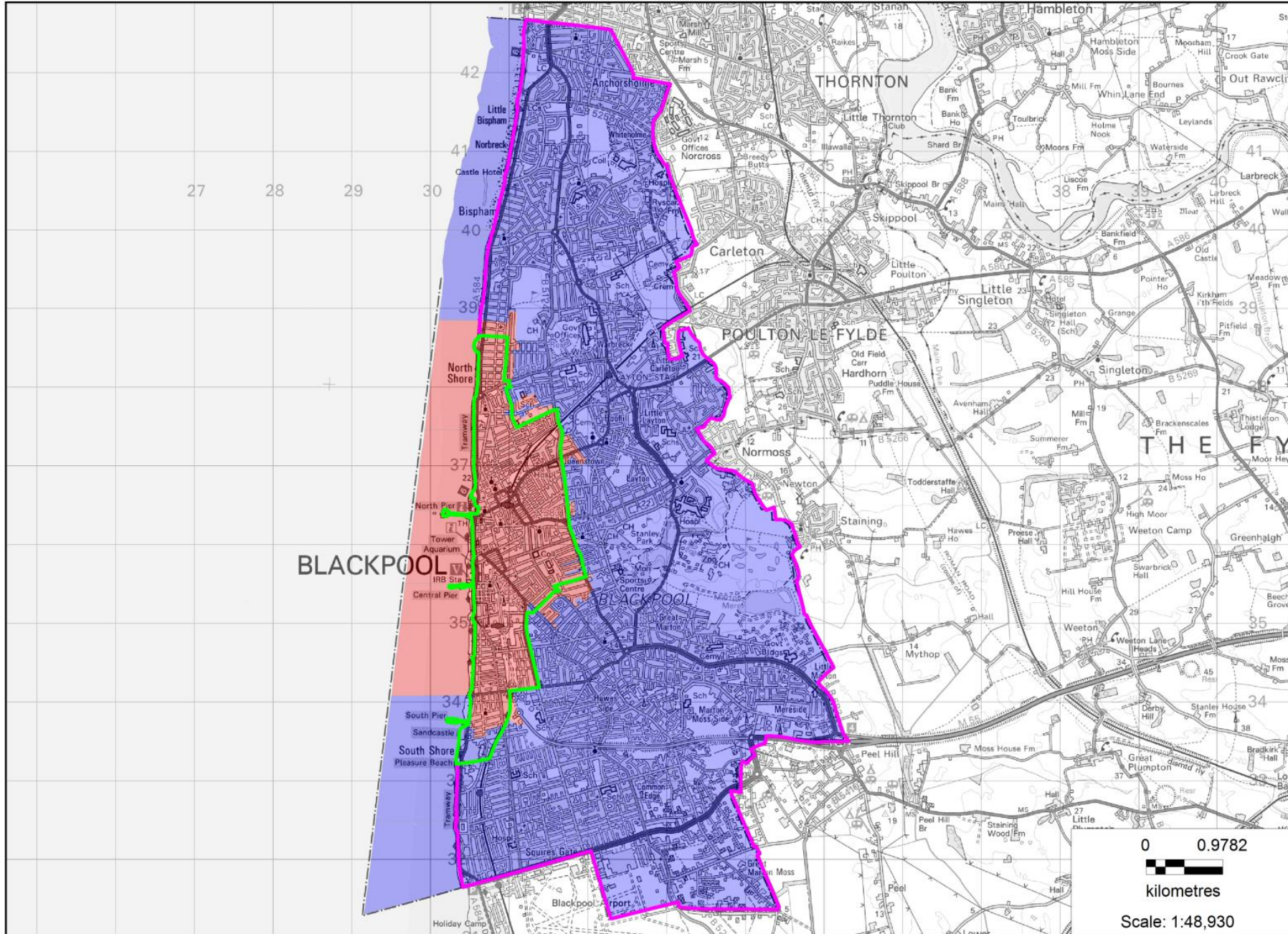
Local Authority	Sub-Areas	Number of Household Spaces
Blackpool	Inner Blackpool	15,965
	Outer Blackpool	53,378
Fylde	Lytham & St Annes	23,070
	Kirkham/Wesham & Freckleton/Warton	9,187
	Rural East (Treales, Newton, Clifton)	1,350
	Rural SW (Wrea Green & Westby)	1,204
	Rural NW (Singleton, Staining & Weeton)	1,940
	Rural NE (Elswick & Little Eccleston)	684
Wyre	Fleetwood	12,087
	Thornton	7,517
	Cleveleys	7,855
	Poulton-le-Fylde & Carleton	8,755
	Rural West (Hambleton etc)	4,684
	Central Rural Plain	2,475
	Garstang & Catterall	4,208
	Rural East	2,492

Source: Turley Associates, 2013

3.27 The following maps further visualise the sub-area definitions used for this report.

BLACKPOOL

BLACKPOOL SUB-AREA ZONES DEFINED USING LSOAS



LEGEND

- Blackpool Inner Area Defined Using LSOAs ■
- Blackpool Outer Zone Defined Using LSOAs ■
- Blackpool Inner Area □
- Rest of Blackpool Area □

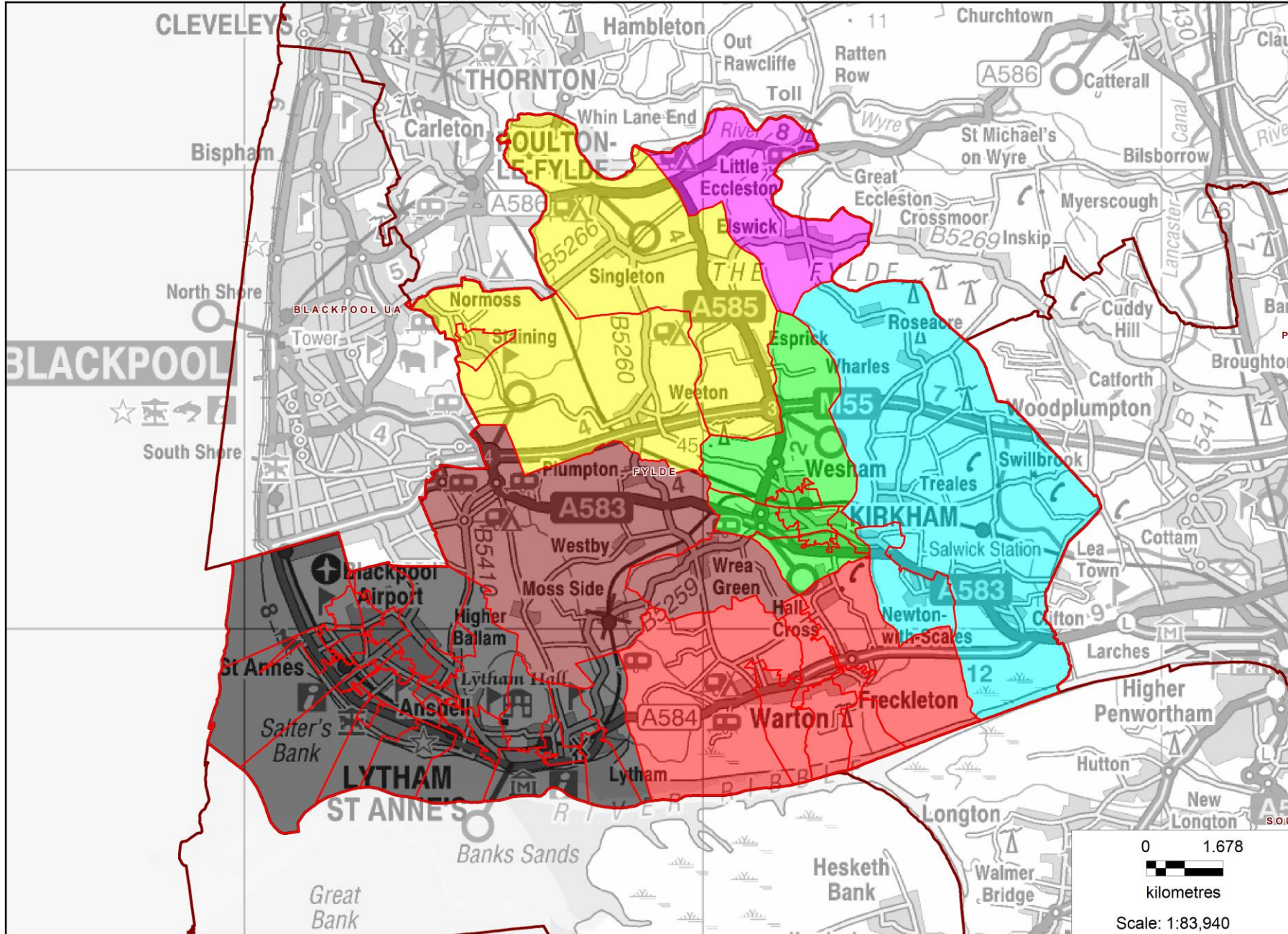
0 0.9782
kilometres
Scale: 1:48,930

N

Data source Ordnance Survey © Crown Copyright. Licence number 100020338
StreetPro UK © TeleAtlas BV 2009. This product includes mapping data licensed from Ordnance Survey © Crown copyright. Licence number 100026920
Grocery Stores © 2010 IGD Stores Database. Note - where store sales area data is not available then that store has been identified as "Under 1,500 sq m".
Print Date: 4 September 2013
Paper Size: A3

FYLDE

HOUSING ZONES AREAS WITH LSOAs (2001)



LEGEND

- LSOAs (2001)
 - [Red outline]
- Local Authority
 - [Red outline]
- Housing Zones
 - [Red square] Freckleton & Warton
 - [Green square] Kirkham & Wesham
 - [Black square] Lystam St Annes
 - [Purple square] North East Area
 - [Yellow square] North West Area
 - [Cyan square] South East Area
 - [Brown square] South West Area

Scale: 1:83,940

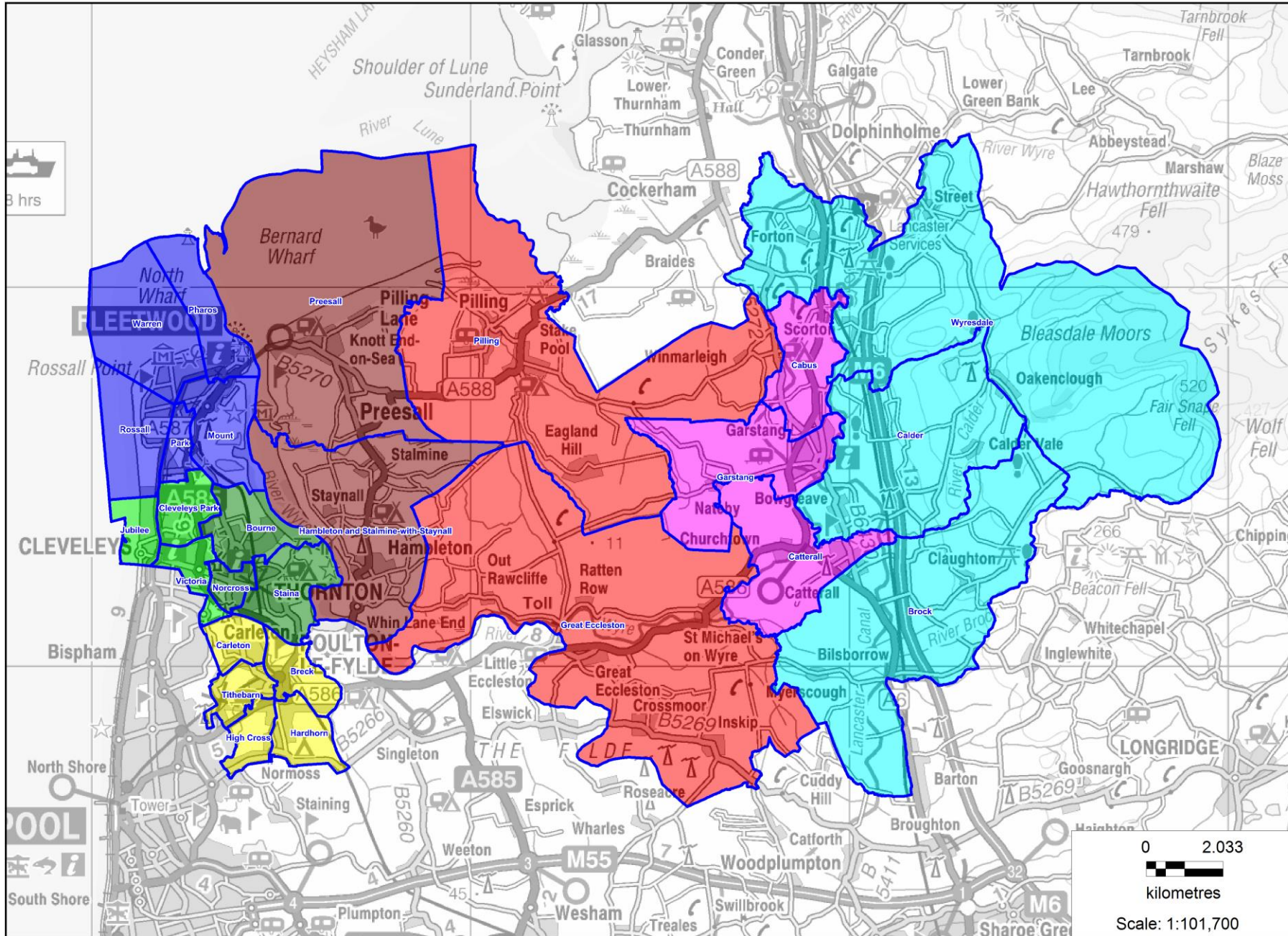
0 1.678
kilometres

N

Data source Ordnance Survey © Crown Copyright. Licence number 100020398
 StreetPro UK © TeleAtlas BV 2009. This product includes mapping data licensed from Ordnance Survey © Crown copyright. Licence number 100026920
 Grocery Stores © 2010 IGD Stores Database. Note - where store sales area data is not available then that store has been identified as "Under 1,500 sq m".
 Listed building data downloaded from English Heritage website on 17 September 2009, English Heritage © 2009.
 Print Date: 2 September 2013
 Paper Size: A3

WYRE

SUB-AREA ZONES WITH WARD BOUNDARIES



LEGEND

Sub-Area Housing Zones

- Central Rural Plain
- Cleveleys
- Fleetwood
- Garstang and Catterall
- Poulton
- Rural East
- Rural West
- Thornton

Local Authority

Ward Boundary

Scale: 1:101,700

0 2.033 kilometres

N

Data source Ordnance Survey © Crown Copyright. Licence number 100020338
 StreetPro UK © TeleAtlas BV 2009. This product includes mapping data licensed from Ordnance Survey © Crown copyright. Licence number 100026920
 Grocery Stores © 2010 IGD Stores Database. Note - where store sales area data is not available then that store has been identified as "Under 1,500 sq m".
 Listed building data downloaded from English Heritage website on 17 September 2009. English Heritage © 2009.
 Print Date: 4 September 2013
 Paper Size: A3

Bringing the Evidence Together

- 3.28 The analysis presented in this section highlights firstly that the three authorities making up the Fylde Coast area operate as a relatively strong and distinct housing market area. There is a high level of self-containment with regards flows of commuters and the movement of people shows relatively limited flows with surrounding authorities.
- 3.29 In terms of connections to surrounding areas, the analysis of commuting and migration patterns suggest that the Fylde Coast share the strongest relationships with Preston and Lancaster. Individual authorities within the Fylde Coast also have comparatively established relationships with South Ribble, Pendle and Manchester.
- 3.30 The high levels of containment in the Fylde Coast do however support the consideration of objectively assessed needs and demands for housing within this geography, recognising the evidenced linkages with a number of surrounding authorities.
- 3.31 Whilst this strategic / functional housing market area represents an important geography in order to develop responsive and positive policy it is important to disaggregate the analysis to both a single local authority level as well as a sub-authority level recognising more local market geographies. The analysis presented within the following sections therefore presents findings at a Fylde Coast, individual authority and sub-authority level where it is appropriate.

4 The Housing Stock

- 4.1 The analysis within this section provides an overview of the current housing stock position across the Fylde Coast area. This includes a review of the latest data on housing stock, and the findings of the 2011 Census – published from July 2012 in stages by ONS – are integrated within the analysis to form an important update position. This is supplemented by surveys conducted on housing condition and quality, in order to build a picture of existing housing.

Current Stock Profile

- 4.2 Figure 4.1 below summarises dwelling type, both by local authority and sub-area, to inform our analysis of current housing stock. Figures are shown as a proportion of total household spaces, as seen in Figure 3.9.

Figure 4.1 – Household Spaces Type by Sub-Area 2011

Local Authority	Detached	Semi-Detached	Terraced	Flat	Caravan
Blackpool	8.5%	36.5%	30.0%	24.8%	0.3%
<i>Inner Blackpool</i>	2.6%	11.0%	36.8%	49.5%	0.1%
<i>Rest of Blackpool</i>	10.3%	44.1%	27.9%	17.4%	0.3%
Fylde	26.2%	31.6%	17.4%	22.9%	1.9%
<i>Lytham & St Annes</i>	22.3%	29.3%	14.8%	33.7%	0.0%
<i>Kirkham/Wesham & Freckleton/Warton</i>	24.8%	38.0%	25.8%	7.0%	4.4%
<i>Rural East</i>	47.1%	36.2%	15.0%	1.1%	0.6%
<i>Rural SW</i>	51.3%	23.8%	8.6%	2.5%	13.8%
<i>Rural NW</i>	40.7%	29.9%	20.8%	6.5%	2.2%
<i>Rural NE</i>	51.9%	30.9%	6.6%	0.4%	10.2%
Wyre	28.3%	40.6%	18.0%	11.3%	1.8%
<i>Fleetwood</i>	14.6%	26.3%	41.2%	17.5%	0.3%
<i>Thornton</i>	25.3%	53.5%	12.3%	8.3%	0.6%
<i>Cleveleys</i>	24.9%	52.3%	7.9%	14.9%	0.0%
<i>Poulton-le-Fylde & Carleton</i>	31.7%	46.6%	10.6%	10.8%	0.4%
<i>Rural West</i>	35.8%	42.0%	9.7%	5.7%	6.7%
<i>Central Rural Plain</i>	50.4%	35.4%	9.7%	1.5%	2.9%
<i>Garstang & Catterall</i>	37.9%	34.1%	10.4%	9.1%	8.5%
<i>Rural East</i>	50.0%	25.6%	17.3%	5.5%	1.6%
Fylde Coast	19.1%	36.6%	23.2%	20.1%	1.1%
England	22.3%	30.7%	24.5%	22.1%	0.4%

Source: Census 2011

- 4.3 Overall, Blackpool has a significantly lower than national average level of detached housing, with subsequently higher levels of semi-detached, terraced and flatted household spaces. Blackpool also has a particularly high amount of terraced housing when compared to the collective Fylde Coast.
- 4.4 Within Blackpool, there are low levels of detached and semi-detached properties in the inner area, and a higher proportion of terraced houses. Most notably, there are a high number of flats in Blackpool, particularly in the inner area where around half of the housing stock is flatted, and there is a similarly high level of terraced properties. The stock profile of the rest of Blackpool is clearly different, with much higher levels of detached and, particularly, semi-detached property, and substantially fewer flats.

- 4.5 The proportion of detached housing in Fylde is higher than both the national and Fylde Coast averages, and there are also fewer terraced properties. Elsewhere, however, there are some similarities to Blackpool, with comparable proportions of semi-detached and flatted housing. It should be noted, though, that Fylde contains fewer properties overall than the other SHMA authorities.
- 4.6 Within Fylde, however, there are marked differences between sub-areas, particularly – and expectedly – between rural and urban areas. Almost 90% of flats in Fylde are located within Lytham & St Annes, and this sub-area – along with Kirkham/Wesham and Freckleton/Warton – also has a lower than authority average supply of detached housing. However, important context is added by considering that these urban areas provide around 75% of the total amount of detached houses in Fylde, which would suggest a greater mix in the urban areas, where the majority of housing is located.
- 4.7 In Wyre, detached and semi-detached properties collectively make up around 70% of the housing stock, surpassing both the national and Fylde Coast averages. This is mainly attributable to a much lower proportion of flats, with Fleetwood the only sub-area that contains a significant number, albeit at a much lower quantity than seen elsewhere.
- 4.8 Semi-detached houses account for the highest proportion of household spaces in Wyre, with higher than average levels in the Rural West, Poulton-le-Fylde & Carleton, Cleveleys and Thornton. Particularly, semi-detached household spaces in the latter two sub-areas make up over half of the total housing stock, representing the greatest dependency in any sub-area. Elsewhere in Wyre, detached housing in the Central Rural Plain and Rural East makes a comparable contribution to sub-area housing stock. All sub-areas, with the exception of Fleetwood, surpassed the average level of detached housing. Fleetwood is unusual, in the context of Fylde and the wider Fylde Coast, in having the highest proportion of terraced properties, also surpassing the national average. As mentioned earlier, Fleetwood also has a higher than Wyre average proportion of flats.
- 4.9 It is also important to establish a picture of how the housing stock has changed in recent years. For this reason, the table below shows the absolute change in each accommodation type between 2001 and 2011. Here, a positive figure indicates an increase in housing stock of each type, with a negative figure indicating a loss.

Figure 4.2 – Change in Type by Sub-Area 2001-2011

Local Authority	Detached	Semi-Detached	Terraced	Flat	Caravan
Blackpool	398	92	-13	1,578	-1
<i>Inner Blackpool</i>	56	28	-384	907	12
<i>Rest of Blackpool</i>	342	64	371	671	-13
Fylde	633	532	526	1,471	93
<i>Lytham & St Annes</i>	343	244	305	1,412	-18
<i>Kirkham/Wesham & Freckleton/Warton</i>	111	265	165	50	54
<i>Rural East</i>	37	41	10	-10	8
<i>Rural SW</i>	21	4	4	-4	24
<i>Rural NW</i>	88	-26	31	23	-14
<i>Rural NE</i>	33	4	11	0	39
Wyre	1,369	324	437	885	166
<i>Fleetwood</i>	99	-15	11	236	25
<i>Thornton</i>	339	121	150	74	10
<i>Cleveleys</i>	61	13	35	203	-4
<i>Poulton-le-Fylde & Carleton</i>	203	21	27	187	23
<i>Rural West</i>	258	-6	22	12	41
<i>Central Rural Plain</i>	121	64	17	5	35
<i>Garstang & Catterall</i>	165	42	84	139	38
<i>Rural East</i>	123	84	91	29	-2
Fylde Coast	2,400	948	950	3,934	258

Source: Census 2001, Census 2011

- 4.10 Across the Fylde Coast, between 2001 and 2011, there has been an increase of 8,475 household spaces, with flats accounting for almost half of this growth. There has also been a significant increase in the number of detached properties in the Fylde Coast.
- 4.11 Blackpool has seen the most significant growth in flats, with the majority located in the inner area. Inner Blackpool has also experienced the loss of a high number of terraced properties. Elsewhere, in the rest of Blackpool, there has also been a substantial increase in the number of flatted properties, with notable growth also in detached and terraced stock.
- 4.12 Fylde has also seen an increase in flats, with over 95% located in Lytham & St Annes. Indeed, this sub-area has seen the greatest absolute change in housing stock over the inter-Census years with the creation of a total of 2,286 household spaces, reflecting the town's growth. In Kirkham/Wesham and Freckleton/Warton, there has been a significant increase in the number of semi-detached properties – the greatest absolute change in

this type of accommodation. The rural sub-areas, however, have largely seen a slower rate of growth, with the main increases in detached housing stock.

- 4.13 Wyre has also seen significant change in the housing stock, although, unlike Fylde, the changes have been spread relatively evenly across the authority. There has been a significant increase in the level of detached housing stock, with growth across the authority and particularly centred in Thornton, the Rural West and Poulton-le-Fylde & Carleton. There has also been growth in flats, particularly in Fleetwood and Cleveleys, and the number of semi-detached and terraced properties has also increased. This has occurred most prominently in Thornton, which has seen the greatest absolute increase in total housing stock in Wyre.

Caravan Stock

- 4.14 It is evident from the tables above that, alongside the traditional housing stock, some areas of Fylde Coast have relatively high proportions of caravan stock. This is due in part to the coastal location of parts of the authorities and the historic role of tourism.
- 4.15 There are particularly high concentrations of caravans in the Rural SW and Rural NE of Fylde, as well as Garstang & Catterall in Wyre, with the number of caravans in these areas and the wider Fylde Coast increasing between 2001 and 2011. The previous SHMA²⁴ identified this as a significant issue in the Fylde Coast, with large numbers of older people living in Residential Park Homes. This creates issues with isolation, maintenance and poor insulation, and further monitoring of the caravan stock in the Fylde Coast should therefore be undertaken.

Shared Households

- 4.16 It is important to consider the influence of shared households, as recorded by the 2011 Census²⁵. This is summarised in the table below. As the table shows, there is a significant concentration of shared households in Blackpool, and particularly in Inner Blackpool, which contains over half of shared households in the Fylde Coast. There are also relatively a relatively high number of shared households in Lytham & St Annes and Fleetwood.

²⁴ DTZ (2008) Fylde Coast Strategic Housing Market Assessment

²⁵ The Census deems that a dwelling is shared if the household spaces it contains have the accommodation type 'part of a converted or shared house', if not all rooms are behind a door that only that household can use and there is at least one other household space at that address with which it can be combined

Figure 4.3 – Shared Households 2011

Local Authority	Shared Households	Proportion of All Households	Proportion of All Fylde Coast Shared Households
Blackpool	351	0.5%	70.3%
<i>Inner Blackpool</i>	256	1.9%	51.3%
<i>Rest of Blackpool</i>	95	0.2%	19.0%
Fylde	74	0.2%	14.8%
<i>Lytham & St Annes</i>	70	0.3%	14.0%
<i>Kirkham/Wesham & Freckleton/Warton</i>	4	0.0%	0.8%
<i>Rural East</i>	0	0.0%	0.0%
<i>Rural SW</i>	0	0.0%	0.0%
<i>Rural NW</i>	0	0.0%	0.0%
<i>Rural NE</i>	0	0.0%	0.0%
Wyre	74	0.2%	14.8%
<i>Fleetwood</i>	54	0.5%	10.8%
<i>Thornton</i>	0	0.0%	0.0%
<i>Cleveleys</i>	10	0.1%	2.0%
<i>Poulton-le-Fylde & Carleton</i>	0	0.0%	0.0%
<i>Rural West</i>	2	0.0%	0.4%
<i>Central Rural Plain</i>	0	0.0%	0.0%
<i>Garstang & Catterall</i>	4	0.1%	0.8%
<i>Rural East</i>	4	0.2%	0.8%
Fylde Coast	499	0.3%	100%

Source: Census 2011

Tenure

4.17 Using 2011 Census data, tenure can also be analysed by sub-area, as shown below. Figures are shown as a proportion of all households

Figure 4.4 - Tenure by Sub-Area 2011

Local Authority	Owned Outright	Owned with Mortgage/ Loan	Shared Ownership	Social Rented	Private Rented: Landlord/ Agent	Private Rented: Other	Living Rent Free
Blackpool	30.3%	31.6%	0.4%	10.9%	24.2%	1.9%	1.1%
<i>Inner Blackpool</i>	17.2%	19.3%	0.5%	10.1%	50.0%	1.8%	1.2%
<i>Rest of Blackpool</i>	33.5%	34.9%	0.4%	11.1%	17.1%	1.9%	1.1%
Fylde	40.8%	32.7%	0.4%	7.5%	15.5%	1.9%	1.3%
<i>Lytham & St Annes</i>	41.0%	30.1%	0.3%	6.5%	19.2%	1.6%	1.3%
<i>Kirkham/Wesham & Freckleton/Warton</i>	38.1%	37.0%	0.7%	10.6%	10.7%	1.8%	1.2%
<i>Rural East</i>	40.1%	43.0%	0.0%	7.3%	6.9%	1.5%	1.2%
<i>Rural SW</i>	58.8%	28.7%	0.5%	2.4%	6.9%	1.0%	1.6%
<i>Rural NW</i>	37.1%	35.3%	0.1%	8.7%	10.5%	7.0%	1.4%
<i>Rural NE</i>	48.9%	38.3%	0.2%	4.0%	5.1%	1.4%	2.1%
Wyre	43.2%	34.4%	0.5%	7.2%	12.3%	1.3%	1.2%
<i>Fleetwood</i>	32.8%	31.4%	0.4%	17.4%	15.2%	1.5%	1.4%
<i>Thornton</i>	40.7%	40.4%	0.5%	4.3%	12.1%	1.1%	0.9%
<i>Cleveleys</i>	45.7%	33.7%	0.4%	3.2%	14.8%	1.4%	0.9%
<i>Poulton-le-Fylde & Carleton</i>	46.7%	37.4%	0.2%	3.3%	10.4%	1.0%	1.1%
<i>Rural West</i>	51.0%	32.4%	0.7%	3.7%	9.6%	1.5%	1.1%
<i>Central Rural Plain</i>	48.2%	35.8%	0.6%	4.9%	7.6%	1.3%	1.7%
<i>Garstang & Catterall</i>	52.5%	29.1%	1.1%	5.7%	9.3%	1.0%	1.3%
<i>Rural East</i>	44.5%	33.0%	1.1%	5.5%	12.3%	1.8%	1.9%
Fylde Coast	36.8%	32.8%	0.4%	8.9%	18.3%	1.7%	1.2%
England	30.6%	32.8%	0.8%	17.7%	15.4%	1.4%	1.3%

Source: Census 2011

- 4.18 Compared to the wider Fylde Coast and England as a whole, there are fewer instances of property ownership in Blackpool, with a higher reliance on private rentals. There is a higher degree of social renting compared to the other Fylde Coast authorities, but this still falls below the national average.
- 4.19 Again, within Blackpool, there are dissimilarities between the inner area and the rest of the authority. Ownership is particularly low in Inner Blackpool, while mortgage and loan ownership in the Rest of Blackpool is at a similar level to the Fylde and Wyre averages.

Most significantly, around half of all households in Blackpool rent privately from a landlord or agent – substantially higher than any other sub-area in our analysis. Again, the Rest of Blackpool is more comparable with Fylde and Wyre, but still represents a higher figure than their respective averages. Rates of shared ownership or social renting are relatively consistent across Blackpool.

- 4.20 In Fylde, there is a particularly high level of outright ownership, surpassing the general England figure, with almost three quarters of households owning their home, either outright, with a mortgage or loan or in shared arrangements. There is subsequently less reliance on the rental market, with fewer instances of social renting and a level of private renting that is comparable with England as a whole.
- 4.21 All sub-areas within Fylde surpass the national and Fylde Coast averages with regard to the proportion of households owning outright, although there are particularly high figures in Lytham & St Annes, Rural NE and Rural SW. The figure of 58.8% for the latter is the highest proportion of any type in any sub-area, although it is based only on 1,155 households. There is subsequently less ownership reliant on mortgages and loans in this sub-area, in contrast to the Rural East, which sees the highest proportion of lending-based ownership. In the Fylde context, there are particularly high rates of social renting in Kirkham/Wesham and Freckleton/Warton and the Rural NW, with low figures in the Rural SW and Rural NE. The private rental market is most active in Lytham & St Annes, surpassing national and SHMA level trends, with less activity in the rural sub-areas, with the exception of the Rural NW, which also, interestingly, has a relatively high proportion of renting from an employer, attributable to Weeton Army Camp.
- 4.22 Finally, in Wyre, there is again a high degree of outright property ownership, with the 78% of properties in some form of owner occupation outstripping the other local authorities and wider averages. Consequently, the private rental market makes the smallest contribution, falling below the national average.
- 4.23 Levels of owner occupation are above the national average within all sub-areas, but Fleetwood is particularly notable. Fleetwood is relatively unique in the context of Wyre as a whole. There are fewer instances of owner occupation and a much greater reliance on social renting. Indeed, the proportion of socially rented households in Fleetwood surpasses the equivalent figure in all other sub-areas, with the figure of 1,939 second only to the rest of Blackpool, which is substantially larger. Elsewhere in Wyre, social rented households typically account for a below average share of all households. There is also little variation in the private rental market, which is particularly prevalent in the aforementioned Fleetwood sub-area and Cleveleys, and less frequent in the Central Rural Plain.
- 4.24 Again, it is beneficial to establish the absolute level of change between 2001 and 2011 to identify changes in the tenure profile of the Fylde Coast sub-areas. This is presented in the table below.

Figure 4.5 – Change in Tenure by Sub-Area 2001-2011

Local Authority	Owned Outright	Owned with Mortgage/ Loan	Shared Ownership	Social Rented	Private Rented: Landlord/ Agent	Private Rented: Other	Living Rent Free
Blackpool	-1,354	-3,973	-178	819	5,103	381	-371
<i>Inner Blackpool</i>	-834	-1,291	-53	387	1,574	-27	-73
<i>Rest of Blackpool</i>	-520	-2,682	-125	432	3,529	408	-298
Fylde	1,155	-1,169	25	361	2,058	149	-71
<i>Lytham & St Annes</i>	367	-419	7	199	1,485	111	-43
<i>Kirkham/Wesham & Freckleton/Warton</i>	374	-463	20	112	425	39	-13
<i>Rural East</i>	98	-51	-3	21	26	5	-6
<i>Rural SW</i>	116	-88	6	6	35	-3	-10
<i>Rural NW</i>	118	-96	-6	24	70	-6	-1
<i>Rural NE</i>	82	-52	1	-1	17	3	2
Wyre	1,085	-1,850	53	213	2,476	172	-163
<i>Fleetwood</i>	-127	-655	-1	107	590	53	-60
<i>Thornton</i>	234	-59	23	15	448	21	-26
<i>Cleveleys</i>	-57	-359	-18	6	479	52	3
<i>Poulton-le-Fylde & Carleton</i>	231	-398	1	-28	447	37	-15
<i>Rural West</i>	113	-144	11	38	209	12	-11
<i>Central Rural Plain</i>	177	-40	3	12	69	-6	-16
<i>Garstang & Catterall</i>	306	-174	27	43	180	-2	-12
<i>Rural East</i>	208	-21	7	20	54	5	-26
Fylde Coast	886	-6,992	-100	1,393	9,637	702	-605

Source: Census 2001, Census 2011

4.25 Since the 2001 Census, the most significant fall is in the number of households who own property with a mortgage, across the Fylde Coast authorities. In Blackpool in particular, this change has been severe, with home ownership declining by around 12% compared to 2% and 0% change in Wyre and Fylde respectively. This has been matched by a significant rise in the influence of the private rented sector, with a small rise in social renting. In Fylde and Wyre, there has also been an increase in outright ownership, but there has been a decline in this tenure in Blackpool.

Recent Development Trends

4.26 Information provided by Blackpool Council, Fylde Council and Wyre Council allows net dwelling completions to be analysed in order to understand recent development trends in the Fylde Coast market area.

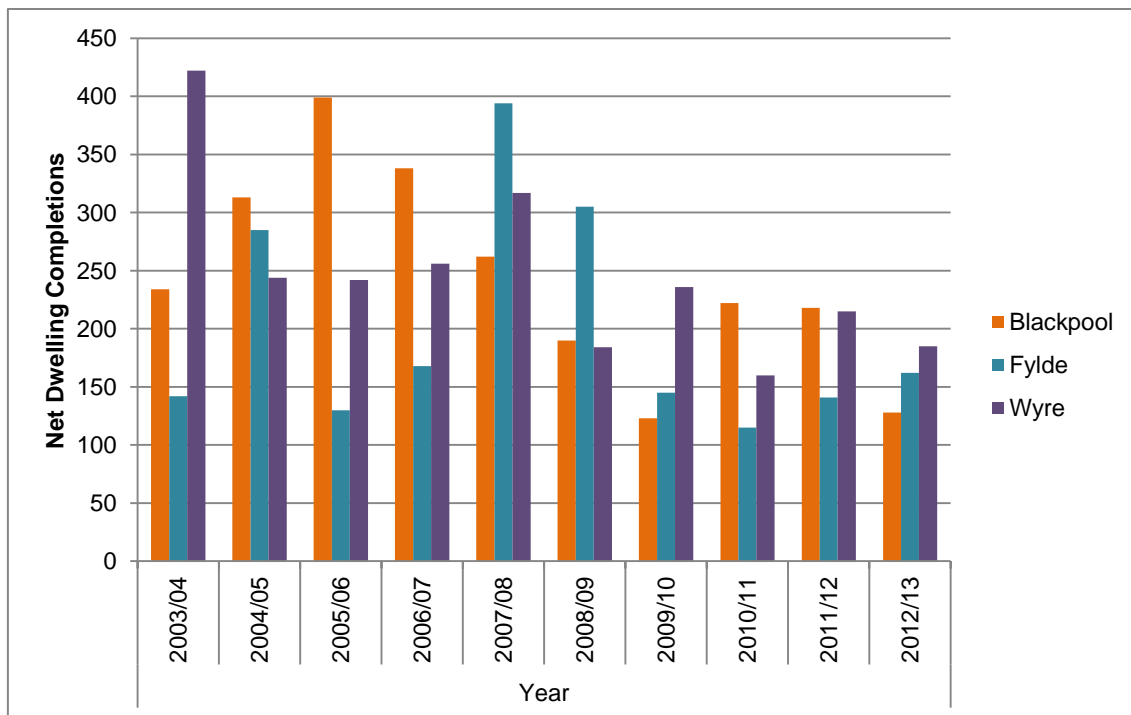
Figure 4.6 - Net Dwelling Completions 2003/04 - 2012/13

Local Authority	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Blackpool	234	313	399	338	262	190	123	222	218	128
Fylde	142	285	130	168	394	305	145	115	141	162
Wyre	422	244	242	256	317	184	236	160	215	185
Fylde Coast	798	842	771	762	973	679	504	497	574	475

Source: Blackpool Council, Fylde Council, Wyre Council

4.27 In total, 6,875 net dwellings were delivered in the SHMA study area between 2003/04 and 2012/13. However, the rate of development has clearly slowed since the 2007/08 peak, with completions falling in each subsequent year, except 2011/12, across the Fylde Coast as a whole. Net dwelling completions remain at a much lower level than that experienced at the beginning of the study period, prior to the recession, reflecting a lack of market confidence.

Figure 4.7 - Net Dwelling Completions 2003/04 - 2012/13



Source: Blackpool Council, Fylde Council, Wyre Council

- 4.28 Blackpool, Fylde and Wyre have on average delivered 243, 200 and 246 net dwellings per annum over this 10 year period. Fylde is the only authority to return to pre-recession house building levels, with the completion of 162 dwellings in 2012/13 surpassing the 142 dwellings delivered in 2003/04, although the latter number was the lowest of the study area authorities. Interestingly, between the 2007/08 peak and the most recent figures in 2012/13, Fylde has experienced the greatest proportional reduction in net completions, falling by almost 60%. Wyre, in contrast, has witnessed a smaller decline of just over 40% to deliver the greatest contribution to the Fylde Coast market area in 2012/13. Blackpool was the only authority to peak prior to 2007/08, providing over 1,000 net dwellings between 2004/05 and 2006/7 – including the delivery of 399 units in 2005/06 – although delivery rates declined in subsequent years to 2009/10. In 2012/13, Blackpool accounted for the smallest proportion of total Fylde Coast completions.
- 4.29 It should be noted that figures on net dwelling completions include new build housing, conversions and changes of use. It is important to disaggregate net completions to understand where net new housing has come from. In Blackpool, for example, conversions have accounted for a relatively high proportion of net delivery²⁶. Over the ten year period presented above, 36% of completions have been delivered through permitted conversions, compared to 47% new build windfall and 17% from delivery on allocated sites. Over recent years, the proportion of housing delivered by conversions has ranged from 14% in 2004/05 to 65% in 2011/12²⁷.
- 4.30 Comparable data is available for Fylde, covering the period to 2011/12, with the proportion of housing delivered by conversions ranging from 5% in 2006/07 to 26% in 2007/08. On average, over the nine year period exclusive of the last year in the graph, 14% of net housing completions in Fylde are attributable to conversions. In Wyre, this figure, covering the same period, is higher, with conversions accounting for 22% of net housing completions. This has ranged from a peak of 36% in 2008/09 to only 9% in 2003/04. It should also be noted that, in Fylde, there has historically been a tendency for the majority of new housing completions in the rural areas to be large dwellings, such that, between 2003 and 2012, 70% of rural dwelling completions were three bedrooms or above.

Vacancy and Overcrowding

- 4.31 Council Tax data identifies properties that have been empty for over six months, and the vacancy figures for October 2012, July 2013 and October 2013 are shown in the table below.

²⁶ Blackpool Council (2013) Housing Monitoring Report for 2012-2013

²⁷ These figures do not include non-permitted conversions, which are another source of housing monitored

Figure 4.8 - Long-term Empty Properties

Local Authority	October 2012	July 2013	October 2013
Blackpool	1,335	1,328	1,473
Fylde	653	595	688
Wyre	619	593	557
Fylde Coast	2,607	2,516	2,718

Source: Blackpool Council, Fylde Council, Wyre Council

- 4.32 Clearly, Blackpool has a higher level of long-term vacancy than Fylde and Wyre, accounting for over half of the vacant stock in the Fylde Coast. There is no clear pattern of long-term vacancy, with a decline across the Fylde Coast between October 2012 and July 2013 followed by an increase in both Blackpool and Fylde – surpassing the October 2012 figure. Wyre, though, has seen a steady decline in long-term vacant properties.
- 4.33 This should, though, be viewed in the context of the number of dwellings in each authority. In October 2013, for example, over 70,000 properties were on the valuation list in Blackpool, compared to around 37,000 dwellings in Fylde and 50,538 in Wyre. This generates long-term vacancy rates of 2.1%, 1.6% and 1.1% respectively. This suggests that there is a slight variation in long-term vacancy across the Fylde Coast, with the highest rate in Blackpool and the lowest rate in Wyre. All authorities, though, have a slightly higher than national average long-term vacancy rate, which in October 2012 stood at around 1.0%²⁸.
- 4.34 Vacancy can also vary spatially, and for this reason it is beneficial to identify long-term empty properties by sub-area. This assessment is based on a count of long-term empty properties by the Councils, as identified through Council Tax data. These are point-in-time assessments, so the figures presented in Figure 4.8 above remain the most definitive and consistent assessment of long-term empty properties.
- 4.35 The information for Blackpool comes from a list of properties that have exceeded Council Tax exemption periods as at 31st July 2013. At the time of the count, 35% of long-term empty properties were located in Inner Blackpool, with the remainder located in the Rest of Blackpool. However, 21% of the total long-term empty stock (219) are Council housing being held empty in preparation for demolition or major refurbishment, mostly at the Queens Park estate.
- 4.36 The count for Fylde was undertaken on 30th September 2013. This identified that 65% of long-term empty properties were located in Lytham & St Annes, with Kirkham/Wesham & Freckleton/Warton accounting for 26% of the long-term vacant stock. 3% of the remaining empty stock was located in the Rural NW, with 2% in the Rural SW. The remainder is located in the Rural SE and Rural NE, with 2% and 1% of the total vacant stock respectively.
- 4.37 In Wyre, examination of the latest Council Tax figures, sourced in January 2014, indicates that 30% of long-term vacant stock is located in Thornton and Cleveleys. 22%

²⁸ DCLG (October 2012) Council Taxbase local authority-level data – calculation of Council Tax base for formula grant purposes CTB

of empty properties are situated in Fleetwood, and 14% are located in Poulton-le-Fylde. The remainder – a total of 34% - are situated in the remaining areas of the borough.

4.38 Change over time can be calculated using Census data on number of household spaces and number of households to identify vacant household spaces. While a higher level of vacancy is calculated, it is important to note that this includes short term vacancies at the time of the Census, and neglects to consider reasons for vacancy, simply providing a snapshot at that time. Nevertheless, it is useful to provide an indication of the spatial distribution of vacant properties over time. Figure 4.9 shows the proportion of vacant household spaces at the time of the 2011 Census. The value for 2001 is also presented in the table to allow comparison.

Figure 4.9 - Vacant Household Spaces 2011

Local Authority	2011				2001
	Number of Household Spaces	Number of Households	Empty Properties	%	%
Blackpool	69,343	64,367	4,976	7.2%	5.0%
<i>Inner Blackpool</i>	15,965	13,774	2,191	13.7%	8.3%
<i>Rest of Blackpool</i>	53,378	50,593	2,785	5.2%	4.0%
Fylde	37,435	34,885	2,550	6.8%	5.3%
<i>Lytham & St Annes</i>	23,070	21,255	1,815	7.9%	6.0%
<i>Kirkham/Wesham & Freckleton/Warton</i>	9,187	8,723	464	5.1%	3.7%
<i>Rural East</i>	1,350	1,319	31	2.3%	2.8%
<i>Rural SW</i>	1,204	1,155	49	4.1%	4.8%
<i>Rural NW</i>	1,940	1,807	133	6.9%	7.2%
<i>Rural NE</i>	684	626	58	8.5%	4.2%
Wyre	50,073	47,281	2,792	5.6%	3.4%
<i>Fleetwood</i>	12,087	11,173	914	7.6%	4.0%
<i>Thornton</i>	7,517	7,266	251	3.3%	3.0%
<i>Cleveleys</i>	7,855	7,351	504	6.4%	4.0%
<i>Poulton-le-Fylde & Carleton</i>	8,755	8,361	394	4.5%	2.6%
<i>Rural West</i>	4,684	4,418	266	5.7%	3.8%
<i>Central Rural Plain</i>	2,475	2,352	123	5.0%	3.6%
<i>Garstang & Catterall</i>	4,208	4,023	185	4.4%	2.4%
<i>Rural East</i>	2,492	2,337	155	6.2%	3.8%
Fylde Coast	156,851	146,533	10,318	6.6%	4.6%
England	23,044,097	22,063,368	980,729	4.3%	3.8%

Source: Census 2011

- 4.39 Again, of the three Fylde Coast authorities, the highest level of vacancy is in Blackpool, and particularly in the Inner Blackpool sub-area. Elsewhere, there are also relatively high levels of vacancy in the Rural NE of Fylde, Lytham & St Annes and Fleetwood, with lower rates in the Rural East of Fylde and Thornton.
- 4.40 Since 2001, there has broadly been an increase in vacancy in the Fylde Coast, although it should be considered that this only provides an indication of vacancy at a specific point in time when properties may be empty for particular reasons. In most sub-areas, vacancy has increased between 2001 and 2011, with the exception of most rural areas in Fylde apart from the Rural SW.
- 4.41 2011 Census data also allows analysis of overcrowded and under-occupied households, based on the number of occupants and the number of bedrooms. An occupancy rating of -1, for example, indicates that a household has one less bedroom than required, and is therefore overcrowded. In contrast, an occupancy rating of +2 suggests that a household has two more bedrooms than required, implying under-occupancy. For the purposes of this analysis, an overcrowded household is any household with an occupancy rating of -1 or less, while an under-occupied household is any household with an occupancy rating of +1 or above. This is shown proportionally in the table below, with the average number of bedrooms per household for context.

Figure 4.10 - Proportion of Overcrowded and Under-Occupied Households 2011

Local Authority	Proportion of Overcrowded Households ²⁹ - Bedrooms	Proportion of Under-Occupied Households ³⁰ - Bedrooms	Average Number of Bedrooms per Household
Blackpool	3.3%	66.8%	2.55
Fylde	1.5%	78.3%	2.76
Wyre	2.0%	78.4%	2.75
Fylde Coast	2.5%	73.3%	2.67
England	4.8%	68.7%	2.7

Source: Census 2011

- 4.42 Of the Fylde Coast market area authorities, Blackpool has the highest proportion of overcrowded households, surpassing the Fylde Coast average but remaining lower than the national average. This is also reflected in the relatively lower proportion of under-occupied households than the wider Fylde Coast. The data suggests that houses in Blackpool are generally smaller, with fewer bedrooms per household than the other authorities and the national average, and therefore greater occurrence of overcrowding.
- 4.43 Fylde and Wyre typically have larger houses, with a greater number of bedrooms, and this is likely to influence the lower levels of overcrowding. Under-occupancy is also more frequent in Fylde and Wyre, again suggesting larger dwellings with spare bedrooms. This is particularly prevalent in Fylde, where there has historically been a tendency towards

²⁹ Occupancy rating of -1 or less

³⁰ Occupancy rating of +1 or above

larger dwellings in rural areas, with larger properties of three bedrooms or more accounting for 70% of rural dwelling completions between 2003 and 2012.

4.44 Analysis of change over time can be conducted through assessment of the average number of rooms per household, as shown in the table below. This supports the view that property sizes in the Fylde Coast, like nationally, are generally growing, particularly in Fylde and Wyre.

Figure 4.11 - Change in Property Size 2001-2011

Local Authority	Number of Rooms	
	2001	2011
Blackpool	5.04	5.11
Fylde	5.42	5.59
Wyre	5.38	5.59
Fylde Coast	5.23	5.38
England	5.21	5.33

Source: Census 2001, Census 2011

4.45 While these trends can be seen at a local authority and Fylde Coast level, it is also insightful to assess property size at a sub-authority level. For this reason, the table below analyses the size of properties within each sub-area, as a proportion of all households.

Figure 4.12 – Property Size 2011

Local Authority	Number of Bedrooms					
	0	1	2	3	4	5+
Blackpool	0.4%	16.3%	26.3%	44.7%	9.7%	2.7%
<i>Inner Blackpool</i>	1.0%	32.4%	26.1%	26.1%	9.5%	5.0%
<i>Rest of Blackpool</i>	0.2%	11.8%	26.4%	49.8%	9.8%	2.0%
Fylde	0.2%	10.3%	29.7%	37.7%	17.4%	4.7%
<i>Lytham & St Annes</i>	0.2%	13.3%	31.2%	34.3%	15.8%	5.1%
<i>Kirkham/Wesham & Freckleton/Warton</i>	0.1%	6.5%	29.6%	45.2%	15.9%	2.7%
<i>Rural East</i>	0.2%	1.7%	21.2%	42.5%	29.3%	5.3%
<i>Rural SW</i>	0.1%	3.0%	27.0%	32.1%	28.5%	9.3%
<i>Rural NW</i>	0.1%	6.1%	24.2%	40.6%	23.2%	5.8%
<i>Rural NE</i>	0.0%	5.9%	19.5%	38.2%	29.6%	6.9%
Wyre	0.2%	7.7%	30.6%	43.3%	14.8%	3.4%
<i>Fleetwood</i>	0.3%	10.5%	27.6%	50.2%	9.4%	2.0%
<i>Thornton</i>	0.1%	6.7%	33.1%	43.6%	14.3%	2.3%
<i>Cleveleys</i>	0.2%	9.3%	33.5%	41.9%	12.9%	2.3%
<i>Poulton-le-Fylde & Carleton</i>	0.2%	5.1%	28.4%	44.5%	18.4%	3.4%
<i>Rural West</i>	0.1%	7.0%	43.9%	33.2%	12.0%	3.7%
<i>Central Rural Plain</i>	0.2%	3.1%	19.8%	44.3%	24.9%	7.8%
<i>Garstang & Catterall</i>	0.1%	8.8%	30.5%	38.4%	17.1%	5.0%
<i>Rural East</i>	0.1%	4.8%	22.2%	36.2%	26.7%	10.1%
Fylde Coast	0.3%	12.1%	28.5%	42.6%	13.2%	3.4%
England	0.2%	11.8%	27.9%	41.2%	14.4%	4.6%

Source: Census 2011

4.46 As shown, Blackpool has lower levels of larger properties and more smaller properties, particularly relative to the other Fylde Coast authorities and England as a whole. However, there is clear variation within Blackpool. Inner Blackpool contains a high proportion of 0 or 1 bedroom properties, low levels of 3 or 4 bedroom properties and a high proportion of 5+ bedroom properties, with evidence suggesting that many of these represent conversions of former guest houses. Elsewhere in Blackpool, there is a higher proportion of 3 bedroom properties, with similar levels of smaller properties compared to the Fylde Coast and national averages.

4.47 Broadly, Fylde has fewer smaller properties with significantly higher levels of larger houses. This is particularly true in the four rural sub-areas, where – on average – around 35% of households have 4 or more bedrooms. This is considerably higher than the Fylde Coast and national averages of 17% and 19% respectively. The housing stock in the

other Fylde sub-areas is generally more balanced, although Kirkham/Wesham & Freckleton/Warton does have a particular shortage of 0 or 1 bedroom properties, relative to wider averages. Lytham & St Annes, also has a higher than average number of larger properties, with 5 bedrooms or more, although interestingly there is a shortage of 3 bedroom properties.

4.48 Wyre, meanwhile, broadly has a shortage of smaller properties, although, unlike Fylde, there are a lower than national average number of 5+ bedroom properties. Despite this, the Rural East contains the greatest concentration of such houses. This contrasts with Thornton, Cleveleys, particularly Fleetwood, which has a high concentration of 3 bedroom homes. Overall, however, the trend in Wyre generally follows the national trend, albeit with a slightly greater concentration of mid-range, 2-3 bedroom properties.

4.49 There is also variation in the size of properties by tenure, measured by the number of bedrooms. This is presented in the table below, with figures again shown as a proportion of all households.

Figure 4.13 – Size of Dwellings by Tenure 2011

Local Authority	Number of Bedrooms				
	1	2	3	4	5+
BLACKPOOL					
All tenures	16.3%	26.3%	44.7%	9.7%	2.7%
Owned or shared ownership	4.1%	24.4%	55.2%	13.0%	3.3%
Social rented	50.8%	24.5%	21.2%	2.9%	0.6%
Private rented	33.2%	31.4%	28.8%	4.7%	2.0%
FYLDE					
All tenures	10.3%	29.7%	37.7%	17.4%	4.7%
Owned or shared ownership	4.2%	26.4%	41.9%	21.8%	5.8%
Social rented	32.1%	36.8%	27.2%	3.2%	0.8%
Private rented	29.8%	39.8%	23.4%	5.2%	1.9%
WYRE					
All tenures	7.7%	30.6%	43.3%	14.8%	3.4%
Owned or shared ownership	3.3%	29.2%	46.0%	17.6%	4.0%
Social rented	32.2%	30.7%	34.3%	2.0%	0.8%
Private rented	21.3%	38.1%	33.3%	5.8%	1.6%

Source: Census 2011

4.50 Typically, across the Fylde Coast, owner occupied properties are generally larger, accounting for the greatest proportion of dwellings in this tenure. There is some variation, though, in the social rented sector. In Blackpool, over half of social rented households

only contain one bedroom, indicating a concentration of smaller stock in this tenure. In Fylde and Wyre, there is a greater mix in property size, although there remains a relative shortage of properties with 4 or more bedrooms. In these authorities, a similar picture is apparent for private rented households, although houses are generally larger than seen in the social rented sector. In Blackpool, there is again a particularly notable concentration of smaller housing stock in the private rented sector.

