

# North Northumberland Coast Neighbourhood Plan – Housing Evidence Paper

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## 1. Introduction

- 1.1 The purpose of this paper is to provide an evidence base for housing policies in the North Northumberland Neighbourhood Plan.
- 1.2 It provides a population and housing profile, and examines the housing market in the local area. From this information, key issues are identified and explored in greater detail. The paper draws conclusions and makes policy recommendations.

## 2 Planning & Housing Context

- 2.1 Following the Localism Act (2011), the North Northumberland Coastal Area was designated a neighbourhood plan area on 18 February 2014. The plan area covers the parishes of North Sunderland, Bamburgh and Beadnell, with North Sunderland being the qualifying body.
- 2.2 The current development plan covering the neighbourhood plan area is the Berwick Local Plan (1999). Given the date of the plan many of its policies are out of date and have not been saved. Others are considered not to be compliant with the National Planning Policy Framework (NPPF). Much of the neighbourhood plan area is located within the Coastal Zone as defined by Policy F2, a saved policy. This identifies that primary importance will be attached to the conservation and enhancement of the landscape and coast, and sets out development criteria. Policy R9 sets out criteria for new tourism accommodation. It includes a clause which requires planning conditions to be used to ensure that all accommodation is for holiday use, and not as principal residential accommodation.
- 2.3 The emerging Northumberland Local Plan Core Strategy will, when adopted replace many of the policies in the Berwick Local Plan. The Core Strategy Major Modifications to Pre-Submission Draft (June 2016) is the latest version of the plan. Housing policies in the document are informed by the Northumberland Strategic Market Assessment (SHMA). The neighbourhood plan area is located within the North Northumberland Delivery Area, which extends from north of Amble up to the border with Scotland. Within the North Delivery Area, an indicative housing requirement of 230 houses over the plan period is given to the Seahouses area, reflecting the area covered by the neighbourhood plan.

- 2.4 Seahouses is identified as a Service Centre, with a critical mass of services. Policies in the document are not prescriptive about the type and mix of housing. However Policies 18 and 31 support the provision of permanently occupied housing. The plan sets a target for 30% of new housing to be affordable, and identifies that in order to meet the need over the next five years, 15% of dwellings on new permissions will be expected to be affordable.

### 3 Population Profile

- 3.1 This section of the report provides analyses the demographic and economic characteristics of parishes covered in the neighbourhood plan area. Comparison with County level data is also provided.

#### Population by age group

- 3.2 The profile of the population in the 2001 Census, demonstrated that the neighbourhood plan area exhibited a significantly older population than that across the County as a whole. Across the three parishes, 57.6% were of core working age (16 to 64), and 28.8% were aged 65 years or older. Across Northumberland 63.6% were of working age, and 17.6% aged over 65.

**Figure 1: Population by age group 2001 Census**

Age Group	North Sunderland		Bamburgh		Beadnell		NP area		Northumberland	
	No.	%	No.	%	No.	%	No.	%	No.	%
Age 0-15	268	14.9%	50	11.0%	61	11.6%	379	13.6%	57905	18.8%
Age 16 -24	138	7.7%	32	7.0%	31	5.9%	201	7.2%	28,815	9.4%
Age 25-64	910	50.5%	224	49.3%	270	51.1%	1404	50.4%	166,432	54.2%
Age 65-74	284	15.8%	73	16.1%	97	18.4%	454	16.3%	29,432	9.6%
Age 74 +	203	11.3%	75	16.5%	69	13.1%	347	12.5%	24,606	8.0%
Total	1803		454		528		2785		307,190	

- 3.3 By 2011, the aging profile of the population in the neighbourhood plan area was more marked, with only 55.9% of the population aged 16 to 64, and 32.3% aged 65 years or older. While the population across Northumberland was also older in 2011, the difference between the neighbourhood plan area and the County is more marked.

**Figure 2: Population by age group 2011 Census**

Age Group	North Sunderland		Bamburgh		Beadnell		NP area		Northumberland	
	No.	%	No.	%	No.	%	No.	%	No.	%
Age 0-15	262	13.4%	34	8.2%	48	8.8%	344	11.8%	53866	17.0%
Age 16 -24	142	7.2%	25	6.0%	27	4.9%	194	6.6%	30,847	9.8%
Age 25-64	942	48.1%	216	52.2%	279	51.1%	1437	49.2%	168,011	53.2%
Age 65-74	349	17.8%	70	16.9%	107	19.6%	526	18.0%	34,366	10.9%
Age 74 +	264	13.5%	69	16.7%	85	15.6%	418	14.3%	28,938	9.2%
Total	1959		414		546		2919		316,028	

- 3.4 While the number and proportion of the population in the age groups 65-74 and 74+ increased over the period 2001 to 2011, the number and proportion of the population aged 0 to 15 years, has decreased markedly across the neighbourhood plan area.
- 3.5 While the total population of North Sunderland increased significantly between 2001 and 2011 (by 8.6%), the population of Bamburgh decreased by 8.8%. A modest 3.4% increase was observed in Beadnell.
- 3.6 In the preparation of the Northumberland Core Strategy, local, small area population projections have been derived from the 2012 based Sub-National Population Projections (SNPP) have been broken to the local level. The projections for the small area including the neighbourhood plan area, together with the neighbouring parishes of Belford, Easington and Middleton is presented below.

**Figure 3: Belford and Seahouses small area population projection**

Age Group	Projected population change 2011 - 2031			
	Population		Population Change	Population Change as a %
	2011	2031		
0-15	549	474	-75	-13.7%
16-59 (female)/ 16-64 (male)	2,323	2,055	-268	-11.5%
60/65-74	957	1,154	197	20.6%
75+	598	1,121	523	87.5%
Total	4,427	4,804	377	8.5%

3.7 The projection emphasises the scale of the aging population across the area, with the number of people aged under retirement age projected to diminish substantially over the plan period. A projected increase in number of people aged 75 years or older is particularly marked.

### Population by household type

3.8 Compared to the County as a whole, the neighbourhood plan area contains a large proportion of one person households, and fewer families. As may be expected from the above tables, a large proportion of households comprised people aged 65 years and over.

**Figure 4: Household composition (Census 2011)**

	Bamburgh		Beadnell		North Sunderland		NP Area		Northumberland
	No.	%	No.	%	No.	%	No.	%	%
<b>One person household</b>	88	39.6%	151	48.2%	332	34.9%	571	38.4%	29.9%
Aged 65 and over	48	21.6%	78	24.9%	198	20.8%	324	21.8%	14.0%
Other	40	18.0%	73	23.3%	134	14.1%	247	16.6%	15.9%
<b>One family only</b>	130	58.6%	152	48.6%	572	60.1%	854	57.4%	66.3%
All aged 65 and over	34	15.3%	39	12.5%	153	16.1%	226	15.2%	10.3%
Married/same-sex civil partnership couple	62	27.9%	82	26.5%	291	30.6%	435	29.3%	36.7%
Cohabiting couple	17	7.7%	11	3.5%	79	8.3%	107	7.2%	9.6%
Lone parent	17	7.7%	20	6.4%	49	5.1%	86	5.8%	9.7%
<b>Other household types</b>	4	1.8%	10	3.2%	48	5.0%	62	4.2%	3.8%

3.9 Of those aged 16-74 years, the proportion economically active was markedly less than across Northumberland as a whole. Of those economically active, fewer were full-time employees but a large proportion was self-employed. Of those economically inactive, many were retired.

**Figure 5: Economic activity (Census 2011)**

	<b>Bamburgh</b>	<b>Beadnell</b>	<b>North Sunderland</b>	<b>NP area</b>	<b>Northumberland</b>
Economically active	63.3%	62.5%	61.1%	61.7%	67.9%
<i>In employment</i>	58.8%	58.8%	57.0%	57.6%	61.2%
<i>Employee: Part-time</i>	9.6%	11.4%	14.0%	12.9%	14.7%
<i>Employee: Full-time</i>	27.3%	24.2%	27.5%	26.8%	37.0%
<i>Self-employed</i>	21.9%	23.2%	15.5%	17.9%	9.5%
<i>Unemployed</i>	3.2%	2.7%	2.6%	2.7%	4.4%
<i>Full-time student</i>	1.3%	1.0%	1.5%	1.4%	2.2%
Economically Inactive	36.7%	37.5%	38.9%	38.3%	32.1%
<i>Retired</i>	27.0%	28.3%	28.8%	28.4%	18.8%
<i>Student (including full-time students)</i>	1.6%	2.9%	1.8%	2.0%	3.5%
<i>Looking after home or family</i>	2.6%	1.7%	3.1%	2.8%	3.6%
<i>Long-term sick or disabled</i>	3.5%	3.1%	3.2%	3.2%	4.4%
<i>Other</i>	1.9%	1.5%	2.0%	1.9%	1.8%

3.10 Of those in employment, compared to the County, larger proportions were managers, directors and senior officials, and in skilled trade occupations. More were also employed in elementary occupations.

