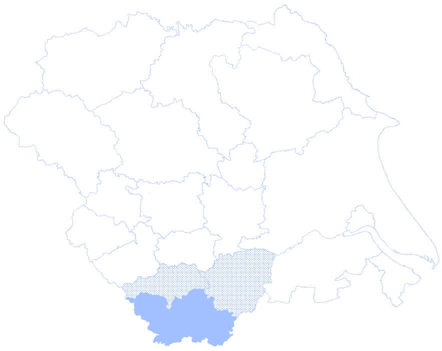

Strategic Housing Market Assessments for Yorkshire & the Humber

Final Draft report: Sheffield & Rotherham housing market area

June 2008

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1. Introduction

1.1 This document provides a Strategic Housing Market Assessment (SHMA) for the Sheffield and Rotherham housing market area (HMA). It has been produced in accordance with Government guidance for the production of SHMAs.[1]

1.2 This SHMA forms part of a suite of SHMAs for the Yorkshire and the Humber Region. Yorkshire and the Humber are seeking to develop a framework of SHMAs across the region which can provide comprehensive and consistent regional coverage.

1.3 Phase One of this study identified a need across some parts of the region for additional work to provide fit for purpose SHMAs corresponding to strategic housing markets. This work is recognised as building on the existing local studies.

1.4 This is not a local level SHMA but one of a suite of comparative regional reports which support a strategic overview for the region. This report does not replace the need for a local SHMA. An integral element of this strategic approach is the consideration of connections with a wider reference area and an analysis that looks beyond the boundaries of each district.

1.5 Key to this suite of reports is the need for comparability and consistency across the region to support a strategic overview. This report does not include primary data similar to that which might be collected as part of a more local assessment. In order to provide the comparators required across the region consistency has been the primary driver of the data assembled to inform this profile. It is recognised that more detailed local studies may have additional information which is either more recent, or finer grained, and can be used to further inform the

[1] Communties and Local Government (2007) Strategic Housing Market Assessments: Practice Guidance. April 2007.

understanding of the current and future operation of housing markets within this HMA.

1.6 For the purposes of this assessment, the Sheffield and Rotherham HMA is taken to be coterminous with the district boundaries of Sheffield and Rotherham. A justification for this is provided In Chapter 2. The research has also identified a wider reference area encompassing Barnsley and Doncaster as well as High Peak and Derbyshire Dales in the East Midlands Region. Where possible comparator data for this reference area is included as well as for the Sheffield and Rotherham HMA.

2. Summary of findings

- The HMA has at its focus the Sheffield employment area which draws in population from Sheffield and Rotherham as well as a wider reference area.

- An ongoing process of economic transformation is underway to tackle the legacy of industrial upheaval and decline with significant resources invested in the area to support economic regeneration and transformation of the housing market. The HMA is the major economic driver for South Yorkshire.

- The Transform HMR Pathfinder is starting to raise housing demand and improve the wider environment in previously low demand neighbourhoods.

- There has been overall population decline since 1981 however since 2001 the population has started to increase year on year. In migration is a significant component of this although natural change has also had a positive affect. However, despite population falls the trend in reduction of household size means there were 25,000 more households in 2004 compared to 1981.

- There are major higher education institutions in the HMA and there is an ongoing importance of higher education to the population base of the HMA with strategies for graduate retention a vital element. The population structure is slightly younger than that for the region.

- The representation of employees in professional and managerial jobs is below that for the region with a higher proportion of employees in elementary occupations indicating a low wage base.

- The stock profile has a lower proportion of detached properties and a significantly higher proportion of flats than the region as a whole.

- Owner occupation levels are considerably below the average for the region with a significantly higher proportion of households in social rented homes. The private rented sector is smaller than across the region.

- Vacancy levels have fallen since 2003 with a strong trend in falling vacancies in the social rented stock. However there remain wards with very high concentrations of vacancies within the HMA.

- Average sales prices for the HMA and the wider reference area are below those for the region – but broadly follow the regional trend of increase since 1996. Flatted account for an increasing proportion of residential property transactions.

- Affordability ratios have increased significantly across the HMA over the last decade.

- The population of the HMA is projected to rise by 62,400 people to 2029. Over 65s will form the major part of this growth.

- The RSS sets out targets for just over 46,500 new homes while projected household growth is just below this at 44,200 to 2026.

- Natural change and international migration are the main drivers of population growth. The HMA has experienced significant levels of international migration and this trend is projected to continue year on year, albeit at a slightly lower rate than from 2005 to 2007.

- The proportion of one person households is projected to increase by 45% to 2029.

- There is an overall shortfall identified by the Housing Needs Studies of 1,140 homes a year across the HMA.

- First time buyer households need to be in the £20-25k income bracket to afford the average terraced home.

- There is a higher proportion of family households than the region as a whole – both couples and lone parents.

- An additional 45,600 people in the over 65 age group are projected by 2029.

- There is a significant proportion of BME residents with the largest minority ethnic group classing themselves as Asian. The specific housing requirements of these households, particularly in those areas of the HMA where concentrations of BME residents are higher will continue to need to be considered in future policy and strategy.

- Sheffield has the highest proportion of all student households in the region with the student market in Sheffield representing an important element of the market.

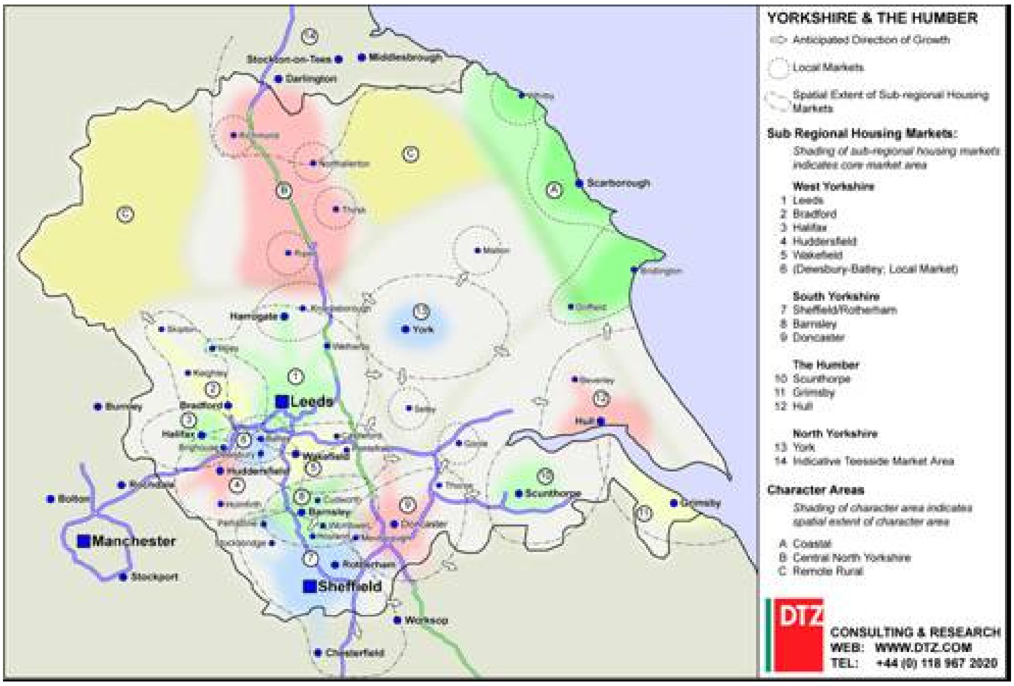
- There was a higher number of people recording long term limiting illness at the census than for the region as a whole.

3. Context

Rationale for the boundary

3.1 Research undertaken by DTZ Consulting[2] suggests that the Sheffield and Rotherham HMA (whose indicative boundary is shown Figure 3.1 below) is slightly wider than the Sheffield and Rotherham local authority areas, extending out towards the East Midlands.

Figure 3.1. Indicative Housing Market Areas and Character Areas



Source: DTZ

3.2 Although helpful in understand market pressures, this work did not provide a practical basis for housing market assessments because it did not set precise boundaries for the assessments. Further work was therefore carried out by ECOTEC and Sheffield University using travel to work and migration data to refine the DTZ analysis.[3]

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[2] DTZ 2007 *Mapping Housing Markets in the Yorkshire and the Humber Region*..

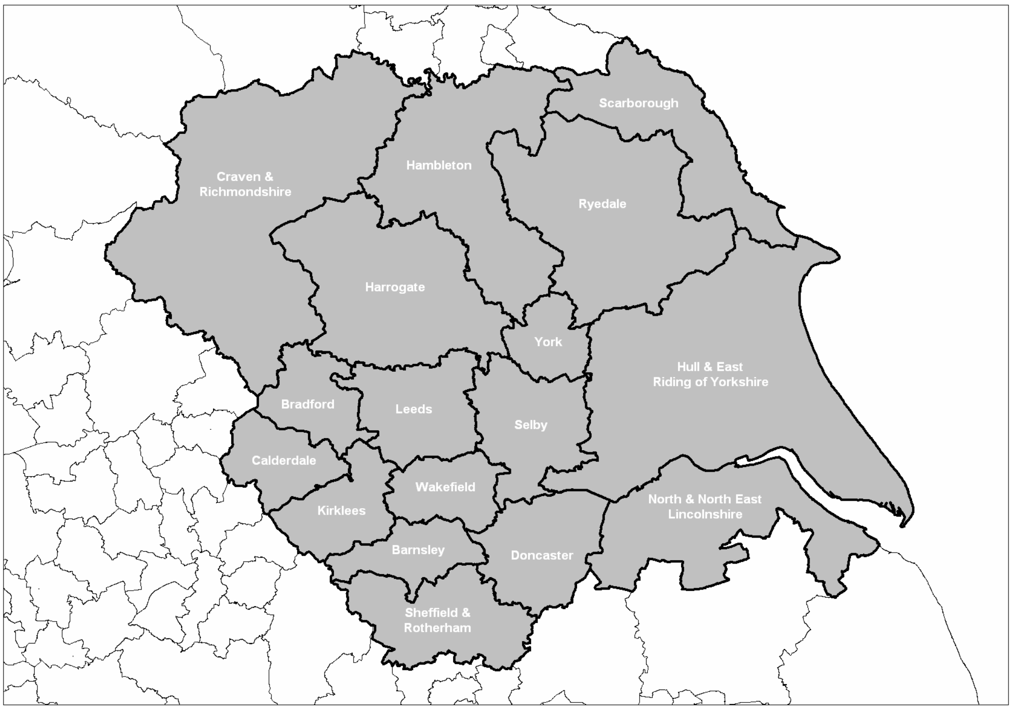
[3] See ECOTEC et al Stage 1 report to Yorkshire and Humber Assembly.

3.3 There are some overlaps with adjacent areas but the further validation and testing of HMA boundaries[4] that we have conducted confirms the relevance and practical applicability of the chosen boundary.

3.4 Following official guidance, and taking into account travel to work and migration patterns, the research defined HMAs by aligning them with whole local authorities or groups of local authorities (Figure 3.2). In South Yorkshire this led to the definition of three HMAs, made up as follows:

- Sheffield and Rotherham
- Barnsley
- Doncaster

Figure 3.2. Yorkshire and the Humber: housing market area boundaries



4 ECOTEC et al …… stage one report to YHRA

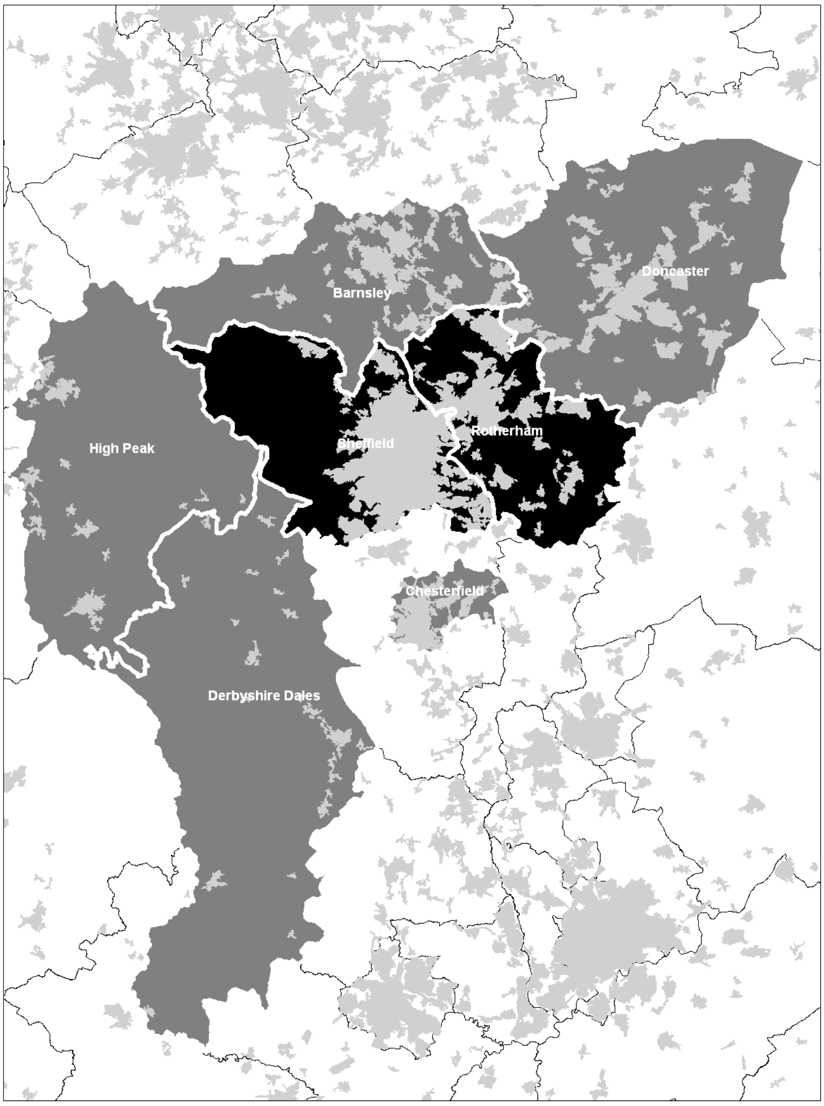
Connections with other areas

3.5 Although the boundaries of the Sheffield and Rotherham HMA coincide with the respective district boundaries, it is recognised that there are important overlaps with adjacent areas. These are examined in this assessment and must be taken into account in the subsequent development of LDF and housing policies.

3.6 Phase One of this research[5] identified a 'reference area' for each of the HMAs based on a review of the strongest connections with adjacent areas. In particular the analysis in Phase One showed a pattern of travel to work which emphasised an axis from the Peak District national park in the west to parts of Doncaster in the east. The reference area identified for Sheffield and Rotherham includes Barnsley and Doncaster as well as High Peak, Derbyshire Dales, and Chesterfield in the East Midlands Region. This reference area is shown in Figure 3.3. There are also some significant linkages, which the local level SHMA has identified, based on travel to work, with parts of North East Derbyshire.

[5] ECOTEC et al Phase One SHMA Report to YHRA September 2007.