Property Condition and Quality

- 4.51 Surveys of private sector housing stock have been undertaken by the Fylde Coast authorities, which allow an assessment of the condition and quality of dwellings.
- 4.52 Blackpool's Private Sector House Condition Survey 2007³¹ was published in 2008. Blackpool has a stock profile that is older than that found in England as a whole, as, although there are a lower proportion of properties built prior to 1919, there are much higher levels of dwellings built between 1919 and 1944, doubling the national average level to approach 40%. This consequently means that there are lower proportions of modern dwellings, built since 1945. Around 23,000 dwellings in Blackpool are classified as non-decent, with the majority of these failing to provide a reasonable degree of thermal comfort due to inefficient heating systems and poor insulation. Non-decent dwellings are most associated with pre-1919 properties, along with the private rented sector, converted flats and low-income occupiers.
- 4.53 The Fylde Private Sector House Condition Survey 2007³² was also published in 2008, and indicates that the borough has a more modern stock profile than Blackpool or England as a whole. The greatest proportion of dwellings has been built since 1965, with lower than national average levels built before 1965. The private rental sector accounts for the greatest proportion of pre-1919 dwellings. Just over 11,400 dwellings (34.1%) can be classified as non-decent, which is lower than the level in England as a whole (37.5%), and again the poor degree of thermal comfort is a primary reason, along with Category 1 Hazards. Non-decent dwellings exhibited similar characteristics to Blackpool.
- 4.54 Wyre Council commissioned a joint Stock Condition and Housing Needs Survey in 2003³³, which remains the most recent survey undertaken. 28% of the housing stock was classified as non-decent, compared to the national and regional estimates of 33% and 36% respectively. Particular sectors with poor identified housing condition at that time included the private rented sector, pre-1919 dwellings and some properties in the Burn Naze sub-area – although this area has subsequently been targeted for intervention, largely addressing the issues identified in 2003. 4.4% were described as unfit, as set out in section 604 of the 1985 Housing Act – above the national average.

³¹ Blackpool Council (2008) Private Sector House Condition Survey 2007

³² Fylde Council (2008) Private Sector House Condition Survey 2007

³³ Wyre Council (2003) Stock Condition and Housing Needs Survey

Bringing the Evidence Together

4.55 This section has provided an overview of the current housing stock across the Fylde Coast, involving a detailed analysis of a range of data sources. The key findings from this section are presented below:

- The Fylde Coast has a higher proportion of semi-detached household spaces than the national average, with marginally lower levels of detached and flatted properties. There is a distinct lack of detached housing in Blackpool, particularly in comparison to Fylde and Wyre, which have much lower proportions of terraced housing and, in the case of Wyre, flats. Across the Fylde Coast, there have been a substantial number of flatted properties delivered between 2001 and 2011, with a high number of additional detached properties delivered in Wyre;
- At a sub-authority level, the rural sub-areas in Fylde and Wyre have particularly high proportions of detached household spaces, with a lack of flatted properties. This contrasts with Inner Blackpool, where flats account for around half of all household spaces, and Fleetwood also has notably high proportion of terraced dwellings. Semi-detached stock is particularly prevalent in the Rest of Blackpool, Thornton, Cleveleys and Poulton-le-Fylde & Carleton;
- There are also relatively high concentrations of caravans in some areas of Fylde and Wyre, associated with Residential Park Homes, which provide an affordable housing option, particularly for older people;
- There is a high level of outright ownership in the Fylde Coast, driven particularly by Fylde and Wyre, which comfortably surpass the national average. Since 2001, there has been a substantial decline in the number of households owning properties with a mortgage or loan. There are fewer instances of social renting, but the private rental sector plays an historic and increasingly important role in the Fylde Coast housing market – particularly in Blackpool;
- Half of all households in the Inner Blackpool sub-area rent privately from a landlord or agent, comfortably representing the highest concentration of this tenure, with a subsequently low level of property ownership. Outright ownership is particularly frequent in rural sub-areas and Garstang & Catterall, and there is a relatively high level of social renting in Fleetwood;
- 6,875 net dwellings were delivered in the Fylde Coast between 2003/04 and 2012/13, but the rate of delivery clearly slowed following the onset of the recession in 2008/09. Net dwelling completions remain at a much lower level than experienced at the beginning of the study period, reflecting a lack of market confidence. A proportion of these dwellings have been delivered through conversions or changes of use – on average, over the period analysed, 36% of completions in Blackpool have come from conversions, with lower figures of 22% and 14% for Wyre and Fylde respectively;
- Blackpool has the highest number of long-term empty properties, although, in proportional terms, there is a relatively similar vacancy rate across the Fylde Coast of between 1-2%;
- In Blackpool, 35% of long-term empty stock is located in Inner Blackpool, although the Rest of Blackpool includes Council housing that is being held empty in preparation for demolition or refurbishment. In Fylde, around two thirds of empty stock is located in Lytham & St Annes, with less than 10% in the rural sub-areas and the remainder – around a quarter – located in Kirkham/Wesham and Freckleton/Warton. In Wyre, a

third of the long-term empty stock is located in Fleetwood, with a slightly lower proportion in Thornton and Cleveleys. A similar proportion is distributed throughout the rural sub-areas;

- The Fylde Coast has a lower than average proportion of overcrowded households, and greater instances of under-occupation, particularly in Fylde and Wyre, where dwellings are typically larger;
- Blackpool has a relative shortage of larger properties, although there are a notably high number of households with 5 or more bedrooms in Inner Blackpool in particular. Broadly, Fylde has fewer smaller properties with significantly higher levels of larger homes, particularly in the rural sub-areas, while the remaining sub-areas are generally more balanced. Wyre has a general shortage of smaller properties, with a smaller number of large, 5+ bedroom properties. Across the Fylde Coast housing market, though, the housing mix broadly follows the national trend;
- Property size varies by tenure, with owner occupied properties typically larger. In Blackpool, there is a concentration of one bedroom social rented properties, with a similar picture emergent in the private rented sector. In Fylde and Wyre, there is a greater mix in property size, although there is a particular shortage of larger properties in the rental sectors; and
- Private sector surveys show that Blackpool has a higher proportion of older homes than England as a whole, with many built between 1919 and 1944. In contrast, the housing stock in Fylde is more modern, with the greatest proportion built since 1965, while both Fylde and Wyre have a lower than average proportion of non-decent homes.

5 Demographic and Economic Drivers of the Market

- 5.1 The NPPF and the available Guidance highlight the importance of understanding historic trends relating to the key drivers of housing market need and demand.
- 5.2 Demographic evidence, including population and household dynamics, represents a fundamental factor in assessing the overall future need or demand for housing. Following the release of 2011 Census data a substantial amount of new data and information has been published by the ONS and CLG. This requires careful consideration in understanding both how the population of the Fylde Coast authorities has changed historically and then in turn how it is likely to change in the future.
- 5.3 This section summarises the impact of these new data on the demographic profile of the three Fylde Coast Authorities, providing context for the population and household scenarios reported in section 7.
- 5.4 Importantly market and economic factors will have influenced the demographic historic trends considered in this section, for example, the recent recessionary climate has contributed to the slowdown in the levels of completions and the ability of households to access finance to exercise choice within the market. This in turn is likely to have impacted on levels of household formation and the migration of people seeking new employment opportunities.
- 5.5 This is identified within the Planning Advisory Service (PAS) and Local Government Association's (LGA) joint Guidance (2013) note titled 'Ten key principles for owning your housing number – finding your objectively assessed needs' which states:
- "Caution should be applied if the trends experienced in the past five years reflect a period of particular economic decline or likewise economic buoyancy. Projecting forward a recessionary trend may lead to concealed households not being catered for and an underestimate of the true level of household change. It is also important to understand how this may impact on any economic recovery and growth ambitions that the council have."*³⁴
- 5.6 It is therefore equally important to understand both the historic trends with regards to these economic and market indicators as well as adopting a more forward looking approach to understand their impacts on levels of demand in the locality in the future.
- 5.7 This section concentrates on understanding the economic context as well as demographic factors on this basis. As the review of the Framework and the NPPG in section 2 identifies, there is a clear steer from the Government that there is a need to facilitate and encourage opportunities for growth, with this requiring a recognition of the role that housing has to play in enabling the expansion of businesses and employment. This role focuses around the accommodation of a labour-force which aligns with changing job opportunities.

³⁴ PAS/LGA (2013) Ten key principles for owning your housing number – finding your objectively assessed needs (p6)

- 5.8 Section 6 builds further on this analysis of market drivers considering market signals in more detail.

Demographic Drivers of Change

- 5.9 Demographics have traditionally been a key component of understanding current housing markets and projecting future demand, through combining demographic forecasts with supply side information. This approach recognises how changing demographic conditions influence the housing market, through overall housing requirements and the requirements of specific groups, such as the elderly, which will be considered in further detail later in this report.

Population

- 5.10 Population data from the 2011 Census³⁵ can be compared against the 2001 Census to understand how population has changed in the intervening years. This has also been broken down into sub-areas to identify areas that have witnessed significant change.

³⁵ The ONS also produce mid-year population estimates, which for 2011 estimated the population of Blackpool, Fylde and Wyre as 142,080, 76,098 and 107,692 respectively

Figure 5.1 - Population Change 2001-2011

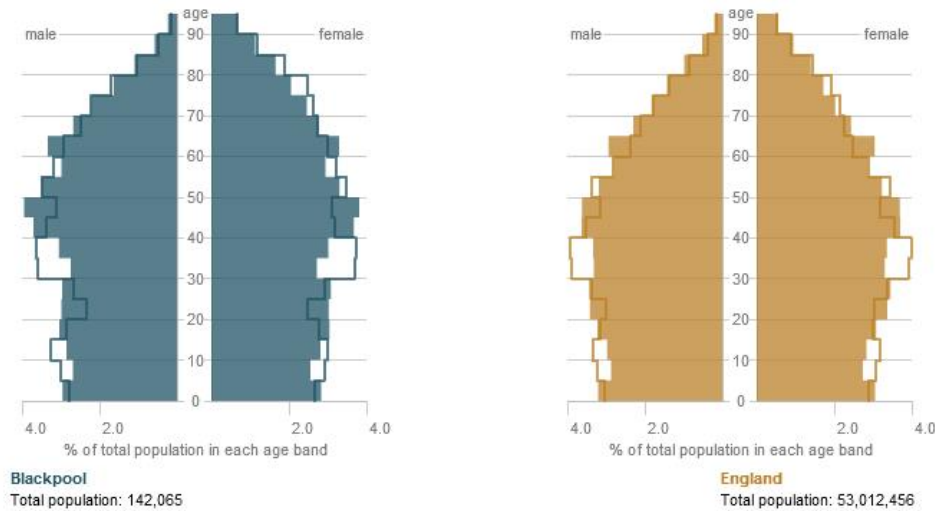
Local Authority	Total Population		Population Change 2001-2011	% Change 2001-2011
	2001 Census	2011 Census		
Blackpool	142,285	142,065	-220	-0.2%
<i>Inner Blackpool</i>	30,763	29,884	-879	-2.9%
<i>Rest of Blackpool</i>	111,522	112,181	659	0.6%
Fylde	73,217	75,757	2,539	3.5%
<i>Lytham & St Annes</i>	41,327	43,606	2,279	5.5%
<i>Kirkham/Wesham & Freckleton/Warton</i>	19,990	20,393	403	2.0%
<i>Rural East</i>	3,127	3,227	100	3.2%
<i>Rural SW</i>	2,596	2,578	-18	-0.7%
<i>Rural NW</i>	4,747	4,474	-273	-5.8%
<i>Rural NE</i>	1,431	1,479	48	3.4%
Wyre	105,619	107,749	2,130	2.0%
<i>Fleetwood</i>	26,841	25,939	-902	-3.4%
<i>Thornton</i>	15,126	16,547	1,421	9.4%
<i>Cleveleys</i>	16,031	5,951	-115	-0.7%
<i>Poulton-le-Fylde & Carleton</i>	18,264	18,467	203	1.1%
<i>Rural West</i>	9,468	9,921	453	4.8%
<i>Central Rural Plain</i>	5,596	5,874	278	5.0%
<i>Garstang & Catterall</i>	8,446	8,968	522	6.2%
<i>Rural East</i>	5,847	6,117	270	4.6%
Fylde Coast	321,118	325,571	4,453	1.4%
Lancashire	1,414,727	1,460,893	46,166	3.3%
England	49,138,831	53,012,456	3,873,625	7.9%

Source: Census 2001, Census 2011

- 5.11 Proportionately, Fylde has experienced the greatest increase in population between 2001 and 2011, although, in population terms, the authority remains the smallest in the Fylde Coast. Blackpool remains the most populous authority in the Fylde Coast, but population marginally fell over the analysis period. Fylde was the only authority to surpass the Lancashire average growth rate, while all three authorities fell below the national average.
- 5.12 As shown, the main sub-areas of growth were Lytham & St Annes, where population grew by 5.5% between 2001 and 2011, and Thornton, with an increase of 9.4%. The main areas of decline were in Fleetwood and Inner Blackpool, each witnessing decline of around 900 people.

5.13 Population data can also be grouped by age to show the distribution between age bands. The following charts compare the population age profiles of Blackpool, Fylde and Wyre, against the England average.

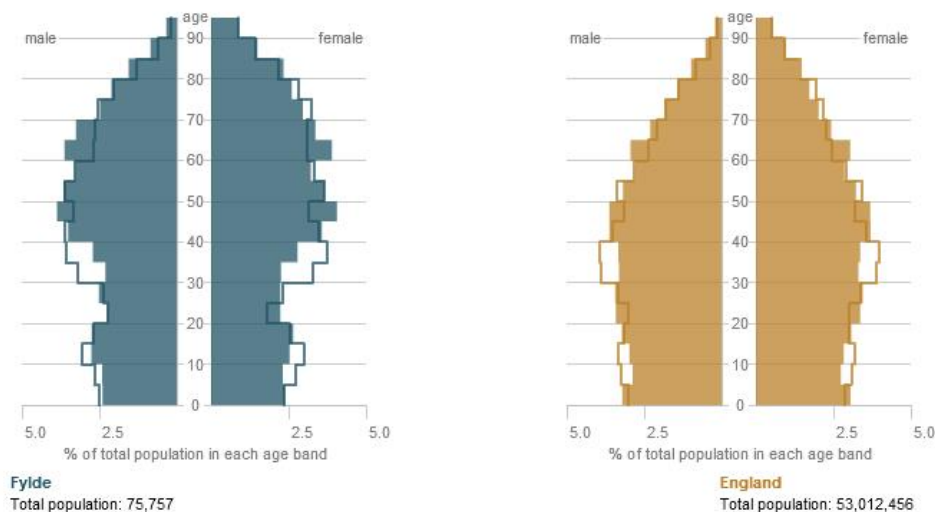
Figure 5.2 – 2011 Census: Population Estimates for Blackpool and England (outlines show 2001)



Source: 2011 Census. 2001 Mid-Year Population Estimates. Graphic by ONS Data Visualisation Centre

5.14 As shown in the chart above, Blackpool closely follows the national population profile. The most notable changes between 2001 and 2011 include the reduced proportion of people within the 30-39 age bracket, and similarly the 5-14 group, reflecting national trends. There was, though, a level of growth in the 15-29 band and, particularly, the 40-49 group.

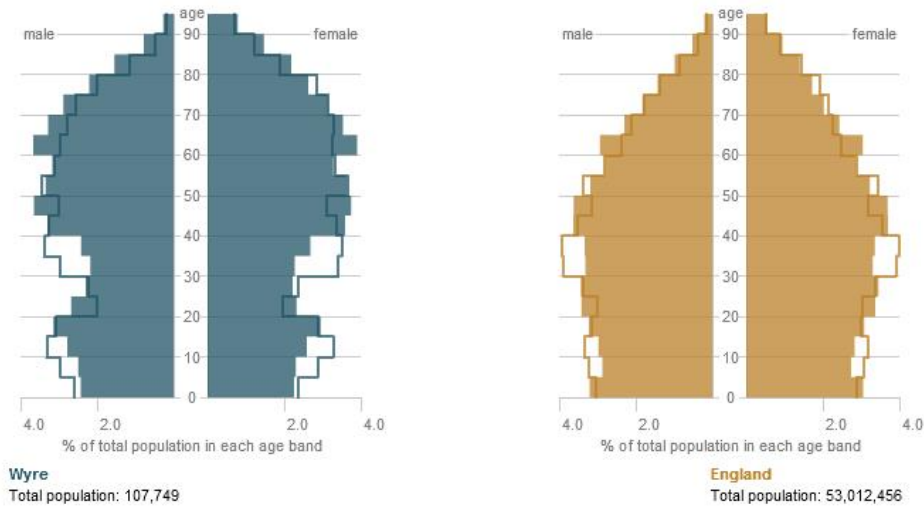
Figure 5.3 – 2011 Census: Population Estimates for Fylde and England (outlines show 2001)



Source: 2011 Census. 2001 Mid-Year Population Estimates. Graphic by ONS Data Visualisation Centre

5.15 Fylde has a slightly different population profile, with people under 40 accounting for a smaller proportion than the national average, reflecting the older population in the authority. The greatest change between 2001 and 2011 was in the 30-39 age band, with corresponding growth in the 45-49 and 60+ brackets.

Figure 5.4 – 2011 Census: Population Estimates for Wyre and England (outlines show 2001)



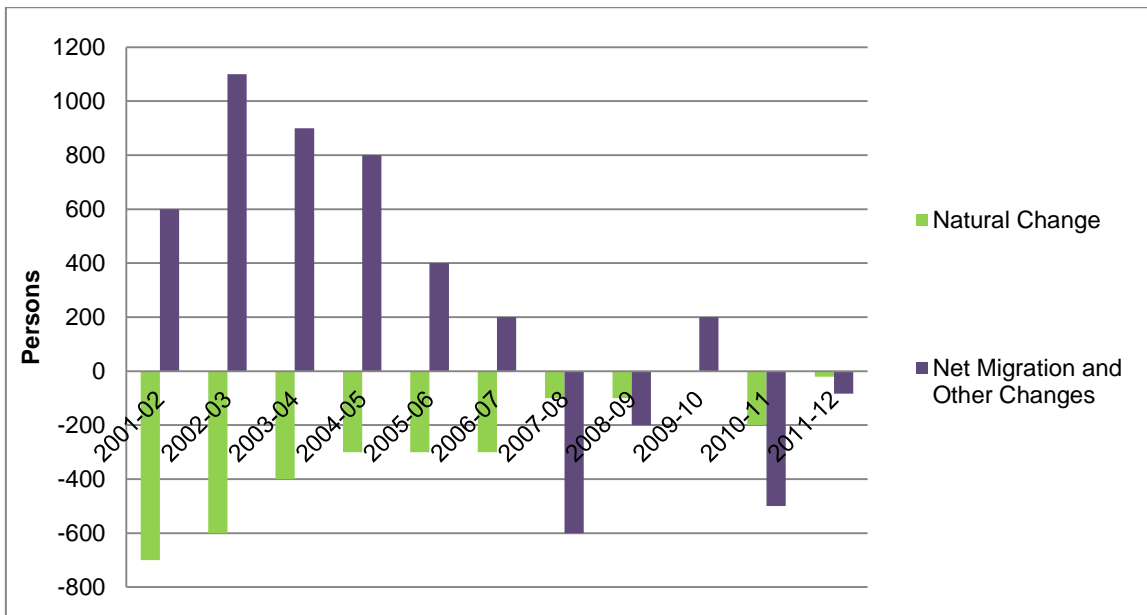
Source: 2011 Census. 2001 Mid-Year Population Estimates. Graphic by ONS Data Visualisation Centre

5.16 Wyre followed a similar pattern, with the most significant change occurring in the 30-39 age band and in children under 15, and corresponding increases in the 40-49 bracket and in those over 60. The dominance of the over 40 age group again indicates an ageing population.

5.17 Population change over the period 2001 to 2012 can also be analysed to identify the components of change. This can be done by considering the relationship between natural change (births minus deaths) and migration, and determining the relative role of these components in shaping overall increases and decreases. This assessment is based on the latest revised mid-year population estimates, released by the ONS in April 2013³⁶, and is broken down by local authority.

³⁶ The Revised Mid-Year Estimates represent the ONS's recalibration of the components of change to ensure the correct age profile of the population over the decade, taking account of natural change, internal migration and international migration. THE ONS has not explicitly assigned the mid-year estimate adjustment (to take account of the over-estimation of the population in each of the Fylde Coast authorities between the Census years in the previous ONS datasets) to a component instead identifying an additional 'other unattributable' component, suggesting it has not been able to accurately identify the source of the 2001-2011 over-count. Edge Analytics have suggested that this 'other unattributable' component of change is most likely to be associated with international migration. The charts presenting the components of change therefore integrates this 'correction' within the migration and other changes with these 'revised' migration figures used to build a migration-led scenario in section 7.

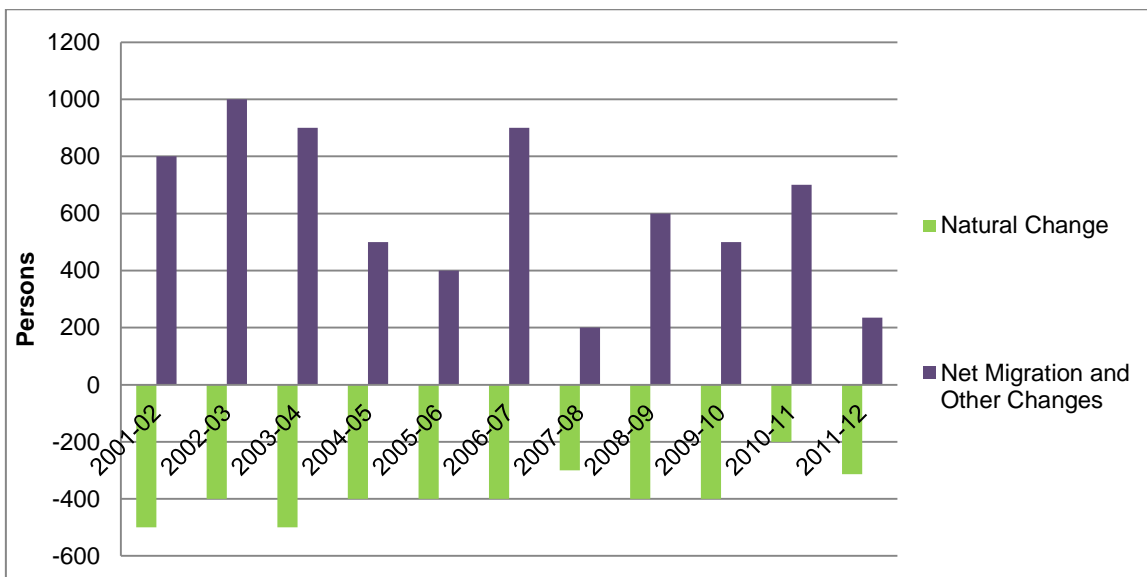
Figure 5.5 – Components of Population Change - Blackpool



Source: Revised ONS MYE, 2013

5.18 Over the period analysed, and particularly prior to 2007/8, population growth in Blackpool was driven by substantial levels of migration and other changes, masking decline caused by natural change. However, since 2007/8, the scale of net migration has significantly reduced, with an increase in out-migration contributing to a decline in population in Blackpool – with the exception of an isolated increase in 2009/10.

Figure 5.6 – Components of Population Change - Fylde

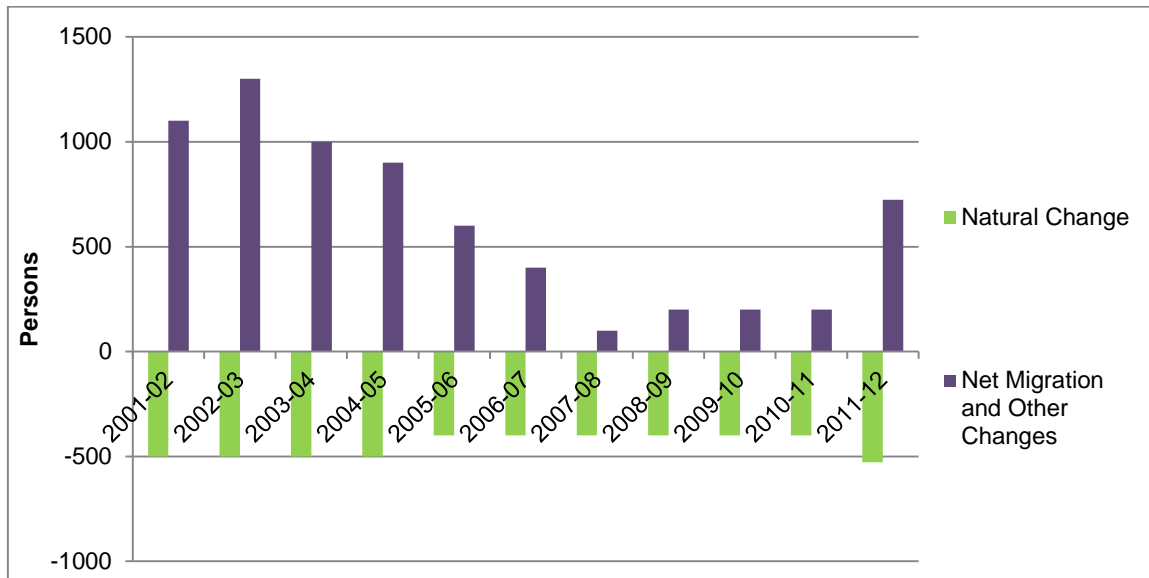


Source: Revised ONS MYE, 2013

5.19 In Fylde, there has been a greater degree of consistency, with a stable level of net migration over the period analysed. Again, this has masked decline in natural change,

evidencing the important part that migration has had in the growth of the population of Fylde.

Figure 5.7 – Components of Population Change - Wyre



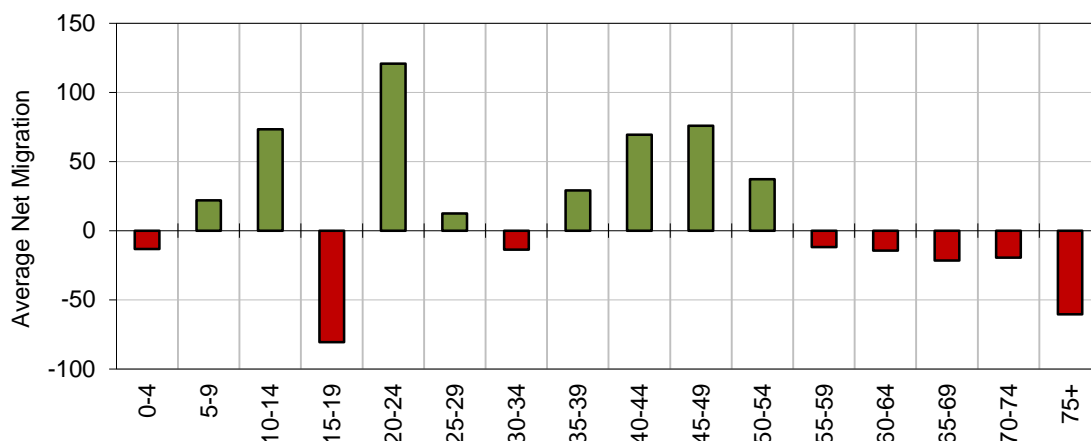
Source: Revised ONS MYE, 2013

5.20 Net migration in Wyre has generated significant population increases over this period, albeit at a lower rate between 2007 and 2011. Natural change is an important component of population change in Wyre, with a consistent mortality rate outweighing births annually reducing the natural population by an average of 450 people per year.

Considering Internal Migration

5.21 Migration flows both into and out of Blackpool, Fylde and Wyre were explained earlier in this assessment, but it is beneficial to consider the social profile of migrants. In particular, migration patterns can be broken down by age group to establish trends. It is understood that these flows do not include migration to and from Scotland, which are summarised in section 3. Migration flows between the Fylde Coast and Scotland have, though, been incorporated into the modelling undertaken later in this report.

Figure 5.8 – Age Group Net Flows 2001/02 - 2010/11 - Blackpool



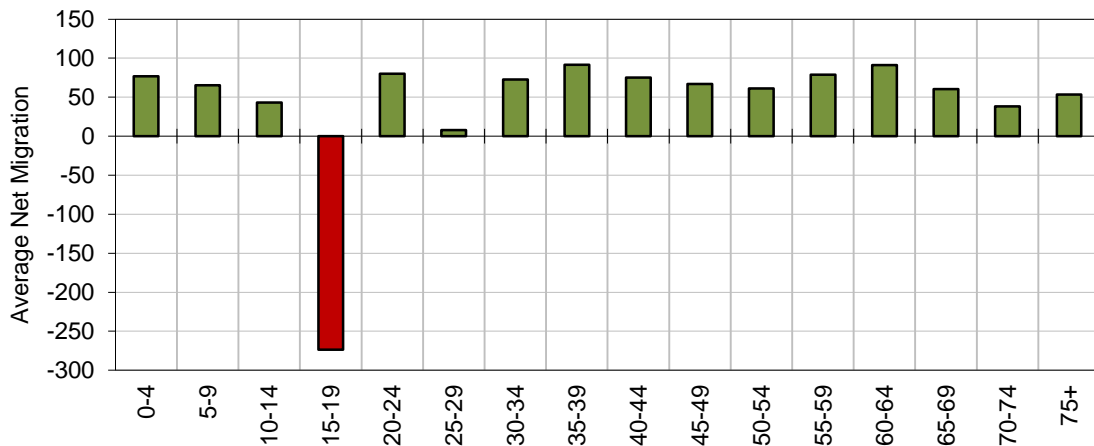
Source: PRDS, Edge Analytics 2013

- 5.22 As shown, the main age of net outmigration is in the 15-19 bracket, which can be attributed to students moving to university. Interestingly, though, there is a significant inflow in the 20-24 age group, suggesting that many students and young people return to Blackpool after completing higher education. There is a net inflow of most age groups up to 55, after which there is a negative flow of older people out of Blackpool. Overall, though, there is a net inflow of working-age residents, although there are recurring questions on the level of economic activity among in-migrants, with a suggestion that they are often on benefits or not in employment³⁸.
- 5.23 For this reason, it is important to recognise the non-standard nature of migration into Blackpool. There has been a long-term inward migration trend of Housing Benefit claimants, with Blackpool Council commissioning a bespoke research project³⁹ to sample 1,500 new Housing Benefit claimants over the period 1st January 2012 and 10th January 2013. Of the sample, only 271 claimants were found to have a previous address in Blackpool, with a significant influx of new Housing Benefit claimants from Wyre, as well as a number of moves from the wider North West and Yorkshire.
- 5.24 Of the 1,500 new Housing Benefit claimants analysed, 81% were unemployed, while 103 claimants were retired – although a significant proportion of retirees have originated from outside of the borough. There is interestingly also a spatial concentration of claimants, with 63% moving into Blackpool’s inner area that covers approximately one quarter of the borough.
- 5.25 Over the period analysed, Housing Benefit claimants represented a substantial proportion of all migrants into Blackpool, with the 4,626 new claimants equal to around 90% of all in-migrants. This is a key feature of the area’s demographic profile, and should form an important consideration when determining housing needs and requirements in Blackpool.

³⁸ SQW (2011) Local Economy Baseline for Blackpool

³⁹ Blackpool Council (2013) Housing Benefit Analysis Report

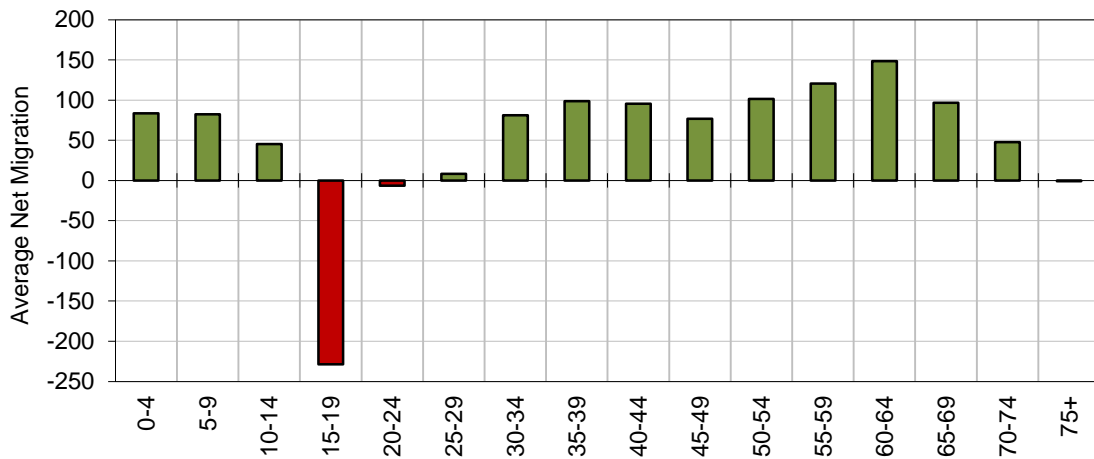
Figure 5.9 – Age Group Net Flows 2001/02 - 2010/11 - Fylde



Source: PRDS, Edge Analytics 2013

5.26 The profile for Fylde is considerably different, showing net in-migration across almost all age groups, with retention and growth of the older population when compared with Blackpool. The exception is in the 15-19 age bracket, where again there is a significant outflow of young people at a higher rate than seen in Blackpool.

Figure 5.10 – Age Group Net Flows 2001/02 - 2010/11 - Wyre



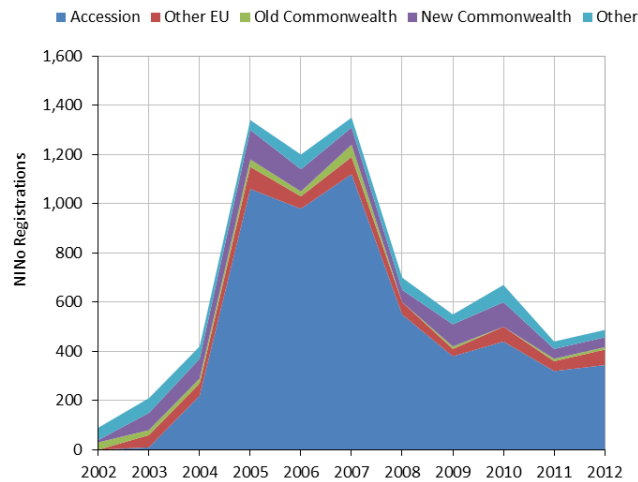
Source: PRDS, Edge Analytics 2013

5.27 The pattern for Wyre closely reflects Fylde, although there is a higher level of net in-migration in older age groups, and particularly the 60-64 bracket. There is, though, a decline in the 75+ group. Again, there is significant net outmigration of 15-19 year olds, with earlier analysis indicating net outmigration flows to the university towns of Leeds, Liverpool, Newcastle upon Tyne and Sheffield. However, in Wyre, there is no subsequent net inflow in the next age group, suggesting that students that move elsewhere do not immediately return.

Considering International Migration

5.28 International migration is also an important component of change in the Fylde Coast. The graphs below, produced by Edge Analytics, quantify international in-migration levels for the authorities through an assessment of National Insurance number (NINo) registrations. Migrants are grouped by EU accession countries, other EU countries, Old Commonwealth, New Commonwealth and other. This should be viewed alongside the assumptions note included in Appendix 3, which provides a list of countries in each group. The profiles for Blackpool, Fylde and Wyre will be considered separately.

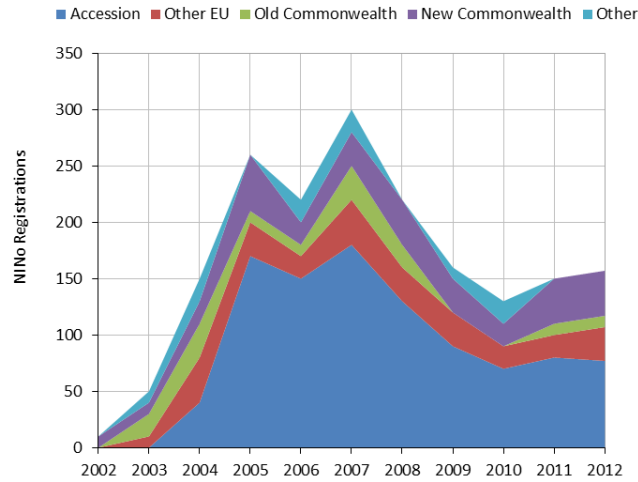
Figure 5.11 – NINo Registration Profile 2011 – Blackpool



Source: Edge Analytics, 2013

5.29 There is a significant amount of international in-migration into Blackpool, driven largely by migration from the EU Accession countries. This grew substantially between 2003 and 2005, with around 1,000 new international in-migrants per annum between 2005 and 2007. This level fell in subsequent years, remaining at a rate of around 400 per year.

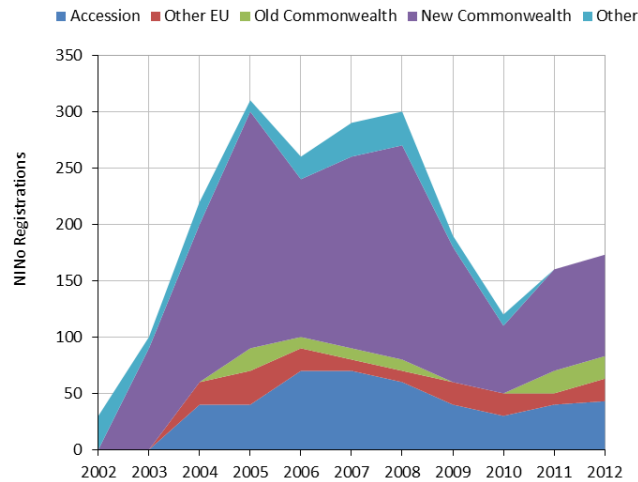
Figure 5.12 – NINo Registration Profile 2011 – Fylde



Source: Edge Analytics, 2013

5.30 In Fylde, it should be noted that the scale of NINo registration, and therefore international migration, is significantly lower than Blackpool. Again, EU Accession countries accounted for the greatest proportion of international migrants, again peaking between 2005 and 2007, while there are also relatively high consistent numbers of migrants from other EU countries and the New Commonwealth, with both broadly increasing over the period from 2002 but accounting, generally, for fewer than 100 migrants per annum.

Figure 5.13 – NINo Registration Profile 2011 – Wyre



Source: Edge Analytics, 2013

5.31 The scale of international migration in Wyre is relatively similar to Fylde, although the origin of migrants is significantly different. Here, EU Accession countries account for a much smaller proportion of international migrants than the other Fylde Coast authorities, with the New Commonwealth representing a substantially higher proportion than seen elsewhere. International migration levels again peaked between 2005 and 2008.

Households

5.32 The relationship between total population and total number of households is important to consider. This will provide a general overview of housing stock in the Fylde Coast, and allow us to draw comparisons by calculating average household size.

Figure 5.14 - Change in Total Number of Households 2001-2011

Local Authority	Total Households		Change in Households 2001-2011	% Change 2001-2011
	2001 Census	2011 Census		
Blackpool	63,940	64,367	427	0.7%
Fylde	32,369	34,885	2,516	7.8%
Wyre	45,295	47,281	1,986	4.4%
Fylde Coast	141,604	146,533	4,929	3.5%
England	20,451,427	22,063,368	1,611,941	7.9%

Source: Census 2001, Census 2011

5.33 Fylde experienced the greatest increase in number of households over the period 2001 to 2011, surpassing the average rate for the wider Fylde Coast and generally matching the national rate. Blackpool saw the smallest change, perhaps reflecting the marginal decline in population.

Figure 5.15 - Change in Average Household Size 2001-2011

Local Authority	2001 Census	2011 Census
Blackpool	2.16	2.14
Fylde	2.19	2.12
Wyre	2.29	2.24
England	2.36	2.34

Source: Edge Analytics, 2013

5.34 Across the Fylde Coast, households are reflecting national trends in becoming smaller, with fewer occupants per household on average in 2011 than 2001, although households are typically smaller than the national average. It is clear, though, that households in Fylde and Wyre are becoming smaller at a faster rate than seen nationally. This can be attributed to the changing population, as explored earlier in this section and considered in greater detail in section 9. It should also be viewed in the context of changes in both the population and total number of households. Although collectively around 4,500 additional households have been created in Fylde and Wyre between 2001 and 2011, the population has only increased by 4,669, reinforcing the prevalence of smaller households.

Economic Drivers of Change

- 5.35 The historic demographic drivers of population and household change evidently represent fundamental factors in understanding how demand for housing will change going forward. Importantly, market and economic factors will have influenced these historic trends as recognised in the NPPG, for example. The recent recessionary climate has contributed to the slowdown in the levels of completions and the ability of households to access finance to exercise choice within the market. This in turn is likely to have impacted on levels of household formation and the migration of people seeking new employment opportunities.
- 5.36 This is identified within the Planning Advisory Service (PAS) and Local Government Association's (LGA) joint Guidance (2013) note titled 'Ten key principles for owning your housing number – finding your objectively assessed needs' which states:
- “Caution should be applied if the trends experienced in the past five years reflect a period of particular economic decline or likewise economic buoyancy. Projecting forward a recessionary trend may lead to concealed households not being catered for and an underestimate of the true level of household change. It is also important to understand how this may impact on any economic recovery and growth ambitions that the council have.”⁴⁰*
- 5.37 It is therefore equally important to understand both the historic trends, with regards to these economic and market indicators, as well as adopting a more forward looking approach to understand how they may impact on levels of demand in the locality in the future. For this reason, it is beneficial to establish a picture of historic and current employment levels, before analysing projections to understand how the economy of the Fylde Coast may change over the coming years.
- 5.38 As the review of the national policy and guidance in section 2 identifies, there is a clear steer from the Government that there is a need to facilitate and encourage opportunities for growth with this requiring a recognition of the role that housing has to play in enabling the expansion of businesses and employment.
- 5.39 The relative health of the economy has an important relationship with population and housing market dynamics. Firstly, the availability of employment opportunities can serve as an important motivating factor for people choosing to migrate between different areas. Secondly, since employment status is linked to a household's available income to spend on housing costs, this has an important bearing again on choices exercised by households regarding the location, type and tenure of housing they can access.

Current and Historic Economic Picture

- 5.40 The following table shows the change in total employment in each authority, measured by the number of workplace based jobs between 2001 and 2011. This is sourced from historic employment data collected by Oxford Economics, commissioned and provided by the Lancashire LEP and used to provide additional consistency in the analysis.

⁴⁰ PAS/LGA (2013) Ten key principles for owning your housing number – finding your objectively assessed needs (p6)

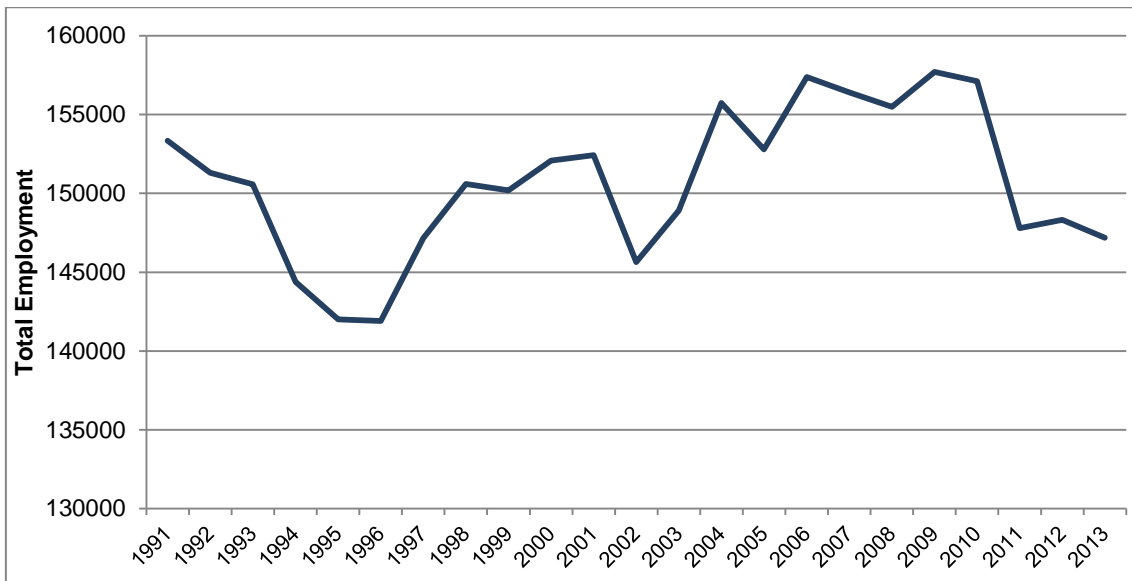
Figure 5.16 – Change in Employment 2001-2011

Local Authority	2001	2007	2011	Change 2001-2011	Average per annum 2001-2011	% Change 2001-2011
Blackpool	72,399	67,862	65,130	-7,269	-660	-10.0%
Fylde	45,585	48,152	45,055	-530	-48	-1.2%
Wyre	34,442	40,398	37,619	3,177	289	9.2%
Fylde Coast	152,426	156,412	147,804	-4,622	-420	-3.0%

Source: Oxford Economics, 2013

- 5.41 Over the period analysed, Blackpool saw a decline of over 7,000 jobs at an average rate of 660 per year. Fylde, too, experienced job loss, albeit at a smaller scale of 48 losses per year. It should be noted, though, that employment in Fylde had risen between 2001 and 2007, and therefore the impact of the recession should not be underestimated. In contrast, Wyre saw an increase in employment between 2001 and 2011, with the creation of 289 jobs on average per year and a total increase of almost 10%, indicating the presence of a strong economy relative to the rest of the Fylde Coast. Despite this, collectively, employment across the whole Fylde Coast fell during this period by almost 5,000 jobs. A number of large Fylde Coast employers have closed in this period, which has had an impact on overall employment figures, and while this decline can also be partially attributed to the economic downturn, and its direct and indirect impact on employment, it should also be viewed in the context of longer term trends. Blackpool has experienced long term decline in employment, irrespective of the economic cycle, triggered by tourism decline and loss of public sector employment.
- 5.42 The graph below shows a longer-term picture, and it is clear that the Fylde Coast economy has seen a number of shocks as well as periods of economic growth over the period 1991 to 2013.

Figure 5.17 – Total Employment 1991-2013 - Fylde Coast

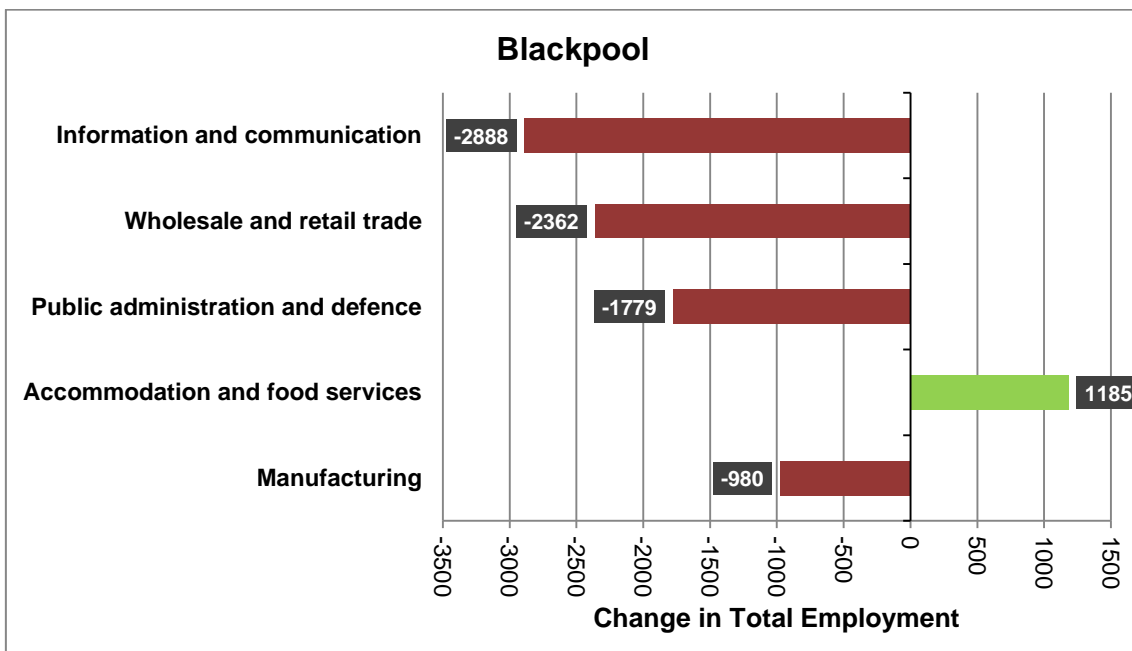


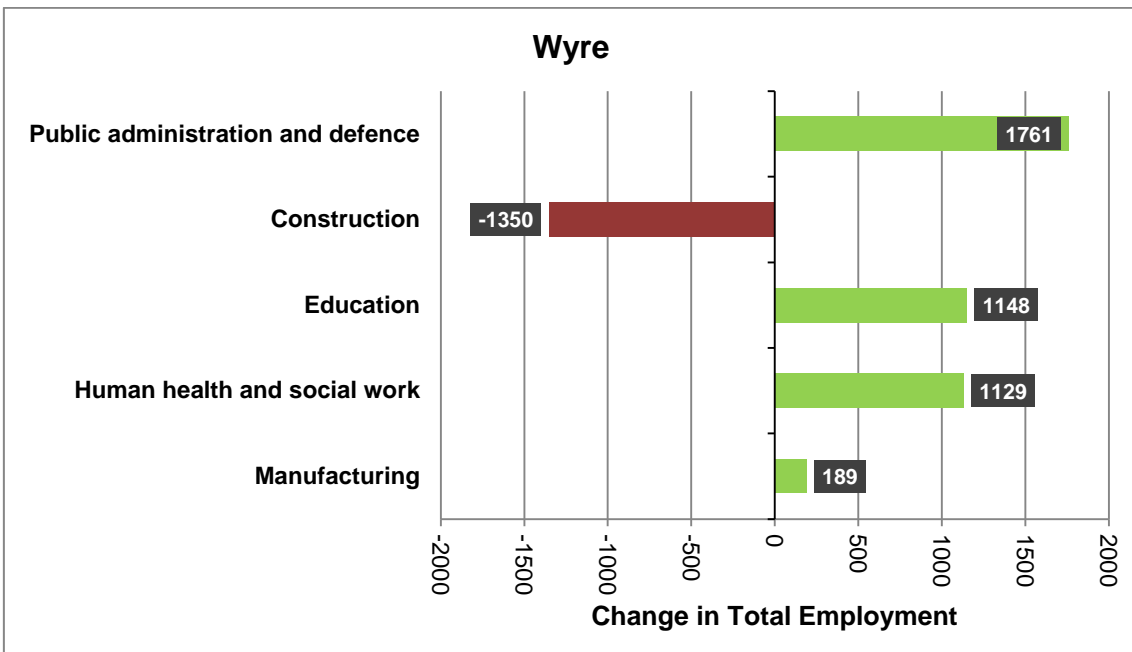
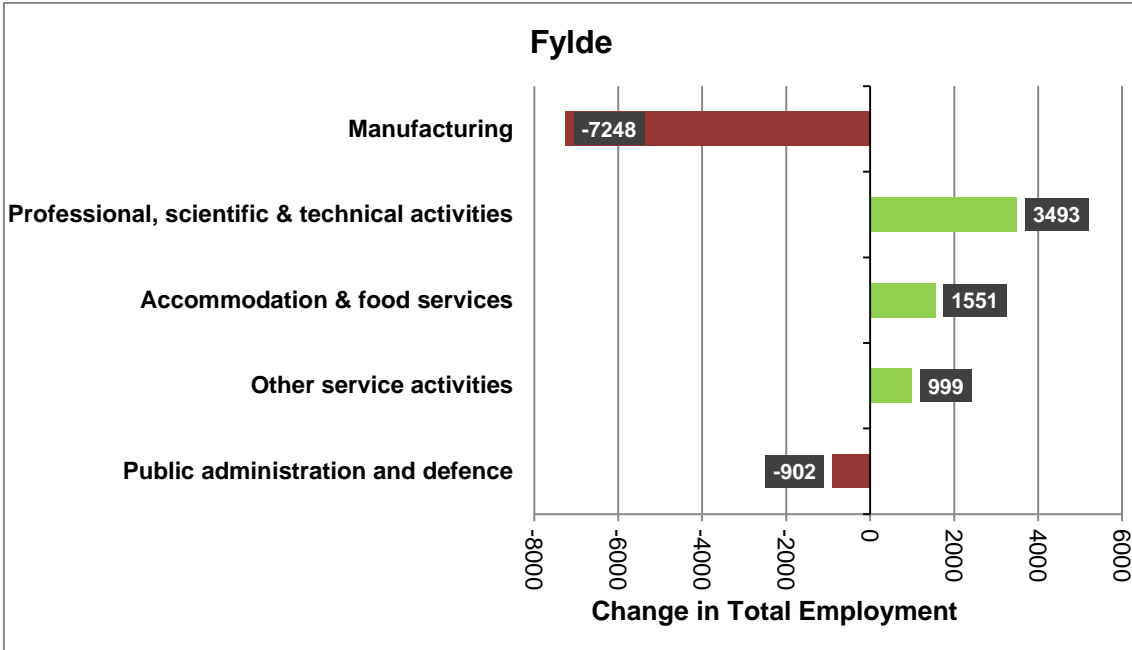
Source: Oxford Economics 2013

5.43 It is beneficial to gain a more detailed understanding of how overall employment has changed by sector. This data is again sourced from Oxford Economics, through work commissioned by Lancashire LEP. It should, however, be realised that this data was commissioned at a headline sub-regional level, and therefore broken down data lacks detailed precision and should be considered in this context. Nevertheless, it provides a useful broad indication of growth sectors and sectors that are declining in importance.

5.44 The charts below profile the top five sectors with the greatest change in employment between 2001 and 2011. This is broken down for each Fylde Coast authority.

Figure 5.18 – Largest Changes in Employment by Sector 2001-2011





Source: Oxford Economics, 2013

5.45 As shown, of the three authorities, the most significant change is in the manufacturing sector in Fylde, where around 7,200 jobs were lost between 2001 and 2011 as operations of a number of large employers were scaled back. There were also substantial losses in the ICT, retail and public services sectors in Blackpool. Wyre, despite the loss of 1,350 construction jobs, saw net growth in employment as a result of significant job creation in the public administration and defence sector. The main growth sectors in Fylde and Blackpool, meanwhile, were in the professional, scientific and technical activities and accommodation and food respectively.

