



Housing Growth in Sedbergh - Economic Assessment

FINAL REPORT

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1. Introduction

- 1.1 This report was part of a series commissioned and funded by Sedbergh School Developments Limited on behalf of Sedbergh Economic Development Group to understand the economic position and potential future growth of Sedbergh as a Key Service Centre in Cumbria and South Lakeland. The report will help support the case for more housing allocations as part of the Yorkshire Dales National Park's new Local Plan process and may support applications for housing on local exception sites.
- 1.2 Sedbergh has a market town and tourist town role, with employment centred on the education, service and hospitality sectors. Over the past decade the number of people working in Sedbergh has shown a small decline compared to a larger increase for the Cumbria/ North Yorkshire/ North West as a whole and this needs to change.
- 1.3 This report considers the economic case for housing focussing on demographics, the demand for accommodation, affordability and economic impact. The main challenge for Sedbergh is that without intervention such as house building, future employment growth will stagnate, school roll numbers will stagnate or decrease, and the town will enter a period of managed decline.
- 1.4 Recommendations note the essential need for residential development within the local area in keeping with the needs of the community and key employers. Aligned to this is the need for the National Park to consider new ways to meet delivery targets for affordable and open market housing in its new Local Plan (2023- 2040) and for new developers to consider the Sedbergh area – which has been starved of new housing development in recent years.
- 1.5 The original wider-reaching Sedbergh Economic Appraisal Report provides an assimilation of reports and information studies on Sedbergh, specifically relating to the Sedbergh economy. It provides an assessment of the Sedbergh economic area based on research, data interpretation and a series of meetings with businesses and key community representatives during 2019/20. The report considers the challenges and opportunities for Sedbergh tourism and hospitality industries and references the COVID-19 pandemic and impending Brexit.

2. Housing overview in Sedbergh

- 2.1 There is **limited development and limited housing supply in Sedbergh** and the issue is having a detrimental impact on the future economy and social wellbeing of the town and its surrounding area according to recent reports published by the local planning authority.
- 2.2 Property in rural areas is less affordable than in urban areas forcing many local residents to move away from home, small towns and villages in order to find suitable and affordable homes. The Halifax Rural Housing Review in 2016 said “the average property price in rural areas is 7.4 times the average annual earnings compared with a ratio of 6.1 in urban areas.” In the Sedbergh area, it is higher.
- 2.3 **Houses in the countryside are now priced 20% higher than in urban areas in spite of wages being lower.** The number of people on waiting lists for affordable homes in rural England has soared to around 750,000 according to the National Housing Federation in the Rural Housing research report 2016.
- 2.4 The Department for Communities and Local Government (DCLG) reports that new household formation is stripping supply by 3 to 1.
- 2.5 Increasing house prices and the limited availability of appropriate properties has resulted in local people of working age being unable to find a suitable home within their community - this is happening in Sedbergh and the surrounding area.
- 2.6 The impact of Coronavirus on the housing market has yet to be fully understood but estate agents report an increase in the number of families now looking to move to lower-density areas, to homes with larger gardens and space for a home office. This new consumer demand is influencing house prices.
- 2.7 Sedbergh has 1323 households, approximately 170 are understood to be second homes / holiday lets, and only one main local housing agent although some others do cover the area. The local agency enjoys a buoyant market. According to Zoopla figures, prices are rising on average 6% per year.
- 2.8 One of the key features of the local housing market is the link with Sedbergh School. the impact of the School on the housing market is significant as it is a large employer and staff live locally, it also includes some School parents buying second homes. The latter being a primary source of demand.
- 2.9 **Evidence shows an increase in need for more housing in the Sedbergh area. This is shown in recent surveys reviewing key worker needs, housing register analysis and the 2019 Strategic Market Housing Assessment for the national park.**
- 2.10 The Sedbergh area is an attractive place to live, move to and visit. It is safe and friendly, a good environment for children to grow up in and has all the facilities needed for a comfortable retirement. This is on par with its neighbours in Kirkby Stephen and Kirkby Lonsdale but unlike its neighbours there is a limited supply of housing with little prospect of change. **Estate agents report that families are moving**

out of Sedbergh to larger conurbations or to remote rural areas to access more affordable homes.

- 2.11 **Businesses of all sizes across all sectors have confirmed that both housing cost and availability is negatively impacting on their ability to recruit and retain staff.**
- 2.12 Housing delivery has been slow in Sedbergh. New sites were allocated in 2012 and then again in 2016 and none have yet come forward for development. Since the former County Council depot was developed on Guldrey Lane in 2014 there have been no applications for affordable housing. Applications are currently in for the redevelopment of the United Reformed Church on Main Street into 4 housing units and 5 residential units as part of the redevelopment of 39-41 Main Street.
- 2.13 There needs to be a move away from the perception that new housing or redevelopment of employment sites within Sedbergh and its surrounding settlements is not wanted. Key messages from the planning authority about hope for more housing and employment to support the future growth and sustainability of Sedbergh would be welcomed by the community.
- 2.14 Considering the degree of support and objections to previous housing applications and site allocations in the area, there is evidence of support for some small open-market development in more remote communities, outwith the town settlement boundary. Development of 1 or 2 units within an existing cluster of homes would be supported by the local community and more likely deliverable.
- 2.15 The YDNP believe that generally **house building in the Park failed to fully recover after the 2009 recession** and has been exacerbated by the retreat of the Housing Associations into the larger and easier sites in the peripheral towns and more urban locations. More recently new affordable homes are being built in other locations within the Park such as West Witton and there is now hope that the Associations are looking to changing back to investing in rural locations.

3. Current conditions

- 3.1 **The limited availability of land (where development would be permitted) combined with a lack of financially viable development means that delivery of new affordable homes in national parks is constrained.** Much of the new housing to be developed over the next five - ten years is likely to be built by Community Land Trusts or Housing Associations with access to support grants. These organisations may hold properties to rent or buy a share in. In Cumbria, the local housing authorities and housing associations have created a single system for finding and applying for affordable homes called Cumbria Choice based lettings and it provides a useful tool in assessing demand and requirements.
- 3.2 South Lakeland District Council (SLDC), as the housing authority, can use this data to analyse the need for homes in Sedbergh, based on the number of people on the housing registers looking for a home in the town. This data includes a mixture of affordable renting, affordable purchase, social housing but not care-related housing such as sheltered housing. (Cumbria County Council have the responsibility for adult and social care and has identified a need for 508 new extra care housing units in South Lakeland by 2025.)
- 3.3 Housing registers in the South Lakeland area show a demand from families and individuals looking for a home in Sedbergh alongside a shortage of homes available. The waiting list is for affordable homes to buy, part own, affordable homes to rent, private homes to rent and social housing. Most register through the Cumbria Choice based lettings website. The table below shows the last 4 Sedbergh properties that have been advertised on the website and the numbers of applicants per property.

Property type	Number of bids	Bedrooms	Date
Ground Floor Flat	16	2	Jan 2019
House	15	2	Oct 2019
House	11	3	Dec 2019
Bungalow	7	1	Jan 2020

(source - Cumbria Choice based lettings)

- 3.4 In March 2020 the Chair of the Yorkshire Dales National Park (YDNP) published a letter in The Yorkshire Post spelling out the threat to the local communities in the national park from the lack of houses being built, especially houses to suit the working population and those with young families. The Chair of the planning authority is candid in his point that planning permission does not ensure delivery and that **there is a need to ensure that where planning permission is sought there needs to be a guarantee of delivery and a timescale.**

- 3.5 Given the large amount of housing permissions unfulfilled (600) by the planning authority and the lack of houses being built on allocated sites across the national park, there is now a pressing need to focus on actual deliverability of units. **The current planning policies do not contribute to arresting the decline.**
- 3.6 Where a landowner is willing to fund, build and co-deliver affordable housing and housing for key workers within a set timescale it should be welcomed in the national park. Below, the chairman of the Yorkshire Dales National Park has had an open letter published in the Yorkshire Post asking for more homes to be built in the park.

Yorkshire Post letter – 16 March 2020

I chair a planning authority in one of the most rural parts of North Yorkshire and I am glad of the opportunity to shout this from the rooftops: housing developers please look our way, and government please do more to support them

...Here in the Yorkshire Dales National Park – particularly in the northern dales such as upper Wensleydale – local people are crying out for new homes. There is a very well-evidenced need for more affordable housing to retain and attract younger people and sustain local communities.

The need is not new, but for every year that goes by when hardly anything gets built it becomes more urgent. Research we commissioned last year showed that we need around 50 new houses a year in the National Park until 2040. Just as importantly, at least 30 of those need to be genuinely affordable.

Last year, only 13 homes were built in the Yorkshire part of the National Park; none was affordable. It is quite literally not good enough by half. ...

