Appendix 2

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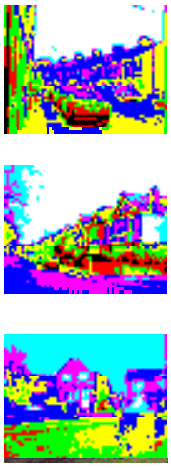
Braintree, Chelmsford & Colchester

Strategic Housing Market Assessment

Stakeholder Workshop

Justin Gardner
Alan Rust-Ryan
14th June 2007



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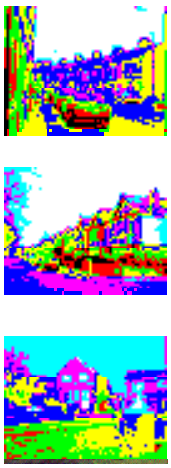
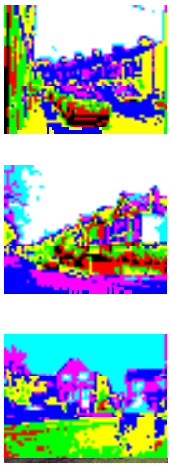
Agenda

- Housekeeping
- Introductions
- Presentation
  - Aims
  - Work to date
  - Issues
- Discussion
- Close

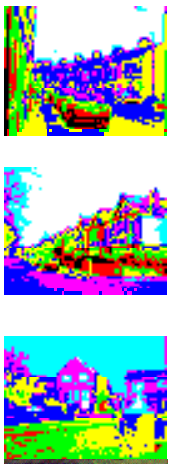


Aim of the workshop



- Feed back findings
- Discuss results
- Consider policy responses
- Evidence base for LDF

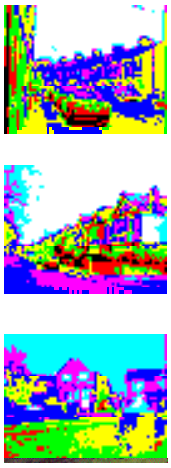
What have we done?



- Stakeholder workshop
- Secondary data
- Local market survey
- Household survey
- Working draft reports
- Still to do?

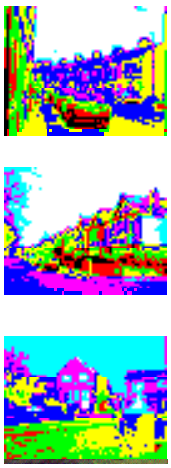
The Housing Market Area

- Self-containment
- Government guidance
- Our evidence
- Sub-markets?



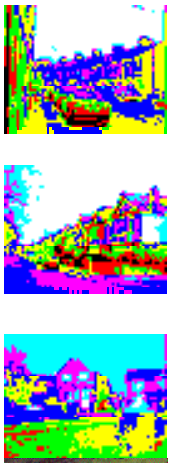
Economic background

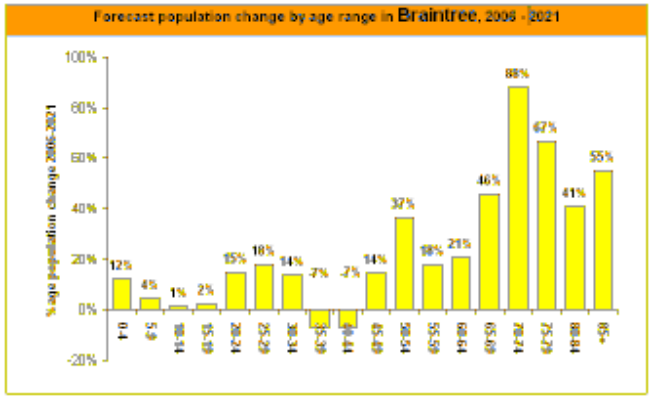
- Some variation between areas
- Job growth
- Qualifications and pay
- Unemployment

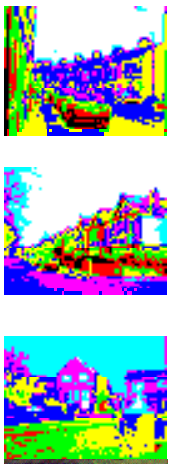


Demographic background

- High population growth
- High household growth
- Different figures (RSS vs. CGL)
- Changing population structure