5.46 The loss of jobs following the recession, as well as the changing nature of the employment opportunities, has had an impact on unemployment levels, as shown in the following table. Rates are presented as a proportion of all residents aged 16 and over. Over the full nine year period, there has been a notable variation in unemployment levels within each authority. The unemployment rate has been consistently highest in Blackpool, with the exception of 2008, and this is reflected in the 5 year⁴¹ and 9 year averages. As an average over the period 2008 to 2012, 8.2% of those aged 16 and above were unemployed in Blackpool, compared to 6.1% and 5.3% in Wyre and Fylde respectively. Looking over nine years, including four years prior to the recession, the average unemployment rate is slightly lower, although Blackpool remains at a higher rate than the other Fylde Coast authorities.

Figure 5.19 – Unemployment rate of those aged 16+

Local Authority	Unemployment rate – aged 16+ (%)		
	Blackpool	Fylde	Wyre
2004	5.6	3.2	2.9
2005	6.3	4.0	1.6
2006	6.2	n/a	5.5
2007	6.0	5.2	2.6
2008	5.2	n/a	5.8
2009	8.4	n/a	3.1
2010	9.3	6.0	6.0
2011	9.1	4.1	8.8
2012	8.8	5.7	6.8
5 year average	8.2	5.3	6.1
9 year average	7.2	4.7	4.8

Source: NOMIS, 2013; Edge Analytics, 2013

5.47 Levels of economic activity in the Fylde Coast can also be analysed by tenure to further understand housing trends using the 2011 Census.

⁴¹ Note: 5 year average unemployment rates are assumed within the modelling in section 7. Nine year average rates were run for a number of the employment-led scenario with the impacts on projected population change shown to be relatively minor.

Figure 5.20 – Economic Activity by Tenure

Local Authority	Tenure	In Employment	Unemployed	Retired	Long-term Sick	Other
Blackpool	Owned or shared ownership	61.5%	1.1%	33.9%	2.1%	1.4%
	Social rented	26.2%	10.1%	30.5%	23.5%	9.7%
	Private rented from landlord	49.5%	13.0%	12.6%	14.1%	10.8%
Fylde	Owned or shared ownership	58.3%	0.8%	38.8%	1.0%	1.1%
	Social rented	35.4%	5.0%	38.9%	13.0%	7.7%
	Private rented from landlord	65.5%	6.7%	12.8%	8.4%	6.6%
Wyre	Owned or shared ownership	58.3%	0.7%	38.8%	1.2%	1.0%
	Social rented	32.5%	5.9%	36.8%	15.8%	9.0%
	Private rented from landlord	59.8%	7.0%	16.4%	9.7%	7.1%
England	Owned or shared ownership	67.9%	1.1%	28.6%	1.0%	1.4%
	Social rented	40.8%	8.3%	28.2%	12.5%	10.2%
	Private rented from landlord	74.7%	6.4%	6.2%	4.1%	8.6%

Source: Census 2011

- 5.48 As expected, home owners are typically in employment, while a relatively high proportion are retired. There are higher proportions of retired home owners in Fylde and Wyre than Blackpool, possibly reflecting their ageing populations. Retired people account for the highest proportion of those in social rented accommodation in all authorities, although again this figure is lower for Blackpool. Here, there is a higher proportion of unemployed tenants than elsewhere, and a lower proportion of employed people. The proportion of long-term sick tenants in social rented accommodation in Blackpool is also significant.
- 5.49 Finally, for private rented accommodation from a landlord or letting agent, employed people make up the greatest proportion of tenants in all authorities. Blackpool is again different to the other Fylde Coast authorities – fewer private tenants are in employment, and more are unemployed, possibly reflecting the attractiveness of lower value rented accommodation in Blackpool to those claiming Housing Benefit, as although some of these are in employment, most are not. In contrast, the affordability issues in large parts of Fylde and Wyre may be a factor in ensuring that the private rented sector accounts for a significant proportion of employed residents' accommodation. The role of the private

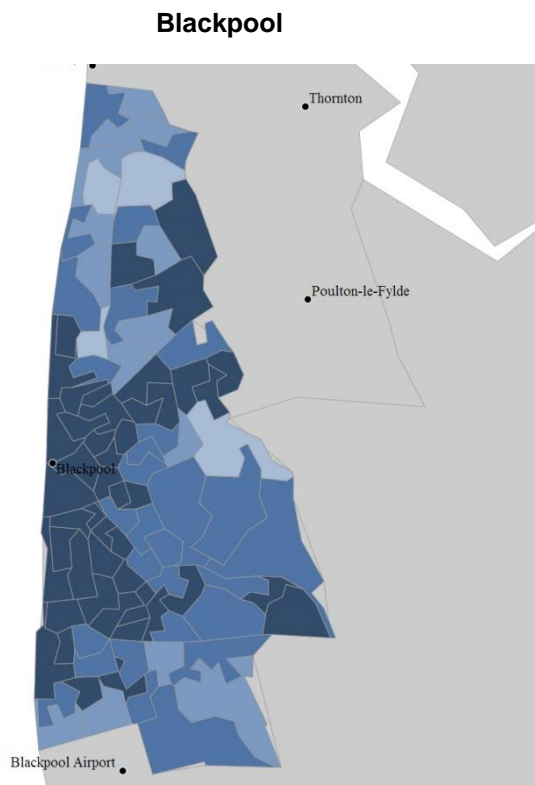
rented sector in meeting affordable housing need is considered in more detail in section 9.

5.50 Compared to nationally, all three authorities have proportionally fewer tenants in employment, with Blackpool characterised by a higher than average proportion of unemployed tenants in social and, particularly, private rented accommodation. Blackpool also has a particularly high level of long-term sick in social rented accommodation, while all three authorities – especially Fylde and Wyre – have a higher proportion of retired residents. It is important to consider, though, that there are spatial variations to these characteristics, with previous indicators suggesting that some sub-areas, including Inner Blackpool and Fleetwood, have distinctive housing patterns that present particular housing challenges.

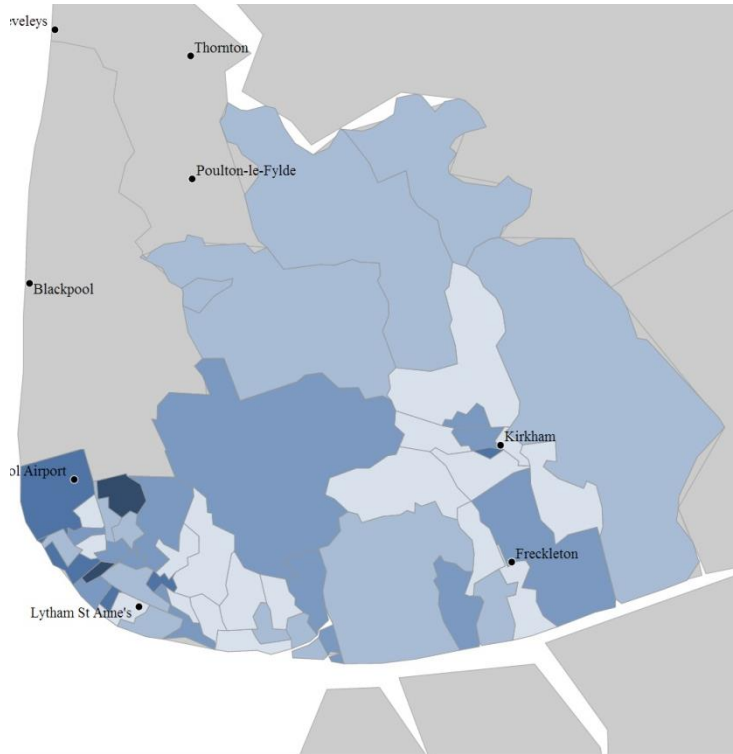
5.51 It is clear that certain areas of the Fylde Coast are more deprived than others. An analysis of patterns of deprivation can be undertaken through the use of Indices of Multiple Deprivation (IMD), produced by ONS and informed by criteria such as income, employment, health, education and crime. The maps below highlight areas that are particularly deprived, with lighter areas signifying areas that are least deprived and darker areas indicating areas with the most deprivation.

5.52 As shown, Blackpool has generally higher levels of deprivation than Fylde and Wyre, with concentrated deprivation particularly in the inner area. Fleetwood, in Wyre, also has a high level of deprivation, and there also exist pockets of deprivation on the edge of Lytham St Annes.

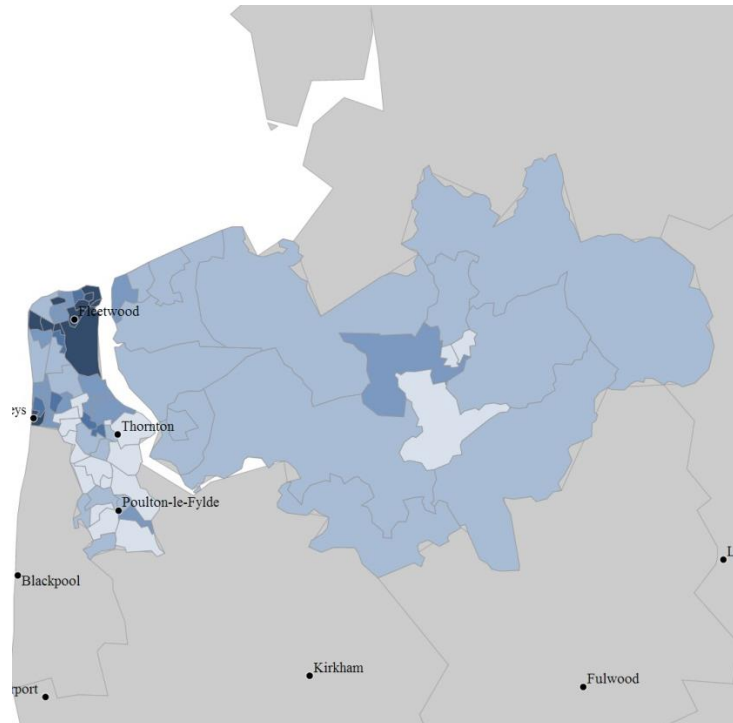
Figure 5.21 – Atlas of Multiple Deprivation 2010



Fylde



Wyre



Source: ONS, 2010

Future Economic Prospects

- 5.53 As noted in the introduction to this section, appreciating how the economy of the Fylde Coast and the individual authorities is likely to change in the future represents an important consideration for understanding future housing demand. This reflects the linkage between these two factors, as considered in preceding sections, and ensures a joined up policy and strategy agenda. This is recognised within the draft NPPG which states:

“Plan makers should make an assessment of the likely growth in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area.”
(DCLG, 2013⁴²)

The Existing Employment Demand Evidence Base

- 5.54 Each of the authorities has assembled an evidence base examining the economic prospects in order to underpin the development of future Local Plan policies. Within this section a short summary is included of this evidence base and the assessment of forecast change in future employment. In particular where this evidence base is comparatively up-to-date this forms an important context for understanding the level of change in the economy to which plan policies are likely to reflect.

Blackpool

- 5.55 The Local Economy Baseline for Blackpool⁴³ was published in November 2011, and includes an analysis of socio-economic indicators and a review of key policy, strategic and research documents to establish a clear picture of the local economy in Blackpool. The report states that, although the town has faced three decades of economic decline since becoming the UK’s leading seaside resort by the 1970s, it remains a centre for economic activity, with 140,000 residents, 4,500 businesses and an annual gross value added (GVA) of £1.7billion. In recent years, there has also been investment in infrastructure, leading to growth in a number of sectors. The economy is, though, fragile, with key sectors threatened by public sector cuts and the loss of consumer confidence, and overall there has been no net gain in jobs to offset losses.
- 5.56 Analysis of secondary data identified a number of headlines. The economy in Blackpool grew at under half the rate of England between 1995 and 2008, and the population reduced by 6% between 1981 and 2010, losing 9,100 residents at a time when the population in Lancashire and England grew. The number of working-age residents also reduced substantially over the last two decades, and gross disposable household income per head fell relative to the England average. There is recognition that Blackpool does not function as could be expected as the dominant core of the Fylde Coast economy.

⁴² DCLG. National Planning Practice Guidance – Assessment of housing and economic development needs. 2013

⁴³ SQW (2011) Local Economy Baseline for Blackpool

5.57 The report concludes that there are a number of key factors driving economic performance, including⁴⁴:

- High levels of work-based employment in low-wage and low-value industries;
- Gradual decline in the scale of Blackpool's business and work-based employment base;
- Reliance on the public sector as a source of employment, with no private sector-led job creation in recent years;
- Residential occupational structure focused on 'non-professional' occupations that pay lower wages;
- Falling working age population;
- High rates of unemployment and economic inactivity, particularly amongst men;
- Established deprivation and social challenges with double the national level of people claiming sickness-related benefits;
- Over-supply of former/current holiday accommodation, much of which converted to low-quality houses in multiple occupation (HMO);
- Low-grade commercial property and low commercial rateable values; and
- Lack of high-quality employment sites to attract new economic opportunities.

5.58 It is also important to consider key regeneration projects and future development opportunities in Blackpool that have the potential to stimulate economic activity. Talbot Gateway Central Business District is a major mixed-use regeneration scheme in Blackpool Town Centre, set to deliver new retail, commercial and community space in addition to town centre parking and transport adjacent to Blackpool North train station. The scheme includes a new Sainsburys food store, generating around 350 new jobs for the local community. The Leisure Quarter site lies on the southern edge of the town centre, and is proposed to be comprehensively redeveloped for a major leisure scheme to revitalise the visitor economy, with the potential to generate around 1,200 jobs. The Winter Gardens is proposed for major investment and refurbishment to create a year round entertainment, leisure and conference venue, and two major housing developments are planned at Queens Park and at Rigby Road (delivering around 200 and 400 new homes respectively). In addition, there has been significant investment in recent years in major coastal defence works, key resort attractions such as Blackpool Tower, public realm improvements along the promenade and seafront and improvements at key gateways to the town, all contributing towards improving Blackpool's image, infrastructure and environment.

5.59 Blackpool Council is undertaking further work that continues to analyse the local economy in terms of demand and supply. The outputs of this study, in particular the conclusions reached regarding future change in jobs and labour force, will need to be considered in the context of the analysis presented in section 7 of this report and the conclusions of the SHMA, in continuing to assess the implication on Blackpool's future housing need.

⁴⁴ SQW (2011) Local Economy Baseline for Blackpool (p67-68)

Fylde

- 5.60 The Employment Land and Premises Study⁴⁷ was published in August 2012, and includes an analysis of the socio-economic profile of the Borough. Fylde has an economically active and skilled workforce, with a high proportion of residents in professional occupations. The manufacturing sector employs the highest proportion of people, although much of this is attributed to high levels of employment at BAE Systems in Warton and Westinghouse's nuclear fuel production facility at Salwick. A smaller proportion of people are employed in the public sector, relative to the wider county and region.
- 5.61 The report includes five models to assess growth forecasts and determine their associated land requirements, as summarised in the table below.

⁴⁷ AECOM (2012) Employment Land and Premises Study – Fylde Council

Figure 5.22 – Employment Land and Premises Study Employment Change Models

Model	Description	Forecast Jobs	Average Annual Employment Change
1	Historic land take-up forecast – based on assumed take-up of 2.7ha per annum, derived from an average over 1989-2011	No direct employment output modelled	-
2	Employment based forecast – Oxford Economics commissioned model, based on a ‘non-intervention’ scenario that does not take account of current investment programmes	Over the period 2012 to 2030, 1,700 workforce jobs created. Total employment change is forecast at 1,900 over the same period.	106
3	Labour supply forecast – Oxford Economics forecast suggests an increase in the number of residents working by 1,100 by 2030 (assumed to be jobs). Forecast then applies a commuting factor (66%) to this figure to identify the number of jobs in Fylde	Assumed 726 jobs between 2012 to 2030*	40
4	Policy-on scenario – employment based forecast. Factors information contained within the Enterprise Zone bid application submitted in May 2011. This recognises that 1,400 jobs will be lost from BAE Systems at Warton by 2013, but that some 5,000 new jobs will be created within the Salmesbury and Warton Enterprise Zone by 2037, of which 2,606 will be at Warton	Overall jobs total forecast will increase by 2,400 between 2012 and 2030. The forecast also assumes a decrease in the unemployment rate and an increase in the proportion of economically active residents	133
5	Policy-on labour supply forecast – model shows an increase in the number of working residents of 1,600, again with a 66% commuting ratio applied	Assumed 1,056 jobs between 2012 and 2030*	59

* Figure not stated in report
Source: AECOM, 2012

5.62 As shown, this report models the creation of between 40 and 133 jobs per annum over the period 2012-2030, with the Enterprise Zone at Warton a key driver behind the upper figure.

Wyre

5.63 The Wyre Employment Land and Commercial Leisure Study⁴⁸ recognises that, prior to the recession, the local economy in Wyre continued to perform well, witnessing increases in the local business base and total number of jobs in the Borough. Since 2008, although Wyre has not been affected as substantially as other areas, there are significant challenges in an area that is overly reliant on a number of vulnerable industrial sectors, most notably public administration. There are further threats from a generally low skills level, localised deprivation and the weak level of performance in knowledge-based industries. However, it is important to recognise that, on average, 289 jobs have been created per annum in Wyre, indicating an underlying strength to the economy.

5.64 Again, a series of growth scenarios were presented as part of the report, as summarised below. As shown, outcomes ranged from the creation of 510 jobs per annum to a reduction of 8 jobs per annum.

⁴⁸ NLP (2012) Wyre Employment Land and Commercial Leisure Study

Figure 5.23 – Employment Land and Commercial Leisure Study Growth Scenarios

Model	Description	Forecast Jobs	Average Annual Employment Change
Experian baseline	Job growth forecasts obtained from Experian Business Strategies. Job growth forecast over the plan period from 2011 to 2029	Growth of 825 workforce jobs between 2011 and 2029	46
Past trend job growth	Job growth projected forward based on historic growth recorded between 2000 and 2010. Described as a predict and provide approach, assuming that those sectors that have grown strongly over the past ten years will continue along their past trajectory	Growth of around 9,185 between 2011 and 2029, although these figures relate to employee jobs rather than total employment	510
ONS Sub-national Population Projections (2010 based)	Labour force analysis projection examining projected change in the working age population (taking account of commuting ratio)	Estimated reduction in employment by 137 jobs between 2011 and 2029	-8
POPGROUP baseline	Labour force analysis using POPGROUP incorporating the 2010-based SNPP and 2008-based SNHP	Estimated growth in jobs of just 78 between 2011 and 2029	4

Source: NLP, 2012

5.65 The report concludes in the identification of an appropriate land requirement that consideration should be given to the Labour Supply Scenarios and the Past Trend Job growth but above the Experian Baseline scenario. This indicates a level of confidence in the potential for the area to see a higher level of job growth assuming that land opportunities are realised and translated into jobs. It is important to note that the projected resulting job growth under the Past Trend Job growth scenario is considerably above that based on the Experian scenario.

Energy Coast

5.66 Responding to the national discourse on climate change, and the need to derive a higher proportion of energy from sustainable sources, the Fylde Coast authorities have a potential role to play in developments related to shale gas extraction in particular. Considerable resources have been identified, with exploratory work having taken place,

and it is recognised that this creates a significant economic opportunity that could stimulate growth in the region⁴⁹.

5.67 Conservative estimates suggest that up to 1,700 full-time equivalent jobs could be created, with the potential for development of supplementary industries and supply chain opportunities⁵⁰. The Energy Coast strategy could, therefore, support the growth aspirations of the Fylde Coast.

Economic Forecasts

5.68 This sub-section will analyse economic forecasts produced by two industry-standard forecasting houses, Experian and Oxford Economics (OE). Experian produce quarterly forecasts, updated to reflect the latest national and regional economic performance and updated historic datasets. OE were commissioned by Lancashire LEP to produce an employment forecast, based on current economic conditions with a baseline of March 2013. This forecast has been sourced directly from the LEP.

5.69 The last historic data point for both datasets is 2011, with figures from 2012 onwards representing projections. It should be noted that the Experian figures for Fylde are based on the final September 2013 release, while projections for Blackpool and Wyre are from the April 2013 Experian release⁵¹.

5.70 It should also be noted that the projections presented within this report differ from the Experian forecasts presented in the Wyre Employment Land Review⁵². This reflects the availability of updated Experian data, slightly different time periods (to 2030 as opposed to 2029) and assumptions regarding how the data has been used.

5.71 It is important to recognise that the two forecasts considered within this sub-section are both 'policy-off' or baseline forecasts, in that they do not directly seek to take account of planned investment or potential economic development pipeline projects.

5.72 For the Experian projections, it is also important to note that a change in the methodology behind ONS employment surveys has created volatility in historic data, particularly from 2010⁵³. This change aimed to remove the bias in previous data that tended to underestimate change over time, as it excludes the births and deaths of businesses in the sample. The trade-off is an increase in volatility, which has been greater than anticipated and particularly affects regional data. This has been considered in analysing these forecasts.

5.73 The table below shows the total employment change between 2011 and 2030.

⁴⁹ Fylde Council (2013) Economic Development Strategy 2012-2030

⁵⁰ Regeneris (2011) Economic Impact of Shale Gas Exploration & Production in Lancashire and the UK

⁵¹ Modelling for the Fylde Coast authorities was undertaken in August 2013 to inform the presentation of interim findings. These models were produced using April 2013 data, sourced directly from Experian, and showed job creation in Blackpool and Wyre and employment loss in Fylde. The subsequent release of a further dataset in September 2013 produced more positive forecasts for Fylde, with net job creation, and it was therefore decided to remodel Fylde based on September 2013 Experian data. Released forecasts for Blackpool and Fylde broadly aligned with the previous data, and therefore these authorities were not remodelled.

⁵² Wyre Borough Council (2012) Employment Land and Commercial Leisure Study

⁵³ Experian (2013) Data Guide: UK Regional Planning Service, Summer 2013 (p10)

Figure 5.24 – Total Employment Change 2011-2030

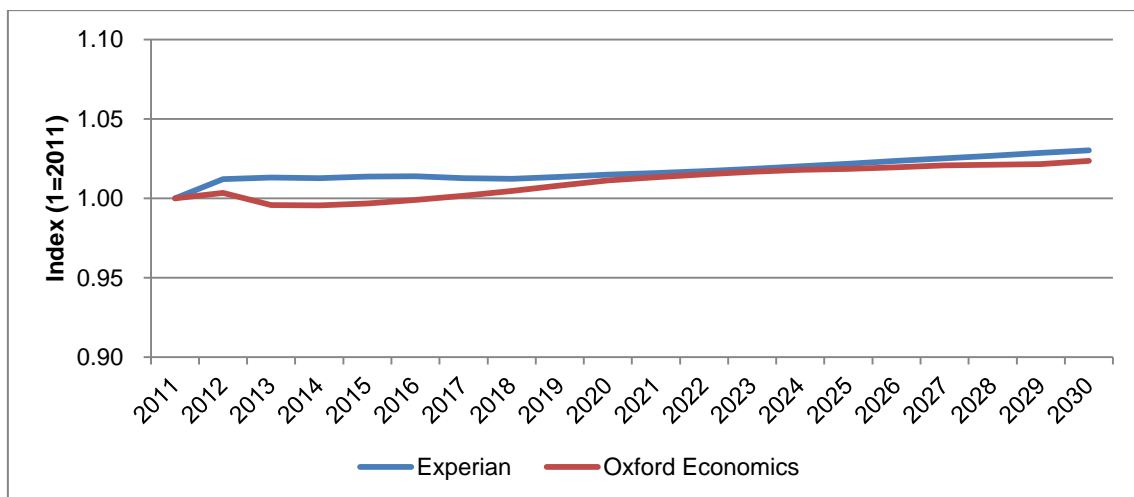
Authority	Oxford Economics			Experian		
	2011	2030	Change	2011	2030	Change
Blackpool	65,129	63,857	-1,272	61,060	62,620	1,560
Fylde	45,055	47,862	2,807	45,770	46,760	990
Wyre	37,619	39,571	1,952	37,110	38,910	1,800
Fylde Coast	147,803	151,290	3,487	143,940	148,290	4,350

Source: Oxford Economics, 2013; Experian, 2013⁵⁴

5.74 Clearly, there is some variation in the level of job growth forecast. Across the Fylde Coast, OE and Experian forecast total employment to grow by 2.4% and 3.2% respectively. The level of job growth in Wyre is relatively consistent, with around 2,000 additional jobs forecast. While both forecasts expect Fylde to see some level of employment growth, the scale of job creation varies – OE project the Borough to experience the greatest level of job creation, while Experian forecasts the lowest rate of change. There is a greater degree of variation for Blackpool, however, with OE projecting around 1,300 job losses while Experian forecasts a similar level of job creation. The overall scale of change is, though, relatively small, with OE projecting a decline of around 2% and Experian forecasting an increase of 2.6%.

5.75 The graph below shows an index of employment levels across the Fylde Coast.

Figure 5.25 – Index of Employment Change – Fylde Coast 2011-2030



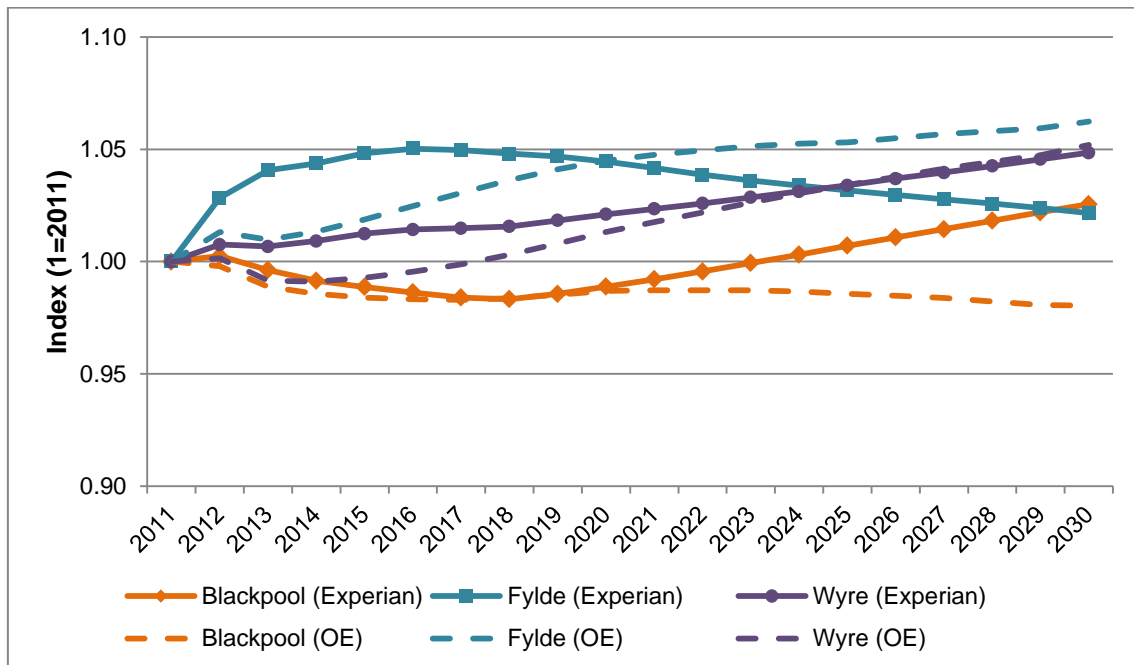
Source: Oxford Economics 2013, Experian 2013

5.76 As shown, both sources forecast some short-term employment growth, however, although Experian predict a level of stability from 2012 onwards, OE anticipate a decline in overall employment, followed by a period of growth. Nevertheless, the long-term forecast sees an overall increase in jobs in the Fylde Coast over the period to 2030.

⁵⁴ Note: Experian figures for Blackpool and Wyre are from the April 2013 release produced by Experian. Forecasts for Fylde are from the September 2013 final release

5.77 There is some variation in the contribution of local authorities towards this employment growth, however. The graph below shows an indexed level of forecast change for the three Fylde Coast authorities during the period 2011 to 2030.

Figure 5.26 – Index of Employment Change – All Authorities 2011-2030



Source: Oxford Economics 2013; Experian 2013

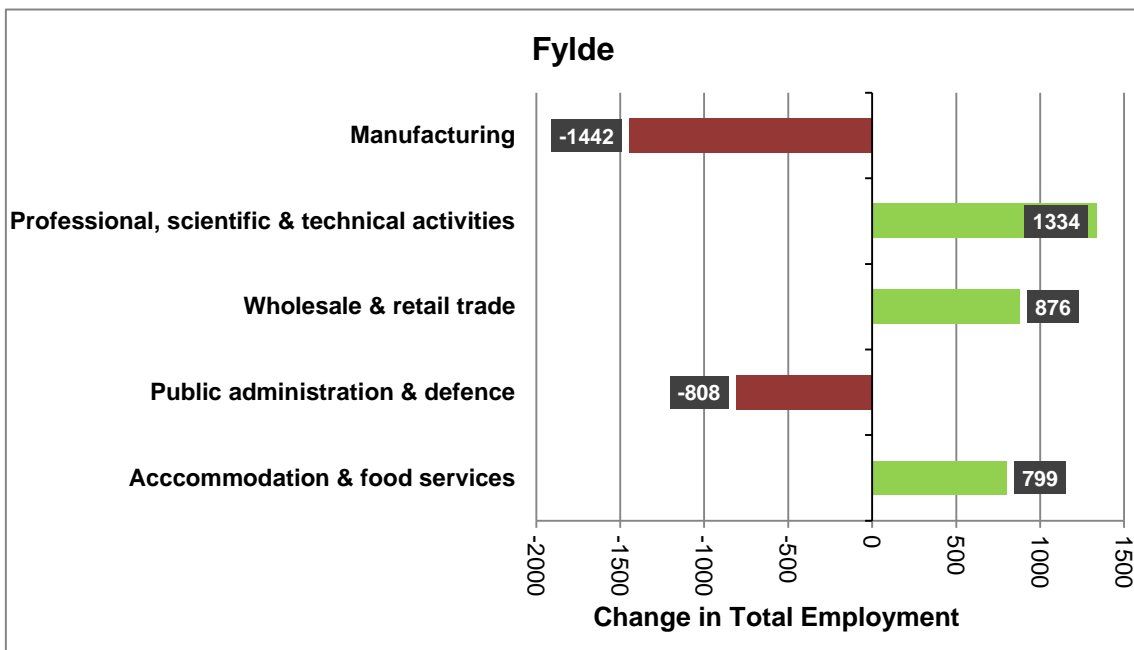
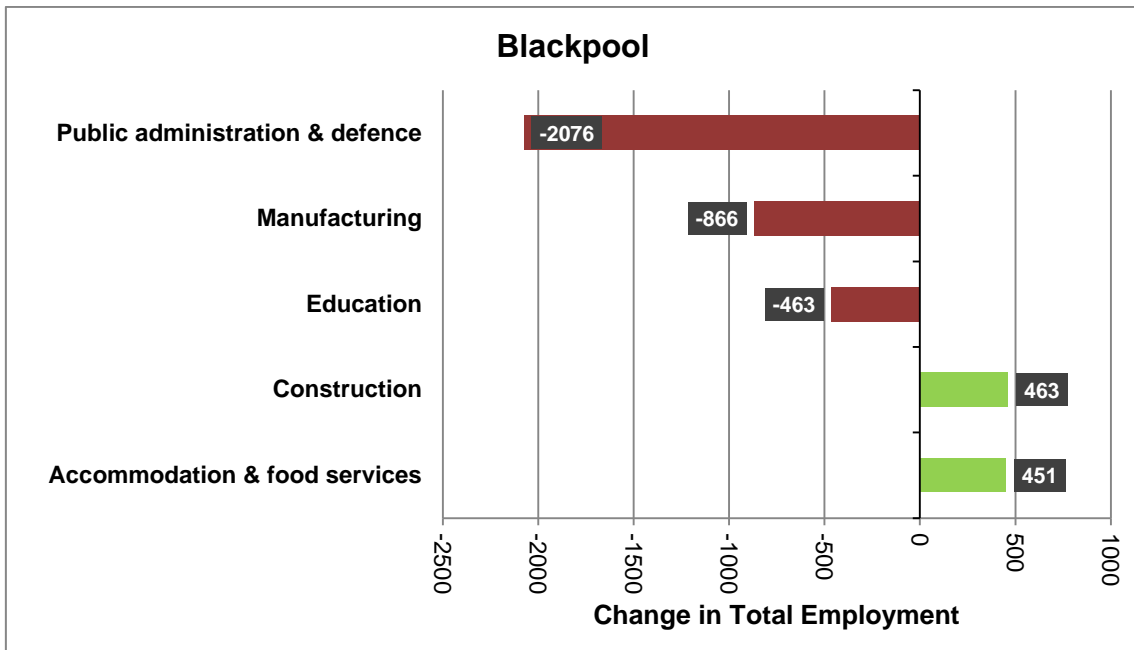
5.78 While there are some variations in the forecasts produced by Experian and OE, there are some areas of consistency. Both Experian and OE project a decline in Blackpool at the start of the analysis period, although while Experian forecast subsequent growth from 2018, OE anticipate stagnation and marginal decline. Employment levels are expected to continue to steadily grow, although OE forecast an initial decline. Fylde, meanwhile, is expected by Experian to be the main area of job creation in the initial five year period, followed by a period of job losses, although OE anticipate a slower pace of growth⁵⁵. Interestingly, over this period, Experian’s forecasts for Blackpool and Fylde appear opposites, with Blackpool the location of long-term employment growth and Fylde more likely to deliver short-term job creation. This contributes to long-term health in the Fylde Coast economy.

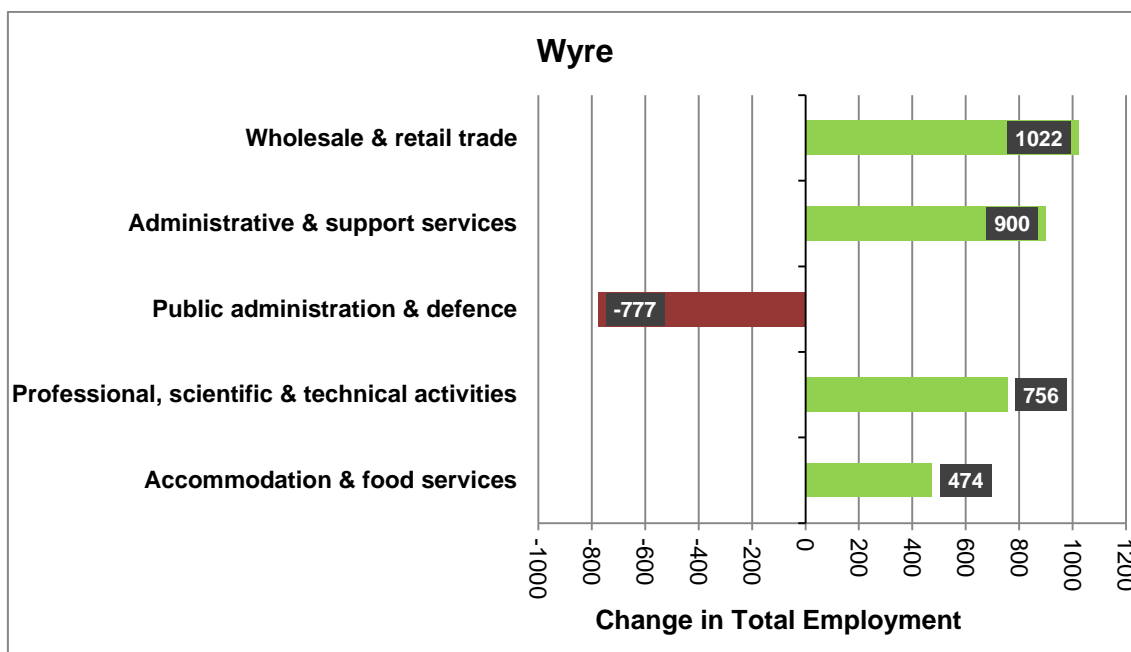
Key Employment Sectors

5.79 Again, it is beneficial to analyse forecast employment change by sector. The sectors with the five highest changes in employment are highlighted for each authority below. This is based on the available information from Oxford Economics forecasts, which was also used to inform comparable work by Lancashire LEP.

⁵⁵ Blackpool Council plan to explore the differences between forecasts in more detail as part of an Economic Study

Figure 5.27 – Largest Changes in Employment by Sector – 2011-2030





Source: Oxford Economics, 2013

5.80 As shown, Oxford Economics forecast change in a range of employment sectors across the Fylde Coast. There is, though, recurring decline in public administration and defence, with the projected loss of a total of 3,661 jobs in Blackpool, Fylde and Wyre. There is also significant declines expected in manufacturing, where a collective 2,800 job losses are forecast, most prominently in Fylde. There are, though, a number of growth sectors identified, including wholesale and retail trade and accommodation and food services, with 2,322 and 1,724 jobs projected to be created in each sector respectively. A substantial number of jobs are also forecast to be created in professional, scientific and technical activities, particularly focused in Fylde and Wyre.

5.81 For completeness, it is also pertinent to consider the largest changes in employment by sector as forecast by Experian, noting that variations are to be expected based on the different forecast models used by each organisation. This is summarised in the table below.

Figure 5.28 – Largest Change in Employment by Sector – 2011 – 2030

Blackpool	Fylde	Wyre
Professional and other private services +1,400 jobs	Manufacturing -1,600 jobs	Manufacturing -1,300 jobs
Manufacturing -1,000 jobs	Accommodation, food services and recreation +900 jobs	Professional and other private services +1,200 jobs
Construction +700 jobs	Construction +600 jobs	Construction +600 jobs
Public services +600 jobs	Information and communication +500 jobs	Wholesale and retail +400 jobs
Wholesale and retail -600 jobs	Professional and other private services +500 jobs	Accommodation, food services and recreation +400 jobs

Source: Experian, 2013

5.82 Under the Experian forecasts, all authorities are forecast to lose at least 1,000 jobs in the manufacturing sector, resulting in the loss of 3,900 jobs in this sector across the Fylde Coast. There is, though, growth projected in professional and other private services, most prominently in Blackpool and Wyre. Construction is forecast to recover in all three authorities, while accommodation, food services and recreation is also expected to be a key growth sector in Wyre and, particularly, Fylde.

Employment Projections in Neighbouring Authorities

5.83 It is important to realise that the Fylde Coast economy does not operate in isolation. The earlier analysis in section 3 has identified the strong functional links with neighbouring Preston and Lancaster in particular, and therefore this element of the analysis will look in more detail at the economic prospects of these authorities.

5.84 The figures in the table below show the projected employment change in Lancaster and Preston. This is based on the September 2013 Experian forecast release, and should be read in conjunction with Figure 5.24 above.

Figure 5.29 – Total Employment Change – 2011-2030

Authority	Workforce Jobs		Change
	2011	2030	
Lancaster	59,430	64,990	5,560
Preston	99,880	107,400	7,520

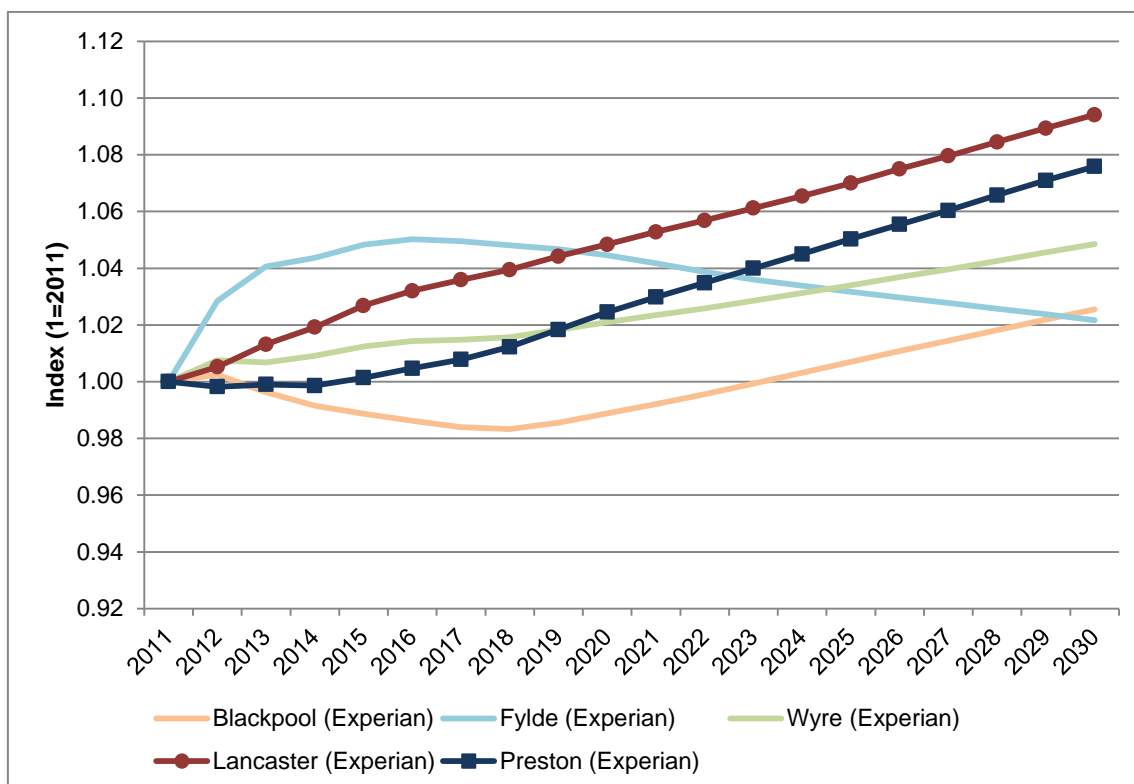
Source: Experian, 2013

5.85 As shown, there are a greater number of jobs in neighbouring Preston, which should be considered in the context of the established commuting relationships between the Fylde Coast authorities and Preston. Experian expect around 7,500 jobs to be created in Preston over the period analysed, at a growth rate that surpasses the Fylde Coast. This rate of growth is second only to Lancaster, which Experian project to surpass Blackpool in terms of total employment numbers by 2030 with the creation of over 5,500 jobs.

5.86 Experian expect the majority of jobs to be created in the private professional services sector, collectively generating almost 6,000 jobs in Lancaster and, most significantly, Preston. Proportionally, substantial growth is also forecast in ICT-related industries, while construction will also recover to add a significant number of workforce jobs.

5.87 Employment change, as forecast by Experian, is presented below as an index, with the 2011 figure equal to 1. Comparable forecasts for Blackpool, Fylde and Wyre are also shown for context. As shown, the long-term economic forecast for both Lancaster and Preston presents a much more positive picture of consistent employment generation. The established commuting relationships from the Fylde Coast to Preston and, to a lesser extent, Lancaster should be an important consideration in determining an appropriate level of housing need.

Figure 5.30 – Index of Employment Change – Lancaster and Preston



Source: Experian, 2013

- 5.88 It is important to consider, however, that employment projections such as those presented above are policy-off, and therefore do not take strategic economic initiatives into account. It is therefore worthwhile to briefly consider economic strategies.
- 5.89 As introduced in section 2, the Lancashire LEP Growth Plan sets out a number of strategic actions to create up to 50,000 jobs over the next ten years, generating significant increases in economic activity⁵⁶. Preston is identified as a key driver of growth, particularly with the incoming Preston City Deal, with economic growth in the city potentially bringing economic benefits to the whole of Lancashire. The aforementioned Preston and Lancashire City Deal, is expected to create over 20,000 jobs alone by investing almost £500million into providing infrastructure to unlock employment sites.
- 5.90 Within Lancaster, there are a number of identified economic projects that will drive positive employment growth within the authority and the surrounding area⁵⁷. Specifically, Lancaster is expected to form a key part of an emerging Arc of Innovation, linking clusters of economic activity centred around high-quality industry, technology and research sectors. Like the Fylde Coast, a specific Local Growth Accelerator Strategy for Lancaster will be published to harness economic opportunities at a local level through the implementation of innovative actions.
- 5.91 In terms of the implications for the Fylde Coast authorities, it is apparent that both Lancaster and Preston have the potential to see notable levels of job growth over the future plan periods. With both authorities being net importers of labour from the Fylde

⁵⁶ Lancashire Enterprise Partnership (April 2013) Lancashire Growth Plan 2013/4

⁵⁷ Lancaster City Council have recently (November 2013) commissioned an Employment Land Review Update and Economic Strategy which will provide further information on the economic prospects of the authority

Coast authorities, it will be important to monitor the balance between the provision of housing and employment in both Preston and Lancaster.

5.92 It will be important that this issue continues to be discussed through Duty to Co-operate engagement processes.

Bringing the Evidence Together

5.93 This section has established the socio-economic context of the Fylde Coast authorities, recognising the important role that market and economic factors have in shaping historic demographic trends. The key findings of this section are as follows:

- Fylde and Wyre experienced moderate population growth between 2001 and 2011, with particular growth in Lytham & St Annes and Thornton. The population in Blackpool fell during the same period, driven by population loss in the inner area. The rate of population growth in the Fylde Coast as a whole is lower than seen in Lancashire and England;
- The population profile of the Fylde Coast changed during the inter-Census years. Blackpool followed national trends with an overall decline in the 30-39 age bracket and growth in the 40-49 group. There has also been a decline in the proportion of the population aged 5 to 14, with growth in those aged 15 to 30. The profile of Fylde is slightly different, with people under 40 accounting for a smaller proportion than the national average, reflecting the older population of the authority. The Wyre population follows a similar pattern to Fylde, with a significant drop in the 30-39 age band and corresponding increases in the 40-49 group and over 60, again indicating an ageing population;
- Population growth in Blackpool has historically been driven by substantial levels of migration, masking decline caused by natural change, although the scale of net migration has significantly reduced since 2008, contributing to a decline in population. There is a different picture in Fylde, with a consistent level of net in-migration that has outpaced natural decline. In Wyre, decline caused by natural change was for many years offset by net in-migration, but this has generally fallen since 2003, with the exception of 2011/12;
- The age profile of migrants is also variable within the Fylde Coast. Blackpool typically sees net in-migration of younger age groups relative to the other Fylde Coast authorities, with net out-migration of over 55s. All authorities experience net out-migration of the 15-19 age group, with Blackpool the only authority to witness a comparable level of in-migration in the following group. There are also high levels of net in-migration of older age groups, reinforcing the population profile established earlier;
- Blackpool has seen a significant level of international in-migration, particularly from EU Accession countries, although the volume has decreased since 2007. A similar pattern is emergent in Fylde, albeit at a substantially smaller scale, reaching a level of around 150 international in-migrants per year by 2012. In Wyre, there has been a similar scale of international in-migration to Fylde, but a substantial proportion originate from the New Commonwealth, as opposed to the EU;
- Fylde saw the greatest increase in the number of households between 2001 and 2011, with Blackpool experiencing the smallest change. Overall, an additional 4,929

households were created in the Fylde Coast between 2001 and 2011, with around half located in Fylde and relatively few in Blackpool;

- Household sizes have remained relatively stable during the inter-Census years, although they have shrank slightly, reflecting national trends. Household sizes in Fylde and Wyre, in particular, have reduced more significantly than the national rate. Interestingly, the additional households created in these authorities is not matched by a substantial increase in the population, reinforcing the prevalence of smaller households;
- Over the period 2001 to 2011, Wyre saw the greatest increase in employment, with Fylde and most significantly Blackpool experiencing job losses. Collectively, the Fylde Coast economy has seen a number of shocks as well as periods of economic growth over this period;
- In Blackpool, there have been significant job losses in ICT, retail and public administration, with accommodation and food services generating the greatest absolute increase in jobs. In Fylde, around 7,000 jobs have been lost in the manufacturing sector between 2001 and 2011, although this has been partially offset by increases in professional, scientific and technical activities, accommodation and food and other services. Wyre has seen overall job creation, with substantial increases in the public sector offsetting job losses in construction;
- Unemployment rates are highest in Blackpool and lowest in Fylde, and all three authorities have witnessed a higher level of unemployment between 2008 and 2012 relative to the preceding period;
- Home owners are more likely to be in employment, although a relatively high proportion are retired, while retirees account for the highest proportion of those in social rented accommodation in all authorities. Blackpool has the highest proportion of unemployed tenants across all tenures;
- Blackpool has higher levels of deprivation than Fylde and Wyre, with concentration of deprivation particularly in the inner area. Fleetwood, in Wyre, also has a high level of deprivation, and there also exist pockets of deprivation on the edge of Lytham St Annes;
- Employment forecasts suggest that between 3,500 and 4,500 jobs will be created in the Fylde Coast economy over the period 2011 to 2030. The distribution of the forecast growth in these jobs geographically provides an interesting context. Reflecting historic trends, Wyre is identified as having the potential to see strong job growth, particularly in retail and administrative support, which will offset forecast losses in public administration. Fylde is also forecast to see employment growth, although the Council's evidence base highlights that the scale of growth will be influenced, at least in part, by the success of key projects including the Enterprise Zone. It is anticipated that there will be a restructuring of the economy towards the service sector and retail services, following job losses in manufacturing. The forecasts suggest some uncertainty over whether Blackpool will generate employment growth over the projection period, with this again influenced by historic performance and the current employment base; and
- Recognising the role of the Fylde Coast within a wider Lancashire economy, it is clear that there is significant job creation expected in Lancaster and, particularly, Preston, with the creation of an additional 13,000 jobs to 2030. This should be considered and

monitored, acknowledging the increased job opportunities in light of the established commuting relationships between the Fylde Coast, Preston and Lancaster.

6 The Active Market

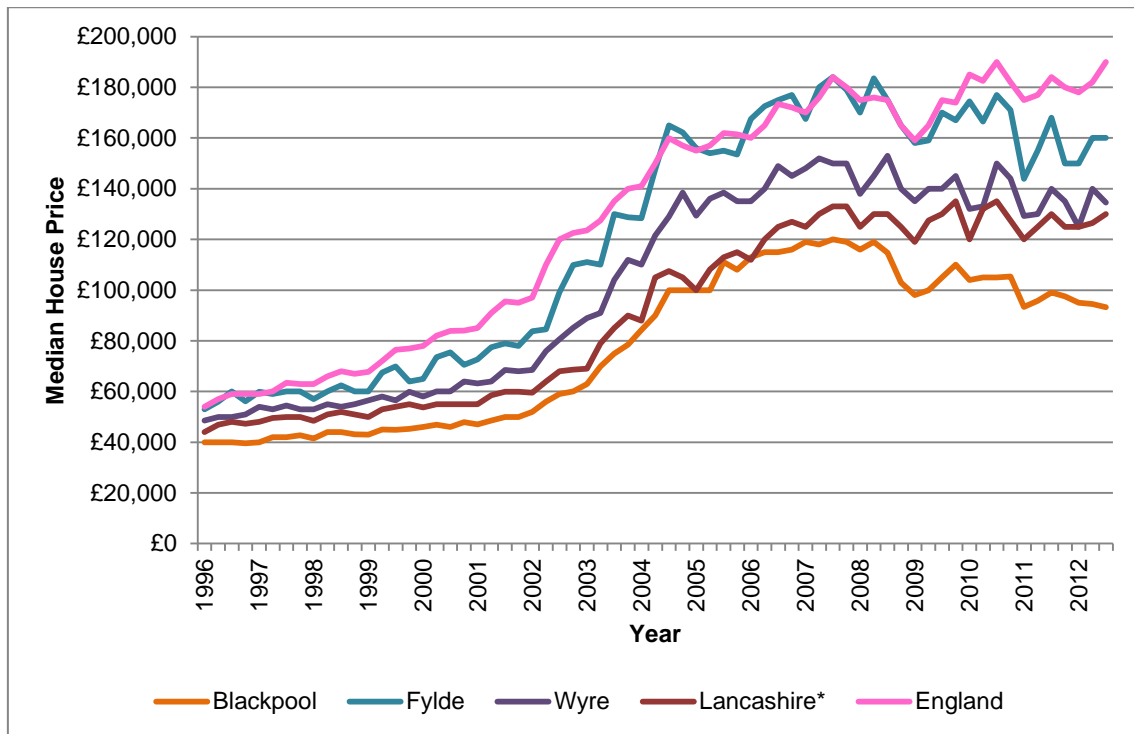
- 6.1 In recent years, there have been significant and well-documented changes in the housing market, particularly in terms of property sales and house prices. A wealth of information and publications exist and continue to be produced, providing detailed analysis of the operation of the housing market. This section analyses a number of key indicators, and collates available evidence to determine the impact that market changes have had on the ability of households to access housing. This element of our analysis has important implications for the overall level of market demand, and will also form a key consideration in assessing the number of households that are currently in need of affordable housing, both today and in the future. In particular, the market performance of different tenures represents a key indicator of the balance between housing demand and housing need.
- 6.2 This section presents an overview of the active housing market across the Fylde Coast authorities. First, an analysis of house prices is undertaken to determine prevalent trends, before an assessment of the rental market. The affordability of market housing will then be modelled.

House Price Trends

- 6.3 Land Registry data, provided by DCLG, identifies median house prices, allowing the analysis of house price trends. Quarterly data covers the period from 1996 to 2012. The graph below shows median house prices in Blackpool, Fylde and Wyre, with Lancashire and England included as comparators⁵⁸. It should be noted, though, that data for Lancashire does not include Blackpool Unitary Authority.