There is also simply not enough investment coming forward in the sort of small-scale, affordable housing schemes that we need, in part because it's cheaper to build on large sites outside the National Park in places such as Skipton and Catterick Garrison.

...The Yorkshire Dales is a great place to live. There is indeed space on the roads (most of the year), in the schools and on the hills. If we can get those affordable homes built... local communities here will thrive.

Carl Lis, Chairman YDNPA

<https://www.yorkshirepost.co.uk/news/opinion/columnists/come-yorkshire-dales-and-help-build-homes->

- 3.7 The number of second homes and holiday lets within national parks is growing. According to the Financial Times and AirDNA, in the Peak District, the number of Airbnb listings has increased from 180 in August 2016 to 946 in August 2019. In the Yorkshire Dales, the number of listings jumped from 53 to 454 over the same period. In the LA10 area, which includes Sedbergh, there are over 1900 houses. **In Sedbergh alone there are 111 officially registered as 2nd homes, with 52 homes advertised for holiday letting. These holiday lets equate to 113 rooms, 267 bedspaces.** Second home ownerships can be positive for local economies but can have a detrimental

effect due to less or insufficient use of local infrastructure and facilities all year round resulting in a downward pressure on the local economy.

- 3.8 The growing number of second homes and holiday lets in national parks and Areas of Outstanding Natural Beauty (AONB) and the need to deliver more affordable homes / homes with local occupancy clauses (to support key workers in rural locations) is recognised by government, agencies such as Local Government Association and organisations like the CPRE, the Rural Housing Alliance and the Country Land and Business Association.
- 3.9 **A route to delivering keyworker homes and affordable housing is through rural exception sites.** Around a fifth of all rural affordable homes last year (2019) were built on rural exception sites. Planning permission is only granted on sites where it has been demonstrated that there is a housing need and the homes provided are affordable and reserved for local people as a priority in perpetuity i.e. now and in the future. Land value is often lower and acquiring land at a less challenging rate helps developers and housing associations deliver an affordable scheme for local people.

English Rural Housing Association Affordable Housing Guide 2015

The absence of sufficient affordable homes in our rural communities is not a new problem - in fact it is a problem that has got worse in recent years.

High property values, increased aspirations to live in the countryside and limited development of new homes have all had an impact, resulting in many local households now being unable to afford to remain within the rural community where they have grown up and have support networks.

Small scale affordable rural housing developments help to rebalance communities, keeping families together whilst providing a boost for local services.

Patron, HRH The Princess Royal

<https://englishrural.org.uk/wp-content/uploads/2015/10/PC-Guide-Final.pdf>

- 3.10 The Great Place (Lakes and Dales) lottery funded project aims to halt net migration; recognising that the area needs 44% more 16 – 34 year olds just to reach the national average and that there is a significant number of second homes in the region. It recognises that without young people and young families there will be fewer village schools, depriving rural areas of cultural, community and service delivery centres; a lack of skilled employees for local businesses, and an impoverished cultural offer. The project is to develop new ways of working, new business models and new creative businesses to benefit all members of our rural communities improving access to arts, heritage, culture and services. The vision is to have “a sustainable, resilient, creative community and economy, celebrating the distinctiveness of place, the skill and experience of creative people and a good quality of life, which in turn will retain and attract younger people to our districts to influence, support and create our future economy.”

- 3.11 Other initiatives are underway to encourage the retention of younger people and to encourage the younger generation to set up home in the rural areas across Cumbria. A new partnership 'Attracting Younger People' was established by the Yorkshire Dales National Park, they work with district councils to try and find new ways to return the rate of house building back to pre-2009 recession levels. The Partnership have developed promotional material about the park as a place to live for younger people and families and will include marketing the area.
- 3.12 Many initiatives rely on the development of housing by traditional private developers and in a national park setting it is a harder environment to make inroads. An example of this is the Cumbria Housing Group, an organisation formed by the private housing developers across the county, yet **Sedbergh is not one of the areas which has their focus due in part to low profit yields, fractured land ownerships, viability and deliverability problems.**

Housing on rural exception site in a national park, recent example.

In July 2019 six homes in South Tawton, Dartmoor National Park were completed on a rural exception site by specialist rural housing developer, Hastoe Housing Association, in close partnership with the parish and district council and the National Park Authority. The development was opened by the local MP who stated that "delivering homes within Dartmoor National Park is not easy given the planning restrictions which are rightly in place to protect our beautiful part of Devon. But this development is proof that well-thought-out, eco-friendly homes built in the right places can really add to the park and help more local families be able to afford a place of their own."

<https://www.dartmoor.gov.uk/living-and-working/planning/search-for-an-application/db-links/detailed-application-result?AppNo=0581%2F16> follow link for example of affordable housing Section 106 agreement and planning policy challenge.

- 3.13 **Current conditions of managed housing stock in Sedbergh are under review.** The main housing association operating locally is undergoing an assessment of quality and quantity. South Lakes Housing manage social housing and private rented properties in Sedbergh and part of their estate management work is to revisit their current stock and assess whether it is fit for purpose in today's current market. That review has been undertaken and there is a desire to replace several existing homes with a range of more suitable properties for local workers, for example removing 2-bed flats and maisonettes and replacing them with 3-bed houses and bungalows. This will result in a net loss of housing stock so pressure will be there to quickly develop and build replacement houses using allocated and other appropriate sites.
- 3.14 Partnerships with local landowners such as Sedbergh School, who have a proven commitment to the area, ensures a vested interest in the quality of housing stock within the immediate environment, ensuring attractive affordable homes with gardens and parking, a better prospect than most locally rented housing stock.

4. Relevant planning policy

- 4.1 The lack of housing is a national issue, but the need is even more acute in protected areas such as the Lake District and the Dales. As the planning authority, YDNP has operated to ensure any new housing, self-builds or barn conversions fit those needed by those who live and work locally.
- 4.2 The key issues for Sedbergh, as a town within the Yorkshire Dales National Park are:
- Growing proportion of second home ownership
 - A gap between local incomes and house prices (rent or purchase)
 - Inflated price of land where development is permitted
 - An increase in homes being bought by retirees or those working away
 - Shortage of land available for development
 - The need for quality design and use of materials sympathetic to the national park environment
 - An increase in demand for both affordable and open market housing
- 4.3 Local authorities and housing agencies refer to ‘affordable housing’ - this includes social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market.
- 4.4 The planning authorities use planning agreements - Section 106 ‘perpetuity’ agreements - to ensure that new houses remain affordable for the first occupant and for future residents too. Some new builds may use local occupancy restrictions specifically to restrict sales to only those working locally and deter second home ownership. These restrictions can also stay with a property for future sales.
- 4.5 Planning matters in Sedbergh fall under the jurisdiction of the Yorkshire Dales National Park Authority. The Yorkshire Dales National Park exists to
- Conserve and enhance natural beauty, wildlife and cultural heritage; and
 - Promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public.
- 4.6 The Yorkshire Dales National Park Authority was established as an independent body to pursue the above statutory purposes and has a duty to seek to foster the economic and social well-being of local communities within the National Park.
- 4.7 Within the Authority’s new Management Plan 2019- 2024, there are a series of themes and objectives supporting the need to manage the economy. Theme F is that the Park be “home to strong, self-reliant and balanced communities with good access to the services they need”. Under that theme there are two relevant objectives,

- Support the completion of 400 dwellings in a range of tenures, sizes, types and prices, by 2024.
 - Retain access to services – like primary schools and GP surgeries – that are essential to the long-term viability of local communities, using the four main service ‘hubs’ (Grassington, Hawes, Reeth and Sedbergh) and their surrounding ‘spoke’ settlements to create economies of scale.
- 4.8 Of the pockets of land considered available for development some are classed as exception sites as they are not covered (allocated) in the current Yorkshire Dales National Park Local Plan 2016. Small exception sites are in the process of being put forward, for development of housing for key workers, by Sedbergh School Developments Ltd (SSDL).
- 4.9 In reference to exception sites, the YDNP local plan policy C2, states that small-scale affordable housing will be permitted on land, adjacent to the development boundaries of local service centres, provided all the following criteria are met:
- it is demonstrated that there is a proven local need for affordable housing and an alternative site is not available inside the housing development boundary.
 - all dwellings will be, and will remain, available for people with a local connection, at an affordable cost. A Section 106 legal agreement will be required to ensure the restriction of the occupancy in perpetuity.
 - all proposals satisfy the development requirements of high quality and no harmful impact.

Affordable homes in National Parks and AONBs – delivery examples

New Forest: In July 2016 the New Forest National Park Authority completed two new affordable homes in the village of Bransgore. This is the first time a National Park Authority has built and managed housing for local people. Land on the outskirts of Bransgore was gifted to the Authority in 2013 specifically for affordable housing. Early discussions with a local housing association revealed that they would require the freehold ownership of the site which was not the basis on which the offer of land was made and therefore the Authority chose to take the project forward with the support of the District Council’s housing team. The project was funded by Section 106 agreements and the Authority adopted its own Tenancy Policy, rented out at no more than 80% of the open market value. Two families with a local connection to the village were suggested by the local authority for the properties, which were then let within two weeks of completion. The rent is ring-fenced to support future affordable housing provision in the Park.

