



Evidence Base

City of York

LDF | Local
Development
Framework

Strategic Housing
Market Assessment
Executive Summary

June 2007

EXECUTIVE SUMMARY

Introduction

- 1.1 This study was commissioned by York City Council in October 2007. The work responds to a Brief requiring a Strategic Housing Market Assessment (SHMA) for the City of York. This document provides a summary of the work. The evidence provided in the SHMA is required to inform appropriate policy responses to housing need and demand.
- 1.2 The research process carried out addresses the requirements of Planning Policy Statement 3 (PPS3) and also Planning Policy Statement 12 (PPS12) in ensuring that all necessary outputs are provided and that such outputs pass the prescribed tests of soundness. Its structure accords with the general advice provided in the PPS3 Practice Guidance of March 2007.

Key requirements

- 1.3 The key requirements of PPS3, stated in paragraph 22, are:
- *The likely overall proportions of households that require market or affordable housing, for example, x% market housing and y% affordable housing.*
 - *The likely profile of household types requiring market housing e.g. multi-person, including families and children (x%), single persons (y%), couples (z%).*
 - *The size and type of affordable housing required'*

The City of York

- 1.4 The area for this study contains a very varied urban and rural community:

The City of York is a modern commercial city renowned for its heritage. It covers an area of approximately 105 square miles made up of the historic city centre and the surrounding urban area along with a number of villages and semi-rural settlements covered by parish councils. Of this, approximately 85 square miles is in Green Belt.

The strong character of York provided by its history and location is an important factor in its continuing growth and success."

Summary of main concepts

- 1.5 PPS3 represents a major evolution in CLG requirements. It addresses the full range of market housing, calls for much more detailed information, and promotes the ‘evidence base’ into something which moulds policy over a wide range. This goes far beyond the scope of the previous studies (Housing Needs Assessments) which were carried out just to support affordable housing policy.
- 1.6 The following table summarises key terms:

Figure S1: Key concepts defined in Guidance

<i>Concept</i>	<i>Description</i>
SHMA	Strategic Housing Market Assessment: one that involves all tenures and is set in a stakeholder process that produces results for a given set of market and submarket areas
HMA	Housing market area. There is no single definition available for an HMA. The issue is discussed in Chapter 3 of this report
Stakeholder involvement	Stakeholders are defined as various interest groups with a central interest in the housing market. They include public officials, specialist quasi public and voluntary bodies concerned with housing (e.g. Housing Associations (RSLs) and private sector bodies such as house builders, private landlords, estate and letting agents.)
All tenure approach	A key feature of the CLG approach in PPS3 is that all tenures should be covered. This means that the former Housing Needs Surveys (HNS) which focussed on a technical analysis of the need for affordable housing, has been subsumed in a much wider and less technical process.
Evidence base	PPS3 gives the evidence base, of which this SHMA is a key part, a central role in determining policy. This give more responsibility to the process and documentary results of it, but also more scope for it to affect such figures as the RSS target, which historically has been ‘top down’ from higher levels of government, but which is now becoming more of a compromise between local ‘bottom up’ evidence and ‘top down’ direction
RSS	Regional Spatial Strategy. A statutory document which sets out a broad development strategy for the region, setting out regional priorities such as the scale of development of housing.
LDF	Local Development Framework. This spatial planning strategy guides and manages development at a local level for the next two decades. Local Development Frameworks must be in general conformity with the Regional Spatial Strategy.
RHS	Regional housing strategy. This is the non-statutory companion of the RSS, addressing specifically housing issues.

Source: Fordham Research York SHMA 2007

- 1.7 In addition to this list, there are a series of technical terms and processes which Fordham Research has developed to enable production of the key PPS3 outputs listed above. They are as follows:

Figure S2: Fordham Research concepts for PPS3 outputs

<i>Technique</i>	<i>What it does</i>	<i>PPS3 outputs</i>
1. Annual Flows: a standardised three year average of flows of household types into, out of and within a housing (sub) market.	Illustrates the character of a market. What are the flows of newly forming households like? How far are existing households attracted to the area, or is there a net out-migration?	The second of the three requirements in para. 22 of PPS3. The Census can produce some but not all of the PPS3 outputs.
2. Financial Capacity: income + equity + savings	Financial capacity indicates what households can afford. Some 70% of all households have equity now. Equity is on average more important than income in the overall ' ability to buy '.	All three of the para 22/23 outputs require the use of financial capacity to produce robust results.
3. Balance (of housing markets). This is a term introduced by the Audit Commission in the early part of this century. However no technique was produced for measuring it.	Fordham Research has developed a method of assessment (the Balancing Housing Markets model (BHM)). This uses a range of quantitative and qualitative inputs to indicate what extra housing is required to move a given market towards balance.	The BHM outputs produce all the information required by para 22 of PPS3. The separate technical analysis of housing need produces supplementary information.
4. Rungs in the housing ladder. Assessment of the weekly costs of all tenures and types of housing.	. The graph shows entry points to different levels of the market. It indicates the cost thresholds on a consistent basis.	It indicates what types of new housing best assist households 'climbing the housing ladder'. Important for assisting house builders to meet the requirements of para 23.
5. Usefully affordable intermediate housing. Its price is the mid point of the gap between social rent and market housing (the intermediate range defined in PPS3).	Provision of intermediate housing at the usefully affordable point will assist those in intermediate need. If provided only at the top end of that range, it will not.	Helps achievement of PPS3 balanced markets by providing a rung in the housing ladder.