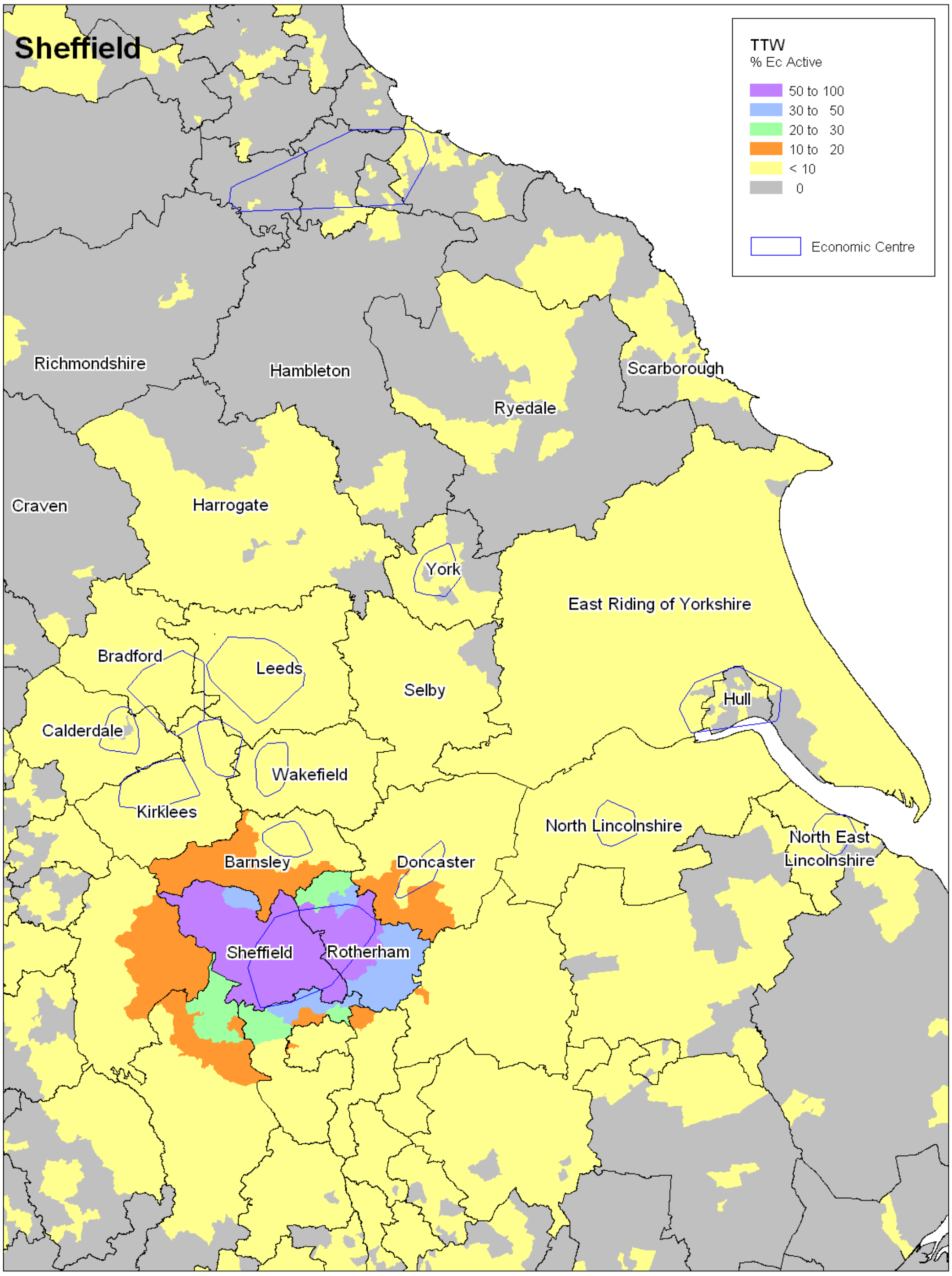
Figure 3.3 Sheffield and Rotherham HMA and associated districts



Data source: Ordnance Survey.

3.7 As figure 3.4 shows there is a central employment area at the heart of the HMA (although employee numbers are greater in Sheffield) which draws in population from across Sheffield and Rotherham and with commuting links to Doncaster, Barnsley, the Peak District and towards Chesterfield.

Figure 3.4 Travel to work in Sheffield / Rotherham



4. The current market

Background

4.1 Sheffield's origins as a major city lay in the wide range of local natural resources for making iron and steel, for which the city achieved world renown. As a result, heavy industry came to fill much of the three main valleys of the Don and Sheaf that converged on the old town centre. Rail connections drew its Pennine-edge location into the national network. Sheffield maintained its distinctive role as a steel city and centre of heavy manufacturing into the second half of the last century and steel and manufacturing continue to form an important part of the economy in both Sheffield and Rotherham

4.2 Early economic and population growth led to major physical expansion with densely built terraces close to workplaces in the valleys and less intensively developed, leafier, stone-built suburbs, mainly in the west. The expansion of the city continued through much of the 20th century with the development of large council estates in the north and south-east of the city. Private housing was built in other areas and significant segregation developed between the privately owned and publicly rented housing areas. This continues to affect the structure of the present housing market, to the extent that Sheffield is now recognised as a relatively polarised city in housing and wealth terms. Development extended well into Derbyshire, leading in 1967 to a major enlargement of Sheffield's administrative area to incorporate this and accommodate a large, planned extension to the south-east, at Mosborough.

4.3 The second half of the 20th century saw significant change and renewal. Much of the city centre was rebuilt in the 1950s and 1960s. There was major clearance of 19th century terraces that had become unfit, with rehousing in outer estates. The opening of the M1 and the Sheffield Parkway helped to connect the city with the new motorway network whilst Sheffield went on to develop a national reputation for its public transport. Sheffield's universities and hospitals expanded considerably, not only serving the city but also becoming national centres of excellence. Air quality improved dramatically. Conservation areas were designated, reflecting the heritage value of parts of the suburbs, and the natural setting of the city was given protection as Green Belt.

4.4 However, in the final two decades of the last century, Sheffield and Rotherham entered a period of considerable upheaval. Closures of major steelworks and related manufacturing and engineering businesses led to a serious loss of jobs. Derelict sites opened up in the industrial valleys. The area began to explore new roles but the prospects for new commercial development were unpromising, overshadowed by more successful neighbouring cities. When new jobs came, many were initially unskilled and low-paid. Shopping in Sheffield City Centre lost ground, comparing poorly with other major cities. Deregulation of public transport led to a marked fall in the use of the buses and traffic congestion became a problem in some corridors and approaches to the City Centre and at motorway junctions. Air quality worsened in areas of greatest traffic growth. Demand for housing in large parts of the north and southeast sectors of Sheffield's main urban area and in parts of Rotherham declined seriously whilst the market in southwest Sheffield experienced overheating.

4.5 Action to tackle these challenges included redevelopment on the sites of former steelworks included the Meadowhall Shopping Centre and the Don Valley Athletics Stadium and Arena, and new businesses were developed on other sites in the Don Valley, encouraged by an Urban Development Corporation (UDC). A range of sports and leisure activities were created in former industrial areas. Creative and cultural facilities developed in declining industrial inner areas. The Supertram network opened up sites in the Don Valley and improved connections with Mosborough, although it has somewhat fallen short of connecting Sheffield with Rotherham. The gap between city and national levels of unemployment narrowed but it remained significant. By 1999, economic prosperity was still below 75% of average GDP for the European Union.

4.6 Following designation as a European Union Objective One area in 2000, the process towards transformation has accelerated. Additional resources have been invested in the area. Implementation of the Objective One Integrated Development Programme and Sub-Regional Investment Plan has led to new investment and environmental improvements, as in the Heart of the City (including the Peace Gardens and the Winter Garden), around the City Hall and at the rail station. There is now a buoyant market for office space, with the growth of the administrative, financial and legal sectors in the City Centre. Businesses in metallurgy, bioscience and other knowledge-based sectors, often linked to the universities, are expanding. Major redevelopment and consolidation of the central shopping area is about to start in the New Retail Quarter. City Centre living, led by student housing schemes but now including more upmarket demand, is resulting in many new apartments. This is attracting demand for more services in the City Centre and providing an alternative use for industrial heritage buildings. Demand also continues to be strong for employment and associated uses in the Don Valley.

4.7 The Housing Market Renewal initiative is starting to raise demand and improve the wider environment in previously low-demand neighbourhoods. Wider mixes of housing are occurring in areas of formerly mono-tenure Council housing. Renewal initiatives are aiming to close the gap between the deprived and more affluent neighbourhoods by improving conditions in previously disadvantaged areas.

4.8 Rotherham is also a major centre within the South Yorkshire sub-region undergoing regeneration and redevelopment. Its population of 253,200 live mainly in urban areas; small towns like Wath and Dinnington or in the centre and suburbs of Rotherham. There is a mix of people and cultures with minority ethnic groups making up 5.2% of the population. The Borough's population is growing again after falling in the 1980s and early 1990s. ONS 2004 based projections predict the population will continue to rise at a steady rate. More than half the borough is rural, characterised by attractive villages and rolling countryside.

4.9 Transport links to the rest of the country are strong with the M1 and M18 motorways and a good network of local bus and train networks. The Sheffield Parkway and other routes provide relatively quick road connection to Sheffield and in many ways Rotherham is closely keyed into the leisure and retail offer of east Sheffield, such as the Meadowhall shopping centre and Valley

Centertainment leisure complex. Having said this, Rotherham itself has developed major leisure attractions in the Magna science museum and the out of town retailing of Parkgate Retail World, arguably to the detriment of the town centre.

4.10 The Rotherham Renaissance initiative aims to transform the Town Centre and waterfront over the next 20 years. Household numbers in Rotherham are projected to increase from 107,000 to 123,000 over the next 20 years with more, smaller households. Migration into the borough to take advantage of competitive house prices and employment opportunities may create additional pressures.

4.11 The employment rate in Rotherham has risen from 67% in 1998 to almost 75% in 2005 – the highest employment increase in Yorkshire and the Humber. Inward investment has been running at a high level – between 1995 and 2000, £200m was invested and 10,000 new jobs created, many in high technology and new growth sectors. Educational attainment is improving year by year – 2005 was a record year for A-level and GCSE performance.

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Population

4.12 Table 4.1 shows past trends in the overall population and number of households in the Sheffield and Rotherham HMA, drawing on ONS and DCLG estimates. The population of Sheffield and Rotherham has declined overall since 1981. The greatest falls in population were during the earlier part of this period with sustained and significant population loss to 1991 and to a lesser degree between 1994 and 2001. Since 2001 the population has started to increase year on year.

4.13 The most recently released projections[6] indicate a likely rise in population of some 42,600 persons between 2007 and 2029; these revised figures indicate much lower projections than the previous figures. The revised projections underline importance of

[6] ONS Revised Population Projections 2007

continuing to monitor trends and projections. The implications of population growth for the future housing market are discussed in Chapter 5.

Table 4.1 Population and households in Sheffield and Rotherham HMA, 1981-2007

Year	Mid-year Population	% Change on previous year	Mid-year Households	% Change on previous year	Ave Housheold Size
1981	800,700	-	302,000	-	2.65
1982	798,400	-0.29	304,000	0.66	2.63
1983	795,000	-0.43	305,000	0.33	2.61
1984	791,500	-0.44	307,000	0.66	2.58
1985	789,100	-0.30	307,000	0.00	2.57
1986	783,500	-0.71	308,000	0.33	2.54
1987	780,200	-0.42	310,000	0.65	2.52
1988	775,700	-0.58	312,000	0.65	2.49
1989	774,900	-0.10	314,000	0.64	2.47
1990	774,500	-0.05	317,000	0.96	2.44
1991	773,800	-0.09	319,000	0.63	2.43
1992	774,100	0.04	320,000	0.31	2.42
1993	774,200	0.01	321,000	0.31	2.41
1994	771,500	-0.35	320,000	-0.31	2.41
1995	768,600	-0.38	319,000	-0.31	2.41
1996	769,000	0.05	320,000	0.31	2.40
1997	767,600	-0.18	320,000	0.00	2.40
1998	766,600	-0.13	320,000	0.00	2.40
1999	764,200	-0.31	318,000	-0.63	2.40
2000	761,600	-0.34	319,000	0.31	2.39
2001	761,400	-0.03	320,000	0.31	2.38
2002	763,300	0.25	322,000	0.63	2.37
2003	764,300	0.13	324,000	0.62	2.36
2004	768,700	0.58	327,000	0.93	2.35
2005	775,200	0.85	NA	NA	NA
2006	779,100	0.50	NA	NA	NA

Sources: ONS mid-year population estimates, DCLG household estimates. NA Data not yet available

4.14 The average household size in the HMA has fallen from 2.65 persons in 1981 to 2.35 persons in 2004.

4.15 Although population has fallen there are 25,000 more households in 2004 compared to 1981. With the exception of a plateau in the mid-1990s, the number of households has risen more or less continuously since 1981; reflect the increasing propensity to live in smaller household units among other things.

4.16 Table 4.2 shows the breakdown of population change in the HMA, showing the respective contribution of natural change (births and deaths) and migration over the period from 1991 to 2006. The rate of growth through in-migration has been a significant component of population change since 2001. From 1991 to 2001 there was significant out-migration but this trend has now been reversed.

4.17 Natural population change has had a positive effect on population numbers throughout the period although natural change fell from 1992 to zero by 2001. Since then natural change has increasingly contributed to the growth of the population.

Table 4.2 Components of population change

Year	Natural change	Migration	Total change
1991	1,300	-1,000	400
1992	1,300	-1,200	100
1993	700	-3,400	-2,600
1994	900	-3,800	-3,000
1995	300	100	400
1996	200	-1,600	-1,400
1997	200	-1,300	-1,000
1998	500	-2,700	-2,400
1999	200	-3,000	-2,700
2000	300	-400	-200
2001	0	1,800	1,900
2002	200	800	900
2003	700	3,600	4,400
2004	1,100	5,400	6,500
2005	1,500	2,400	3,900

Source: ONS

4.18 Table 4.3 shows migration by occupational type. This shows that there are relatively high net inflows of students compared to other occupational types reflecting the draw of Sheffield's two Universities.

4.19 Managerial and professional groups generally tend to be over represented among migrants. Out migration is highest from this group with a greater proportional outflow from those in the higher managerial and professional groups.

4.20 All the occupational types representing those in employment show a net out flow. However there has been a small net inflow of those who have never worked or are long term unemployed. Collectively these statistics suggest the ongoing importance of higher education to the population base of the HMA and to the importance of strategies to retain more graduates once they enter employment.

Table 4.3 Migration by occupational type

	Did not move or moved within LA	Moved in from within UK	Moved out to within UK	Net moves in from UK	Net moves as % of non-movers/movers within LA
Higher managerial and professional	21968	855	1123	-268	-1.2
Lower managerial and professional	42544	1046	1359	-313	-0.7
Intermediate	16198	319	369	-50	-0.3
Small employers and own account workers	19005	210	283	-73	-0.4
Lower supervisory and technical	22968	251	312	-61	-0.3
Semi-routine	29840	355	395	-40	-0.1
Routine	29290	294	316	-22	-0.1
Never worked or long-term unemployed	10279	195	183	12	0.1
Full-time students	3329	539	372	167	5.0
Total	195421	4064	4712	-648	2.0

Source: 2001 Census. Note: the table excludes moves to and from areas outside the UK

4.21 Table 4.4 shows the age breakdown of the population of Sheffield and Rotherham in 2001 and the projected composition in 2007. This shows, in line with the regional picture, a fall in the proportion of children under 15, a rise in the 15 to 29 age band a fall in the proportion of 30 to 44 year olds and an increase in the 45 to 64 age bands. The over 65 age group shows a slight fall in contrast to a slight rise for the region. Overall the population of Sheffield and Rotherham has a lower proportion of children than the region and a slightly higher proportion of people in the 16 to 29 age band.

Table 4.4 Age structure of the population 2001 and 2007

Age Group	Sheffield & Rotherham		Yorkshire and the Humber	
	2001	2007	2001	2007
0 - 14	18.5	17.1	19.1	17.6
15 - 29	19.9	21.9	18.8	20.2
30 - 44	22.1	20.8	22.0	20.7
45 - 64	23.3	24.2	23.9	25.2
65 +	16.1	16.0	16.1	16.2
Total	100.0	100.0	100.0	100.0

Source: 2001 Census, ONS sub-national population projections

Households

4.22 There are approximately 332,100 households in Sheffield and Rotherham (2006 figures), and an increase of around 11,900, or 3.7 per cent, since 2001.

4.23 Table 4.5 shows the changing composition of households in 2001 together with the projected composition in 2006. During this period, the number of couple households has increased slightly (with a fall in the number of married couples compensated by increases in cohabiting couples). Lone parent, multi-person and one person households have all increased both in absolute terms and as a proportion of the overall population. The composition of households in 2006 differed to the region as a whole with a higher proportion of single person households;

fewer lone parents and a greater proportion of multi person households.

Table 4.5. Household composition 2001 and 2006

Household type	Number of households		Proportion of households in HMA (%)		% Change 2001-2006	Proportion of households in Yorkshire & the Humber 2006 (%)
	2001	2006	2001	2006		
Married Couple	149000	142500	46.5	42.9	-4.4	44.7
Cohabiting Couple	29300	35900	9.2	10.8	22.5	10.5
Lone Parent	22700	25400	7.1	7.6	11.9	7.8
Other Multi-Person	22800	24600	7.1	7.4	7.9	6.1
One Person	96300	103600	30.1	31.2	7.6	30.8
All Households	320200	332100	100.0	100.0	3.7	100.0

Source, 2001 Census, ONS sub-national population projections. Columns may not add to 100% due to rounding.

Economic Profile

4.24 The Sheffield and Rotherham HMA has experienced recent economic growth with the area providing the major economic driver within South Yorkshire.