Dorset AONB: Yarlington Housing Group and Lyme Regis Community Land Trust completed 15 affordable homes in February 2018 in Dorset AONB. Yarlington, a non-profit Community Benefit Society and registered housing association, developed and now manages the completed homes, while the Community Land Trust is the long-term steward of the homes, owning the freehold. These homes provide long-term sustainable solutions to local housing needs as they are not open to Right to Buy and the community retains the assets.

- 4.10 The Yorkshire Dales National Park are now in the process of drafting a new Local Plan for 2023 – 2040 which will take account of the new boundaries of the national park, which were extended in 2016. Part of this process will include gathering new evidence on the demand for housing, starting with a new Strategic Housing Market Assessment produced in 2019.

Affordable housing and local occupancy in the YDNP

Local occupancy clauses – YDNP area:

- i) Existing residents of the National Park establishing a separate household, purchasing a property for the first time, downsizing to a more manageable home, or requiring more space for a growing family.
- ii) A head of household who is or whose partner is in or is taking up full-time permanent employment or self-employment, within the National Park
- iii) A household that has a child at a school within the National Park.
- iv) Householders currently living permanently in a dwelling which is either shared (but not self-contained), overcrowded, or is otherwise unsatisfactory by environmental health standards and which is within the National Park
- v) Elderly or disabled persons requiring sheltered or otherwise more suitable accommodation who already live permanently within the National Park
- vi) Persons having to leave tied accommodation within the National Park
- vii) Former residents of the National Park whose case is accepted in writing by the National Park Authority as having a need to return to the National Park

Affordable Housing qualifying criteria- YDNP area:

- i) Households resident in the National Park for the preceding three years; or,
- ii) A household that contains someone that is in or is taking up employment in the National Park, with a contract length of not less than 12 months, and for a minimum of 16 hours a week; or,
- iii) A household returning to the National Park having lived there for at least 10 years previously.

Affordable housing should be offered in the first instance to households who have a connection to the parish within which the need has been identified or a group of parishes, as agreed by the National Park Authority. If no eligible occupier can be found within the parish (or group of parishes), then those who meet the local connection criteria in the remainder of the National Park will be eligible. If no-one there is available, then a third priority area would become valid, embracing the whole district housing authority area.

5. Assessment of need

- 5.1 In 2019 the YDNP commissioned a new Strategic Housing Market Assessment (SHMA) to help inform the basis of the new Local Plan 2023- 2040.
- 5.2 The 2019 SHMA compared data from the housing registers maintained by individual district councils across the national park and noted a total of 192 households identified to be in housing need (based on households who either live in the YDNP or have expressed a need to move there and had a local connection)- it is assumed that those on the list cannot afford open market prices or rents.
- 5.3 The data from the district councils revealed a growth in number and need to be met within the YDNP area. Overall, 90% of applicants on the housing register are existing households in need and 10% are newly forming households.

SMHA 2019 - Housing register evidence of affordable housing need							
Area within the national park	Minimum number of bedrooms needed				Total no. households	Of which:	
	1	2	3	4		Existing	Newly forming
Eden (YDNP)	8	4	2		14	11	3
South Lakeland (YDNP)	55	18	11		84	80	4
Richmondshire (YDNP)	13	10			23	20	3
Craven (YDNP)	43	20	7	1	71	60	11
Total	119	52	20	1	192	171	21
%	62.0%	27.1%	10.4%	0.5%	100.0%	89.1%	10.9%

- 5.4 The 2019 YDNP SHMA indicates that a target of around 50+ dwellings each year appropriate across the national park. An overall type and mix profile range was produced based on a review of the current stock profile and the impact of demographic change, taking into account the drive to increase population within the YDNP in order to support community sustainability and economic growth.
- 5.5 Using housing register evidence, the SHMA noted the ongoing need for affordable housing– mainly smaller 1- and 2-bedroom dwellings. Housing registers point to need for affordable rented accommodation, also the need to diversify the range of options to support key workers and those on low incomes.
- 5.6 For developers, viability levels are key when assessing house building and the tight planning rules on affordability and local occupancy do restrict profit considerably. Interest from private housing developers is in short supply across the park due to land availability and planning restrictions affecting viability levels. Schemes with housing associations will be key to delivering more homes in the Sedbergh area and the majority of which will be rented not sold as per the current need demonstrated in the 2019 Strategic Housing Marketing Assessment.

- 5.7 The following table shows that 19 housing units were built within the South Lakeland section of the YDNP in the last 5 years but this area covers a lot of smaller hamlets and villages as well as Sedbergh. Land availability, price and planning all limiting the development of new homes.

Housing completion over last 10 years - YDNP		
Area of YDNP	Last 5 years	Last 10 years
Craven	84	139
South Lakeland	19	50
Richmondshire	31	97
Totals	134	286

- 5.8 The SHMA recommended a minimum of 50 new dwellings per year taking account of the requirements for community sustainability and economic growth. The targets recommended were 20 affordable rented, 10 intermediate tenure, 20 open market or self-build with potential local occupancy clauses. This would result in a general 60% affordable and 40% market split. Of the 50+ houses proposed for Local Plan purposes, 18% is suggested for the South Lakeland/ Sedbergh area of the park, the largest chunk to Craven and Richmondshire.

Distribution of new housing based on current stock profile (SMHA 2019)		
Area of YDNP	Current stock profile	+50 dwelling requirement
Craven	39.5%	40%
Eden	10.4%	10%
Lancaster	0.6%	2%
South Lakeland	30.4%	18%
Richmondshire	19.1%	30%
Total	100%	100%
Base	11738	50

- 5.9 The SHMA included a demographic analysis of the Park and population forecasting. This shows that the population in the Park as not increased since 2009 (the South Lakeland part of the Park has seen a decrease) and that there is a need to tackle the issue to prevent a managed-decline situation.
- 5.10 The mid-2018 ONS population for the central Sedbergh area shows mid-year estimate of 2691 (Census data from 2011 is 2765 but covers a larger area), with 17.4% (below the national average) in the 0-15 years bracket, and 55.8% in the 16-64 years bracket and a much higher 26.8% in the 65+ age bracket. Clearly the population is ageing, and the economically active age range is decreasing, which the next census will only confirm.

Population Age Range	Sedbergh	Cumbria	England
Persons aged 0 - 15	17.4%	16.5%	19.2%
Persons aged 16 - 64	55.8%	59.4%	62.6%
Persons aged 65+	26.8%	24.1%	18.2%
ONS June 2018 - LSOA South Lakeland 009C			

5.11 All economies, small or large, urban or rural are reliant on the wealth-generating capabilities of those who are currently in work. **Population tables show that there has been a decline in the number of young people in Sedbergh in recent years which will impact on the potential working population in the future.** It is therefore important to support measures to maximise the proportion of people who are economically active.

5.12 In 2019 the development planning team at SLDC undertook a pilot desktop study using new analysis methods to show housing need. The ‘model’ used secondary data to help give an idea of housing need in smaller areas such as parishes. It provided an indication of general housing need based on population change together with the Council’s Strategic Housing Market Assessment 2017/ Core Strategy and Cumbria Choice data. The pilot area was Sedbergh and it showed a shortage of homes with a **need for 74 affordable homes in the town over the next 5 years , this is higher than the recent SHMA produced by the YDNPA which reported 50 for the whole of the national park.** The housing pilot work by SLDC showed that of the 74 units 42 would be needed for rent, 32 needed to be sold discounted or occupancy restricted.

2019 SLDC pilot study – Sedbergh housing requirements				
Type	1-bed	2-bed	3-bed	4-bed
Rental	11	20	10	1
Sales	5	13	10	4

5.13 South Lakes Housing manage social housing and private rented properties in Sedbergh and are interested in bringing forward more homes to Sedbergh. Part of their estate management work is to revisit their current stock in Sedbergh and assess whether it is fit for purpose in today’s current market. That review has been undertaken and there is a desire to replace several existing homes with a range of more suitable properties, for example removing flats and maisonettes and replacing them with houses and bungalows. This may well result in fewer properties being available, and a new development of affordable homes on an allocated site being brought forward to planners this year may take up the 15-20 home deficit with another 15 in addition. However, the shortage of homes is still present.