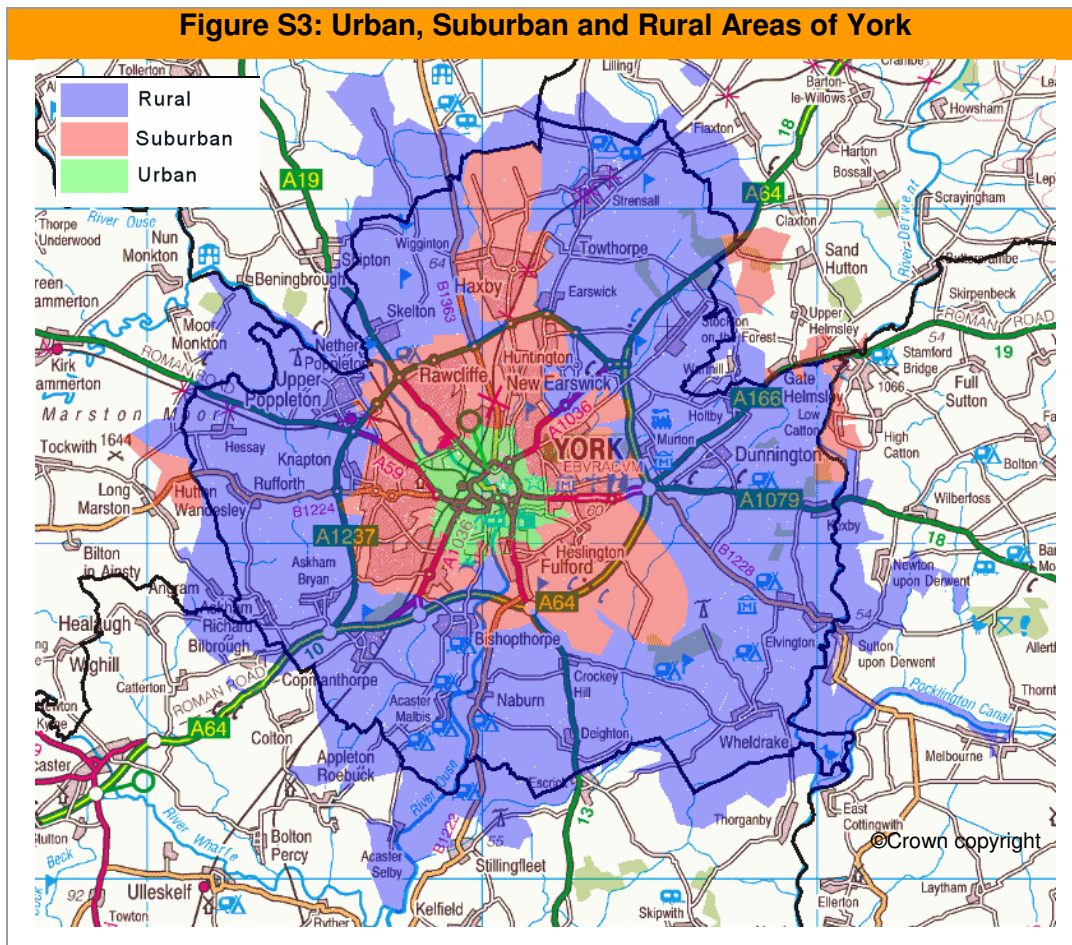
Source: Fordham Research 2007

1.8 The combination of these two sets of definitions provides the foundation for the SHMA

The Steering Group and Stakeholder Consultation

1.9 A wide variety of stakeholders were consulted via workshops, face-to-face meetings and phone interviews.

- 1.10 Following consultation with the stakeholders, three submarkets within the overall City of York housing market were developed (see figure S3 below). These submarkets were used for analysis.



- 1.11 The stakeholder discussions also raised many local issues of importance which were addressed in the detailed analysis of the SHMA, and helped to focus the policy issues which emerged from it.
- 1.12 Information gathering for the survey included not only the interaction with many stakeholders, but also much existing (secondary) data and primary data (gathered especially for this study). The primary data included a survey of estate and letting agents, related to market activity, and a random survey by post which yielded some 3,121 returns. This is a large enough sample to permit detailed analysis of housing issues. The sample was weighted to ensure that it properly represents the character of the population.

Current profile of York’s housing market

- 1.13 York has a buoyant housing market and this is reflected in the higher growth rate expected in the future, when compared with the regional and national average growth rates:

Figure S4: Household projections for York, compared regionally and nationally

	York	Yorkshire and Humber	England
2006	81,000	2,153,000	21,485,000
2011	85,000	2,248,000	22,566,000
2016	89,000	2,348,000	23,705,000
2021	92,000	2,437,000	24,781,000
Change 2006-2021	11,000	284,000	3,296,000
% Change 2006-2021	13.6%	13.2%	15.3%

Source: CLG Household Projections

- 1.14 The higher growth rate is in the context of the many constraints (historic city and Green Belt) which prevent York from being a major focus for growth. The past growth of the economy shows a noticeably higher rate than region or nation:

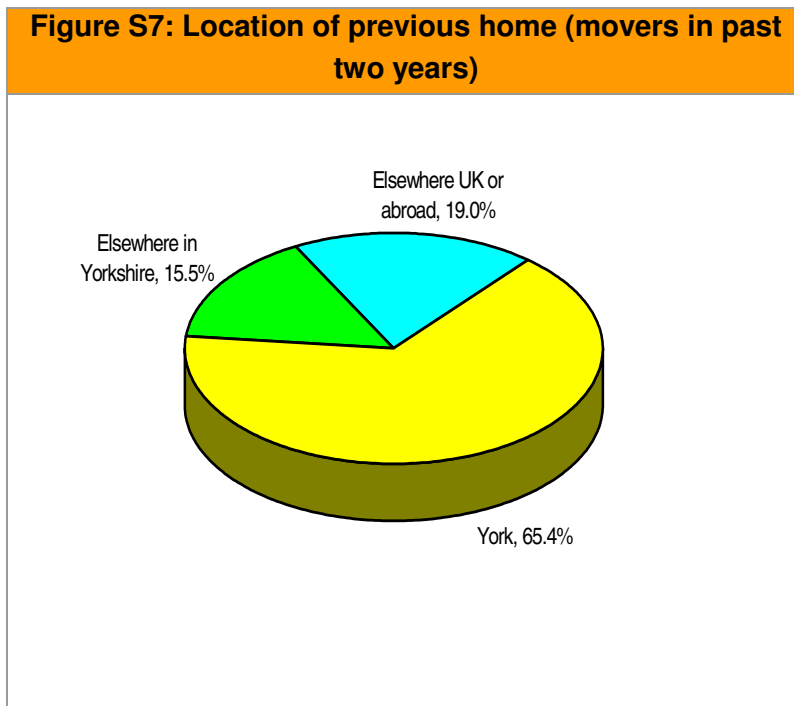
Figure S5: Employee Jobs: York

Area	Employment 1995	Employment 2005	Absolute change	%age change
York	84,004	99,900	15,896	18.9%
Yorkshire and Humber region	1,952,868	2,262,400	309,532	15.9%
Great Britain	22,728,869	26,503,100	3,774,231	16.6%

Source: NOMIS 1995-2005

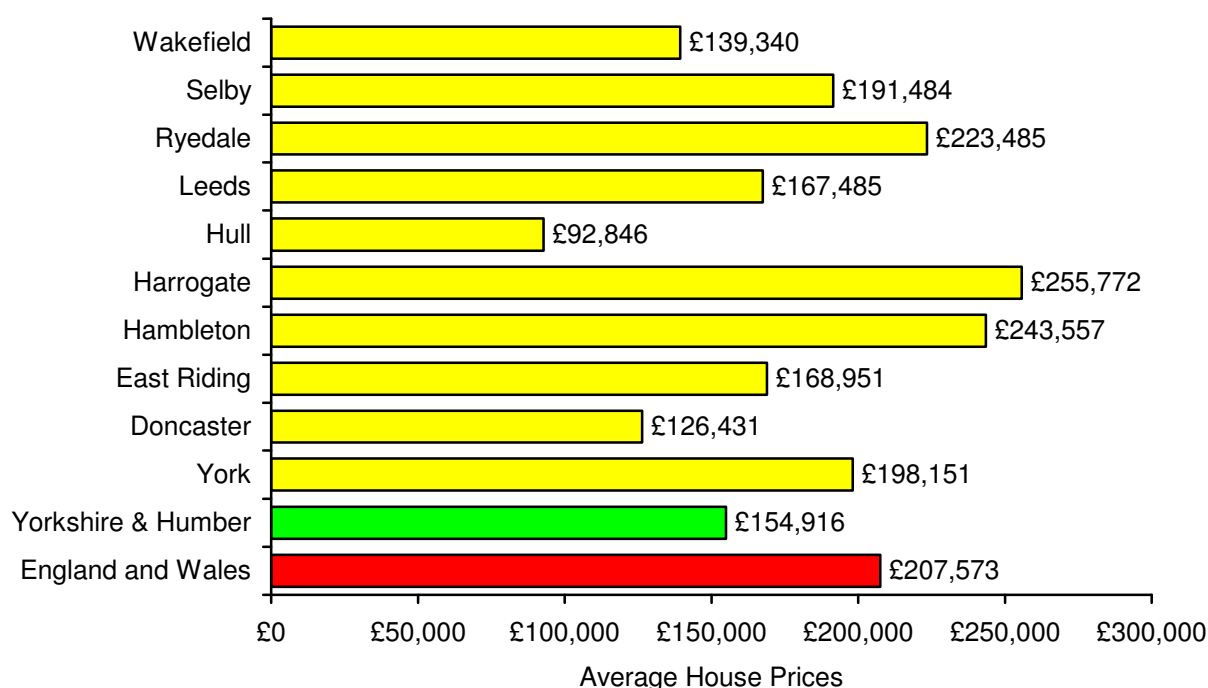
- 1.15 The profile of York's employment shows a much higher proportion of senior managerial and professional occupations than the region, and a higher one than the national profile. The level of qualifications of the York population is correspondingly weighted towards the most highly qualified: 33% with NVQ4+ (the highest category) compared with 22% for the region and 27% for Great Britain.
- 1.16 The following table provides the total proportions of households in the various tenure groups, and also indicates a stable population: four fifths of households have been in the same residence for 5 years or more.
- 1.17 It is also the case that most previous homes (two thirds of them) were within York itself, as the pie chart below shows.

Figure S6: Length of residence of household by tenure					
Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	1,363	715	2,033	23,489	27,599
Owner-occupied (with mortgage)	3,792	2,908	7,423	19,069	33,192
Social rented	1,260	1,028	2,347	7,378	12,014
Private rented	3,819	2,184	1,530	1,061	8,595
Total	10,234	6,835	13,334	50,997	81,400
Owner-occupied (no mortgage)	4.9%	2.6%	7.4%	85.1%	100.0%
Owner-occupied (with mortgage)	11.4%	8.8%	22.4%	57.5%	100.0%
Social rented	10.5%	8.6%	19.5%	61.4%	100.0%
Private rented	44.4%	25.4%	17.8%	12.3%	100.0%
Total	12.6%	8.4%	16.4%	62.6%	100.0%



House prices and costs

1.18 As can be seen from the diagram below York's prices are very high for the north of England, are only exceeded by a few mainly rural districts, and are much higher than the Yorkshire and Humberside average.