⁵⁸ Note that the national figure for England may be skewed to some degree by high property values in London

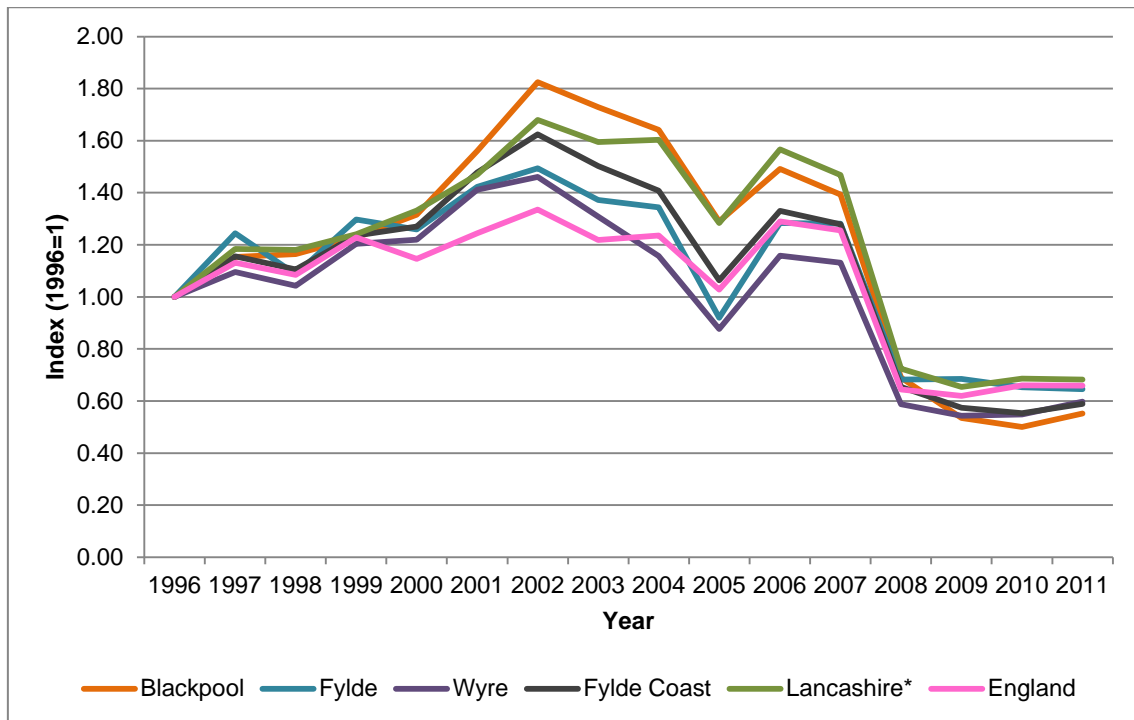
Figure 6.1 - House Price Change (Quarterly) - 1996-2012



Source: DCLG

- 6.4 The credit crunch and subsequent recession has stunted the growth in house prices that was seen prior to 2007. Since 2008, prices have typically been maintained, with little growth, although Blackpool and Fylde have seen the median house prices fall by around £20,000 over the five year period to 2012. Across the analysis period, house prices were typically at a lower level than the national average, with the pattern of increase reflecting the national trend but the decline evidently steeper, with less recovery in the Fylde Coast authorities, and particularly Blackpool. National average house prices have returned to their 2007/8 peak, but this is not the case in the Fylde Coast.
- 6.5 Fylde has experienced the greatest level of overall growth in house prices, followed by Wyre and Blackpool. The growth in house prices has made the differences between the three authorities more pronounced.
- 6.6 It is also beneficial to analyse the number of residential transactions carried out each year, in order to understand the level of activity in the Fylde Coast housing market. To allow effective comparison, transactions have been indexed with a base date of 1996. England, Lancashire (excluding Blackpool unitary authority) and the overall Fylde Coast are included as comparators.

Figure 6.2 - Indexed Residential Transactions 1996-2011



Source: DCLG

6.7 The number of transactions remained relatively steady from 1996, growing slightly to 2002. The Fylde Coast generally saw greater growth in residential transactions than the national average, but fell slightly below the level of growth seen in Lancashire as a whole. Blackpool saw the greatest growth in house sales. The sharpest decline across all geographies was between 2007 and 2008, at the onset of the recession, and transactions have remained relatively consistent since.

6.8 Land Registry is one of the most reliable sources of house price information, and can be used to track residential property sales in the SHMA authorities. Transactions can also be broken down into sub-areas, allowing us to locate areas with particularly notable house price trends. Sales have been analysed between 1st March 2013 and 31st July 2013. This information is broken down by local authority in Figure 6.3 below.

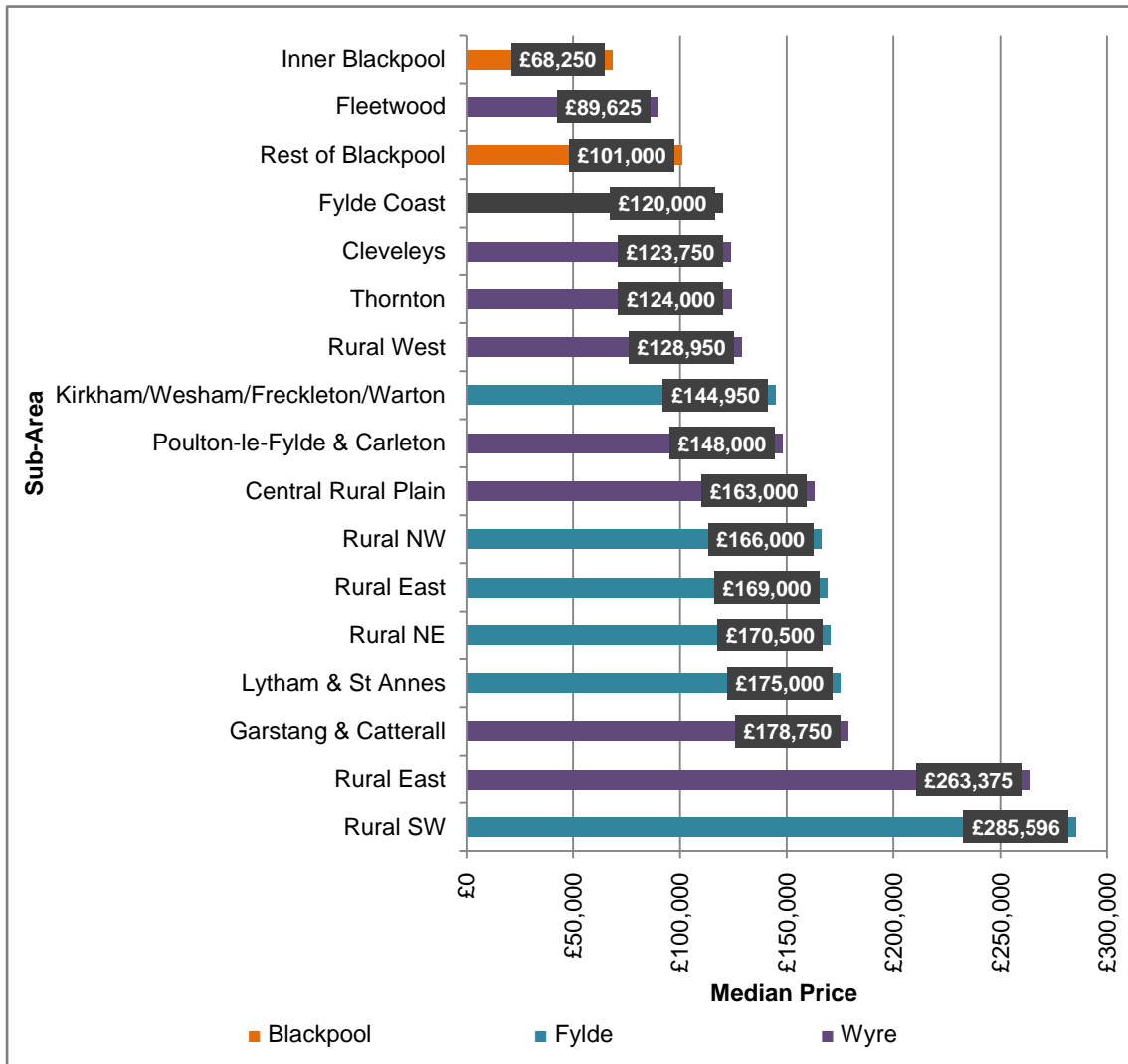
Figure 6.3 - House Prices between March - July 2013

Local Authority	Total Transactions	Median	Lower Quartile	Range	
				From	To
Blackpool	649	£95,000	£72,000	£20,000	£294,500
Fylde	397	£167,500	£125,000	£40,000	£1,000,000
Wyre	500	£129,998	£100,375	£40,000	£925,000
Fylde Coast	1,546	£120,000	£87,500	£20,000	£1,000,000

Source: Land Registry

6.9 Median house prices have been summarised by sub-area in Figure 6.4 below, with sub-areas colour-coded by local authority.

Figure 6.4 - Median House Price by Sub-Area – March – July 2013

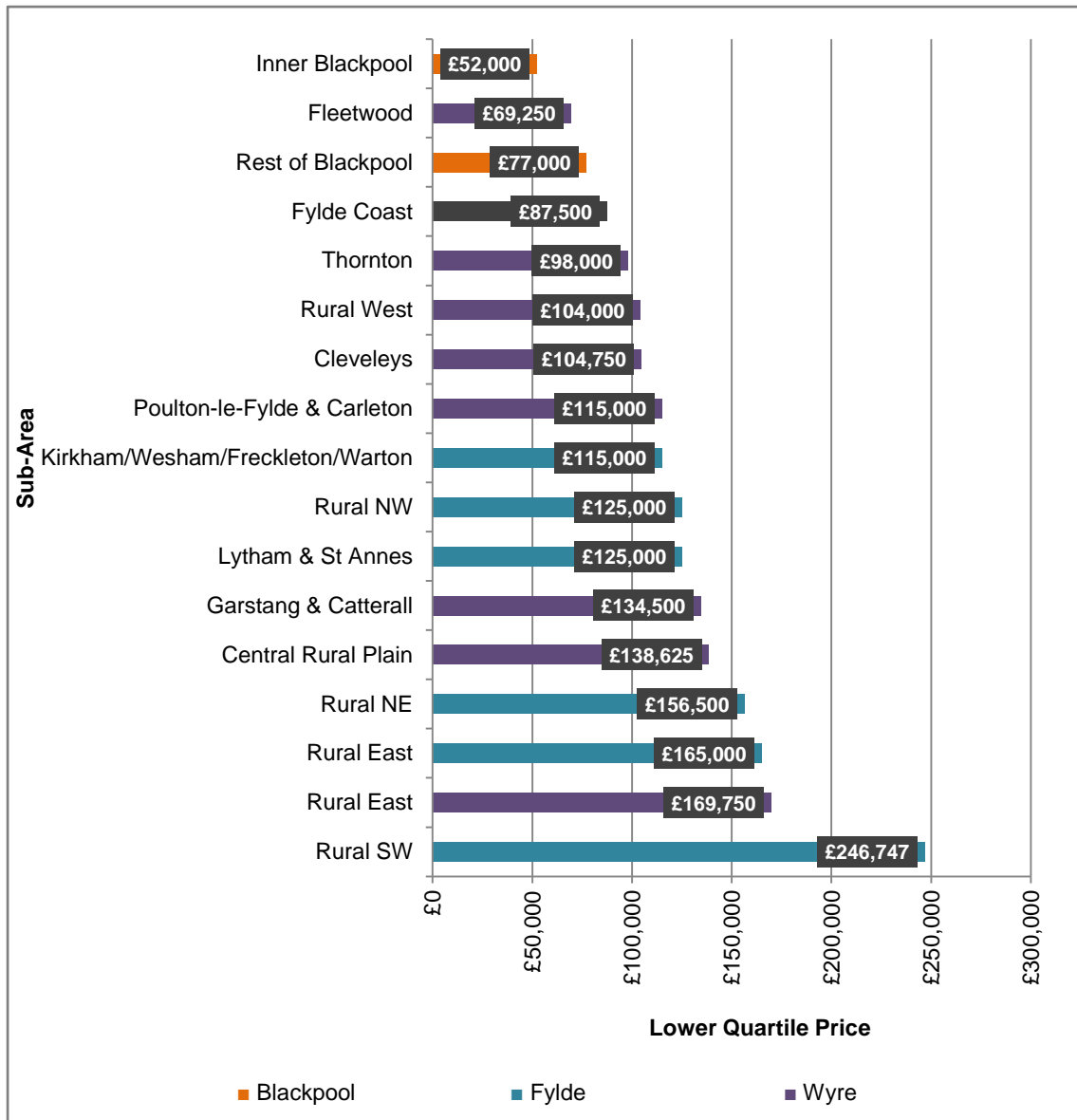


Source: Land Registry

- 6.10 House prices range considerably throughout the Fylde Coast, depending on sub-areas and local authorities. Within Blackpool, in our study period, house prices have been between £20,000 and £294,500, based on 649 sales. Inner Blackpool has the lowest median house price of the Fylde Coast sub-areas, and the Rest of Blackpool also falls below the average level for the Fylde Coast. Elsewhere, Fleetwood has lower than average house prices, reflecting its unique position within Wyre, as discussed earlier, with over half of transactions worth less than £100,000.
- 6.11 The Rural SW sub-area in Fylde has the highest median house price, although it should be noted that this figure is based on only 12 sales between 1st March and 31st July 2013. In particular, this figure may be influenced by a sale worth £1million within this time period, although our research nevertheless suggests that this sub-area is high value and desirable, and the median would be within the upper range of house prices in the Fylde Coast even if this sale was excluded. Therefore, this figure provides a valid indication of house value within this sub-area. The Rural East of Fylde is also an area with a particularly high median house price.

- 6.12 Of the remaining authorities, house prices appear to be higher in Fylde than in Wyre, with properties fetching up to £1million and £925,000 respectively. There also appears to be a trend of higher house prices in rural areas, while the desirable towns of Lytham & St Annes and Garstang also generate higher house prices. Importantly, this could be viewed in the context of the stock profile outlined earlier in this report, where the prominence of detached houses in rural areas in particular, and relative absence of cheaper flats, could influence the prices paid. This could also explain why the urban area of Blackpool, with a higher proportion of cheaper terraced and flatted properties, has a lower median house price. It is also worth noting that our earlier analysis has suggested that properties in Blackpool are generally smaller, with a lower average number of bedrooms per dwelling and greater frequency of overcrowding, which will also have an impact upon property prices.
- 6.13 As part of our house price analysis, lower quartiles have also been calculated to give an indication of house prices at the lower end of the market, and the range of property values by sub-area can also be assessed. This is shown in Figure 6.5 below.

Figure 6.5 - House Price Lower Quartile by Sub-Area – March – July 2013



Source: Land Registry

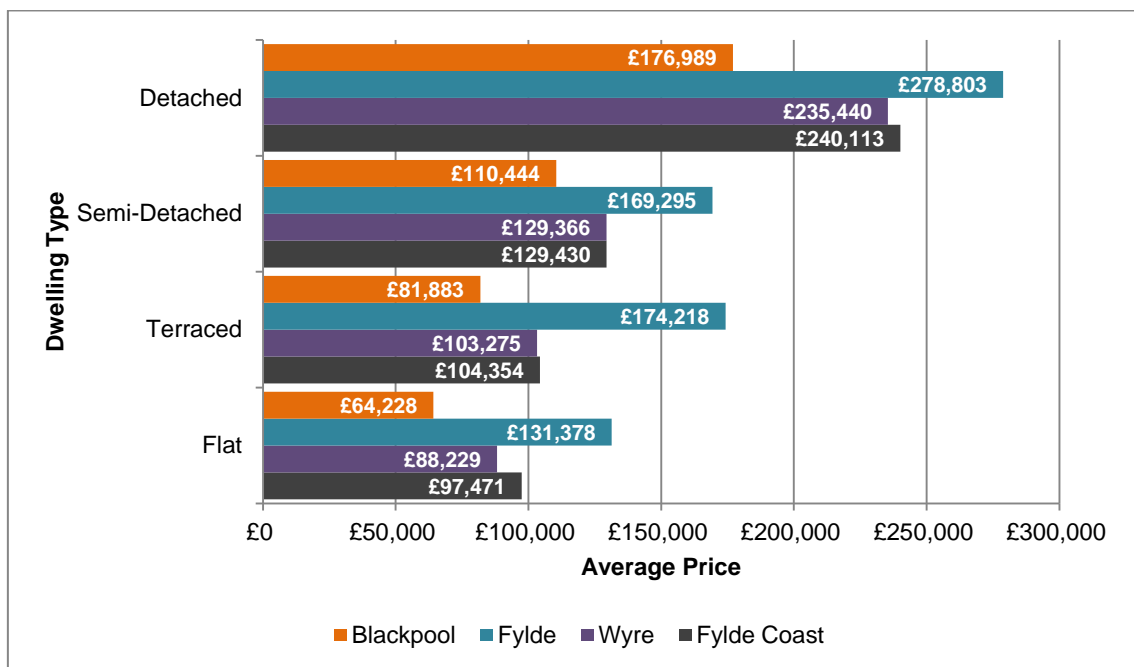
6.14 Again, the lower quartiles for both Inner Blackpool and the Rest of Blackpool are in the lower end of the range, with the former extremely low, and this confirms the suggestion of a cheaper housing market. The proximity of the lower quartile figure to the median figure suggests that there is little variation in house prices in Blackpool, with prices grouped at the lower end of the market. The figure for Fleetwood, too, would suggest a lack of variation, although it should be remembered that Fleetwood has a much greater housing mix than Blackpool, albeit still disproportionately skewed towards terraced housing. Importantly, around 40% of all homes in the Fylde Coast are located in Blackpool and Fleetwood, which explains why the average figure for the Fylde Coast is relatively low.

6.15 The Rural SW of Fylde remains at the top of the market, with property prices ranging from £137,500 to £1million. Indeed, analysing lower quartile figures confirms that the Fylde housing market is the most valuable, even at the lower end of the market, with little

discernible change in hierarchy. The range of average house prices shows that there is a high degree of variation between sub-areas in the Fylde Coast, exhibiting the complexities of the housing market.

6.16 Clearly, while our house price analysis is beneficial in summarising the prices paid for housing, there are a number of variables to house price. While one of these is location – as analysed by sub-area above – the type of dwelling sold will also dictate the price that it can reasonably attain. Using Land Registry data on house sales, the average price achieved by each dwelling type can be calculated, and differences between local authorities can be determined. While this could be influenced by the number of properties within each type, and therefore the amount of sales data that can be analysed, along with other factors such as size and condition, it can still provide a useful indication of the prices that each type of dwelling can expect to demand. It is considered that, by limiting this part of our analysis to local authority level, sufficient transactions are available to reliably inform our analysis. This is displayed in Figure 6.6 below.

Figure 6.6 - Average Dwelling Price by Type – March – July 2013



Source: Land Registry

6.17 Average prices follow an expected pattern, with detached properties achieving a higher value than semi-detached dwellings, with lower prices for terraced houses and flats. This pattern is replicated across the local authorities, with the exception of Fylde, where terraced housing, on average, has a higher value than semi-detached properties. This is due to the desirability and quality of terraced housing in Fylde, particularly in the Conservation Areas of Lytham, or this could merely reflect market activity over our relatively short analysis time frame. Indeed, three terraced properties have been sold for over £400,000 in our analysis period.

6.18 Clearly, when dwelling type is taken into account, Blackpool remains at the lower end of the market, with comparable properties attaining a lower price in Blackpool than in other

local authorities. In line with our earlier analysis, Fylde is located at the upper end of the market, with a detached dwelling, for example, valued at more than £100,000 higher on average than a comparable house in Blackpool. House prices in Wyre, for all types, fall slightly below the average for the Fylde Coast, but typically invoke a premium of at least around £20,000 compared to a similar property in Blackpool.

The Rental Market

- 6.19 Nationally, the private rental sector has undergone a period of significant expansion in recent years and now plays an important role in the operation of the wider market, offering an alternative to owner-occupation and the social rented sector. At the time of the 2011 Census, the level of private renting was higher in the Fylde Coast than nationally, although it was more frequent in Blackpool than the remaining authorities.
- 6.20 The Valuation Office Agency (VOA) produces a series of data entitled 'Private Rental Market Statistics' which collates information provided by private rental landlords. The latest available data provides both lower quartile and median rents for local authorities for the period April 2012 to March 2013. The data is broken down by property size, as shown in the table below.

Figure 6.7 – Average Monthly Market Rental Prices 2012/13

Size of Property	Lower Quartile					Median				
	Blackpool	Fylde	Wyre	Lancashire*	England	Blackpool	Fylde	Wyre	Lancashire*	England
1 bedroom	£351	£375	£369	£350	£410	£390	£400	£412	£395	£500
2 bedrooms	£455	£495	£498	£395	£475	£498	£550	£525	£475	£575
3 bedrooms	£550	£595	£564	£498	£550	£585	£650	£607	£575	£650
4+ bedrooms	£650	£775	£675	£650	£795	£694	£995	£750	£775	£1,100
All properties	£390	£450	£477	£390	£450	£498	£550	£550	£479	£585

* Excludes Blackpool Unitary Authority

Source: VOA, 2013

- 6.21 1 bedroom rental properties in the Fylde Coast are typically available for a lower than national average price, although – with the exception of Blackpool – the remaining authorities surpass median rental prices from Lancashire as a whole. Lower quartile data allows the assessment of the range of rental levels, and this suggests that Fylde has the least variation in prices.
- 6.22 Similar patterns emerge for 2 bedroom properties. Blackpool has the lowest rental rates, with the median Fylde figure representing the highest of the three Fylde Coast authorities. All authorities are above the Lancashire level, but below the national median. The least variation occurs in Wyre.

6.23 With larger properties, rental rates in Blackpool, Fylde and Wyre are above the Lancashire level, with Fylde the only authority to match the national median in 3 bedroom properties. There is also less variation in rental rates, although the £220 difference between lower quartile figure and median in 4+ bedroom properties in Fylde suggests that this area can demand particularly high rents for larger properties.

6.24 At this point, the influence of local housing allowance should be considered, with analysis in section 9 indicating that there are high numbers of claimants operating in the private rented sector, particularly in Blackpool. As the later analysis shows, a large proportion of the private rented market is let to local housing allowance claimants, and therefore a significant number of people across the Fylde Coast do not pay all – or in some cases any – of their market rent.

6.25 It is also important to consider the role of the social rented sector. The table below summarises average monthly rents for social rented property of all sizes, and this is sourced from the HCA Statistical Data Return. It should be noted that this data has been calculated through determining a weighted average weekly rent for property of each size, based on providers recorded in the survey. A monthly figure has been derived from this calculation to allow effective comparison.

Figure 6.8 – Average Monthly Social Rent

	1 bedroom	2 bedrooms	3 bedrooms
Blackpool	£301	£343	£372
Fylde	£305	£342	£373
Wyre	£297	£338	£382

Source: HCA, 2013

6.26 As shown, there is significantly less variation in social rents between the Fylde Coast authorities, with few discernible conclusions to be drawn. For smaller properties, social rents are marginally more expensive in Fylde, although for 3 bedroom properties, Wyre represents the most expensive rent. As expected, however, rents for all sizes of properties are substantially lower than market rents, particularly for larger properties.

Access to Market Housing – Modelling Affordability

6.27 It is widely accepted that the recent economic downturn, and constraints on mortgage finance, have significantly affected the housing market at a national level. First-time buyers, and those households purchasing at the height of the market cycle (circa 2006/07), now find themselves in a much more challenged position when looking to either buy a home or move home. This is due to the heightened value of mortgage deposits required and/or issues of negative equity in the owner-occupied sector. As a result, many younger households are turning to parents for deposit contributions, or are looking to alternative housing products with lower deposit requirements. Overall, this has resulted in a considerable reduction in the number of transactions nationally, as many households either save for deposits, choose to remain in their current home due to economic insecurity or look to the social rented or private rented sector as an alternative option.

6.28 As shown earlier in this report, the Fylde Coast expectedly mirrors this pattern. The number of people in employment in the Fylde Coast has fallen since 2007, and a stable income and confidence of continuing employment is typically required to purchase a house. Moving into owner occupation for the first time is also a poor choice in a market that continues to struggle.

6.29 As a result, an increasingly important relationship is created between the active market elements assessed in this report and income. Income is an important factor in determining the ability of households to exercise choice and realise their aspirations for moving. The table below shows the lower quartile and median household income for each of the Fylde Coast authorities. The median figure is sourced from CACI data, which is cross-referenced with the ASHE percentile income profile to estimate the lower quartile household income presented.

Figure 6.9 – Household Income

Local Authority	Household Income	
	Lower Quartile	Median
Blackpool	£15,201	£22,492
Fylde	£17,774	£28,475
Wyre	£16,037	£25,422

Source: CACI, ASHE

6.30 This data can inform an indication of the relative affordability of market housing in relation to the financial capacity of households in each of the Fylde Coast authorities. This element of the assessment is based on the following assumptions:

- Lower quartile (LQ) house prices are utilised to represent lower market entry properties, with data sourced from DCLG to represent Q3 2012;
- Lower quartile private rent prices are used to represent entry into the private rented sector, utilising data released by VOA;
- An individual with a single income is considered able to buy a home if it costs 3.5 times the gross household income;
- A household is considered able to afford market housing in cases where the rent payable would constitute no more than 25% of their gross household income⁵⁹;
- ‘Rent payable’ is defined as the entire rent due, even if it is partially or entirely met by Housing Benefit; and
- Annual social housing rents are calculated from an average taken of RSL rental levels, utilising the HCA Statistical Data Return 2013

6.31 The table below illustrates the levels of income required to enter different tenures through the application of these assumptions across the Fylde Coast authorities.

Figure 6.10 – Affordability Benchmarks – Income Required

⁵⁹ This proportion is referenced in the 2007 SHMA Guidance (DCLG). The draft beta guidance does not include a prescriptive proportion to be applied. This will need to be monitored once the NPPG is formally published, however, for the purposes of this SHMA, the 25% figure is retained

	Blackpool	Fylde	Wyre
To purchase LQ house (3.5*income-5% deposit)	£18,129	£31,371	£26,486
Private rented LQ 2-bed dwelling (25% income)	£21,840	£23,760	£23,904
Private rented LQ 3-bed dwelling (25% income)	£26,400	£28,560	£27,072
Social rented – 2-bed dwelling (25% income)	£16,443	£16,413	£16,220
Social rented – 3 bed dwelling (25% income)	£17,833	£17,882	£18,314

Source: DCLG 2012, HCA SDR 2012, VOA 2013

6.32 Most notably, it is cheaper to purchase a property in Blackpool than rent, with this trend driven by low house prices in the authority. However, despite this, more people rent in Blackpool than buy with a mortgage, owing to the low wage profile making it difficult to make mortgage repayments and the fact that 30% of all households rely on Housing Benefit. In Fylde, there is a considerable gap between the income required to rent a property and the income required to purchase market property. This highlights the considerable challenge for households in the authority in getting onto the housing ladder from rented property into open market housing. This element of our assessment reinforces the variability in the Fylde Coast housing market.

Bringing the Evidence Together

6.33 This section has presented an overview of the active housing market across the Fylde Coast. There has clearly been considerable change in the housing market, and there is a high degree of variation at authority and sub-authority level. The key findings from this section are as follows:

- House prices have grown in line with the national trend, but typically remain at a lower level than seen nationally. There has also been a decline in housing transactions, although the rate of transactions has fallen more dramatically in the Fylde Coast than the national average, in line with the regional rate;
- Blackpool has the lowest house prices in the Fylde Coast, with inner area prices particularly low. House prices are generally higher in Fylde, and specifically within the rural areas and Lytham & St Annes. Wyre also has relatively high house prices when compared with the Fylde Coast as a whole, but Fleetwood is an area of particularly low house prices that is comparable with Blackpool. This hierarchy is even apparent at the lower end of the market when assessing lower quartile house prices;
- When dwelling type is considered, comparable properties in Blackpool attain a lower price than in other local authorities. House prices for all types are considerably higher in Fylde, and there is typically a premium in Wyre, too, of at least around £20,000 compared to a similar property in Blackpool;
- Market rental prices are generally lower than the national average in the Fylde Coast, for property of all sizes. Fylde and Wyre are, though, higher than the average for Lancashire, with the former expectedly generating the highest rental rates;

- There is significantly less variation in social rents between the Fylde Coast authorities, although, as expected, rents for all sizes of properties are substantially lower than market rents, particularly for larger properties;
- On average, household income in Blackpool is lower than Wyre, while income is highest in Fylde – mirroring the hierarchy in the housing market; and
- There is a considerable gap between the income required to rent a property in Fylde and the income required to purchase a property, creating a particular affordability issue for households wishing to get onto the housing ladder. In contrast, in Blackpool, it is cheaper to purchase a property than enter the rental market, although the high proportion of Housing Benefit claimants mean that a substantial number of residents do not have this option.

7 Fylde Coast Population and Household Projections

- 7.1 The NPPF, the emerging NPPG and the LGA / PAS Guidance note (2013) all stress the importance of understanding need based on the application and testing of projections of growth. The emerging Guidance notes that household projections published by the DCLG should provide the starting point but that:

“The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends”. (DCLG, 2013⁶⁰)

- 7.2 Within this section we present a number of scenarios of projected population and household change. These scenarios are intended to test the impact of different assumptions around demographic and economic change over the projection period. The modelling takes account of the assessment of the drivers of historic change presented in the preceding sections.
- 7.3 Further detail of the modelling methodology used is provided within Appendix 3.

Introducing the Scenarios

‘Official’ Projections

- 7.4 In all scenario analysis it is important to ‘benchmark’ any growth alternatives against the latest ‘official’ population projection. In 2013 the ONS released an ‘interim’ 2011-based population projection. Noting its interim status and the fact that the projections use assumptions from the 2010-based population projection to define its fertility, mortality and migration components of change. For this reason the 2011-based population projections are not considered by Edge Analytics to provide a suitably robust benchmark trend projection.
- 7.5 In April 2013 the DCLG also published the Interim 2011 based Sub National Household Projections (SNHP) which project household growth again over a ten year horizon between 2011 and 2021. These use the Interim 2011 SNPP datasets and apply derived headship rates to translate this into projected household growth. Again, there are a number of limitations to extending the application of these headship rate assumptions over a longer plan period. This is considered in greater detail in paragraphs 7.32 – 7.40 of this section.
- 7.6 In terms of a trend benchmark, on the basis of the above, the analysis in this section uses the 2010-based sub-national population projection (SNPP-2010) from the ONS rather than the 2011 Interim SNPP data. This scenario has been developed using historical evidence from the period 2006-10 and incorporates long-term assumptions on fertility, mortality and international migration that were defined in the 2010-based national projection for England.

⁶⁰ DCLG. National Planning Practice Guidance – Assessment of housing and economic development needs. 2013

- 7.7 The SNPP-2010 scenario is scaled to ensure consistency with the 2011 Census population, following its designated growth trend thereafter.
- 7.8 Recognising the wording of the Draft NPPG, whilst the above points suggest caution should be applied in considering the Interim SNHP dataset, the projected annual household growth figures over the projection period 2011 – 2012 are included below as a reference point for each authority.
- **Blackpool** – 30 households per annum
 - **Fylde** – 265 households per annum
 - **Wyre** – 338 households per annum
- 7.9 As stated above in considering these figures it is important to recognise that this Interim SNHP uses the Interim 2011 SNPP dataset with regards projected population change and should therefore be considered in light of the methodological challenges noted above.
- 7.10 The issues associated with the official and interim projections noted above further reinforces the importance of considering a range of alternatively modelled projections as well as the importance of continuing to update to reflect new available data in the future.

How many homes?

- 7.11 In order to assist authorities in understanding the need for housing the www.howmanyhomes.org website was launched in 2013 by a group of professional bodies, trade associations and charities with an interest in planning for housing. The data underpinning the modelling on the website uses the 2008 SNHP dataset and therefore suggests an alternative level of projected growth to the Interim projections considered above. The following levels of projected household growth between 2011 and 2030 for each of the Fylde Coast authorities are shown below:
- **Blackpool** - 263 households per annum
 - **Fylde** – 278 households per annum
 - **Wyre** – 499 households per annum
- 7.12 It is important to recognise that whilst this ‘toolkit’ represents an important contribution to comparing and contrasting projected levels of growth and the underpinning drivers of change, the input assumptions do not reflect the latest data available and considered in this report.

Alternative trend scenarios

- 7.13 The ONS has released detailed statistics from the 2011 Census, revised mid-year population estimates for 2002-10 and a mid-year population estimate for 2012 (see section 5). These provide the basis for the derivation of a number of alternative ‘trend’ scenarios to complement the most recent official projection (SNPP-2010).
- 7.14 In determining the migration assumptions for a new ‘2011-based’ trend projection historical data on the components of demographic change during the 2001 - 2011 time

period are a key consideration (2011 is used as it represents the 'actual' count from the 2011 Census). The analysis of the components of change of the population of each of the authorities in section 5 indicated that:

- **Blackpool** – The authority saw a moderate growth in population between 2001/02 and 2005/06 with the following five years then seeing a year on year reduction in population. The growth in the first half of the decade was driven by comparatively high levels of net in-migration which are offsetting consistently negative natural change. In considering these migrant flows it is important to recognise that analysis in section 5 highlighted that a large proportion of in-migrants were benefit claimants, impacting on the motivational drivers for moving to the authority. Between 2007/08 to 2011/12 three out of the five years show a negative net migration change highlighting the important role that migration plays in the direction of change in the population over recent years;
- **Fylde** – Fylde has seen a steady level of population growth between 2001/02 and 2011/12. As with Blackpool natural change represents a 'drag' effect with deaths exceeding births by around 400 persons each year. Net in-migration has been consistently positive over the full period with annual variations on average showing slightly higher levels over the first half of the decade; and
- **Wyre** – As with Blackpool's population Wyre saw a comparatively strong growth in the population at the start of the decade with net in-migration the key driver. The second half of the decade saw a period of slight population decline with net migration remaining positive but at considerably lower levels and therefore not offsetting a consistent trend of a negative natural change component.

7.15 A five year historical period is a typical time-frame from which migration 'trend' assumptions are derived (this is consistent with the ONS official methodology). However, given the unprecedented economic changes that have occurred since 2008 it is important to give due consideration to an extended historical time period for assumption derivation.

7.16 A range of 'migration-led' scenario alternatives have been developed and tested, as follows:

- **Migration-led 5yrs** – internal and international migration assumptions are based on the last five years of historical evidence (2006-07 to 2010-11);
- **Migration-led 10yrs** – internal and international migration assumptions are based on the last ten years of historical evidence (2001-02 to 2010-11); and
- **Natural Change** – in-migration, out-migration, immigration and emigration are each set to zero. Only births and deaths contribute to population change. This scenario is a hypothetical scenario and presented for illustrative purposes only.

Jobs-led Scenarios

7.17 The impact of an anticipated growth in employment can also be evaluated using a 'jobs or employment-led' formulation of the model, which uses in- and out-migration to balance the relationship between the size of the labour force and the number of new jobs anticipated. This aligns with the methodology proposed through the NPPG.

7.18 The jobs-led scenarios are constrained using labour market forecast data produced by Experian (released in April 2013 with the exception of Fylde where a September run of

the Quarterly Forecasts is used⁶¹) and the Oxford Economics dataset sourced from the LEP – a full description of the forecasts is included in section 5. The potential average job growth trajectories from both forecasting houses are listed below:

- **Blackpool** – Experian + 82 per year / Oxford Economics – 67 per year
- **Fylde** – Experian + 52 per year / Oxford Economics + 148 per year
- **Wyre** - Experian + 95 per year / Oxford Economics + 103 per year

7.19 The forecast data have been used in the development of two jobs-led scenarios for the Fylde Coast authorities, as follows:

- **Employment-led (Experian)** – population growth is constrained to an average jobs growth trajectory taken from the Experian forecast; and
- **Employment-led (Oxford Economics)** – population growth is constrained to an average jobs growth trajectory taken from the Oxford Economics forecast

7.20 For Fylde an additional jobs-led scenario has been run recognising the analysis of potential economic growth in the authority within the AECOM 2012 Employment Land Review analysed in section 5. This included a ‘policy-on’ scenario which forecast an increase of approximately 2,600 jobs. This scenario is labelled the Employment-led (AECOM) scenario⁶².

7.21 In modelling the potential impact of jobs growth upon demographic change three key parameters are used: economic activity rates by age and sex⁶³, an unemployment rate for each authority and a commuting ratio for the authority. Further details on these assumptions are provided in section 5 and Appendix 3.

7.22 POPGROUP is able to evaluate the impact of a particular jobs growth trajectory by measuring the relationship between the number of jobs in an area, the size of its labour force and the size of the resident population. Economic activity rates control the relationship between the size of the population and the size of the labour force. The unemployment rate and the commuting ratio determine the relationship between the size of the labour force and the number of jobs available.

7.23 If there is an ‘imbalance’ between the ‘target’ number of new jobs and the resident population, then migration is used to redress the imbalance. A higher level of net in-migration will occur if there is insufficient population to meet job targets. A higher level of net out-migration will occur if the population is too high relative to job targets.

⁶¹ Note: As explained in section 5 Experian sent across interim forecast data in July 2013 in advance of the September 2013 Quarterly forecasts. This data indicated a more positive employment outlook for Fylde and highlighted the impact of the updating of input economic data. The September 2013 dataset was therefore subsequently used for re-modelling in Fylde

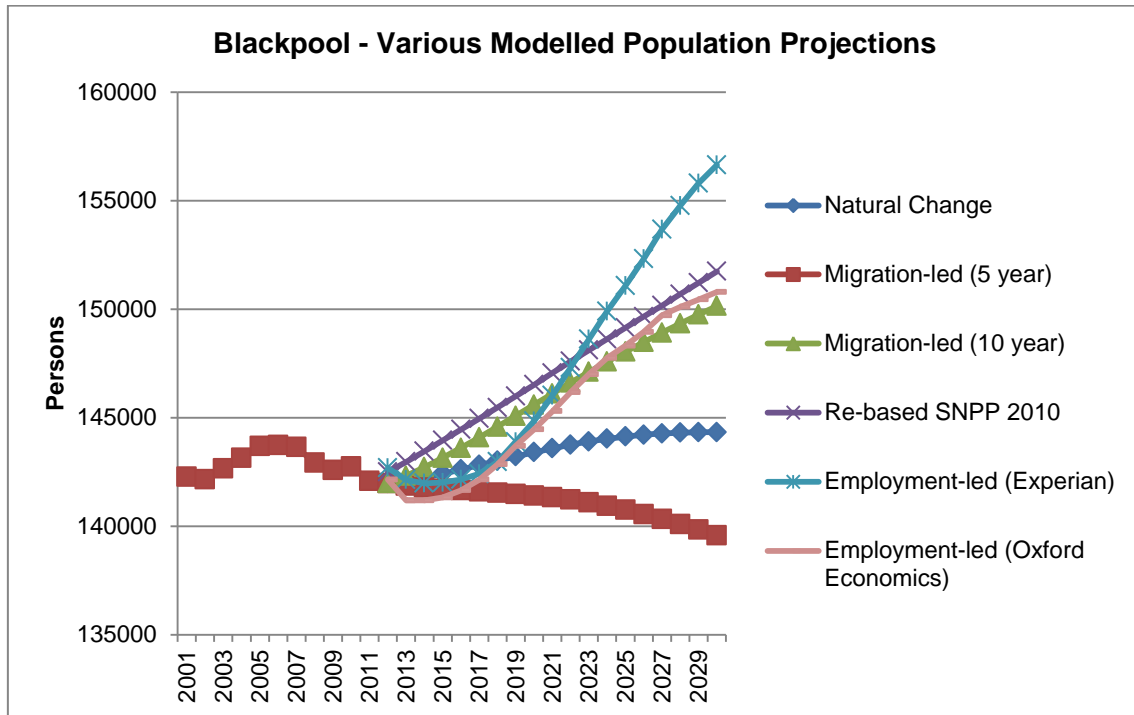
⁶² As noted in Section 5 the Wyre forecast led analysis within the Employment study showed a comparable level of growth to the scenarios modelled using the Experian and Oxford Economics forecasts and an additional scenario was not therefore run within the SHMA.

⁶³ For Blackpool economic activity rates are built from historical data for the authority. For Fylde and Wyre due to significant ‘data gaps’ in the historical dataset at an authority level Lancashire rates are used. A full explanation of modelling assumptions is included in Appendix 3. Note: Census 2011 economic activity rates by age group were made available in late 2013 but were not available at the time at which the modelling was undertaken.

Population Projections

7.24 The modelled population projections associated with each of the scenarios described above are presented for each authority.

Figure 7.1 – Alternative projections of population change – Blackpool



Source: Edge Analytics, 2013

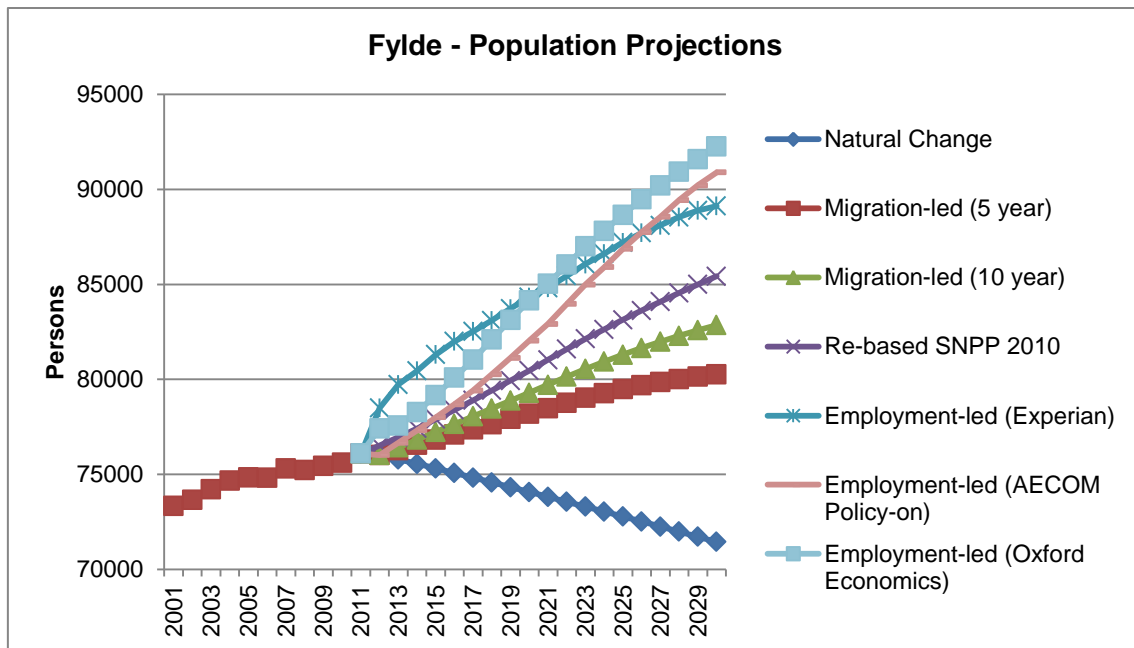
7.25 The impact of projected levels of migration is apparent in the above chart. The migration-led 5 year scenario shows a continued projected decline in the population of the authority reflecting the trends seen over the last half of the past decade. By contrast the 10 year migration-led scenario shows a picture of sustained growth reflecting the contrasting period of strong net in-migration which drove a period of population growth prior to 2007. The 2010 SNPP also shows a comparative but slightly higher rate of growth showing the highest demographic-driven level of growth - noting as stated above that this does not take into account of the latest revised mid year estimates published by the ONS and the implied modelled impact of migration⁶⁴. The natural change scenario, whilst representing a 'hypothetical' scenario indicates that with the removal of these alternative projections of migration the population itself would grow, albeit at a comparatively low pace.

7.26 The two employment-led scenarios illustrate the impact of the alternative projected changes to the economy. Under the Oxford Economics constrained scenario, which suggests a fall in total employment numbers over the projection period, the level of population change is still by 2030 relatively similar to the top-end of the demographic projections. This indicates that based on the changing age-profile of the authority and the make-up of the labour-force that the population would need to grow at a level

⁶⁴ These revised datasets were released after the publication of the Interim SNPP dataset and it is anticipated they will be considered through the production of the 2012 dataset anticipated in 2014

comparative to the upper end of the demographic scenarios in order to facilitate even this forecast of job losses. A higher level of job growth, as forecast by Experian, would result in a higher level of population growth from 2022 onwards. However, both scenarios continue to assume a comparatively low economic activity rate among the core working age population. The implications of achieving higher economic activity rates associated with a stronger economy and regeneration investment are considered further in section 8.

Figure 7.2 – Alternative projections of population change – Fylde

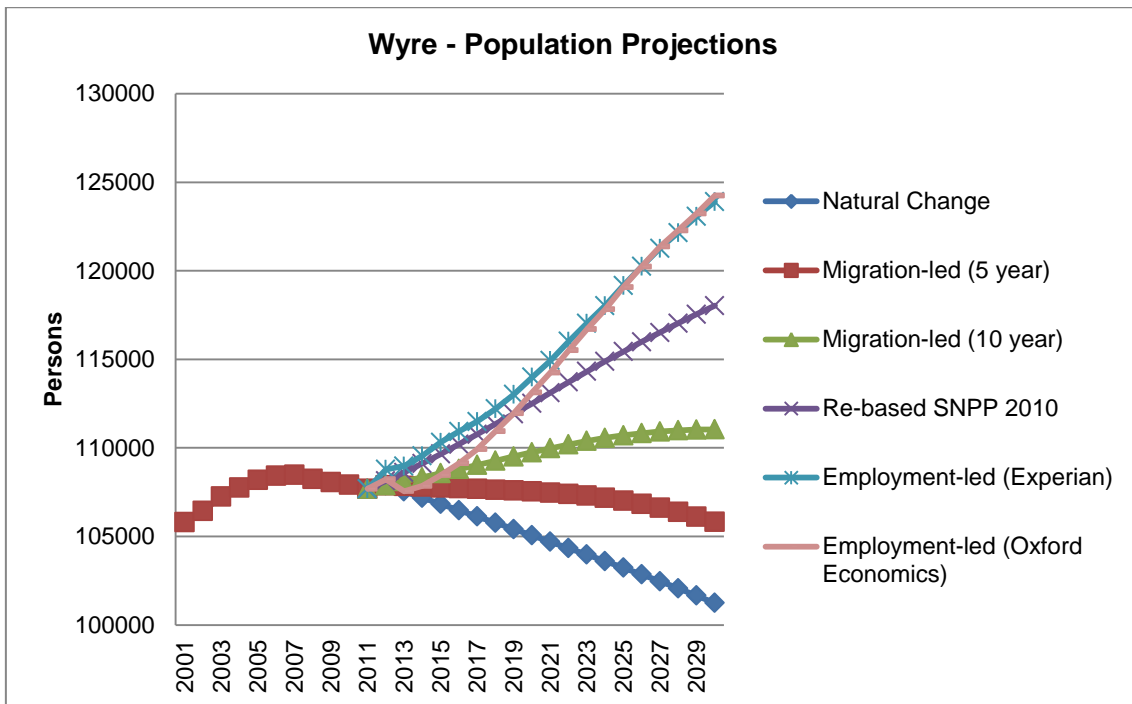


Source: Edge Analytics, 2013

7.27 Within Fylde an alternative picture is presented. With the exception of the 'hypothetical' natural change scenario all of the demographic scenarios show that the population of Fylde is projected to grow. This reflects the relatively sustained picture of net in-migration of persons into the authority over both a five year and ten year period. A ten-year driven migration trend suggests a higher level of population growth than a five-year built projection with both slightly exceeded by the Re-based SNPP 2010 scenario.

7.28 The three employment-led scenarios all show higher projected levels of population growth as a result of the modelling matching a labour-force, through increased in-migration, with a consistent forecast growth in jobs. In line with the different levels of jobs forecast the AECOM and Oxford-Economics constrained scenarios show a higher level of population growth than the Experian scenario which is based on a lower level of job growth.

Figure 7.3 – Alternative projections of population change – Wyre



Source: Edge Analytics, 2013

- 7.29 Similar to Blackpool the demographic-led scenarios in Wyre show a more varied picture. The ‘hypothetical’ natural change scenario shows a projected sustained decrease in the size of the population recognising the important role that migration has played in driving population growth and change over recent years. The migration-led 5 year scenario also suggests a projected decline in the population of the authority reflecting the more recent picture of low levels of net in-migration in the last half of the decade with the 10 year migration-led scenario reflecting the longer term trends and showing a growth in population.
- 7.30 As with both Blackpool and Fylde the 2010 SNPP scenario shows the highest projected level of population growth of the demographic-led scenarios. Again as highlighted previously it is important to note that this scenario does not reflect the outputs of the revision process undertaken by the ONS to align the historic modelled picture of growth to the count of people evidenced within the 2011 Census.
- 7.31 As with Fylde the two employment-led scenarios show a higher level of population growth, reflecting both the comparative strength of the level of job-growth forecast and the changing age structure of the population. The two scenarios show a comparatively similar level of growth reflecting the alignment of the two economic forecasts.

Household Projections

- 7.32 Household projections are derived through the application of household headship rates (also referred to as ‘household representative rates’ in the CLG documentation). In April 2013, CLG released its new household projections for local authority districts in England.

These household projections are underpinned by the 2011-based Interim SNPP's which are critiqued earlier in this section.

- 7.33 The projected household headship rates used in the Interim 2011 household model have been derived using 2011 Census data in combination with statistics from the Labour Force Survey. This represents an important update from the 2008 based datasets.
- 7.34 As with the population projections the rates under both datasets are built based on a trend analysis and therefore assume that what has happened previously will continue into the future.
- 7.35 This poses a challenge in terms of projecting forward. Evidently the period to 2008 represented a comparatively buoyant period in the housing market with derived rates therefore not taking account of the unprecedented economic conditions that have occurred since 2008. Equally, the fact that these are unprecedented conditions also means that taking a 2011 base point has the inherent weakness of projecting forward the current market conditions⁶⁵ / position over the long term.
- 7.36 This is reflected nationally with the household headship rates in the Interim 2011 SNHP projecting forward a reduced level of single person and family households with no children household formation. By contrast there is a notable projected increase in households comprised of a couple and one or more other adults with not dependent children and the miscellaneous 'Other' classification which includes multi-adult households. This reflects the affordability issues facing new emerging households, with many young adults forced to remain living with parents.
- 7.37 This issue is recognised through a report⁶⁶ issued by Cambridge Centre for Housing & Planning Research (CCHPR) which concluded:

"There will be a temptation to modify the household numbers suggested by the projections to reflect the 2011 census but this should only be done where there is clear evidence that the changes are not the result of short-term fluctuations which are likely to come back to trend in the medium term. It follows that to make a case for lower household numbers than suggested by the 2008-based household projections local authorities would need to not only show that the actual household numbers in their area in 2011 were lower than projected but also to argue convincingly that the shortfall was not due to short term factors that would re-balance during the plan period. The 2011 census results are a snap shot taken after a period of severe economic and housing market volatility, it would be reasonable to expect the numbers of households that formed in the years running up to the census were significantly below the low term trend." (CCHPR, March 2013)

- 7.38 Given the interim status of the 2011 subnational household projection (SNHP) and the recognition that both this and the 2008 SNHP dataset are heavily impacted on by the market conditions of the historical period from which they are derived, headship rate

⁶⁵ Note: The analysis in section 5 indicates the issues within the current market in terms of the ability of new households to enter the housing market.

⁶⁶ 'Choice of Assumptions in Forecasting Housing Requirements Methodological Notes', Cambridge Centre for Housing & Planning Research (CCHPR), March 2013

assumptions are used from both datasets to provide a spectrum of associated household growth attributed to the different population projections presented in this section.

7.39 Dwelling requirements are built from the household projections through an assumed vacancy rate of 2.5%. This takes into account an assumption around the turnover of stock with a proportion of dwellings always empty at a given point in time (linked to factors such as disrepair, renovation or moving). This level of vacancy is lower than that recorded in the latest Council Tax data as shown in section 3, and it is important to state that this figure applies only to future housing provision, and not the re-use of existing stock.

7.40 The separate derived household and dwelling growth estimates are shown separately for each authority in a series of tables.

Blackpool – Projected Household Change

Figure 7.4 – Projected Household Change – 2008 Headship Rate Assumptions

Scenario (2008 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	64,273	67,504	3,231	174
Migration-led (5 year)	64,273	65,731	1,458	79
Migration-led (10 year)	64,273	70,295	6,022	325
Re-based SNPP 2010	63,558	71,308	7,750	418
Employment-led (Experian)	64,273	73,161	8,888	479
Employment-led (Oxford Economics)	64,273	70,613	6,340	342

Source: Edge Analytics, 2013

Figure 7.5 – Projected Household Change – 2011 Headship Rate Assumptions

Scenario (2011 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	64,271	64,734	463	25
Migration-led (5 year)	64,271	63,073	-1,198	-65
Migration-led (10 year)	64,271	67,443	3,172	171
Re-based SNPP 2010	63,574	68,430	4,856	262
Employment-led (Experian)	64,271	70,090	5,819	314
Employment-led (Oxford Economics)	64,271	67,692	3,422	185

Source: Edge Analytics, 2013

7.41 Reflecting the variation in the population projections the modelling of household change results in a wide spectrum of dwelling requirements. The highest requirement is generated from the Employment-led scenario with the application of the 2008 SNHP headship rates at almost 480 houses a year required. Discounting the natural change scenario due to its 'hypothetical status' at the other end of the spectrum the migration-led 5 year scenario shows a negative requirement with the application of the 2011 SNHP headship rates and a requirement of only 80 dwellings a year under the 2008 rates.

Fylde – Projected Household Change

Figure 7.6 – Projected Household Change – 2008 Headship Rate Assumptions

Scenario (2008 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	35,019	34,375	-644	-35
Migration-led (5 year)	35,019	38,577	3,558	192
Migration-led (10 year)	35,019	40,091	5,072	274
Re-based SNPP 2010	35,312	41,867	6,555	354
Employment-led (Experian)	35,019	42,434	7,415	400
Employment-led (AECOM Policy-on)	35,019	43,156	8,137	439
Employment-led (Oxford Economics)	35,019	43,749	8,730	471

Source: Edge Analytics, 2013

Figure 7.7 – Projected Household Change – 2011 Headship Rate Assumptions

Scenario (2011 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	35,017	33,278	-1,739	-94
Migration-led (5 year)	35,017	37,449	2,431	131
Migration-led (10 year)	35,017	38,923	3,905	211
Re-based SNPP 2010	35,307	40,637	5,330	288
Employment-led (Experian)	35,017	41,184	6,167	333
Employment-led (AECOM Policy-on)	35,017	41,859	6,841	369
Employment-led (Oxford Economics)	35,017	42,445	7,428	401

Source: Edge Analytics, 2013

7.42 The range of requirements resulting from the modelling in Fylde also shows a broad range. At the upper end the Employment-led Oxford Economics scenario projects a need

for approximately 470 dwellings per annum using the 2008 SNHP headship rates and at the opposite end, again discounting the natural change scenario, the migration-led 5 year scenario shows a projected requirement of only approximately 130 dwellings a year using the 2011 headship rates.