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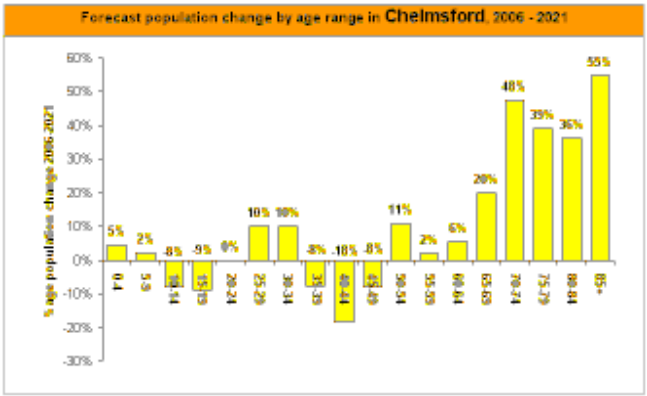

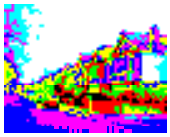

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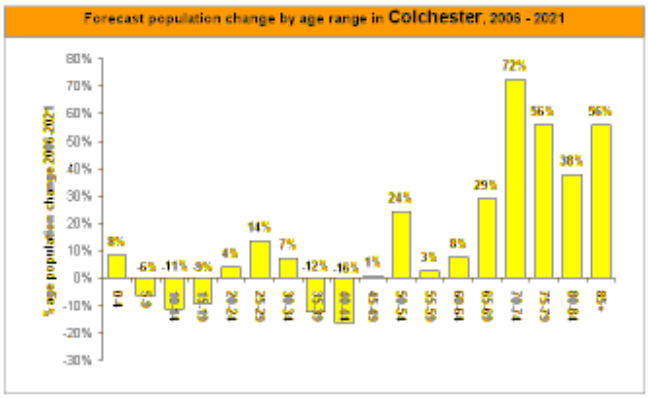
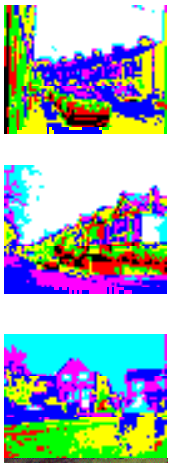


The housing market (1)

Estate and letting agents

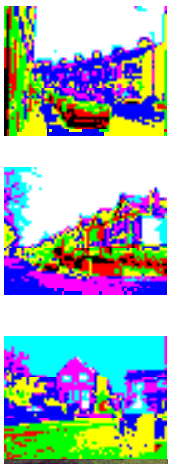
- Each area is distinct
- Chelmsford and London
- Affordability and the growth of private renting
- First-time buyers



The housing market (2)

Developers

- Over-supply of apartments
- Planning consents can take up to 4 years to complete
- Over-reliance on windfall sites
- Targets are realistic and there is sufficient land



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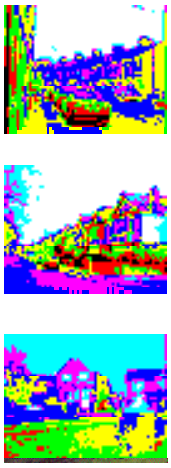
The housing market (3)

- Land Registry average prices
  - Braintree 1% above national average
  - Chelmsford 15% above
  - Colchester 3% below
- Price rises over past 5 years
  - Braintree 68.4%
  - Chelmsford 65.4%
  - Colchester 64.0%
  - National increase (E&W) 74.7%



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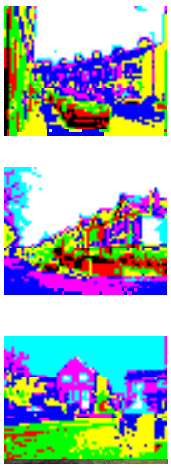
The housing market (4)

- Entry-level prices (2 bed)
  - Braintree £136,000
  - Chelmsford £150,000
  - Colchester £133,000
- Entry-level private rents
  - Braintree £550
  - Chelmsford £650
  - Colchester £575



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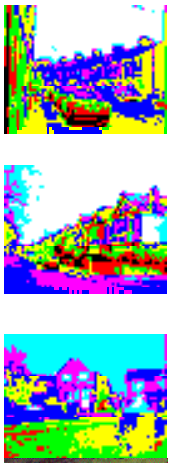