Figure S8: Average House Prices in York and surrounding areas, fourth quarter 2006

Source: Land Registry Oct-Dec 2006

- 1.19 The figure suggests the high level of demand for housing in York. Prices vary considerably according to dwelling type, being most expensive, as is usual, for detached dwellings:

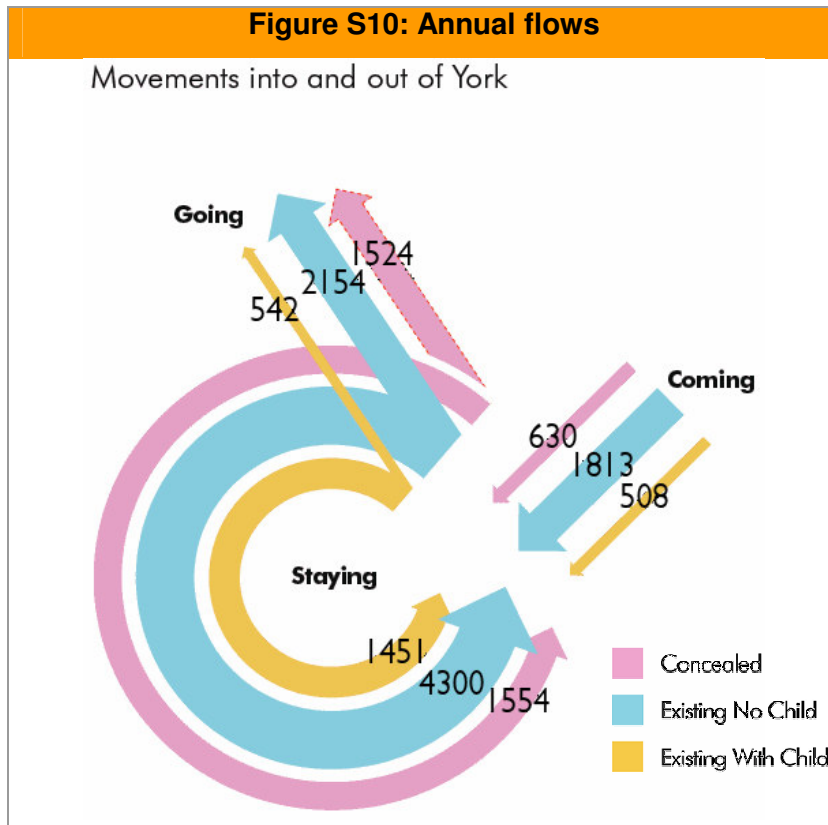
Figure S9: Average House Prices in York, Fourth Quarter 2006, by dwelling type

Dwelling Type	Average Price	% of Sales
Detached	£267,149	21.3%
Semi-Detached	£191,409	31.4%
Terraced	£182,043	32.6%
Flat / Maisonette	£148,211	14.7%
Overall	£198,151	100.0%

Source: Land Registry, Oct-Dec 2006

Housing market dynamics

- 1.20 The following diagram indicates the flows of household moves within, inward and out of York. The figures are standardised for several years to give as reliable an indication as possible.



1.21 The detailed figures are shown in the table below:

Figure S11: Movements into & out of York				
	Moving within	Moving out	Moving in	Net movement
Existing households no children	4,300	2,154	1,813	-341
Existing households with children	1,451	542	508	-34
Newly forming households	1,554	(1,524)	630	2,184
Household dissolution	-	827	-	-827
Total	7,305	3,523	2,951	982

Source: City of York Strategic Housing Market Assessment – 2007

1.22 The two net flows show an outflow of both types of existing households. There is a net inflow of newly forming households, but that is not a ‘real’ net, since the ‘out movers’ do not release a dwelling (since they were previously ‘concealed’ and normally living with their parents). The 982 net inward movement is greater than the figures for persons (not households) shown in the 2001 Census (1,116 net inmoving people). Since households contain more than 2 people on average this suggests a noticeable increase in in-migration to York.

$$- 341 - 34 + 2,184 - 827 = + 982 \text{ households}$$

1.23 Annualised flows for the submarkets of York are shown below:



1.24 From these diagrams it can be seen that there are different characteristics to the flows in each of the submarkets:

- In Urban York there is a low ratio of existing households with children (younger) to older households without children at home (the first being about a third of the second). As can be seen, in suburban York, that fraction is about two thirds. This bears out the expected pattern, that families with children are more dominant in the suburbs. As can also be seen, they are important in the Rural submarket too.
- Hardly any newly forming households enter either the suburban or rural submarkets: only the urban one. That is a function not only of price but of suitable (smaller units) supply. This may change with the grant of permission for two greenfield sites.

1.25 Newly forming households were asked what they would 'like' and what they would 'expect' in terms of both general location and tenure. The responses were as shown below:

Figure S13: Where newly forming households (expected to form in the next two years) would like and expect to move

Location of next home	Like	Expect
York	55.5%	50.5%
Elsewhere in Yorkshire	11.1%	13.3%
Elsewhere in UK or abroad	33.4%	36.2%
TOTAL	100.0%	100.0%

Figure S14: Housing tenure aspirations and expectations – newly forming households expected to form in the next two years

Tenure	Like	Expect
Buy own home	62.7%	31.1%
Social rented	11.5%	16.8%
Private rented	25.8%	52.1%
TOTAL	100.0%	100.0%

1.26 As can be seen more of these newly forming households would like to remain in York than expect to do, and the same is even more true of the desire for home ownership.

