

Garforth and Swillington

City of Leeds

Local Housing Assessment

Leeds City Council

This document is a summary of the facts and figures that describes Garforth and Swillington's local housing market and estimates the additional housing required to meet the future needs of its residents.

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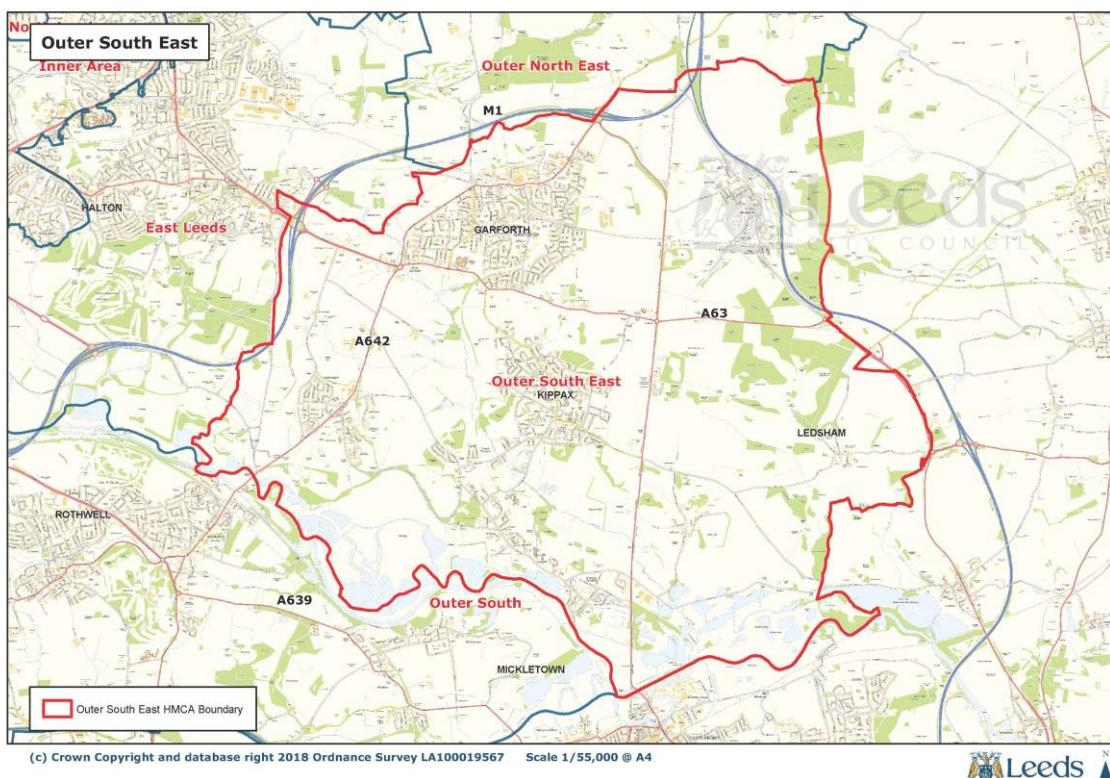
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1. About Garforth and Swillington

- 1.1 Garforth and Swillington (Garforth) is a village on the edge of the city of Leeds metropolitan borough. Leeds is within easy access, as are the M1 and A1(M). There are rail links within the village to the city centre, York and Manchester. There are various retail offers in the centre and a retail park in construction, as well as pubs, social clubs and restaurants/cafes. There are sport and leisure facilities, a recreation ground and a children's play area.
- 1.2 Garforth and Swillington sit within the Leeds Outer South East Housing Market Characteristic Area (HMCA) that includes Kippax and Methley also. It is defined as a village within local plan policy P1.

Map 1.1 Outer South East HMCA Summary Map



- 1.3 A considerable amount of research has been undertaken to understand Garforth and Swillington's contribution to the city's housing supply. In 2017 a household survey was undertaken to understand the housing need's requirements and aspirations of households across the city. This together with official data from the Office of National Statistics, the land registry and many more sources, has provided the evidence for the Leeds City Strategic Housing Market Assessment (SHMA) which is an important evidence base for policy, moving forward.
- 1.4 This local housing assessment for Garforth and Swillington draws on this information to provide an estimate of the additional housing required to meet the future needs of its residents.