Wyre – Projected Household Change

Figure 7.8 – Projected Household Change – 2008 Headship Rate Assumptions

Scenario (2008 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	47,242	46,830	-412	-22
Migration-led (5 year)	47,242	49,925	2,683	145
Migration-led (10 year)	47,242	52,706	5,464	295
Re-based SNPP 2010	47,046	54,940	7,894	426
Employment-led (Experian)	47,242	57,091	9,849	531
Employment-led (Oxford Economics)	47,242	57,221	9,979	538

Source: Edge Analytics, 2013

Figure 7.9 – Projected Household Change – 2011 Headship Rate Assumptions

Scenario (2011 SNHP Headship Rates)	Households			Dwelling Requirement
	2011	2030	Change 2011-2030	
Natural Change	47,245	45,011	-2,234	-121
Migration-led (5 year)	47,245	48,152	907	49
Migration-led (10 year)	47,245	50,826	3,582	193
Re-based SNPP 2010	47,051	53,136	6,085	328
Employment-led (Experian)	47,245	55,149	7,904	426
Employment-led (Oxford Economics)	47,245	55,243	7,998	431

Source: Edge Analytics, 2013

7.43 For Wyre the range stretches from almost 540 at the upper end associated with the Employment-led Oxford Economics scenario using the 2008 headship rates down to only 50 a year under the migration-led 5 year scenario. This represents a significant range and illustrates in particular the implication of an ageing population and the lack of alignment to a forecast growth in the employment base in the authority.

Considering the Implications of Varying Levels of Household Growth

7.44 Section 11 considers in detail the implications for differing levels of growth through an evaluation of the scenarios to identify the objectively assessed need for housing in the authority. To inform this evaluation, and to set the levels of growth projected through the modelling presented in this section in context, the following tables highlight – for each authority – the important relationships between assumed job growth, migration and the additional number of dwellings required. A mid-point is taken with regards the dwelling requirement associated with the application of the 2008 and 2011 SNHP headship rates to provide a balanced position regarding the different historically derived trends implied by both.

Figure 7.10 – Blackpool – Projected change in migration, dwellings and the labour-force – Various scenarios

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Natural Change	0	100	-265
Migration-led (5 year)	-242	7	-345
Migration-led (10 year)	193	248	-27
Re-based SNPP 2010	366	340	65
Employment-led (Experian)	567	397	82
Employment-led (Oxford Economics)	283	263	-67

Source: Edge Analytics / Turley Associates, 2013

7.45 It is evident that only the Re-based SNPP 2010 and Employment-led Experian scenarios are, based on the modelling, able to facilitate a level of job growth over the projection period. The migration-led 5 year projects a substantial reduction, year on year, of the level of jobs which are likely to be able to supported within the authority assuming the range of assumptions applied in the modelling are sustained. This at least in part reflects the impacts of the recessionary period in Blackpool which have seen a fall in jobs and a reversal of migration trends.

7.46 The longer-term migration ten year scenario more closely aligns with the Employment-led Oxford Economics scenario with the latter presenting a more suppressed view of the economic potential of the authority which itself mirrors the mixed fortunes of the authority over the recent past (last ten years or so). Further consideration is given to these issues within section 8 of this SHMA which looks in more detail at the underlying issues in relation to Blackpool's labour-force.

7.47 It is interesting to note with regards to the modelled migration levels assumed with the various scenarios that the level assumed under the Employment-led Experian scenario considerably exceeds the long term average indicated through the migration-led 10 year scenario. When considering the components of change chart in section 5 it is evident that through more buoyant periods of growth the authority has seen higher levels of net in-

migration exceeding 1,000 persons per annum and so this level is not unprecedented. Importantly, however, it is also necessary to recognise that, historically, the connection between migration and employment has been more complex in Blackpool than the modelling under these employment-led scenarios suggests. This will need to be considered in greater detail as the Council enhances its evidence base through further work that continues to examine local economic projections to support the setting of Blackpool's housing requirement.

Figure 7.11 – Fylde – Projected change in migration, dwellings and the labour-force – Various scenarios

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Natural Change	0	-64	-355
Migration-led (5 year)	504	162	-206
Migration-led (10 year)	645	242	-120
Re-based SNPP 2010	833	321	8
Employment-led (Experian)	920	366	52
Employment-led (AECOM Policy-on)	1,016	404	111
Employment-led (Oxford Economics)	1,077	436	148

Source: Edge Analytics / Turley Associates, 2013

7.48 The continuation of historical levels of average migration will, based on the modelling, not facilitate a growth of the local economy reflecting the ageing population as considered in the analysis in section 5.

Figure 7.12 – Wyre – Projected change in migration, dwellings and the labour-force – Various scenarios

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Natural Change	0	-71	-250
Migration-led (5 year)	339	97	-244
Migration-led (10 year)	614	244	-149
Re-based SNPP 2010	938	377	2
Employment-led (Experian)	1,216	479	95
Employment-led (Oxford Economics)	1,239	485	103

Source: Edge Analytics / Turley Associates, 2013

7.49 Wyre's profile is similar to Fylde with the modelling indicating that a continuation of historic levels of migration, averaging between 339 – 614 per year, will not facilitate a growth in the labour-force to assist in supporting job growth. Again there are parallels regarding the historic shape of population change in the authority with the more buoyant period seen prior to 2007 including a number of years where net-migration was around or in excess of 1,000 persons per year. Levels over more recent levels have fallen considerably to 200 persons or below, noting that the last year of data shows a strong level of recovery to over 700 persons.

Changing household type and the age of the population

7.50 This section uses the population and household projections developed by Edge Analytics to provide an indication of the implications for the future demand for different types of property within the three Fylde Coast authorities.

7.51 The changing profile of the different types of households projected to form is presented for two of the scenarios considered in the analysis above (noting comparable data has been modelled for all of the scenarios). This illustrates the potential variance in the types of households projected to form depending on a range of factors, not least market factors and household aspirations.

7.52 Consideration is then given to how this changing household profile might be translated into requirements for different sizes and types of property. This references national evidence sourced from the latest English Household Survey (2012).

7.53 Finally in line with the NPPF and the available guidance the analysis considers the age profile of different households, in particular highlighting the scale of projected growth in older person households acknowledging that this will place specific pressures on the types of accommodation required on each of the authorities over the projection period.

Projected changes to household composition

7.54 Each of the POPGROUP derived projections presented in this section can be broken down into the seventeen different household composition categories defined by CLG (and consistent with the CLG published sub-national household projections).

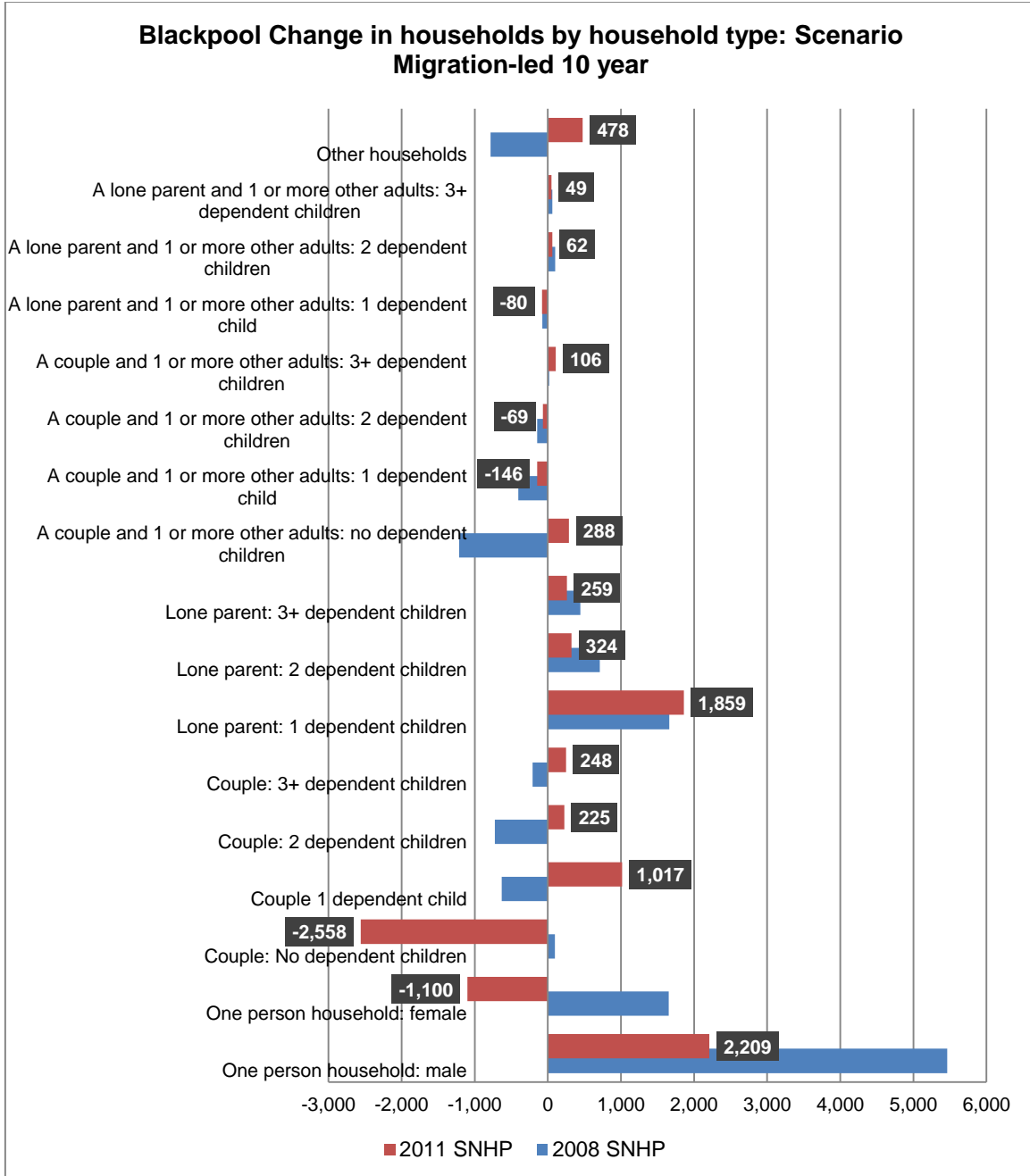
7.55 Recognising the conclusions arrived at in comparing the various scenarios for each of the authorities, and in order to illustrate the impact of alternative futures within the range presented, the analysis is presented for two scenarios:

- **Migration-led 10 years** – This scenario is selected as it evidently shows a longer term trend based projection which is obviously affected by, or indeed associated with, market and demographic factors over this period; and
- **Employment-led** – The more optimistic employment-led scenario is used to demonstrate the potential impact of realising a level of job growth within each of the authorities which assumes an increased level of in-migration of working age persons. Reflecting the aim of selecting the most optimistic forecast means that the Oxford Economics scenario is applied for Fylde and Wyre, while the Experian scenario is used for Blackpool.

7.56 A chart is shown for each of these scenarios for each of the authorities which illustrates the projected change by each of the seventeen household classifications. In order to highlight the implications of the two alternative headship rate assumptions (2008 base and 2011 base) each chart shows both runs of the model.

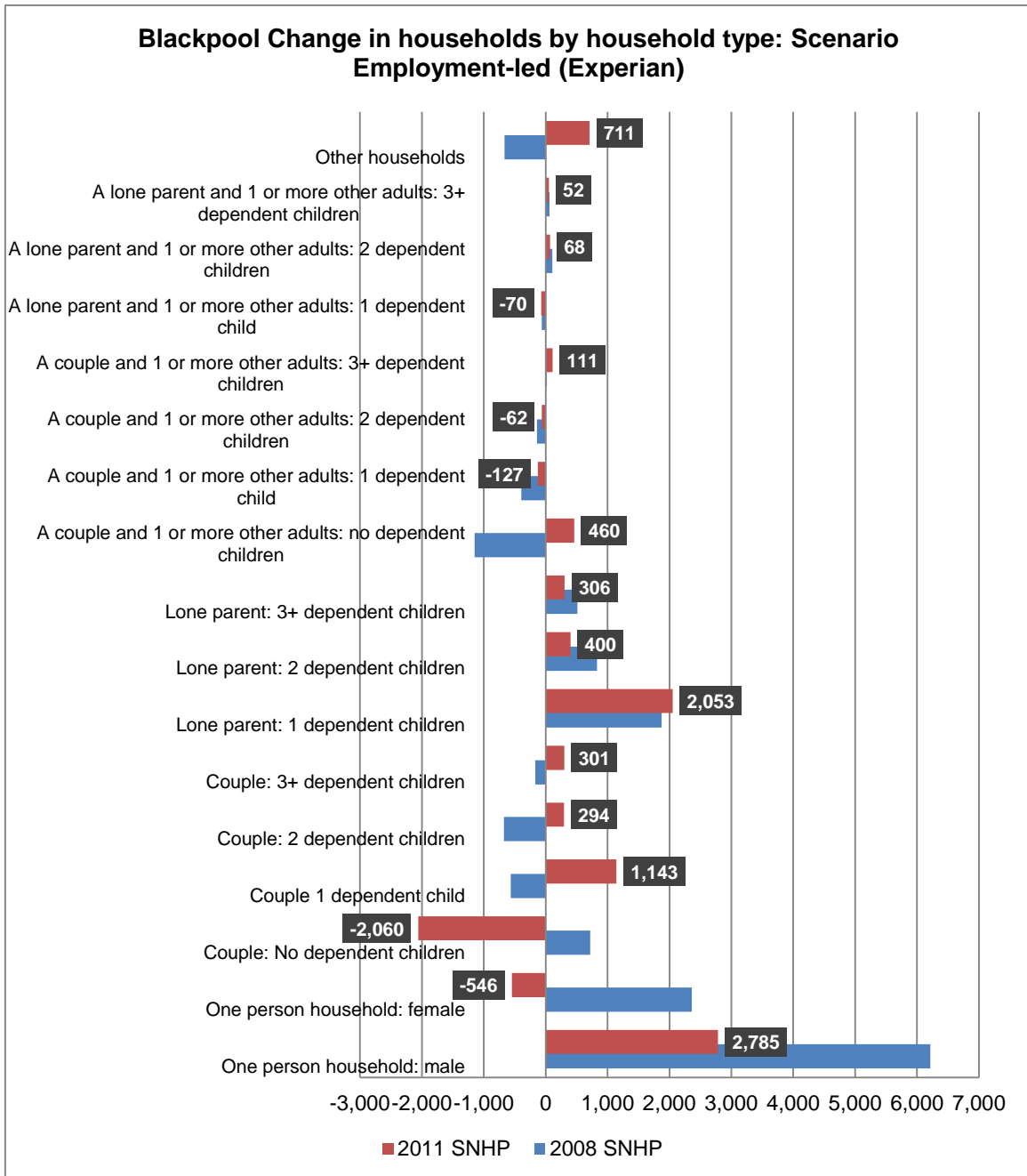
Blackpool - Projected Change in Household Type

Figure 7.13 – Blackpool Changing Household Type / Composition – Migration-led 10 year Scenario



Source: Edge Analytics, 2013

Figure 7.14 – Blackpool Changing Household Type / Composition – Employment-led Experian Scenario

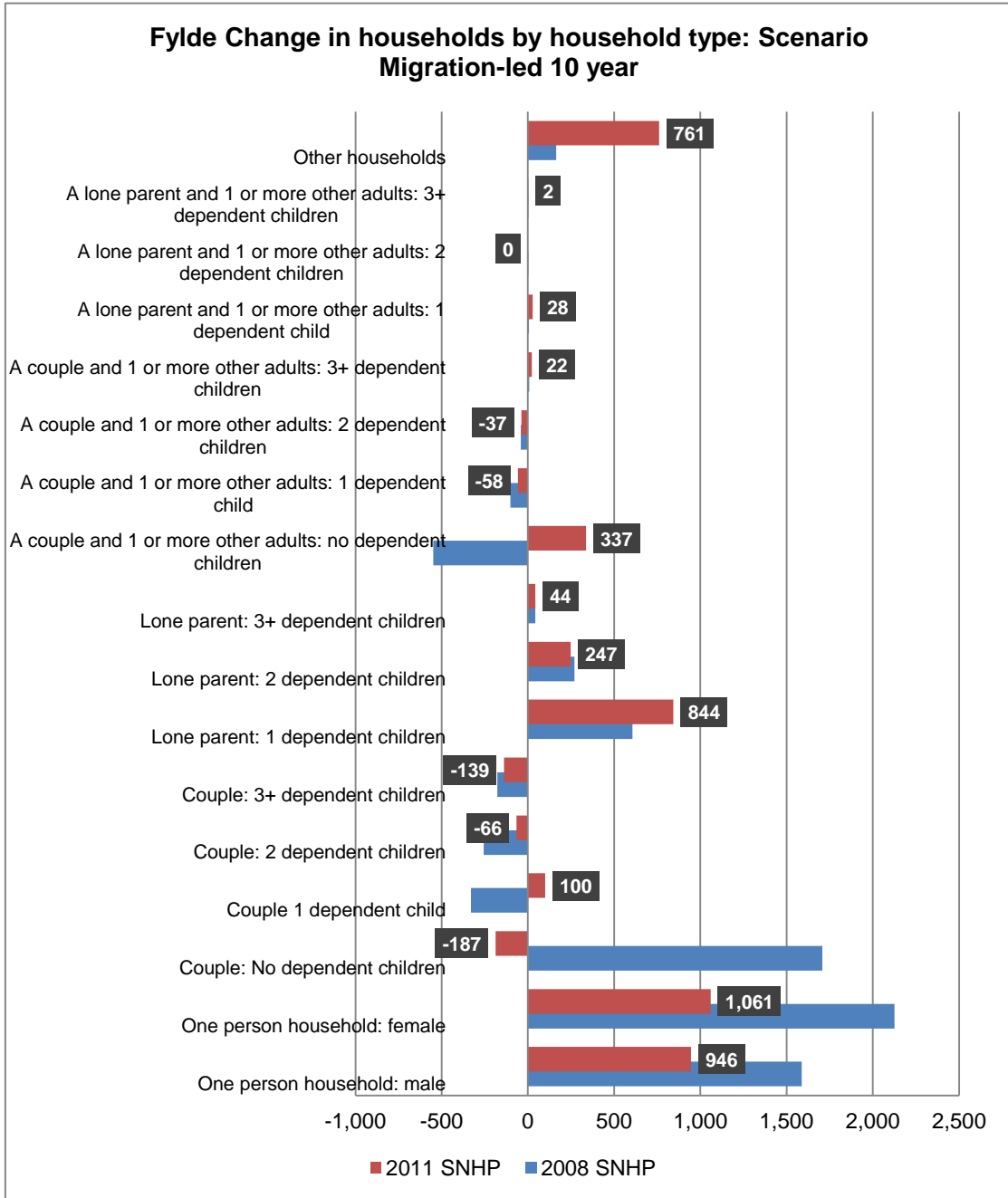


Source: Edge Analytics, 2013

- 7.57 The two scenarios both show a projected growth of one person male households, with the scale of growth considerably higher when the 2008 SNHP headship rates are applied. Interestingly, however, the scenarios show a much smaller growth, or even a decline when the 2011 SNHP headship rates are applied in single female households. This is likely to reflect the historical trends in the authority which have seen the authority attract single males for a number of reasons, including the availability of small accommodation in the Inner Blackpool area. Other household groupings which are anticipated to see strong growth include lone parent with dependent children households and – under the employment-led scenario – stronger growth in couple households associated with the assumed in-migration of working age persons and households.
- 7.58 The impact of projecting historical trends forward, even when aligning it with the historical employment position, is illustrated as one of the limitations of the modelling with this sustained potential ‘unbalancing’ of the population not necessarily aligning with policy and strategy ambitions. The analysis in section 8 illustrates the application of alternative economic assumptions, linked to a changing population profile in Blackpool.

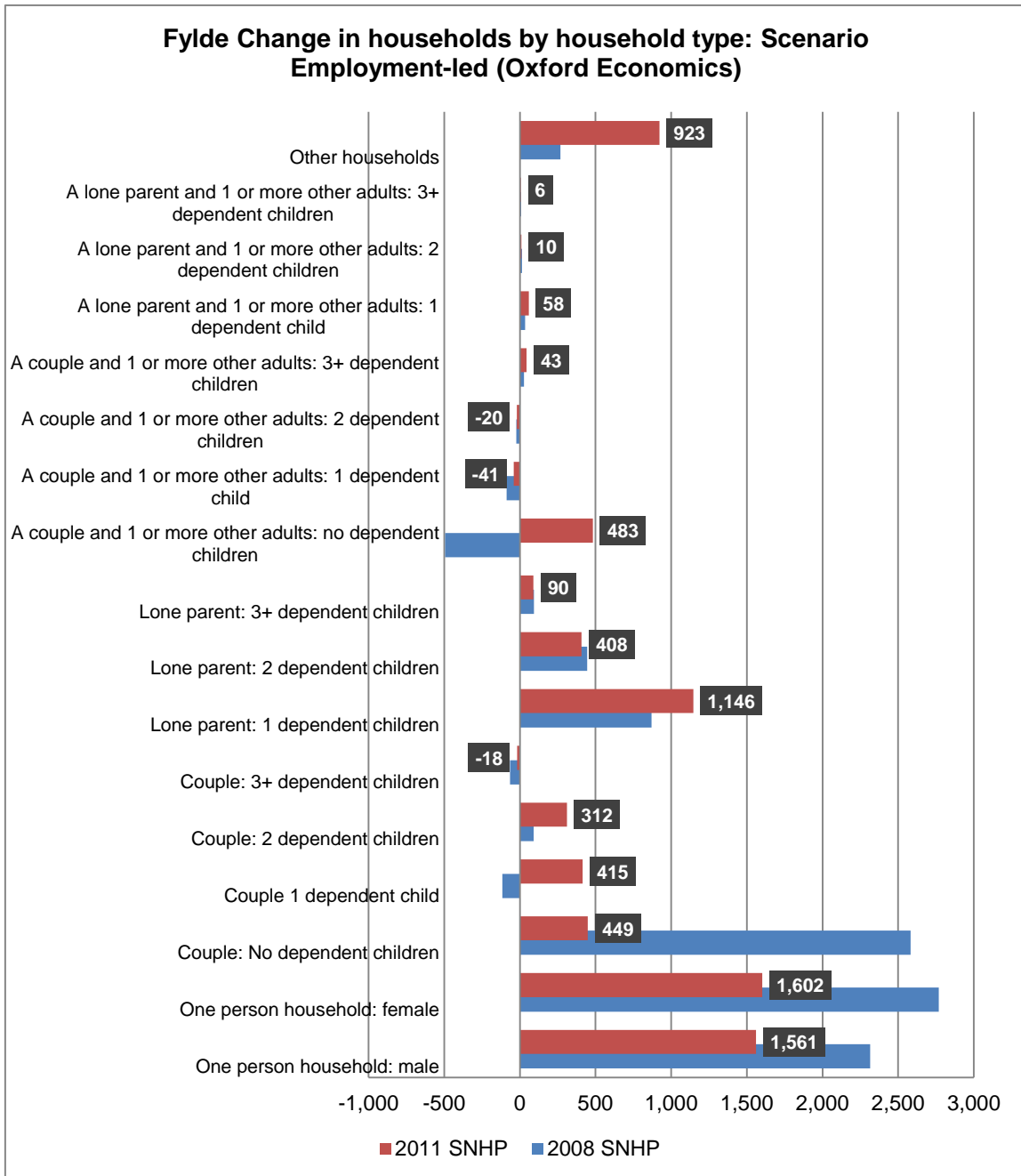
Fylde - Projected Change in Household Type

Figure 7.15 – Fylde Changing Household Type / Composition – Migration-led 10 year Scenario



Source: Edge Analytics, 2013

Figure 7.16 – Fylde Changing Household Type / Composition – Employment-led Oxford Economics Scenario

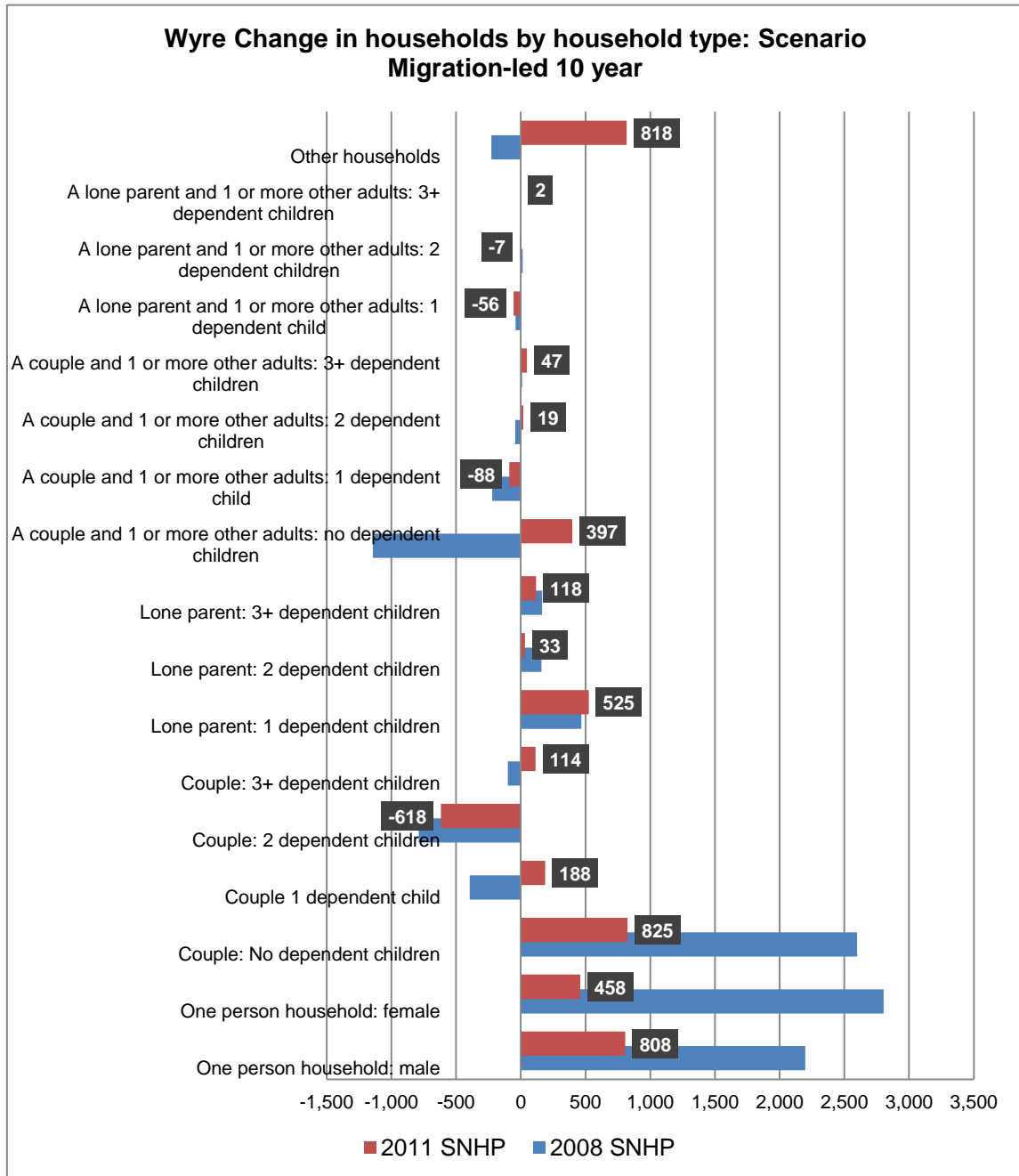


Source: Edge Analytics, 2013

- 7.59 Using the 2008 SNHP rates Fylde is forecast to see a substantial increase in one person and couple (no dependent children) households under both scenarios with the scale of increase more significant under the employment-led scenario. Under the 2011 headship rate assumptions the increase in these household types is less marked but still notable for one person households but considerably less so for couple households.
- 7.60 Under the migration-led scenario a notable decline in couple households with dependent children is indicated. This is moderated under the employment-led scenario with the impact of an assumed in-migration of working age persons influencing this household type in particular.

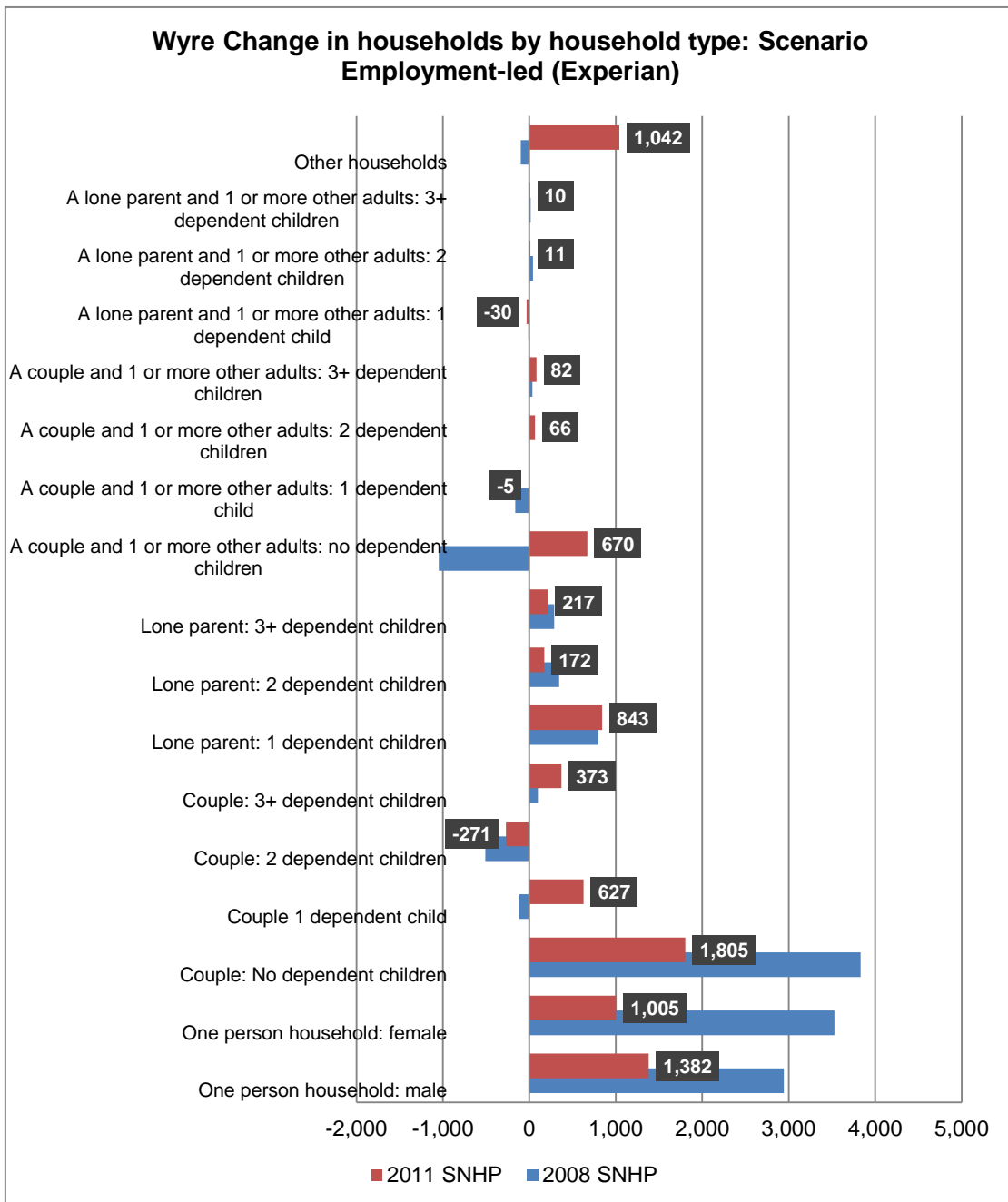
Wyre - Projected Change in Household Type

Figure 7.17 – Wyre Changing Household Type / Composition – Migration-led 10 year Scenario



Source: Edge Analytics, 2013

Figure 7.18 – Wyre Changing Household Type / Composition – Employment-led Oxford Economics Scenario



Source: Edge Analytics, 2013

7.61 A similar profile to Fylde is illustrated in Wyre. The modelling quite clearly shows the assumed impact under the 2011 household projections with a growth in couple households with 1 or more other adults (usually non dependent children) and a smaller growth in single person and couple households than under the 2008 dataset assumptions. This highlights the impact that other market factors, such as the availability

of supply and the mortgage market / accessibility to housing can have on the demographics of an area.

Implications for the requirement for different sizes / types of housing

- 7.62 The matching of changing household composition profiles to the sizes / types of housing is challenging. Whilst households within affordable housing tenures are matched, at least when they are entering the tenure, to housing based on a strict application of bedroom standards the same is not true within market housing. Therefore a simplistic matching of the number of persons in a household to a size of property is not appropriate and fails to take account of market choice or household aspirations.
- 7.63 This is illustrated when considering the levels of under-occupancy across different tenures. The latest English Housing Survey 2011-12 (published July 2013) showed that nationally 37% of households under-occupied their property in 2011-12 (under-occupation is measured against the bedroom standard). Within the owner-occupied sector this rose to almost half - 49% - but was considerably lower in the social rented and private rented sectors, 10% and 16% respectively.
- 7.64 Interestingly levels of under-occupancy are highest in those older age groups with just over half – 52% - of households aged over 65 under-occupying their property with this falling to approximately 15% for households aged 25-34 and around 10% for those aged 16-24.
- 7.65 The English Housing Survey (EHS) does, however, provide a useful indication of the characteristics of different types of household including the size of property they live in. The size of property in this context is presented in terms of the useable floorspace (as measured by surveyors). The following range of floorspaces is used within the survey (Figure 7.19). In order to align these with different types of property we have attributed them to broad property descriptions based upon our own experience and analysis of comparables.

Figure 7.19 – EHS Useable Floorspace categories and associated property types

Useable floorspace	less than 50 m ²	50 to 69 m ²	70 to 89 m ²	90 to 109 m ²	110 m ² or more
Broad associated property description	Studio / small 1 bedroom apartment	2 bedroom flat or small mews house	2 or 3 bedroom family house - semi-detached / mews	3 or 4 bedroom family semi-detached house or small 4 bedroom detached house	Larger 4 + family detached house

Source: EHS 2013, Turley Associates, 2013

7.66 The EHS provides a breakdown of the proportion of different types of households that occupy these different sizes of property across England. This is replicated in Figure 7.20. Unfortunately, comparable data is not available at a local authority level, however, the national benchmark provides a useful comparator if it is assumed that at this macro level households aspirations are relatively closely matched with supply and not disproportionately influenced by specific supply profiles at a local level.

Figure 7.20 – EHS Household type by useable floor space, 2011

Household type	Useable floor space (m ²)				
	less than 50	50 - 69	70-89	90-109	110 or more
Couple, no dependent child(ren)	7.5%	18.9%	27.9%	15.9%	29.8%
Couple with dependent child(ren)	2.8%	19.3%	28.8%	17.8%	31.3%
Lone parent with dependent child(ren)	7.8%	37.3%	35.5%	11.5%	7.9%
Other multi-person households	4.6%	24.8%	37.8%	14.4%	18.4%
One person	26.2%	30.6%	23.0%	9.9%	10.3%

Source: EHS 2013

7.67 Taking the headline profile of the sizes of property associated with different household classifications allows a comparison to the modelling of projected household types, providing an indication of the sizes of property likely to be required across the Fylde Coast. This is done by establishing the proportionate split of the size of property required based on alignment of household type and EHS current household propensity.

7.68 This is presented in the tables below, with analysis of a migration-led and employment-led scenario. An average figure is derived from the 2008 and 2011 headship rates for each scenario, before a further average is calculated to provide an indicative figure of the sizes of property required respecting both scenarios. Each authority is considered separately, with property sizes designated according to EHS definitions.

7.69 It is important to recognise that, while the EHS considers a property with a useable floorspace of less than 50m² as a general indicator for a 1 bedroom flat, this contradicts existing policies across the Fylde Coast which require a higher space standard. Identified need within this bracket, therefore, is likely to be met with provision of properties up to 69m².

7.70 It is also necessary to consider that this analysis is policy off and reflects housing requirements at authority level, based on the forward projection of current trends. The analysis will need to be considered alongside Local Plan objectives for local areas, particularly where areas are currently deprived and dominated by small flats, necessitating a re-balancing of the housing stock.

7.71 There are some areas where different approaches are required to re-balance the housing stock at the neighbourhood level.

Figure 7.21 – Estimated Size of Properties Required – Blackpool

Migration-led 10 year scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	32%	39%	22%	7%	-1%
2011 SNHP	12%	39%	35%	11%	4%
Average	22%	39%	29%	9%	2%
Employment-led (Experian) scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	27%	36%	24%	8%	5%
2011 SNHP	13%	34%	32%	12%	10%
Average	20%	35%	28%	10%	7%
Overall Average	21%	37%	28%	9%	4%

Source: Edge Analytics / Turley Associates, 2013

Figure 7.22 – Estimated Size of Properties Required – Fylde

Migration-led 10 year scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	22%	30%	25%	10%	12%
2011 SNHP	17%	32%	30%	11%	10%
Average	19%	31%	28%	11%	11%
Employment-led (Oxford Economics) scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	19%	29%	26%	12%	15%
2011 SNHP	15%	29%	30%	12%	14%
Average	17%	29%	28%	12%	15%
Overall Average	18%	30%	28%	11%	13%

Source: Edge Analytics / Turley Associates, 2013

Figure 7.23 – Estimated Size of Properties Required – Wyre

Migration-led 10 year scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	27%	31%	22%	10%	11%
2011 SNHP	14%	28%	31%	12%	15%
Average	20%	29%	26%	11%	13%
Employment-led (Oxford Economics) scenario					
Variant	Less than 50m ²	50 to 69m ²	70 to 89m ²	90 to 109m ²	110m ² or more
2008 SNHP	20%	29%	25%	11%	15%
2011 SNHP	12%	27%	30%	13%	18%
Average	16%	28%	27%	12%	17%
Overall Average	18%	28%	27%	12%	15%

Source: Edge Analytics / Turley Associates, 2013

7.72 From the analysis above, the following observations can be drawn:

- The strong projected growth in single person households, particularly if the 2008 headship rates are applied, would suggest the need for a notable proportion of smaller properties. This is supported by the EHS which shows that around 57% of these households live nationally in properties with a useable floorspace of less than 69m². The age profile of these households as well as couple households is considered in more detail in the following sub-section with this having a bearing on the nature of this smaller housing which is required. However, this should be considered alongside the earlier point, with areas with a particularly high proportion of smaller stock – such as Inner Blackpool – requiring different approaches to re-balance the housing stock at a neighbourhood level;
- The projected increase in lone-parent households with children is likely to lead to a requirement for medium sized properties with approximately over 70% of households of this type living nationally in properties sized between 50 to 89 m² of useable space;
- Whilst the projected increase in household categories showing higher propensities to occupy larger properties i.e. couples with children or without is less pronounced, there will continue to be a need for this type of housing with it representing an aspiration for a proportion of all types of households. Equally it is evident under the employment-led scenario that a higher in-migration of working age person households drives a growth in couple/family households across the area which will place greater pressures on the provision of larger stock highlighting the important role that housing can play in supporting the economic growth of the area.

Considering a changing household age profile

7.73 As the analysis throughout the SHMA has shown the ageing of the population within all of the Fylde Coast authorities and indeed England will have a notable impact on the changing profile of households. This is illustrated when considering in particular projected changes in one person and couple households without dependent children which are the categories in which most older persons households are defined.

7.74 The following tables show the split of households by the age of the head of household for these two household categories. The analysis is presented for the same two scenarios used in the analysis of changing household types. In order to make the presentation simpler an average is taken between the two alternative headship rate variants.

Figure 7.24 – Blackpool - Modelled change in one person and couple households

Average 2008 and 2011 SNHP headship rates		
Age of head of household	One person household	Couple household no dependent children
Migration-led 10 year		
15-34	357	-706
35-64	1,996	-1,400
65+	1,969	793
Employment-led (Experian)		
15-34	684	-659
35-64	2,199	-1,291
65+	2,823	1,224

Source: Edge Analytics / Turley Associates, 2013

Figure 7.25 – Fylde - Modelled change in one person and couple households

Average 2008 and 2011 SNHP headship rates		
Age of head of household	One person household	Couple household no dependent children
Migration-led 10 year		
15-34	-15	-165
35-64	511	-883
65+	2,513	1,800
Employment-led (Oxford Economics)		
15-34	156	-75
35-64	1,294	-438
65+	2,884	2,048

Source: Edge Analytics / Turley Associates, 2013

Figure 7.26 – Wyre - Modelled change in one person and couple households

Average 2008 and 2011 SNHP headship rates		
Age of head of household	One person household	Couple household no dependent children
Migration-led 10 year		
15-34	25	-147
35-64	325	-520
65+	2,903	2,368
Employment-led (Oxford Economics)		
15-34	324	87
35-64	1,033	139
65+	3,321	2,683

Source: Edge Analytics / Turley Associates, 2013

- 7.75 Across all three authorities it is evident that the increase represented by older person households within both of these household categories is significant. Under all of the scenarios they constitute the vast majority of couple households and a significant proportion of one person households.
- 7.76 This growth in these older person household types reflects the ageing of the population with the reclassification of households as older person single or couple households once children move out. It is evident given the scale of change that consideration needs to be given to meeting the changing needs of these households.

7.77 In considering these needs it is important to reflect on the fact that a substantial proportion of older person households currently under-occupy their stock. It is likely, based on household aspirations and the limited availability of alternative housing options, that this trend continues without a fundamental change to the overall stock profile through new supply. This has an implication in considering the provision of an appropriate level of housing suitable to meet the needs of this group over the plan period. There exists the potential to 'free up' existing family housing through the provision of appropriate accessible dwellings which match the aspirations of a growing older person cohort. The re-use of the family housing which could, as a result, be made available will be important in meeting the growing needs of family households in particular if the forecast levels of employment growth are realised alongside sustained in-migration of working age populations into the authorities.

Bringing the Evidence Together

7.78 This section has presented the outputs of population and household modelling undertaken using the POPGROUP suite of software. The following points draw together the outputs of this analysis with section 11 taking these outputs to arrive at a position regarding the objectively assessed needs in the authorities:

- The modelling indicates that across the Fylde Coast and within the individual authorities a notable range of projected population and household growth between trend based demographic projections based on historical levels of migration (which as identified in section 5 have decreased over recent years across the area) and the employment-led projections. This reflects the ageing of the population and the ability of the authorities to retain younger working age persons and households;
- It is evident that across the area a reversal of these recent migration trends to levels seen prior to the credit crunch will be required to accommodate an uplift in the total number of jobs across the Fylde Coast; and
- The impact of differing levels of growth on the population age structure and household type profile has been considered with the projections indicating the impact of a growing older age cohort and the associated scale of change in the working-age population dependent on the levels of job growth which are assumed.

8 Alternative Projection Scenarios

- 8.1 The analysis in this section is intended to complement the analysis of projections of population and household growth in section 7 through examining a number of sensitivities, which recognise important features of the operation of the housing market in the Fylde Coast. This is intended to consider in more detail the local characteristics of the housing market in these authorities.
- 8.2 The outputs of the modelling in this section are provided for illustrative purposes only and have not been used in the analysis around objectively assessed need presented in section 11. The sensitivities explored in this section are important in understanding the future operation of the housing market in order to ascertain the appropriateness of the alternative assumptions used. However, for these to be considered further in analysing need, additional work would be required to examine the economic prospects of the authorities, particularly Blackpool, and the impact of the spatial delivery of employment opportunities.
- 8.3 The two sensitivities considered in this section are as follows:
- **Fylde and Wyre Alternative Commuting Assumptions** – the two authorities have quite opposite profiles of commuting with the former a net importer of labour and the latter a net exporter. The sensitivity explores the implication of a greater balance in commuting in each authority and the impact this could have on the provision of housing required; and
 - **Blackpool Labour-force Sensitivities** – it is evident that the link between employment change and housing provision is less straight forward in Blackpool. Equally the authority's labour force is currently defined by comparatively high levels of worklessness and economic inactivity. The analysis in this section considers the impacts of improved labour-force circumstances linked to the impacts of regeneration investment and a more positive economic future.

Fylde and Wyre Alternative Commuting Assumptions

- 8.4 The employment or jobs-led scenarios presented in section 7 have been built from an assumption that the current balance of in and out commuting (commuting ratios) remain as evidenced in 2001 and as considered within section 3.
- 8.5 This showed that Blackpool has a balanced ratio of jobs and a working labour force but that the other two authorities, Fylde and Wyre have notably different profiles. Fylde was shown to be a net importer of labour with a commuting ratio of 0.8 (i.e. more jobs than workers) and Wyre by contrast is a notable net exporter of labour with a commuting ratio of 1.31 (more workers than jobs). Across the Fylde Coast area this suggests a comparative balance, although as the actual net flows of commuting considered in section 3 showed there are links with surrounding authorities across a wider economic functional area.
- 8.6 In order to highlight the implications of the assumption around establishing a greater balance between the generation of employment within each authority and the location of a matched future labour-force, the economic forecast data has been used in the

development of two additional jobs-led scenarios for each of the authorities: 'Balanced Commuting (Experian) and 'Balanced Commuting (Oxford Economics)'. These scenarios are based on the same assumptions as the other jobs-led scenarios, but assume a balanced commuting ratio, whereby all new jobs created in each authority are taken by residents of the authority, rather than by inbound commuters. It is important to note that any changes to commuting patterns will be dependent on the types of jobs provided and the matching of new jobs with a suitably skilled labour-force as well as the comparable balance of jobs created within and across authorities with commuting linkages to the Fylde Coast authorities.

- 8.7 The following tables compare the implications of varying these commuting assumptions for Fylde and Wyre. As noted above given the balanced commuting ratio in Blackpool this sensitivity does not have a sufficiently significant impact to illustrate differences through the modelling.

Figure 8.1 – Alternative Commuting Scenarios – Fylde

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Employment-led (Experian)	920	366	52
Balanced commuting (Experian)	892	353	52
Employment-led (Oxford Economics)	1,077	436	148
Balanced commuting (Oxford Economics)	1,136	464	148

Source: Edge Analytics, 2013

Figure 8.2 – Alternative Commuting Scenarios – Wyre

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Employment-led (Experian)	1,216	479	95
Balanced commuting (Experian)	1,160	454	95
Employment-led (Oxford Economics)	1,239	485	103
Balanced commuting (Oxford Economics)	1,175	457	103

Source: Edge Analytics, 2013

- 8.8 The modelling illustrates the important commuting relationships between the Fylde Coast authorities as described above. If it is assumed that Fylde achieves a greater balance regarding the generation of new jobs and the matching of this with a labour-force in the authority, i.e. reducing its reliance on in-commuting, then a higher level of housing will be required. By contrast within Wyre the achievement of a greater balance would require less housing to realise the same level of job growth as this would assume that the rate of out commuting is reduced (although it is not assumed that the absolute level changes).

- 8.9 This section is deliberately kept as a sensitivity test, as changes to commuting ratios will be influenced by a range of factors over the plan period. For example, the delivery of the Enterprise Zone at Warton is likely to attract a range of businesses which may draw their labour pool from a wider economic functional area, given the motorway connections. In reality, the impact could well be an actual increase in the scale of imported labour to Fylde, which would not place additional housing pressure on the Fylde Coast authorities but could, in turn, represent a housing market driver that will need to be considered at a more strategic level.
- 8.10 This highlights the importance of continuing to monitor the balance between employment growth and housing provision and its impact on the changing dynamics of the housing market in the area. Again, this represents an important aspect to be considered through the Duty to Co-operate with surrounding authorities.

Blackpool Labour Force Sensitivities

- 8.11 It is evident from the analysis within the SHMA that Blackpool has a number of distinct challenges regarding its current housing market operations and in particular the dynamics of its local economy.
- 8.12 These challenges include:
- An evidenced population decline as a result of net out-migration over recent years (Figure 5.5). Whilst detailed evidence of the profile of these migrants is difficult to identify the analysis suggests that this out-migration includes younger working age persons unable to find appropriate employment within the authority, as well as older, more affluent people (Figure 5.8);
 - A distorted profile of migrants relocating to the authority with this, based on the Council's own evidence, including a very high proportion of persons claiming benefits and therefore not making locational choices based on the ability to access employment opportunities;
 - A spatial concentration of deprivation, and the legacy of redundant former guest houses, has fuelled a large private rented sector in Blackpool;
 - An evidenced period of employment losses over recent years and over a longer period of time to which the Council is directly attempting to change based on on-going and planned regeneration investment; and
 - A labour-force which linked to the above shows evidence of high levels of economic inactivity, particularly of younger working age persons.
- 8.13 With respect to the above and because of the complex nature of Blackpool's housing market and socio economic issues, Blackpool Council requested further analysis to explore the alignment between housing and employment change in Blackpool.
- 8.14 The analysis includes modification of key economic assumptions based on the assumption that the economy will be successfully rebalanced through the implementation of positive policies and objectives in the Blackpool Local Plan and through the delivery of key strategic projects, such as the regeneration projects introduced in section 5. The analysis also assumes that issues of worklessness in Blackpool will be successfully addressed through programmes of intervention.

8.15 This work has not been integrated directly in the assessment of need in Section 11, as Blackpool is continuing to analyse assumptions around employment projections and its future labour market through further work being undertaken. The outputs of this study will need to provide the evidence to support realistic assumptions in continuing to assess Blackpool's future housing need.

Modelling the Implications of Improved Economic Activity Rates

8.16 In order to highlight the sensitivity of the modelling to changes to key assumptions associated with improving economic conditions in Blackpool specifically an alternative run of the scenarios has been produced.

8.17 This alternative run includes one specific change to economic activity rates. The modelling assumes that in Blackpool economic activity rates for those aged 25 – 54 improve to align with the Lancashire average by 2031⁶⁷. This improvement is modelled incrementally over this time period to illustrate a gradual improving position.

8.18 A Lancashire average was chosen to illustrate an improvement to the local Blackpool economy to be more in line with its immediate sub-regional economy. This recognises the current gap between the Blackpool economy and Lancashire as a whole. This approach was adopted to illustrate the impact of bringing parts of the latent labour force back into work within Blackpool, and therefore reducing the level of in-migration required into the authority to balance the labour force against forecast jobs. The age group 25 – 54 was identified due to the considerably lower economic activity rates for these age groups, relative to Lancashire, which were calculated through the use of an average figure over a five year period.

8.19 The re-run scenarios are presented in the table below to enable comparison with the outcomes presented in section 7, which are also represented in the table for context. Areas where scenarios deviate from each other are highlighted in bold. A resultant dwelling requirements chart is also presented to allow comparison with the chart presented for Blackpool in section 11.

⁶⁷ Further detail is included in Appendix 3 regarding the Lancashire Economic Activity Rates. Whilst results are presented to 2030 the modelling has been undertaken to include a 2031 end-point.

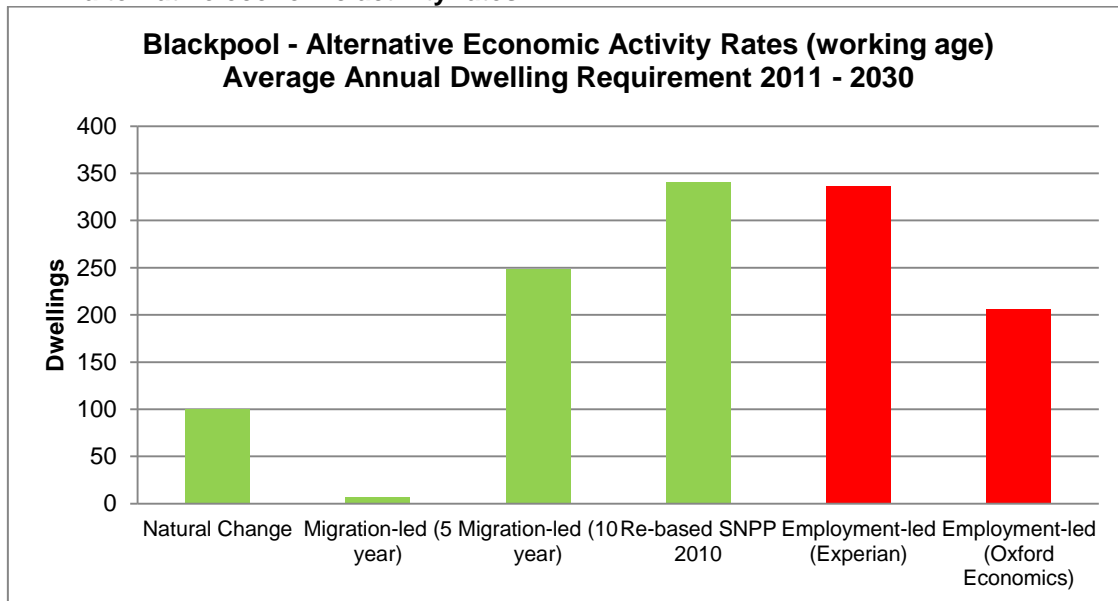
Figure 8.3 – Blackpool – Assessing the impact of alternative economic activity rates – Various scenarios

Alternative Economic Activity Rates			
Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Natural Change	0	100	-208
Migration-led (5 year)	-242	7	-289
Migration-led (10 year)	193	248	41
Re-based SNPP 2010 ⁶⁸	366	340	137
Employment-led (Experian)	440	336	82
Employment-led (Oxford Economics)	163	206	-67
Previously Modelled Scenarios (Figure 7.10)			
Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2011 - 2030		
	Net Migration	Dwellings	Jobs
Natural Change	0	100	-265
Migration-led (5 year)	-242	7	-345
Migration-led (10 year)	193	248	-27
Re-based SNPP 2010	366	340	65
Employment-led (Experian)	567	397	82
Employment-led (Oxford Economics)	283	263	-67

Source: Edge Analytics / Turley Associates, 2013

⁶⁸ Note – the different levels of job growth derived from this forecast and the employment-led (Experian) scenario, which share a similar dwelling figure, relates to the different underpinning demographic data related to migration

Figure 8.4 – Blackpool – Dwelling Requirements associated with the application of alternative economic activity rates



Source: Edge Analytics / Turley Associates, 2013

8.20 A number of important points are evidenced as a result of the application of an assumption that working age economic activity rates improve within Blackpool over the projection period, namely:

- A level of population and household growth associated with long-term migration trends can, under these alternative economic activity assumptions, support a modest level of employment growth over the projection period; and
- The scale of future requirements for housing are reduced to deliver the same level of job growth under the Employment-led scenarios. For example, under the Employment-led (Experian) scenario which delivers 82 additional jobs a year the application of these assumptions derives a requirement for approximately 340 rather than 400 dwellings a year.

8.21 The exercise undertaken through the remodelling serves to illustrate that Blackpool’s economic future has an important impact on the need for housing over the projection period. This will be considered in further work being undertaken which continues to analyse the local economy, to help inform the setting of a future housing figure for Blackpool.