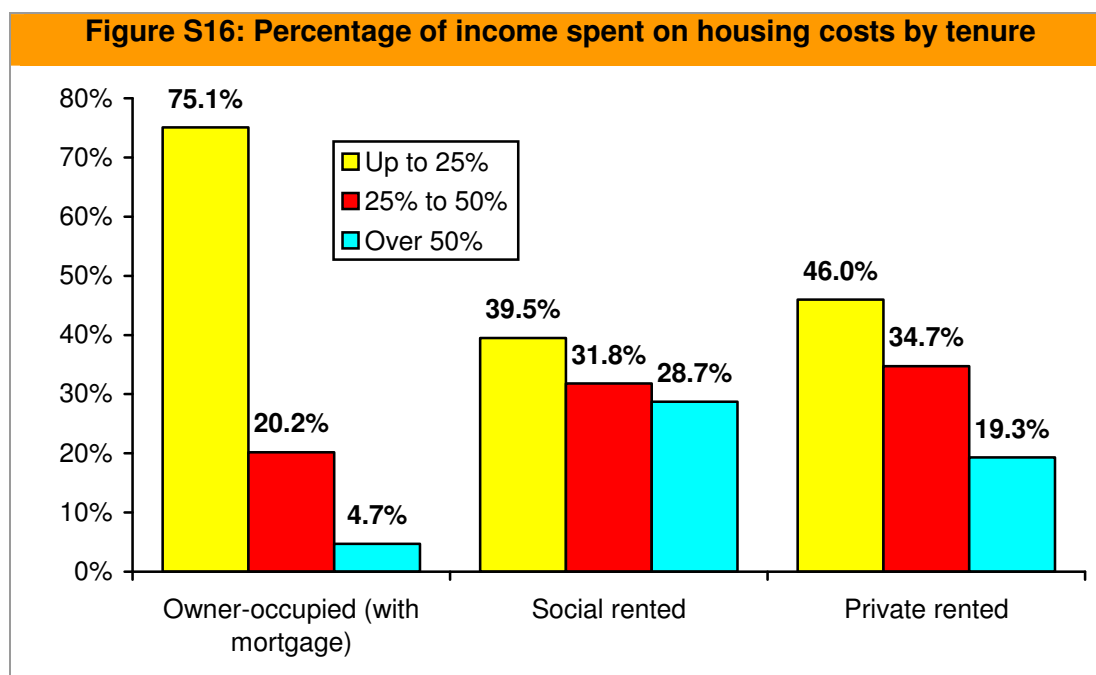
Ability to buy or rent

1.27 House price to income ratios were once the way in which the affordability of housing was measured, for that part of the population (currently approximately 70% of the population) able to buy. It no longer is a reliable measure for the market due to the growth of equity, following the sustained rise in house prices over the past decade and a half. This is demonstrated in the case of York by the table below:

Figure S15: Financial information by tenure - means

Tenure	Mean annual gross household income	Mean savings	Mean equity
Owner-occupied (no mortgage)	£24,359	£61,442	£203,523
Owner-occupied (with mortgage)	£41,668	£15,257	£116,851
Council	£10,089	£3,601	-
RSL	£13,593	£14,388	-
Private rented	£26,809	£11,164	-
All tenures	£29,743	£29,297	£116,653

- 1.28 As can be seen, for the majority of the York population (the 75% who own) the level of equity owned is far greater than the mortgage they could get on their household income (if a x3 multiple of income is used as a rule of thumb).
- 1.29 The technical analysis (the CLG Housing Needs Model) assumes that no more than 25% of income should be spent on housing. This is an ideal situation, and enables a calculation of the need for affordable housing which would remove all housing need. The actual situation is that many households in all tenures spend much more than this:



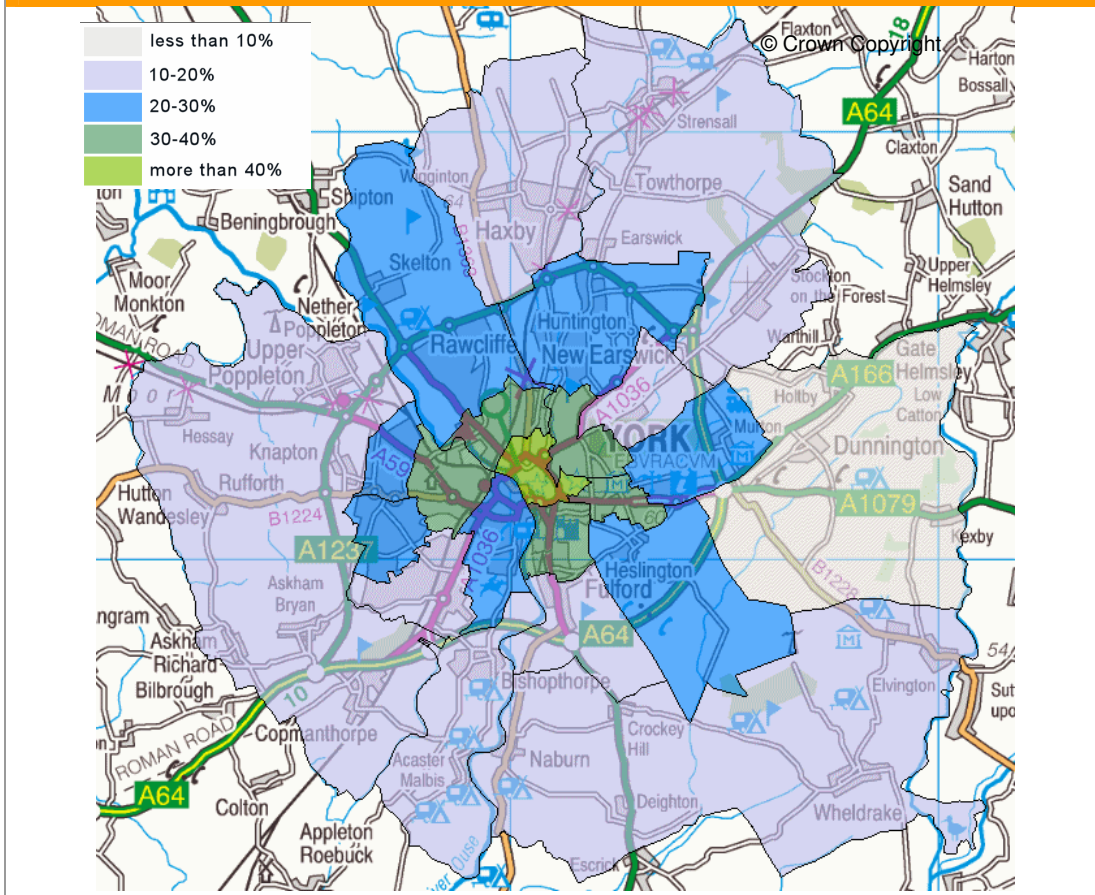
- 1.30 The above analysis does not however take account of the fact that many households will be in receipt of housing benefit (or income support in the case of owners) which will be helping them to afford housing. The table below shows, for instance, in the right hand top cell, that 6.6% of the households who are spending 25% or less of their income on housing are claiming housing benefit. The figure rises sharply for those spending more than 25% of their income on housing, especially in the two rented sectors.