2. What are Garforth's 'housing vital statistics'?

2.1 Overall, at census day 2011, 19,811 people lived in Garforth in 8,405 households. There were 192 vacant homes. The total number of household spaces was therefore 8,597. Vacant dwelling spaces were 2.2% of the total. Where we refer to dwellings below, we include only occupied household spaces.

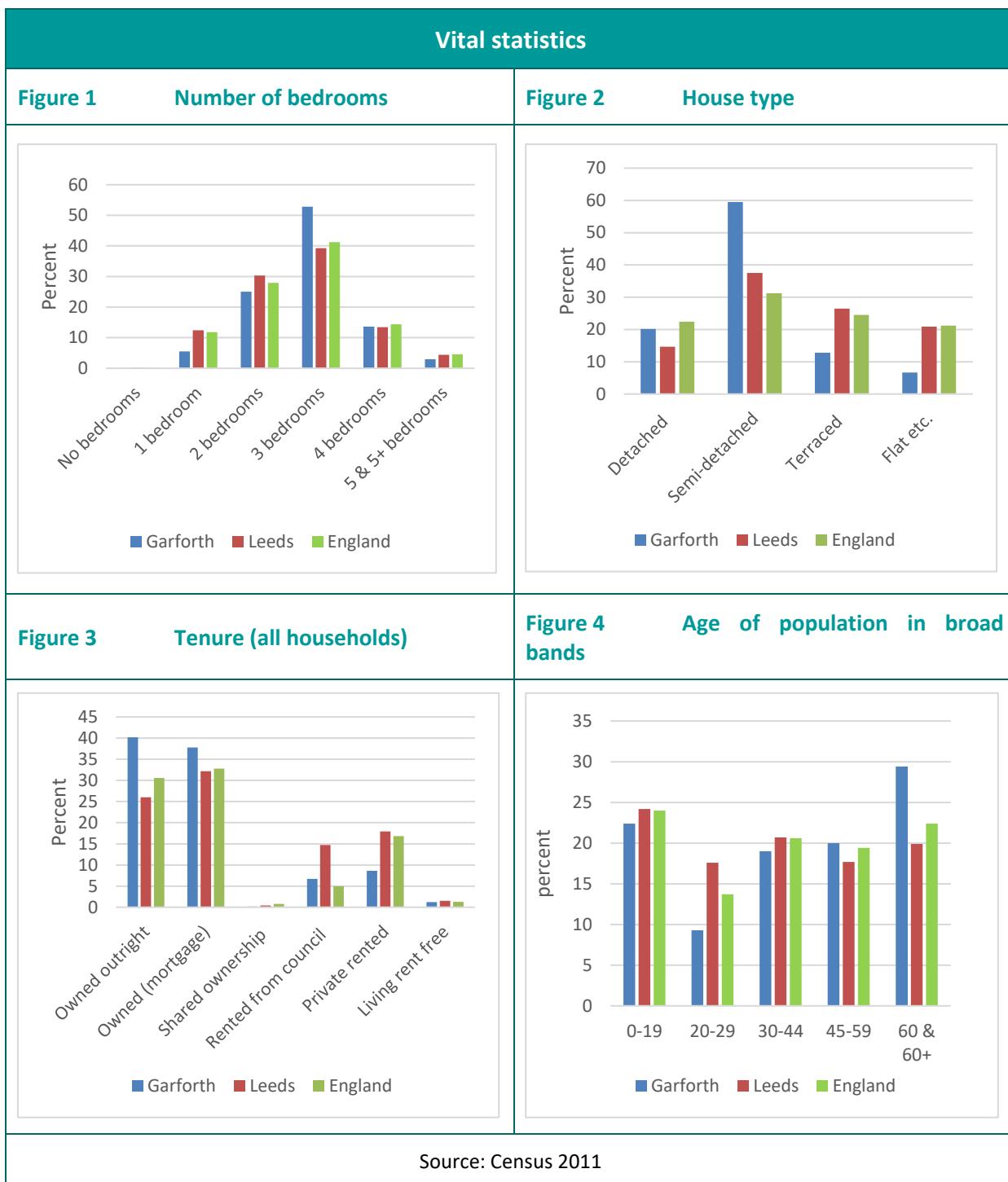
2.2 Figures 1-4 summarise the main vital statistics; the headline information is:

- At nearly 53%, there is a higher proportion of 3 bed dwellings compared to both Leeds and England;
- Dwellings with 5 & 5+ bedrooms make up the smallest proportion – which is also just smaller than for other geographies;
- Semi-detached dwellings make up the largest proportion of accommodation type at just under 60%. This is larger than for Leeds and England, whereas the proportion of flats is smaller than both (at 6.7%);
- The majority of properties are owned, either with or without a mortgage (78%), higher than for other geographies;
- There is a higher proportion of council rented properties than for England as a whole, but it is less than for Leeds. Private renting is less than for both other geographies;
- Compared to Leeds and England, there is a much higher proportion of people aged over 60 years, with a smaller proportion of those aged 20-29 years.

2.3 More detailed research shows that:

- 94% of detached dwellings are owned (with or without mortgage), as are larger properties - 87% of 3 bed and 92% of 4 and 4+ bed dwellings;
- 87% of owned dwellings have 1, 2 or more spare bedrooms. 47% of private renters have 1 spare bedroom, whilst 47% of social renters have no spare bedrooms;
- the largest household composition types are 'married couple with no children' (15%) and 'single person 65 and over' (14.9%);
- 28% of households have dependent children, and the same percentage of households are 65+;
- 90% of dwellings that are owned outright are detached or semi-detached, as are 83% of those owned with a mortgage;
- of flats, most are rented - 45% socially and 31% privately;
- the highest proportion of one-bedroom properties are within the social rented group (66%); and
- 80% of private renters live in 2 and 3-bed properties.

2.4 In summary, a large proportion of dwellings are suitable in size for family groups. However, over half of households' composition is of persons over 65. These are mostly couples with no dependents, or single people. This could impact how many properties become available for families.



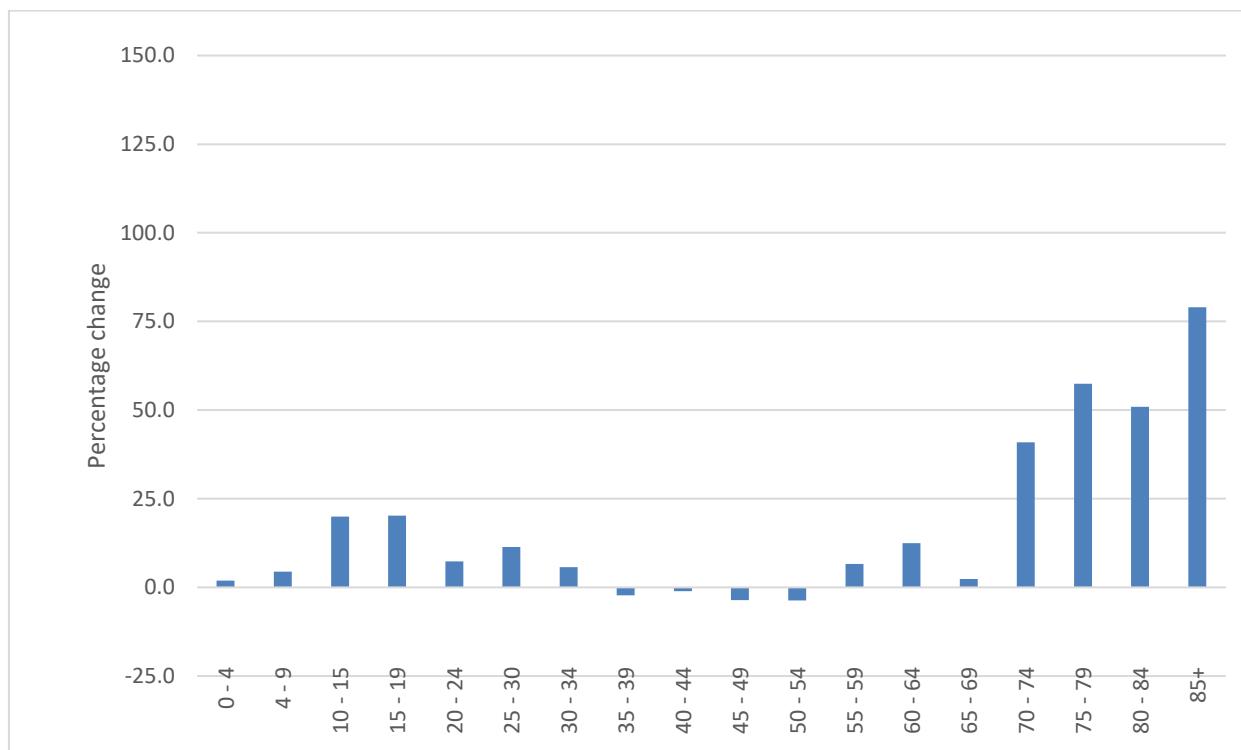
3. What are the local housing market's drivers?