Table 4.6. Number of employees working in Sheffield & Rotherham by district of residence, 2001

District of residence	Number of employees working in Sheffield	Percentage of employees working in Sheffield
Sheffield	183071	74.8
Rotherham	23141	9.5
North East Derbyshire	9992	4.1
Barnsley	7135	2.9
Doncaster	3724	1.5
Chesterfield	2754	1.1
Bassetlaw	1891	0.8
Derbyshire Dales	1664	0.7
Bolsover	1323	0.5
Leeds	924	0.4
All employees in Sheffield	244875	

District of residence	Number of employees working in Rotherham	Percentage of employees working in Rotherham
Rotherham	65512	69.3
Sheffield	9974	10.6
Doncaster	6406	6.8
Barnsley	5025	5.3
Bassetlaw	1594	1.7
North East Derbyshire	1199	1.3
Bolsover	535	0.6
Wakefield	480	0.5
Chesterfield	468	0.5
Leeds	348	0.4
All employees in Rotherham	94527	

Note: only the first ten districts shown. Data source: Census 2001

4.25 The economies of Sheffield and Rotherham draw in workers with Sheffield providing the majority of employee jobs. As Table 4.6 shows, the vast majority of employees working in HMA also live in the Sheffield or Rotherham districts.

4.26 Both parts of the HMA draw in employees from surrounding districts with Rotherham having greater numbers of commuters from Doncaster and Sheffield higher numbers from North East Derbyshire and Barnsley. The net flow of commuters within the HMA is from Rotherham to Sheffield.

4.27 The work flow pattern into Sheffield has implications for the housing offer across the HMA. An improved housing offer in Sheffield could have an impact on both the Rotherham part of the HMA and adjacent markets with linkages to Sheffield. An improved housing offer, combined with increasing costs of longer distance commuting, may lead to increasing numbers of those employed in Sheffield staying within or returning to live in the city.

4.28 Some 75% of the working age population was economically active (Table 4.7), a lower proportion than in the region as a whole. The male activity rate (81%) is significantly higher than the female rate (68%) but both are below that for the region and Great Britain. The proportion of people in employment who were self employed was higher than for the region. Overall unemployment however was significantly higher than for the region.

Table 4.7 Economically active population 2006

People of working age population (2006)	Sheffield & Rotherham (persons)	Proportion of working age population (%)		
		Sheffield & Rotherham	Yorkshire & The Humber	Great Britain
All People				
Economically Active	353,600	74.8	77.8	78.4
In Employment	327,500	69.2	73.4	74.1
Employees	294,600	90.0	64.9	64.3
Self Employed	31,900	9.7	8.2	9.4
Unemployed	26,100	7.4	4.4	4.3
Males				
Economically Active	201,500	80.7	82.9	83.2
In Employment	184,700	73.9	77.7	78.4
Employees	160,400	86.8	65.2	64.5
Self Employed	24,000	13.0	12.1	13.5
Unemployed			5.2	4.8
Females				
Economically Active	152,100	68.2	72.4	73.3
In Employment	142,800	64.0	68.9	69.6
Employees	134,300	94.0	64.5	64.1
Self Employed	7,900	5.5	4.0	5.0
Unemployed			3.5	3.7

Source: NOMIS, derived from ONS annual population survey. *numbers are for those of working age, % are for those of working age (16-59/64);

4.29 Table 4.8 shows employment by occupation in 2006. The Sheffield and Rotherham HMA has a slightly lower representation than the region of employees in professional and managerial jobs (37.1% of employees compared to 37.5% in the region). The HMA has a higher proportion of employees than the region in elementary occupations indicating a low wage base.

Table 4.8 Employment by occupation 2006

Standard Occupational Classification (SOC)	Sheffield & Rotherham (No.)	Sheffield & Rotherham (%)	Yorkshire and The Humber (%)	Great Britain (%)
SOC groups 1 – 3	**124,800**	**37.1**	**37.5**	**42.3**
1 Managers and senior	39,000	11.6	13.2	15.0
2 Professional occupations	42,700	12.7	11.4	13.0
3 Associate professional & technical	43,100	12.8	12.8	14.3
SOC groups 4-5	**77,300**	**23.0**	**23.3**	**23.0**
4 Administrative & Secretarial	38,000	11.3	11.4	12.1
5 Skilled trades occupations	39,300	11.7	11.9	10.9
SOC groups 6-7	**55,300**	**16.4**	**16.6**	**15.7**
6 Personal service	27,700	8.2	8.4	8.0
7 Sales and customer service	27,600	8.2	8.2	7.7
SOC groups 8-9	**77,800**	**23.1**	**22.4**	**18.7**
8 Process plant & machine operatives	31,100	9.3	9.3	7.3
9 Elementary occupations	46,700	13.9	13.2	11.4

Source: NOMIS, derived from ONS annual population survey. Notes: Numbers and % are for those of age 16+. Percentages are of all persons in employment

4.30 As Table 4.9 indicates, around 23% of the working age population are educated to degree level or higher. There are 15% of the working age population with no qualifications, a higher proportion than for Great Britain but slightly below the proportion for the region. Qualification levels differ from the regional profile however with a greater proportion of residents with higher level qualifications. This is partly due to the number of students in the area highlighting both the potential the housing market area has in terms of skilled residents, but also the need to retain skilled graduates once they enter employment. However levels are still lower than for Great Britain.

Table 4.9 Qualifications 2007

Qualification level	Sheffield & Rotherham (No.)	Sheffield & Rotherham (%)	Yorkshire and The Humber (%)	Great Britain (%)
NVQ4 and above	110,200	23.3	22.7	27.4
NVQ3 and above	199,000	42.1	41.4	45.3
NVQ2 and above	280,200	59.2	60.7	63.8
NVQ1 and above	363,800	76.9	76.3	77.7
Other qualifications	40,400	8.5	8.3	8.5
No qualifications	68,400	14.5	15.3	13.8

Source: NOMIS, derived from ONS annual population survey. Notes: NVQ1 is equivalent to fewer than 5 GCSEs at grades A-C; NVQ2 is equivalent to 5 or more GCSEs at grades A-C; NVQ3 is equivalent to 2 or more A Levels; NVQ4 is equivalent to HND or Degree level. Numbers and % are for those of working age. Percentages are of the total working age population.

Earnings and incomes

4.31 The previous section highlighted some of the characteristics of the Sheffield and Rotherham labour force. From a housing market perspective this is important because of the effect it has on earnings and incomes, and consequently on the nature of demand for housing (especially the affordable housing requirement).

4.32 Table 4.10 shows earnings for full time-employees in the HMA in 2007, drawn from the Annual Survey of Hours and Earnings. The median gross weekly pay for full-time employees in Sheffield was £427 per week and in Rotherham £422 per week. While both these levels are lower than for Great Britain, levels in Sheffield are above, and levels in Rotherham below, the regional average. This picture is repeated across the two districts for both male and female workers.

Table 4.10 Earnings – residence based (2007)

	Median gross earnings, £			
	Sheffield	Rotherham	Yorkshire and The Humber	Great Britain
Gross weekly pay				
Full-time workers	427.4	422.3	425.0	459.0
Male full-time workers	481	440.6	470.0	500.7
Female full-time workers	361.3	344	355.5	394.8
Hourly pay				
Full-time workers	10.7	10.4	10.53	11.50
Male full-time workers	11.6	10.8	11.15	12.17
Female full-time workers	9.9	9.1	9.49	10.48

Source: ONS Annual Survey of Hours and Earnings. Note - median earnings in pounds for full-time employees living in the area

The current housing stock

4.33 The housing stock in Sheffield and Rotherham comprises a lower proportion of detached properties than for the region (Table 4.11). Semi-detached properties – of which there are around 136,000 – form the numerical majority with the proportion (41.1%) higher than that of the region. There is a proportionally lower stock of terraced housing (around 88,800). In 2001, 15.7% of the stock was flatted accommodation, a significantly higher proportion than for the region (12.7%).

4.34 Within the HMA it is also relevant to consider the distribution of this stock with concentrations of smaller properties – terraced homes and apartments within the Sheffield area while family type housing is present in a greater proportion in Rotherham.

Table 4.11 Property type profile

Property Type	Sheffield & Rotherham (No.)	Sheffield & Rotherham (%)	Yorkshire & Humber (%)
All Occupied Household Spaces	331,160	100	100.0
In an Unshared Dwelling	330,105	99.7	99.7
House or Bungalow: Detached	53,160	16.1	20.2
House or Bungalow: Semi-detached	136,023	41.1	37.5
House or Bungalow: Terraced	88,793	26.8	29.1
Flat, Maisonette or Apartment	51,938	15.7	12.7
Caravan or Other Mobile or Temporary Structure	191	0.1	0.2
In a Shared Dwelling	1,055	0.3	0.3

Source: 2001 Census

4.35 SAP ratings provide an indication of the energy efficiency of homes. They take the form of an index of the annual cost of heating a dwelling to achieve a standard heating regime where 1 is the most inefficient and 100 is highly efficient. It is dependent on both heat loss from the dwelling and the performance of the heating system. For some districts no data is available.

4.36 Where the SAP rating of a property is below 30, around 30% of households are in fuel poverty, whilst fuel poverty is almost eliminated in houses which are energy efficient. Generally socially rented housing tends to be energy efficient and this has improved in recent years due to the government's decent homes policy targeting these houses as part of their fuel poverty strategy. The private rented sector tends to include some of the worst housing conditions.

4.37 In terms of average local authority SAP ratings for South Yorkshire districts, Rotherham exceeded the England average and Sheffield was higher than this achieving the 'efficient' rating. For owner occupied and privately rented housing, Sheffield fell below the England average and had a drop in its overall SAP ratings between 2003 and 2006 inclusive. Rotherham saw strong improvements in its overall SAP ratings since 2003, exceeding the England average for its owner occupied and privately rented housing in 2006 with Rotherham achieving the 'efficient' rating for this type of housing.

Tenure

4.38 Owner occupation is the dominant tenure in the HMA although with around 62% of households owning or buying their own home, this represents a considerably smaller share than the regional average (just under 68%) (Table 4.12). Conversely, nearly 93,000 households rented from a social landlord in 2001, representing 29% of households – significantly higher than the regional average of 21%.

4.39 Levels of private renting in Sheffield and Rotherham (7.6%) are lower than the regional average of 9.1%. However, local stakeholders indicate that levels of private renting have increased in the housing market area since 2001 alongside a fall in the proportion of social rented homes.

Table 4.12 Tenure profile

Tenure of household	Sheffield & Rotherham (No.)	Sheffield & Rotherham (%)	Yorkshire & Humber %
Owned	197,742	61.8	67.6
Social Rented	92,890	29.0	21.0
Private rented	24,330	7.6	9.1
Living rent free	4,939	1.5	2.3
Total	319,901	100	100

Source: 2001 Census.

Vacant dwellings

4.40 Levels of vacant dwellings are a key indicator of the strength of the housing market. Vacancy data is always difficult to interpret, as there are frequent variations which are difficult to account for except by changes in the way that data is collected. Table 4.13 shows the number of vacant dwellings in the Sheffield and Doncaster stock by broad tenure group.

Table 4.13 Vacant dwellings 2003-2006

Year ending April	Proportion of properties vacant (%)				Proportion of Private Sector properties vacant for more than 6 months (%)
	Social Rented	Other Public Sector	Private Sector	All housing	
2003	3.54	0.55	3.89	3.79	1.84
2004	2.89	0.69	2.93	2.92	1.66
2005	2.19	0.00	3.26	2.98	1.61
2006	2.13	0.00	2.01	2.04	1.22

Source: HSSA

4.41 The overall vacancy rate has fallen year on year since 2003. Vacancies in the social rented stock have fallen from 3.5% in 2003 to 2.1% by 2006 reflecting increased demand for social rented homes and the improvements that have been brought about through Market Renewal.

4.42 Private sector vacancies have fluctuated to a greater degree and (apart from in 2006) have been higher than levels in the social rented sector. Long term vacancies in the private sector have fallen year on year.

4.43 Data for vacancies is not readily available below local authority level, but ONS has recently published data on vacancy levels for Census wards which gives an indication of variations. Table 4.14 shows the results for Sheffield. This data is not available via Neighbourhood Statistics for Rotherham.

4.44 The data shows vacancy levels in Sheffield are higher than for the whole HMA. Within Sheffield there are wards with very high concentrations of vacancies. This is most marked in Chapel Green (15%) but the wards of Netherthorpe (8%), Manor (7%) and Burngreave (6%) all had vacancy levels over six percent.

Table 4.14 Vacancy rates by Census ward 2005

Ward	Vacant dwellings		Long term vacant dwellings	
	Number	% of all dwellings	Number	% of all dwellings
Beauchief	251	3	99	1.2
Birley	268	3.3	93	1.1
Brightside	222	3.1	100	1.4
Broomhill	330	5.2	181	2.9
Burngreave	425	6.4	254	3.8
Castle	943	14.8	500	7.8
Chapel Green	281	2	125	0.9
Darnall	334	4.1	181	2.2
Dore	265	3	124	1.4
Ecclesall	230	2.9	115	1.4
Firth Park	318	4.3	178	2.4
Hallam	219	2.7	98	1.2
Handsworth	185	2.2	67	0.8
Heeley	359	4.4	178	2.2
Hillsborough	253	3.1	116	1.4
Intake	158	1.9	50	0.6
Manor	387	6.9	124	2.2
Mosborough	280	1.9	106	0.7
Nether Edge	386	5.5	228	3.2
Nether Shire	169	2.4	53	0.8
Netherthorpe	712	8.1	290	3.3
Norton	321	4.4	86	1.2
Owlerton	236	3.6	89	1.3
Park	336	5.4	57	0.9
Sharrow	425	5.5	264	3.4
Southey Green	319	5.4	56	1
South Wortley	196	2.8	99	1.4
Stocksbridge	170	2.8	91	1.5
Walkley	270	3.3	125	1.5
Sheffield	9248	4	4127	1.8

Source: ONS. Note: 'long term' refers to vacancies of 6 months or longer.

New dwelling supply

4.45 Table 4.15 shows levels of new dwelling provision in Sheffield and Rotherham since 1998. The period shows an average of 1,602 completions a year with 1,501 of these private sector completions. Housing association completions have reduced since 2002.

4.46 The table also shows an average annual provision of new affordable housing of around 199 units, (including acquisitions as well as completions) nearly all of these being provided by social landlords.