Figure S17: Percentage of households receiving housing benefit (income support) by tenure and proportion of income spent on housing

	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	1.2%	38.2%	2.5%	6.6%
Spend 25%-50%	2.3%	50.4%	11.2%	17.9%
Spend over 50%	16.4%	74.0%	31.2%	50.1%
Total	2.1%	52.3%	11.1%	14.8%

1.31 The map below shows where households spending more than 25% of their income on housing costs are located. As can be seen, there is a very strong bias toward the city centre.

Figure S18: Location of households spending more than 25% of their income on housing costs



Housing need

1.32 The formal calculation of housing need shows an overall need for 1,218 new affordable dwellings per annum. This is what would be required to liquidate all housing problems including the fact of spending more than 25% of income on housing and households living on shorthold tenure in the private rented sector etc. It also shows what proportions could afford intermediate housing (priced between a social rent and market rent) and social rental alone.

Figure S19: Social rented and intermediate housing requirements in York

	Social rented	Intermediate housing	Total
Annualised current need	288	26	314
Annualised available stock	182	6	188
Newly arising need	1,728	429	2,157
Future supply	1,055	10	1,065
Net shortfall or surplus	779	439	1,218
% of net shortfall	67.0%	33.0%	100.0%
Gross annual need	2,016	455	2,471
Gross annual supply	1,237	16	1,253
Net annual need	779	439	1,218

Overall need for market and affordable housing

- 1.33 Fordham Research have developed a BHM (Balancing Housing Markets) model based on a mixture of household expectations and past trends, which goes further than the needs model in developing realistic policy options. As can be seen from Figure S13, households are quite realistic when asked for their expectations. The model involves quite complex cycles of calculation to produce its output. The summary results for York are as follows:

Figure S20: Balancing Housing Markets results for City of York (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	37	209	176	70	492
Private rented	117	-139	11	76	65
Intermediate	46	78	32	0	156
Social rented	10	133	66	60	269
TOTAL	211	282	285	204	982

- 1.34 The analysis reveals that there is an ongoing requirement for owner occupation and potentially large requirement for intermediate housing.

The needs of particular groups

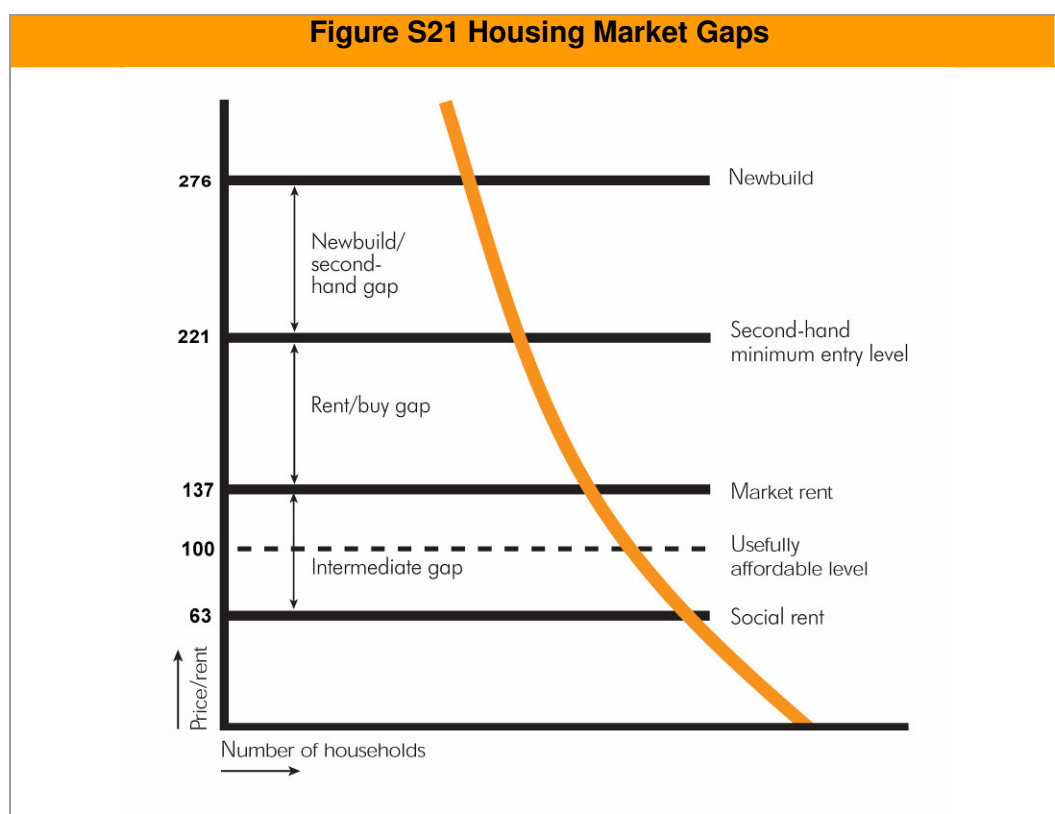
- 1.35 The survey permits analysis of many types of households within York. The following summarises the results:
- i) Some 15.5% of households reside in the rural area. These households are more likely to be owner-occupiers and record higher average incomes and a greater average financial capacity. Although accessibility is an issue for rural households it is more strongly related to household income than the rurality of the residence.