- 5.14 To justify the release of more land over and above existing housing allocations, the YDNPA has stated it requires evidence of additional housing need in excess of the 6 units/annum indicated in the current South Lakeland- wide Strategic Housing Market Assessment, produced by SLDC in 2017. The number YDNP have referred to previously has now been re-evaluated using its own new Strategic Housing Market Assessment indicating an increase to approximately 10 units per annum based on the increasing levels of demand (18% of 50+ needed). The planning authorities and housing associations could work more closely with local landowners to help meet the need which will help to maintain economic sustainability within the area.
- 5.15 There is one main estate agency in Sedbergh but others do sell in the area including those based at Kirkby Lonsdale, Kendal and Carnforth. Interviews with local agents suggest that the market is buoyant and that most homes tend to sell quickly. The agents advise that some houses are overpriced by owners, but given the lack of choice in Sedbergh, even those which are above market value or perhaps have an awkward layout or no parking facilities do eventually sell. Agents receive many enquiries from Sedbergh School parents and these are the main purchasers currently as stock turns over.
- 5.16 Given the reported shortage of housing options some families cannot purchase a home within the Sedbergh area and estate agents note an increased movement of local households out of Sedbergh into remote villages and hamlets which may be cheaper, or to the larger conurbations of Kendal or Kirkby Stephen due to lack of supply of bigger size family homes, all of which impacts on the infrastructure (e.g. schools) and services in the town.

COVID-19 changes to buyer demands and house prices

A recent survey by Barclays Mortgages suggests that reasons for people wanting to relocate post-pandemic include wanting a bigger garden, being closer to essential services, and a stronger local community. Sedbergh can offer this lifestyle but has limited available housing and an increase in demand can further push up prices.

The new normal is working from home. While gardens will be an increasingly important factor for homeowners moving forward, so too will space for home offices. Lockdown has proved that working from home can work, so it's a trend that is likely to continue past the pandemic.

Many employers are already weighing up the option of allowing more staff members to work from home on a regular basis, even post-lockdown, so the possibility of more time out of the office will encourage homeowners to seek out more space.

With this in mind, properties with spare bedrooms and other spaces where a home office can be created will be in high demand and push up prices. The number of these type of houses on the market in Sedbergh is already very limited so affordability will become an even bigger issue for the town in the coming months.

6. Affordability and house prices

- 6.1 Affordability of housing is a recognised challenge for people wishing to buy in Sedbergh. According to PayCheck, Sedbergh has a median household income of £26,137 (2018). This is slightly lower than the average for South Lakeland which stands at £27,495 but 10% lower than the national average, where median household income is £28,696.
- 6.2 On house prices, according to StreetValue, the 2018 median house price in Sedbergh (and the surrounding area) was £227,897. This is considerably higher than the average for South Lakeland where the median house price was £201,828, Cumbria (£139,877) and the national average house price of £175,143.
- 6.3 Combining data from the CACI StreetValue dataset with CACI PayCheck data (2018) provides a house price to income ratio; known as an affordability ratio. Based on median data, **the average house price in Sedbergh is 8.7 times the average household income**. This affordability ratio is one of the highest in the district (average house price is 7.3 times average income) and county (6.4 times), and the national average, where the ratio is 6.1.

House prices

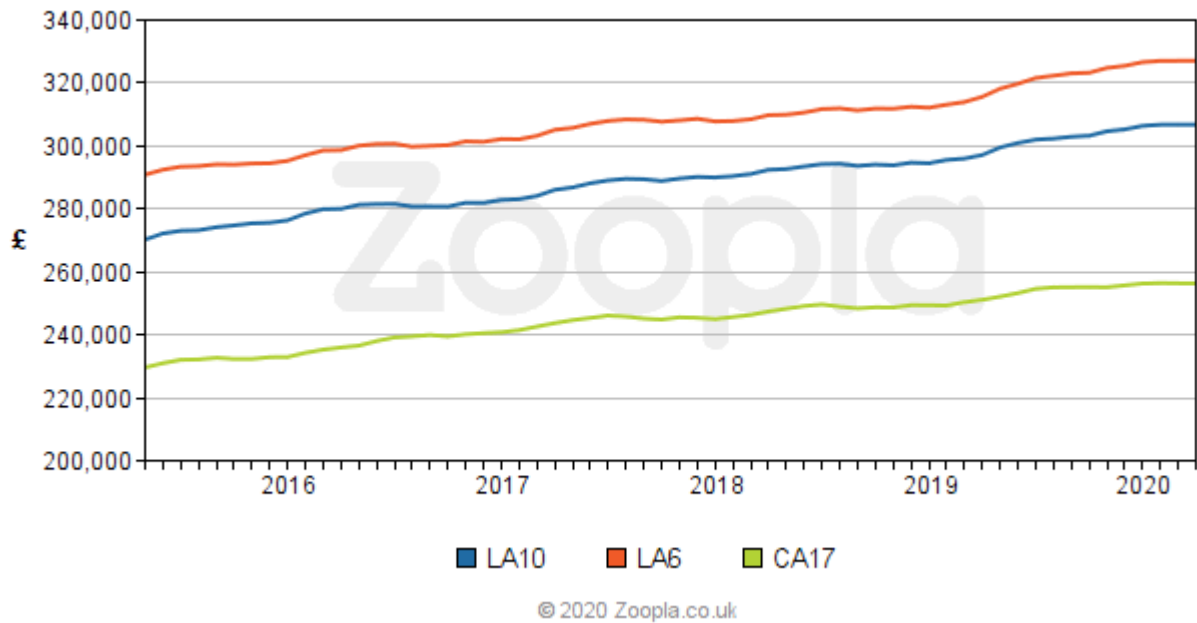
- 6.4 Accurate house prices at a very local area are difficult to assess and are not covered by any official statistics. Rightmove, Zoopla and others will track house values, prices and sales for a local area and give a good indication of turnover. The highest price paid for a house, according to Rightmove in 2019/20 was £515,000 and the average price was £259,810 and their data shows that Sedbergh prices remain stable with a 4% increase on house prices last annum. Zoopla reports a current average valuation of £304,685 currently up 6% on figures for 2019 and an average £256-£288 per square foot.

(Zoopla 2020, prices not valuations)	Kirkby Lonsdale	Sedbergh	Kirkby Stephen	Hawes	Kendal
Transactions in last year	169	36	47	181	360
Average Price Paid	£297,979	£299,805	241,287	£264,890	£222,066
Value Change on 2019	+8.04%	+7.58%	+4.17%	-1.95%	+6.94%

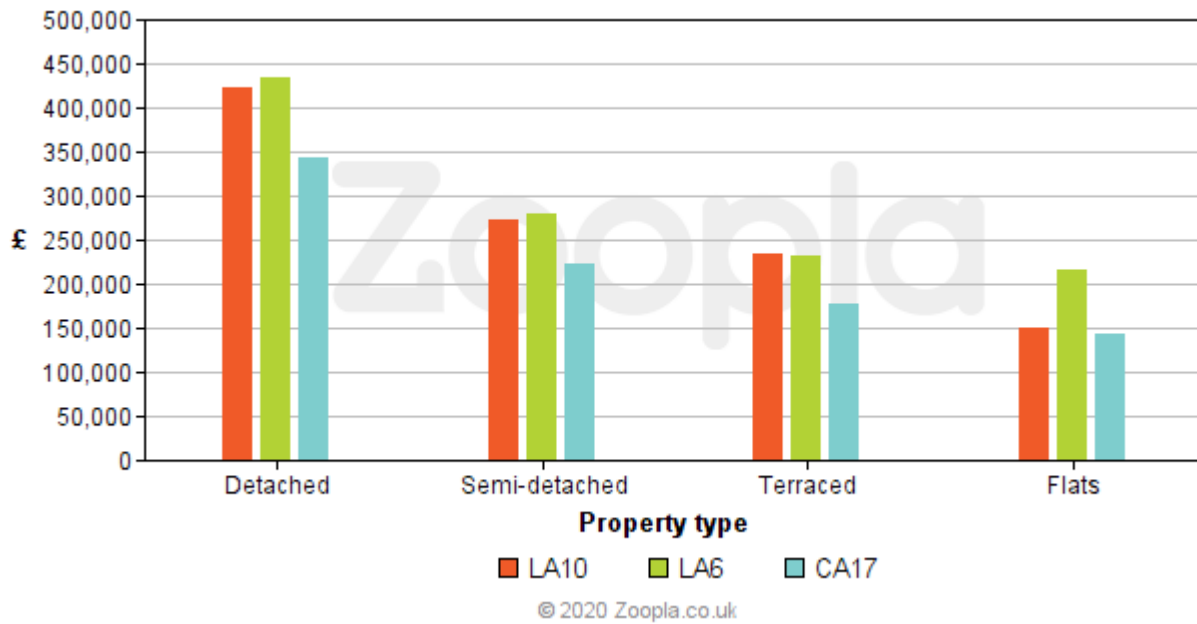
- 6.5 The graphs provide a snapshot of house prices in the local areas of Kirkby Lonsdale, Sedbergh and Kirkby Stephen in 2020. It is helpful to see the average valuations and price sales and which areas are more affordable for people to live. What the figures also show, is that with agriculture, tourism and retail paying some of the lowest wages in the UK, the average house prices in two of these three settlements is likely to be well in excess of that which can be afforded by many of those working in the area. The trend is continuing upwards, values are rising and new incoming / existing

households wishing to upgrade are becoming more and more priced out of a home in Sedbergh.