8.22 It is possible that economic activity rates could improve over the projection period. This will, however, be dependent on a number of interlinked factors including the growth of the local economy to include new jobs which match the skills of the current and future labour-force and the success of intervention programmes to get those currently economically inactive into work. This requires careful consideration in the context of future work which is intended to be commissioned by Blackpool Council examining the future shape of its economy.

9 Affordable Housing Need

9.1 Housing affordability has become a well-recognised challenge to the operation of the housing market. The ability of households to access housing in which they aspire to live, and are indeed able to afford, is fundamental in ensuring that each local authority's stated housing objectives are achieved.

9.2 The NPPF places emphasis on local authorities to assess the number of affordable homes that are evidenced as being needed within their SHMA research. Delivery of housing is recognised as a core strand of the NPPF with one of the expectations of local planning authorities including:

*"Where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time."*⁶⁹

9.3 This is both reflective of the changing political and market context, where meeting 'local' housing requirements is becoming increasingly important and is equally challenging due to the current economic and housing market conditions. The emerging 2013 DCLG Practice Guidance states:

"Plan makers working with relevant colleagues within their local authority (e.g. housing, health and social care departments) will need to estimate the number of households and projected households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market" (DCLG, 2013⁷⁰)

Defining Affordable Housing Needs

9.4 'Housing need' refers to households who lack their own housing or live in unsuitable housing and who cannot afford to meet their needs in the open market without public subsidy. Subsidy is provided either through capital funding to provide homes at sub-market costs, or as revenues paid as Housing Benefit, or both. In the Fylde Coast, where people can't meet their own housing needs, the private sector plays an important role which is considered in more detail later in this report. Where housing requirements cannot be met in the private sector, it is for those in housing need that the state needs to intervene in the market to ensure that all households have access to suitable housing.

9.5 The NPPF defines affordable housing as follows:

"Affordable Housing: Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility

⁶⁹ CLG (2012) NPPF page 13, paragraph 50

⁷⁰ DCLG. National Planning Practice Guidance – Assessment of housing and economic development needs. 2013

is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.”⁷¹

Welfare Reforms

- 9.6 There is currently a national programme of reform of welfare provision, which is anticipated to influence the levels of affordable housing need, particularly where households are claiming Housing Benefit.
- 9.7 It is expected that, as a result of these reforms, there will be additional pressure on the availability of smaller affordable dwellings than previously, particularly for studio/bedsits and other smaller 1 or 2 bedroom properties. There will also be greater responsibility on households to manage their housing rental finances, and it will therefore be necessary for the Fylde Coast authorities and partners to continue to monitor this situation as data becomes available. Authorities will need to record and effectively prepare for the impacts of reform. The welfare reforms are summarised below.

Shared Accommodation Rate

- 9.8 Within the October 2010 Spending Review, the government confirmed that the age at which the Shared Accommodation Rate (SAR) applies would be extended from single persons up to 25 years to cover single persons under the age of 35 from April 2012. This was implemented in January 2012.
- 9.9 The SAR limits the amount of Housing Benefit a claimant can receive to the average Local Reference Rent (LRR) or the Local Housing Allowance (LHA). This measure now means that single claimants under age 35 making claims to Housing Benefit are entitled to the shared accommodation rate rather than the one-bedroom self-contained rate.

Under-Occupancy/Size Criteria

- 9.10 If households are deemed to have a spare bedroom in their Council or Housing Association home, the amount of benefit will be reduced. This measure has applied to Housing Benefit claimants of working age from April 2013, with the power to reduce Housing Benefit in this way set out within the Welfare Reform Act 2012.
- 9.11 In the social rented sector, the measure will restrict Housing Benefit to a rate that allows for one bedroom for each person or couple living as part of the household, with the following exceptions:
- Two children under 16 of the same gender are expected to share a bedroom;
 - Two people under 10 are expected to share a bedroom regardless of gender;
 - Disabled tenants or partners requiring a non-resident overnight carer will be allowed an extra bedroom;

⁷¹ CLG (2012) NPPF page 50, Annex 2: Glossary

- Approved foster carers will be allowed an additional room if they have fostered a child, or become an approved foster carer in the last 12 months; and
- Adult children in the Armed Forces will be treated as continuing to live at home when deployed on operations.

9.12 Where claimants have one or more spare bedrooms in their home, the amount of benefit they receive will be reduced by a fixed percentage of the eligible rent. The government has stated that this is set at 14% for one extra bedroom and 25% for two or more extra bedrooms. An impact assessment prepared by the government estimates that those affected by the measures will incur an average reduction of £14 per week.

Universal Credit

9.13 Universal Credit will replace the existing following benefits with a single monthly payment:

- Income-based Jobseekers' Allowance;
- Income-related Employment and Support Allowance;
- Income Support;
- Working Tax Credit;
- Child Tax Credit; and
- Housing Benefit.

9.14 Universal Credit was first introduced on 29 April 2013 in selected areas of Greater Manchester and Cheshire, and will be gradually rolled out to the rest of the UK from October 2013, with anticipated completion by 2017.

9.15 Importantly, Universal Credit is paid directly to claimants on a monthly basis. Any Housing Benefit will also be subsumed into the Universal Credit payment. Contrary to the previous system, this will place the responsibility on claimants to effectively manage their housing rental finances and pay rent to the landlord independently.

The Housing Need Calculation

9.16 The calculation of affordable housing need is intended to provide a short-term assessment to estimate the volume of affordable housing required on an annual basis to meet need across a 5-year period. This conforms to the DCLG SHMA Guidance⁷², which states:

'Partnerships should avoid using a period of less than five years in which to meet unmet current need. If a five-year period is used, this means that 20 per cent of current unmet need should be addressed each year. The output of this should be an annual quota of households who should have their needs addressed'.

9.17 The DCLG 2007 SHMA Guidance provides a steer as to the inputs and analysis required under each of the stages of the calculation as well as identifying potential data sources. The draft NPPG retains the same stepped process.

⁷² SHMA Practice Guidance Version 2 (August 2007) CLG p.52

- 9.18 As new data sources have emerged, and in response to a changing economic and financial context for the housing market, the approach to specific inputs to the calculation have continued to evolve and improve. Within this section, we clearly set out the data used to drive the analysis and the underpinning assumptions.
- 9.19 There are two primary stages used in the process to assess the overall surplus or shortfall of affordable housing over the next 5 years. These are presented in Figures 9.1 to 9.9, showing the full calculation for each local authority sequentially.

Addressing historical accumulated affordable housing need (i.e. the 'backlog')

- 9.20 At the current point in time as a result of sustained affordability issues over a number of years the majority of areas have an existing 'backlog' of households classified as in need. This backlog can be considered to be made up of a range of types of household in 'need', from those in urgent need of housing i.e. without a current permanent home, to those who are living in overcrowded or substandard homes, and those who have an aspiration to live in non-market housing but are not in urgent need of re-housing.
- 9.21 This first part of this assessment calculates the volume of affordable housing currently required to address the 'backlog' of need that has historically accumulated.
- 9.22 The calculation examines the scope of the existing available affordable housing stock, as well as committed new affordable housing development over the next 5 years, to meet the current 'backlog' of households registered as in affordable housing need (within Bands A-D) on the Fylde Coast Choice Based Letting Housing Register.
- 9.23 In terms of committed supply of new affordable housing, as set out in step 2.5 in the figures below, only schemes which have full planning permission and construction has not commenced have been included. This is based on data received from the Fylde Coast authorities in early September 2013, and any subsequent development which has received planning permission in the intervening period should be discounted from the annual affordable housing requirement.
- 9.24 The DCLG 2007 SHMA Guidance recommends that a 5 year period is permitted for the Local Authority to remove any 'backlog' that has arisen. This is recognised within the calculation, which is presented in Figures 9.1, 9.4 and 9.7.
- 9.25 The tables below demonstrate that a 'backlog' of historically accumulated affordable housing need has been generated in both Blackpool and Wyre. However, this is not the case in Fylde, where there is only a very limited imbalance between supply and demand.
- 9.26 However, this 'backlog' cannot be met in the next 5 years based on the re-use of empty stock and current commitments for new affordable housing development. As a result, there remains a shortfall in the availability of affordable housing – albeit to varying degrees in each Local Authority. Therefore, when the recommended allowance of a 5 year period for each Local Authority to remove the 'backlog' is applied, this demonstrates a requirement for new affordable homes to be delivered annually for the next 5 years. This is considered in the next stage of the assessment.

Calculating Annual Net New Need

- 9.27 As with market housing, there is an underlying level of demand as new households form and require a property⁷³. In the context of the current economy and the housing market a significant proportion of these newly forming households face significant challenges in gaining entry to market housing⁷⁴ therefore driving demand for affordable housing. In addition to new households, existing households also 'fall into' affordable housing need as household circumstances change resulting in their current housing situation no longer being appropriate and a requirement for affordable housing arising. This needs to be balanced against the supply of affordable housing available in an area to meet these needs.
- 9.28 The calculation, presented in Figures 9.2, 9.5 and 9.8, demonstrates that there is a deficit of social lettings available to meet the annual level of new affordable housing need arising annually across all the Local Authorities. This presents the annual 'delivery gap' of new affordable housing required to meet annual net new affordable housing need.

Total Affordable Housing Need (Net Annual)

- 9.29 The final element of the analysis is the identification of the Total Affordable Housing Need (net annual). The DCLG 2007 SHMA Guidance requires that a final step is taken in calculating the total net annual affordable housing need for the next 5 years. This requires the combination of both component parts of the calculation set out above.
- 9.30 In doing so, both the removal of the 'backlog' of historical accumulated need and the requirements of future arising annual new need, are accounted for in arriving at a total affordable housing need (net annual) for the next 5 years. Importantly, the DCLG 2007 SHMA Guidance does not take into account the role of the private rented sector in meeting affordable housing need. The calculation is presented in Figures 9.3, 9.6 and 9.9 below.

Previous Calculations of Affordable Housing Need

- 9.31 It is also important to recognise that the Fylde Coast Sub-regional Strategic Housing Market Assessment (2008)⁷⁵ forms the existing evidence base for affordable housing needs across the Local Authorities. The SHMA followed the DCLG SHMA Guidance in its preparation of the affordable housing needs assessment and, like this assessment, drew only on secondary data including the housing waiting list and lettings data. The SHMA concluded, within Table 6.20, that there was a net annual affordable housing need of 1,330 across the sub-region. This included the following breakdown by Local Authority:
- Blackpool: 140
 - Fylde: 600
 - Wyre: 590

⁷³ Average of 2008- and 2011-based annual gross household change 2011-2021, as modelled by Edge Analytics in Natural Change scenarios. These figures are then scaled according to the proportion of the population within each sub-area

⁷⁴ Based on analysis of CACI data on household income and ability to afford open market housing

⁷⁵ DTZ (April 2008) Fylde Coast Sub-regional SHMA

Blackpool

Figure 9.1 – Accumulated Need - Blackpool

Stage 1 – Current Housing Need (Gross Backlog)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
1.1 Number of Homeless households and those in temporary accommodation	Housing Register - Statutory Homeless / Temp Accommodation	13	2	15
1.2 Number of Overcrowding and concealed households	Housing Register - Band A-D	566	844	1,410
1.3a Other Groups				
1.3b Other Groups – Transfers	Transfers - current occupiers of social housing in Band A-D of Housing Register	62	357	419
1.4 Total current housing need (gross) = (1.1 + 1.2 + 1.3a) - 1.3b	(1.1 + 1.2 + 1.3a) - 1.3b	517	489	1,006
Stage 2 - Affordable Housing Supply (Annual)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
2.1 Affordable dwellings occupied by households in need	Figure relates to number of households identified in 1.3b which are transfers	Accounted for at Step 1.3b		
2.2 Surplus Stock	Long-term Vacant (i.e. 6 months plus)	2	18	20
2.3 Committed supply of new affordable housing	Social Housing & Affordable Rent (Committed for next 5 years) - 2012/13 +	0	324	324
2.4 Units to be taken out of management	RTB sales (next 5 years) - (estimated based on trend)	2	162	164
2.5 Total affordable housing stock available	(2.1 + 2.2 + 2.3) – 2.4	0.3	180	180
Stage 3 – Historical Accumulated ‘Backlog’ Need (Net Annual)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
3.1 Shortfall in Affordable Housing to meet Current ‘backlog’ housing need (annual)	(1.4 - 2.5) / 5	103	62	165

Figure 9.2 – Calculating Annual Net New Need - Blackpool

Stage 4 - Future Housing Need (Annual)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
4.1 New Household formation (annual) ⁷⁶	Household Projections (Gross Formation - Natural Change)	253	951	1,204
4.2 Newly forming households in need (annualised)	Proportion of households unable to afford to privately rent in the open market (LQ Private Rent) ⁷⁷	40%	40%	40%
	Number of households unable to afford to privately rent in the open market (LQ Private Rent)	101	380	482
4.3 Existing households falling into need	Lettings - Households registering in Band A-D (annual) from other tenures and receiving letting	24	137	161
4.4 Total newly arising need (gross per year) = (4.1 x 4.2) + 4.3	(4.1 x 4.2) + 4.3	125	517	643

Stage 5 - Affordable Housing Supply (Annual)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
5.1 Annual supply of social re-lets (annual net)	Lettings to newly registering households from other tenures (January 2012 – Dec 2012)	97	447	544
5.2 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	Intermediate Dwellings committed for development (note: committed & annualised)	0	0	0
5.3 Annual supply of affordable housing	5.1 + 5.2	97	447	544

Stage 6 – Annual Net New Need				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
6.1 Net New Need (annual)	(4.4 - 5.3)	29	70	99

⁷⁶ In order to arrive at a gross household formation rate to inform the housing needs calculation, Edge Analytics have derived a gross household formation rate for each authority using the natural change scenario. In order to more closely reflect newly forming households, this rate focuses on solely on those heads of household aged 15-44

⁷⁷ Based on analysis of CACI data on household income and ability to afford open market housing

Figure 9.3 – Total Affordable Housing Need (Net Annual)⁷⁸ – Blackpool

Stage 7 - Total Housing Need (Net Annual)				
Step	Methodology / Source	Inner Blackpool	Rest of Blackpool	Blackpool (total)
3.1 Shortfall in Affordable Housing to meet Current 'backlog' housing need (annual)using Need (Backlog – Annual)	3.1	103	62	165
7.2 Newly Arising (Future) Need (Net Annual)	6.1	29	70	99
7.3 Net Annual Affordable Housing Need	= 3.1 + 6.1 (Annual)	132	132	264

⁷⁸ Note – Figures subject to rounding.

Fylde

Figure 9.4 – Accumulated Need – Fylde

Stage 1 – Current Housing Need (Gross Backlog)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
1.1 Number of Homeless households and those in temporary accommodation	Housing Register - Statutory Homeless / Temp Accommodation	0	0	0	0	0	0	0
1.2 Number of Overcrowding and concealed households	Housing Register - Band A-D	114	68	8	0	15	1	206
1.3a Other Groups								
1.3b Other Groups – Transfers	Transfers - current occupiers of social housing in Band A-D of Housing Register	32	34	6	0	4	0	76
1.4 Total current housing need (gross) = (1.1 + 1.2 +1.3a) - 1.3b	(1.1 + 1.2 +1.3a) - 1.3b	82	34	2	0	11	1	130
Stage 2 - Affordable Housing Supply (Annual)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
2.1 Affordable dwellings occupied by households in need	Figure relates to number of households identified in 1.3b which are transfers	Accounted for at Step 1.3b						
2.2 Surplus Stock	Long-term Vacant (i.e. 6 months plus)	0	0	0	0	0	0	0
2.3 Committed supply of new affordable housing	Social Housing & Affordable Rent (Committed for next 5	59	38	8	15	0	0	120

	years) - 2012/13 +							
2.4 Units to be taken out of management	RTB sales (next 5 years) - (estimated based on trend)	0	0	0	0	0	0	0
2.5 Total affordable housing stock available	(2.1 + 2.2 + 2.3) – 2.4	59	38	8	15	0	0	120
Stage 3 – Historical Accumulated ‘Backlog’ Need (Net Annual)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
3.1 Shortfall in Affordable Housing to meet Current ‘backlog’ housing need (annual)	(1.4 - 2.5) / 5	6	-1	-1	-3	2	0	4

Figure 9.5 – Calculating Annual Net New Need - Fylde

Stage 4 - Future Housing Need (Annual)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
4.1 New Household formation (annual)	Household Projections (Gross Formation - Natural Change)	339	158	11	20	35	11	574
4.2 Newly forming households in need (annualised)	Proportion of households unable to afford to privately rent in the open market (LQ Private Rent)	40%	40%	40%	40%	40%	40%	40%
	Number of households unable to afford to privately rent in the open market (LQ Private Rent)	136	63	4	8	14	5	230
4.3 Existing households falling into need	Lettings - Households registering in Band A-D (annual) from other tenures and receiving letting	33	14	3	1	2	0	53
4.4 Total newly arising need (gross per year) = (4.1 x 4.2) + 4.3	(4.1 x 4.2) + 4.3	169	77	7	9	16	5	283

Stage 5 - Affordable Housing Supply (Annual)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
5.1 Annual supply of social re-lets (annual net)	Lettings to newly registering households from other tenures (January 2012 – Dec 2012)	39	30	5	1	2	0	77

5.2 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	Intermediate Dwellings committed for development (note: committed and annualised)	0	0	0	2	0	0	2
5.3 Annual supply of affordable housing	5.1 + 5.2	39	30	5	3	2	0	79

Stage 6 – Annual Net New Need								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
6.1 Net New Need (annual)	(4.4 - 5.3)	130	47	2	6	14	5	204

Figure 9.6 – Total Affordable Housing Need (Net Annual)⁷⁹ – Fylde

Stage 7 - Total Housing Need (Net Annual)								
Step	Methodology / Source	Lytham & St Anne's	Kirkham / Wesham & Freckleton / Warton	Rural East (Treales, Newton & Clifton)	Rural SW (Wrea Green & Westby)	Rural NW (Singleton, Staining & Weeton)	Rural NE (Elswick & Little Eccleston)	Fylde (total)
3.1 Shortfall in Affordable Housing to meet Current 'backlog' housing need (annual)using Need (Backlog – Annual)	3.1	6	-1	-1	-3	2	0	4
7.2 Newly Arising (Future) Need (Net Annual)	6.1	130	47	2	6	14	5	204
7.3 Net Annual Affordable Housing Need	= 3.1 + 6.1 (Annual)	136	47	1	3	16	5	207

⁷⁹ Note – Figures subject to rounding.

Wyre

Figure 9.7 – Accumulated Need – Wyre

Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
1.1 Number of Homeless households and those in temporary accommodation	Housing Register - Statutory Homeless / Temp Accommodation	0	0	0	0	0	0	0	0	0
1.2 Number of Overcrowding and concealed households	Housing Register - Band A-D	162	28	25	38	29	9	15	7	313
1.3a Other Groups										
1.3b Other Groups – Transfers	Transfers - current occupiers of social housing in Band A-D of Housing Register	66	7	3	16	3	0	1	1	97
1.4 Total current housing need (gross) = (1.1 + 1.2 +1.3a) - 1.3b	(1.1 + 1.2 +1.3a) - 1.3b	96	21	22	22	26	9	14	6	216
Stage 2 - Affordable Housing Supply (Annual)										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
2.1 Affordable dwellings occupied by households in need	Figure relates to number of households identified in 1.3b which are transfers	Accounted for at Step 1.3b								

2.2 Surplus Stock	Long-term Vacant (i.e. 6 months plus)	0	0	0	0	0	0	0	0	0
2.3 Committed supply of new affordable housing	Social Housing & Affordable Rent (Committed for next 5 years) - 2012/13 +	0	0	0	0	0	16	0	0	16
2.4 Units to be taken out of management	RTB sales (next 5 years) - (estimated based on trend)	0	0	0	0	0	0	0	0	0
2.5 Total affordable housing stock available	(2.1 + 2.2 + 2.3) – 2.4	0	0	0	0	0	16	0	0	16
Stage 3 – Historical Accumulated ‘Backlog’ Need (Net Annual)										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fyde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
3.1 Shortfall in Affordable Housing to meet Current ‘backlog’ housing need (annual)	(1.4 - 2.5) / 5	19.2	4.2	4.4	4.4	5.2	-1.4	2.8	1.2	40

Figure 9.8 – Calculating Annual Net New Need – Wyre

Stage 4 - Future Housing Need (Annual)										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
4.1 New Household formation (annual)	Household Projections (Gross Formation - Natural Change)	208	133	48	148	80	47	72	49	784
4.2 Newly forming households in need (annualised)	Proportion of households unable to afford to privately rent in the open market (LQ Private Rent)	40%	40%	40%	40%	40%	40%	40%	40%	40%
	Number of households unable to afford to privately rent in the open market (LQ Private Rent)	83	53	19	59	32	19	29	20	314
4.3 Existing households falling into need	Lettings - Households registering in Band A-D (annual) from other tenures and receiving letting	65	14	1	9	4	2	2	0	97
4.4 Total newly arising need (gross per year) = (4.1 x 4.2) + 4.3	(4.1 x 4.2) + 4.3	148	67	20	68	36	21	31	20	411

Stage 5 - Affordable Housing Supply (Annual)										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
5.1 Annual supply of social re-lets (annual net)	Lettings to newly registering households from other tenures (January 2012 – Dec 2012)	98	19	5	12	7	2	4	0	147
5.2 Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	Intermediate Dwellings committed for development (note: committed and annualised)	0	0	0	0	0	3	0	0	3
5.3 Annual supply of affordable housing	5.1 + 5.2	98	19	5	12	7	5	4	0	150

Stage 6 – Annual Net New Need										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
6.1 Net New Need (annual)	(4.4 - 5.3)	50	48	15	56	29	15	27	20	262

Figure 9.9 – Total Affordable Housing Need (Net Annual)⁸⁰ – Wyre

Stage 7 - Total Housing Need (Net Annual)										
Step	Methodology / Source	Fleetwood	Thornton	Cleveleys	Poulton-le-Fylde & Carleton	Rural West (Hambleton, etc)	Central Rural Plain (Pilling, Great Eccleston, St Michael's, Bilsborrow	Garstang & Catterall	Rural East	Wyre (total)
3.1 Shortfall in Affordable Housing to meet Current 'backlog' housing need (annual)using Need (Backlog – Annual)	3.1	19	4	4	4	5	-1	3	1	40
7.2 Newly Arising (Future) Need (Net Annual)	6.1	50	48	15	56	29	15	27	20	260
7.3 Net Annual Affordable Housing Need	= 3.1 + 6.1 (Annual)	69	52	19	61	34	14	30	21	300

⁸⁰ Note – Figures subject to rounding.

9.32 The housing needs analysis indicates that each Local Authority will be required to provide for a considerable total net annual affordable housing need, over the next 5 years, in order to both clear the existing 'backlog' and meet future arising household need.

9.33 The associated hypothetical amount of market housing required to meet the annual affordable need per annum for the first 5 years of the plan period is provided for illustrative purposes only in the table below. This is based on affordable housing figures presented in emerging Local Plans. It should, though, be considered that the affordable housing rate is variable based on the total number of dwellings delivered. For consistency, a figure of 30% has been used, which is the policy figure stated by each authority for all developments of over 15 homes.

Figure 9.10 – Amount of Market Housing Required per Annum to Meet Annual Affordable Need

Authority	Net Annual Affordable Housing Need	Policy	% Affordable Housing	5 year Requirement
Blackpool	264	Policy CS13	30%	4,400
Fylde	207	Policy H3	30%	3,455
Wyre	300	Policy CS21	30%	5,000

9.34 It is evident from the table above that in order to meet the level of affordable housing need in full within a five year time horizon would require levels of overall development of all tenures far in excess of any single year's provision as seen over the last ten years. This is extremely unlikely to be realised and therefore this level of provision should not be reasonably expected to be realised. It does, however, highlight that there is a substantial need for affordable housing across the Fylde Coast and that planning policy will need to reflect this issue in providing for a potential uplift in provision. This is considered in more detail in section 11 of this SHMA.

9.35 It is also important to recognise that the net need figure for affordable housing above does not reflect the role of the private rented sector in currently meeting affordable need (recognising that this tenure is not classified as affordable housing in the NPPF). In reality it is more than likely that private rented stock will continue to play a role in meeting a proportion of needs going forward and its current role is considered in more detail in the following sub-section. Some need may also be met outside of the planning system, through other methods of delivery such as grant funded schemes, which would play an important role in the delivery of affordable housing.

Understanding the Role of the Private Rented Sector in Absorbing Total Affordable Housing Need

9.36 The most recent data release from the Department for Work and Pensions (DWP) enables estimation of the numbers of Housing Benefit recipients residing in households within the private rented sector across each of the Local Authorities.

9.37 The table below presents the rented tenure of Housing Benefit claimants in the Fylde Coast. This data has been sourced from the Department of Work and Pensions (DWP), with a base date of August 2013. A figure for England has also been included as a comparator.

Figure 9.11 – Rented Tenure of Housing Benefit Claimants

Tenure	Blackpool	Fylde	Wyre	England
Social rented	27.3%	38.2%	39.1%	65.5%
Private rented	72.7%	61.8%	61.9%	34.5%
All Housing Benefit Claimants	20,701	4,764	7,334	4,307,608

Source: DWP, 2013

9.38 As shown, the private sector plays a key role in meeting the needs of those who cannot afford market housing without benefits. This contrasts with the national picture, where the majority of needs are met in the social rented sector. The profiles of Fylde and Wyre are relatively similar, but Blackpool has particularly high levels of private renting – around three of every four Housing Benefit claimants are in private rented accommodation.

9.39 This can be related to all privately rented households to determine the proportion of private renters who are claiming Housing Benefit. This is presented in the table below. It is, though, important to recognise that this approach neglects to consider households containing multiple Housing Benefit claimants, such as HMOs. There is a particular concentration of communal establishments in Blackpool, with the 2011 Census indicating that there are 1,576 such establishments in the authority, housing 4,105 usual residents.

Figure 9.12 – Proportion of Housing Benefit Claimants in Private Rented Sector

	Blackpool	Fylde	Wyre	Fylde Coast
Total private rented households	16,770	6,066	6,397	29,233
Total housing claimants in private rented sector	15,057	2,943	4,466	22,466
%	89.8%	48.5%	69.8%	76.9%

Source: Census 2011

9.40 It is also beneficial to establish the number of lettings made each year to tenants claiming Housing Benefit. The turnover of housing stock can be estimated from English Housing Survey returns, which, for 2011/12, indicate that 13% of private rented households are new lettings which either originate from other tenures or are newly formed⁸¹. This figure

⁸¹ English Housing Survey Table FA4301 (Previous tenure by current tenure, 2011-12) indicates that, nationally, between 452,000 and 524,000 private rented households were previously in another tenure. Over the same period, there were 3,843,000 private rented households (EHS Table FA3121). This generates a figure of between 11.8% and 13.6%, and therefore an average figure of 13% has been used

removes transfers between private rented stock, and from this, an estimation can be made of the number of new lettings per annum in the Fylde Coast authorities. From here, using the figures presented in Figure 9.12, the number of new lettings arising from Housing Benefit claimants can be calculated, although in actuality, this figure is likely to be lower accounting for instances where numerous claimants share households.

Figure 9.13 – Number of Private Rented Lettings to Housing Benefit Claimants

	Blackpool	Fylde	Wyre	Fylde Coast
Total private rented households	16,770	6,066	6,397	29,233
New lettings per annum (*0.13)	2,180	789	832	3,801
Proportion of Housing Benefit claimants in private rented sector (Figure 9.12)	89.8%	48.5%	69.8%	76.9%
Number of lettings to Housing Benefit claimants per annum	1,958	383	581	2,923

9.41 As shown, the private rented sector plays a highly significant role in meeting affordable housing need, with migration patterns identified earlier showing that this meets both local need and need originating from a wider area. This is particularly concentrated in Blackpool.

Intermediate Housing

9.42 Intermediate housing products can provide an important role in bridging the gap between social renting and owner-occupation, some of which allow households to 'staircase' towards owner-occupation by renting alongside acquiring equity in their property. As a result, this type of housing tenure can provide an important step on the housing ladder, and is particularly appealing to first-time buyers and lower-income households.

9.43 The current DCLG SHMA Guidance cites that the number of households whose needs could be met by intermediate affordable housing is likely to fluctuate, reflecting the changing relationship between market rents, social rents and incomes alongside the variance in intermediate products available. Intermediate affordable housing includes:

- Shared equity products (e.g. HomeBuy); and
- Other low cost homes for sale and intermediate rent.

9.44 Importantly intermediate affordable housing products do not include Affordable Rent housing which is defined as a separate sub-sector of affordable housing. In addition the

definition for intermediate affordable housing does not include homes provided by private sector bodies or provided without grant funding that does not meet the definition above, for example, 'low cost market' housing.

Affordability of Intermediate Dwellings

- 9.45 This section considers the potential role of intermediate housing in meeting affordable housing need through analysis of demand for intermediate products and the relative affordability of intermediate products within the Local Authorities utilising secondary data. This presents a hypothetical income-based assessment. It is recognised that wider factors constrain the ability for households in need to access intermediate homes; notably the viability of delivery of this tenure in low value locations and the requirements for obtaining a deposit and mortgage finance.
- 9.46 Importantly, shared ownership typically requires stable full-time employment, to ensure that purchasers can save for a deposit and obtain a mortgage. As this doesn't apply to a number of people in the Fylde Coast, it is clear that intermediate products can only play a limited role. Evidence drawn from the housing register demonstrates that fewer than 13.5% of households registered as in affordable housing need would not be likely to qualify for shared ownership housing due to unemployment or unstable / part-time employment⁸². This indicates that unless the employment context is to improve for these households, or finance criteria are loosened, many will continue to be excluded from these products.
- 9.47 The shared ownership and shared equity market is now largely split between two separate products that deal with different markets. The traditional shared ownership model allows purchasers who meet low income criteria to typically buy between 25-40% of the equity, paying rent on the rest. A second product relates to Help to Buy shared equity, where purchasers with higher incomes pay 75% of the purchase price and pay no rent. This product allows people to buy a property that is bigger, better or newer than what they could already afford, stimulating the new build construction market – but remaining unaffordable to those on low incomes.
- 9.48 The analysis draws on the income tests utilised within the affordable housing needs assessment to establish the number, and proportion, of households in need of affordable housing that are likely to be able to afford an intermediate housing product, and those for which only social rented housing is affordable (placing employment status aside).
- 9.49 To establish the income threshold within which households in need could afford access to intermediate housing, the analysis has set the upper limit at the income required to access the private market (in line with the housing needs assessment) – as the income required to purchase a dwelling at the lower quartile with a 10% deposit and 3.5x income limit.
- 9.50 To reflect the traditional shared ownership model, the lower limit was firstly set at the income required to afford a 40% equity share in a house at the lower quartile price, plus the cost of annual rent, within each of the Local Authorities, which has been set at an

⁸² Fylde Coast Local Authorities (2013) MyHomeChoice Fylde Coast Monitoring Report – Sept 2013

interest rate of 2.75% of the value of the unsold equity. This has been set to allow for a 40% equity purchase. This is referred to as Lower Threshold 1.

9.51 Secondly, to reflect the shared equity model, an additional scenario was tested to examine the impact of setting the income required to purchase at 75% of the purchase price of a house at the lower quartile house price within each of the Local Authorities. This is referred to as Lower Threshold 2.

9.52 It is therefore considered appropriate that the income parameters applicable to intermediate tenure housing products are constrained to fall between the income required to access open market housing (upper threshold) and the income below which social housing is required (lower thresholds).

9.53 The lower quartile price is utilised as a threshold for consistency with the affordable housing needs assessment. It is recognised that current shared ownership models are only available for new build homes, which are often priced above the lower quartile. This is due to development of these products in higher value locations (to ensure prices achievable provide sufficient returns against costs) and because there is often a premium applied to new build development over re-sale property. This is a particular issue for large parts of Blackpool, where low market values result in shared ownership dwellings being unviable for delivery in many areas. Figure 9.14 illustrates the upper and lower income thresholds within which it is assumed households can afford intermediate housing within each Local Authority for both intermediate housing models.

Figure 9.14 – Income Thresholds for Affording Intermediate Tenure Housing

	Upper Threshold	Lower Threshold 1	Lower Threshold 2
	Income Required to Access Open Market Housing	Income Required to Purchase 40% (+ annual rent)	Income Required to Purchase 75%
Blackpool	£18,129	£9,220	£15,107
Fylde	£23,760	£15,956	£26,143
Wyre	£23,904	£13,471	£22,071

9.54 Utilising the thresholds set out above, the following figure sets out the estimated net annual affordable housing requirement in each Local Authority by social rented and intermediate tenure (considering both traditional shared ownership and the shared equity models).

9.55 The analysis utilises the same calculations as within the affordable housing needs assessment to arrive at the net housing need position (per annum) although the structure of the model has had to be presented differently to ensure it is easily readable.

9.56 The analysis is driven by overall levels of need, as well as the availability of supply to meet needs (both existing and planned supply).

Figure 9.15 – Annual Affordable Housing Need (5 Years) by Affordable Housing Type (Intermediate / Social Rent)

Authority	Income Threshold	Net Affordable Housing Requirement - by Tenure (5 Years)							
		Social Rented				Intermediate			
		Total Need	Supply	Net Need (Total)	Net Need (%)	Total Need	Supply	Net Need	Net Need (%)
Blackpool	Lower Threshold 1	699	580	120	45%	144	0	144	55%
Blackpool	Lower Threshold 2	772	580	192	73%	72	0	72	27%
Fylde	Lower Threshold 1	276	101	175	84%	34	2	32	16%
Fylde	Lower Threshold 2	310	101	207	100%	0	0	0	0%
Wyre	Lower Threshold 1	391	150	241	80%	63	3	59	20%
Wyre	Lower Threshold 2	454	150	300	100%	0	0	0	0%

9.57 Figure 9.15 demonstrates the following:

Blackpool

- Utilisation of the traditional shared ownership model (Lower Threshold 1) indicates that this product would be affordable for up to 55% of households in affordable housing need in Blackpool. This is due to the reduced level of income required to pay both the mortgage on 40% equity in the home and rent on the unsold equity;
- Utilisation of the shared equity model (Lower Threshold 2) results in a reduction in the proportion of households in affordable housing need in Blackpool who could access this product to 27%. This is due to the increased cost associated with payment of a mortgage on 75% of the cost of the property;
- In order to support access to housing it is clear that the traditional shared ownership model is favourable in Blackpool as delivery would reduce the reliance on social rented housing. This, however, is also dependent on households meeting the necessary mortgage criteria, which due to high levels of unemployment amongst households currently in need, is likely to limit the ability of many households to access this product. **Moreover, this product will not be deliverable in much of Blackpool where development costs currently exceed values;**
- Due to limited value returns across much of Blackpool, it is likely that social rented housing will predominantly be required to meet affordable housing requirements whilst representing a deliverable proposition for developers / Registered Providers;

Fylde

- Utilisation of the traditional shared ownership model (Lower Threshold 1) indicates that this product would be affordable for up to 16% of households in affordable housing need in Fylde;
- Utilisation of the shared equity model (Lower Threshold 2) results in a reduction in the proportion of households in affordable housing need in Fylde who could access this product to nil. No households could afford the increased cost associated with payment of a mortgage on 75% of the cost of the property, which suggests limited application of this model across Fylde;
- In order to support access to housing it is clear that the traditional shared ownership model is favourable in Fylde as delivery would reduce the reliance on social rented housing. However, the shared equity model is currently being delivered on sites in Fylde (rather than the traditional shared ownership model), although it is not being marketed towards those households likely to be considered in affordable housing need;

Wyre

- Utilisation of the traditional shared ownership model (Lower Threshold 1) indicates that this product would be affordable for up to 20% of households in affordable housing need in Wyre;

- Utilisation of the shared equity model (Lower Threshold 2) results in a reduction in the proportion of households in affordable housing need in Wyre who could access this product to nil. No households could afford the increased cost associated with payment of a mortgage on 75% of the cost of the property, which suggests limited application of this model across Wyre; and
- In order to support access to housing it is clear that the traditional shared ownership model is favourable in Wyre as delivery would reduce the reliance on social rented housing. It is noted, however, that viability of development in some parts of Fleetwood will make deliverability of this product challenging in the current market.

9.58 When considering a suitable proportion of intermediate tenure dwellings to be sought as an affordable housing contribution within policy, it is recommended that the economic viability of delivery is also considered in line with the requirements of the NPPF (2012).

9.59 Consideration should also be given to the fact that traditional shared ownership is unattractive in many areas where the prices of new build homes are typically higher than the prices of second hand property. Shared ownership is generally only attractive in high value areas in the Fylde Coast, where second hand options are less affordable or unavailable. In these areas, purchasers still need higher incomes to buy into shared ownership.

Need for Affordable Housing by Dwelling Size

9.60 Core Output 7 of the DCLG SHMA Guidance requires an estimate of the breakdown of the sizes of property required by households identified in need of affordable housing. The intention is to estimate the relative pressure on different property sizes. In particular this analysis will help to further understand how policy should be structured to assist in alleviating the current backlog of housing need and provide a profile of affordable housing which responds to the future need over the short-term.

9.61 In order to arrive at this estimate, the housing needs assessment model has been replicated, with analysis broken down by dwelling size using the number of bedrooms.

9.62 The dwelling size requirements of newly-forming households in need of affordable housing has been estimated by matching household typologies within the projected gross household formation (i.e. estimated occupancy versus bedroom requirement).

9.63 It should be noted at this point, however, that the scale of need for 3 or 4 bedroom homes can be underestimated, as people may refrain from applying for homes of this size due to a lack of supply.

9.64 This is presented in Figures 9.16 to 9.18.

Figure 9.16 – Affordable Housing Need by Size - Blackpool⁸³

Affordable Housing Need Assessment Model - by Size					
Step	Number of Bedrooms				Total
	1	2	3	4+	
Homeless/Temp Accommodation	8	7	0	0	15
Backlog Need (Excludes transfers)	643	248	64	36	991
Current Need (Gross)	651	255	64	36	1,006
Newly Arising Need (Gross) - Newly Forming Households	238	48	124	71	482
Newly Arising Need (Gross) - Existing Households	89	33	32	7	161
Newly Arising Need (Gross)	327	81	156	78	643
Surplus Stock (Long-term vacant)	13	5	2	0	20
Committed New Supply of Affordable Housing	80	95	123	26	324
Units to be taken out of management	106	43	13	0	163
Total Affordable Stock Available	-13	57	111	26	181
Annual Supply of Affordable Dwellings - Re-lets	297	117	106	24	544
Annual Supply of Intermediate Dwellings	0	0	0	0	0
Total Housing Need (Annual)	163	4	41	56	264
Total Housing Need (Annual) as %	62%	2%	16%	21%	100%

⁸³ Figures in all tables subject to rounding

Figure 9.17 – Affordable Housing Need by Size - Fylde

Overall Needs Model - by Size					
Step	Number of Bedrooms				Total
	1	2	3	4+	
Homeless/Temp Accommodation	8	0	0	0	8
Backlog Need (Excludes transfers)	75	24	21	10	130
Current Need (Gross)	83	24	21	10	138
Newly Arising Need (Gross) - Newly Forming Households	129	52	30	18	230
Newly Arising Need (Gross) - Existing Households	34	7	12	0	53
Newly Arising Need (Gross)	163	59	42	18	283
Surplus Stock (Long-term vacant)	0	0	0	0	0
Committed New Supply of Affordable Housing	16	84	13	2	115
Units to be taken out of management	0	0	0	0	0
Total Affordable Stock Available	16	76	26	2	120
Annual Supply of Affordable Dwellings - Re-lets	43	15	18	1	77
Annual Supply of Intermediate Dwellings	0	0	2	0	2
Total Housing Need (Annual)	133	34	21	19	207
Total Housing Need (Annual) as %	64%	16%	11%	9%	100%

Figure 9.18 – Affordable Housing Need by Size - Wyre

Overall Needs Model - by Size					
Step	Number of Bedrooms				Total
	1	2	3	4+	
Homeless/Temp Accommodation	0	0	0	0	0
Backlog Need (Excludes transfers)	115	75	15	11	216
Current Need (Gross)	115	75	15	11	216
Newly Arising Need (Gross) - Newly Forming Households	152	79	54	30	314
Newly Arising Need (Gross) - Existing Households	46	27	22	1	96
Newly Arising Need (Gross)	198	106	76	31	411
Surplus Stock (Long-term vacant)	0	0	0	0	0
Committed New Supply of Affordable Housing	0	8	8	0	9
Units to be taken out of management	0	0	0	0	0
Total Affordable Stock Available	0	8	8	0	16
Annual Supply of Affordable Dwellings - Re-lets	68	41	36	2	147
Annual Supply of Intermediate Dwellings	0	2	1	0	3
Total Housing Need (Annual)	153	77	40	31	300
Total Housing Need (Annual) as %	51%	26%	13%	10%	100%

9.65 Figures 9.16 – 9.18 demonstrate that there is a predominant requirement for smaller properties sized at least 1 bedroom or 2 bedrooms over the next 5 years in order to meet the majority of affordable housing needs in each of the Local Authorities. There is also a lesser requirement for new affordable housing to be sized 3 or 4+ bedrooms to meet the needs of larger, family households.

Bringing the Evidence Together

9.66 This section has focussed on assessing the level of need for affordable housing over the next five years. Analysis has been undertaken using a range of data sources following the DCLG Guidance process for calculating need.

9.67 The findings of this section directly relate to a number of the core outputs set out in the DCLG Guidance. Key findings bringing the evidence and analysis together from this section are presented below:

- In order to meet total affordable housing need each Local Authority will be required to provide additional affordable dwellings each year over the next five years in order to both clear the existing backlog and meet future arising household need;
- There is a predominant requirement for future affordable housing supply across the Local Authorities to be sized at 1 bedroom and 2 bedrooms over the next 5 years in order to meet the majority of affordable housing needs. There is also a smaller requirement for larger 3 and 4+ affordable properties to be built to meet the needs of larger, family households; and
- Intermediate housing products have the ability to play a limited role in meeting the affordable housing needs of households across the Fylde Coast. The traditional shared ownership model is favourable as delivery would reduce the reliance on social rented housing. However, this must be balanced with the viability of delivering this product, which due to low value returns (see Figure 6.5), is challenging across much of the Fylde Coast.

9.68 The private rented sector has been demonstrated to play a major role in meeting affordable housing need in each of the Fylde Coast authorities, with, on average, 68% of Housing Benefit claimants living in private rented accommodation. However, the DCLG 2007 SHMA Guidance does not take into account the role of the private rented sector in meeting affordable housing need in the overall calculation and the analysis needs to be interpreted in recognition of this point.

10 The Housing Requirements of Specific Groups

- 10.1 This report has set out the projected changes in the Fylde Coast housing market over the plan period to help inform the development of planning policy and housing strategy. The analysis has clearly shown that the demographic and economic profile of each authority is likely to change over this period, and the housing market will react to these changes. However, different parts of the housing market will be affected by these changes in different ways.
- 10.2 This section therefore focuses on particular groups within the community that have specific housing requirements, which should be carefully considered when developing a housing strategy. DCLG guidance on the SHMA⁸⁵ and the NPPF⁸⁶ recognise that this document does not need to assess every group in detail, and such groups do not necessarily align with the DCLG defined criteria of affordable housing need, as set out earlier within this report. However, specific policy or service provision requirements should be informed by an understanding of the specific housing requirements of groups represented across the Fylde Coast.
- 10.3 This section will therefore draw together existing research produced by the local authorities alongside updated analysis contained within the other sections of this report. The outputs of this section should be read alongside more detailed studies cited throughout but provide a useful summary of key information and insights into the requirements of these specific groups.

Older People

- 10.4 It is necessary to provide housing for older people to enable them to live independently at home for as long as possible, as well as providing a range of more specialised older persons accommodation, reflecting the context of an ageing society in the UK.
- 10.5 The modelling underpinning the analysis in section 7 includes a detailed breakdown of how the age of the population is projected to change in the future. The outputs of the modelling under the migration-led 10 year scenario are presented in the table below. Additionally, the growth in each age group is presented as a proportion of the total population change in each authority to identify where growth in older people is a key socio-demographic driver of change. The baseline population, of all ages, is also shown for context.

⁸⁵ DCLG (2007) SHMA Practice Guidance Version 2

⁸⁶ DCLG (2012) National Planning Policy Framework

Figure 10.1 – Projected Change in Older Persons (2011-2030)

Blackpool					
Age Group	Population at mid-year		Change 2011-2030	% Change 2011-2030	% of total Blackpool change
	2011	2030			
65-74	19,044	22,048	3,004	15.8%	37.2%
75-84	9,177	11,016	1,839	20.0%	22.8%
85+	3,789	5,165	1,376	36.3%	17.0%
Total Older Persons	32,010	38,229	6,219	19.4%	77.0%
All Ages	142,080	150,154	8,074	5.7%	100.0%
Fylde					
Age Group	Population at mid-year		Change 2011-2030	% Change 2011-2030	% of total Fylde change
	2011	2030			
65-74	12,195	15,836	3,641	29.9%	53.9%
75-84	6,517	9,420	2,903	44.5%	43.0%
85+	2,748	5,055	2,307	84.0%	34.1%
Total Older Persons	21,460	30,311	8,851	41.2%	131.0%
All Ages	76,098	82,854	6,756	8.9%	100.0%
Wyre					
Age Group	Population at mid-year		Change 2011-2030	% Change 2011-2030	% of total Wyre change
	2011	2030			
65-74	18,064	21,680	3,616	20.0%	108.0%
75-84	9,315	12,720	3,405	36.6%	101.7%
85+	3,583	7,012	3,429	95.7%	102.4%
Total Older Persons	30,962	41,412	10,450	33.8%	312.1%
All Ages	107,692	111,040	3,348	3.1%	100.0%

Source: Edge Analytics 2013

10.6 As shown, the older person population is forecast to significantly grow in the period to 2030, with the most substantial increases in Fylde and Wyre. Across the Fylde Coast, the older person population in 2030 will grow by over 25,000 people, with Wyre and Fylde accounting for around 40% and 35% of this growth respectively. Although Blackpool also sees growth in this age group, this is at a lesser scale, recognising the net outmigration of those aged 55 and above from the authority and the different social profile of Blackpool.

- 10.7 Importantly, it is also clear that growth in the older population is a significant driver of population change in the Fylde Coast. This is most extreme in Wyre, where growth in this age group offsets declines in the younger population to ensure that, overall, the population will increase in the authority. This is also true, albeit at a slightly lesser scale, in Fylde, although in Blackpool, it is apparent that other age groups are also driving population growth. Overall, it is evident that the older persons population is growing faster than the overall growth rate for all ages, particularly in Fylde and Wyre.
- 10.8 It is also important to highlight that the highest rate of growth in all authorities is in the 85+ age group, reflecting increases in life expectancy. This should be considered in assessing the specific housing requirements of the older person population, such as adaptations and the need for support in the home to remain living independently.
- 10.9 Furthermore, it is beneficial to analyse households where the head of household is aged 65 and over to identify prevalent housing tenures. The table below identifies the proportion of households where the head of household is aged 65 and over, arranged by tenure, based on the 2011 Census. A wider tenure profile for the entire Fylde Coast is also presented as a comparator.

Figure 10.2 – Tenure of Older Persons Housing

Tenure	Blackpool	Fylde	Wyre	England	Fylde Coast All Ages
Owned	76.1%	83.1%	84.9%	74.1%	69.6%
Shared Ownership	0.4%	0.4%	0.3%	0.5%	0.4%
Social Rented	11.0%	8.3%	7.0%	18.9%	8.9%
Private Rented	10.5%	6.6%	6.2%	4.4%	20.0%
Living Rent Free	1.9%	1.7%	1.6%	2.1%	1.2%

Source: Census 2011

- 10.10 When analysed in the context of housing tenure across the Fylde Coast authorities, as outlined earlier in this report in Figure 4.4, it is clear that older people display different housing tenure characteristics. Particularly, there is a much higher level of home ownership, less private renting and greater instances of rent-free living. When compared to the comparable data for England, Fylde and Wyre have substantially higher levels of ownership and significantly fewer instances of social renting. The level of private renting among this age group, although lower than other age groups in the Fylde Coast, is still higher than the national average.
- 10.11 With relation to scenarios developed in this report, an assumption has been applied in relation to the institutional population, comprising all people not living in private households. This includes halls of residence, military barracks, prisons and – importantly, in this case – people living in nursing homes. This recognises that the ageing population will lead to a greater number of people aged over 75 in residential care homes. This

conforms to methodology adopted by DCLG in producing household projections⁸⁷. It should be noted that the institutional population – and therefore people living in nursing homes – are not included in the estimates of household growth modelled in section 7 of this report. The specific requirements of older people in nursing homes will therefore need to be considered in addition to the overall housing needs figures presented in this report.

Households with Support Needs

- 10.12 Understanding the broad number of households with support, special and/or specific needs, and the breadth of their individual challenges, is crucial to determining where and how much purpose-built or adapted housing is required.
- 10.13 There is no single data source which enables a thorough assessment to be made of the scale of these issues. This analysis draws on longer-term projections of need from the Projecting Adult Needs and Service Information System (PANSI), developed by the Institute for Public Care, which provides projections of future numbers of households with physical and learning difficulties. In addition, the Projecting Older Person Population Information System (POPPI) provides similar information for older person households. These households, alongside others, are likely to require some form of support within their properties. This analysis therefore provides a useful indication of the levels of demand on existing stock and future requirements to deliver new suitable properties and/or adaptations. It should be noted that, as projections are only produced at upper tier authority level, data for Lancashire County Council will be analysed alongside data for Blackpool.
- 10.14 The POPPI dataset below suggests that, between 2012 and 2020, the number of individuals in Blackpool is estimated to remain at a relatively consistent level, with some growth in the older population offset by marginal decline in the younger population. However, at the Lancashire level, growth is projected, again particularly in the older population.

⁸⁷ DCLG (2013) Updating Department for Communities and Local Government's household projections to a 2011 base – Methodology Report

Figure 10.3 – People Predicted to have a Learning Disability 2012-2020

Age	2012	2014	2016	2018	2020
BLACKPOOL					
18-44	1,185	1,166	1,158	1,148	1,145
45-64	883	883	889	892	888
65-84	505	518	525	530	528
85+	72	74	74	79	81
Total	2,645	2,641	2,646	2,649	2,642
LANCASHIRE					
18-44	10,157	10,071	10,006	9,945	9,933
45-64	7,181	7,236	7,325	7,396	7,391
65-84	4,035	4,261	4,416	4,561	4,670
85+	538	565	605	644	693
Total	21,911	22,133	22,352	22,546	22,687

Source: POPPI, 2013

10.15 Adults with physical disabilities require different levels of care depending on the severity of their disability. Individuals with a moderate personal care disability can perform tasks such as getting in and out of bed, dressing, washing and feeding with some difficulty. A severe personal care disability can mean that the task requires someone to help.

10.16 The number of individuals with moderate or severe personal care disabilities is predicted to remain consistent in Blackpool, with a marginal decline in moderate disability met by an equivalent increase in serious disability. Across Lancashire, however, increases are forecast for both moderate and serious physical disabilities, with implications for Fylde and Wyre. This will have consequently impact upon the overall capacity of suitable housing stock required.

Figure 10.4 – Forecasts of Moderate or Serious Personal Care Disability 2012-2020

Physical Disability	Area	2012	2020	Change 2012-2020	% Change 2012-2020
Moderate	Blackpool	6,831	6,819	-12	-0.2%
	Lancashire	56,694	57,575	881	1.6%
Serious	Blackpool	2,044	2,056	12	0.6%
	Lancashire	16,961	17,336	375	2.2%
Moderate or Serious	Blackpool	8,875	8,875	0	0%
	Lancashire	73,655	74,911	1,256	1.7%

Source: PANSI, 2013

Black and Minority Ethnic (BME) Households

10.17 The table below identifies the ethnic composition of the Fylde Coast authorities using the 2011 Census, with England included as a comparator.

Figure 10.5 – Ethnic Groups by Local Authority 2011

Ethnic Group	Blackpool	Fylde	Wyre	England
White British	93.6%	95.1%	96.8%	79.8%
White Irish*	0.9%	0.7%	0.5%	1.1%
White Other	2.1%	1.7%	0.9%	4.6%
Mixed Ethnicity	1.2%	1.0%	0.6%	2.3%
Asian or Asian British^	1.2%	0.8%	0.6%	7.1%
Black or Black British	0.2%	0.2%	0.1%	3.5%
Chinese	0.4%	0.3%	0.3%	0.7%
Other Ethnic Group	0.2%	0.2%	0.1%	1.0%

* Includes Gypsy or Irish Traveller

^ Pakistani, Bangladeshi, Indian, other Asian

Source: Census 2011

10.18 As shown, all authorities have a high proportion of White British residents, which significantly exceeds the national average rates. All other ethnicities are proportionally under-represented when compared to the national averages.

10.19 The table below presents the country of birth of residents, sourced from the 2011 Census.

Figure 10.6 – Country of Birth by Local Authority 2011

Country of Birth	Blackpool	Fylde	Wyre	England
UK	94.6%	95.0%	96.7%	86.2%
Ireland	0.7%	0.6%	0.4%	0.7%
Other EU: Member Countries in March 2001	0.8%	1.1%	0.7%	1.7%
Other EU: Accession Countries 2001 to March 2011	1.5%	0.9%	0.4%	2.0%
Other Countries	2.3%	2.3%	1.7%	9.3%

Source: Census 2011

10.20 Blackpool has the highest proportion of residents with a country of birth other than the UK, although all authorities have proportions of residents within a country of birth other than the UK significantly below the national average level for England.

10.21 The table below shows the length of UK residence for all residents, drawing on 2011 Census data. This demonstrates that, across the Fylde Coast, the highest proportion of non-UK origin residents are long-term residents, having lived in the UK for ten years or more.

Figure 10.7 – Length of UK Residence 2011

Length of UK Residence	Blackpool	Fylde	Wyre	England
Born in the UK	94.6%	95.0%	96.7%	86.2%
Resident in UK: less than 2 years	0.5%	0.5%	0.6%	1.8%
Resident in UK: 2 years or more but less than 5 years	1.0%	0.7%	0.3%	2.2%
Resident in UK: 5 years or more but less than 10 years	1.2%	0.7%	0.4%	2.9%
Resident in UK: 10 years or more	2.8%	3.1%	2.0%	7.0%

Source: Census 2011

10.22 The table below presents the year of arrival in the UK for all residents, sourced from the 2011 Census. This shows that 1991-2009 formed the peak years of internal migration into the Fylde Coast authorities, in line with the national trend – although Wyre, in particular, appears unaffected by national trends, with little variation in the level of international migration across the period.

