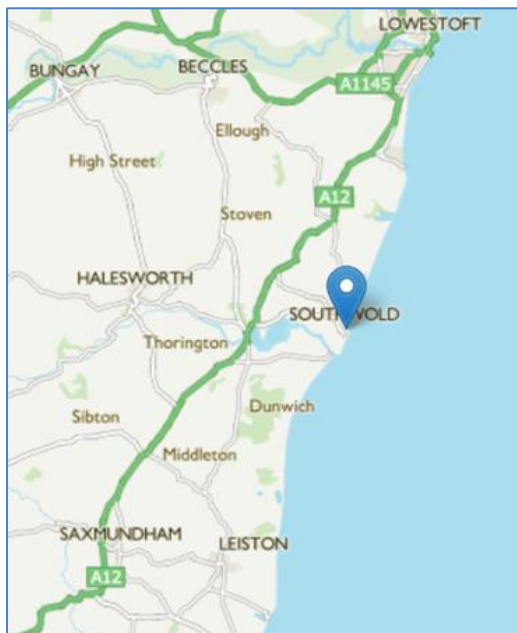


Evidence in support of the designation of Southwold as a Protected Area

The evidence in this document supports the request for Southwold to attain Designated Protected Area status for Shared Ownership. The key findings are summarised below.

- Southwold has very limited land for new development to build replacement affordable housing.
- The current value of land with planning permission is approximately 1500% higher in Southwold compared to the Waveney area.
- Southwold has the highest percentage of second homes in England and Wales. As at 2015, only 43% of its 1400 dwellings were occupied as full time residences. The rest were second homes or holiday lets. (Southwold Draft Neighbourhood Plan)
- Southwold's house prices are the highest in Waveney. The house price earnings ratio in Southwold is 21.01 compared to 7.03 for Suffolk.
- Between 2001 and 2011, Southwold's population dropped by 35% whilst the rest of Waveney's population was growing. A comparison of electoral rolls suggests a further fall of 29 % between 2011 and 2018.
- Southwold has the oldest population in England and Wales.



Map 1 Southwold's location in Waveney District

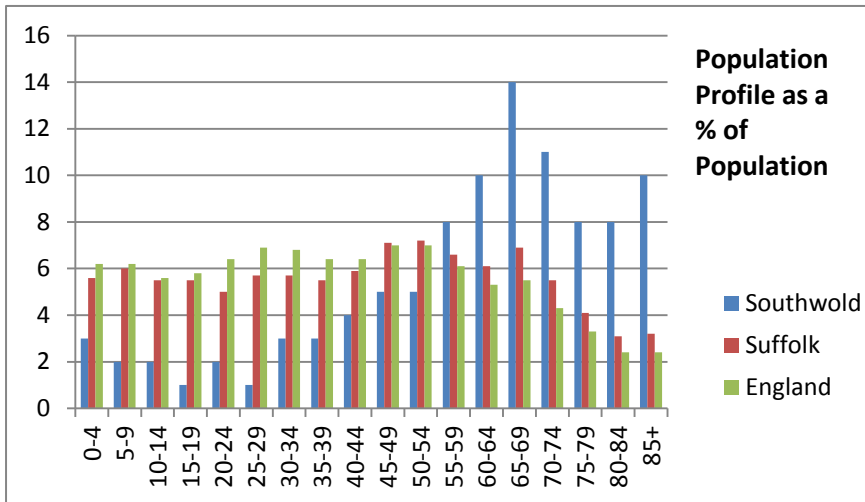
Southwold is the smallest of Waveney District's five market towns. Its sustainability is under threat from a declining and ageing population and the lack of affordable housing to help develop the community that has been pushed out by high rates of second home ownership and some of the highest house prices outside of London.

Southwold's geography, a small hill surrounded by water and reclaimed marshland, has led to a dense pattern of development. Lack of land outside the town's built boundaries severely constrains the ability of the town to replace shared ownership housing that reverts to the open market through stair-casing.



Map 2 Southwold's boundaries

Population



Analysis of 2011 census data on 274 coastal communities reveals that Southwold has the highest proportion of population aged over 65 years (50%), and the highest average age (65) in the whole of England and Wales. This suggests an impact on the future viability of the town with a lack of affordable housing forcing younger people out to the other towns offering cheaper housing.

Table 1 Southwold's Population Age Profile

There has been a trend of declining population in the town since 1981 with the most recent estimate (2016) showing a further fall to 981 residents. The Southwold Town Council's Neighbourhood Plan identifies a fall of 35% in residents across nearly all age groups between 2001-11) whilst both the district and region reflected a net growth in all groups. A recent survey by the Town Council now estimates the town's population at 790.