Value trends



Average values in (Apr 2020)



7. Economic impact of drift

- 7.1 A sustainable market town should enjoy a good supply of support infrastructure and local access to public services such as schools, health services, banks, public halls, shops, eateries and accommodation providers. Currently, **Sedbergh relies on its ability to attract visitors alongside residents to help support and sustain its local shops, inns and cafes.**
- 7.2 The 2019 Yorkshire Dales Management Plan and socio-economic evidence submitted through the new Local Plan process both recognise the need to do more to sustain the local economy and communities. The current situation, if not improved, will lead to a decline in population and in services for residents, as there are not enough new homes being built and 600 planning approvals remain undelivered across the National Park. The new Strategic Market Housing Assessment provides an up to date assessment of need and proves that the need for affordable houses is increasing across the Park.
- 7.3 In order to survive as a place for business, entrepreneurship and tourism it is important to try and keep dormitory town or commuter town status at the door...
“...places in which residents do little more than live and sleep, choosing to work and play some distance away in another nearby metropolis. The assumption tends to be that because a high level of commuting depletes these towns of their workers, they are left with weak local economies, featuring scant commercial activity beyond a small amount of local retail business”
- 7.4 The Peabody Group, a supplier of over 66,000 affordable and community homes in England, concluded in their 2017 report into the lack of housing that ‘tackling our housing shortage makes both economic and business sense. Not only will housing investment be a shot in the arm for our domestic economy, but it will also help to address business confidence. Businesses of all sizes and sectors have made it clear that both housing cost and availability is negatively impacting on their ability to recruit and retain staff.’ In Sedbergh, hospitality businesses such as The Three Hares, The Black Bull, The Malabar and Howgill Apartments are seeing an increase in business and need to recruit staff who can work unsociable hours, but given the scarce public transport and long travelling times, staff who can choose to live locally.
- 7.5 There are several larger employers in Sedbergh. Businesses need to recruit and often struggle to recruit locally due to small workforce population size, skill-set and availability. Businesses often advertise further afield to attract potential employees (beyond commuting distance), so the area must be promoted as a great place to live with a functional high street, a good education standard and affordable housing. **The housing market is buoyant, but the values are above average, rising approximately 6-8% per annum and the availability of suitable homes is not always forthcoming.** Examples include the manager at Farfield Mill who recently purchased a home in

Brampton ‘more house for less money’ and the headteacher at Settlebeck School who commutes everyday from Penrith. The schools and medical practice employ key workers and homes are needed within the next 1-3 years to help meet any staffing increases. This means new homes are needed before the next Local Plan (with new sites for housing) is produced by the planning authority. Businesses in Sedbergh need a workforce and often compete with other businesses from other areas, particularly in the skilled labour market. **Without adequate numbers of suitable or affordable housing it places another hurdle in the way of potential recruitment.**

- 7.6 There is proof that communities across the Park are being quietly eroded by an acute lack of low-cost rented and keyworker homes. An analysis by the National Housing Federation last year found that 52 rural schools in England had closed since 2011, along with 81 rural post offices and over 1,300 pubs. There are even cases of rural homelessness in areas covered by the Yorkshire Dales National Park, over 100 in Richmondshire last year. As demonstrated earlier in the report, house prices are continuing to rise, whilst nationally there is an increasing lack of affordability as wages stagnate and prices rise.
- 7.7 **Sedbergh needs to attract young families to the area to help run businesses, provide a new customer base and to help backfill roll numbers at the local schools.** The primary school numbers are dropping and this needs to be reversed. Housing schemes need to be supported to help make them viable for delivery and new keyworker homes need to be built. New housing affords continuity for the town and it is hoped that families stay so that future workers are given the opportunity to then work in the area where they have grown up. Businesses and entrepreneurship need to be supported and encouraged so that younger people do not have to leave the area for work should they not wish to.

Example of economic impact from new affordable housing

Toller Porcorum in West Dorset is a small village of around 300 people. It had lost its school, pub and railway branch line, and until recently the village post office was limping on in a run-down house with insecure tenancy. In 2015, six new housing units were built on land gifted by a local resident on the condition that premises for a post office were part of the development. The scheme was taken on by a locally formed Community Land Trust (CLT) and the Aster housing group and involved building five two- and three-bedroom houses, plus one flat above the new post office, all for affordable rent. The homes are managed under a 125-year lease on the CLT’s behalf by Aster, and a further spin-off benefit to the community is that the annual ground rent Aster pays to the CLT is used to help fund a variety of village projects and activities, from the toddler group to running the playing field.

The development has provided a much-needed shot in the arm for the local community: ‘The village was in danger of becoming one big old-age pensioners’ home,’ says Barry Rutherford, the CLT’s treasurer when the new housing was opened. ‘It is almost impossible for young people on average earnings to get on the property market in this area.

- 7.8 Across England, just 8% of affordable housing stock is in rural areas. Typically, rural housing costs about 11 times the average salary of people working in rural areas. In national parks, house price to income ratios can be even higher, at 12 to 1. Pricing is often inflated as those that who buy a second home for the weekend tend to have quite significant resources, so may be happy to pay a premium to acquire the house they want. The same goes for purchasing holiday lets as they are popular and can push up prices also.
- 7.9 Researchers generally conclude that most second homeowners do not use local commerce, public services and facilities in places where their homes are located. The exceptions are traditional convenience stores and restaurants. When a town, such as Sedbergh, has a rising amount of 2nd home purchases, evidenced from local agents, it becomes more reliant on the visitor economy as the indigenous population is reduced. During the quieter periods there is a lack of local spend to help sustain businesses on the high street and tradesmen in the town. With over-priced houses it affects where the local workers live, those that service the town and its population.
- 7.10 Currently, **a positive factor for Sedbergh and its future health as a working market town is the number of “destination” services and facilities** such as the vets, solicitors and estate agents, pharmacy, GP and dental surgeries which draw people to Sedbergh from a wider hinterland. To maintain the good level of services the resident numbers need to be sustained at the very least - a decrease in population will have a detrimental impact. The market is held every week on a Wednesday and has a very small but regular number of traders. It is well known that more money spent in the local economy circulates in the locality for longer and there is higher knock-on spend in other shops on market days. These, alongside the artisan markets, provide an outlet for local producers to showcase to local residents, helping to start new local businesses and expand existing ones. The building of new homes will result in new residents in the locality supporting the market and Main Street businesses.

Vitality Analysis for Sedbergh – July 2020							
Services	y/n	Retail	y/n	Leisure	y/n	Infrastructure	y/n
Doctor Surgery	Y	Grocery	Y	Pub	Y	Bus public	Y
Dentist	Y	Petrol	Y	Restaurant	Y	Train	N
Optician	Y	Pharmacy	Y	Function space	Y	Taxi	Y
Vets	Y	Butcher	Y	Takeaway	Y	Bus private	Y
Chiropodist	Y	Baker	Y	Coffee Shop	Y	Car Park	Y
Audiology	N	Greengrocer	Y	Exercise gym	Y	Coach Park	Y
Library	Y	Cash Point	Y	Playground	Y	Electric Charging	N
Community Centre	Y	Post Office	Y				
Church	Y	Fishmongers	Y				
Nursery	N	Hairdresser	Y				
Primary School	Y	Off Licence	Y				
Secondary School	Y	Dry Cleaners	Y				
Market	Y	Gift Shops	Y				
Bank	N	Hardware	Y				