Figure 10.8 – Year of Arrival 2011

Year of Arrival	Blackpool	Fylde	Wyre	England
Born in the UK	94.6%	95.0%	96.7%	86.2%
Pre-1941	0.1%	0.1%	0.1%	0.1%
1941-1950	0.2%	0.2%	0.2%	0.2%
1951-1960	0.4%	0.5%	0.3%	0.7%
1961-1970	0.5%	0.5%	0.4%	1.2%
1971-1980	0.4%	0.5%	0.3%	1.2%
1981-1990	0.4%	0.5%	0.3%	1.2%
1991-2000	0.7%	0.7%	0.4%	2.3%
2001-2003	0.5%	0.3%	0.2%	1.5%
2004-2006	1.0%	0.6%	0.3%	2.1%
2007-2009	0.9%	0.7%	0.4%	2.3%
2010-2011	0.3%	0.3%	0.5%	1.1%

Source: Census 2011

10.23 The final table below presents the age of arrival in the UK for all residents, drawing from 2011 Census data. This shows that the Fylde Coast largely mirrors the national trend in the age of arrival of their international migrant residents.

Figure 10.9 – Age of Arrival 2011

Age of Arrival	Blackpool	Fylde	Wyre	England
Born in the UK	94.6%	95.0%	96.7%	86.2%
0 to 15	1.8%	2.1%	1.4%	4.0%
16 to 17	0.2%	0.2%	0.3%	0.6%
18 to 19	0.3%	0.3%	0.2%	1.0%
20 to 24	1.0%	0.8%	0.5%	2.9%
25 to 29	0.9%	0.7%	0.4%	2.3%
30 to 44	0.9%	0.7%	0.4%	2.4%
45 to 59	0.2%	0.1%	0.1%	0.5%
60 to 64	0.0%	0.0%	0.0%	0.1%
65+	0.0%	0.0%	0.0%	0.1%

Source: Census 2011

Gypsies, Travellers and Travelling Showpeople

10.24 Gypsies, Travellers and Travelling Showpersons' accommodation will be considered in more detail in a forthcoming assessment that will cover the Fylde Coast authorities. This assessment will replace the previous Lancashire Gypsy and Traveller Accommodation Assessment (GTAA) which was published in 2007.

Bringing the Evidence Together

10.25 This section has considered the specialised housing needs of particular groups, which should be carefully considered when developing a housing strategy. This has drawn together secondary data sources and existing evidence, and should be read alongside more detailed studies where cited. The key findings from this section are as follows:

- Substantial growth is projected in the older population, with Fylde in particular experiencing a 41.2% increase between 2011 and 2030 in those aged 65 and over. Proportionally, the greatest area of growth across all authorities is in the 85 and over age bracket, which will necessitate the provision of specialised housing to enable independent living alongside dedicated older persons accommodation. It is clear that growth in the older person population is likely to be a significant component of population change in Fylde and Wyre in particular;
- The housing requirements of older people are further illustrated by assessing housing tenure, with the older population typically more likely to own their home and less likely to privately rent than the overall authority averages. The level of private renting is, though, above the national average for older people, although there are generally fewer instances of social renting. Nevertheless, the proportion of older people in social rented accommodation is comparable to the level for all ages in the Fylde Coast;
- In Blackpool, there is forecast to be little change between 2012 and 2020 in the number of residents with a learning disability, although there is expected to be a shift in age profile with fewer younger people and more older people having a learning disability. This pattern is reflected, at a greater scale, in Lancashire, which will have important implications for Fylde and Wyre;
- The number of residents with moderate or severe physical disabilities is forecast to remain constant over the period 2012 to 2020 in Blackpool. However, in Lancashire, both figures are expected to increase, with an additional 1,256 residents with moderate or severe physical disabilities by 2020;
- The Fylde Coast authorities have a higher proportion of White British residents than the national average, with all other ethnicities proportionally under-represented. Nevertheless, when assessing country of birth, Blackpool has a higher proportion of residents born outside the UK;
- 1991 to 2009 formed the peak years of international migration into the Fylde Coast, in line with the national trend; and
- A forthcoming assessment will consider the needs of Gypsies and Travellers in the Fylde Coast, with this replacing the previous 2007 assessment.

11 An Objective Assessment of Need

- 11.1 A range of scenarios of potential dwelling requirements linked to associated demand generated from household growth have been presented in section 7. These have been built to take account of a range of factors identified as having a direct bearing on the establishment of the objectively assessed need for housing in each of the authorities of the Fylde Coast. This includes demographic components such as natural change and migration as well as alternative levels of economic growth.
- 11.2 The scenarios represent a range of alternative futures based upon the application of various assumptions related to these strategic drivers of housing market demand and need. This section looks to compare and contrast the outcomes and implications of these scenarios in order to provide a considered evidence base from which the future requirement for housing and respective policies within Local Plans' can be developed in line with the requirements of the NPPF.
- 11.3 The intention is not to propose that a single scenario or specific set of assumptions can be confirmed as providing a definitive assessment of objectively assessed needs. The analysis in the preceding sections has confirmed the complexities of the housing market and the interrelationships of these drivers of change which are affected by wider macro conditions and national policy agendas. The purpose, therefore, is to use the evidenced position presented by the scenarios to understand the likelihood and implications of different levels of housing provision within each authority and across the Fylde Coast.
- 11.4 In evaluating the scenarios it is important to reflect on a number of questions which directly arise out of the policy guidance set through the NPPF, the draft NPPG as well as the PAS/LGA Guidance (2013) focused on this aspect. These questions include:
- How many houses are required to accommodate projected levels of population growth associated with changes to the existing population and future anticipated levels of migration?
 - What level of economic growth, and in particular the changing amounts of employment opportunities, can be supported by changes to the local labour supply and how much housing is required to accommodate this labour force?
 - How much housing overall is required to facilitate the development of a sustainable mix of tenures, including sufficient affordable housing, to meet the needs of all households in the future and therefore respond to market signals?
- 11.5 It is important to recognise that this report does not seek to set policy but rather to provide an informed evidence base from which policy can be developed. To this end, therefore, the above questions are used to test the implications of differing levels of housing development over the period 2011 to 2030. In arriving at a policy position it is recognised that a range of other factors will need to be taken into account.
- 11.6 This will include, for example, the available capacity of residential land and the wider infrastructure in place and required to sustainably accommodate housing. The recommendations made in this section do not therefore take into account the outputs of each authorities evidence base regarding the appraisal of the supply of available land (i.e. through a SHLAA) or the environmental impact of alternative levels of development.

11.7 Finally, as set out section 2, whilst the authorities of the Fylde Coast can be evidenced as constituting a distinct housing market area there is evidence of linkages with surrounding authorities and the area falls within sub-regional strategy areas, such as the Lancashire LEP geography. The development of policy will need to demonstrate compliance with the Duty to Co-operate as stipulated within the Localism Act. This will require evidence of detailed engagement and joint working with other authorities within the wider geography.

Setting the context - objective assessment criteria

11.8 An overview of the NPPF and relevant guidance was set out in the introduction section of this SHMA, this highlights the key 'tests' or assessment criteria required to be considered in arriving at an evidenced position requiring the scale of objectively assessed needs. The evidence presented in sections 2 to 9 is drawn up and summarised to provide a context for assessing the scenarios structured around the three key questions introduced at the start of this section.

Meeting population requirements

11.9 The NPPG identifies that the latest 2011 Interim SNHP dataset should provide the starting point estimate of overall housing need. As identified in section 4 these project an increase in the number of households per annum for each authority over the period 2011 to 2021 as follows:

- **Blackpool** – 30 households per annum
- **Fylde** – 265 households per annum
- **Wyre** – 338 households per annum

11.10 Collectively this results in a level of growth across the Fylde Coast of only 633 households per annum. This could be considered as representing the 'starting point' for considering the objectively assessed need across the housing market area, although this needs to be set in the context of the limitations of this 'Interim' dataset as set out in section 7.

11.11 Across the Fylde Coast the natural change scenarios have indicated that the population would decline without the impact of migration, with this being particularly true of Fylde and Wyre. This highlights that over the last ten years migration has had an important net effect on population growth across the Fylde Coast.

11.12 The analysis of historic migration trends and the projection of this forward through the two 5 and 10 year migration-led scenarios illustrates that the last half of the decade has seen lower net levels of migration. In the case of Blackpool recent years have actually seen a net outflow. A continuation of more recent (five years) levels of migration across the Fylde Coast will lead to a level of housing requirement of only around 255 households per annum, with Blackpool essentially requiring no new housing. The longer ten year trend shows a higher level of requirement, approximately 729 dwellings per annum, reflecting the more positive longer-term migration trends.

11.13 Given that the last five years have represented a period of economic downturn and associated housing market stagnation, particularly outside of the South East, the longer-

term migration trend should be considered as representing a more robust 'check' regarding demographic pressures to which housing need should be assessed. On this basis it is considered likely that all three authorities will continue to see a positive level of migration over the long-term.

Enabling growth in total employment

- 11.14 The analysis in section 5 considered a range of economic forecasts as well as the available complementary economic evidence prepared to inform the respective emerging Local Plans. These showed a mixed picture across the Fylde Coast with the two forecasting houses, Experian and Oxford Economics forecasting an annual average annual growth between 2011 and 2030 in jobs across the area of approximately 230 and 180 jobs respectively. In the case of the Oxford Economics forecast this actually projected a job loss in Blackpool as part of this wider Fylde Coast picture of growth.
- 11.15 The evidence base assembled for Fylde and Wyre in terms of their 'Employment Land Assessments' or equivalent considered a range of demand scenarios which appear to fit within this range of forecast growth levels. A comparable study for Blackpool was not available at the time of writing to benchmark the 'reality' of the forecasts considered.
- 11.16 The LEP's business plan advocates an ambitious target of employment growth in the future across Lancashire over the next ten years, but the extent to which the Fylde Coast authorities are anticipated to contribute to this growth is not explicitly stated, with the underpinning Oxford Economics forecasts used by the LEP showing a more muted level of growth than the Experian datasets. It is important to recognise that the area includes a number of key employment projects – the Warton Enterprise Zone in Fylde, in particular, suggests a commitment to delivering a strong recovery to the local employment in light of recent job losses.
- 11.17 These levels of forecast job growth and economic ambitions need to be considered in the context of the demographic evidence which shows a continued ageing of the population resulting in a substantial increase in the old-age dependency balance for the Fylde Coast authorities. Therefore in order to balance the required labour-force to match these forecast levels of job growth the authorities would need to see an increase in the levels of net migration over the projection period⁸⁸.
- 11.18 At the upper end the Employment-led Experian scenario indicates a requirement for approximately 1,240 dwellings per annum. The Oxford Economics scenario suggests a slightly lower requirement of approximately 1,180 dwellings per annum across the Fylde Coast.
- 11.19 The actual level of employment growth likely to be seen over the future plan periods is difficult to accurately estimate and it is not the intended aim of this SHMA to attempt to do this. However, it is evident that the area is collectively expected to see growth and therefore ensuring that a sufficient scale of labour-force growth is enabled through the

⁸⁸ Note: the sensitivity analysis presented in section 8 for Blackpool regarding future economic activity rate changes suggests that the level of job growth in the authority could have an important bearing on the scale of the re-use of labour, which will, in turn, impact on assumed levels of net-in migration of additional people into the labour-force.

provision of required infrastructure, including housing, represents an important consideration.

Increasing the affordable housing stock

11.20 The SHMA has included an updated assessment of the need for affordable housing. This has continued to highlight that as with most parts of England the area continues to have high numbers of households in need of affordable housing. In net terms the calculation identifies the need for 770 affordable homes per annum over the next five years to address the current backlog and meet future forecast newly arising needs.

11.21 Assuming the backlog is met over this period the calculation suggests that there will continue to be a future newly arising need, without changes to the affordability benchmarking between incomes and prices / rents, of 564 homes per year. It is noted that currently viability challenges are impacting on the delivery of new affordable homes across the area and therefore addressing levels of need of this scale remain challenging.

11.22 It is evident from the review of the wider housing market evidence in section 6 that affordability pressures are significant across the area. The private rented sector has consistently absorbed a significant amount of affordable housing need, particularly in Blackpool. Changes to welfare reform are also identified as likely to place further pressures on the need for affordable housing, highlighting the importance of facilitating the development of new stock to ensure that the needs of all households are met. Alongside the provision of new stock it is important to recognise that raising employment and income levels will also potentially be an important factor in addressing affordability in the Fylde Coast.

11.23 The draft NPPG states that once the total need for affordable housing has been calculated then:

“The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes.”⁸⁹

11.24 In line with the analysis presented in section 9 assuming a modest 30% delivery of affordable housing meeting a need for 770 affordable homes over the next five years would require the delivery of 2,570 homes per year across the Fylde Coast (=770 / 0.3). This level of provision is considerably higher than any historical annual level of net completions seen over recent year (see section 6) and is unlikely to be achievable consistently based on the historic operation of the market. Even over the longer term without the need to address the backlog of affordable housing need the need for 564 affordable homes would equate to an overall requirement for 1,880 units per annum.

⁸⁹ DCLG. National Planning Practice Guidance – Assessment of housing and economic development needs. 2013

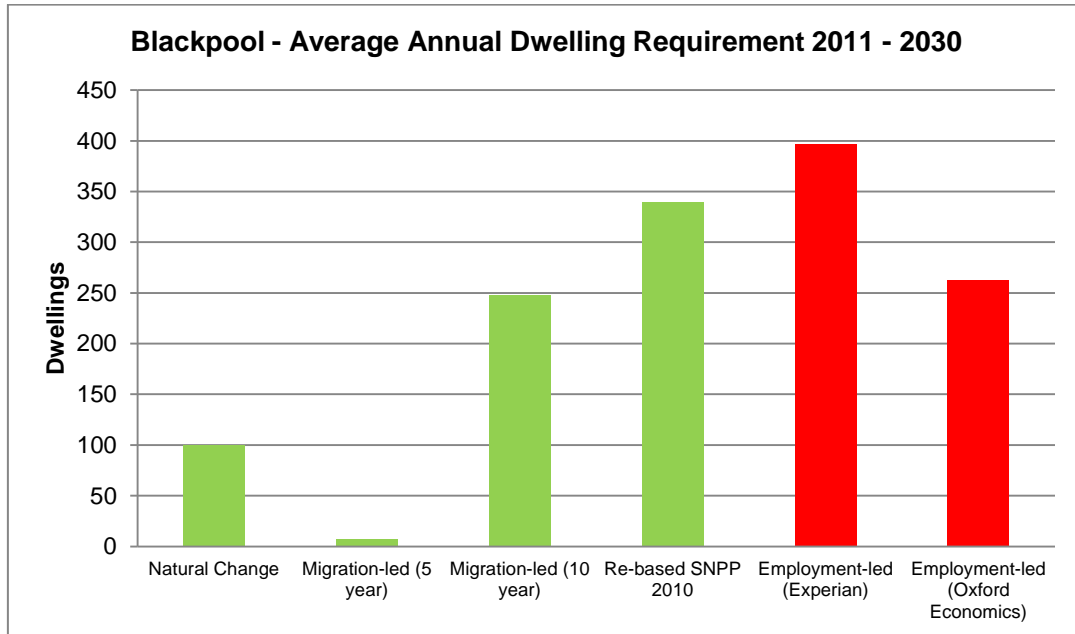
- 11.25 Higher proportions of affordable housing delivered across the authorities would moderate this need to an extent but would still require a very high need for housing, which is extremely unlikely to be realised in full based on consideration of historic development rates. In considering these figures it is also important to recognise that they exclude any allowance for the continuing role of the private rented sector in meeting needs, or any affordable housing delivery outside of the planning system. The analysis in section 9 has indicated that this tenure significantly contributes to meeting affordable housing need across the Fylde Coast but in particular in Blackpool.
- 11.26 Evidently, however, given the comparatively high assessed need for affordable housing, including a notable backlog, there is an onus on ensuring that the overall requirement for housing is of a sufficient scale to seek to make progress in addressing this need and avoiding exacerbating affordability issues further. In line with the NPPF and the draft NPPG this suggests the need to ensure that the objectively assessed need for housing is adjusted upward from any projection of need based on demographically driven historic trends across the Fylde Coast and in the individual authorities.

Evaluating the scenarios

- 11.27 The analysis in section 7 concluded with a table for each of the authorities which set out the associated per annum average dwelling requirement for each of the scenarios taking the average from the modelled household growth using the 2011 Interim and 2008 CLG SNHP headship rates. This section provides a high level evaluation of the levels of need drawing on the 'checks' described above for each of the authorities, starting initially with a chart showing these annual requirements and making a distinction between demographic and employment-led projections and evaluating the scenarios based on the objective assessment criteria set out above.
- 11.28 As set out in the introduction to this section, due to the complexities of the housing market and the various factors and assumptions which feed into the modelling of future needs, there is no single number which can be identified as conclusively representing each authority's objectively assessed housing development needs over the projection period considered. The analysis and findings below are considered to represent a balanced position and will need to be continually monitored against other emerging evidence and the interpretation of policy.

Blackpool

Figure 11.1 – Blackpool summary of scenarios – average dwelling requirement



Source: Edge Analytics, 2013. Employment-led scenarios in red, demographic scenarios in green

11.29 It is evident from the chart above that if Blackpool seeks to facilitate the growth of its economy based on the Experian forecasts, based on its current labour-force profile, then the level of housing required to accommodate a growing labour-force would need to be in the region of 400 dwellings per annum. Growth of this level would accommodate projected population growth pressures and represent an increase on average recent historic levels of net migration into the authority.

11.30 The migration longer-term trend projection (10 years) indicates a requirement for a minimum of 250 dwellings to match long-term demographic trends. This aligns with the employment-led Oxford Economics scenario, which forecasts a decline in workforce jobs over the projection period in the authority. This suggests that a sustaining of historical levels of long-term population change will not facilitate a growing economy in the future in Blackpool if Blackpool's current labour force profile remains unchanged⁹⁰.

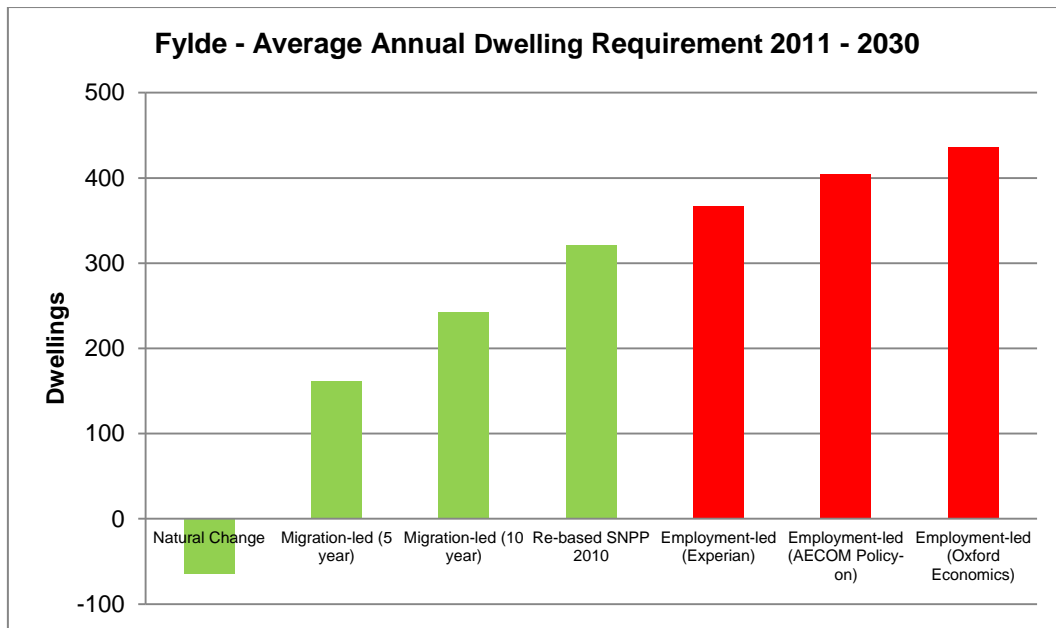
11.31 The consideration of the levels of affordable housing needed, suggests the need to ensure that the level of provision reflects the need to ensure that the balance between the supply and demand for property does not exacerbate affordability issues. In Blackpool this needs to be set in the context of a range of market indicators which suggest comparatively low market demand, i.e. low and falling house prices in many of its residential areas.

⁹⁰ Note: This issue is considered in the analysis in section 8 which suggests that if economic activity rates did improve the same level of job growth could be accommodated through the provision of fewer houses with greater contribution made by the 'latent labour-force'.

11.32 Overall this would suggest that the objectively assessed needs for the authority lie between a range of approximately 250 – 400. In considering the appropriate assessment of need in this range, it is recommended that reference is made to the further work being undertaken that continues to examine the local economy, including the labour market, as this will evidently have an important bearing on the assessment of housing needs in Blackpool.

Fylde

Figure 11.2 – Fylde summary of scenarios – average dwelling requirement



Source: Edge Analytics, 2013. Employment-led scenarios in red, demographic scenarios in green

Figure 11.3 – Fylde Scenario alignment with the assessment criteria

Scenario	Assessment Criteria		
	Meeting Population Requirements	Enabling Growth in Total Employment	Increasing the Affordable Housing Stock
Employment-led (Oxford Economics)	✓✓	✓✓	✓
Employment-led (AECOM Policy-on)	✓✓	✓✓	✓
Employment-led (Oxford Economics)	✓✓	✓	✓
Re-based SNPP 2010	✓✓	✓	✗
Migration-led (10 year)	✓	✗	✗
Migration-led (5 year)	✗	✗✗	✗✗
Natural Change	✗✗	✗✗	✗✗

Source: Turley Associates, 2013

11.33 As with Blackpool the upper end of the range presented and assessed is represented by an employment-led scenario. In order for Fylde to deliver the stronger level of job growth forecast in the latest LEP issued Oxford Economics dataset the delivery of almost 440 dwellings per annum would need to be accommodated over the projection period. Growth of this level would accommodate projected population growth pressures and represent a notable increase on average recent historic levels of net migration into the authority.

11.34 The migration longer-term trend projection (10 years) indicates a requirement for a minimum of approximately 240 dwellings to match long-term demographic trends. In addition the Re-based SNPP 2010 scenario suggests a need for approximately 320 dwellings per annum with the 2011 Interim SNHP dataset projecting an increase in households to 2021 which sits within this range at 265 dwellings per annum. Importantly all of these demographic-led scenarios fall below all of the modelled employment-led scenarios including the scenario taken from the AECOM employment study which suggests a need for the provision of approximately 400 dwellings per annum. The implied assumption being that a sustaining of historical levels of long-term population change will not facilitate a growing economy in the future in Fylde.

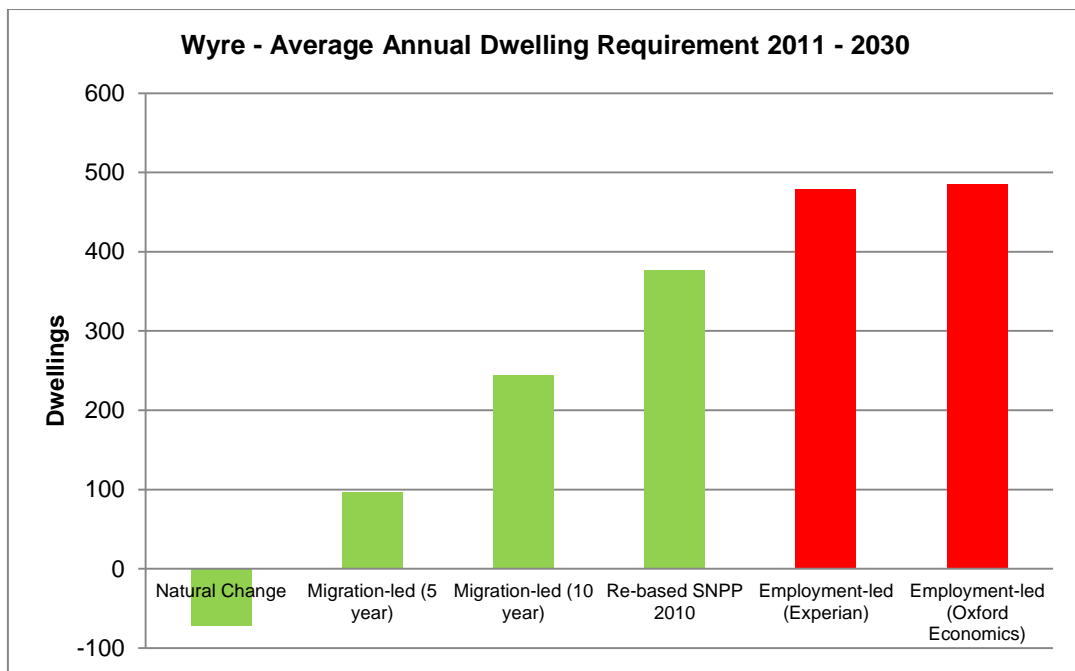
11.35 The consideration of levels of affordable housing needed, suggests the need to ensure that the level of provision is uplifted in relation to basic demographic derived demand to ensure that the balance between the supply and demand for property does not exacerbate affordability issues.

11.36 Overall this would suggest that the objectively assessed needs for the authority lie between a range of approximately 300 – 420 dwellings. The lower end of the spectrum is informed by the demographic-led scenarios which – as identified above – would be likely

to at best only support a sustaining of current employment levels at this scale. The employment evidence base within the authority highlights the potential vulnerability of employment change to the realisation of the ambitions of the Enterprise Zone. Careful monitoring will therefore be required to ensure an alignment between economic growth and housing need, with the scenarios updated as required as Local Plan policy is developed.

Wyre

Figure 11.4 – Wyre summary of scenarios – average dwelling requirement



Source: Edge Analytics, 2013. Employment-led scenarios in red, demographic scenarios in green

Figure 11.5 – Wyre Scenario alignment with the assessment criteria

Scenario	Assessment Criteria		
	Meeting Population Requirements	Enabling Growth in Total Employment	Increasing the Affordable Housing Stock
Employment-led (Oxford Economics)	✓✓	✓✓	✓
Employment-led (Experian)	✓✓	✓✓	✓
Re-based SNPP 2001	✓✓	✓	✓
Migration-led (10 year)	✓	✗✗	✗✗
Migration-led (5 year)	✗	✗✗	✗✗
Natural Change	✗✗	✗✗	✗✗

Source: Turley Associates, 2013

11.37 Wyre’s needs, as with Fylde’s, are considered at the upper end to be associated with the higher level of job growth forecast in the latest LEP issued Oxford Economics dataset. In Wyre the delivery of approximately 485 dwellings per annum would need to be accommodated over the projection period. Growth of this level would accommodate projected population growth and represent a notable increase on average recent historic levels of net migration into the authority.

11.38 The longer-term migration-led projection (10 years) indicates a requirement for a minimum of approximately 250 dwellings to match long-term demographic trends. In addition the Re-based SNPP 2010 scenario suggests a need for approximately 380 dwellings per annum with the 2011 Interim SNHP dataset projecting an increase in households to 2021 which sits within this range at approximately 340 dwellings per annum. Importantly, all of these demographic-led scenarios fall below the modelled employment-led scenarios, with the implied assumption that a sustained level of long-term population change relative to historic levels will not facilitate future economic growth in Wyre in line with forecasts. This needs to be considered in the context of the authority’s economic evidence which highlights the need to allocate employment land on the basis of growth in jobs. The delivery of this employment land in full would potentially facilitate stronger growth than modelled through either of the forecasts.

11.39 The consideration of levels of affordable housing needed suggests the need to ensure that the level of provision is uplifted, in relation to basic demographic derived demand. This will ensure that the balance between the supply and demand for property does not exacerbate affordability issues.

11.40 Overall this would suggest that the objectively assessed needs for the authority lie between a range of approximately 340 – 485 dwellings. The lower end of the spectrum is informed by the demographic-led scenarios which, as identified above, are at best only likely to support a sustaining of current employment levels at this scale. As noted above

the Council's employment evidence base points to the authority's successful generation of jobs over recent years, which – if sustained – has the potential to increase housing need pressures further. Careful monitoring will therefore be required to ensure an alignment between economic growth and housing need, with the scenarios updated as required as Local Plan policy is developed.

Addressing Backlog – Implications for Housing Requirements

11.41 The analysis presented within this section has not sought to directly take account of any allowance for backlog / past over-provision in the construction of the household projection scenarios and the identified range of objectively assessed need for each authority.

11.42 It is recognised that the draft NPPG⁹¹ states:

“The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing.”

11.43 The Planning Advisory Service (PAS) Guidance note on objectively assessed needs (July 2013) includes advice regarding the treatment of backlog or shortfall of provision historically. Two alternative viewpoints surrounding unmet need are set out:

- That household projections take into account unmet need, and therefore there is no need to try and 'make up' any past shortfall in housing provision, as the shortfall is reflected in future household projections; and
- Due to a lack of suitable accommodation provided, households have not formed which means that the trends on which the projections are based do not reflect the real need. This creates a 'pent-up demand' for housing, which should be measured or estimated, and added onto household projections.

11.44 The population and household projections built within this report take a 2011 base date and provide a forward looking projection of future housing needs up until 2030. On this basis these accord with the first methodological viewpoint.

11.45 Alternatively, considering the second viewpoint, there is no definitive approach for identifying separately the level of 'backlog' built into demographic-led projections. The approach adopted in the modelling in this report regarding the application of headship rates (which takes a mid-point between 2008 and 2011 SNHP rates) ensures that a 'suppressed' household formation rate is not projected forward over the plan period meaning that, to an extent at least, there is an assumption that any backlog of need emerges as future growth and is not simply unaccounted for.

⁹¹ As noted in section 1 this was released following the production of the modelling outputs and the draft reporting. Future monitoring of interpretation of the final version of the NPPG will be required and the interpretation of the conclusions of this report considered accordingly.

- 11.46 This is important in Fylde and Blackpool in particular as it is evident from the analysis of net completions in section 6 that the authorities have seen an under-provision against the requirement established under the RSS. It is also important to note that for a number of the authorities a period of policy moratoria was in place from 2003, with this potentially serving to constrain supply in relation to need. The calculation of affordable housing needs as described in section 8 takes account of addressing a backlog associated with this tenure.
- 11.47 In translating the range of objectively assessed needs within this section, consideration will need to be given to the treatment of this backlog element, particularly with regards to the demographic or migration-led scenarios.
- 11.48 For the employment-led projection scenarios, noting that for the majority of these they include higher assumed net levels of migration associated than seen over this period between 2003 and 2011 for each authority, there is an argument to say that simply making an allowance for past backlog would over-estimate the modelled need. This reflects the fact that these scenarios project a more positive market level of growth than seen over this period against which any backlog is calculated. The actual scale of the economic and market recovery, as noted in the caveats associated with the level of need identified, will require careful monitoring to identify whether an adjustment up or down is evidenced.
- 11.49 It is evident from the analysis in section 4 of net completions since 2011 that all of the authorities have delivered net completions at a level below the range of objectively assessed need identified, including over the period 2011 and 2013. Any backlog over this period would need to be factored into the establishment of dwelling and policy requirements to reflect the assessed overall need over the plan period.

Duty to Co-operate Implications

- 11.50 The analysis in section 3 identified that the authorities of the Fylde Coast collectively operate as a relatively well self-contained housing market area. The analysis of commuting and travel to work flows did, however, evidence linkages with other surrounding authorities. The ambitions of the Lancashire LEP also highlight the importance of joint working to support the economic growth of this wider sub-regional economic geography which will need to be taken into account in the future setting of policy.
- 11.51 The interpretation of the NPPF and the Duty to Co-operate (summary in section 1) highlights the importance of on-going and active engagement between authorities within housing market areas.
- 11.52 This SHMA provides a range of objectively assessed needs for each authority, but it will be important to ensure that, as the evidence is taken forward, a positive process of dialogue is maintained, not only between the authorities in the Fylde Coast but also those authorities with strong housing market linkages to the area.
- 11.53 The following table sets out a summary of evidenced need within those authorities with the strongest travel to work / migration links with the Fylde Coast authorities and the

current policy position. Authorities are included on the basis that they fall within the top five strongest flows of migration or commuting, as shown in Figures 3.2 and 3.7. In addition, Ribble Valley and West Lancs are also considered on the basis that they neighbour the Fylde Coast. This will need to be continually monitored and updated by the authorities through engagement with these authorities and any others considered relevant.

Figure 11.6 – Neighbouring Authorities’ Housing Strategies

Local Authority	Objectively Assessed Need	SHMA Date	Policy Position	Comment
Lancaster	Minimum of 560 homes per annum	2013 Update published	Current Adopted plan includes a requirement for 400 dpa	The current requirement falls below the objectively assessed need. The updating of the Plan and the relationship between the policy provision for new housing and need will need to be monitored
Preston	SHMA pre NPPF and Assessment not supported by Inspector 2011 SNHP suggests need of 355 dpa (2011 – 2021)	Central Lancashire Housing Requirements Study 2011	Current Adopted Plan 507 dpa	New evidence prepared to align economic ambitions and housing provision needs to be carefully monitored. Current plan provision exceeds Interim projections.
South Ribble	SHMA pre NPPF and Assessment not supported by Inspector	Central Lancashire Housing Requirements	Current Adopted Plan 417 dpa	New evidence prepared to align economic ambitions and housing provision

	2011 SNHP suggests need of 410 dpa (2011 – 2021)	Study 2011		needs to be carefully monitored. Current plan provision marginally exceeds Interim projections.
Pendle	Range of 265 – 310 dpa	SHMA 2013	RSS Provision of 190 dpa. Replacement Local Plan in early stages of preparation	Assessment of need exceeds previous RSS figure. Monitoring required of emerging policy.
Manchester	SHMA evidence prepared pre-NPPF – identified GM need of 9,240 households per annum. 2011 SNHP suggests need of 1,571 dpa (2011 – 2021)	Greater Manchester SHMA Update 2010	3,470 dpa in Adopted Core Strategy	Planned provision exceeds the latest Interim Projections for need. The GM authorities are understood to be preparing a GM wide evidence base looking at housing and employment requirements and the outputs of this will need to be carefully monitored.
Ribble Valley	Range of 220 – 250 dpa (2008 – 2028)	SHMA 2013	RSS provision of 161 dpa	Core Strategy EIP held January 2014 with the submitted plan proposing a dwelling requirement of 200dpa, which falls below the OAN. However, it is noted that this figure may be

				subject to change following the Inspector's recommendations
West Lancs	<p>Local Plan Inspector considered a range of evidence including the 2009 SHMA and suggested that OAN should be based on 2011-based interim household projections, factoring in the accrued shortfall against the RSS</p> <p>2009 SHMA identified a range of 329 – 651 dpa required</p>	SHMA 2009	302 dpa in adopted Local Plan (2012-2017), rising to 335 dpa between 2017 and 2027	The SHMA considered 7 scenarios for housing need which resulted in projected increases for the borough from 329 to 651 dpa.

11.54 It is evident from the above review that a number of the authorities with stronger market linkages to the Fylde Coast have an evidence base which precedes the NPPF. It will be important that future updates are carefully considered by the Fylde Coast authorities to understand in more detail any under or over provision against plan requirements.

11.55 A review of the current provision for new housing compared either against the emerging evidence base or in the absence of up-to-date data the 2011 Interim SNHP dataset does not suggest a significant shortfall or under supply cumulatively. The current plan positions in Lancaster and Pendle in particular, however, do fall short of the more recent objectively assessed needs. It is understood that the Council's respective current plans are to seek to accommodate these higher levels of need within their emerging updates to policy.

12 Drawing the Evidence Together

- 12.1 This section summarises the conclusions reached through the SHMA research. The findings are presented to align with and reference the required outputs of the NPPF and the NPPG. Recognising that the emerging NPPG remains in draft form at the time of writing, the conclusions are also structured to reference the core outputs set out within the 2007 DCLG SHMA Guidance.
- 12.2 Alongside the core outputs, the section concludes with a short summary of conclusions for each authority.

Introduction / Scope of the Research

- 12.3 The purpose of this document is to develop a new NPPF-compliant Strategic Housing Market Assessment to update the evidence base of housing needs and demand across the Fylde Coast.
- 12.4 This assessment provides housing evidence for the Councils as to how many dwellings of different tenures are needed over the next fifteen years and beyond. This will inform the respective Local Plans of Blackpool, Fylde and Wyre, and allow the development of complementary housing strategies.
- 12.5 It is important to recognise that the SHMA does not seek to make a planning or policy judgement. The analysis around future needs and indeed the objectively assessed need for housing is based on the latest demographic and economic information available. It is acknowledged, however, that the development of policy will need to take account of a range of other factors.
- 12.6 This includes, for example, the available capacity of residential land and the comparative environmental impact of utilising this land as well as the wider infrastructure in place and required to sustainably accommodate housing and jobs.
- 12.7 Equally the analysis of need presented within this SHMA does not specifically include any allowance for backlog/past over-provision as identified in section 10. This will need to be considered in the use of this evidence by local plan-makers and in light of the application of the NPPG. These factors will need to be considered in greater detail in order to translate the evidence into recommendations regarding future housing requirements within policy.
- 12.8 In addition to the core outputs regarding an understanding of the future needs of households across the area this report also enables a greater understanding of the dynamics and drivers of the sub-regional housing market, and will allow the identification of actions that will help to deliver better housing and socio-economic outcomes for those living in Blackpool, Fylde and Wyre.

SHMA Core Outputs

- 12.9 The analysis in the SHMA includes a review of the current housing market in terms of the stock profile, active market and the longer-term demographic drivers of change including

the economy and demographics. The following core outputs from the DCLG 2007 Guidance are considered:

- **Output 1** – Estimates of current dwellings in terms of size, type, condition and tenure
- **Output 2** – Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price / affordability. Description of key drivers underpinning the housing market

12.10 In this context, the following key findings are important across the Fylde Coast with specific local authority points noted:

Estimates of current dwellings in terms of size, type, condition and tenure

- There are a total of 156,851 household spaces in the Fylde Coast, with Blackpool, Fylde and Wyre containing 44%, 24% and 32% of spaces respectively. As expected, the majority of household spaces are located within urban areas, with fewer dwellings in the rural parts of the study area;
- The average property in Blackpool has fewer rooms than the average property in Fylde and Wyre, with an average property size that is lower than the national average. On average, properties in all authorities have generally grown in size between the 2001 and 2011 Censuses, reflecting national trends, although this trend has been least pronounced in Blackpool, where there remains a high proportion of 1 bedroom properties, particularly in the inner area;
- When assessing the Fylde Coast as a whole against the national averages, there are a greater proportion of semi-detached properties. In contrast, there are slightly fewer detached and flatted properties, with marginally fewer terraced dwellings. However, there is significant variation, both between and within authorities;
- Blackpool has a substantially lower proportion of detached stock than the Fylde Coast and England averages, and a subsequently higher level of semi-detached, flatted and particularly terraced properties. This is driven by the high concentration of flats and terraces in the Inner Blackpool area, and a high frequency of semi-detached properties in the rest of the borough;
- The current stock profile in Fylde and Wyre is relatively similar, with higher levels of detached stock, fewer terraced properties and more caravans. There are two notable differences, however – Fylde has a significantly higher proportion of flats when compared to Wyre, and Wyre has a higher level of semi-detached stock. At a sub-authority scale, Thornton and Cleveleys have particularly high levels of semi-detached properties, with a high proportion of detached stock in the rural sub-areas. Fleetwood represents an anomaly, with a stock profile that is more comparable to Blackpool than Wyre with the highest concentration of terraced properties of any analysed sub-area;
- Collectively, local authority surveys have identified just over 50,000 dwellings that can be classified as non-decent, although Wyre's survey in-particular is relatively dated. The survey identified that the housing stock in Blackpool is typically older than that found in England as a whole, with double the national average of dwellings built between 1919 and 1944 and subsequently fewer modern dwellings. In contrast, the housing stock in Fylde is more modern, with the greatest proportion built since 1965. This pattern is replicated, albeit to a lesser degree, in Wyre;

- On average, outright ownership of properties is more common in the Fylde Coast than nationally, with a slightly higher level of private renting and substantially fewer instances of social renting. Blackpool closely follows national housing tenure trends, with the main exception being that there is less reliance on social renting and a greater concentration of private renting from a landlord or agent. The latter is particularly prevalent in the Inner Blackpool area, where half of all properties are rented and the levels of ownership are lower than any other sub-area. Wyre and Fylde have much higher levels of outright ownership, with both the social and private rental market lower than the Fylde Coast average. Outright ownership is particularly common in rural areas, with over half of properties in the Rural SW of Fylde, Rural West of Wyre and Garstang & Catterall owned outright. Fleetwood is relatively distinct, representing the highest concentration of social rented properties. There is also a relatively high level of private renting in Lytham & St Annes, second only to Inner Blackpool. It should also be recognised that Blackpool in particular contains a large number of shared households, accounting for around 70% of all shared households in the Fylde Coast; and
- In October 2013, there were 2,718 long-term empty properties in the Fylde Coast, of which over half were located in Blackpool. This generates long-term vacancy rates of 2.1%, 1.6% and 1.1% for Blackpool, Fylde and Wyre respectively, with the majority located within urban areas.

Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price / affordability

- The housing market in the Fylde Coast has closely followed the national trend, with substantial growth in the early 2000s – most significantly in Fylde – that reinforced the spatial variability in house prices. Since 2008, house prices have stagnated and remained relatively consistent, but there was been a sharp decline in the number of residential transactions between 2007 and 2008 that has preceded a relatively low level of activity since. The level of house building in the Fylde Coast has also dropped in this period;
- Based on an analysis of 1,546 residential transactions over a six month period between March and July 2013, it is clear that properties in Blackpool serve the lower end of the market, with a median house price of £95,000. In contrast, house prices in Fylde are higher, with a median of £167,500, and Wyre operates in the middle with a median value of £129,998;
- Inner Blackpool, Fleetwood and the Rest of Blackpool are clearly grouped at the lower end of the Fylde Coast housing market, with median house prices of £101,000 and below. Parts of Wyre – including Cleveleys and Thornton – as well as Kirkham/Wesham & Freckleton/Warton in Fylde represent the next step of the market, with the rural areas of Fylde, as well as Lytham & St Annes, Garstang & Catterall and the Rural East of Wyre, operating at the upper end of the market. Indeed, the rural areas are particularly high, with Fylde's Rural SW demanding the highest house prices. This pattern is largely replicated when analysing lower quartile data to establish an understanding of the lower end of the sub-authority housing market;

- Rental prices in the Fylde Coast are typically lower than the national average, for property of all sizes. Properties in Fylde and Wyre do, though, yield higher rents than the comparable figures for Lancashire, with rental properties in Blackpool generally cheaper; and
- Household income in Fylde is generally higher than the other Fylde Coast authorities, and average income in Blackpool is lower. This has informed the calculation of affordability benchmarks to understand the income required to access different housing tenures. There is some variation across the Fylde Coast, with the income required to purchase a lower-quartile house in Blackpool lower than the income required to access rental market housing. In contrast, a considerable gap exists in Fylde, highlighting the challenge for households in getting onto the housing market.

Description of key drivers underpinning the housing market

- Population is one of the key drivers underpinning the housing market, and Fylde and Wyre in particular saw moderate population growth between 2001 and 2011, with particular growth in Lytham & St Annes and Thornton. The population in Blackpool fell during the same period, caused by population loss in the inner area and a decline in the level of immigration which has historically driven population growth in the authority;
- The population profile of the Fylde Coast changed between 2001 and 2011, with a general ageing of the population in line with national trends, and this is particularly pronounced in Fylde and Wyre. There are a lower proportion of older people in Blackpool, however, with net out-migration of those aged 55 and over and net immigration in the 20-29 age group. This is different to the other Fylde Coast authorities, where there are constant net inflows of the older population and generally fewer younger migrants;
- Over the period 2001 to 2011, Wyre saw the greatest increase in employment levels, with job losses in Fylde and, most notably, Blackpool. Collectively, almost 5,000 jobs have been lost across the Fylde Coast, representing a 3% decline;
- Unemployment rates are highest in Blackpool and lowest in Fylde, with all three authorities experiencing a higher level of unemployment between 2008 and 2012 relative to the preceding period. Home owners are more likely to be in employment, although a relatively high proportion are retired. Blackpool has the highest proportion of unemployed occupants across all tenures; and
- Employment forecasts sourced from Experian and Oxford Economics suggest that between 3,500 and 4,500 jobs will be created in the Fylde Coast economy over the period 2011 to 2030. The distribution of the forecast growth in these jobs geographically provides an interesting context. . Wyre is identified as having the potential to see quite strong job growth, reflecting historic trends. Fylde is also forecast to see employment growth, although the Council's evidence base highlights that the scale of growth will be influenced, at least in part, by the success of key projects including the Enterprise Zone. The forecasts suggest some uncertainty over whether Blackpool will generate employment growth over the projection period, with this again influenced by historic performance and the current employment base.

Future Housing Needs

12.11 The SHMA report includes a detailed analysis of modelling undertaken to understand the potential changing future housing needs across the Fylde Coast and within the individual authorities. The emerging draft DCLG published NPPG sets out a proposed methodology for undertaking this assessment with this taken into consideration in the timing of the research outputs and the conclusions reached. Whilst the DCLG SHMA Guidance (2007) does not directly reference the following core output is addressed as part of the analysis and evaluation process:

- **Output 3** – Estimate of total future number of households, broken down by age and type where possible

12.12 The NPPF and the emerging draft DCLG published NPPG, as well as other available guidance to assessing 'objectively assessed need' (PAS/LGA, 2013) highlight a number of important points for considerations. These include the need to:

- Understand the implications of a changing population and in particular recognising the future natural change balance and historic migration trends. Whilst scenarios illustrating the impact of assuming zero migration (or solely natural change) provide a useful context for understanding the drivers of the housing market they do not represent an achievable future position with policy unable to directly control migration;
- Ensure that the assessment of need considers the impact of employment change on future migration and population growth or decline;
- Recognise the scale of the need for affordable housing and understand how this aligns with the overall scale of need related to population and household growth; and
- Recognise that the assessment of need should not be constrained by supply or capacity factors with these required to be considered through the development of policy. Any gap between the assessment of the need for housing and the tested capacity to deliver within an authority needs to be accommodated through agreements reached through the Duty to Co-operate with other authorities in the wider housing market area.

12.13 In line with these considerations, a range of potential dwelling requirements linked to associated demand generated from household growth have been presented within this report. These have been built to take account of a range of factors identified as having a direct bearing on the establishment of the objectively assessed needs for housing across the Fylde Coast, including natural change and migration as well as alternative levels of economic growth.

12.14 The range of scenarios show a projected change in the number of households ranging from approximately 890 to 1,305 dwellings per annum across the Fylde Coast. This includes the following ranges by authority:

- **Blackpool** – 250 – 400 dwellings per annum
- **Fylde** – 300 – 420 dwellings per annum
- **Wyre** – 340 – 485 dwellings per annum

12.15 The scenarios of population and household change represent a range of alternative futures based upon the application of alternative assumptions relating to the strategic drivers of housing market demand and need.

- 12.16 It is evident even from the narrowed down range presented above that there is a broad spectrum of alternative assessments of potential need based on the modelling.
- 12.17 As identified through the SHMA, and recognised within the NPPG, due to the complexities of the housing market and the various factors and assumptions which feed into the modelling of future needs, there is no single number which can be identified as conclusively representing the objectively assessed housing needs within the Fylde Coast over the projection period.
- 12.18 Evaluation for each of the authorities shows that a continuation of longer-term demographic trends, for example – representing the bottom of this range – would only support a sustaining of current employment levels, assuming that the current labour force profile remains unchanged, and this would be unlikely to contribute significantly to addressing long term supply and demand imbalances in the market, based on the assessment of the need for affordable housing.
- 12.19 These imbalances are evident in the significant differentiation in house prices and rental values across different areas of the Fylde Coast. Inner Blackpool, for example, is characterised by its prevalence of small flats and associated concentration of Housing Benefit claimants, while in the more rural areas of the Fylde Coast, high house prices represent another form of affordability issues.
- 12.20 In order to align more closely with the current forecast potential growth of the economy, taking into account economic forecast data provided by Experian and Oxford Economics, and recognising the changing age structure of the area and current labour force indicators, the analysis identifies that a higher level of housing provision would be required.
- 12.21 The NPPG advocates plan-makers consider the required uplift from a starting point of demographically driven household projections taking into account the economic and market signals context and this will need to be considered by the Council's as they refine their evidence base and policy. Careful monitoring will be required to ensure an alignment between economic growth, demographic pressures and affordable housing need, with the scenario modelling updated as required to respond to new data releases as Local Plan policy is developed.

Affordable Housing Needs

- 12.22 There is a significant level of demand pressure for non-market housing in the Fylde Coast, related to the historic importing of benefit claimants into a large private rented sector over several decades. This has been further compounded by the impact of the recession, with subsequent reductions in income and job losses. The analysis around affordability benchmarking clearly illustrates this issue when comparing household income levels against the price of entry into different tenures within each authority. This assessment has included within section 9 a running of the Affordable Housing Needs calculation, based on the 2007 SHMA Guidance and noting the references within the draft NPPG.
- 12.23 The following DCLG 2007 Guidance outputs are considered through this element:

- **Output 4** – Estimate of current number of households in housing need
- **Output 5** – Estimate of future households that will require affordable housing
- **Output 6** – Estimate of future households requiring market housing
- **Output 7** – Estimate of the size of affordable housing required

12.24 Collectively, there are 1,352 households in need of affordable housing across the Fylde Coast, almost three quarters (1,006) in Blackpool. There are lower levels of need in Wyre and Fylde, with need for 216 and 138 affordable homes respectively. At a sub-authority scale, there are particularly concentrated areas of need in Blackpool, Fleetwood and Lytham & St Annes, suggesting that need is more pronounced in predominantly urban areas. It should be noted that these households include households classified as homeless or in temporary accommodation, yet exclude existing social tenants requesting a transfer from their current social dwelling.

12.25 Stage 2 of the DCLG Guidance for assessing need focuses on estimating the number of households that will require Affordable Housing over the short-term (five years). The analysis presented in section 8 identifies a total newly arising need (gross per year) of 1,337, of which 643 are based in Blackpool, 411 in Wyre and 283 in Fylde.

12.26 These estimates do not, however, take account of the supply of stock to absorb demand. By utilising the DCLG Guidance calculation process, and taking into account the supply available on an annual basis (re-lets/surplus stock/pipeline new supply), the housing needs analysis indicates that the Fylde Coast authorities will collectively be required to provide for a net annual Affordable Housing Need of 771 dwellings per annum, broken down to:

- **Wyre** – 300 dwellings per annum over the next five years
- **Blackpool** – 264 dwellings per annum over the next five years
- **Fylde** – 207 dwellings per annum over the next five years

12.27 Looking to the long-term, it is difficult to accurately assess how house prices, and the financial requirements of households to obtain mortgage credit, will change. Arguably, the low levels of supply of new housing – both market and Affordable – are likely to result in sustained house prices. This suggests that, over the short-term at least, the demand for non-market housing is unlikely to abate. Moreover, the government's ongoing programme of welfare reform is anticipated to put additional pressure on both the social rented and private rented market within each authority. Clearly, these are important informing influences on the future split of the market and the level of Affordable Housing required.

12.28 The analysis in the SHMA has shown that, currently and in the short-term, while a large proportion of need can only be addressed through traditional social housing products in each authority, there are a number of households in need who could have their needs met through other Affordable products. These could include various 'Intermediate' housing products, providing an important step onto the housing ladder in the future.

12.29 Intermediate housing products have the ability to play a limited role in meeting the affordable housing needs of households across the Fylde Coast. The traditional shared ownership model is favourable as delivery would reduce the reliance on social rented housing. However, this must be balanced with the viability of delivering this product,

which due to low value returns (see Figure 6.5), is challenging across much of the Fylde Coast.

12.30 Core Output 7 requires an estimate of the breakdown of the sizes of property required by households identified in need of Affordable Housing. The intention is to estimate the relative pressure on different property sizes. This analysis will, in particular, help to deliver a further understanding of how policy should be structured to alleviate the current backlog of housing need and provide a profile of Affordable Housing which responds to the future need over the short-term.

12.31 Analysis of data within section 9 illustrates that a mixture of property sizes are required in each authority, as shown in the table below as a proportion of total annual housing need:

Figure 12.1 – Affordable Housing Need by Size

Local Authority	Dwelling Size (Bedrooms)			
	1	2	3	4+
Blackpool	61%	2%	16%	21%
Fylde	64%	16%	11%	9%
Wyre	51%	26%	13%	10%

12.32 Importantly, this assessment does not fully take account of the impact of the government's on-going programme of welfare reforms. The calculation of Affordable Housing need (in section 9) uses data that pre-dates the changes to Housing Benefit and therefore does not take into account the impact of the extension of the Shared Accommodation Rate (SAR) to single persons under 35 years of age. It is likely that their ability to afford a 1 bedroom tenancy would have been reduced if the extension of the SAR was applied, with the resulting being an increased demand for smaller shared accommodation such as bedsits or studios. This will require careful monitoring regarding the appropriateness of available stock of this nature, noting the highlighted issues in relation to the prevalence of Housing Benefit claimants in private rented stock in Inner Blackpool.

12.33 On the basis of the above it will be necessary for the Fylde Coast authorities and partners to continue to monitor this situation as data becomes available and both effectively prepare for and record the impacts of reform.

Specific Housing Needs

12.34 The summary of specific housing needs in section 10, to address Output 8 of the DCLG 2007 SHMA Guidance, presented the following key findings:

- **Older people** – the population of 65+ residents is expected to grow across the Fylde Coast authorities, with increases of 19.4%, 33.8% and 41.2% in Blackpool, Wyre and Fylde respectively. There is particular proportional growth forecast in the 85+ age bracket, which will necessitate the provision of specialised accommodation to meet

specific housing requirements. The tenure of older persons housing also provides an indication of the kind of housing required, with older persons in the Fylde Coast typically opting to own their own home – at a higher rate than seen nationally. There is also a lower level of reliance on the social rented sector for older persons accommodation, although there are more instances of private renting;

- **Households with support needs** – the number of residents predicted to have a learning disability is consistent in Blackpool over the period 2012-2020, although at the wider Lancashire scale, an increase is expected, largely driven by increases in the older persons population. A similar picture is apparent in assessing forecasts of moderate or serious personal care disabilities, with little change in Blackpool over the time period but an increase in the number of those with physical disabilities in Lancashire. A strategic approach will be necessary to ensure that the continued needs of this group are met, with sufficient capacity for specialist accommodation where required;
- **Black and minority ethnic (BME) households** – all authorities have a high proportion of White British residents, which significantly exceeds the national average rates. All other ethnicities are proportionally under-represented. While a clear majority of residents were born in the UK, Blackpool has the highest proportion of residents with a country of birth other than the UK. The peak years of inward migration to the Fylde Coast authorities was between 1991 and 2009 – again, reflecting the national trend; and
- **Gypsies and Travellers** – the Fylde Coast authorities have commissioned a separate study which will consider the specific needs of Gypsies and Travellers.