**Figure 6: Occupations (Census 2011)**

	Bamburgh	Beadnell	North Sunderland	NP area	Northumberland
1. Managers, directors and senior officials	19.4%	21.5%	11.9%	14.9%	10.5%
2. Professional occupations	15.6%	13.4%	9.6%	11.2%	15.5%
3. Associate professional and technical occupations	7.0%	8.5%	7.8%	7.8%	11.5%
4. Administrative and secretarial occupations	5.4%	9.3%	8.1%	8.0%	11.5%
5. Skilled trades occupations	19.4%	21.9%	21.7%	21.4%	13.0%
6. Caring, leisure and other service occupations	9.1%	8.5%	11.2%	10.4%	10.6%
7. Sales and customer service occupations	5.4%	2.0%	7.3%	6.0%	8.6%
8. Process plant and machine operatives	4.3%	4.9%	8.4%	7.1%	7.8%
9. Elementary occupations	14.5%	10.1%	14.0%	13.3%	11.0%

## 4 Housing Stock Profile

4.1 This section of the report provides analyses the housing characteristics of the parishes covered in the neighbourhood plan area. Comparison with County level data is also provided.

### Household Spaces

4.2 In the 2011 Census, 2,462 household spaces, or dwellings were identified. Across the neighbourhood plan area; approximately 40% of dwellings had no usual residents. In Beadnell more than 50% of the dwellings were usually unoccupied. Across the County as a whole, only 6.4% of household spaces had no usual residents.

**Figure 7: Household Spaces (dwellings) (Census 2011)**

	Household spaces		
	Total	with at least one usual resident	with no usual residents
Bamburgh	420	52.9%	47.1%
Beadnell	701	44.7%	55.3%
North Sunderland	1,341	71.0%	29.0%
NP Area	2,462	60.4%	39.6%
Northumberland	148,043	93.6%	6.4%

4.3 The level of home ownership across the neighbourhood plan area is approximately 70%; higher than Northumberland as a whole. The proportion of households in social rented accommodation is notably less.

**Figure 8: Tenure (Census 2011)**

Tenure	Bamburgh	Beadnell	North Sunderland	NP Area	Northumberland
Owned	64.4%	74.1%	69.3%	69.6%	65.8%
Shared ownership (part owned and part rented)	3.6%	0.0%	0.5%	0.9%	0.4%
Social rented	8.1%	9.3%	16.7%	13.9%	18.7%
Private rented	20.7%	13.4%	11.2%	13.1%	13.3%
Living rent free	3.2%	3.2%	2.2%	2.6%	1.8%
All households	100.0%	100.0%	100.0%	100.0%	100.0%

4.4 While variations are observed between the parishes of Bamburgh, Beadnell and North Sunderland, the mix of housing types across the neighbourhood plan area largely reflects that of the county as a whole.

**Figure 9: Type (Census 2011)**

	Bamburgh		North Sunderland		Beadnell		NP Area		Northumberland
	No.	%	No.	%	No.	%	No.	%	%
<b>House and Bungalow</b>	355	84.5	1190	88.7	622	88.7	2167	88.0	88.6
Detached	127	30.2	298	22.2	223	31.8	648	26.3	25.2
Semi-detached	99	23.6	458	34.2	261	37.2	818	33.2	35.3
Terraced	129	30.7	434	32.4	138	19.7	701	28.5	28.1
<b>Flat maisonette or apartment</b>	60	14.3	117	8.7	71	10.1	248	10.1	11.1
<b>Caravan/other mobile or temporary structure</b>	5	1.2	34	2.5	8	1.1	47	1.9	0.3
<b>Total</b>	420		1341		701		2462		

- 4.5 In terms of the size of properties, the neighbourhood plan area has a smaller proportion of its dwellings with 1 bedroom, and 3 and 4 bedrooms than Northumberland as a whole. The proportion of homes with 2 bedrooms is markedly higher however; 35.7% compared to 29.4% across the wider county.
- 4.6 While analysis of the type and size of properties is useful in exploring these characteristics of the housing stock, Council tax banding, which is based on valuations from 1991 provides an insight into the wider characteristics of the stock.
- 4.7 This identifies that while at the county level 46.9% of properties are in Council Tax Band A (the cheapest band), only 21.3%<sup>1</sup> of homes in the neighbourhood plan area are in this band. The neighbourhood plan area has a larger proportion of dwellings in each band from Band B to Band F. This indicates that properties may be on the whole, larger, and of higher value than Northumberland as a whole and may suggest potential affordability pressures.

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<sup>1</sup> It has been suggested that the proportion of those properties in Band A should be in Band B but have been categorised as such because they are on private roads. This has not been verified.



**Figure 10: Size (Census 2011)**

	House Size (no. of bedrooms)												Total
	0 Bed	%	1 Bed	%	2 bed	%	3 Bed	%	4 Bed	%	5+ Beds	%	
Bamburgh	0	0.0%	11	5.0%	82	36.9%	78	35.1%	31	14.0%	20	9.0%	222
Beadnell	3	1.0%	19	6.1%	120	38.3%	104	33.2%	48	15.3%	19	6.1%	313
North Sunderland	3	0.3%	64	6.7%	329	34.6%	400	42.0%	120	12.6%	36	3.8%	952
NP Area	<b>6</b>	<b>0.4%</b>	<b>94</b>	<b>6.3%</b>	<b>531</b>	<b>35.7%</b>	<b>582</b>	<b>39.1%</b>	<b>199</b>	<b>13.4%</b>	<b>75</b>	<b>5.0%</b>	<b>1487</b>
Northumberland	220	0.2%	10772	7.8%	40698	29.4%	59864	43.2%	20701	14.9%	6279	4.5%	138534

**Figure 11: Properties by Council tax banding (April 2016)**

	No of dwellings registered	Council Tax Banding															
		A	B	C	D	E	F	G	H	%							
Bamburgh	342	48	14.0%	59	17.3%	62	18.1%	45	13.2%	47	13.7%	48	14.0%	32	9.4%	1	0.3%
Beadnell	581	80	13.8%	87	15.0%	156	26.9%	100	17.2%	102	17.6%	44	7.6%	12	2.1%	0	0.0%
North Sunderland	1257	337	26.8%	304	24.2%	219	17.4%	211	16.8%	142	11.3%	35	2.8%	9	0.7%	0	0.0%
NP Area	2180	465	21.3%	450	20.6%	437	20.0%	356	16.3%	291	13.3%	127	5.8%	53	2.4%	1	0.0%
Northumberland	150,018	70422	46.9%	23668	15.8%	19172	12.8%	15639	10.4%	10183	6.8%	6459	4.3%	3962	2.6%	513	0.3%

## Market analysis

4.8 Analysis of the local housing market is presented in this section, looking at house prices and the number of transactions.

### House Prices and Sales

4.9 Residential sales transactions are recorded by the Land Registry. Comprehensive sales data across Northumberland, over the period April 2013 to March 2016 has been collated and analysed.

4.10 Across the neighbourhood plan area, the mean price across all sales was £233,730, with the prices for new and used properties being £290,011 and £229,415 respectively. Mean values can however be skewed somewhat by a small number of expensive or cheaper properties.

**Figure 12: Mean prices (April 2013-March 2016)**

	All units	New build	Used
Bamburgh	£367,686	£351,710	£368,217
Beadnell	£233,094	£340,833	£225,748
North Sunderland	£187,990	£228,636	£185,178
<b>NP Area</b>	<b>£233,730</b>	<b>£290,011</b>	<b>£229,415</b>
Belford	£171,371	£166,776	£171,932
North Delivery Area	£203,543	£215,337	£202,751
Northumberland	£176,480	£202,592	£183,219

4.11 Median sales values provide a better indication of prices as a whole as they eliminate the extremes as described above. The median price across the neighbourhood plan area was £199,000. For new properties the median price was £247,500 and for used properties £190,000.

**Figure 13: Median prices (April 2013 – March 2016)**

	All units	New build	Used
Bamburgh	£327,500	£250,000	£330,000
Beadnell	£196,975	£327,500	£193,826
North Sunderland	£170,000	£240,000	£167,950
<b>NP Area</b>	<b>£199,000</b>	<b>£247,500</b>	<b>£190,000</b>
Belford	£155,000	£169,225	£155,000
North Delivery Area	£175,000	£210,000	£170,000
Northumberland	£144,950	£184,950	£136,000

- 4.12 Both mean and median prices across the neighbourhood plan area are markedly higher than those across Northumberland, the North Delivery Area, and the neighbouring inland parish of Belford to the west. Within the neighbourhood plan area there are marked price variations. Median prices in the parishes of Bamburgh and Beadnell are significantly higher than those in North Sunderland; where prices better reflect the price across the wider Delivery Area.
- 4.13 Given that most people accessing the housing market for the first time are likely to be seeking smaller, cheaper properties, lower quartile house prices are most relevant for this group. The lower quartile price across all sales in the neighbourhood plan area was £148,750. For new properties, the lower quartile price was £237,500, and that of used properties £145,000. The difference between the lower quartile and median prices across the neighbourhood plan area is less marked than across the North Delivery Area. Therefore, while prices are higher generally across the three coastal parishes, which may in itself suggest affordability issues, the opportunity to purchase a property significantly cheaper than the median price is limited. It has been claimed that many of the lower quartile properties which have come available for sale have been bought as second homes. While this has not been verified, if this is the case, opportunities to buy locally may be diminished with dwellings at the lower end of the market sold at inflated prices.