- 7.11 There are concerns over the health of Sedbergh Main Street, as with any other town, and it is important that the street is protected for retail and leisure use. The more that the high street has to offer, the more that the local population will use it. The current mix of retail, food outlets and services is good but it has to be sustained and needs to appeal to regular shoppers, second home owners and visitors. The relocation of Spar from the village centre to a modern building further from the centre has affected the overall vitality of the main street and the situation was made more challenging as the redundant Spar unit was granted a change of use from retail to dentist surgery by the planning authority. This has limited footfall to the street and potentially a considerable deterrent for future retail/ leisure investment.
- 7.12 **The main street currently has a vacancy rate of 7%, below the national average of 10.3%.** It features smaller units with living accommodation above and is not conducive to retailers wanting a larger footprint. Size of units is an issue that cannot be resolved so the main street in Sedbergh will always comprise of smaller cafes, shops and services making it more important to maintain the mix of class uses on the street and not dilute retail any further.
- 7.13 Employment data shows education as the main sector for employment in Sedbergh but another important sector for the local economy is agriculture. In contrast to many other professions farming remains a largely inherited occupation. The way farming currently operates will soon change once European Union membership ends for the UK alongside new arrangements in farm subsidies, quotas and the basic payments scheme. Furthermore, traditional farming is undergoing change and younger generations are not necessarily taking up the reins of running family farms. Research has shown that Brexit and the change it will bring to the agricultural sector may be the catalyst for many farmers to retire. **Housing for both young people from farming families and for retirees from the industry is an area that needs consideration when assessing need for new housing developments.** A 2018 paper from the then Countryside Landowners Association says that *“the shortage of rural housing is well documented and holds back many young people and families as they pursue careers in the countryside. Access to housing close to the family farm or near enough to other employment opportunities to supplement their farm income is important to sustain and develop a thriving rural economy for the future.”*
- 7.14 Sedbergh is an important hub for the surrounding areas of Dent, Garsdale, Killington, Moorcock and Middleton among others as the nearest town to access schooling, jobs and services. The high school provides secondary education to pupils from as far away as Hawes and Kendal. House building in these areas on a small scale helps to cause a ripple effect economic benefit to the main town and this returns a positive community benefit back to these outlying villages and hamlets.
- 7.15 Impact on local community activity is also an area for concern, Sedbergh has an active local population and many organisations and facilities that volunteers support. As existing homes come on the market and second home or holiday home numbers grow, the numbers of active participants at a local community level decreases and

this will in turn affect local groups, volunteers, community events, fundraisers, committees, coffee mornings, sports teams and other activities including volunteering at the Information Centre or supporting efforts to bring B4RN (Broadband for the Rural North) to the area.

- 7.16 Without support for more housing units, there will be a broken housing market, one which will cause families and young people to leave to seek work elsewhere and many rural populations such as Sedbergh to become distorted and unsustainable, with ever increasing numbers of older people. Affordable homes and those restricted to local occupancy can help secure the future of rural communities and of jobs. Just a handful of new properties can make the difference between a primary school forced to close and one which goes on welcoming new pupils; a local shop shuttered up and one which continues to serve customers; a pub converted into holiday cottages and one which remains a hub for the local community.

Example of a rural estate delivering rural housing solutions.

One example of a rural estate supplying land and building affordable homes is the Falldon Estate, which is by the coast and consists of a farm, biomass electricity production centre, and now a small housing estate, having built 39 homes on their estate after an application for housing in the village was refused.

The owner of the estate, Mr Bridgeman, is the president of the Country Land and Business Association, formally the Country Landowners Association (CLA) and he says “The undeniable fact is we need more rural housing and the shortfall of affordable homes in rural communities has huge implications for social cohesion and the wider rural economy. If we are to encourage people with skills and talent to remain or move to the countryside, then we need to be able to build environmentally sustainable yet affordable homes that people want to live in.”... on the issue of planning policies and housing quotas he says “What’s often forgotten is that as local landowners and business people we have the interests of our local communities at heart. We could be driving growth in the rural economy and contributing to solving the national housing crisis, but instead many of our villages are stagnating.”

<https://www.telegraph.co.uk/news/2019/10/27/country-estate-owners-encouraged-build-affordable-homes-land/>

8. Local evidence gathering

- 8.1 In 2020 Sedbergh School Developments Limited (SSDL) on behalf of Sedbergh School carried out a employees housing survey as background research for a potential planning application for the delivery of new housing in Sedbergh. The initial request went to all staff and key workers based at the School over two sites. The survey was then sent to other establishments within Sedbergh that employed keyworkers, this consisted of Sedbergh Primary, Settlebeck School and Sedbergh Medical Practice. Finally, the survey was sent on to major employers in the town and then on to Sedbergh Chamber member businesses of all sizes.
- 8.2 In total 20 businesses were contacted with a reach of over 500 workers. This would enable data to be collected from nearly everyone working within the town, including keyworkers, and would assist in understanding the needs and requirements of Sedbergh’s workforce.
- 8.3 The aim of the survey was to establish:
- The mix of housing need in the parish
 - The tenure type (open market, subsidized, social rented or shared ownership)
 - The size of the property and need by population (families, single people or older households)
 - The need for future development to be in tune with the requirements of the workers within the community.
- 8.4 This data will help to provide valuable information to the Yorkshire Dales National Park’s in its formation of the new Local Plan 2023 – 2040 and assist any applications submitted prior to any new plan being adopted as policy.
- 8.5 The survey was carried out in February/ March 2020 and a summary report was produced. The key points from the survey are as follows:
- 160 responses in total from 500 giving a good response rate of 32%.
 - 58% of respondees lived in Sedbergh, the majority within the town boundary. The rest mainly reside in Kendal, Lancaster, Carnforth area and of these **39% identified cost and suitability of housing being the main reason for working in Sedbergh and living elsewhere.**
 - 72 % of households had a gross household income under £60,000, this provides a good indication of wages, disposable income and helps gauge housing affordability levels.
 - 65% of respondents identified that their current housing was not adequate mainly due to being too small, too expensive, in poor condition and lacking security of tenure.
 - When key workers were asked if they were interested in moving in the next 5 years 50% said yes, two-thirds would prefer within the Sedbergh boundary- this

response is significant as it highlights the distinct lack of available units to meet this demand. The other third would move outside Sedbergh for a mixture of reasons, the main ones being 'cannot afford to buy' (25%) and 'lack of affordable housing to buy or rent' (38%). 73.5% of all respondents agreed that should the 'right sort' of housing be available, they would prefer to remain here.

- On house prices and affordability, 73% of key worker responses identified that they could afford to buy a property up to the value of £275,000. 30% needing 2-bed houses, 41% needing 3-bed and 22% needing a 4-bed property.
- An additional question asked was 'has any member of your household, or family been offered a job in Sedbergh but was unable to take up the offer due to issues with housing/ lack of affordable housing' and 14% replied yes.

- 8.6 **The key worker survey provides a strong case for more housing** and needs to be followed up through more data gathering. To add support to any new housing developments in Sedbergh it is vital that we understand the needs of the existing resident population, not just those working locally. The last parish-wide housing needs survey was carried out by Cumbria Rural Housing Trust in 2009 and a new one is needed.
- 8.7 Parish Housing Needs Surveys are undertaken to identify whether housing is required to support the local needs of a parish and the type and mix of housing that may be appropriate to meet these needs. A housing needs survey is to be conducted to establish what the expected housing requirements are for the Parish in the next 5-10 years. **This will help to provide valuable data for the Yorkshire Dales National Park's new Local Plan.**
- 8.8 The YDNP Authority has indicated a willingness to consider **a growth strategy for Sedbergh**. This would mean building more homes and more employment options for businesses in the town than originally allocated in the present Local Plan. This has been welcomed by the Sedbergh Economic Partnership and there is a hope that there is more support for this within the resident and business community. The key worker survey, letters of support and a parish housing needs survey would all provide evidence of need and demand to back the argument for securing housing growth in Sedbergh.
- 8.9 Another option available to Sedbergh is to develop a Neighbourhood Plan. The Parish Council or a new 'neighbourhood forum' could produce a plan which becomes part of the statutory development plan for the YDNP. **A neighbourhood plan could help develop a shared vision for the parish, indicate where new development may be located and ensure quality in design and character.** It can also identify/ protect important local green spaces for the future and gives the community a formal say in how the Parish develops as a living, working, sustainable community.

9. Influences - COVID-19, Brexit, Farming Community

- 9.1 Change is coming to the way farming currently operates with the end of European Union membership for the UK. Brexit may well see many farming families reviewing their income options. The future for agriculture as a sector is unknown and it is a significant part of the local economy. Brexit effect on farm payment schemes and meat export tariffs are not clear. The access to the labour market will remain an important challenge for farming and for the hospitality industry, both key players in the Sedbergh economy.
- 9.2 Nationally, there has been an increase in farmers and rural businesses approaching professional organisations, such as chartered surveyors, to explore what avenues are out there to change the use of their land for tourism purposes. The Coronavirus has given those within the rural economy a chance to consider their future directions, and with ongoing uncertainty over how subsidies will be paid in future, farmers will need to look at other ways to keep their businesses viable. **Local farming businesses should be encouraged to look again at their buildings and non-productive land, to reconsider their uses.**
- 9.3 As the current Covid-19 crisis prevents holidays abroad, and with the future picture for international travel uncertain, the lift in British tourism will continue in the weeks and months to come. According to new statistics by CabinBookers, 90% of Britons are looking for a holiday in the UK as lockdown is eased. The situation is tough for the British tourism and hospitality industry at the moment but looking forward, taking a break in Britain is definitely going to be more attainable for the majority of people. Most UK holiday makers are looking to the self-catering market.
- 9.4 It is envisaged that British holidaymaking or 'staycation' will continue to rise in popularity over the next few years. The area around Sedbergh could see an increase in the number of camping pods, using land for leisure activities or converting buildings into staycation ready holiday lets. It will be interesting to see how the national park supports tourism going forward and whether they will **support diversification requests from farming families for new accommodation units and leisure uses on their farms.**
- 9.5 The COVID-19 pandemic and lockdown has encouraged workers to reevaluate what they want from their living circumstances. With many working from home, **the value of a garden or proximity to green space is in higher demand**, and Rightmove found last month that out-of-city enquiries were higher than ever previously registered. This change has also affected the way that housing developers now look to design and sell houses. A recent Knight Frank housing report found 75% of developers are more likely to consider creating home offices in future building projects and a further 54% are also more likely to now try to build in outside space. The advent of cycling has also changed the way spaces are planned and the same

report found that almost two fifths (38%) of developers will look at adding facilities for bicycles.