Table 4.15 Dwelling completions

Year	Completions				New Affordable Completions / Acquisitions	
	Private Sector	Registered Social Landlords	Local Authority	All	LA/RSL	Private
1998/99	921	189	0	1110	259	0
1999/00	942	363	0	1305	293	70
2000/01	1462	129	0	1591	283	0
2001/02	1609	110	4	1723	186	0
2002/03	1919	43	0	1962	87	5
2003/04	1514	32	0	1546	308	67
2004/05	1940	7	0	1947	53	0
2005/06	1467	0	0	1467	166	0
2006/07	1731	32	0	1763	157	1
Average	1501	101	0	1602	199	16

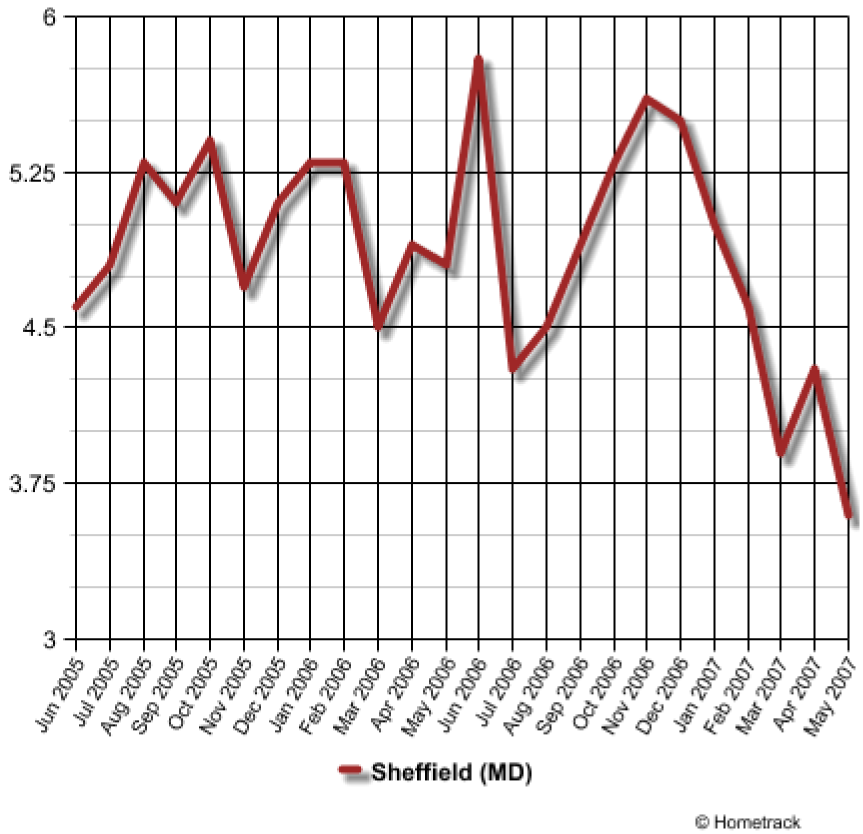
Source: DCLG, HSSA returns

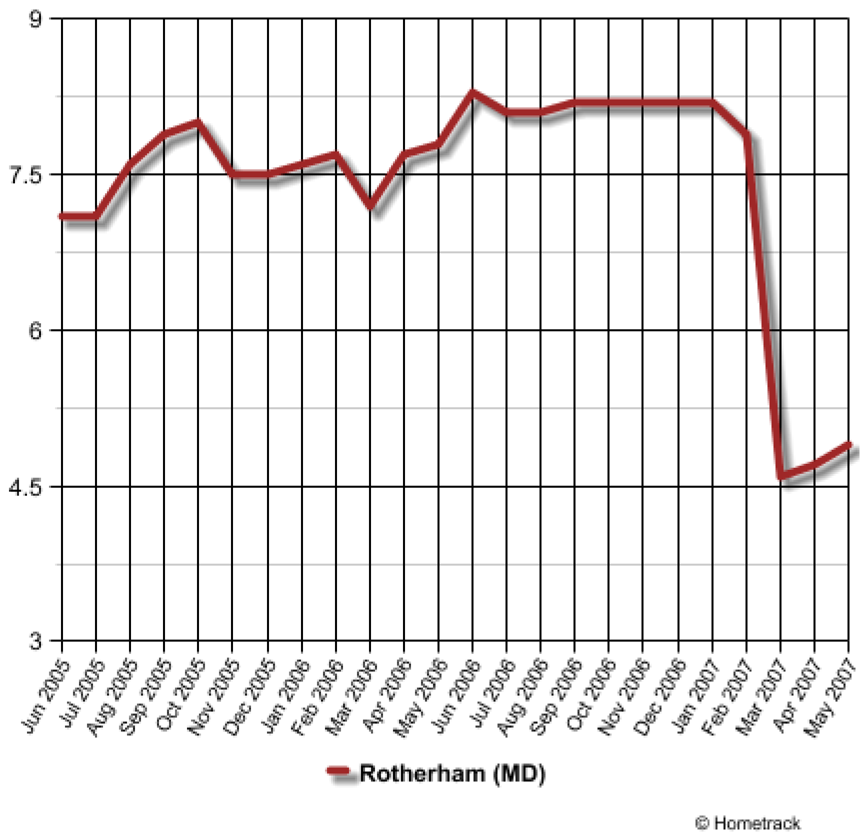
Property sales and market prices

4.47 Residential property takes on average just over three weeks to sell in Sheffield and nearly five weeks in Rotherham (as at May 2007).[7] The trend shown in Figure 4.1 shows a greater fluctuation in market to completion times in Sheffield compared to the Rotherham part of the HMA. Both districts show a significant reduction in the time to sell in 2007, with this trend starting slightly earlier (late 2006) in Sheffield.

[7] Source: Hometrack.

Figure 4.1 Average Time to Sell (weeks)

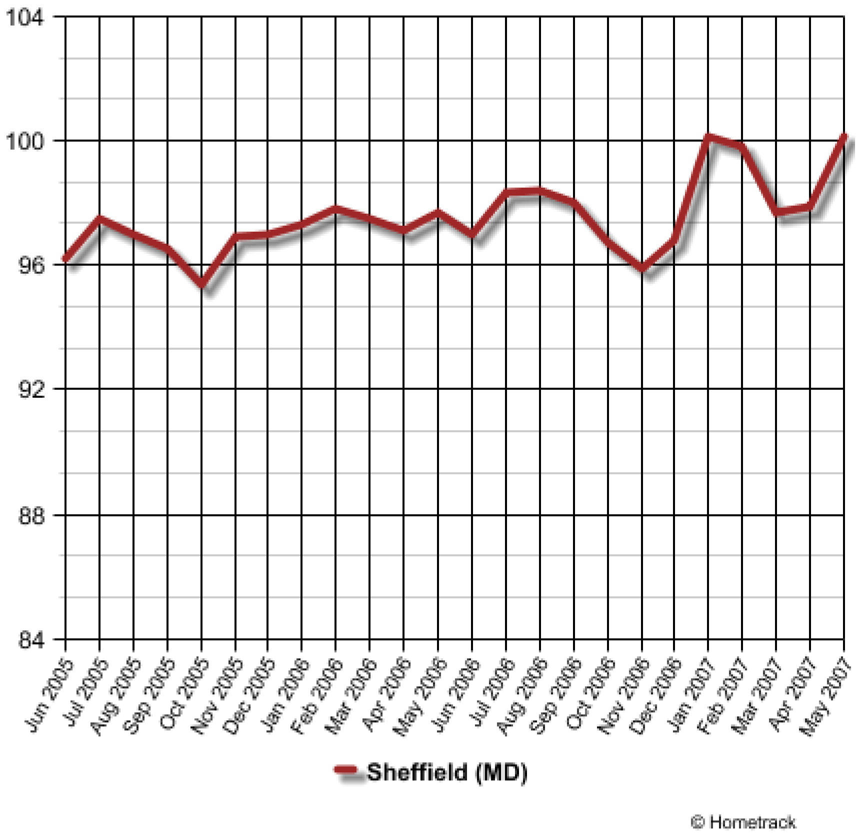


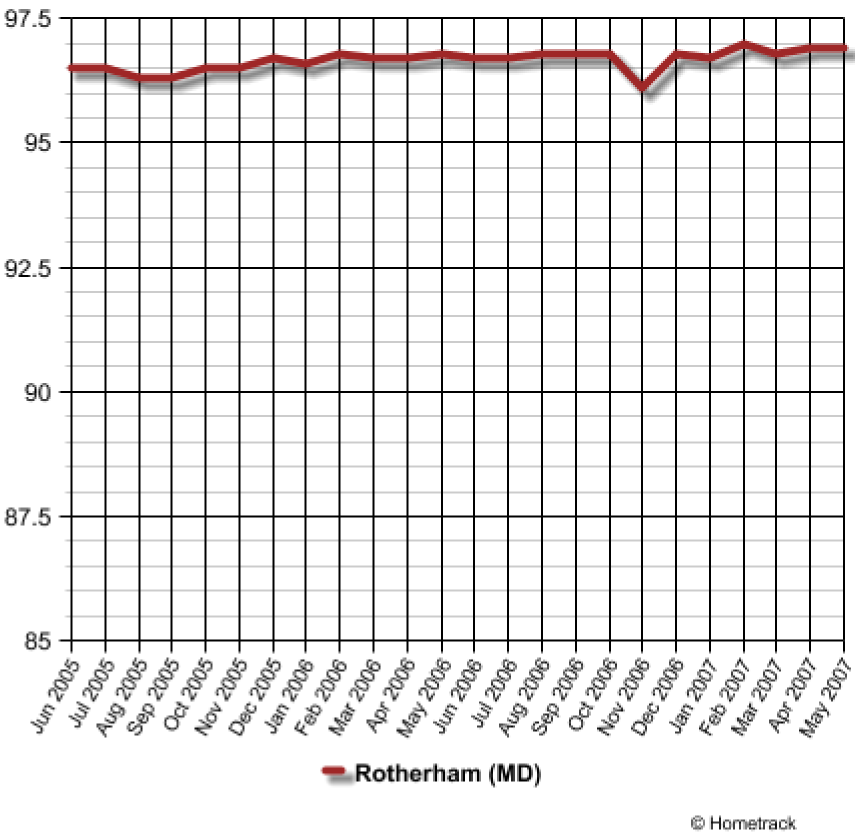


Source: Hometrack

4.48 An alternative measure of the strength of the local housing market is the average sale price to asking price ratio. At May 2007, this was relatively high for the HMA standing at over 100% in Sheffield and 97% in Rotherham. While seasonal fluctuations can be discerned the overall trend has been for a strengthening in this ratio indicating, until that time, the continued strength of the market.

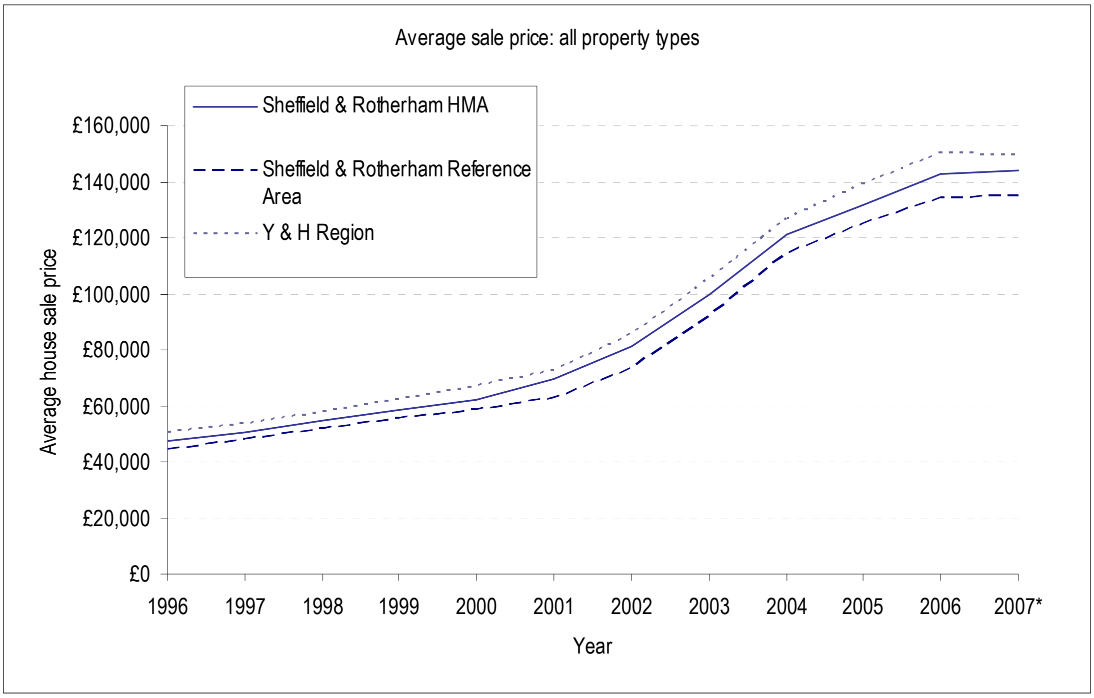
Figure 4.2. Sale to Asking Price Ratio





Source: Hometrack

Figure 4.3. Average sale price for all residential property sales 1996-2007*



Note: *2007 data are for Quarter 1 only and are provisional. Source: HMLR.

4.49 The average sale price for properties in Sheffield and Rotherham continues to follow that for the region with a strong trend of increase since 2001 levelling out from 2006 (Figure 4.2).

4.50 The average sale price of a residential property in the Sheffield and Rotherham HMA stands at just over £140,000 (Figure 4.3). Prices in the wider reference area are around £5,000 lower on average. In price terms however, Sheffield and Rotherham as well as the wider reference area are consistently lower than the regional average. In part this reflects the current make up of the stock as well as the relative pricing structure.

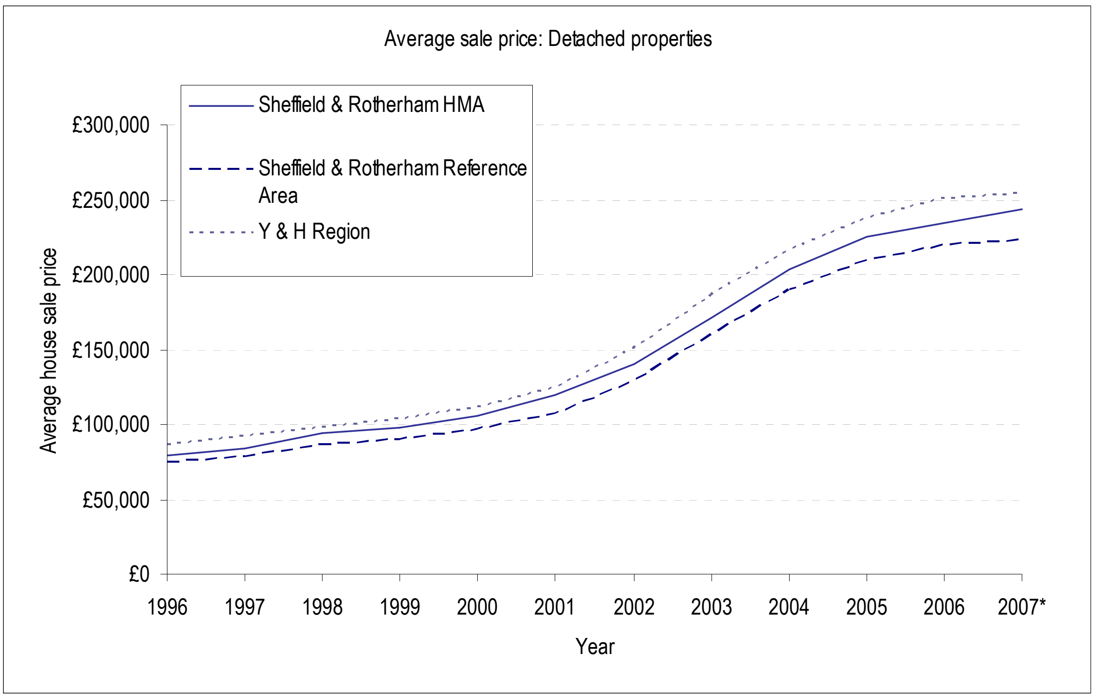
4.51 As shown in the additional charts at Appendix 1 the growth for all property types has been consistently lower than that for the region, although following a similar overall trend.

4.52 Figure 4.4 shows how prices for detached dwellings in Sheffield and Rotherham follow a similar trend to that for all properties in relation to the reference area and the region. However since 2005 there has been a faster increase in the sales value of detached properties than in the reference area or the region narrowing the differential between the price of detached properties in the HMA compared to the region.

4.53 Over recent years, flatted properties have accounted for an increasing proportion of residential property transactions (Figure 4.5) from 3.3% of sales in 1996 to 12.6% of all sales by 2006

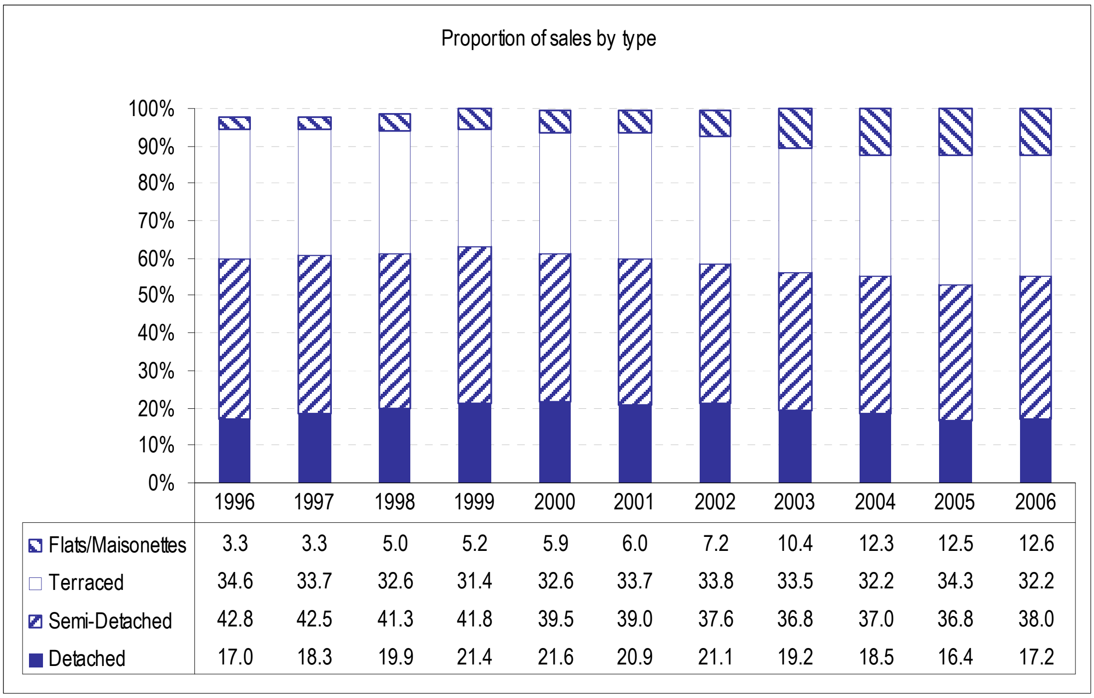
4.54 There was an increased proportion of detached sales between 1999 and 2002 but levels by 2006 were similar to a decade earlier. There has been a slight fall in the proportion of sales of semi-detached and terraced homes over the period.