- 3.1 Here we describe the factors that might drive or affect supply and demand within the local housing market, such as demographic change, migration and the relationship between the place of residence and the place of work. House prices and affordability are also significant drivers and are considered in this section.

Population projections

- 3.2 Figure 5 shows Office for National Statistics (ONS) population projections for the city. This data is not available for smaller geographies than the city level.

Figure 5 City level population projections 2016-2041, in 5-year age bands



Source: ONS

- 3.3 Key points are that:

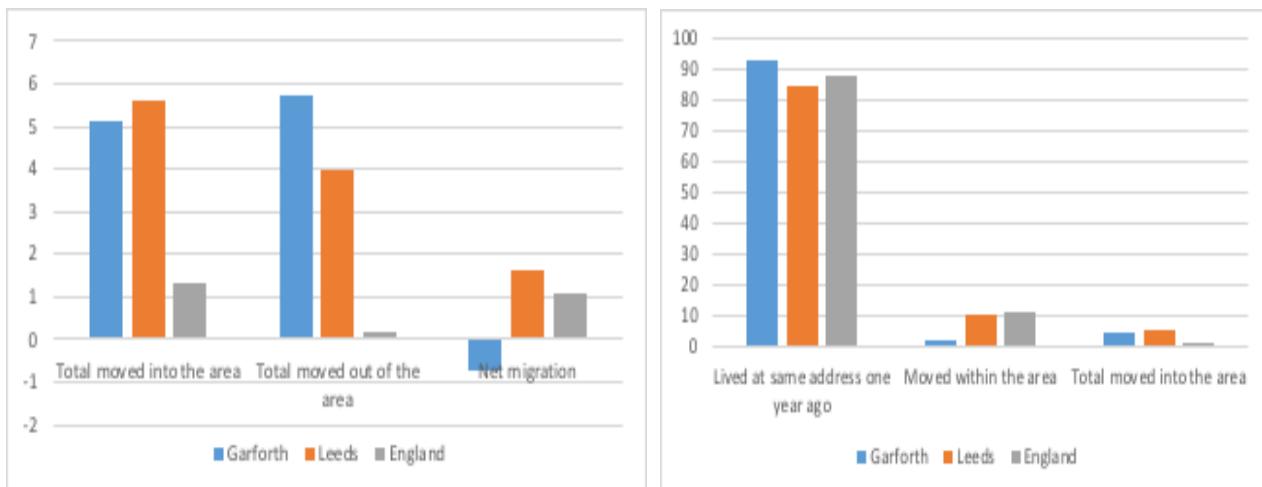
- the population of the city is estimated to grow by 85,000 people by 2041, an increase of nearly 11%;
- over half of this growth (54%) will be people aged over 65;
- those aged 85 and over will grow in number by over 12,000, nearly 80% more than in 2016;
- this is likely to affect Garforth as it already has a larger elderly population;

- meanwhile, adults aged 35 to 54 are actually showing a decrease with proportions reducing by 2.5%; and
- this will impact on health and support services and the need for suitable and specialised housing.