**Figure 14: Lower quartile prices**

	All units	New build	Used
Bamburgh	£245,000	£246,250	£245,000
Beadnell	£156,000	£312,500	£154,625
North Sunderland	£135,000	£232,500	£134,500
<b>NP Area</b>	<b>£148,750</b>	<b>£237,500</b>	<b>£145,000</b>
Belford	£108,750	£149,950	£105,750
North Delivery Area	£119,463	£125,000	£118,375
Northumberland	£92,400	£142,950	£142,950

- 4.14 Over the 3 year period 2013 to 2016, 321 residential properties were sold across the neighbourhood plan area. Approximately 36% of these sales were of terraced properties, 25% detached and 22% semi-detached. When compared to Census information regarding the type of properties in the area, more terraced houses and flats, and markedly fewer semi-detached properties have been sold than may have been expected.

**Figure 15: No. of sales of by house type (April 2013 – March 2016)**

	Beadnell	North Sunderland	Bamburgh	NP Area
Detached	25	40	16	81
Semi	29	32	10	71
Terraced	23	73	21	117
Flats	17	24	11	52
Total	94	169	58	321

4.15 When the prices of are examined in more detail, median and lower quartile prices are higher for all housing types across the neighbourhood plan area than the wider Delivery Area. While the largest proportion of sales has been for terraced properties, homes of this type are also the cheapest. However, lower quartile prices for terraces properties are approximately 24% higher than the wider Delivery Area. This suggests that significant affordability pressures may exist for those on lower incomes trying to access the market

**Figure 16: Median house prices by type (April 2013-March 2016)**

	North Delivery Area	Beadnell	North Sunderland	Bamburgh	NP Area
Detached	£252,000	£299,000	£246,250	£470,000	£285,000
Semi	£147,750	£175,000	£162,000	£289,000	£179,950
Terraced	£144,300	£185,000	£145,000	£325,000	£167,950
Flats	£110,000	£137,500	£201,500	£222,500	£189,975

**Figure 17: Lower quartile house prices by type (April 2013-March 2016)**

	North Delivery Area	Beadnell	North Sunderland	Bamburgh	NP Area
Detached	£200,000	£250,000	£215,000	£380,438	£237,500
Semi	£114,875	£153,500	£134,500	£247,749	£149,500
Terraced	£105,000	£157,500	£117,950	£247,000	£130,000
Flats	£81,875	£125,000	£140,875	£172,475	£136,000

## 5 Summary of the profile and market analysis

5.1 From the above information a number of key points are identified which distinguish the neighbourhood plan area from the County as a whole and the surrounding area:

- The population is significantly older and more households contain only one person;
- Fewer people are economically active and those who are active are more often Managers, directors and senior officials, or in skilled trade occupations;
- The proportion of dwellings with no usual residents is particularly high;
- More residents are owner occupiers and fewer in social rented accommodation;
- A large proportion of homes have 2 bedrooms but far fewer properties are valued as Band A in the Council Tax;
- Median and lower quartile house prices are higher, for all house types.

5.2 These points identify a number of issues in the local housing market:

- There is a need to meet the needs of an aging population, while increasing the size of the working age, economically active population;
- There is a need to make more efficient use of the existing housing stock, and increase the proportion of dwellings which are occupied permanently;
- There is a need to identify and meet any shortfall in social rented accommodation, and ensure that housing is available at a price that is affordable to local people.

5.3 To address these points, the issues of second and holiday homes, and affordability and affordable housing need are examined in more detail.

## 6 Second and holiday homes

6.1 In this section, an attempt is made to identify the scale of second and holiday home ownership in the neighbourhood plan area, and how it compares with other areas within Northumberland and other comparable areas across the country. Data is principally drawn from the Census, Council Tax and Business Rates, but is supplemented by information from other sources. The impact of high levels of second and holiday homes is examined and a policy approach recommended.

### Changes in population, households and dwellings

6.2 The Census records the population, the number of households, the number of household spaces (dwellings) and the number of household spaces with no residents. Marked differences are observed in how the population, number of households and the number of dwellings have changed across the neighbourhood plan area between the 2001 and 2011 Census.

6.3 While the population of the neighbourhood plan area increased by approximately 5% over the 10 year period, the increase in the number of households was approximately double this at 10%. The number of dwellings increased over the same period by 20%. While the changes within each individual parish differ, each parish demonstrates a similar level of disconnect between the increase in the number of households and the number of dwellings.

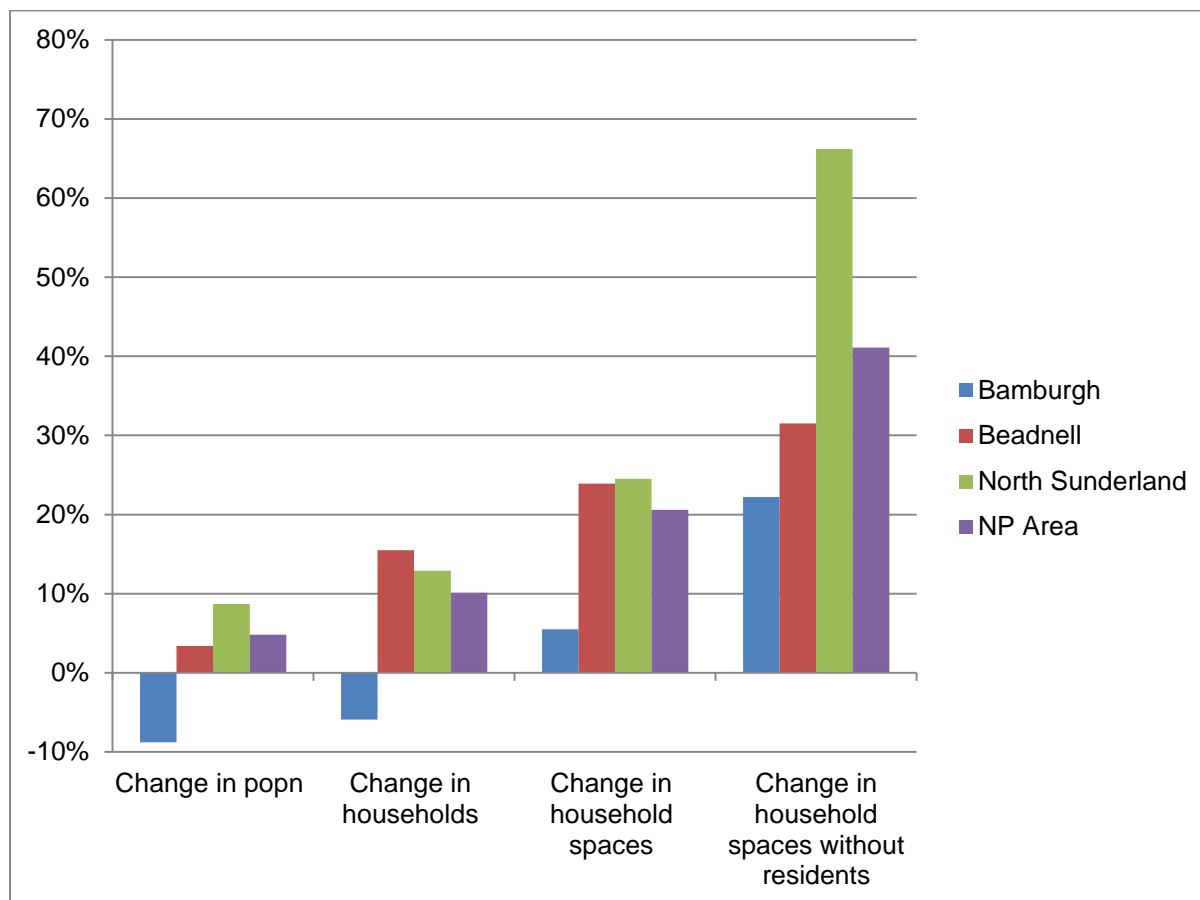
6.4 This issue is highlighted when the change in the number of household spaces without usual residents is examined. While the number of household spaces has increased by 20%, the number of household spaces without usual residents has increased by more than 40%.

**Figure 18: Changes in population, households and dwellings<sup>2</sup>**

	Change in popn 2001 to 2011	Change in households 2001 to 2011	Change in household spaces 2001 to 2011	Change in household spaces without residents 2001 to 2011
Bamburgh	-8.8%	-5.9%	5.5%	22.2%
Beadnell	3.4%	15.5%	23.9%	31.5%
North Sunderland	8.7%	12.9%	24.5%	66.2%
NP Area	4.8%	10.1%	20.6%	41.1%

<sup>2</sup> Limited data is available from the 1991 census. This indicates that over the period 1991 to 2011, the population across the Neighbourhood Plan area increased by 7.8% and the number of households by 6.3%. Data on the number of household spaces has not been obtained.

**Figure 19: Change in population, households, household spaces and those without residents between 2001 and 2011**



6.5 The Census shows that the proportion of dwellings without usual residents, in the neighbourhood plan area, is markedly greater than across Northumberland as a whole. Within each of the three parishes, both the number and proportion of dwellings without residents increased significantly between 2001 and 2011.