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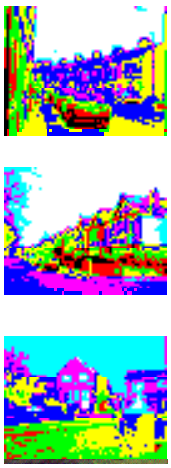
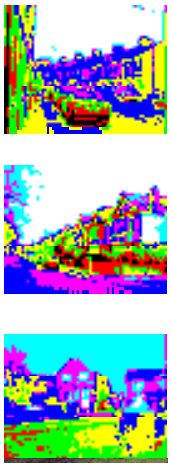
Financial situation (1)

Income by Local Authority			
Local authority	Mean	Median	Less than £20,000
Braintree	£32,600	£25,100	41.4%
Chelmsford	£36,100	£28,800	35.2%
Colchester	£31,400	£23,900	43.3%



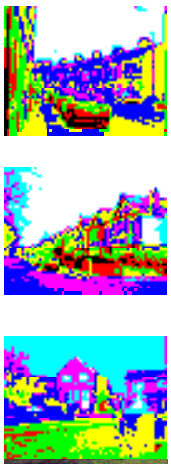
Financial situation (2)

- Private tenants median
  - Braintree £19,500
  - Chelmsford £23,900
  - Colchester £19,500
- Newly forming households
  - low income
  - low savings



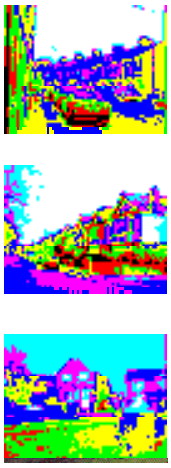
The need for affordable housing

- CLG model
- Backlog and newly arising
- Need for (units per annum):
  - Braintree - 697
  - Chelmsford - 866
  - Colchester – 1,082
- Intermediate housing (29%-34%)



Whole market approach

- Demand
  - Newly forming households
  - Existing households moving
  - In-migrant households
- Supply
  - Household dissolution (death)
  - Existing households moving
  - Out-migrant households

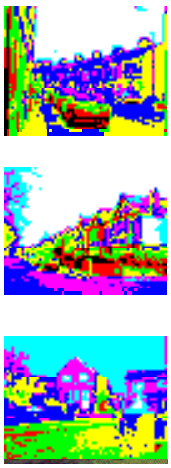


Balancing the Housing Market

Balancing Housing Markets results for **Braintree** (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Market	43	191	199	110	542
Intermediate	40	69	26	0	154
Social rented	39	-22	158	45	221
TOTAL	122	258	383	155	918

- 41% affordable housing (of which):
  - 41% intermediate



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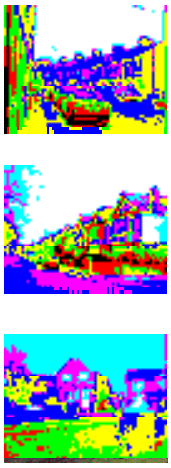
Balancing the Housing Market

Balancing Housing Markets results for Chelmsford (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Market	18	211	60	177	466
Intermediate	51	74	20	12	157
Social rented	16	109	100	14	238
TOTAL	85	394	180	203	861

- 46% affordable housing (of which):
  - 40% intermediate



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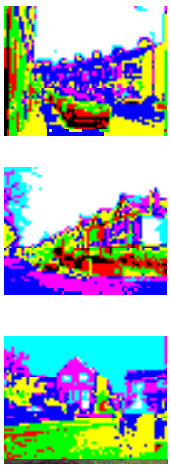
Balancing the Housing Market

Balancing Housing Markets results for Colchester (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Market	159	442	132	171	904
Intermediate	73	93	38	0	193
Social rented	71	9	89	158	328
TOTAL	303	534	259	329	1,425

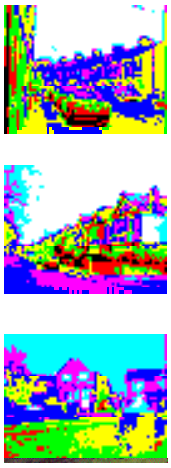
- 37% affordable housing (of which):
  - 37% intermediate