Migration

- 3.4 The census compared the usual place of residence of people on census day to the year before. Figure 6 shows that most residents did not move home. A small proportion moved within the area, but less than for other geographies. A slightly larger proportion moved into the area, less than for the city but more than for England.
- 3.5 The second figure shows the differences in movement in and out of the area. Both the city area and Garforth show more movement than for England as a whole. There was a small net outflow (less than -1%) of people from the area which might be underestimated as the census cannot record people that have left the area to live outside the UK.

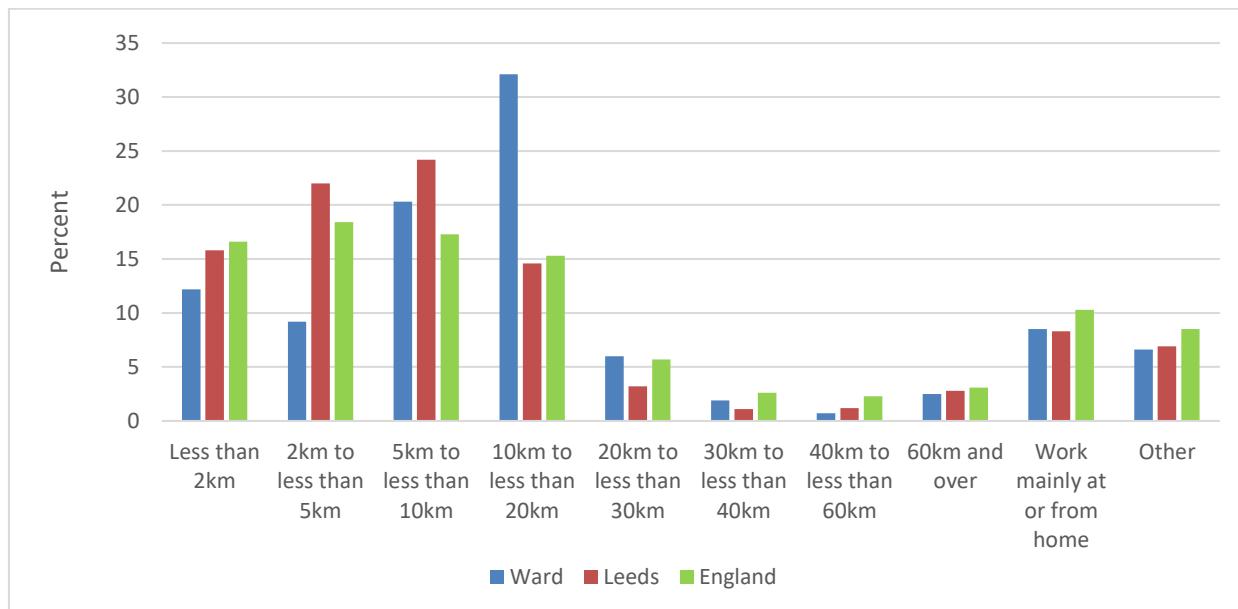
Figure 6 Migration



Source: Census 2011

Travel to work

- 3.6 Figure 7 shows the distance people of working age travelled to work.
- 3.7 A high proportion (32%) travel between 10km and 20km, double that of both Leeds as a whole and England. This is likely to be a journey within the city. Another 20% travel between 5km and 10km.
- 3.8 8.5% worked mainly at or from home, which is similar to Leeds as a whole but a little less than England.

Figure 7 Distance travelled to work

Source: Census 2011

House prices and affordability

- 3.9 The house price data is based on 354 house sales in 2017. Table 1 shows that Garforth's registered selling prices are higher than the benchmark prices for the city of Leeds as a whole.