**Figure 20: Household spaces and household spaces without residents (Census 2001 and 2011)**

	No. of household Spaces		No. of household spaces with no residents			
	2001	2011	2001	%	2011	%
North Sunderland	1077	1341	234	21.7%	389	29.0%
Bamburgh	398	420	162	40.7%	198	47.1%
Beadnell	566	701	295	52.1%	388	55.3%
<b>NP Area</b>	<b>2041</b>	<b>2462</b>	<b>691</b>	<b>33.9%</b>	<b>975</b>	<b>39.6%</b>
Northumberland	138,064	148,043	4895	3.5%	9509	6.4%

6.6 When Census data from 2011 is examined more closely, the neighbourhood plan parishes are also ranked highly. While more than half of dwellings in Beadnell were identified as with no residents, in the larger parish of North Sunderland, nearly 30% were in this category. Again, when the neighbourhood parishes are combined, approximately 40% of household spaces had no residents.

**Figure 21: Household spaces with no residents (Census 2011)**

Parish	%
Beadnell	55.3%
Bamburgh	47.1%
Newton by the Sea	46.4%
Easington	44.5%
Holy Island	41.1%
NP Area	39.6%
Craster	39.2%
Middleton	37.9%
Doddington	35.9%
Alnmouth	35.1%
Akeld	31.6%
Kirknewton	31.6%
Ingram	30.4%
Adderstone with Lucker	29.1%
North Sunderland	29.0%
Alwinton	26.7%
Biddlestone	26.7%
Embleton	26.7%
Branxton	25.9%
Kilham	25.9%
Kyloe	25.1%

6.7 While in 2001, the Census distinguished between vacant properties and those which were second homes or holiday accommodation, no such distinction was made in 2011. In 2001, the three neighbourhood plan parishes contained the most dwellings of this type across the County. Most of the highest ranking parishes were located along the north Northumberland coast.



**Figure 22: Number of 2<sup>nd</sup> and holiday homes (Census 2001)**

Parish	Second residence/holiday accommodation
Beadnell	274
North Sunderland	180
Bamburgh	142
Embleton	69
Newton-by-the-Sea	64
Alnmouth	59
Warkworth	54
Craster	50
Holy Island	50
Alnwick	49
Belford	45
Allendale	44
Rothbury	35
Corbridge	34
Adderstone with Lucker	32
Longhoughton	24
Ellingham	24
Kyloe	23
Ord	23

- 6.8 In percentage terms, Beadnell and Bamburgh had the largest proportion of dwellings as second or holiday homes, with approximately half of dwellings in Beadnell identified as of this type. While the proportion in North Sunderland was significantly less, the parish is significantly larger than the other parishes which were ranked higher. When North Sunderland's figures are combined with those of Bamburgh and Beadnell, the neighbourhood plan area as a whole had approximately 30% holiday homes.

**Figure 23: % household spaces as 2<sup>nd</sup> and holiday homes (Census 2001)**

Parish	% dwellings as 2nd/holiday accom
Beadnell	48.3%
Bamburgh	35.9%
Newton-by-the-Sea	34.6%
Holy Island	34.2%
NP Area	29.3%
Adderstone with Lucker	26.0%
Akeld	24.1%
Easington	23.8%
Craster	23.4%
Kirknewton	19.7%
Ingram	18.3%
Alnmouth	18.2%
Hauxley	18.2%
Embleton	17.6%
North Sunderland	16.8%
Middleton	16.3%
Cartington	16.1%
Harbottle	14.8%
Ellingham	14.4%
Alwinton	14.3%
Roddam	14.0%

- 6.9 In order to specifically identify second homes, data from the Council Tax file has been examined. If a holiday home is available to let to other people for less than 140 days per year, council tax is payable.
- 6.10 Since 1 April 2013, the 10% discount that was previously available for second homes was removed. Therefore in some ways, the incentive for home owners to identify their property as a second home has been reduced which may have the effect of under reporting or underestimating the number of second homes. However, an empty homes premium is now charged on properties which have been unoccupied and substantially unfurnished for more than two years. In these circumstances, there would be an incentive to identify a second home so the under estimation may be reduced.
- 6.11 The Council Tax data identifies that numerically, Beadnell and North Sunderland have the most second homes, with Bamburgh ranked fifth. Other parishes in north Northumberland also ranked highly.

**Figure 24: Number of 2<sup>nd</sup> homes (Council Tax April 2016)**

Parish	No of 2nd homes
Beadnell	298
North Sunderland	277
Berwick upon Tweed	172
Embleton	145
Bamburgh	122
Alnwick	100
Warkworth	78
Alnmouth	72
Allendale	63
Blyth	63
Amble by the Sea	58
Craster	55
Holy Island	54
Morpeth	54
Belford	51
Hexham	51
Rothbury	49
Newton by the Sea	47
Ashington	47
Newbiggin by the Sea	44

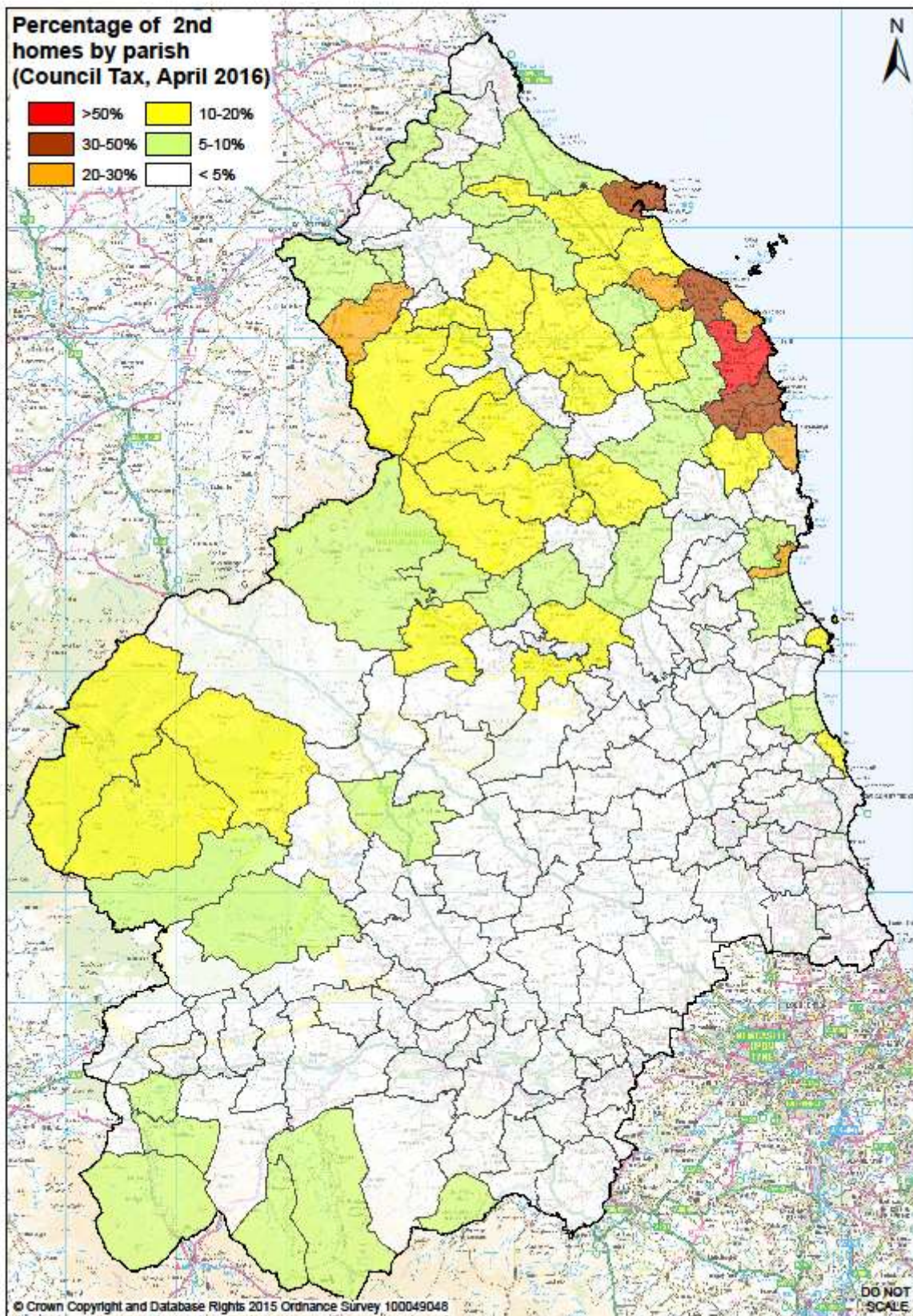
6.12 In percentage terms, Beadnell is ranked first, with more than half of dwellings registered for Council Tax in the parish identified as second homes. The other neighbourhood plan parishes are ranked in the top 10.

**Figure 25: Percentage of Council Tax registered dwellings identified as second homes. (April 2016)**

Parish	% of 2nd homes
Beadnell	51.3%
Holy Island	39.4%
Bamburgh	35.7%
Newton by the Sea	34.8%
NP Area	32.0%
Embleton	30.3%
Easington	29.9%
Craster	28.4%
Alnmouth	22.1%
North Sunderland	22.0%
Kilham	20.8%
Chillingham	19.5%
Adderstone with Lucker	19.0%
Kielder	18.6%
Kirknewton	18.1%
Earle	17.6%
Hauxley	15.7%
Whitton & Tossen	14.4%
Doddington	14.1%
Middleton	14.1%
Glanton	13.7%

6.13 The proportion of second homes in each parish is presented on the map below. This emphasises the particular issue along the north Northumberland coast from Holy Island in the north, to Craster in the south. What is also noticeable is that the proportion of second homes in these coastal parishes is much higher than those in Northumberland National Park which covers much of the north west of the map, and the North Pennines AONB in the extreme southwest.