- ii) There are an estimated 13,681 households in the York area with one or more members in an identified support needs group. Support needs households generally had a lower financial capacity and spent more of their income on housing with 17.1% spending more than 50%. The most commonly requested housing improvement was a low level entry shower unit; however general support services such as 'help maintaining home' were more widely requested.
- iii) Over a quarter of all households in York contain only older people (26.8%). Older person households generally tend to be smaller; the number with more than two people is less than one percent. Despite this they do not live on average in much smaller houses, with 47.3% living in houses with more than two bedrooms.
- iv) It is estimated that 8,054 households are headed by a key worker. These households have generally higher financial capacities, spend a smaller proportion of their incomes on housing, and have lower levels of housing need.
- v) There are 32,230 younger people aged 21-35 in York. A quarter of these younger people live in a home as a family with their own children, just below 45% share their home with other younger people, more than 10% live alone and 21.1% live with their parents or others.
- vi) Recent First Time Buyers have tended to buy in the suburban rather than rural or central urban area. They also tend to have higher incomes than average, indicating the difficulty of accessing the market
- vii) Two parent families make up 18.8% of households, and tend to be located generally in the outer suburbs or rural areas. They are in the majority (almost 85%) housed in owner-occupied accommodation, and mostly in semi-detached or detached housing.
- viii) Lone parent families make up 3.5% of households. They have very low financial capacities; only a minority can afford market housing by affordability measures, yet a majority currently live in market housing. As a result, the proportion of income spent on housing is very high, with 67.4% spending more than the recommended quarter of their income.
- ix) There are just over 14,500 full time students in York. At a best estimate, around 6,000 are living within the city's housing stock. Over two-thirds of the student households questioned in this survey indicated that they would like to remain in York when they next move home, with a similar amount expecting to remain in the area. The sample of student households in the survey was small, however, so the results should be treated with caution.

- x) 6.8% of York's population was within a BME group in 2004, compared to 4.9% in 2001. BME households tend to be located in private rented and terraced housing.
- xi) The survey found that 37.3% of households in York are underoccupied, while only 1.3% are overcrowded.

Policy implications

- 1.36 The following table illustrates the wide gaps between types of housing in York, when looked at through the comparison of their weekly costs. The 'usefully affordable' point is defined as the mid-point between social renting and market renting: it is the highest price/cost at which a reasonable proportion of households in housing need could be provided with affordable housing.



N.B. This is a weekly average rent/price for 2 bed dwellings across York: full data is provided in Table 17.1 below

- 1.37 As can be seen from this graph, there are major gaps between the different tenures, namely:
- i) The Market Entry level is almost exactly twice the social rent level. So the intermediate gap is very large.
 - ii) Newbuild housing is almost twice as expensive as the market entry rent level, and second-hand housing is not much cheaper.

1.38 The only readily available newbuild housing is at either extreme of this graph:

- Social rental
- Newbuild to buy

1.39 The only other form of newbuild that is available in noticeable quantities is 'intermediate' housing which is, at the national level, typically shared equity (though in York typically discounted for sale housing). In the case of shared equity the occupant buys part, typically half and rents half usually from a Registered Social Landlord. The overall cost of this is normally close to or above market entry level prices. This means that newly built intermediate housing will meet little need for affordable housing if any. However the product will be of interest to those in the rent – buy gap. In other words it is low cost market housing, but not affordable housing.

1.40 Discount for sale housing would have to be discounted by at least 50% off open market value to be meaningfully affordable housing (based on 2-bed types). It would require a 62% discount to be of use to a significant number of those households in intermediate housing need. This is not normally a realistic level of discount, as lenders are not normally willing to mortgage out to house buyers at that level, but York has been achieving a 50-60% off open market value in recent years.

1.41 This is confirmed by Liam Sage, an official at the CLG, who wrote (in a comment to Mansfield DC in Nottinghamshire) in January 2007 that he had not found any example of discount sale housing that was affordable:

'In practice I agree that discounted sale models are very unlikely to be affordable, and I have not heard of any'.

1.42 It is more likely that such housing might be useful to provide housing with equity ownership in the rent/buy gap. Although the rent/buy gap starts at only a 20% discount from newbuild, the majority of households requiring it are likely to require discounts more like 30-40% to access it.

1.43 The Government has, in PPS3, said that 'low cost market' housing is market housing not affordable housing. It is not yet clear, however, at what point in the market section of graph S21 low cost market housing is intended by CLG to be located.

1.44 The following table, which incorporates the data used in Figure S21, provides a current database of costs for housing across tenures in York. If suitably updated over time it will provide a benchmark for judging the affordability of all types of housing and allow the evolution of the housing gaps identified at the start of this subsection to be monitored.

Figure S22: Entry Level Prices: York

Bedrooms	Newbuild Purchase	Second-hand Purchase	Market Rent	Usefully Affordable	Social Rent
One	£218	£174	£109	£84	£59
Two	£276	£221	£137	£104	£70
Three	£334	£267	£155	£117	£79
Four	£460	£368	£213	£146	£79

1.45 The analysis of trends within the market leads to two main conclusions:

- The growth of the private rented sector is likely to be a long term feature of the housing market. Housing allocations policies should address the needs of people who are unsuitably housed in this sector.
- Planning policy and S106 negotiators should be clear about whom intermediate housing is for. If locally intermediate housing is seen as an affordable housing solution then developers need to subsidise its cost to make it affordable. This is also true for low cost market housing, though a lower subsidy is required in this case.