- 9.6 Working from home has loosened people's ties to their geographical location and they are seeking a more fulfilling home environment. Agents report that the big move to the country is underway in England, with people looking to establish "the good life" in good time. Consequently, much housing market activity is being driven by people who now do not wish to wait until they are close to retirement to achieve a better work-life balance, when working from home means that they are halfway there now.
- 9.7 Over the last six months, we have seen a significant number of the population changing their place of work from office to home. Companies are recognising that this switch could become more than temporary. As the recent Savills FiT survey shows, work-life balance is better met from home, but that sense of belonging is still met in 'an office'. One fall-out from the pandemic could see the start of hubs and serviced offices pop up in various places, closer to people's homes to reduce the time and environmental pressure that comes with commuting, as well as bridging the gap between home-working and commuting into a main office every day. Work may become even more local – even if only for part of the week. Development of employment space is an area where demand has been slow in Sedbergh but hopefully this may now change.
- 9.8 There is an **opportunity for the planning authority to designate land, support and encourage more self-build schemes**. Nationally, plot sales have become very popular as many people are finally undertaking their dream of building their own home. Land agencies report that purchasers are generally seeking rural locations on the outskirts of villages offering peace and privacy and a garden office, or the capacity to put one in.
- 9.9 The current Local Plan has a policy to encourage new forms of purpose-designed live/work units to allow existing businesses to expand and attract new businesses. Sadly, live/work units have had little interest to date but it may be that new COVID-demand for modern home working changes this. Alternatively, this demand may be better taken up by new housing incorporating flexible space.
- 9.10 The Rural Coalition's recently published Rebuilding Rural: Growing Back Better document has set out priorities for a successful recovery post-COVID 19. The Coalition (made up of 13 organisations including NFU, CPRE, CLA) identifies that rural areas are home to 9.3 million people – more than Greater London – but they have long faced the challenges of 'sparsity, remoteness, poor connectivity and a history of unequal funding and patchy service delivery'. It recognises that some communities, heavily dependent on tourism and seasonal work, are at risk of being left further behind following COVID-19. The pandemic crisis highlights the shortcomings in the economic base of some of these areas, but also highlights the opportunities rural economies can make to the recovery given specific government investment.

10. Working positively with rural estates

- 10.1 Working within the realms of the YDNP Local Plan, the South Lakeland Economic Strategy and the wider Cumbria Economic Strategy positive economic change needs to be delivered by many agencies and businesses across the district. In rural areas it is recognised that landowners and large estates make a vital and widespread contribution to local life – not only to employment and the economy but also to other vital elements of the community, such as affordable housing.
- 10.2 Landowners and large estates can help address market failure in housing, providing a role missed by Local Authorities. Using local estates across the national park, such as Sedbergh School or Bolton Abbey, to deliver housing can help public sector policy operators meet their targets and requirements. **Landowners and large estates therefore should be natural partners for the public sector.**
- 10.3 Key landowners within a rural area looking to build new housing should be encouraged to assemble whole estate plans for future housing developments and employment which meets the needs of the planning authority and the needs of the landowner/ developer. Ideally, such plans could be recognised in a similar vein to a neighbourhood plan.
- 10.4 The contribution of the Sedbergh School business as a large rural estate to the local economy and environment in Sedbergh is:
- a) As employers - Sedbergh School is the largest employer in the Yorkshire Dales employing 422 people directly, the equivalent of 307 FTE, across four sites locally in the LA6/ LA10 postcodes and as its pupil numbers continue to rise so too do the number of employees and most need to live close by.
 - b) As providers of workspace – the estate is home to classrooms, offices and houses with space for hire such as Powell Hall or the Hirst Centre. It also leases property including a retail unit on the main street.
 - c) Operators of associated businesses – this includes restoration and facilitation in the reopening of the Black Bull Inn which employs 18 and provides a much-needed quality restaurant and rooms in Sedbergh. The School runs successful and popular recreation summer schools and has first class sports facilities which are used for community leisure hire. Leisure activities are supported including the popular hosting of first-class county cricket which brought in excess of 2000 visitors to Sedbergh. The estate organises a series of annual events which bring a positive financial benefit to the town and it also supports community gatherings and festivals including providing the land for the local gala.
 - d) Innovators – in education, renewable energy, tourism, sustainable development.
 - e) Sustainability – the School reviews its operational aspects to ensure that it delivers reductions in energy consumption and carbon emissions locally using

renewable sources and involves pupils to improve understanding of climate change and other environmental issues.

- f) Protectors and managers of the environment – the estate looks after several listed buildings in Sedbergh alongside significant green spaces and prominent buildings.
- g) As customers – the estate looks locally for tradespeople and local suppliers across the LA6/ LA10 area for purchases such as food, equipment, and services. The pupils and their families support several local businesses through purchase of uniforms, food and confectionery, holiday stays and visits etc.
- h) Providers of community infrastructure – own and maintain important sites including the playing fields, retail outlets, the Black Bull, school halls used by the community, car parks and swimming pool.
- i) Providers of housing for key workers (rented) at the School and owners of land designated for the development of affordable and key worker homes.
- j) Estates own local houses that are often provided below market rent for employees where housing is not available or is too expensive.
- k) Estates are influencers as they affect so many aspects of life in their communities.

10.5 Estates can deliver housing solutions in partnership with housing providers in areas where local authorities fail, and much needed social housing provision is minimal, see page 23.

10.6 Rural estates such as Sedbergh School are known for their contribution to local distinctiveness, particularly through branding, craftsmanship, landscape, and buildings; also retold through visitor experience, school experience and returning alumni.

10.7 **Rural estates are place shapers and key agents for change and development.** Local master-planning at estate level provides a more strategic, aligned approach to development and is also distinctive in that Estates provide a longer-term perspective.

11. Conclusions

- 11.1 The YDNPA planning policies will support delivery of homes for keyworkers on exception sites given the evidence that more homes are required, and that demand exists. **Currently need outstrips the existing allocations:**
- The 2019 Strategic Market Housing Assessment, commissioned by YDNP, proved the extra demand which sees the requirement increasing from 6 units per annum up to 10.
 - The 2020 Keyworkers and Employees Household Need Survey, commissioned by SSDL, proves new demand for additional local homes.
 - The 2019 SLDC desktop survey into housing need using housing register information and demographic tools also proved the need for additional housing above the rates in the current YDNP Local Plan.
- 11.2 There are several larger employers in Sedbergh, who will go back to a period of growth. When there is a need to recruit and where positions cannot be filled locally then businesses would like to be able to promote the area to potential employees as a great place to live with a functional high street and a good standard of schools and an affordable town to move to.
- 11.3 **The future of Main Street traders will depend on the numbers of people residing in the town on a full-time basis** who continue to shop local and use trades and services within the town. The primary school and then eventually the secondary school will need to see an increase in the number of working families in the town to ensure roll numbers start to rise. This will also help schools with their associations and organisations that rely on parent volunteers in areas of fundraising, supporting activities etc.
- 11.4 Hospitality businesses such as The Three Hares, The Black Bull, The Malabar and Howgill Apartments were seeing an increase in business pre-COVID 19 and will grow once again. When they do they will need to **be able to recruit staff who can live locally and who can work unsociable hours given the scarce public transport and long travelling times.**
- 11.5 South Lakes Housing are the main registered provider of social housing in the town following the transfer of housing from the local council in 2012. The organisation will soon be preparing an Affordable Housing Strategy Report for Sedbergh. This report will set out the current and forecast demand both from the natural level of demand in the community, plus the demand identified with the recent key worker survey and re-investment plans for Maryfell. Given the expected review outcomes there will be strong evidence that more than one site for housing is required to be brought forward to meet the specific affordable housing demand now and going forward.