Figure 26: Percentage of Council Tax registered dwellings identified as second homes. (April 2016)





## Holiday Lets

- 6.14 While Council Tax data identifies second homes, business tax information is used to identify properties which are let as holiday homes for longer periods or more often. Business rates are payable if a property is available to let for 140 days or more per year. Properties cannot be registered for Council Tax and Business rates, so the number of holiday lets is addition to those identified as second homes.
- 6.15 In numerical terms, the three neighbourhood plan areas have the most holiday lets in Northumberland, and markedly more than elsewhere in the County, including other parishes along the coast.

**Figure 27: Number of holiday lets (Business rates July 2016)**

Parish	Holiday Homes
Beadnell	175
North Sunderland	144
Bamburgh	105
Newton by the Sea	73
Embleton	67
Warkworth	65
Alnwick	63
Alnmouth	58
Berwick upon Tweed	45
Craster	42
Adderstone with Lucker	40
Amble by the Sea	39
Akeld	38
Slaley	35
Easington	31
Kyloe	31
Ellingham	30
Belford	28
Lesbury	28

## Summary

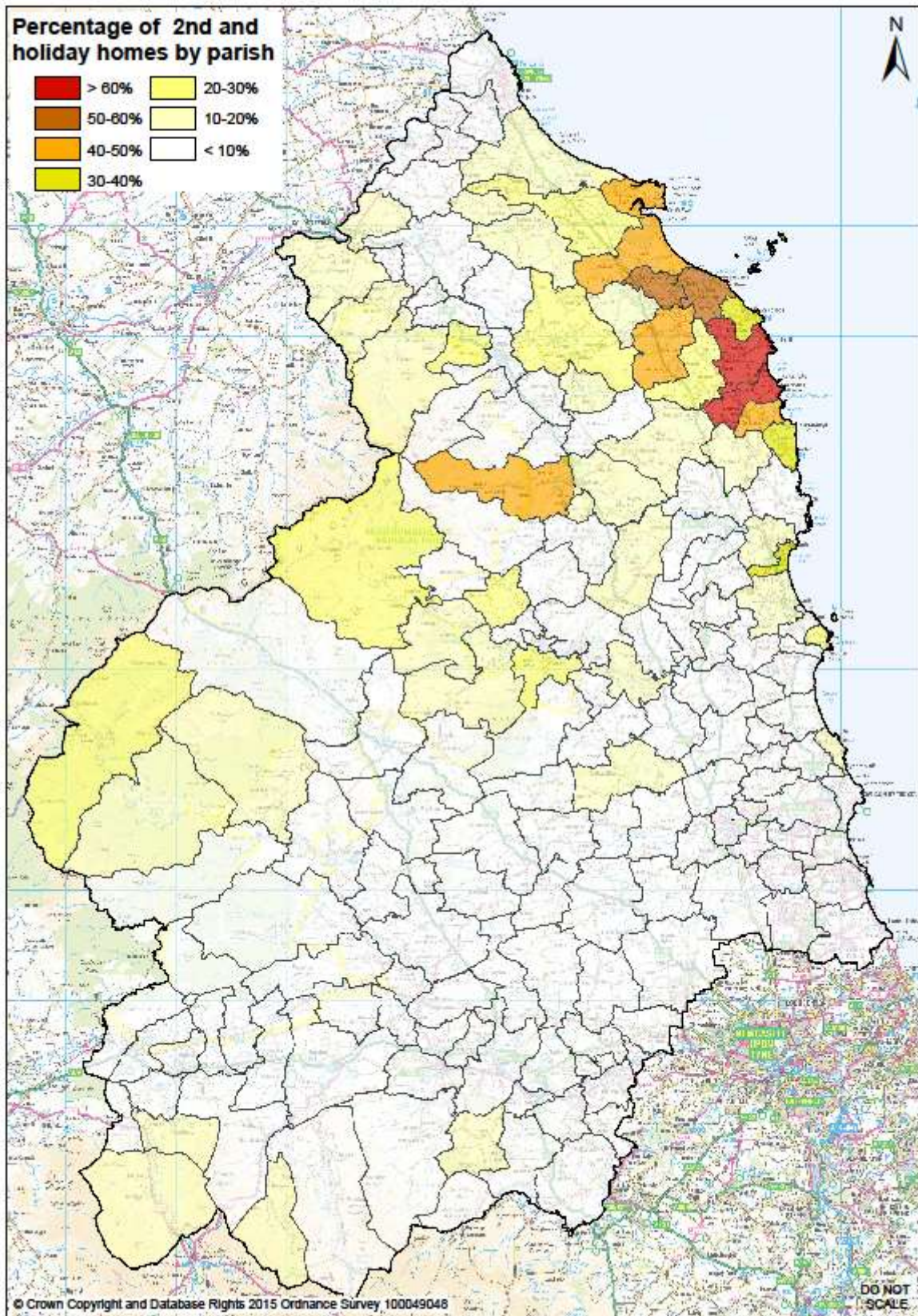
- 6.16 In order to provide an updated summary, the number of second and holiday homes identified by Council Tax and Business Rates is presented as a percentage of the number of household spaces in the 2011 Census. Given that the number of household spaces is likely to have increased since 2011, the below figure may slightly overstate the proportion of second and holiday homes, but it does provide an indication of the scale of the situation and how the neighbourhood plan parishes compare with other parishes across the County.

6.17 These figures indicate that approximately two thirds of dwellings in Beadnell, more than half of dwellings in Bamburgh, and approximately a third of all dwellings in North Sunderland are not occupied permanently. Again, parishes along the north Northumberland coast dominate the top rankings. The neighbourhood plan area as a whole is ranked seventh.

**Figure 28: % of household spaces (Census 2011) identified as 2<sup>nd</sup> homes or holiday lets (Council Tax and Business rates)**

Parish	% 2nd & holiday homes
Beadnell	67.5%
Newton by the Sea	61.2%
Bamburgh	54.0%
Easington	50.4%
Embleton	49.2%
Holy Island	47.0%
NP Area	45.5%
Adderstone with Lucker	44.6%
Ingram	44.3%
Middleton	41.4%
Craster	39.6%
Alnmouth	38.3%
North Sunderland	31.4%
Ellingham	25.9%
Akeld	25.7%
Chatton	25.5%
Whitton & Tossen	24.5%
Kyloe	24.2%
Kielder	23.2%
Netherton	21.3%
Hauxley	20.0%

**Figure 29: % of household spaces (Census 2011) identified as 2<sup>nd</sup> homes or holiday lets (Council Tax and Business rates)**





## Dwelling use survey

6.18 While information from the Census, Council Tax and Business Rates provides a comprehensive picture of the extent of second home ownership and the number of holiday lets in the neighbourhood plan area, this information has been complemented by that derived from a study of house usage undertaken by the Northumberland Coast AONB Partnership.

6.19 The use of each dwelling in the each of the parishes which are located in part or in full, within the Northumberland Coast AONB, was assessed by parish councillors in January 2014, including the parishes of Bamburgh, Beadnell and North Sunderland. The survey which was undertaken on a street by street basis sought to identify the total number of dwellings, the number that were occupied by permanent residents, and those which were used as second or holiday homes.

6.20 Information from the survey was derived from a number of sources:

- Northumberland County Council's Address Point Data
- Register of Electors
- Holiday rental web sites
- Local knowledge confirmed by a minimum of 2 people
- Knocking on doors

6.21 The results of the survey are shown below.

**Figure 30: Dwelling use survey 2014<sup>3</sup>**

	Permanent Resident	Second/holiday home	Unknown
Bamburgh	47.0%	53.0%	0.0%
Beadnell	27.0%	73.0%	0.0%
North Sunderland	66.0%	24.0%	10.0%

6.22 The results of the survey, while differing from though derived from Council Tax and Business Rates, largely corroborate the findings from the official sources.

## Wider comparison of 2<sup>nd</sup> home ownership

6.23 The above tables indicate that a significant proportion of dwellings in the neighbourhood plan area are second or holiday homes. In order to get a wider picture, the level of second home ownership across other areas of the country is considered.

<sup>3</sup> The data in this table only relates to dwellings located within the Northumberland Coast AONB. An additional survey was undertaken in 2016 but full data is not available for comparative purposes.

6.24 A review of second home data<sup>4</sup> identified the local authorities with the largest percentage of second homes based on Council Tax records in 2006. This indicated that the City of London had the highest proportion of second homes at 26.1%. The former borough of Berwick-upon-Tweed, within which the North Northumberland Coast Neighbourhood Plan is located, was ranked 6<sup>th</sup>, with 9.2% of dwellings being second homes. It is noticeable that while the Borough of Berwick-upon-Tweed was ranked sixth nationally, the proportion of second homes at the district level is much less than that identified at the more local level above.