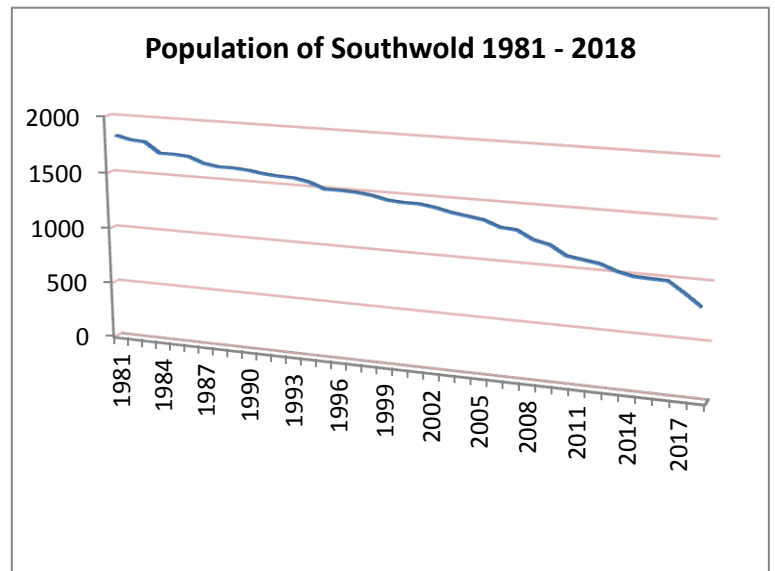
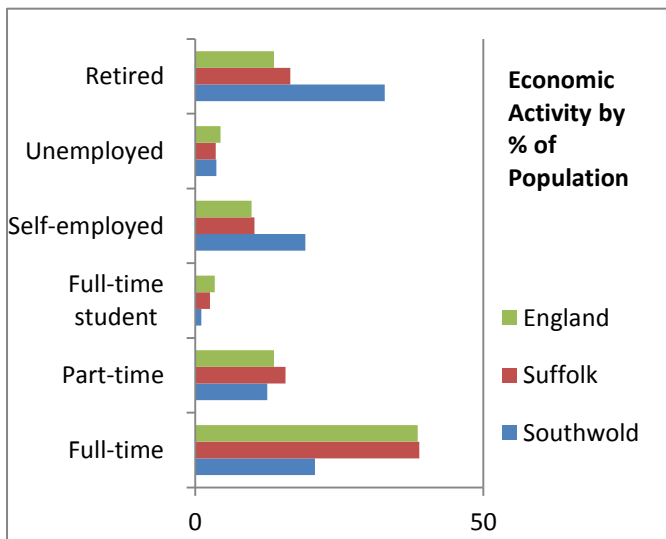


Table 2 Population decline between 1981 and 2018

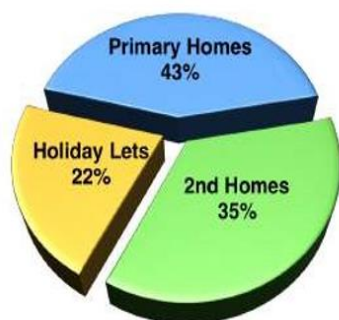
Employment



Employment data obtained from the 2011 census reflects the very high numbers of retired people compared to the national and county average, together with lower than average part and full-time employment. The data includes Reydon, a larger village which adjoins Southwold, which was designated as a DPA within the Housing and Regeneration Act 2008.

Table 3 Employment Activity

Housing



The Southwold Neighbourhood Plan data shows that in 2015 only 43% of Southwold's 1400 residential units were occupied as principal residents. The remaining 57% were used as second homes or holiday lets.

Table 4 Percentage of second homes/holiday lets in Southwold

Affordability

Because of the desirability of Southwold there has been a long term trend in increased house prices in the town. Data from the website Rightmove giving average house prices in Southwold is shown in Table 1 below.

Southwold		Other nearby areas	
Terraced	£582,250	Overall average house prices	
Detached	£614,500	Reydon	£326,750
Flats	£335,250	Kessingland	£185,250
Overall Average	£542,000	Halesworth	£286,500
Increase in past year	£30,000		

Table 5 Average house prices in Southwold compared to other nearby areas

This clearly illustrates the very wide discrepancy in the average house price in the area. The average price is **£276,000** more than neighbouring Reydon which is already classified as a DPA by the Government.

Waveney	£24,093
Suffolk	£25,274
England	£26,615

The cost of homeownership in Southwold is in sharp contrast to income and therefore affordability for the local community. The most recent data on average earnings is shown in Chart 6. Based on the current cost of the cheapest average property (flat), a basic mortgage repayment calculation is estimated about £1700 a month. This would require over 80% of the estimated current average earnings for Waveney. Only one applicant on the Council's current waiting list that has expressed a desire to move to the town has an income over the Waveney average income.

Table 6 Comparative Earnings



The House Price / Earnings Ratio in Chart 7 clearly demonstrates the lack of affordable housing in Southwold with the 2015 average house price in the town an unobtainable twenty-one times greater than the average salary for the area – significantly different from the other comparators in the table such as Waveney.

Table7 Comparative House Price/Earnings Ratio

An analysis of land values has also been undertaken using a Department for Communities and Local Government report on land values in Feb 2015. Current market value for land with planning permission is approximately 1500% higher in the town than compared to the Waveney area. This inevitably makes the development of affordable housing more challenging and any risk of developing shared ownership becomes a risk if there is the possibility of staircasing to outright ownership.

Consultation

Southwold's Neighbourhood Plan consultation showed substantial support for creating affordable housing. This application has the full support of the Southwold Town Council backed by their Neighbourhood Plan which has been fully consulted on with the residents of Southwold in 2016.