- 11.6 There is some progress in bringing forward an allocated site for up to 47 affordable homes in Sedbergh, but demand already outweighs the numbers on this site. Furthermore, **the remodelling of existing housing schemes within Sedbergh will mean a deficit of housing units.** Some could be absorbed as part of the delivery of homes on the allocated site but this will still further generate an additional demand for housing. Keyworker support is needed now, not in 5 years or dictated by a new Local Plan timescale.
- 11.7 The market shows that house prices and values in Sedbergh are rising, so too are prices in neighbouring areas. **High prices are putting houses out of reach for average income families wishing to move to the area for work.** The number of second homes in the area continues to increase so the planning authority must support the building of additional homes (affordable, self-build, open market etc) with local occupancy restrictions.
- 11.8 Second homes are not necessarily bad for an economy such as Sedbergh. Managed well (and used regularly) the impact is positive in areas of hospitality, local markets, tourist attractions and services industries. The issue is when local infrastructure, community events and services are hit by declining population and support, as is the case in transport and school roll numbers. Both types of household, owner-occupied and second home, can benefit Sedbergh in the future but there needs to be a provision of new housing with local occupancy clauses so that one does not mean the end of the other.
- 11.9 Housing for both young people from farming families and for retirees from the agriculture sector is an area that needs consideration when assessing new housing development. **Support should be forthcoming for a small number of dwellings and conversions in nearby hamlets especially if it benefits existing businesses and farming families.** The location of this type of housing (both affordable and open-market) in surrounding feeder-locations would keep Sedbergh prosperous and sustainable by ensuring a steady market for services, employment and community activities.
- 11.10 **The COVID-19 pandemic has meant a significant number of the population working from home and many companies are seeing this as a more permanent change for their staff.** This lifestyle shift is affecting where people choose to live and, according to property media reports, employees are now more likely to look for homes that offer on space and environment rather than proximity to workplace. Requirements from purchasers now favour houses rather than apartments or flats, office space within homes, gardens and rural locations in market towns and national parks. This could put more pressure on the Sedbergh housing market.
- 11.11 **There is an opportunity for the planning authority to allocate sites that support and encourage self-build in and around the Sedbergh area.** The pandemic has highlighted the growing demand for housing plots which facilitates that dream of building your own home. There could also be a return to the demand for more

mixed-use rural office locations as companies and employees seek a balance 'of belonging' through office and home working.

- 11.12 There may be a financial follow up from Government to the Rural Coalition's recently published Rebuilding Rural: Growing Back Better document which has set out priorities for a successful recovery post-COVID 19 by utilising and acting upon all potential social and economic opportunities across rural England. This could provide an ideal opportunity for Sedbergh in delivery of oven-ready projects.
- 11.13 The key to unlock the housing issue is for the next Local Plan to increase the number of allocated sites and for the YDNP to **lobby funders such as the LEP and press district council partners to use their economic development mandate to work with developers to bring about housing delivery**. The planning authority already have 600 planning approvals not delivered and this needs to change.
- 11.14 There is a recognised need for an extra care facility in Sedbergh and should this be built within the next 3-5 years then staffing will be critical. It is recognised that jobs in this sector are not highly paid and that affording travel to the location from outwith the town could price prospective employees out of applying. Care workers are now key workers and pressure on the availability of affordable homes to encourage workers into the area will increase.
- 11.15 **Working positively with rural estates such as Sedbergh School ensures local accountability, commitment to longer term planning and an interest in the quality of development.** Housing schemes that include a willing landowner and a social landlord will mean that the site becomes a more deliverable option. Furthermore, a local landowner will want to see a quality development to the advantage of the town's environment.
- 11.16 Economic impact across rural communities is well documented by organisations such as CPRE and Action for Rural Housing, and YDNP have begun to refer to a period of managed decline as an option if more housing is not supported. **The inference of a growth strategy for Sedbergh by YDNP Authority must be welcomed.** Building more homes and more employment options for businesses would throw Sedbergh a lifeline.
- 11.17 **Communities such as Sedbergh need more houses if they are to remain a viable town servicing the needs of their communities.** Local community organisations should be encouraged to begin work to provide more evidence of need and demand to back the notion of additional housing growth in Sedbergh. The key worker survey, letters of support and a new parish housing needs survey would assist in this task.

12. Next steps

- 12.1 This report has examined the current housing market values, demand and economic health of the area. **All roads lead to more new housing needed to support the future health and prosperity of Sedbergh**, its residents, its services and its businesses.
- 12.2 It is recommended that this report be circulated to local organisations and public authorities for examination and for these authorities to consider the report and the necessary interventions to support the housing situation in Sedbergh.
- 12.3 It is strongly recommended that organisations and authorities within Sedbergh accept that housing is a problem that needs resolving and **endorse the proposed Growth Framework/Strategy** being put forward to the planning authority for more houses for the Sedbergh area than currently allocated.
- 12.4 It is recommended that this report and its findings should be submitted to YDNP as evidence in its 2023-2040 Local Plan process.
- 12.5 It is recommended that all local organisations should encourage, lobby and support the YDNP in delivering a positive planning approach for more new dwellings in Sedbergh and surrounding environs to improve the sustainability of communities and help to deter the rapidly ageing population profile of the Park.
- 12.6 Given the increase in house prices and pressing need for more affordable housing solutions in Sedbergh there should be engagement with the community to address any stigma or misunderstanding of the term 'affordable housing'. Starter homes and family homes are much needed. Given the shift to home working, developers should be encouraged to provide additional space for home working within the footprint of any new housing units.
- 12.7 It is strongly recommended that a Parish Housing Needs Survey is undertaken to provide detailed and current information on the needs of local residents. This will help inform the planning authority as part of its Local Plan process and on housing applications coming forward. The outcome of such a survey along with the recent key worker survey would provide useful support for a growth strategy and a Neighbourhood Plan (if considered as a route to be taken).
- 12.8 It is strongly recommended that the local authority, economic development agencies and funding bodies are pressed for more intervention in bringing forward more housing sites based on level of inactivity and need. Delivery is needed, not just permission.

13. Appendices

Appendix 1 – Sedbergh main street area, Land Use Class Analysis (July 2020)

Shops – A1		Financial / Professional – A2		Restaurants/ Cafes – A		Hotels Pubs – A4, C1	
Clothes/shoes	2	Banks/building societies	0	Restaurants	1	Pubs	2
Clothes alterations	0	Estate Agents	1	Cafes	2	Inns	2
Hair/beauty	2	Financial Advice/ Accountant	2			Hotels	0
Gifts/interiors/toys/books/jewellery	6	Solicitors	1			Guest Houses	0
Bakery	1	Office support	0				
Sandwich Shop	1						
Butcher	1						
Pharmacy	1	Hot Food Takeaways – A5		Business – B1		Institutions – D1	
Dry cleaners/laundrette	0	Takeaways	2	Offices	1	Surgeries	0
Spar/newsagent/convenience	1					Dental	1
Charity shop	1					Library	1
Greengrocer	1					Churches	1
Optician	0					Halls	0
Florist	1					Schools	0
Funeral director	0					Chiropodist	0
Tourist Information	1					Ambulance Station	0
Carpets/flooring/furnishings	1						
Hardware	1	Leisure – D2		Sui Generis		Vacant	
Homecare	0	Gym	0	Vets	1	Retail unit	2
Post office	1	Sport Halls	0	Public Convenience	1	Café	1
Electrical supplies/gas servicing	0						
Travel agency	1						
Other – antiques, picture framers	2	(2 nd homes not as prevalent as Lake District which saw 2 AirBNB homes listed in January 2016 and 2468 by October 2019).					

Appendix 2 – sources used

Gathering background information for the report involved talking with local businesses, public agencies, organisation leads and politicians and desktop research. The following were consulted as part of a wider report into the current opportunities and challenges facing Sedbergh.

Mathew Towe, Sedbergh Primary	Nigel Close, Cobble Country and Howgill Apartments
Nick Cotton, CCC Councillor	Janey Hassam, Parish Clerk
Jim Atkins, former Parish Councillor	Andrew Cobb, Economic Group Chair
Sarah Campbell, Settlebeck School	Damian Southward, SLH
Peter Stockton, YDNP	Tom Congrave, Edge Economics
Lucy Ward, Sedbergh School	Richard Dawson, Great Places
Tom Harland, YDNP	Bruce Johnson, SLDC
Kevin Lancaster, SLDC Councillor	Graham Lappin, The Malabar
James Ratcliffe, Chamber of Trade	Christine Knipe, Westmorland Agricultural Society
Susan Briggs, Tourism Practitioner	Matt Williams, SLDC
Joanne Mowbray, Farfield Mill	Jim Maguire, Cumbria Coaching Network
Paula Scott, PS Business Matters	Liz Duncan, Castle Green Hotel
Welcome to Yorkshire	Cumbria Tourism
Carol Moffat, Farmer Network	Claire Robinson, Mulberry Bush