Figure 4.5 Average sale price for detached houses 1996-2007*



Note: *2007 data are for Quarter 1 only and are provisional. Source: HMLR.

Figure 4.6. Proportion of sales by type



Note: Columns do not always add to 100% because of sales of unknown type. Source data: HMLR.

Affordability

4.55 In line with the national housing market, prices have risen and affordability worsened throughout the HMA as it has in much of the region. The lower quartile affordability ratios have increased significantly in both districts.

Table 4.16 Lower Quartile Affordability Ratio

DCLG Ratio

Sheffield

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Lower Quartile House Price	34,950	35,000	36,000	37,950	41,000	48,500	62,000	78,950	87,250	96,500
Lower Quartile Income	11,573	11,986	12,245	12,566	13,399	13,547	15,423	16,014	15,307	16,030
Ratio	3.02	2.92	2.94	3.02	3.06	3.58	4.02	4.93	5.70	6.02

Rotherham

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Lower Quartile House Price	30,500	30,338	35,984	34,950	36,000	39,500	50,000	66,950	78,663	85,000
Lower Quartile Income	11,553	12,694	12,408	11,969	12,721	13,390	16,129	15,903	15,128	14,965
Ratio	2.64	2.39	2.90	2.92	2.83	2.95	3.10	4.21	5.20	5.68

Source: DCLG

Summary of key points – Current Housing Market

- An ongoing process of economic transformation is underway to tackle the legacy of industrial upheaval and decline with significant resources invested in the area to support economic regeneration and transformation of the housing market. The HMA is the major economic driver for South Yorkshire.

- The Transform HMR Pathfinder is starting to raise housing demand and improve the wider environment in previously low demand neighbourhoods.

- There has been overall population decline since 1981 however since 2001 the population has started to increase year on year. In migration is a significant component of this although natural change has also had a positive affect. However, despite population falls the trend in reduction of household size means there were 25,000 more households in 2004 compared to 1981.

- There are major higher education institutions in the HMA and there is an ongoing importance of higher education to the population base of the HMA with strategies for graduate retention a vital element. The population structure is slightly younger than that for the region.

- The representation of employees in professional and managerial jobs is below that for the region with a higher proportion of employees in elementary occupations indicating a low wage base.

- The stock profile has a lower proportion of detached properties and a significantly higher proportion of flats than the region as a whole.

- Owner occupation levels are considerably below the average for the region with a significantly higher proportion of households in social rented homes. The private rented sector is smaller than across the region.

- Vacancy levels have fallen since 2003 with a strong trend in falling vacancies in the social rented stock. However there remain wards with very high concentrations of vacancies within the HMA.

- Average sales prices for the HMA and the wider reference area are below those for the region – but broadly follow the regional trend of increase since 1996. Flatted account for an increasing proportion of residential property transactions.

- Affordability ratios have increased significantly across the HMA over the last decade.

5. Future housing market

5.1 This section of the SHMA considers likely future trends in the housing market. Of course, the impact that national policy or future macroeconomic conditions might have on the housing market cannot be predicted. However, an assessment can be made of the likely direction of change of local market drivers, especially economic and demographic.

Economic drivers

5.2 The Strategic Economic Assessment (SEA) sets out that South Yorkshire has moved from a period of stabilisation to one of economic revival. Across a range of social and economic indicators, both Sheffield and Rotherham have demonstrated improvement and growth.

5.3 In Sheffield, employment growth has been good, with 10% growth between 2000-2004 (an additional 21,494 jobs from the 224,529 in 2000), and this has exceeded both the regional (7%) and national (3%) growth levels. In terms of Gross Value Added (GVA), the gap is beginning to narrow between Sheffield and the region, although the gap with the national average remains substantial and continues to widen. In the last few years, Rotherham has seen increases in employment levels and Gross Value Added (GVA) as well as improvements with regard to business formation and survival rates.

5.4 In Sheffield there has been growth in financial and business services, one of the key sectors which has driven national economic growth and considered to be a key component of a more modern economy. A significant factor behind increased performance in Rotherham is the large level of investment that has been made in the Dearne Valley, a sub regional asset which attracts its workforce from across the sub region. The Dearne Valley has been one of success stories of the last five years, with early infrastructure investment now resulting in a major employment location of regional significance.

5.5 However, not all communities in Sheffield or Rotherham have been successful in accessing the benefits of economic growth. Some 40% of Sheffield's residents live in the most 20% deprived communities nationally as measured by the 2004 Index of Multiple Deprivation.

5.6 The SEA outlines that in the HMA there has traditionally been an historical reliance on large employers, and a weak enterprise culture. Closing this enterprise gap and increasing the number of new businesses is a key priority within the HMA.

5.7 The SEA also identifies a need to address skills within the HMA, improving educational attainment to meet the needs of an increasingly knowledge driven economy. Removing barriers to employment and targeting worklessness and associated social exclusion also remain key issues for the HMA.

Demographic drivers

5.8 The population of the HMA is expected to grow. The 2004 based population projections indicated that the number of inhabitants in the borough was expected to rise by 62,400 persons between 2007 and 2029.[8] although more recent updates to these projections[9] indicate more modest growth of 46,200 to 2029.

5.9 The major part of this growth will be accounted for by the rise in the over-65 age group. Over 45,000[10] additional persons in this age bracket are projected by 2029. There is a projected fall in the 15-29 group, although all other age bands are forecast to grow.

5.10 ONS data on migration is reliant on NHS registration data and may not fully capture groups who tend not to register with a doctor, especially younger people. ONS are

[8] ONS: 2004 based sub national population projections.
[9] ONS Revised population projections 2007
[10] ONS: 2004 based sub national population projections

constrained to ensure that local migration estimates are consistent with national totals, but these may not in themselves be accurate.

5.11 There has been a high level of in migration from abroad to the UK in recent years as a result of asylum seekers and refugees, and more recently economic migration from the new EU accession countries such as Poland and Slovakia. While the ONS data reported above does seek to capture migration changes the figures reported above may not fully reflect recent change associated with migration of those groups least likely to register with a doctor. There were over 6,000 national insurance registrations in the SHMA in 2006-07, for example (as discussed later in this section).

Figure 5.1 Projected population growth by age group

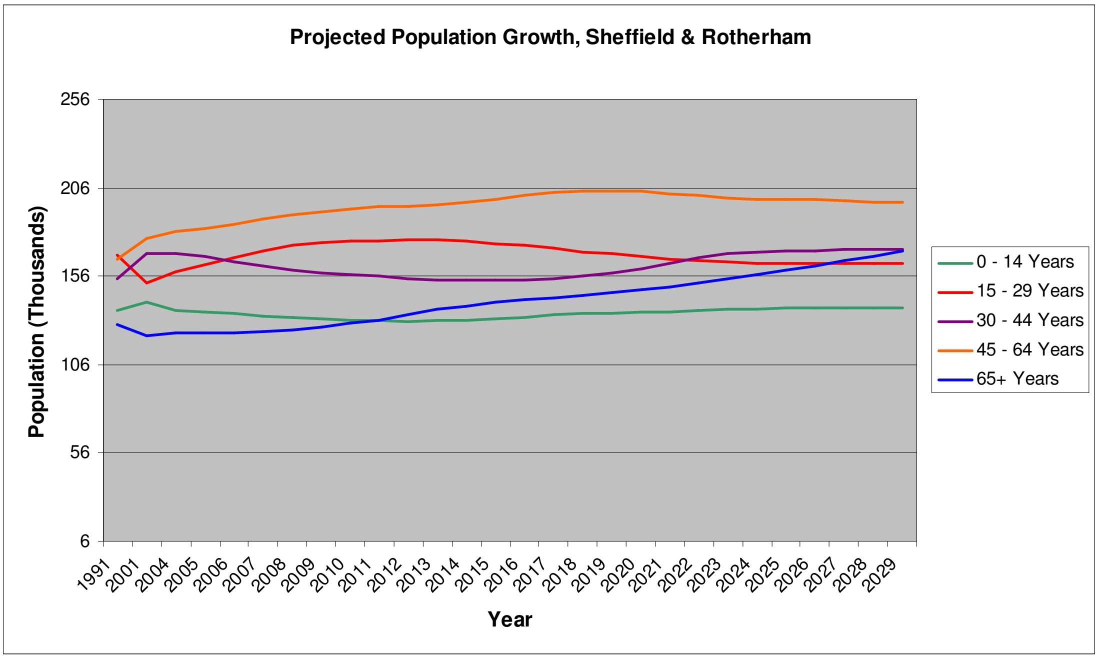
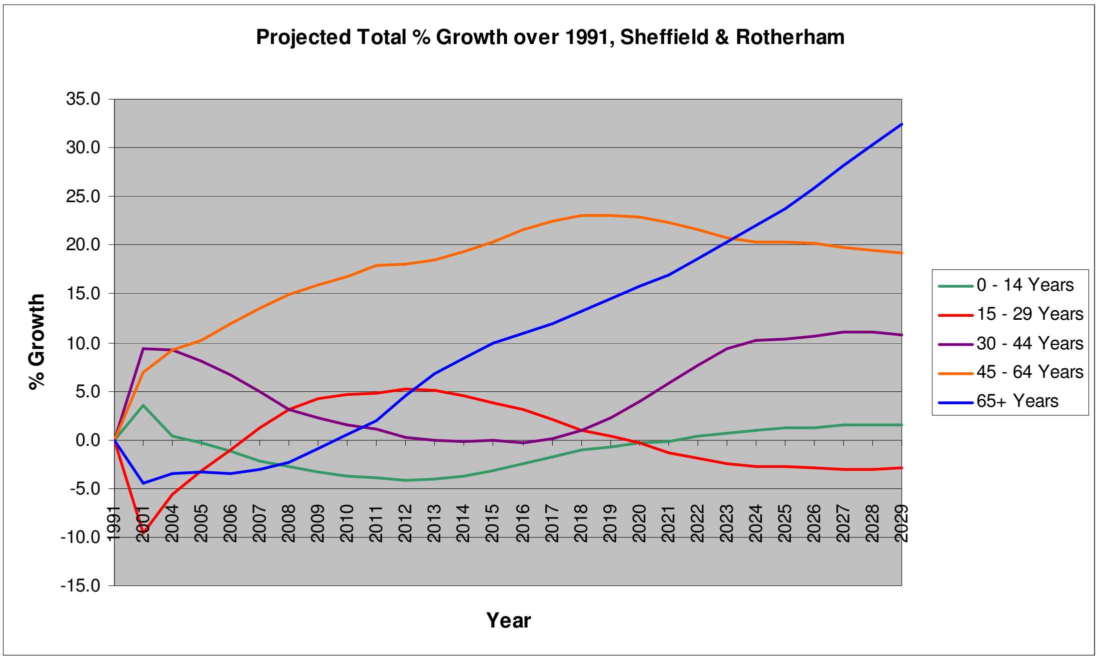


Figure 5.2 Projected population growth by age group expressed as percentage change since 1991



5.12 Population projections are based on demographic and migratory trends that are apparent at the time that the projection is made. In this sense, although they are 'policy off', they reflect the operation of current policy and market conditions. If there were to substantially change then the future robustness of projections becomes open to question.

5.13 Furthermore, the way that the population organises itself into households and thus expresses demand in the housing market is also subject to variability. For this reason, household projections are even more sensitive to future policy and market change than population projections. Demand can be influenced by the market and householders' perceptions of supply, and this should be borne in mind when interpreting household projections.

5.14 Such projections form the principle basis for the assessment of likely future housing requirements in the region. To these projections are added further information on anticipated economic growth.

Table 5.1. Household projections and RSS net housebuilding targets, 2008–2026

Area	2004 based household projections (revised Feb 08)					RSS Targets	
	Annual rate				Total 2008 - 26	Annual rate	Total 2006-26
	2008-2011	2011-2016	2016-2021	2021-2026		2008-2026	
Sheffield Rotherham HMA	2,400	3,000	2,200	2,200	44,200	2,585	46,530
Sheffield Rotherham Reference Area (exc E Mids)	4,400	5,000	4,200	4,000	79,200	4,830	86,940
Yorkshire & Humber Region	24,000	25,400	22,800	20,800	417,000	22,260	400,680

5.15 According to the most recent sub-national household projections[11] the Sheffield and Rotherham HMA can expect an additional 44,200 households in the period 2008–2026. The revised figures are lower than previous projections. The recommended net housebuilding target for the area, as published in RSS,[12] is in line with this projection with 46,530 additional homes.

5.16 In the wider reference area planned future housing provision is higher than the projected number of future households and reflects employment growth forecasts .

Migration

5.17 Table 5.2 shows the components of projected population change for Sheffield and Rotherham over the period to 2029. Consequently, as with the population forecasts more generally, the forecasts in Table 5.3 shows a continuation of past trends rather than the impact of policy. Population projections are based on demographic and migratory trends that are apparent at the time that the projection is made. In this sense, although they are 'policy off', they reflect the operation of current policy and market

[11] 2004-based Household Projections, published February 2008 by CLG
[12] Yorkshire and Humber Regional Spatial Strategy (RSS) May 2008.

conditions. If there were to substantially change then the future robustness of projections becomes open to question.

Table 5.2. Components of projected population change (Thousands)

Year	Population	Natural Change	Net internal migration	Net international migration	All Migration net
2005	770.9	1.2	-1.3	2.8	1.3
2006	772.8	1.1	-1.3	2.2	0.8
2007	774.5	1.2	-1.3	2.0	0.7
2008	776.3	1.2	-1.2	1.7	0.5
2009	778.1	1.3	-1.3	1.7	0.5
2014	787.4	1.9	-1.7	1.7	0.0
2019	797.5	2.0	-1.8	1.7	-0.1
2024	807.9	1.7	-1.2	1.7	0.5
2029	817.1	1.3	-1.4	1.7	0.3

Source: ONS

Table 5.3 Projected composition of the population

Year	ALL AGES	0 - 14 Years	15 - 29 Years	30 - 44 Years	45 - 64 Years	65+ Years
1991	752,839	18.1	22.3	20.5	22.0	17.1
2001	761,409	18.5	19.9	22.1	23.3	16.1
2004	768,400	17.8	20.7	21.9	23.6	16.1
2005	772,100	17.6	21.1	21.6	23.7	16.1
2006	775,100	17.4	21.5	21.2	23.9	16.0
2007	778,000	17.1	21.9	20.8	24.2	16.0
2008	780,700	17.0	22.2	20.4	24.4	16.1
2009	783,600	16.8	22.3	20.1	24.5	16.2
2010	786,400	16.7	22.4	19.9	24.6	16.4
2011	789,300	16.6	22.3	19.8	24.8	16.6
2012	792,300	16.5	22.3	19.5	24.7	17.0
2013	795,000	16.5	22.2	19.4	24.7	17.2
2014	797,900	16.4	22.0	19.3	24.8	17.4
2015	800,900	16.5	21.8	19.2	24.9	17.6
2016	803,900	16.5	21.5	19.1	25.1	17.7
2017	806,900	16.6	21.3	19.1	25.2	17.8
2018	809,900	16.7	21.0	19.2	25.2	18.0
2019	812,700	16.6	20.7	19.4	25.1	18.1
2020	815,600	16.6	20.5	19.7	25.0	18.2
2021	818,500	16.6	20.3	19.9	24.8	18.4
2022	821,400	16.6	20.1	20.2	24.6	18.5
2023	824,400	16.6	19.9	20.5	24.3	18.8
2024	827,400	16.6	19.8	20.5	24.1	19.0
2025	830,400	16.6	19.7	20.5	24.0	19.1
2026	833,100	16.6	19.6	20.5	23.9	19.4
2027	835,600	16.6	19.5	20.5	23.8	19.7
2028	838,100	16.5	19.4	20.5	23.6	20.0
2029	840,400	16.5	19.4	20.3	23.5	20.2

Source: ONS

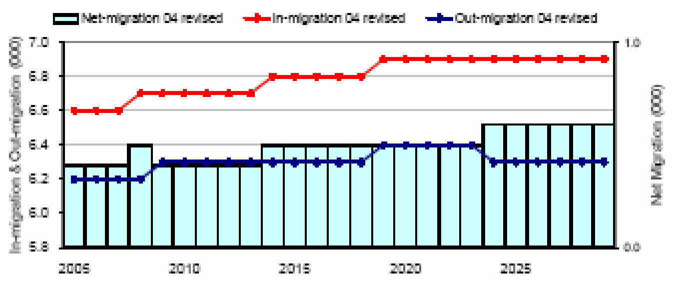
5.18 Natural change and international migration are the drivers of projected population increases. Internal migration is projected to remain consistently negative to 2029.