**Figure 31: Top ranking local authorities in terms of the percentage of second homes from Council Tax data (2006)**

Ranking	Local Authority	County/Region	Proportion of Second Homes
1	City of London	London	26.1%
2	Isles of Scilly	Cornwall and the Isles of Scilly	19.5%
3	South Hams	Devon	10.1%
4	North Cornwall	Cornwall and the Isles of Scilly	9.7%
5	North Norfolk	Norfolk	9.5%
6	Berwick-upon-Tweed	Northumberland	9.2%
7	Penwith	Cornwall and the Isles of Scilly	8.0%
8	Kensington & Chelsea	London	7.8%
9	Westminster	London	7.8%
10	South Lakeland	Cumbria	7.4%

Source: Review of Second Home Data and Assessment of Effects Second Homes are Having on Rural Communities (Lake District National Park et al)

6.25 The same study identified the level of second and holiday homes across National Parks in England. Again, using any of the datasets shown above, the neighbourhood plan area has much higher levels of second and holiday homes than these protected areas, some of which have policies in place to restrict the occupancy of new dwellings. For example, Policy 10 of the Northumberland National Park Core Strategy (March 2009) restricts, in perpetuity, all new residential development to those meeting a local need criteria, and specifically states that they will not be available as second or holiday homes.

<sup>4</sup> Review of Second Home Data and Assessment of Effects Second Homes are Having on Rural Communities (Lake District National Park et al, available at: [http://www.lakedistrict.gov.uk/\\_data/assets/pdf\\_file/0005/410873/Review-of-second-home-data-and-assessment-of-effects-on-rural-communities.pdf](http://www.lakedistrict.gov.uk/_data/assets/pdf_file/0005/410873/Review-of-second-home-data-and-assessment-of-effects-on-rural-communities.pdf))

**Figure 32: National parks second and holiday homes**

<b>National Park</b>	<b>Proportion of 2nd or holiday homes</b>
Lake District	18%
Yorkshire Dales	15%
Exmoor	15%
Northumberland	14%
North Yorkshire Moors	12%
Peak District	4%
Dartmoor	3%
New Forest	2%

6.26 Given that marked variations in the level of second and holiday homes is observed between local areas within Northumberland, comparisons are presented below with parishes in the Lake District and Cornwall, two areas identified above to have a large proportion of dwellings which are not in permanent occupation.

6.27 Data from the 2001 Census identifies that the proportion of second homes in Beadnell is far greater than that in Patterdale, the highest ranking parish in the Lake District. Bamburgh is ranked third overall. While the level of second homes was much less in North Sunderland than the highest ranking Lake District parishes, only 6 of these parishes had a higher proportion of second homes than the neighbourhood plan area as a whole.

**Figure 33: Comparison with Lake District (Census 2<sup>nd</sup> homes 2001)**

<b>Parish</b>	<b>No of Dwellings</b>	<b>No. of second/holiday homes</b>	<b>% Second/Holiday homes</b>
Beadnell	567	274	48.3%
Patterdale	356	141	39.6%
Bamburgh	395	142	35.9%
Skelwith	132	47	35.6%
Hutton	209	70	33.5%
Claife	248	79	31.9%
Barton	151	47	31.1%
Lakes	3015	901	29.9%
NP Area	2034	596	29.3%
Cartmel fell	194	55	28.4%
Satterthwaite	166	47	28.3%
Trover	75	21	28.0%
Eskdale	163	45	27.6%
North Sunderland	1072	180	16.8%

6.28 When compared to parishes in Cornwall, Beadnell and Bamburgh are ranked first and second, and North Sunderland sixth. When the neighbourhood plan parishes are combined, the proportion of second homes is the same as Padstow, the highest ranking Cornwall parish. In parish of St Ives which has included a policy to apply principal occupancy restrictions to new residential development in a neighbourhood plan, the level of second homes is similar to North Sunderland, the lowest ranked parish with the North Northumberland Coast Neighbourhood Plan area.

**Figure 34: Comparison with Cornwall (Council Tax 2009, 2016)**

Area	% Second Homes
Beadnell	51%
Bamburgh	36%
NP Area	32%
Padstow	32%
St Ives	23%
North Sunderland	22%
Fowey	19%
Carbis Bay	18%
Mevagissey	14%
Tintagel	13%
Looe	12%
Marazion	11%

### **The impact of second home ownership and holiday homes**

6.29 At launch events for the North Northumberland Coast Neighbourhood Plan, residents were asked what they liked and disliked about the area in which they live. The highest number of responses received, indicated that people did not like the 'Use, location, scale and style' of housing. Within this category, most comments referred to problems arising from second and holiday homes.

6.30 The Housing Need Survey undertaken in 2014 identified that a number of residents who proposed to move, did so due to feeling isolated. The lack of a community spirit was identified as a result of a proliferation of holiday homes. Summer time parking problems were also identified; these problems were also associated with holiday homes. Another reason people gave for wanting or needing to move was because their current accommodation has poor access to shops and services.

6.31 In January 2016, interviews were undertaken by members of the Neighbourhood Plan Steering Group with residents living on streets where at least 20% of houses were identified as being second or holiday homes<sup>5</sup>. Residents were asked what it was like living in a holiday village. The main problems identified within the neighbourhoods themselves were around inappropriate parking, wheelie bins being left on the streets with rubbish blowing around and noise. The inability to park close to shops and services has meant residents have sought to use services in Alnwick and Berwick instead.

## **Businesses**

6.32 A survey of local businesses conducted by the Neighbourhood Plan Steering Group identified that a lack of housing which is available and affordable for existing and potential employees is affecting detrimentally the retention and recruitment of staff, both for seasonal and permanent positions. A number of businesses indicated that they struggle to recruit staff locally and that most employees travel from outside of the area to work. Some identify the lack of permanent residents, particularly young people to fill roles, and cite a shortage of skills. Therefore, businesses need to recruitment from further afield but the lack of appropriate housing that is affordable is often a barrier to appropriately qualified people taking up posts.

## **Schools**

6.33 Both Seahouses Middle School and Seahouses First School have experienced a significant reduction in the number of students enrolled over the years. Seahouses Middle School has 102 students enrolled in 2015-16, whereas 134 students were registered in 2001. Seahouses First School has 83 students enrolled; in 1989, there were 120 students at the school.

6.34 Anecdotal information suggests that the decline in the number of children enrolled at the schools was a result of two factors; the increase in the number of second and holiday homes, and the changing demography of the area, with people moving to the Seahouses area for retirement. The number of students enrolled at the First school has however increased in the last couple of years. Anecdotal evidence suggests this is as a result of second home owners selling up their homes in other parts of the country (or county) and making their dwelling in the area their primary residence, for quality of life reasons.

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<sup>5</sup> As identified in the dwelling use survey

## **Medical services**

**6.35** Discussions with Medical Practices highlighted that as a result of the use of the practice by visitors or temporary residents, the service offered to permanent residents was detrimentally affected, particularly regarding appointments. The influx of patients of the busy summer months requires clinic provision to be modified and less home visits undertaken than would normally be the case, replaced by telephone consultations.

## **Conclusion and recommended policy approach**

**6.36** The level of second and holiday homes in the neighbourhood plan area is far higher than that across the County as a whole and is having a detrimental impact upon communities most affected.

**6.37** The level of second and holiday homes in Beadnell and Bamburgh is much higher than that in comparable parishes in the Lake District National Park and Cornwall, including St Ives which has 'made' a neighbourhood plan which includes a policy which requires all future dwellings to be occupied by permanent residents. While the proportion of second and holiday is smaller by comparison in North Sunderland, the number is still high.

**6.38** From the evidence available, an intervention to restrict new build residential development to permanent residents is justified. Given the extreme nature of the issue in the neighbourhood plan area, it is recommended that the neighbourhood plan introduces a policy which requires all new developments, by means of an s106 agreement and covenants in the deeds of properties that they are to be the principal residence of occupiers.

## **Viability**

**6.39** As identified in the market analysis in this report, house prices are relatively high across the neighbourhood plan area. The Northumberland Local Plan Draft Core Strategy and Community Infrastructure Levy Viability Assessment (June 2016) identifies Seahouses as a high value area with a value of £2400 per m<sup>2</sup>. The introduction of a principal residency restriction is likely to reduce the value of homes below open market prices. While the viability assessment did not examine the viability in this context, it did so in relation to delivering affordable homes.

6.40 The viability assessment examined a range of development types and the potential viability of delivering affordable housing. It assumed that affordable and social rented housing would be valued at 45% of market values, intermediate housing at 67.5% and starter homes 80%. In the high value band areas it considered that delivering between 26% and 47% affordable housing may be viable. This testing was based upon a mix of 67% social and affordable rent and 33% intermediate housing. On the assumption that a principal residency restriction will have a similar impact as starter homes, it can be assumed that significantly more than 26 to 47%, principal residence homes could be delivered.