Table 1 Resale housing market price percentiles

Percentile	Garforth £ 000's	City of Leeds £ 000's
75th Percentile	254	243
50th percentile	187	165
25th percentile	150	118.5

Source: Land Registry 2017

- 3.10 According to Rightmove (September 2018) terraced houses were offered for sale at between £130,000 and £150,000. There were many flats and some age-restricted homes on sale for less. The most prevalent house type in the area is a 3-bedroom semi-detached dormer type which were offered for sale from £185,000; detached homes from £240,000. Bungalow asking prices were from £200,000.

- 3.11 Of the 354 sales:

- 57% were semi-detached houses or bungalows;
- 19% were terraced houses or bungalows;

- 21% were detached houses or bungalows;
 - 3% were flats or apartments.
- 3.12 There were slightly different sales profiles between Garforth and Swillington. Whilst semi-detached sales were similar in Swillington there were more sales of terraced homes and fewer sales of detached homes than within Garforth.
- 3.13 Comparing proportion of sales with the profile of the local housing stock, there was a considerably lower proportion of sales of terraced homes than would be expected.
- 3.14 Garforth and Swillington's average gross annual household income are stated in table 2.

Table 2 Household income percentiles (£ per annum gross)			
25th Percentile	Mean	Median	75th Percentile
£25,000	£32,821.10	£35,000	£45,000

Source: Call Credit Cameo (licensed use)

- 3.15 Spending power for home ownership depends on income levels and savings for a deposit. The following table shows the spending power based upon 25th and 50th percentile incomes using a mortgage lenders multiplier of 4.5 times gross income and a 10% deposit offered for low risk households with a good credit rating.

Table 3 Garforth Household spending power for mortgage purposes			
Percentile income	4.5 x income	Add 10% deposit	Total spending power
25th	£112,500	£11,250	£123,750
Median	£157,500	£15,750	£173,250

Source: Cameo and arc⁴

- 3.16 Comparing tables 1 and 3:
- couples in Garforth on 25th percentile incomes or below, with a minimum deposit of 10% could not afford housing priced at the 25th percentile point;
 - couples on median incomes with a minimum 10% deposit could afford housing priced at the 25th percentile point, but no higher.
- 3.17 It is especially important to understand that housing costs will be significant for younger households as they will not have reached their full income potential and may also find raising a deposit challenging if they are currently renting.
- 3.18 Spending power for market rented housing is based upon rent being no more than 25% of gross household earnings. Table 4 states spending power at benchmark income levels.

Table 4 Income level for rented housing

Income level (percentile)	Spending power
25th	£520.80
50th	£729.20

Source: Cameo 2018 and arc⁴

- 3.19 Similar estimates of spending power for rental housing have been estimated using the above income levels on the basis that maximum rent equals 25% of gross household income. We estimate that a household on or below lower quartile income could not afford rents at 25th or 50th percentile levels without housing benefit support.

Table 5 Housing renting percentiles

Percentile	Garforth £	City of Leeds £
75th Percentile	693	1,213
50th percentile	650	708.50
25th percentile	598	550

Source: Zoopla PPD 2018

Qualitative information

- 3.20 Independent estate and letting agents told us that the greater majority transactions were local households that were rightsizing. However, there is increasing pressure on the local housing market, from Leeds based households seeking to live outside the city and incomers from further afield who would commute to work in Leeds. Recent incomers had been from Hull, York, the North of England, London and the South East. Agents told us that whilst the private rented sector is relatively small, vacancies are much sought after especially from young professionals.
- 3.21 We were told that the local gap was for 4-bedroom homes, both detached and semi-detached. Most of the dwelling stock was 3-bedroom semi-detached homes and there was little supply of 4-bedroom homes for households that need an extra bedroom or aspired to a detached house. Our attention was drawn to a new supply of 4-bedroom detached homes being offered by Redrow within Garforth with an asking price from £324,000. This is significantly above 75th percentile house prices.
- 3.22 We were told that there was a shortage of bungalows for older people as some could not afford local asking prices which were likely to be above the median price point.
- 3.23 Agents believed that further apartments would not prove popular, citing their rapid turnover and weak prices in the local market.