5.19 While international migration and natural change are driving population increase throughout the period to 2029 the impact of international migration is forecast to reduce and then level out from 2008 onwards. Natural change is projected to increase to 2019 but fall after that back to the 2009 level by 2029.

5.20 This suggests that levels of international in migration, while remaining an important component of the population, will start to have less of an impact than over the previous three years. The increase in natural population will primarily be accounted for by an increasing proportion of older people, with the proportion of children projected to fall after 2008 and the proportion of older people over 65 to grow from 16% in 2008 to 20% by 2029.

5.21 These are set out in the recent Migration Report[13] for the region and illustrated in Figures 5.3 and 5.4.

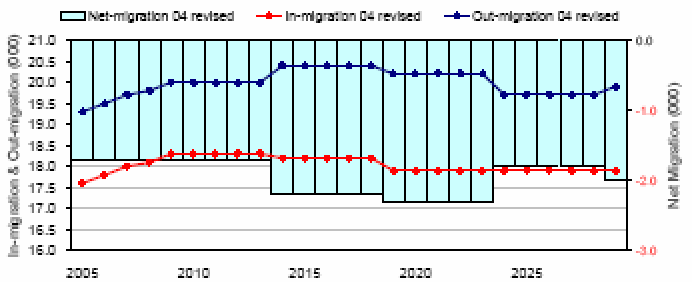
Figure 5.3 ONS Internal migration assumptions



	2005-09	2010-14	2015-19	2020-24	2025-29	Av
In-migration						
SNPP 04 - Revised	33.2	33.6	34.1	34.5	34.5	6.8
SNPP 04	33.3	33.7	34.5	34.5	34.5	6.8
Out-migration						
SNPP 04 - Revised	31.1	31.5	31.6	31.9	31.5	6.3
SNPP 04	31.2	31.6	32.0	32.0	32.0	6.4
Net migration						
SNPP 04 - Revised	2.1	2.1	2.5	2.6	3.0	0.5
SNPP 04	2.1	2.1	2.5	2.5	2.5	0.5

Crown Copyright. Source: ONS 2007

Rotherham



	2005-09	2010-14	2015-19	2020-24	2025-29	Av
In-migration						
SNPP 04 - Revised	89.8	91.4	90.7	89.5	89.5	18.0
SNPP 04	89.5	91.0	90.6	89.1	89.4	18.0
Out-migration						
SNPP 04 - Revised	98.3	100.4	101.8	100.5	98.7	20.0
SNPP 04	99.2	101.6	103.8	102.7	101.7	20.4
Net migration						
SNPP 04 - Revised	-8.5	-9.0	-11.1	-11.0	-9.2	-2.0
SNPP 04	-9.7	-10.6	-13.2	-13.6	-12.3	-2.4

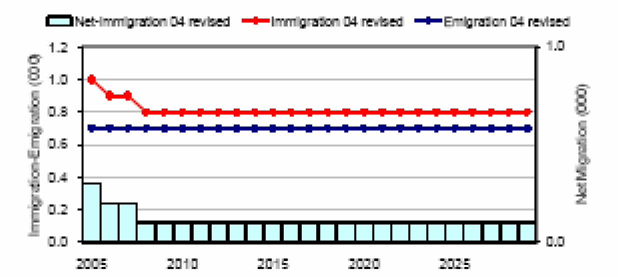
Crown Copyright. Source: ONS 2007

Sheffield

Source: Analysis of Migration Trends and Drivers. Edge Analytics. Nov 2007

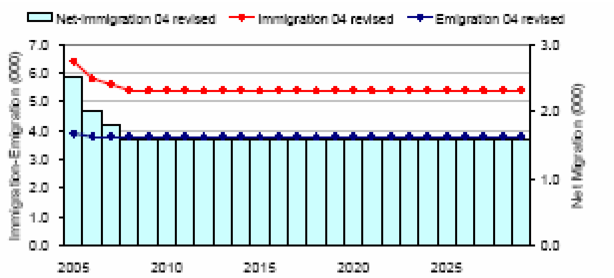
[13] Analysis of Migration Trends and Drivers. Edge Analytics. Nov 2007

Figure 5.4 ONS International migration assumptions



000s	2005-09	2010-14	2015-19	2020-24	2025-29	Av
Immigration						
SNPP 04 - Revised	4.4	4.0	4.0	4.0	4.0	0.8
SNPP 04	4.1	4.0	4.0	4.0	4.0	0.8
Emigration						
SNPP 04 - Revised	3.5	3.5	3.5	3.5	3.5	0.7
SNPP 04	2.5	2.5	2.5	2.5	2.5	0.5
Net migration						
SNPP 04 - Revised	0.9	0.5	0.5	0.5	0.5	0.1
SNPP 04	1.6	1.5	1.5	1.5	1.5	0.3

Rotherham



000s	2005-09	2010-14	2015-19	2020-24	2025-29	Av
Immigration						
SNPP 04 - Revised	28.6	27.0	27.0	27.0	27.0	5.5
SNPP 04	30.1	28.5	28.5	28.5	28.5	5.8
Emigration						
SNPP 04 - Revised	19.1	19.0	19.0	19.0	19.0	3.8
SNPP 04	15.6	15.5	15.5	15.5	15.5	3.1
Net migration						
SNPP 04 - Revised	9.5	8.0	8.0	8.0	8.0	1.7
SNPP 04	14.5	13.0	13.0	13.0	13.0	2.7

Sheffield

Source: Analysis of Migration Trends and Drivers. Edge Analytics. Nov 2007

5.22 Both Sheffield and Rotherham have experienced significant levels of international migration in recent years. Sheffield had the highest level of NINo registrations in the sub-region for 2006 / 07 with 5,080 representing 56.3% of all registrations in the sub-region. Rotherham had 1,000 registrations. However the impact of migration from the EU accession countries has been greater in Rotherham with 70% of registrations in 2006/07 from EU accession countries. The proportion for Sheffield was 36%. For the South

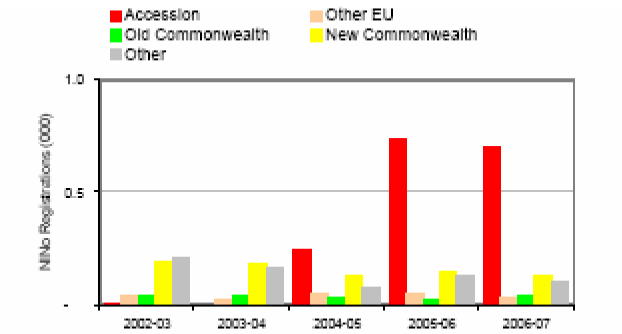
Yorkshire sub-region 54% of registrations were from EU accession countries – however this percentage is greatly influenced by the significant numbers of immigrants from other areas to Sheffield.

5.23 The wider reference area has witnessed high levels of NINo registrations from EU accession countries, in Barnsley 79% or registrations and in Doncaster 80% were from EU accession countries.

5.24 This breakdown of immigration, based on NINo data for Sheffield and Rotherham is shown in Figure 5.5.

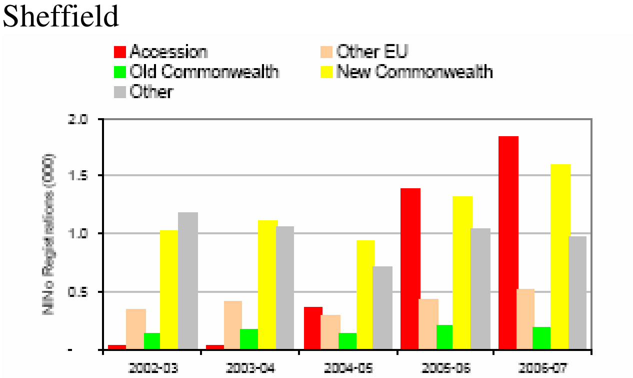
Figure 5.5 Immigration based on National Insurance registrations (NINo)

Rotherham



000s	2002-03	2003-04	2004-05	2005-06	2006-07	Average
All NINo regs	0.5	0.4	0.5	1.1	1.0	0.7
Accession %	2%	0%	46%	68%	70%	48%
Non-Accession	0.5	0.4	0.3	0.4	0.3	0.4

Sheffield



000s	2002-03	2003-04	2004-05	2005-06	2006-07	Average
All NINo regs	2.7	2.8	2.4	4.4	5.1	3.5
Accession %	1%	1%	15%	32%	36%	21%
Non-Accession	2.7	2.7	2.1	3.0	3.3	2.7

Source: Analysis of Migration Trends and Drivers. Edge Analytics. Nov 2007

Households

5.25 Table 5.4 shows projections of future household numbers for the HMA. This shows a 21.5% increase in the number of households over the period to 2029. The most significant change in the composition of households is in the projected increase in the proportion of one person households, with a 45% increase forecast to 2029. There is a projected fall in the proportion of couples (married and cohabiting) from 54.4% of all households in 2004 to 47.1% in 2029. The number of lone parent households is projected to increase by 26.9% and the number of multi-person households by 34.7%.

5.26 Average household size is projected to decrease from 2.3 in 2004 to 2.1 by 2029.

Table 5.4 DCLG 2004-based household projections 2004-2029 (Thousands)

Household types:	2004	2006	2011	2016	2021	2026	2029	Change 2004-2029	Annual average	% Change
married couple	145	143	138	135	133	131	130	-15.2	-0.6	-10.5
cohabiting couple	33	36	43	48	52	55	57	24.5	1.0	74.9
lone parent	25	25	27	28	30	31	31	6.6	0.3	26.9
other multi-person	24	25	27	29	30	31	32	8.3	0.3	34.7
one person	101	104	113	123	133	142	146	45.9	1.8	45.7
All households	327	332	347	363	378	390	397	70.2	2.8	21.5
Private household population	757	764	778	792	807	821	827	70.1	2.8	9.3
Average household size	2.3	2.3	2.3	2.2	2.1	2.1	2.1			

Source: DCLG

Local investment impacting on future housing markets

5.27 Significant redevelopment is underway in both Sheffield and Rotherham. For example in Sheffield major redevelopment is about to start in the New Retail Quarter helping to revitalise and support demand for housing in the City Centre. The Housing Market Renewal initiative is starting to raise demand and improve the wider environment in previously low-demand neighbourhoods.

5.28 Work carried out by CURS[14] for the Sheffield City Region sets out the potential level of new housing provision that is implied by the plans for economic growth in the Sheffield city region. This work indicates that plans for economic growth are not completely aligned with plans for housing growth. In particular new housing will be required in Sheffield to support the city-regional economy. While the baseline rate of job growth to 2016 is set out as 4% for Sheffield and 6% for Rotherham the 'policy on' scenario would provide growth of 18% for Sheffield and 16% for Rotherham indicating a growth in households related to job growth of nearly 35,000 in the housing market area between 2004 and 2016.

5.29 As this SHMA is being compiled a global 'credit crunch' has started to seriously affect the availability of access to mortgage finance, and for some households has led to increased housing costs and the risk of mortgage default. At the time of writing is as yet unclear whether this is a shorter term phenomenon or a potentially widespread and serious crisis. These uncertainties have however already started to affect the housing development industry and if sustained will feed through to a reduction in delivery of new homes in the short and medium term.

Summary of key points – Future housing market

- The population of the HMA is projected to rise by 62,400 people to 2029. Over 65s will form the major part of this growth.
- The RSS sets out targets for just over 46,500 new homes while projected household growth is just below this at 44,200 to 2026.
- Natural change and international migration are the main drivers of population growth. The HMA has experienced significant levels of international migration and this trend is projected to continue year on year, albeit at a slightly lower rate than from 2005 to 2007.

[14] Housing and Economic Growth in the Sheffield City Region. CURS 2007

- The proportion of one person households is projected to increase by 45% to 2029.

6. Housing need

6.1 Housing Needs Assessments have been carried out for both Sheffield and Rotherham in 2007. However these were undertaken by different consultancy teams. The Sheffield assessment was undertaken by David Couttie Associates and the Rotherham assessment by Fordham Research.

Current and newly arising need

6.2 Both studies indicate backlog need as well as significant newly arising need. This totals 6,856 across the HMA based on an annual reduction of backlog need and the anticipated newly arising need each year.

6.3 Figure 6.1 and Figure 6.2 indicate the breakdown of backlog need and newly arising need identified by the two studies across the HMA.

6.4 These indicates significantly higher backlog need in Sheffield than in Rotherham as well as a higher level of newly arising need in Sheffield than Rotherham. Newly arising need each year totals 5,604 households across the HMA.

Figure 6.1 Housing need - Sheffield

B - BACKLOG OF NEED		
1. Households in unsuitable housing		29,587
2. MINUS – Council / HA tenants MINUS – in-situ solution most appropriate or leaving City	12,900 7,282	
	20,182	20,182
Households in unsuitable housing and need to move		9,405
3. TIMES - Proportion unable to afford to buy or rent	(65.4%)	6,150
4. PLUS - Backlog - homeless households		111
5. TOTAL BACKLOG NEED		**6,261**
6. TIMES - Quota to progressively reduce backlog	(20%)	
7. ANNUAL NEED TO REDUCE BACKLOG		**1,252**
N - NEWLY ARISING NEED		
8. New household formation		3,781
9. TIMES % unable to buy (62.3%) or rent (48.1%) in market	(48.1%)	1,819
10. PLUS - Ex-institutional population moving into community		0
11. Existing households falling into priority need		1,301
12. In-migrant households unable to afford market housing		433
13. TOTAL NEWLY ARISING NEED		**3,553**

Figure 6.2 Housing need – Rotherham

Table 11.2 Social rented and intermediate housing requirements in Rotherham

	Social rented	Intermediate housing	Total
Annualised current need	420	36	456
Annualised available stock	289	32	321
Newly arising need	1,838	213	2,051
Future supply	1,770	5	1,775
Net shortfall or surplus	199	212	411
% of net shortfall	48.4%	51.6%	100.0%
Total gross annual need	2,258	249	2,507
Total gross annual supply	2,059	37	2,096
Net annual need	199	212	411

Source: Rotherham SHMA 2007 (combination of data sources)

Supply to meet needs

6.5 The studies indicate an overall supply to meet housing need each year of 5,679 units. This is shown in Figure 6.2 for Rotherham and Figure 6.3 for Sheffield.

Figure 6.3 Supply to meet needs – Sheffield

S - SUPPLY OF AFFORDABLE UNITS		
14. Supply of social re-lets (3,706) and Shared Ownership re-sales (79)		3,785
15. MINUS Increased vacancies (if applicable) and units taken out of management. Right to Buy		61
Net social re-lets		3,724
16. PLUS - Committed units of new affordable supply		352
17. AFFORDABLE SUPPLY		**4,076**
Annual need to reduce backlog (B)	1,252	
Newly arising need (N)	3,553	
TOTAL AFFORDABLE NEED (B + N)	**4,805**	**4,805**
Affordable supply (S)		4,076
18. OVERALL ANNUAL SHORTFALL (B + N) - S		**729**

** Elimination over a five year period is recommended in the Guidance for model purposes but the Council can make a Policy decision to do so over a longer period (e.g. 10 years or years to the end of the Local Development Framework period).*

6.6 The Sheffield study indicated a shortfall of 729 homes per year and the Rotherham study indicated a shortfall of 411 homes per year. This is in addition to the planned new delivery of affordable homes. Both of these figures represent a significant increase on the shortfall identified in previous studies (Carried out in 2005 for Sheffield and 2003 for Rotherham).

6.7 The summary of housing need across the HMA is set out in table 6.1.

Table 6.1 Breakdown of housing need

	Sheffield	Rotherham	Sheffield and Rotherham
Backlog Need	6,261	2,278	8,539
Annual Reduction	1,252	456	1,708
Newly Arising Need	3,553	2,051	5,604
Affordable Supply	4,076	1,775	5,851
Overall Annual Shortfall	**729**	**411**	**1,140**
Source	DCA,2007	Fordhams, 2007	

6.8 Table 6.2 shows completions via the National Affordable Housing Programme since 2004/05 and allocations to

2007/08. The majority of NAHP funded homes in the HMA are for rent.