**Figure 35: Viability of different schemes<sup>6</sup>**

Typology	Hypothetical Sites	Viable (Red, Amber, Green) and Level of Potentially Viable Affordable Housing			
		Highest Value Band	High Value Band	Medium Value Band	Low Value Band
Strategic Scale Settlement expansion	Extension of a main town in an urban area comprising 400 dwellings. Predominantly brownfield.	50%	35%		
	Extension of a main town or service centre. Comprising 350 dwellings. Greenfield.	47%	31%		
Strategic Scale Settlement expansion including flattened development	Extension of a main town or service centre. Comprising 300 dwellings including 20 flats. Mixed brownfield and greenfield.	59%	47%	14%	
Significant scale main town or service centre infill or expansion	Extension or infill of main town or service centre comprising 200 dwellings. Greenfield.	50%	35%		
	Extension or infill of main town or service centre comprising 200 dwellings. 50:50 Greenfield, Brownfield mix.	56%	43%	6%	
Large scale settlement infill or expansion	Settlement infill or expansion comprising 60 dwellings. Greenfield.	52%	38%	1%	
	Settlement infill or expansion comprising 40 dwellings. Predominantly brownfield.	55%	41%	3%	
Medium scale development	Settlement infill or expansion comprising 20 dwellings. 50:50 Greenfield, Brownfield mix.	51%	36%		
	Settlement infill or expansion comprising 16 dwellings. Greenfield.	43%	26%		
Small Scale development	Settlement infill or expansion comprising 10 dwellings. Greenfield	46%	30%		
	Out of settlement rural development comprising 6 dwelling 50:50 brownfield and greenfield mix	56%	43%	9%	
Minor scale development	1 dwelling development, not in a settlement, Agricultural brownfield land, 0.22 ha	N/A	N/A	N/A	N/A
	1 dwelling development, in a settlement, 0.11ha	N/A	N/A	N/A	N/A
	1 dwelling development, greenfield site, 0.18 ha	N/A	N/A	N/A	N/A
	2 dwelling development, brownfield, in a settlement 0.3	N/A	N/A	N/A	N/A

### Dialogue with major land owners

6.41 While the case for a policy intervention may be strong, recognition of scale and impact of non-permanently occupied properties by landowners in the area, and support for a policy intervention would be important for implementation. Much of the land across the neighbourhood plan area is in the ownership of three land owners; Northumberland Estates, the Trustees of Lord Armstrong and Lord Crewe's Charity. While the Trustees of Lord Armstrong and Lord Crewe's Charity support in principle, the application of a principal residency requirement for new residential development, Northumberland Estates argues that requiring

<sup>6</sup> Northumberland Local Plan Draft Core Strategy and Community Infrastructure Levy Viability Assessment (June 2016)

all new dwellings to be restricted in this way would not be viable, but have indicated that an approach that required 60% of dwellings on developments of 10 units, to be restricted in this way would be supported.

6.42 Further dialogue with the major land owners is recommended.



## 7 Affordability of housing and affordable housing need

- 7.1 The analysis of the housing market identified that house prices are markedly higher in the neighbourhood plan area than across Northumberland as a whole, the North Delivery Area and neighbouring inland parishes. However, the level of economic activity in the area is lower, and with the exception of managers, directors and senior officials, the Census data identifies that few people are employed in higher grade occupations; more are employed in lower skilled occupations. These factors suggest potential affordability pressures in the area.

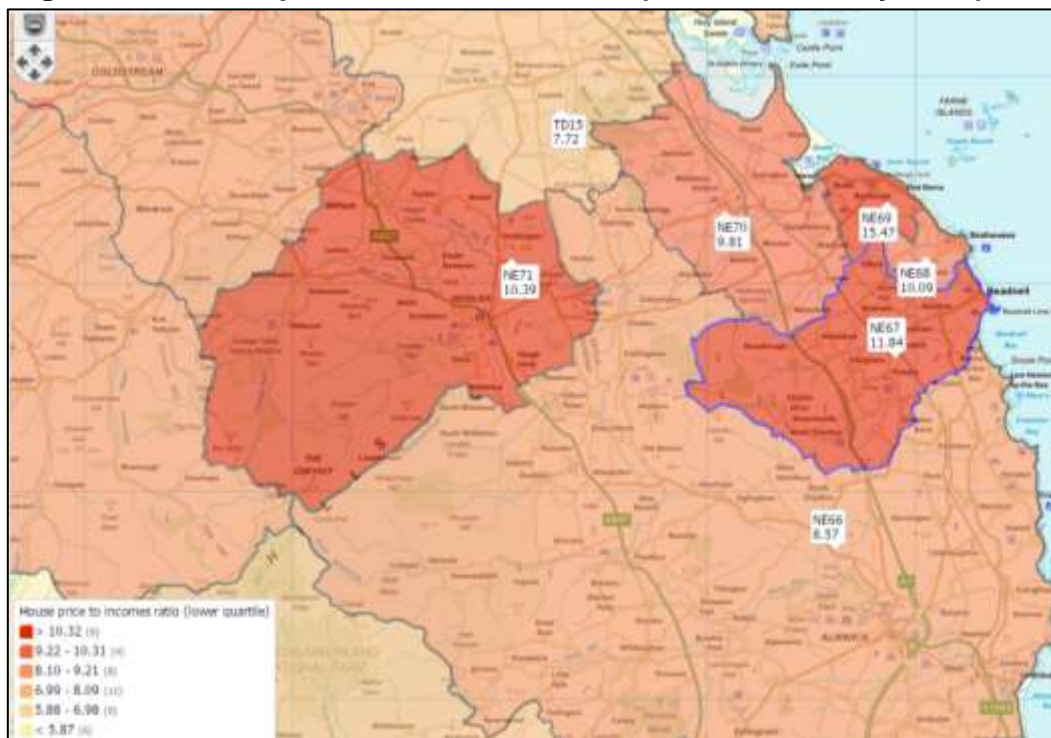
### Affordability

- 7.1 In order to establish whether properties are affordable to local people, analysis of house prices to incomes has been undertaken using data from Hometrack. Hometrack data is not collated at the parish level but is presented at postcode area. Bamburgh is located in NE69, Beadnell in NE67 and, Seahouses and North Sunderland in NE68.
- 7.2 Of all the postcode areas across Northumberland, the NE69 postcode area has by far the most extreme affordability ratio, at 15.47. NE67 is ranked second at 11.84 and NE68 is ranked eighth. Across Northumberland as a whole, the affordability ratio is 7.33.

**Figure 36: House Price to incomes affordability ratios (Hometrack July 2016)**

Area code	House Price to Income Ratio
NE69	15.47
NE18	12.9
NE67	11.84
NE44	11.36
NE45	10.77
NE71	10.39
NE13	10.25
NE68	10.09
NE20	9.92
NE70	9.81

**Figure 37: House prices to income ratios (Hometrack, July 2016)**



7.3 It is evident from the above that there are considerable affordability pressures across the neighbourhood plan area, particularly in Bamburgh. While this suggests that house prices may be out of the reach of local people, it does not necessarily mean that there is a need for affordable housing as defined by the NPPF.

### **Affordable Housing Need**

7.4 The NPPF defines affordable housing as:

#### **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.

Homes that do not meet the above definition of affordable housing, such as "low cost market" housing, may not be considered as affordable housing for planning purposes.

- 7.5 The Government recently consulted on changes to the NPPF, including widening the definition of affordable housing to encompass other forms of housing to buy including Starter Homes, sold at no more than 80% of the market value. The analysis that follows relates to affordable housing falling within the current definition, but commentary is provided with regards to the potential impact of the wider definition.

### Homefinder Information

- 7.6 Households with an intention to move into or move between properties owned or managed by the Council or Registered Providers, can register and bid for properties through Northumberland Homefinder. Accommodation provided through Homefinder is either social rented or affordable rented. Applicants are registered in accordance with their housing need, identified through a banding system. Applicants are only eligible to bid for properties which meet their need requirements as identified through the Council's allocation policy.

**Figure 38: Applicants on the Homefinder register by priority band and bedroom eligibility (May 2016)**

Band	Bedroom Eligibility				Total
	1	2	3	4+	
Band 1	3	3	0	0	6
Band 2	6	3	0	1	10
Band 2R	1	2	1	0	4
Band 3	25	15	4	0	44
Band P	0	1	1	0	2
Total	35	24	6	1	66

**Band P** is awarded to applicants in urgent housing need, for example people who are homeless

**Band 1** is awarded to applicants with a high housing need, for example those with a severe medical condition

**Band 2** is awarded to applicants with a medium housing need, for example households who are overcrowded

**Band 2R** is awarded to applicants whose priority has been reduced, for example because they own a home

**Band 3** is awarded to applicants who are currently adequately housed

- 7.7 While 66 households are registered on Homefinder, 44 are identified as being adequately housed (Band 3), with 22 households being in need.
- 7.8 Of those in Band 1, the reasons for this banding are that applicants are currently under occupying their properties, have a medical or welfare need, they are living in over- crowding or at risk of homelessness. Of those in Band 2, medical or welfare need is the main reason for the banding.

**Figure 39: Priority banding reason by band (May 2016)**

Banding reason	Band 1	Band 2	Band 2R	Band 3	Band P	Total
Adequately housed	0	0	0	40	0	40
Sharing facilities	0	1	0	1	0	2
Medical or welfare need	2	6	1	0	0	9
Property that is under occupied	3	0	0	0	0	3
Homeless priority	0	0	0	0	2	2
Overcrowding	1	3	3	0	0	7
Still awaiting further information	0	0	0	3	0	3
Total	6	10	4	44	2	66

- 7.9 The largest proportion of applicants is currently in the private rented sector seeking a tenancy in the social sector. The 15% of applicants living with family and friends can be considered new households.