Affordable housing policy issues

- 1.46 The analysis suggests that housing need is much higher than was found, on the basis of an older dataset, in 2006: an index of 15 as compared with 11. This would justify a high level of target.
- 1.47 Given the difficulty of creating intermediate housing, either by discount for sale (discounts of 60%+implied) or by shared ownership, it is hard to see that anything but social rented housing can meet the stated housing need.
- 1.48 Unless evidence can be produced that intermediate housing can indeed be produced in suitable volumes at the usefully affordable levels shown in Table 26.2 (suitably updated) the target for affordable housing should be for social rented housing only. In terms of viability this may imply a 35-40% target range rather than 50% with an element of intermediate housing. Realistic options will need to be further explored through the LDF process. In rural areas it would be reasonable to set a 50% target on sites of 3 dwellings and above.
- 1.49 Low cost market housing, provided again that it is affordable to those in the rent/buy gap (e.g. £179 per week for 2-bed, using Table 26.2) justifies a target. There is evidence that newly forming households with lower financial capacity are leaving the City, and such housing might help to retain them. We would therefore suggest an additional target of 15% for such housing (assuming 40% for social rented affordable housing) as an option to be explored through the LDF.

General housing policy issues

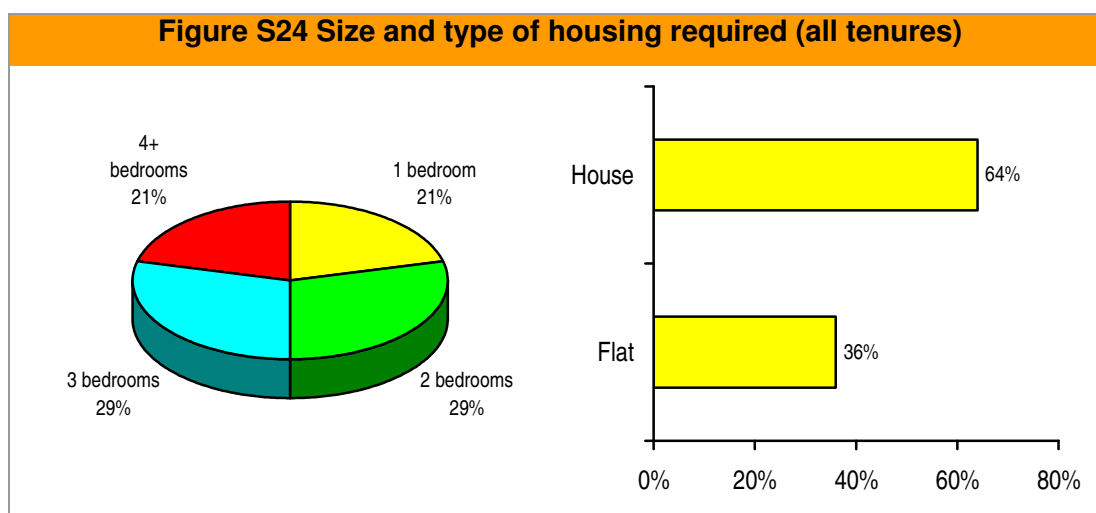
1.50 The following table shows how the report provides the information required by PPS3 and listed at the start of this summary.

Figure S23: Meeting the PPS3 Requirements in York	
<i>Item</i>	<i>Comment</i>
a) Proportion of market and affordable housing	The BHM gives a ratio of 57% market to 43% affordable. Policies for affordable and low cost market housing must be tested for viability before policy finalisation
b) Profile of households requiring market housing	In terms of size mix, the main need among buyers is for 2- and 3-beds, but there is net demand for all sizes. For private rent it is mainly small 1-bed units, and for affordable housing all sizes. Households without children form about half of the overall requirement for market housing, with the rest shared equally between those with children and newly forming households
c) Size and type of affordable housing required	The exact mix of affordable and market housing is, as discussed above, a matter requiring policy debate in the light of viability. Ignoring viability, a 60:40 market/affordable split is indicated. All sizes of dwellings are required.

Source: York SHMA Fordham Research 2007: sources as shown in the middle column

Type of dwelling required

1.51 Figure S24 shows the mix of flats and houses required. It shows that almost two thirds of the demand is for houses, which is partly in response to the large number of flatted developments recently been completed on brownfield sites in York. The full report explores in more detail the difference in terms of the size and type of housing required in each of the three principle tenures (market, intermediate and social rented).



Overall target for new housing in York

- 1.52 The Regional Spatial Strategy (RSS) sets the level of overall house building in each district. The RSS target is some 640 new dwelling per annum for the period to 2011, and then 850 pa for the rest of the plan period to 2021. Modelling of the survey data indicates that the market could support up to 982 dwellings per annum. That is to say the combined demand and need is substantially greater than even the higher level of target allowed for in 4 years time.
- 1.53 The fact that demand/need exceeds the RSS target by 300 dwellings per annum for the present period, and 100+ in the further future is not necessarily a compelling argument for changing that target. Many other factors have to be borne in mind in setting an RSS target, including infrastructure constraints and the important issue of the character and setting of the City.
- 1.54 Although in principle it might be expected that demand would grow at a faster rate, due to the restraint of an RSS target that is significantly lower than the demand, this is not necessarily the case. As the experience of the two studies in 2006/7 shows, demand may fall due to higher prices. In that sense, much will depend on the future of the two major sites granted permission in the recent past (Germany Beck and Metcalfe Lane). Although they total 1,200 dwellings, they are unlikely to be big enough for the extra supply to affect house prices generally in the area. However they might have the effect of at least stabilising the price of family housing in the suburban submarket. This issue is one that deserves careful monitoring through the LDF and the City of York Council's housing monitoring.



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