Authority Summaries

12.35 While the preceding conclusions have provided an overall assessment of the Fylde Coast housing market, it is also beneficial to disaggregate the findings of this report by local authority. Findings for each authority are presented sequentially below.

Blackpool

- Blackpool has strong connections with the other Fylde Coast authorities, as well as neighbouring areas. There is a strong migratory relationship with Manchester, Preston and Lancaster, although Blackpool has a negative migratory relationship with Fylde and Wyre, indicating that more people move out of Blackpool to the rest of the Fylde Coast than move in. Looking at commuting, Blackpool has a high level of containment, with 70% of residents working in the authority and over 90% working within the Fylde Coast. Blackpool is also an important employment destination for residents of Fylde and Wyre;
- There is a concentration of terraced and flatted properties in Blackpool, particularly in Inner Blackpool, where flats account for half of the total housing stock. Since 2001, around 1,500 additional flatted properties have been delivered in Blackpool, representing three quarters of the total net growth in stock. Overall, there is a lack of detached housing in the authority, relative to the Fylde Coast and England averages. The result is a notable imbalance in stock, particularly in Inner Blackpool with the prevalence of small flats, which has served to facilitate significant levels of in-migration

of households claiming Housing Benefits. The Council is seeking ways to address this imbalance through a re-modelling of the housing stock so that it is less dense but more attractive to those who are economically active. It is important to recognise that this may potentially be achieved through a net loss of overall unit;

- In Inner Blackpool, half of all households are privately renting from a landlord or agent, with a notably low level of owner occupation. It is clear that the private rented sector is highly influential in the authority, with evidence indicating that this is particularly attractive option for Housing Benefit claimants;
- On average, between 2003/04 and 2012/13, 243 dwellings have been delivered per year, although 36% have been permitted conversions. In October 2013, 1,473 properties had been empty for over six months, equivalent to a vacancy rate of 2.1%. A count of properties indicated that 35% of long-term empty properties were located in the inner area, with a further 21% in the Rest of Blackpool held empty in preparation for refurbishment or demolition;
- Properties are typically smaller in Blackpool than elsewhere in the Fylde Coast, with the average household containing 2.55 bedrooms. Relative to Fylde and Wyre, there is a slightly higher rate of overcrowding and fewer instances of under-occupation. The average property size, measured by number of rooms, has however grown between 2001 and 2011. Blackpool, nevertheless, has a relative shortage of larger properties, particularly in the social rented sector, where half of all properties contain only one bedroom;
- The population of Inner Blackpool fell by around 3% between 2001 and 2011, driving population decline in the authority. At the time of the 2011 Census, there were fewer people aged 30-39 and 5-14, with growth in the 15-29 band and, particularly, the 40-49 age group. Since 2001, population growth in the authority has been driven by substantial internal and international migration levels, the latter largely from EU Accession countries, masking decline caused by natural change. However, since 2007/08, the scale of net migration has significantly reduced. In Blackpool, with the exception of the 15-19 age group, there is broad net in-migration of younger age groups up to 55, after which there is a negative flow of older people out of the authority. This indicates that there is a net inflow of working age residents, but evidence suggests that there is a high level of economic inactivity among in-migrants. Specifically, it is estimated that around 90% of all in-migrants claimed Housing Benefit;
- There has been historic employment loss in Blackpool, with the period between 2001 and 2011 experiencing job losses in ICT, retail, public administration and manufacturing. There has, though, been growth in some sectors, with accommodation and food services in particular creating new employment opportunities and the sector forecast to continue to do so. To 2030, however, it is expected that there will be further public sector job losses, with forecasts consistent in anticipating further decline up to at least 2018. There is, though, some disparity between forecasting houses over whether the economy in Blackpool will recover or continue to decline. Further work being undertaken which continues to analyse the local economy will be important to help understand the implication on Blackpool's future housing need;
- Based on an assessment of residential transactions, house prices are consistently lower than the other Fylde Coast authorities, for all property types, with prices in Inner Blackpool in particular extremely low. Market and social rents are also lower in Blackpool than elsewhere in the Fylde Coast. Notably, it is cheaper to purchase a

property in Blackpool than rent, driven by low house prices in the authority, but this option is not open to everyone – more people rent than buy with a mortgage, owing to the low wage profile and high volume of Housing Benefit claimants;

- There is an estimated need for 264 affordable homes per year in Blackpool in order to clear the existing backlog and meet future arising household need, split evenly between the inner and outer areas. There is greatest need for small properties of one bedroom only, indicating a continued demand for such property irrespective of the high concentration of such stock in areas of Blackpool. It is clear that intermediate housing and, particularly, the private rented sector play an important role in meeting housing need, with 73% of all Housing Benefit claimants privately renting such that claimants make up around 90% of all private renters; and
- Modelling of a number of scenarios, and consideration against specified strategic assessment criteria, indicates that there is an objectively assessed need for between 250 and 400 dwellings per annum. In considering the appropriate assessment of need in this range, it is recommended that reference is made to the further work being undertaken that continues to examine the local economy, including the labour market, as this will evidently have an important bearing on the assessment of housing needs in Blackpool.

Fylde

- Fylde has the strongest migratory relationship with Blackpool, with a net inflow of residents from the authority, and there are also strong links with Wyre and Preston. Assessing place of work, it is evident that around 60% of residents also work in Fylde, with this figure rising to around 80% when looking at those who work within the Fylde Coast. Outside of this area, though, Lancaster and Preston important employment destinations for Fylde residents;
- Relative to the Fylde Coast average, there are a high proportion of detached properties in Fylde, with this figure particularly high in the rural sub-areas, although the authority contains fewer household spaces overall than the other SHMA authorities. There is some spatial variation, however, with almost 90% of the authority's flatted stock located within Lytham & St Annes, with an additional 1,400 flats delivered since 2001. It is clear that there is generally a more equitable housing mix in the urban areas, where the majority of stock is located;
- In parts of Fylde, there are particularly high concentrations of caravans, particularly in the Rural SW and Rural NE. This has historically been identified as a significant issue in the Fylde Coast, with large numbers of older people living in Residential Park Homes, and this remains a key challenge;
- There is a relatively high level of outright ownership in Fylde, relative to both the Fylde Coast and national averages, with subsequently less reliance on the private rented sector. However, there is typically more private renting in the urban areas, with fewer instances of owner occupation. Since 2001, there has been a reduction in the number of those who own with a mortgage or loan, although this has been matched by an increase in outright ownership. There has also been a substantial absolute increase in private renting, with three quarters of this increase concentrated in Lytham & St Annes;

- Almost 2,000 net additional homes have been delivered between 2003/04 and 2012/13, at an average rate of around 200 per annum. The rate of delivery has, though, fallen since 2007/08, in line with the other authorities, and on average, 14% of net housing completions in Fylde are attributable to conversions;
- In October 2013, 688 properties had been empty for longer than six months, representing a vacancy rate of 1.6%. A count of long-term empty properties indicates that 65% of such properties were located in Lytham & St Annes, with Kirkham/Wesham & Freckleton/Warton accounting for around a quarter of empty properties. The remainder are located in the rural sub-areas;
- On average, households contain 2.76 bedrooms – the highest rate of the Fylde Coast authorities. Property sizes, measured by the number of rooms, indicate that properties have grown on average between 2001 and 2011. In Fylde, there has historically been a tendency to deliver larger dwellings in the rural areas in particular, with larger properties of three bedrooms or more accounting for 70% of rural dwelling completions between 2003 and 2012. In 2011, around 35% of the housing stock contained 4 or more bedrooms, and subsequently, overcrowding is infrequent, with almost 80% of households under-occupied. Owned properties are typically larger, with the rented sector containing a higher proportion of smaller properties;
- The population of Fylde has grown by around 3.5% between 2001 and 2011, with the majority of this growth driven by increases in Lytham & St Annes. In contrast, the population has declined in the western rural areas. At the time of the 2011 Census, there were fewer people aged 30-39, relative to 2001, with growth in the 45-49 and over 60 age groups. Broadly, a relatively high proportion of the population are older people, compared to the national profile. There are net inflows of all age groups, with the exception of 15-19 year olds. Over this ten year period, there has been a consistent level of net in-migration, both internal and international, masking decline caused by natural change, although international migration has fallen since 2007;
- Between 2001 and 2011, 530 (1.2%) jobs were lost in Fylde, with the impact of over 7,000 job losses in the manufacturing sector in the borough clear. There has, though, been growth in professional and other service activities, as well as accommodation and food. Despite net job loss, unemployment is relatively low, compared to the other Fylde Coast authorities. Forecasts are consistent in anticipating net job creation between 2011 and 2030, with the creation of between 990 and 2,807 jobs. The latter forecast expects further growth in the professional, scientific and technical activities sector, as well as retail, allied to further job losses in manufacturing. These forecasts are, though, policy off, and therefore do not take into account policy and strategic objectives such as employment creation associated with the Enterprise Zone at Warton;
- There has been a decline in housing market activity since 2007, although an assessment of 397 recent transactions in Fylde indicates that house prices are substantially higher in Fylde than elsewhere in the Fylde Coast. Typically, properties in Fylde invoke a premium of at least £40,000 over comparable properties in Blackpool and Wyre. Rental market values are also relatively high in Fylde, but nevertheless lower than the national average;
- Residents of Fylde have the highest average household income of the Fylde Coast authorities, with benchmarks indicating that property remains among the least affordable in the area across all tenures and sizes;

- There is an estimated need for 203 affordable homes per year in Fylde, with the majority of this need located in Lytham & St Annes. There is also need for 20 affordable homes across the rural sub-areas, with particular demand across the authority for one bedroom properties. It is also clear that some affordable housing need can be met with intermediate products and the private rented sector, with estimates indicating that around half of all private renters are Housing Benefit claimants;
- Fylde is expected to see a significant increase in the older population over the period to 2030, with this group representing a clear driver of population change in the authority; and
- The consideration of a number of modelling scenarios against set criteria indicates that there is an objectively assessed need for between 300 and 420 dwellings per annum in Fylde.

Wyre

- Wyre shares strong migratory relationships with Fylde and, particularly, Blackpool, although there is a net inflow of migrants from the latter. There are also emergent links with Lancaster, Preston and Manchester, and interestingly, there are also net outflows of residents to several core cities which are notably large university towns. Only 54.1% of Wyre residents work within the authority – the lowest level of containment – but around 83% work within the Fylde Coast. It is, though, clear that Preston and Lancaster are important employment destinations, with relatively few residents working in Fylde;
- In Wyre, 70% of the housing stock is detached and semi-detached, surpassing both the national and Fylde Coast averages. This is mainly attributable to a lower proportion of flats, with Fleetwood the only sub-area that contains a significant number. All sub-areas, with the exception of Fleetwood, surpassed the average proportion of detached housing, with Fleetwood instead containing a high number of terraced properties. In line with this, the majority of additional housing stock since 2001 has been detached, with delivery spread relatively evenly throughout the sub-areas with the exception of Fleetwood and Cleveleys, where the majority of new delivery was flatted;
- Over three quarters of households in Wyre are owner occupied, with fewer instances of private and social renting relative to the rest of the Fylde Coast. Again, though, this varies between sub-areas, with a high concentration of social renting in Fleetwood and particularly high levels of outright ownership in Poulton-le-Fylde & Carleton and Garstang & Catterall. Since 2001, there has, though, been an increase in private renting which has offset a decline in lending-based ownership;
- Between 2003/04 and 2012/13, 2,461 dwellings have been delivered in Wyre, at an average rate of 246 per annum. However, around 22% of these completions have been conversions. In October 2013, 557 properties had been empty for six months or more, with this figure showing a clear downward trend compared to comparable figures over the previous year. This is equivalent to a 1.1% vacancy rate – the lowest in the Fylde Coast. Around a third of vacant stock is located in the rural sub-areas, with 31% situated in Thornton, a similar amount in Cleveleys and the remainder in Poulton-le-Fylde & Carleton;

- Properties, on average, are relatively large in Wyre, with households containing 2.75 bedrooms on average, and property sizes have broadly grown between 2001 and 2011. There is a shortage of smaller properties in Wyre, and a similar shortage of 5+ bedroom properties. Overall, Wyre generally follows the national trend, albeit with a slightly greater concentration of mid-range, 2-3 bedroom properties. This is variable by tenure, however, with a particular concentration of one bedroom social rented properties and prevalence of larger owned properties. The private rented sector is also generally dominated by smaller properties, relative to the average for all tenures;
- The population of Wyre has grown by around 2% between 2001 and 2011, with Thornton a key area of growth which represents the greatest proportional increase of all Fylde Coast sub-areas. Fleetwood, though, experienced the greatest absolute decline in population, with Cleveleys also seeing marginal decline. It is evident that the population in Wyre is ageing, with a higher proportion of over 50s relative to the national profile. Net inward migration has been a key component of population change in Wyre, albeit at a lower rate between 2007 and 2011, and interestingly, a high proportion of international migrants originate from New Commonwealth countries, unlike the other Fylde Coast authorities. The mortality rate has consistently outweighed births, reducing the natural population by an average of 450 people per year. It is also clear that there is a distinct age profile to migrants, with net outflow of those aged 15 to 24 and inflows of all older age groups, with the exception of 75+. The peak net inflow is in the 60-64 age group, again showing that older people are a particularly notable component of the Wyre population;
- Between 2001 and 2011, over 3,000 jobs were created in Wyre, representing growth of around 9%, driven by public sector job creation which has offset losses in construction. The economic downturn has had the effect of raising the unemployment rate, which sits below the figure for Blackpool but higher than Fylde. Going forward, it is estimated that at least 1,800 additional jobs will be created in Wyre, with steady growth driven by the retail, administrative and professional services sectors;
- Historically, house prices in Wyre have typically sat below Fylde but above Blackpool, and slightly above the average for Lancashire, although the volume of transactions has fallen since 2007. House prices are generally higher in the Rural East, Central Rural Plain and Garstang & Catterall, although house prices are extremely low – and comparable to Blackpool – in Fleetwood. On average, properties of each type are at least £20,000 more expensive than a comparable property in Blackpool. Average market rental values are generally lower than Fylde. Average household income sits between the figures for Blackpool and Wyre, with affordability benchmarks that are broadly comparable with Fylde;
- There is an estimated need for 300 affordable homes per year in Wyre, with Fleetwood, Poulton-le-Fylde & Carleton and Thornton collectively accounting for 182 properties. The remainder are relatively evenly distributed throughout the other sub-areas. Around half of this need relates to one bedroom properties, with a quarter relating to 2 bedroom properties. Intermediate housing will play an important role in meeting affordable housing need, as does the private rented sector, with an estimate that around 70% of private renters are claiming Housing Benefit. This indicates that there are around 581 lettings to Housing Benefit claimants per year in Wyre;

- Growth in the older person population is a significant component of population growth in Wyre, with the population growing at three times the average forecast population growth rate; and
- Consideration of the scenarios indicates that there is an objectively assessed need for between 340 and 485 dwellings per annum in Wyre.

Future Monitoring

12.36 In order for the findings of the assessment to continue to inform and help shape policy, it will be necessary for the Fylde Coast authorities to monitor changes in the housing market, as well as the underlying drivers considered in this assessment. Changes to the assumptions will have an impact on the short- and long-term projections of household demand and the requirements for different tenures and sizes of housing.

12.37 The figures presented within this report are based on up-to-date information and data, as of October 2013. Evidence of market deviation from the future trends and assumptions presented will need to be taken into account in the development of policy. This approach is part of the plan, monitor and manage approach required for the evidence base of the emerging Local Plans.

12.38 This SHMA has utilised a range of secondary data sources. The secondary information will continue to be refined and updated by data providers such as the ONS, DCLG, CACI and Land Registry. The use of secondary data sources makes monitoring a simpler process and will support the consistent production of updates of the SHMA. As noted within the SHMA, an initial part of this updating process will include the production of supplementary analysis of the phase 3 Census 2011 outputs, anticipated for release in early 2014. This includes travel to work information, which will be considered in relation to market geography analysis and the link between employment and housing growth.

Glossary

Affordable housing – social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision

Commuting ratio – balance of inward and outward commuting, such that a ratio of less than 1 indicates that an area is a net importer of labour (ie more jobs than workers) and a ratio of more than 1 indicates that an area is a net exporter of labour (ie more workers than jobs)

Containment – the proportion of migrants or commuters who stay within the authority when they migrate or travel to work

Dwelling – a dwelling is a unit of accommodation in which all rooms, including the kitchen, bathroom and toilet are behind a door that only that household can use. A dwelling may comprise one or more household spaces

Economic Activity – a person is deemed economically active if they are either in employment, or not in employment but seeking work and ready to start work within two weeks, or waiting to start a job already obtained

Gross migration flow – the sum of inward and outward migration flows

Headship rates – also referred to as household representative rate. The probability of anyone in a particular demographic group being classified as being a household representative, and can take any value between 0 and 1

Household – one person living alone, or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room, sitting room or dining area

Household space – the accommodation used or available for use by an individual household

Housing market area – a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work

Intermediate housing – homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing

Internal migration – movement within the country

International migration – movement to and from a different country

Local Enterprise Partnership – a body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area

Long-term empty – properties which have been empty for over six months

Lower level super output areas (LSOA) – lower level super output areas are a geography designed for the collection and publication of small area statistics

Market housing – property available for sale or rent where prices are set in the open market

Natural change – total births minus total deaths

Net dwelling completions – the number of dwellings completed, net of loss of dwellings

Net migration flow – immigration minus outmigration. A positive figure indicates that there is net immigration, with a negative figure indicating net outmigration

New Commonwealth – refers to recently decolonised countries, as set out in Appendix 3

Old Commonwealth – Australia, Canada, New Zealand, South Africa and USA

Older people – people over retirement age, including the active, newly-retired through to the very frail elderly, whose housing needs can encompass accessible, adaptable general needs for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs

Overcrowded – a household with an occupancy rating of -1 or less. Occupancy ratings provide a measure of whether a household's accommodation is overcrowded or under-occupied, with the number of bedrooms required (based on a standard formula) subtracted from the number of rooms present

People with disabilities – people have a disability if they have a physical or mental impairment, and that impairment has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. These persons include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs

Priority need – a household is deemed in priority need if they are registered within Bands A to D on the Fylde Coast Choice Based Letting Housing Register

RSS – Regional Spatial Strategy – regional level planning frameworks for the regions of England outside London, now revoked

Secondary data – primary data that was collected by someone else or for a purpose other than the current one

Shared households – a dwelling is shared if the household spaces it contains have the accommodation type 'part of a converted or shared house', if not all rooms are behind a door that only that household can use and there is at least one other household space at that address with which it can be combined

Social rented housing – housing owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency

Under-occupied – a household with an occupancy rating of +1 or more. Occupancy ratings provide a measure of whether a household's accommodation is overcrowded or under-occupied, with the number of bedrooms required (based on a standard formula) subtracted from the number of rooms

Unemployment – a person is defined as unemployed if he or she is not in employment, is available to start work in the next 2 weeks and has either looked for work in the last 4 weeks or is waiting to start a new job

Acronym List

ASHE – Annual Survey of Hours and Earnings

BME – Black and Minority Ethnic

CCHPR – Cambridge Centre for Housing and Planning Research

DCLG – Department for Communities and Local Government

DWP – Department for Work and Pensions

DPA – Dwellings per Annum

EFO – Economic and Fiscal Outlook

EHS – English Housing Survey

GDP – Gross Domestic Product

GM – Greater Manchester

GTAA – Gypsy and Traveller Accommodation Assessment

GVA – Gross Value Added

HCA – Homes and Communities Agency

HMO – Houses in Multiple Occupation

IMD – Indices of Multiple Deprivation

LEP – Local Enterprise Partnership

LGA – Local Government Association

LHA – Local Housing Allowance

LRR – Local Reference Rent

LSOA – Lower-level Super Output Area

LQ – Lower Quartile

MYE – Mid-Year Estimate

NHPAU – National Housing and Planning Advice Unit

NINo – National Insurance Number

NPPF – National Planning Policy Framework

NPPG – National Planning Practice Guidance

OE – Oxford Economics

ONS – Office for National Statistics

PANSI – Projecting Adult Needs and Service Information System

PAS – Planning Advisory Service

POPPI – Projecting Older Person Population Information System

PRDS – Patient Register Data Service

RSS – Regional Spatial Strategy

RTB – Right to Buy

SAR – Shared Accommodation Rate

SDR – Statistical Data Return

SHLAA – Strategic Housing Land Availability Assessment

SNHP – Sub-National Household Projections

SNPP – Sub-National Population Projections

VOA – Valuation Office Agency

Appendix 1 – Stakeholder Workshop

Fylde Coast Strategic Housing Market Assessment Stakeholder Workshop Event

16th September 2013

Solaris Centre, Blackpool

Issues Raised

(Text in italics records questions and comments from attendees. This is followed by the answers given by Antony Pollard (Turley Associates) or Andrew Foot (Fylde Coast local authorities))⁹³

- *Will the housing figure be established for Fylde Coast as a whole, or for individual authorities? How will overall figure be apportioned?*
 - Evidence-based conclusions for each local authority – objective assessment of need
 - Beyond the scope of the SHMA to apportion need – policy decisions to be made between the authorities through development of Local Plan's
- *Re: local labour force – how can growth be married with an effective housing supply? How clear will the conclusions be?*
 - Conclusions will factor in an appraisal of scenarios. One element of this is considering the future balance between jobs generated and the changing size of the labour-force. The SHMA will highlight the implications of differing levels of provision on factors such as job generation.
- *Modelling is useful as long as it is reliable. There is an issue with permitted development going ahead – developers 'sitting' on land. How will SHMA factor in these issues?*
 - Assessment of objectively assessed need will need to remove itself from these constraints.
 - Recognise this represents a market response and it is important to acknowledge that the Local Plan process includes a plan, monitor and manage check
- *Graphs – does England include whole country? London distorts housing market*
 - London is included, but can be taken out / acknowledged this has a bearing on house price averages for example
- *15 years ahead is a long way – covers 3 parliaments – will political factors at the end of the plan period be taken into account?*
 - Assessment prepared in the current policy context but acknowledged that changing national policy agendas will have a bearing on the operation of the market. Again important to note that Local Plan policy will be monitored and the evidence base updated on a regular basis to reflect changing circumstances.
- *In Blackpool, there are issues with the importation of 'problem families' from other parts of Lancashire*
 - Outside of scope of SHMA to investigate in detail. Analysis recognises unique 'benefit' claimants issue regarding migration and the non-common link between population change and employment opportunities in Blackpool.
 - Blackpool policies aim to improve the quality of housing in the Inner Area to influence people into becoming more stable and reduce the supply of poor quality bedsits. The SHMA can be used to help inform future Council's housing/Corporate strategies.
- *Is there much difference between emerging SHMA and previous SHMA?*

⁹³ Note – these are based on notes and are not formal transcripts

- There has been a clear change in household tenure (reduction in owner-occupancy / increase in private rented sector) and vacancy levels (*can vacancy levels be established at sub-area level?* – yes)
- Removal of regional tier has seen a changing emphasis in the outputs of research of this nature – now more scrutiny on local housing figures
- Different market conditions impact on results (i.e. change in house prices / volume of activity)
- *Will the document distinguish between rural areas in Wyre to include smaller settlements?*
 - Yes – not at the lowest level but sub-areas have been established
 - A Rural Housing Needs Survey in Wyre (2010) provides a snapshot of detail in the smaller settlements which should complement this higher level study
- *Issue with property owners becoming private sector landlords due to inability to sell – what happens if the market picks up? Will this have a substantial effect on levels of private sector rental?*
 - Not attractive compared to 10 years ago (e.g. due to requirement for improved standards / difficulty in obtaining loans) although people with empty property may consider going down this route. Uncertainty about ability of private sector to provide for the long-term future – Also issues of social housing providers only housing those most in need, leaving people that want to move but can't
- *Size criteria is a short term issue – many families won't fit into social housing –may be forced to go into private rented sector*
- *Implications of current situation for under 35s re. affordability – what will be the long-term social implications?*
- *Help to buy has stimulated an upturn in the housing market, but common belief is that this only 'papering over the cracks' in the economy. Money is expected to dry up again before 2015 / limited mortgage availability particularly in this area / lower incomes - Development activity is expected to remain subdued*
- *Such a varied economic market in the Fylde Coast in selling houses*
- *Buyers predominantly people moving within the Fylde Coast (not coming in from elsewhere)*
- *Properties in Blackpool have generally low prices but high potential value. Recent national article suggests Blackpool is the best places for 'Buy to Let' landlords to invest - perpetuating problems.*
 - No prospect of large scale clearance, need to work with the existing stock. With a high number of large properties (i.e. former guest houses) seeking change to residential, the policy aims to drive up the quality of conversions – although there needs to be a concerted approach wider than planning policy
- *Question value of policy which identifies strict Holiday Accommodation Areas in Blackpool – planning solely for holiday accommodation on promenade in lieu of higher value attractive residential properties (if allowed this may subsequently encourage high quality hotel investment next to it) - a more mixed approach might be better*
- *Older people – are we looking at encouraging downsizing in SHMA?*
 - We need to continue to highlight scale of particular issues to inform policy decisions though evidence base documents such as the SHMA.
 - Evidence shows there will be an increase in the level of older people - need to plan for this - although if you build specialist accommodation need to consider if are you providing for local need or providing for more people to come
- *Specialist accommodation products currently on the market being bought by older people with a local connection i.e. family/friends living in the area. Average age*

of occupier is 70s. Higher level care products popular with people already living in the area.

Attendees

Name	Organisation / Role
Gordon Mackeith	Gordon Mackeith Architects
Dr Mackeith	Gordon Mackeith Architects
Sam Payne	NPL Estates
Alexis De Pol	De Pol Architects
Andrew Thomson	Morris Homes
John Roocroft	Jones Homes
Abigail Grocott	Jones Homes
Louise Pilkington	Lovell Construction
Pat McCarthy	AKS School - Landowner
David Forshaw	Northern Trust
Steve Glenn	Northern Trust
Chris Butt	The Planning Bureau
David Robinson	Muir Housing Association
Mr Cartmel	Landowner
Chris Henshall	Homes and Communities Agency
Philip Helm	Simply Housing
Amanda Brocklehurst	Nathaniel Lichfield and Partners
Stephen Heath	Fylde Coast YMCA
Sheelagh Atherton	Great Places Housing Group
Jim Baines	Jim Baines Architects
Sue Andrew	Progress Housing Group
Chris Chadwick	Melrose Developments
Rhian Stratton	Nexus Planning
Cllr Richard Redcliffe	Fylde BC

Appendix 2 – Spatial Definition of Sub-Areas

Local Authority	Sub-Areas	Wards	Lower Level Super Output Areas
Blackpool	Inner Blackpool	N/A	E01012670 E01012671 E01012672 E01012673 E01012674 E01012675 E01012679 E01012680 E01012681 E01012682 E01012683 E01012684 E01012733 E01012735 E01012736 E01012737 E01012738 E01012742 E01012748 E01012749 E01012751
	Outer Blackpool	N/A	E01012662 E01012663 E01012664 E01012665 E01012666 E01012667 E01012668 E01012669 E01012676 E01012677 E01012678 E01012685 E01012686 E01012687 E01012688 E01012689 E01012690 E01012691 E01012692

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			E01012741

			E01012743 E01012744 E01012745 E01012746 E01012747 E01012750 E01012752 E01012753 E01012754 E01012755 E01012721
Fylde	Lytham & St Annes	Ansdell Ashton Central Clifton Fairhaven Heyhouses Kilnhouse Park St Johns St Leonards	N/A
	Kirkham/Wesham & Freckleton/Warton	Kirkham North Kirkham South Medlar-with-Wesham	Fylde 003A Fylde 007A Fylde 007B Fylde 007C Fylde 007D Fylde 007E
	Rural East (Treales, Newton, Clifton)	Newton and Treales	N/A
	Rural SW (Wrea Green & Westby)	N/A	Fylde 001E Fylde 002G
	Rural NW (Singleton, Staining & Weeton)	Singleton & Greenhalgh Staining & Weeton	N/A
	Rural NE (Elswick & Little Eccleston)	Elswick & Little Eccleston	N/A
	Wyre	Fleetwood	Mount Park Pharos Rossall Warren
Thornton		Bourne Norcross Staina	N/A

	Cleveleys	Cleveleys Park Jubilee Victoria	N/A
	Poulton-le-Fylde & Carleton	Breck Carleton Hardhorn High Cross Tithebarn	N/A
	Rural West (Hambleton etc)	Hambleton & Stalmine Preesall	N/A
	Central Rural Plain	Great Eccleston Pilling	N/A
	Garstang & Catterall	Cabus Catterall Garstang	N/A
	Rural East	Brock Calder Wyresdale	N/A

Appendix 3 – Population and Household Projections

Data inputs, assumptions & method

Summary

The development and evaluation of the suite of scenarios of demographic change is dependent upon the collection of a range of data inputs and the derivation of a number of key assumptions. These provide an historical perspective on demographic change and the basis for the calculation of demographic parameters that determine future growth trajectories.

All data and assumptions are held within POPGROUP and Derived Forecast (DF) 'input' files, which are configured to enable the specific scenarios to be evaluated. To ensure transparency and to aid interpretation of output, the following sub-sections provide a summary of the population, household and labour force data inputs.

Population, births, deaths and migration

Population

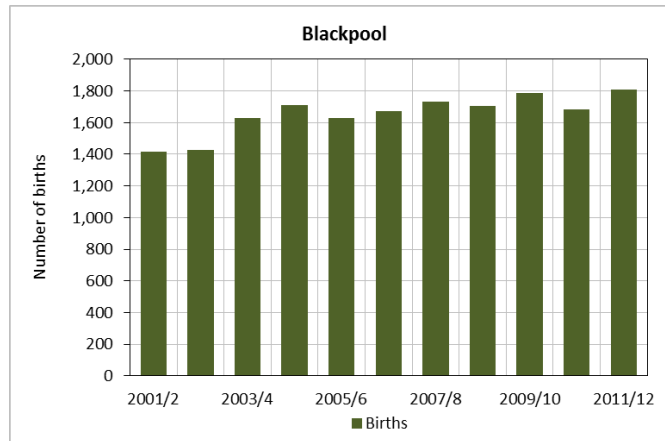
Historical population statistics are provided by the mid-year population estimates for 2001 to 2012. All data are recorded by single year of age and sex. These data include the revised mid-year population estimates for 2002-10, released by ONS in May 2013, providing consistency in the measurement of the components of change (births, deaths, internal migration and international migration) between the 2001 and 2011 Censuses.

Births and fertility

Historical mid-year to mid-year counts of births by sex from 2001-02 to 2011-12 have been sourced from ONS Vital Statistics (Figure 1, Figure 2, Figure 3).

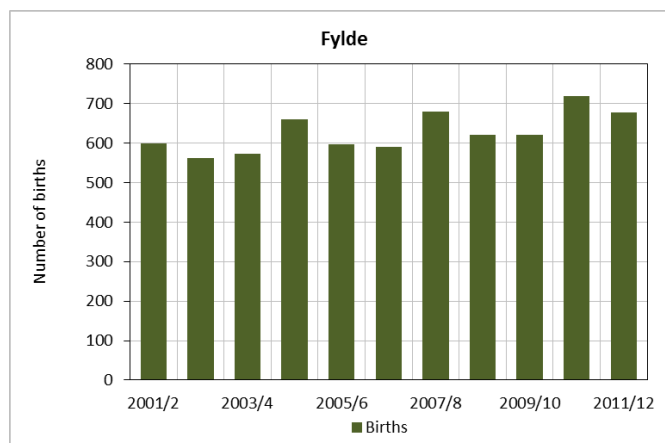
A 'national' age-specific fertility rate (ASFR) schedule, which measures the expected fertility rates by age and sex for England in 2011-12, is included in the POPGROUP model assumptions. In order to provide more appropriate assumptions a district-specific fertility differential has been derived from the average of total fertility rates (TFRs) for each of the three areas (Blackpool, Fylde and Wyre) over the latest five year period for which data is available (2006-07 to 2010-11). In combination with the population-at-risk, this provides the basis for the calculation of births in each year of the forecast period.

Long-term assumptions on change in age-specific fertility rates are taken from ONS 2010-based national population projections.



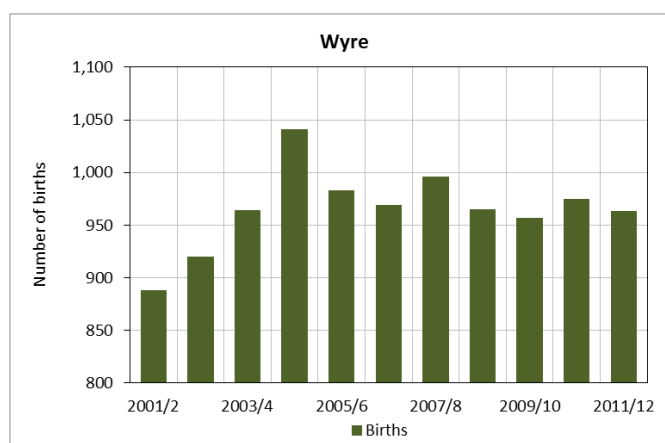
Source: ONS Vital Statistics

Figure 1: Blackpool - births (2001-02 to 2011-12)



Source: ONS Vital Statistics

Figure 2: Fylde - births (2001-02 to 2011-12)



Source: ONS Vital Statistics

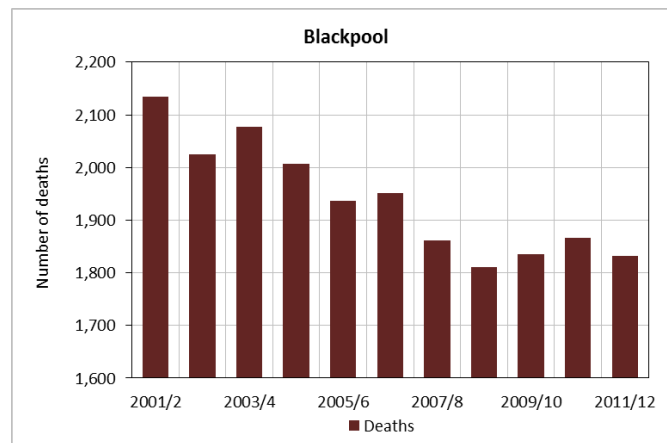
Figure 3: Wyre - births (2001-02 to 2011-12)

Deaths and mortality

Historical mid-year to mid-year counts of deaths by age and sex from 2001-02 to 2011-12 have been sourced from ONS Vital Statistics (Figure 4, Figure 5, Figure 6).

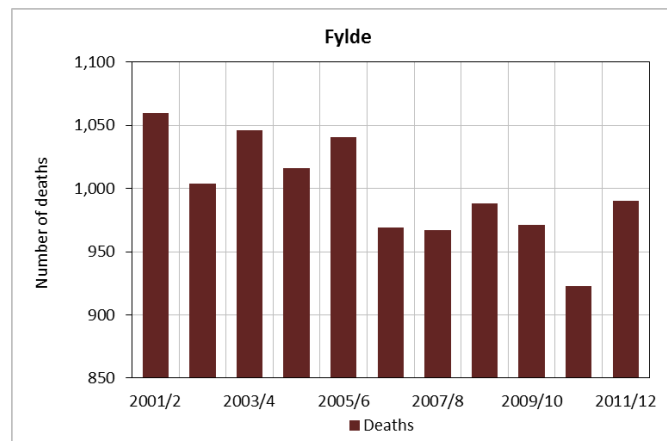
A 'national' age-specific mortality rate (ASMR) schedule, which measures the expected mortality rates by age and sex for England in 2011-12, is included in the POPGROUP model assumptions. To provide more appropriate assumptions a district-specific mortality differential has been derived from the average of standardised mortality ratios (SMRs) for each of the three areas over the latest five year period for which data is available (2006-07 to 2010-11). In combination with the population-at-risk, these provide the basis for the calculation of deaths in each year of the forecast period.

Long-term assumptions on change in age-specific mortality rates are taken from ONS 2010-based national population projections.



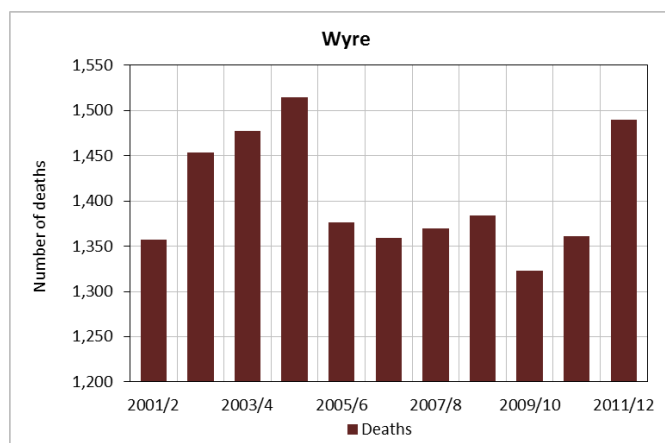
Source: ONS Vital Statistics

Figure 4: Blackpool - deaths (2001-02 to 2011-12)



Source: ONS Vital Statistics

Figure 5: Fylde - deaths (2001-02 to 2011-12)



Source: ONS Vital Statistics

Figure 6: Wyre - deaths (2001-02 to 2011-12)

Internal migration

The original source of internal migration statistics is the PRDS, which captures the movement of patients as they register with a GP. This data provides an accurate representation of inter-area flows, albeit with some issues with regard to potential under-registration in certain age-groups (young males, in particular). Historical mid-year to mid-year counts of in- and out-migration by five year age-group and sex from 2002-03 to 2011-12 have been sourced from the 'components-of-change' files that underpin the ONS mid-year estimates. Any 'adjustments' made to the mid-year estimates to account for prisoner and armed forces movements are included in the internal migration balance.

For the SNPP-2010 scenario, age-specific migration rate (ASMigR) schedules for both in- and out-migration are drawn directly from the ONS 2010-based assumptions. For the alternative trend scenarios, migration rate assumptions have been derived from historical data, using both a five year and ten year history to determine these assumptions. In combination with the population-at-risk, these provide the basis for the calculation of internal migration flows in each year of the forecast period.

Jobs-led scenarios calculate their own migration assumptions to ensure an appropriate balance between population and the labour force, given the 'constraints' on growth that are imposed in each scenario.

International migration

Historical mid-year to mid-year counts of total immigration and emigration from 2002-03 to 2011-12 have been sourced from the 'components-of-change' files that underpin the ONS mid-year estimates. Asylum cases are included in the international migration statistics.

For the SNPP-2010 scenario international migration counts are drawn directly from the ONS 2010-based assumptions. For the alternative trend scenarios, migration assumptions have been derived from historical data, using both a five year and a ten year history to determine these data. The alternative jobs-led scenarios calculate their own migration assumptions to ensure an appropriate balance between population and the labour force, given the 'constraints' on growth that are imposed in each scenario.

Households

Household statistics and assumptions have been taken from the 2001 and 2011 Censuses and from the 2008-based and 2011-based household projection models. In April 2013 CLG released its latest household projections for local authority districts in England, incorporating household data from the 2011 Census and underpinned by the 2011-based interim sub-national population projections.

Household projections are derived through the application of household headship rates to an age-sex disaggregated population. The projected household headship rates used in the 2011 household model have been derived using 2011 Census data in combination with statistics from the Labour Force Survey. Household-types are modelled within a 17-fold classification (Table 1).

Household projections take explicit account of the 'population-not-in-households'. For the 2011-based household model this data has been drawn directly from the 2011 Census. The relationship between households and dwellings is modelled using a 'vacancy rate' based on the ratio between households (occupied, second homes and vacant) and dwellings (shared and unshared) from the 2011 Census.

Table 1: Household type classification

CLG code	DF label	Household type
OPM	OPMAL	One person households: Male
OPF	OPFEM	One person households: Female
OCZZP	FAMC0	One family and no others: Couple: No dependent children
OC1P	FAMC1	One family and no others: Couple: 1 dependent child
OC2P	FAMC2	One family and no others: Couple: 2 dependent children
OC3P	FAMC3	One family and no others: Couple: 3+ dependent children
OL1P	FAML1	One family and no others: Lone parent: 1 dependent child
OL2P	FAML2	One family and no others: Lone parent: 2 dependent children
OL3P	FAML3	One family and no others: Lone parent: 3+ dependent children
MCZDP	MIX C0	A couple and one or more other adults: No dependent children
MC1P	MIX C1	A couple and one or more other adults: 1 dependent child
MC2P	MIX C2	A couple and one or more other adults: 2 dependent children
MC3P	MIX C3	A couple and one or more other adults: 3+ dependent children
ML1P	MIX L1	A lone parent and one or more other adults: 1 dependent child
ML2P	MIX L2	A lone parent and one or more other adults: 2 dependent children
ML3P	MIX L3	A lone parent and one or more other adults: 3+ dependent children
OTAP	OTHHH	Other households
TOT	TOTHH	Total

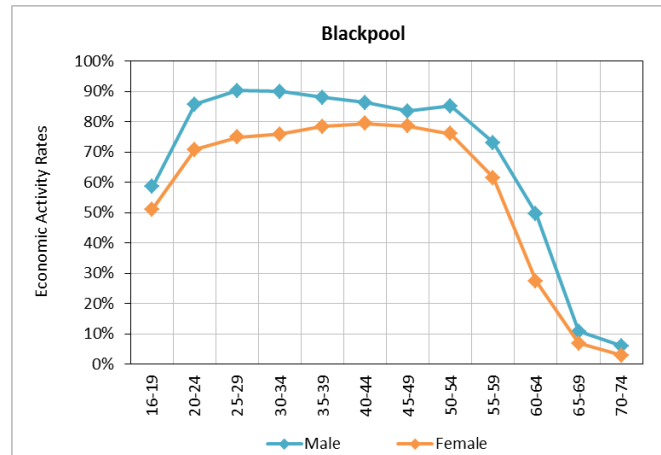
Employment & economic activity

There are three key data items required to derive labour-force projections and to evaluate jobs-led forecasts: the commuting ratio, an unemployment rate and economic activity rates. Economic activity rates provide the basis for calculating the size of the labour force within the population. The commuting ratio and unemployment rate control the balance between the size of the labour force and the number of jobs available within an area.

Economic activity rates

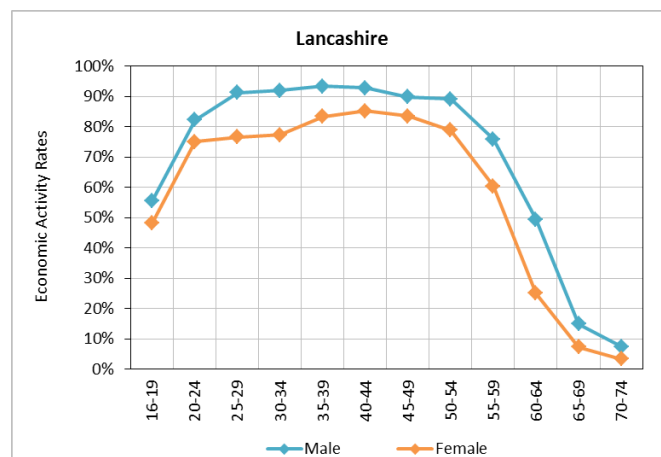
Economic activity rates for Blackpool, Fylde and Wyre (the latter two use Lancashire data) have been derived from a combination of 2001 Census statistics and the latest evidence from the Labour Force Survey (via NOMIS). NOMIS data provide an average economic activity rate for the period 2008-12 by broad age-group.

Using the 2001 Census data, these activity rates have been disaggregated to provide an economic activity rate by five year age-group and sex for all labour-force ages to age 74 (Figure 7 & Figure 8).



Source: NOMIS; ONS

Figure 7: Blackpool - economic activity rates (2011)



Source: NOMIS; ONS

Figure 8: Lancashire (Fylde & Wyre) - economic activity rates (2011)

To account for an expected increase in the rate of labour force participation in the older age groups resulting from changes to state pension age, economic activity rates have been increased in the following way:

- Women aged 60-64: 40% increase by 2020
- Women aged 65-69: 20% increase by 2020
- Men aged 60-64: 5% increase by 2020
- Men aged 65-69: 10% increase by 2020
- From 2020, economic activity rates are kept constant.

An alternative set of economic activity rates has been prepared for Blackpool for use in section 8. Using the 2011 data as a baseline the rates have been then modified so that the levels of economic activity for ages 25 to 54 converge with those found in Lancashire in 2011 by 2031.

Unemployment rates

There are two variations of unemployment rates for Blackpool, Fylde and Wyre. The 5-year and 9-year average unemployment rates (age-groups 16+) have been calculated from unemployment statistics for the periods 2008-12 and 2004-12 respectively (sourced from NOMIS). The summary of the rates is presented in Table 2. The unemployment rates remain constant throughout the projection period.

Table 2: Unemployment rates

	Unemployment rate	
	5 year average	9 year average
Blackpool	8.2	7.2
Fylde	5.3	4.7
Wyre	6.1	4.8

Source: NOMIS

The main scenarios presented in the SHMA use the 5 year average unemployment rate.

Commuting ratio

Using 2011 statistics from the Annual Population Survey, commuting ratios have been derived as the balance between the size of the resident labour force and the number of the jobs available in the three local authorities. The derived ratios are 0.99 for Blackpool, 0.80 for Fylde and 1.31 for Wyre. The ratios suggest that there is a net inflow of commuters to Blackpool and Fylde and a net outflow from Wyre. The commuting ratios are held constant throughout the projection period for the main scenarios presented in section 7. In the case of the 'Experian Jobs CR', 'Experian Jobs CR 9yr Unemp', 'Employment-led Oxford Economics CR', 'Experian Jobs CR EA SENS', 'Experian Jobs CR 9yr Unemp EA SENS', 'Employment-led Oxford Economics CR EA SENS', 'Experian Jobs CR - Sept 2013', 'Experian Jobs CR 9yr Unemp - Sept 2013', 'AECOM Jobs Fylde CR' and 'AECOM Jobs Fylde CR 9yr Unemp' scenarios, these jobs-led scenarios assume a balanced commuting ratio ('CR'), whereby all new jobs created in the areas are taken by residents of these areas, rather than by inbound commuters. This is presented as an alternative sensitivity analysis in section 7 for a number of scenarios.

Forecasting methodology

Forecasts have been developed using POPGROUP technology. Population projections delivered using POPGROUP use a standard cohort component methodology (the methodology used by the UK statistical agencies). The household projections use a standard household headship rate as employed by Department for Communities and Local Government (DCLG) for its household projection statistics. A more detailed description of the population and household

projection methodologies is available from the User Guide and Reference Manual on the POPGROUP website⁹⁴.

The following diagrams (Figure 9 and Figure 10) provide a schematic illustration of the operation of the POPGROUP and Derived Forecast (household and labour force) methodologies.

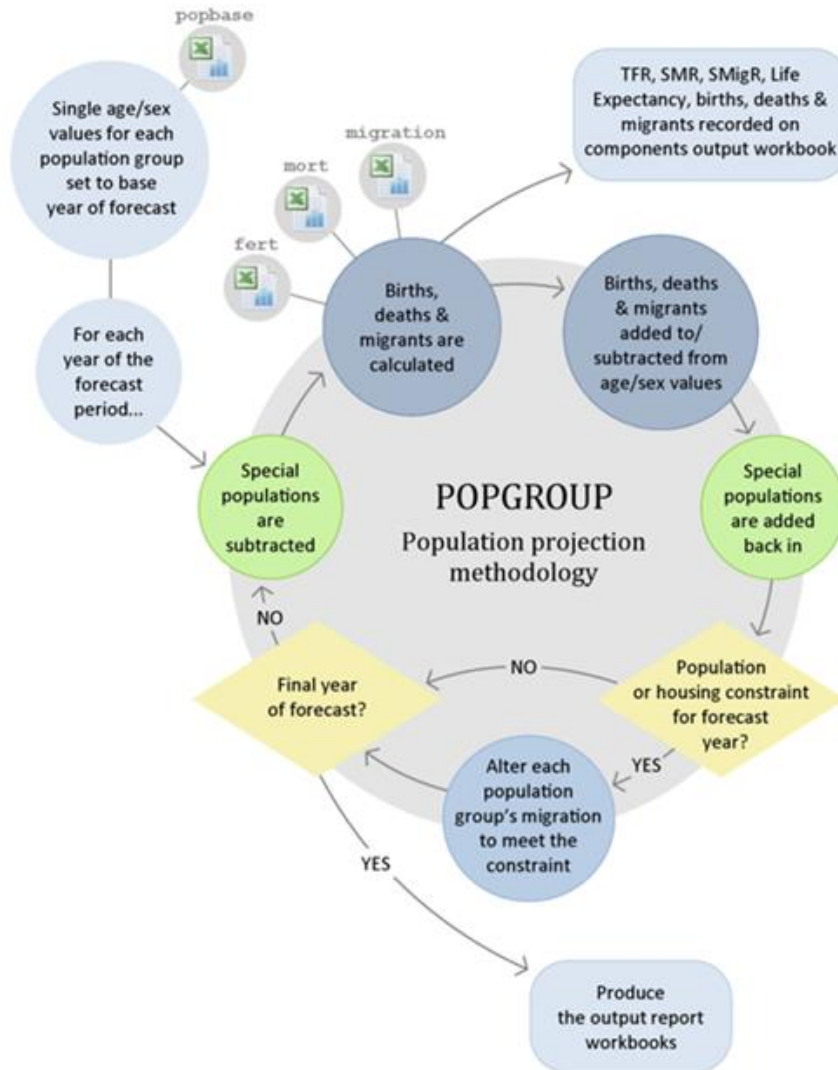
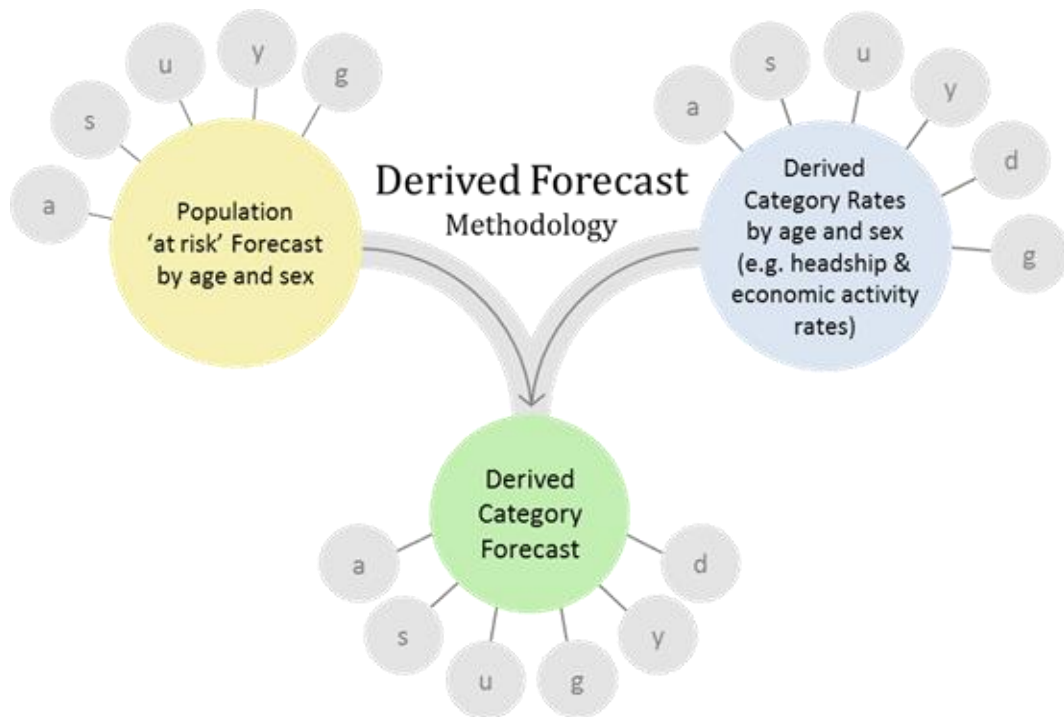


Figure 9: POPGROUP population projection methodology

⁹⁴ CCSR (2013). Manuals. www.ccsr.ac.uk/popgroup/about/manuals.html.



$$D_{a,s,u,y,d,g} = \frac{P_{a,s,u,y,g} R_{a,s,u,y,d,g}}{100}$$

- D* Derived Category Forecast
- P* Population 'at risk' Forecast
- R* Derived Category Rates
- a* Age-group
- s* Sex
- u* Sub-population
- y* Year
- d* Derived category
- g* Group (usually an area, but can be an ethnic group or social group)

Figure 10: Derived Forecast Model: household & labour force projection methodology

National Insurance Number Country Classification

Accession

Bulgaria
Cyprus
Czech Rep
Czechoslovakia
Hungary
Malta
Poland
Rep of Estonia
Rep of Latvia
Rep of Lithuania
Rep of Slovenia
Romania
Slovak Rep

Other EU

Austria
Belgium
Denmark
E Germany
Finland
France
Germany
Greece
Italy
Luxembourg
Netherlands
Portugal
Rep of Ireland
Spain
Sweden

Old Commonwealth

Australia
Canada
New Zealand
South Africa
USA

New Commonwealth

Antigua
Bahamas
Bangladesh
Barbados
Barbuda
Belize
Botswana
Brunei
Cameroon
Fiji
Gambia
Ghana
Grenada
Guyana
Hong Kong
India
Jamaica
Kenya
Kiribati
Lesotho
Malawi
Malaysia
Maldives
Mauritius
Mozambique
Namibia
Nauru
Nevis, St Kitts-Nevis
Nigeria
Pakistan
Papua New Guinea
Seychelles
Sierra Leone
Singapore
Solomon Islands
Sri Lanka
St Lucia
St Martins
St Vincent & Grenadines
Swaziland
Tanzania
Tonga
Trinidad & Tobago
Tristan da Cunha
Tuvalu
Uganda
Vanuatu
Western Samoa
Zambia
Zimbabwe

Other Countries

All other countries not listed elsewhere

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