**Figure 40: Current tenure of current applicants (May 2016)**

Current tenure	Count	%
Private tenant	23	35%
Housing Association tenant	21	32%
Living with family and friends	10	15%
Owner occupier	6	9%
Other	6	9%
<b>Total</b>	<b>66</b>	<b>100%</b>

- 7.10 The location where those registered on Homefinder have bid for properties is presented below. Of the 66 applicants registered, only 30 have bid for properties. 80% of those who have made a bid, have bid for a property within the neighbourhood plan area; 17 in Seahouses and 7 in Beadnell.

**Figure 41: Locations where registered users of Homefinder have bid for properties**

Location	Bids	% of bids
Alnwick	1	3.3%
Beadnell	7	23.3%
Belford	2	6.7%
Berwick	1	3.3%
Chatton	1	3.3%
Morpeth	1	3.3%
Seahouses	17	56.7%
Total	30	
<b>NP Area</b>	<b>24</b>	<b>80.0%</b>
No Bids placed	36	

7.11 Over the period May 2011 to May 2016, 88 properties were advertised on Homefinder across the neighbourhood plan area. Of these, 43 had two bedrooms, and 36 one bedroom, and 19 three bedrooms. In terms of types of properties advertised, 44 were houses, 33 bungalows and 9 flats, together with 1 sheltered unit.

**Figure 42: – Homefinder advertised properties May 2011 – May 2016**

Property Type	Bedrooms			Total	%
	1	2	3		
Bungalow	15	18	0	33	37.5%
Flat	9	0	0	9	10.2%
House	0	25	19	44	50.0%
Sheltered	2	0	0	2	2.3%
Total	26	43	19	88	
%	29.5%	48.9%	21.6%		

7.12 During this period, 1812 bids for properties were received at an average of 20 per property. Of these 61% were for houses, and 36% for bungalows. 60% of bids were for properties with 2 bedrooms.

**Figure 43: Bids for properties in the neighbourhood plan area May 2011 to May 2016**

Property Type	Bedrooms			Total	%
	1	2	3		
Bungalow	216	434	0	650	35.9%
Flat	51	0	0	51	2.8%
House	0	648	458	1106	61.0%
Sheltered	5	0	0	5	0.3%
Total	272	1082	458	1812	
%	15.0%	59.7%	25.3%		

- 7.13 In relation to the number of properties advertised, a larger proportion of bids were made for 2 and 3 bedroom properties. The number of bids for 1 bedroom properties was however relatively small. A larger proportion of bids were made for houses, while the proportion of people bidding for flats is comparatively small.
- 7.14 The properties types and sizes which received comparatively more bids in relation to the number advertised were 2 and 3 bedroom houses, 2 bedroom bungalows.
- 7.15 Over the five year period, a 714 applicants bid for properties. Of those making bids, 19.7% resided in the neighbourhood plan area. Therefore, the majority of bids came from elsewhere in Northumberland or beyond. 52.9% of bids were made by those aged 55 years of age or older.
- 7.16 The above analysis looks at the requirements and bidding characteristics of all households in neighbourhood plan area registered on Homefinder. The below analysis focusses solely on those with an identified housing need; those households identified in priority bands P, 1, 2 and 2R.
- 7.17 Of the 22 households with an identified housing need, 2 are in priority band P, 6 in band 1, 10 in band 2 and 4 in band 2R. Two of these households have now been housed (one from band P and one from band 2). Of the remaining 20 households, 8 have made no bids for properties and 7 between one and three bids. Of the 12 households which have bid for properties, 10 bid for properties within the neighbourhood plan area, and 2 for properties in neighbouring parishes.
- 7.18 Four households have made numerous bids, include one which has made 40 and another which has made 22. The applicant who has made 40 bids has rejected the offer of a number of properties.

7.19 On the whole, the current tenancy of younger households started relatively recently. A number of these households have not remained for long in their previous tenancies, with one having occupied 7 properties since 2007, and another having lived in 6 properties in the last five years. The oldest households have remained in their existing tenancies for longer, with two tenancies dating from the mid 1970's.

### Housing Need Survey

7.20 A housing need survey was conducted in 2014, in which every household across the neighbourhood plan area was hand delivered a form. 421 forms were returned, representing a 17% response rate.

7.21 Survey responses identified that 42 households proposed to move or form over the next 5 years. Of these, 26 proposed to stay within the neighbourhood plan area.

**Figure 44: Moving intentions of households identified with a housing need (HNS 2014)**

	<b>Whole Household Moving</b>	<b>New Household Forming</b>
Stay in North Northumberland neighbourhood area	18	8
Move outside neighbourhood area but stay in Northumberland	4	4
Move out of Northumberland	5	3
<b>TOTAL</b>	<b>27</b>	<b>15</b>

7.22 The above identifies demand from survey data. Further analysis of survey responses, identifies potential demand for social and affordable rented properties, and discounted housing to buy; including starter homes. Due to three households expressing an intention to buy, or rent a property, the numbers below are in excess of the 26 households identified above who expressed an intention to move within 5 years.

- Social / affordable rented accommodation - 10 households
- Discounted market value / Starter Homes - 7 households
- Care home accommodation – 1 household
- No affordable housing need – 11 households

- 7.23 Of the 10 households who may qualify for social or affordable rented accommodation, only 3 were registered on Homefinder.
- 7.24 The above analysis is based purely upon the survey information returned (421 responses). The data has not been grossed up to reflect the total number of households, or weighted to take account of non-response bias.
- 7.25 A simple grossing up of the data ( $5.88 \times 421 = 2462$ ) to the total number of household spaces<sup>7</sup>, would indicate that 153 households propose to move or form a new household over the next 5 years in the neighbourhood plan area, and a potential need for 59 rented homes, and 41 discounted market value properties. Given the large number of properties used as second or holiday homes, such an approach is likely to artificially inflate the number of households looking to move, and therefore also, those in some kind of housing need. Approximately 25% of survey responses were from owners of second/holiday homes. However, as identified in the previous section this is not representative of the number identified through other sources.
- 7.26 In terms of the representativeness of the survey, the survey response was compared to the 2011 Census. The key points are:
- Age groups over 60 years were over represented
  - Age groups up to 50 years were under represented
  - Residents of houses and bungalows were over represented and flats under represented
  - Owner occupiers were over represented, with those in private and social rented accommodation under represented
  - 2<sup>nd</sup> and holiday homes were under represented.

## **Affordable Housing Supply**

- 7.27 While demand for affordable housing is identified in above, in order to justify provision of new affordable housing, the amount and type of stock already in the neighbourhood plan area, the turnover of stock, and the amount and type of housing already with planning consent needs to be considered.

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<sup>7</sup> Household spaces, in the 2011 Census. Given that all dwellings (or household spaces) were hand delivered a survey form, it is more appropriate to use household spaces than households.



**Table 45: Affordable housing provision**

Landlord	No. Bedrooms				Total
	1	2	3	4	
Four Housing	30	80	29	0	139
ISOS	0	17	0	0	17
Johnny Johnson	0	10	18	2	30
Total	30	107	47	2	186

7.28 The Northumberland Five Year Supply of Deliverable Sites 2015-2020 document does not forecast the delivery of any affordable units in the neighbourhood plan area.

### **Conclusion and policy recommendations**

7.29 It is clear that there are significant affordability pressures across the neighbourhood plan area. Homefinder data identifies that demand for properties in the area is strong however much of this demand is from outside the area. Of the 20 households with an identified housing need, 60% (12) have bid for properties; most of these within the neighbourhood plan area.

7.30 The housing need survey identified 10 households who may qualify for social/affordable rented accommodation. The majority of these households were not registered on Homefinder.

7.31 Over the period May 2011 to May 2016, 88 properties were advertised in the neighbourhood plan area, or approximately 18 per annum. With a stock of 186 affordable homes to rent across the area, this represents a turnover of approximately 10% of properties per annum. No additional affordable supply is forecast in the area over the next 5 years.

7.32 Homefinder data identifies 20 households in need in the neighbourhood plan area, while survey data identifies an additional seven households requiring rented accommodation over the next 5 years. While a level of housing need is identified, with a turnover of 90 dwellings over a five year period (18 per annum) much of the need will be met by anticipated supply.

7.33 The survey identified 7 households who may qualify for starter homes or who may benefit other discounted market value products. While some demand for discount market value housing or starter homes is identified, given the affordability pressures in the area it is questionable whether such properties would be affordable to local people.

- 7.34 As the data has not been weighted or grossed up, the scale of need for affordable rented and discounted market value accommodation may be higher than indicated above. However, the level of potential need identified by a simple grossing of the survey data to the number of household spaces across the neighbourhood plan, indicates that a policy intervention to bring forward affordable housing beyond the level required by the emerging Northumberland Core strategy, is not required.
- 7.35 It is therefore recommended that the countywide affordable housing requirement is adopted, but that affordable housing delivery should be focussed on products to rent, not to buy, and discounted sale products are still likely to be beyond the incomes of local people.

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