Table 6.2 Housing Corporation National Affordable Housing Programme (NAHP) outturn and allocations 2004/5–2007/8

	Completed		On site	Allocation	
	2004/05	2005/06	2005/06	2006/07	2007/08
Total units for rent	146	187	188	137	248
Total units for sale	12	32	58	51	111

Source: Housing Corporation Regional Investment Statement.

6.9 While in recent years completions have fallen short of the number of affordable homes indicated by the housing needs studies the allocation for 2007/08 will start to deliver the level of homes more appropriate to the shortfall identified.

Market housing and affordability

6.10 In order to provide a degree of comparability across the region, we have also prepared a set of estimates of the gap between local house prices and their 'achievability' on the basis of local incomes.

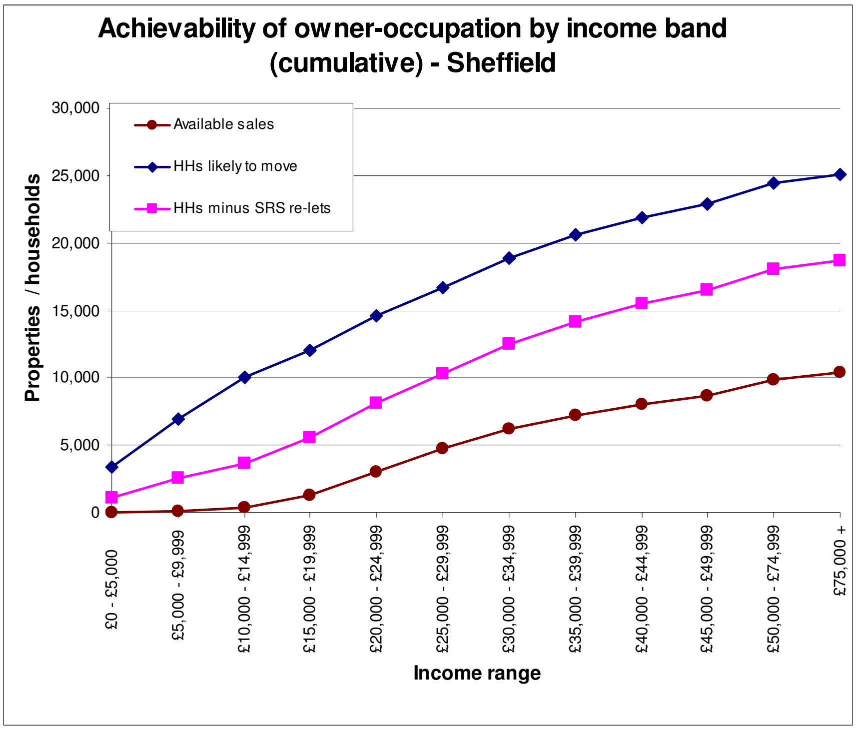
6.11 This analysis is not intended to replace local estimates and calculations of affordable housing need. It does, however, provide a method of consistent comparison of the potential scale of the affordability gap compared to other HMAs in the region.

6.12 Figure 6.4 shows that there is a clear gap between the potential demands of households in the HMA and the profile of properties available to them[15]. Cumulatively, (across all income bands in the HMA) this equates to a gap of around 13,225 properties in 2006 – or more if the

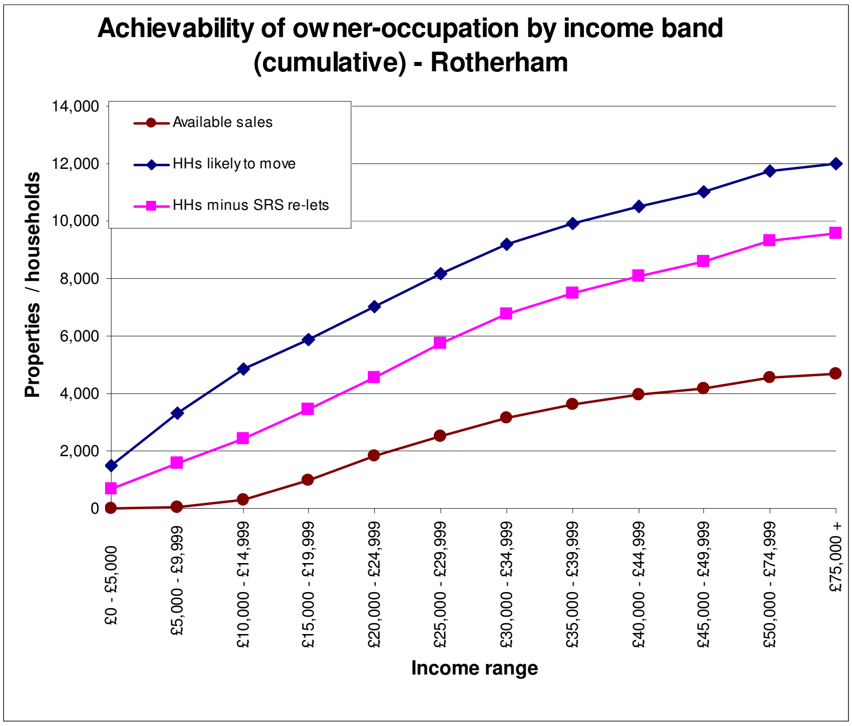
[15] : this calculation of households likely to be seeking owner occupation is not the same as the overall need for affordable housing. It is an estimate of the scale of a potential affordability problem which compares the number of households at points on the income scale with the cumulative number of properties that might be affordable at that point on the income scale that are likely to become available to households in each income band. Account has been taken of the number of social housing relets (CORE and HSSA data). The number of households likely to move each year has been based on percentages moving home in different income bands (derived from the Survey of English Housing) The model is not able to account for different levels of equity.

capacity of social housing relets to absorb some of this gap is not taken into account.

Figure 6.4 Estimates of achievability of owner occupation



Income band	£0 - £5,000	£5,000 - £9,999	£10,000 - £14,999	£15,000 - £19,999	£20,000 - £24,999	£25,000 - £29,999	£30,000 - £34,999	£35,000 - £39,999	£40,000 - £44,999	£45,000 - £49,999	£50,000 - £74,999	£75,000 +
Properties for sale at 4x income	20	80	284	880	1,782	1,721	1,393	1,044	803	620	1,206	550
No of households likely to move	3391	3532	3086	1994	2555	2168	2180	1674	1309	1018	1511	700
No of households minus SRS	1111	1476	1016	1994	2555	2168	2180	1674	1309	1018	1511	700
Difference	1091	1396	732	1114	773	447	787	630	506	398	305	150
Cumulative difference	1091	2487	3220	4334	5107	5554	6341	6971	7477	7875	8179	8329
Rank of difference	3	1	6	2	5	9	4	7	8	10	11	12



Income band	£0 - £5,000	£5,000 - £9,999	£10,000 - £14,999	£15,000 - £19,999	£20,000 - £24,999	£25,000 - £29,999	£30,000 - £34,999	£35,000 - £39,999	£40,000 - £44,999	£45,000 - £49,999	£50,000 - £74,999	£75,000 +
Properties for sale at 4x income	11	42	239	675	859	685	641	476	340	213	387	94
No of households likely to move	1495	1813	1538	1010	1145	1157	1039	719	614	497	714	245
No of households minus SRS	694	900	824	1010	1145	1157	1039	719	614	497	714	245
Difference	683	858	585	335	286	472	398	243	274	284	327	151
Cumulative difference	683	1541	2126	2461	2747	3219	3617	3860	4134	4418	4745	4896
Rank of difference	2	1	3	6	8	4	5	11	10	9	7	12

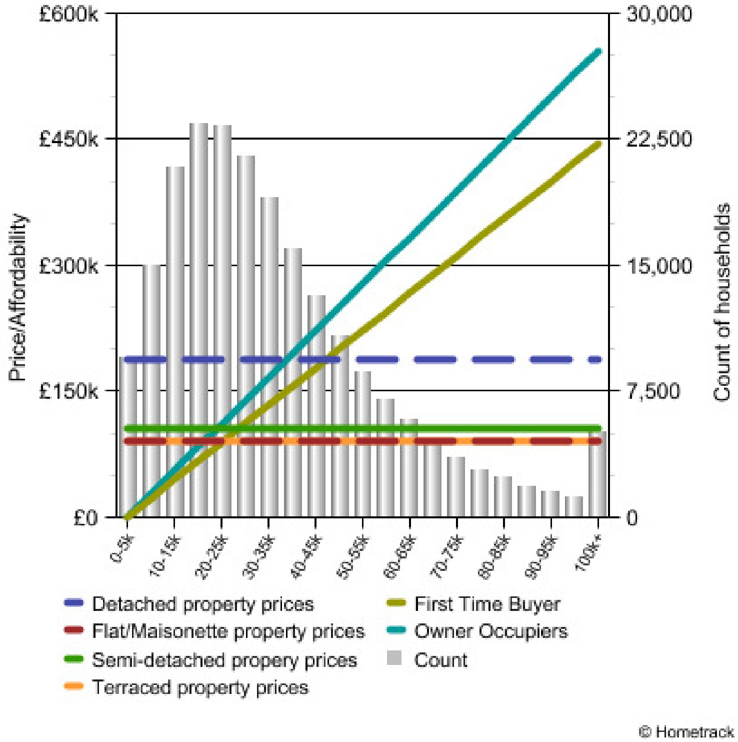
6.13 While the numbers, and hence the cumulative gap, are greater in the Sheffield than the Rotherham part of the HMA both local authorities show the greatest difference between the number of households likely to move and the homes potentially available to purchase in the £5k to £10k income band. However, while for Rotherham the next biggest differences are within the adjacent lowest income bands for Sheffield the next biggest difference is in the £15 to 20k band.

6.14 This may indicate a significant potential market for low cost home ownership products affordable to those in this age band in Sheffield while for Rotherham the gaps tend to be in the lowest and slightly higher income bands.

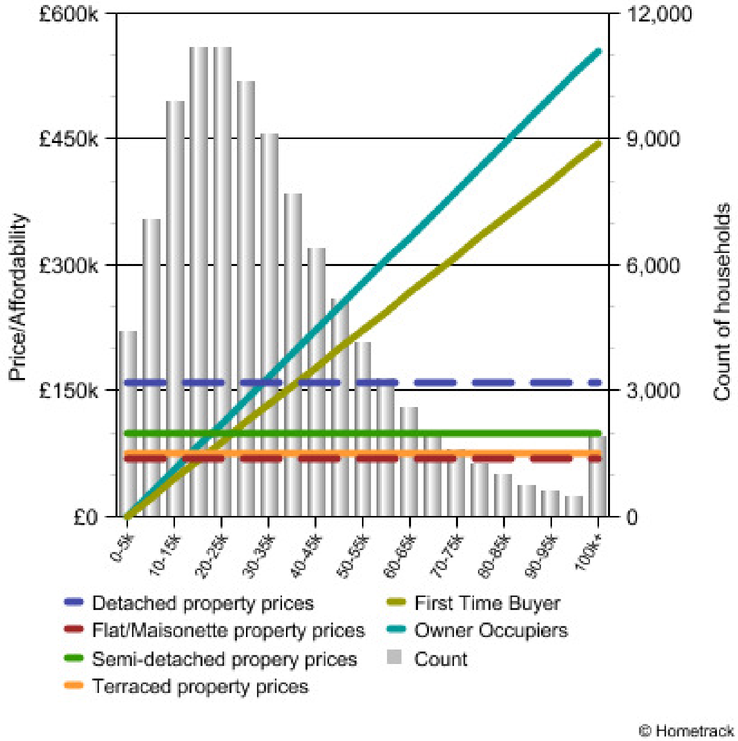
6.15 Hometrack's model, based on an affordability threshold of 4.0x income, suggests that First Time Buyer households need to be in the £20-25k (gross) income bracket or above in both Sheffield and Rotherham to afford the average terraced house. To access a detached property a first time buyer would need to be in the £40-45k (gross) income bracket in Sheffield and the £35-40k bracket in Rotherham to afford the average detached property (see Figure 6.5).

Figure 6.5 Affordability by income bands

Sheffield



Rotherham



Source: Hometrack

Summary of key points – Housing Need

- There is significant backlog need and newly arising need identified within both districts in the HMA.

- There is an overall shortfall identified by the Housing Needs Studies of 1,140 homes a year across the HMA.

- First time buyer households need to be in the £20-25k income bracket to afford the average terraced home.

- The affordability analysis indicates that there is a significant potential market for low cost home ownership products. Targeting these in terms of affordability may need to vary between different parts of the HMA with products targeted at the £15 – 20k income band potentially significant for Sheffield but products for income bands below and above this level likely to have a greater impact for Rotherham.

7. Housing Requirements of Specific Household Groups

7.1 The Practice Guidance sets out a number of reasons as to why it may be appropriate for each Strategic Housing Market Assessment to consider information about the housing requirements of specific household groups, namely:

- The Race and Equality Act requires Government and local authorities to assess the impact of their policies on different ethnic and minority groups, and the 2005 Disabilities legislation requires Government and local authorities to assess the impact of their policies on people with disabilities. Partnerships should ensure that no one group is systematically excluded from the assessment;
- Particular groups and gender types may exert considerable influences within the housing market area that need to be better understood and planned for (e.g. families, older people, key workers, first time buyers);
- Particular groups and gender types may be ill-suited to their dwelling type over the longer term (e.g. families with children and older people living in the private rented sector with insecurity of tenure); and
- Partnerships may wish to obtain evidence about the number of households eligible for intermediate affordable housing.

7.2 The Practice Guidance suggests that these are most relevant for those areas where there may be concerns about the housing requirements of specific groups or good reason to believe that there are needs that significantly differ to the general population.

7.3 The guidance does not set out a step by step approach and suggests that each housing market partnership will need to select appropriate analyses. Given the status of this SHMA as part of a suite of comparative regional reports the approach taken here is to highlight differences in profile from the regional picture for each housing market area. More detailed research may be required to examine particular requirements on a housing market area by housing market area basis, as the issues will differ regarding family housing or minority ethnic needs for example.

Families

7.4 The census can provide data on household type. As shown in Table 7.1 in Rotherham there is a higher proportion of households with children and with non-dependent children than the region as a whole, both lone parent and couple households. In Sheffield however, the proportion of households with children was lower than for Rotherham and lower than for the region. However for lone parent households with older children the proportion in Sheffield was higher than both for the region and for Rotherham.

Table 7.1 proportion of households with dependent and non-dependent children

Area	couple or other with dependent child(ren) %	couple with non-dependent child(ren) %	lone parent with dependent children %	lone parent with non dependent child (ren) %
Sheffield	21.10	6.09	6.21	3.20
Rotherham	24.94	7.54	6.82	2.99
Yorkshire and Humber	23.34	6.43	6.57	2.87

7.5 Applying the household projections of an additional 85,000 households in the HMA (2004 to 2021) to the Census 2001 figures for singles, couples and lone parents would indicate that 14,725 of these additional households would be families with children 15 and under.

Older People

7.6 The Census 2001 data indicates a higher proportion of pensioner households in Sheffield (24.6%) but a slightly lower proportion in Rotherham (23.8%) than for the region as a whole (24.4%). Of the total households at the census

12.8% were single pensioner households in Rotherham and 15.5% in Sheffield.

7.7 Population projections indicate that 45,600 additional people in the over-65 age group are projected by 2029. Applying the household projections to the Census 2001 figures for older people would indicate that of the additional households 12,411 would be pensioner households.

Minority and hard to reach households

7.8 The HMA has a higher proportion of BME residents than the region as a whole. However there is a different ethnic profile between the Sheffield and Rotherham districts. Sheffield has a significantly higher proportion of minority ethnic households than the region as a whole with 91.2% of the population classed as white at the 2001 census compared to 93.5% for the region. However in Rotherham there was a higher proportion of people classed as white (96.9%)

7.9 In line with the region the largest minority ethnic group was those classed as Asian, although again the proportion of the population classifying themselves as Asian in 2001 was significantly higher in Sheffield (4.4%) than in Rotherham (2.2%). This compares to 4.4% for Yorkshire and Humberside. For Sheffield the next most significant BME group was Black (1.8%) whereas in Rotherham Black groups represented just 0.2% of the population. In Rotherham the most significant ethnic group after Asian was those classifying themselves as Mixed (0.5%). In Sheffield this group represented 1.6% of the population.

7.10 The significant BME population within the HMA, and in particular Asian population groups means that the specific housing requirements of these households will be an important element of future housing delivery, particularly in those neighbourhoods within the HMA where there are higher numbers of households representing these groups.

7.11 The Practice Guidance sets out other groups that may be considered hard-to-reach including homeless households, private renters and households in shared accommodation or non-brick and mortar accommodation. The Guidance recommends additional qualitative work to examine in more detail the requirements of these groups, and this is something that could add to this housing market assessment in future.