3.24 Overall, we're very confident about demand for local housing. This is mainly due to its location, services, and transport links being close to A1, M1 and being serviced by the rail network.

4. What additional housing is needed?

- 4.1 Leeds City Council commissioned arc⁴ to undertake a Strategic Housing Market Assessment (SHMA) in 2017. A city-wide household survey was undertaken to inform this question. The following summary of the additional housing needed in the area is largely based upon analysis of the household survey data. Separate analysis has been undertaken on the need for affordable housing and market housing. Part of the overall requirement for housing will be from newly forming households, as well as existing households. We have undertaken additional analysis of newly forming households likely to originate from Garforth and Swillington.

Affordable housing

- 4.2 The gross need for Garforth and Swillington is summarised in the following table. It is clear that the additional housing needed is mostly smaller homes for younger person households with a lower proportion (13%) 1-bedroom housing for older people.

Table 6 Summary of estimated gross need for affordable housing			
Bedrooms	General need	Older person need	Bedrooms total
1-bedroom	58	9	67
2-bedroom	16	0	16
3-bedroom	-5	0	-5
4-bedroom	4	0	4
5-bedroom	0	2	2
6-bedroom	0	0	0
7-bedroom	0	0	0
Age group total	73	11	84

Source: household survey 2017, land registry, Zoopla.

- 4.3 Garforth and Swillington sit within the City of Leeds Outer South East Housing Market Character area (HMCA) (see map 1 above). This in turn sits within the city's affordable housing zone 2.
- 4.4 The city is divided into 4 affordable housing zones for the purposes of its affordable housing policy. This is because the need for affordable housing, house and land prices vary considerably across the city. The affordable housing policy states the proportion of affordable housing that can reasonably be expected from housebuilders when producing new build market housing and what is needed within the zone.
- 4.5 Zone 2 contains the largest proportion of affordable housing requirements of the 4 zones. For Zone 2, development proposals for sites of 15 dwellings or more are normally required to ensure that 15% of proposed dwellings are affordable.

Market housing

- 4.6 The gross additional market housing required is summarised in the following table.

Table 7 Summary of estimated gross need for market housing												
Bedrooms:	One		Two		Three		Four		Five+		Type total	
TYPE	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Detached house	0	0	0	0	0	0	40	16.8	79	33.2	119	50.0
Semi-detached house	0	0	0	0	79	33.2	0	0	0	0	79	33.2
Detached bungalow	0	0	0	0	40	16.8	0	0	0	0	40	16.8
Bedroom total	0	0	0	0	119	50.0	40	16.8	79	33.2	238	100.0

Source: SHMA household survey 2017

- 4.7 Half the additional housing need identified from the household survey is detached housing with 4 or 5-bedrooms. Around one quarter of the requirement is for semi-detached 3-bedroom housing. The remaining requirement is for 3-bedroom detached bungalows. Note that this table is abridged to remove all dwelling types and sizes that registered no requirement. There is no demand from local people for apartments or self-build housing of any type.
- 4.8 This is different to the city-wide housing requirement (see SHMA figure 6.1) that shows additional need for 1 and 2-bedroom houses and flats. However, subsequent tables in the SHMA shows wide variation across the HMCAs. The Garforth and Swillington finding that 50.0% of the additional requirement is for 4 and 5-bedroom housing is plausible, as the proportion of smaller 2 and 3-bedroom homes in Garforth is almost three quarters of the area's stock, some occupants of 3-bedroom housing will be seeking to upsize. This is supported with qualitative evidence from estate agents.

Newly forming households

- 4.9 In addition, newly forming households are mainly seeking 2-bedroom homes and they are a mixture of private rent and intermediate housing. A smaller proportion are seeking 3 and 4-bedrooms homes and these were all in the social rented sector.