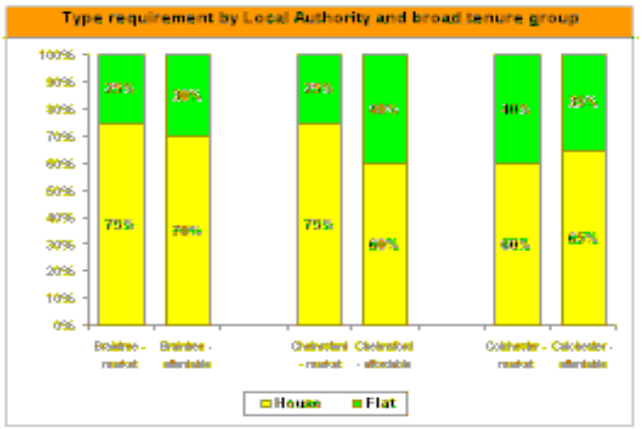
Summary of BHM (1)

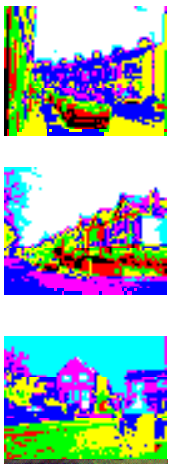
Summary of household growth/demand			
Local authority	RSS	CLG	BHM
Braintree	445	1,133*	918
Chelmsford	700	533	861
Colchester	855	870	1,425

- Latest NHPAU research



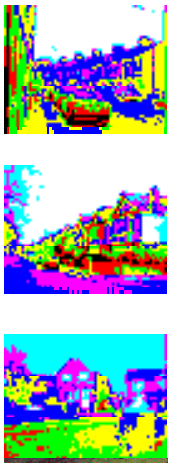
Summary of BHM (2)





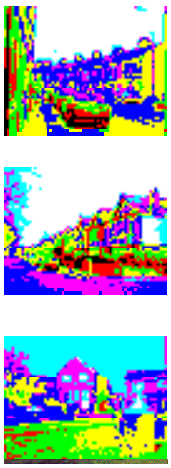
Particular groups

- Support needs
- Older persons
- Key workers
- BME households
- Young people and FTBs
- Rural areas



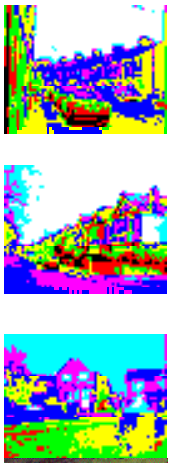
Support needs

- Types of needs
- 16%-18% of households
- Concentrations by tenure
- Characterised by low income
- Range of support and adaptations required



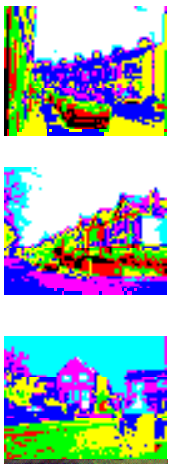
Older persons

- 24%-25% of households
- Smaller households
- Significant under-occupation
- Some demand for downsizing



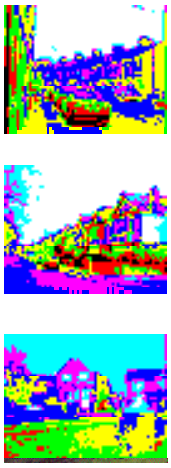
Young people and FTBs

- Aged under 35
- Concentrations in private rented sector
- High aspiration for home ownership
- Generally incomes too low



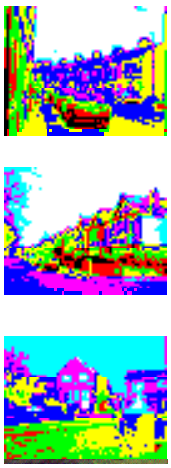
BME households

- c3% of households non-white
- Growth in White-British
- Larger households
- Fewer older persons
- More likely to be in private rented housing
- Further analysis



Rural areas

- Percent of households non-urban
  - Braintree – 40.6%
  - Chelmsford – 22.7%
  - Colchester – 31.7%
- Very little rented housing
- Detached housing, few flats
- Significant under-occupation
- High affordable needs



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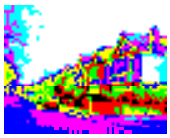
Discussion

- Housing market areas
- Affordable housing targets/thresholds
- Housing mix
- Types of affordable housing
- Delivery
- Particular groups
  - Under-occupation
- Priorities (e.g. in-migration)
- Rural areas