7.12 In Sheffield the proportion of all student households in 2001 was the highest in the region at 1.8%. This is significantly higher than the proportion for the region as a whole (0.6%) reflecting the presence of major higher education establishments. However this is not the case for the Rotherham part of the housing market with the district having one of the lowest levels of all student households in the region. The student housing market in Sheffield however clearly represents an important element of the market that should be considered within more detailed local studies.

Households with specific needs

7.13 The Practice Guidance recognises that housing may need to be purpose built, or adapted, to meet the requirements of those with specific needs. The guidance also recognises that it is difficult to estimate the number of people who will need specific adaptations in the home.

7.14 In line with the Guidance for this Strategic Housing Market Assessment we have examined data on the number of people with long-term limiting illness (LLTI) and those eligible for Disability Living Allowance (for care and /or mobility). This helps to identify differences in profile between Housing Market Area, but it is important to remember that not all these households will require adaptations, and conversely there may be other people with disabilities requiring adaptations who are not captured via this data.

7.15 In common with other areas of the region there has been a steady increase in the number of those eligible for Disability Living Allowance in the HMA. At May 2007 there were 49,480 people eligible for Disability Living Allowance (this compares to 43,450 in 2002). The rate of increase in the number of eligible people between 2002 and 2007 is 13.8% which is below the 15.8% increase across the region.

7.16 Census data indicates a higher proportion of people in the HMA with a long-term limiting illness (LLTI) than for the region as a whole with 21.2% of the household population recording a LLTI compared to 19.5% for Yorkshire and Humber. The wider reference area sees the highest levels of LLTI recorded in the region with levels highest in Barnsley (25.2%) followed by Doncaster (22.9%).

Summary of key points – different market segments and type and size of homes needed

- There is a higher proportion of family households than the region as a whole – both couples and lone parents.

- An additional 45,600 people in the over 65 age group are projected by 2029. The future housing and support service needs of this population will be an important policy consideration.

- There is a significant proportion of BME residents with the largest minority ethnic group those classing themselves as Asian. The specific housing requirements of these households, particularly in those areas of the HMA where concentrations of BME residents are higher will continue to need to be considered in future policy and strategy.

- Sheffield has the highest proportion of all student households in the region with the student market in Sheffield representing an important element of the market. It will be vital for local studies to consider the role of the student market particularly for those areas of Sheffield where students are more concentrated.

- There was a higher number of people recording long term limiting illness at the census than for the region as a whole.

8. Conclusions

8.1 The sub-region has experienced recent economic revival and has a positive trajectory. However significant areas of deprivation remain as well as areas of poor quality housing and neighbourhoods.

8.2 The Transform South Yorkshire HMR pathfinder is investing significant resources to restructure weaker housing markets and renew neighbourhoods that are, or remain at risk of, weak housing demand.

8.3 There is a growing population, driven in part by recent international migration. There is a particular challenge in accommodating new growth and the additional homes set out in RSS, without undermining the essential regeneration initiatives to support still fragile neighbourhoods in the HMA.

8.4 While households are projected to increase in number but reduce in size it is important not to assume that all the demand for new homes will be for smaller properties. There is a need to ensure a mix that can support balanced communities across the HMA.

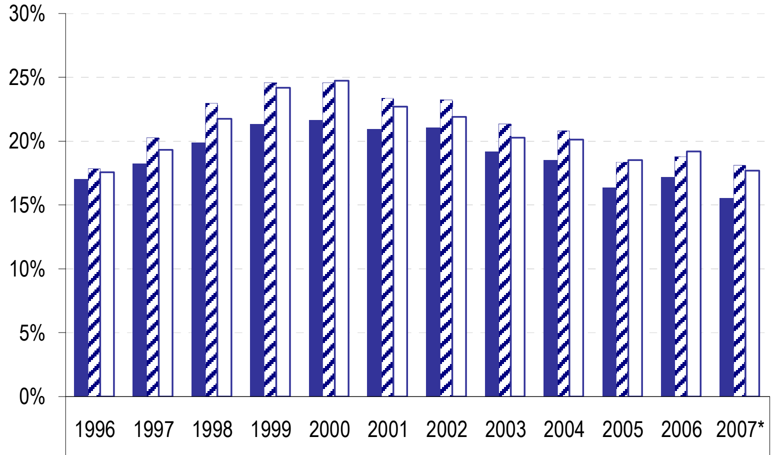
8.5 Although affordability is a concern in the Sheffield and Rotherham HMA, as it is in most other parts of the region, it is clear that the problem is less acute than it is elsewhere. There are differentials across the HMA, but the general tendency for prices to lose their link with incomes has meant that many previously affordable areas have been significantly impacted on because of static local incomes and rising house prices across the board.

8.6 There remains a need for new affordable housing – especially rented units – both to meet the existing housing need, particularly in Sheffield, and to meet needs that are expected to arise as a result on increased population in-migration.

8.7 While policy aspirations for the City Region would realise significantly increased jobs and household growth, the current economic situation makes it difficult to predict the extent to which the economy and housing market will continue on their recent trajectories. Furthermore, wider economic uncertainties may provide a risk to the deliverability of the additional homes that are needed based on current projections and Government housing targets.

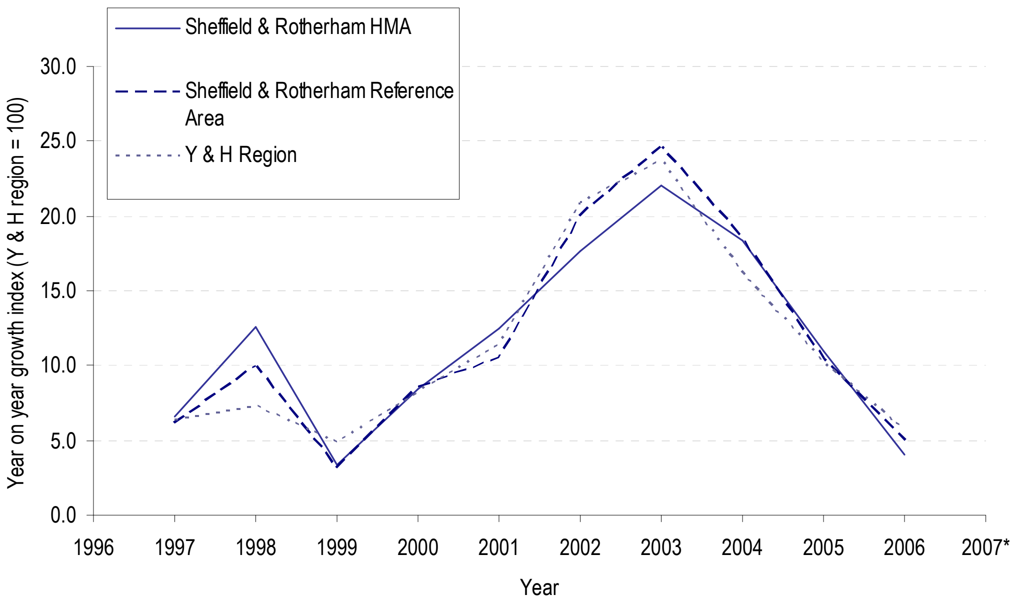
Appendix 1 Additional data tables and charts

Detached sales as proportion of all sales

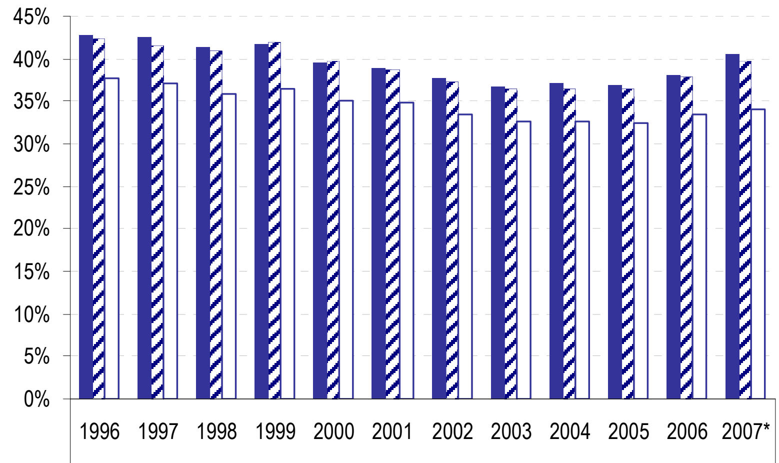


	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
Sheffield & Rotherham HMA	17.0	18.3	19.9	21.4	21.6	20.9	21.1	19.2	18.5	16.4	17.2	15.6
Sheffield & Rotherham Reference Area	17.9	20.3	23.0	24.6	24.6	23.4	23.2	21.4	20.9	18.3	18.7	18.1
Y & H Region	17.6	19.4	21.8	24.2	24.8	22.7	21.9	20.3	20.2	18.6	19.2	17.7

Annual growth rate: Detached properties

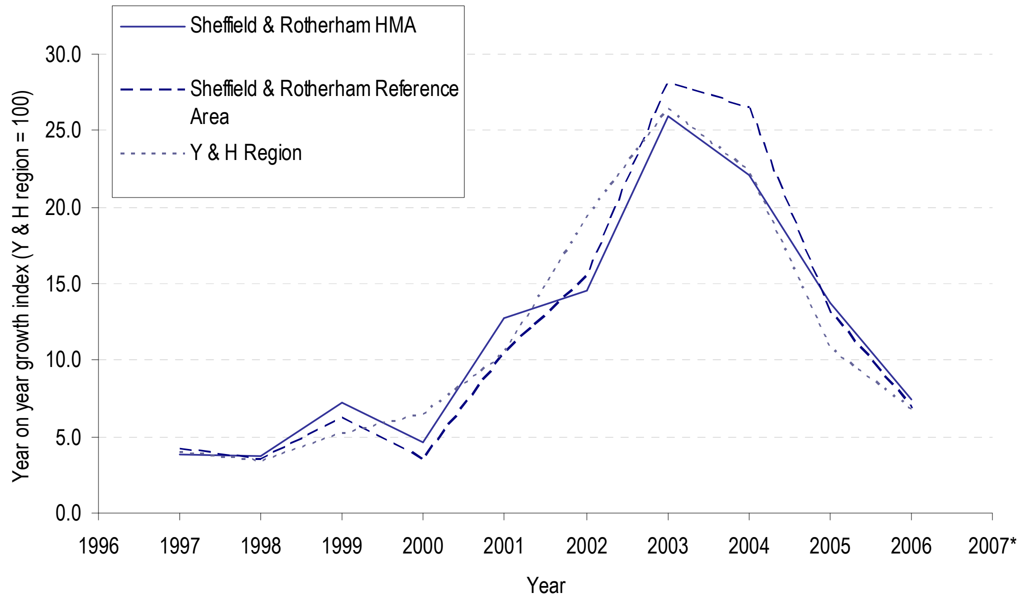


Semi-Detached sales as proportion of all sales

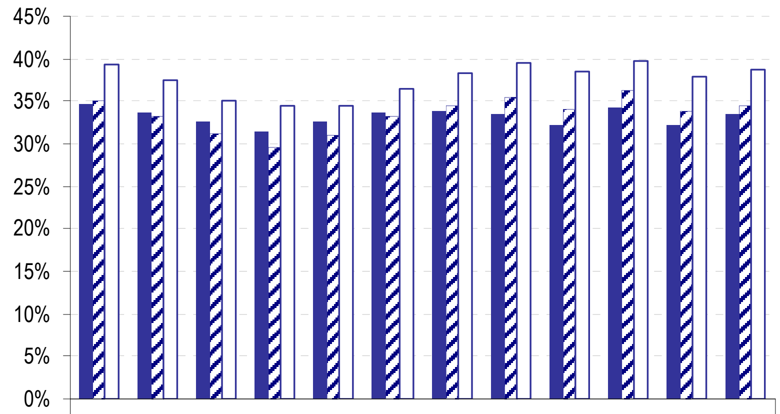


	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
Sheffield & Rotherham HMA	42.8	42.5	41.3	41.8	39.5	39.0	37.6	36.8	37.0	36.8	38.0	40.5
Sheffield & Rotherham Reference Area	42.3	41.5	41.0	41.9	39.7	38.7	37.3	36.5	36.6	36.5	37.9	39.8
Y & H Region	37.7	37.1	35.9	36.4	35.1	35.0	33.5	32.6	32.7	32.3	33.5	34.1

Annual growth rate: Semi-Detached properties

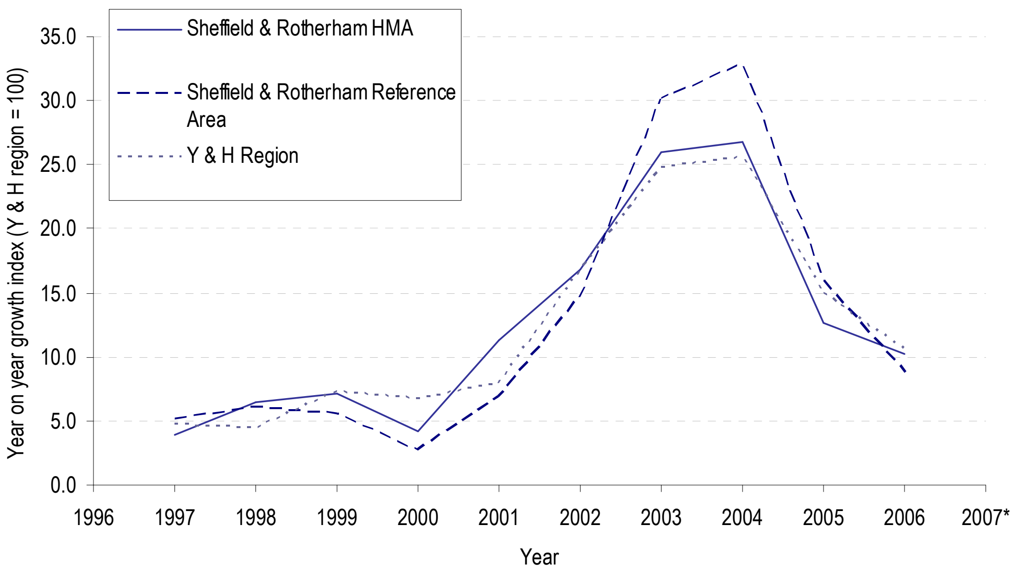


Terraced sales as proportion of all sales

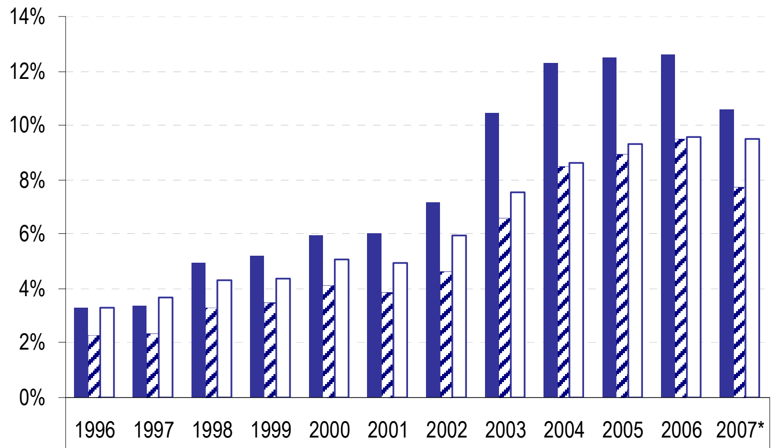


	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
Sheffield & Rotherham HMA	34.6	33.7	32.6	31.4	32.6	33.7	33.8	33.5	32.2	34.3	32.2	33.4
Sheffield & Rotherham Reference Area	35.0	33.3	31.3	29.6	31.1	33.3	34.6	35.4	34.1	36.2	33.9	34.4
Y & H Region	39.3	37.5	35.1	34.5	34.5	36.6	38.4	39.5	38.6	39.8	37.8	38.8

Annual growth rate: Terraced properties



Flat/Maisonette sales as proportion of all sales



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
Sheffield & Rotherham HMA	3.3	3.3	5.0	5.2	5.9	6.0	7.2	10.4	12.3	12.5	12.6	10.6
Sheffield & Rotherham Reference Area	2.3	2.3	3.3	3.5	4.1	3.9	4.6	6.6	8.5	9.0	9.5	7.7
Y & H Region	3.3	3.7	4.3	4.4	5.1	4.9	6.0	7.6	8.6	9.3	9.5	9.5

Annual growth rate: Flats/Maisonettes