Table 8 Summary of estimated housing needed by newly forming households

	Private rent	Social rent	Intermediate (rent to buy / starter home)	Bedroom total
1-bedroom	0	0	0	0
2-bedrooms	40	0	40	80
3-bedrooms	0	49	0	49
4-bedrooms	0	49	0	49
Bedsit/Studio	0	0	0	0
Tenure total	40	98	40	178

Source: SHMA household survey 2017

Older person households

- 4.10 The majority of residents who responded aged 65 and over, stated that they did not want to move within the next 5 years (85.0%), the rest (14.5%) stated that they would like to move but were unable to. Table 9 below highlights the main reasons why these households are unable to move. Note that this was a multiple-choice question and the total is responses, not households.

Table 9 Reasons why older person households are unable to move home

	No.	%
Can't afford to	189	46.4
Other reasons	126	31.0
Lack of suitable accommodation in area needed	105	25.8
Need to receive support	92	22.6
Lack of suitable accommodation of type wanted	63	15.5
Negative Equity	42	10.3
Lack of suitable accommodation with adaptations needed	42	10.3
Employment (work locally)	21	5.2
Total responses	680	
Base (households)	407	

Source: SHMA household survey 2017

- 4.11 The main reason for not being able to move were around affordability, with almost half responding with the reason that they cannot afford to move. Just over a quarter stated it was 'other reasons' and around 25% said there was a lack of suitable accommodation in the area they needed.

5. What are the key messages from the information?

'Vital statistics'

- 5.1 The area's housing mostly consists of 3-bedroom, semi-detached, owner-occupied housing. The relatively low proportions of terraced homes and apartments is significant as this would provide a more affordable supply of housing to lower income households, whether seeking to own or rent. However, analysis of the re-sale market suggests that a smaller proportion of terraced homes come to market than would be expected. The relatively low proportion of 4-bedroom homes or larger, restricts the ability for local households to move to larger homes within the area.
- 5.2 The area's population has a lower proportion of young adults and a larger proportion of people aged over 60 than the city and England as a whole. This may be due to young adults being unable to live in the area due to higher than Leeds average house prices and rents and the lack of smaller homes, especially terraced homes and apartments.
- 5.3 The high proportions of adults over 45 and people aged over 60 result in large proportions of the owner-occupied housing stock being significantly under-occupied.

Housing market drivers

- 5.4 Projected increases in the number and proportion of older people across the city will be a significant issue for Garforth and Swillington in the future, due to the age profile described above. The housing stock, being mostly 2-storey houses, may prove unsuitable for older people if they become frail and need support. Bungalow housing is mostly priced above local market median prices and may not be affordable to some local older person households seeking to downsize.
- 5.5 Census data shows that 80% of working residents either travel under 10k to work or work from home. Travel is facilitated by close proximity to the A1, A63, M1 and the rail network. As such, agents told us that increasing demand comes from people relocating to the Leeds area or seeking to move from the city. However, the local housing market mostly serves local people seeking to rightsize.
- 5.6 House prices are relatively high compared to local household incomes and this particularly affects households who are first-time buyers or first-time movers with little equity in their homes.

Future housing requirements

- 5.7 Household survey and estate agent' evidence suggests that additional market and affordable housing is needed in the area to meet the future requirements of local existing and newly forming households.
- 5.8 The area has relatively low proportions of 1, 2 and 4-bedroom homes and a very high proportion of 3-bedroom homes that are mostly semi-detached.

- 5.9 The analysis of future housing requirements shows that for market housing demand is for detached homes and homes with 3 or more bedrooms. 16% of the requirement is for 3-bedroom bungalows which, if provided, would release larger homes to the market.
- 5.10 For affordable housing, most of the need is for 1 and 2-bedroom homes for younger people. 1-bedroom homes for older people forms 13% of the need.

Overall findings

- 5.11 Evidence in the form of vital statistics, market drivers and future requirements tell a similar story and are consistent with the qualitative information.
 - 5.12 Garforth and Swillington forms a self-contained residential area but more 3-bedroom or larger market homes need to be provided to diversify the housing stock in order to retain residents. Additional affordable 1-bedroom homes are also needed mostly for younger households unable to afford local market prices.
 - 5.13 Agents suggest that due to its location, the area will become increasingly sought after by people re-locating to work in the Leeds area and existing households within Leeds seeking to live outside the urban area.
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V1 September 2018