

Date: 19 December 2017

Report: ATTRACTING FAMILIES TO THE YORKSHIRE DALES NATIONAL PARK

Purpose of the report

1. To update Members on the progress being made in partnership with the District Councils to develop an initiative to attract families to move to the Yorkshire Dales National Park'.

RECOMMENDATION

2. That Members:
 - support putting further time into working with the constituent District Councils to try to reach agreement on a joint programme of activity to attract more families and people of working age to move to the National Park; and
 - as part of that programme, approve the Authority working alongside the District Councils and other relevant authorities to develop a specific proposal to Government on second homes.

Strategic Planning Framework

3. The information contained in this report is consistent with the Authority's statutory purposes and its approved strategic planning framework:

- ***National Park Management Plan:***

E1. Promote the National Park as a high quality place to live and work, so as to attract new 'low impact' businesses with high quality jobs, and increase the proportion of young adults and people of working age living in the National Park.

Background

4. As part of the Authority's 2017-18 Action Plan, Members approved an action to work with District Councils and other partners to promote the National Park as a place for working age households to live and work. This specifically included supporting the 'Great Place: Lakes and Dales' project led by South Lakeland and Craven District Councils. That project aims to retain and attract younger people and business to the

rural corridor that links Skipton (Craven) in the south and Grasmere (South Lakeland) in the north by developing more creative and cultural opportunities.

5. Over the course of the year, the delivery of this project – alongside other actions to e.g. increase new house-building and support the local economy — has developed into a potential wider initiative to attract families to the whole of the National Park.

The Current Situation

6. With over 95% of the National Park in private ownership, Members will be well aware that achieving the two statutory purposes for which National Parks were designated depends on having strong, viable local communities.
7. The socio-economic position in rural communities in general and in the National Park in particular is very challenging. After growing steadily since 1971, the population of the Park has stalled, and may well be starting to shrink. This follows a trend which is apparent across many other parts of rural northern England. This overall trend, incorporates a number of specific issues:
 - a. a disproportionately elderly population with 26% aged 65 or over (national average = 16%) while only 15% are aged 16 or under. This imbalance is forecast to widen further. The heavily skewed age distribution will require more elderly support services, and more appropriate accommodation. Care and support needs will need to be met.
 - b. An acute shortage of people of working age. Only 23% of the population is aged 18-44, compared to the national average of 37%. There are some initial indications that in a post-Brexit world, local businesses are struggling to retain and attract key workers.
 - c. The average house price in the National Park is now £253,000 but in some parts this rises to £332,000. Prices are steadily increasing and are now back on a par with pre-2008 levels. However, they remain well out of reach of most local incomes. Efforts to provide more affordable housing continue, and the recent changes to local planning policy are starting to show some early results. However, availability and land supply issues mean that this approach alone cannot deliver enough housing for the future.
 - d. The number of second and holiday homes has increased significantly since 2001 and now accounts for 22% of the stock in the pre-August 2016 National Park area. There are dense pockets of second and holiday homes which affects the vitality of some settlements. The proportion of second/holiday homes is lower in the new area of the National Park (ranging from 9% to 19%) but it is likely that this will increase following National Park designation.
 - e. In common with other remote rural areas, the National Park has continued to lose shops and schools in recent years. The impact of public spending cuts has led to a reduction in public services or moved the burden of their delivery to charitable and voluntary sectors.
 - f. Despite full employment, there is a wide discrepancy in wage levels. Employment remains disproportionately reliant on agriculture and tourism;

- g. Broadband provision is poor in some areas, and mobile phone reception and data signals are still patchy across the Park.
8. This is the picture of the Yorkshire Dales National Park as we move into the middle of the 21st century. It may seem, at first glance, as if we are simply managing a slow decline. However, there are many positives to life in this area:
- a. Satisfaction with the local area as a place to live is 10% points higher than the English average, at around 90% of all residents. 91% of residents feel that the Park is 'a special place'. Only recently, Craven, Richmondshire and Eden were identified in a survey carried out by the Office for National Statistics (ONS) as being in the top ten happiest places in the UK.
 - b. 84% of residents consider themselves to be in good or very good health (slightly higher than the average for England).
 - c. Communities are resilient and have a high participation in voluntary and self-help activities. Only recently the Upper Wensleydale town of Hawes featured on the BBC Countryfile programme, demonstrating how, if the capacity and resources are available, communities can do more to meet their own needs.
 - d. The quality of life for residents is generally good with low unemployment, high skills, low crime and better than average health. Deprivation, other than in terms of access to affordable housing and health care services, is low.
 - e. Unlike many rural areas, the area's attraction to tourists has helped to keep shops and services that would otherwise have been lost. For example, whilst pubs across the country are shutting down every week, there hasn't been a permanent pub closure in the National Park for many years.
9. There are also a number of opportunities that could be exploited. The National Park has a high quality environment and outstanding opportunities for outdoor recreation both of which should be attractive to families. It's school age education systems are recognised as being among the best in the Country. There is excess infrastructure capacity in some key areas (e.g. vacant school places; under-occupied housing stock; general health practice capacity; under-used traditional buildings; uncongested roads; rail passenger capacity; bus capacity etc). The Settle-Carlisle Railway provides access to large towns and cities with a full range of services. Some of the broadband provision in the Park — notably on the western side — is amongst the best in the country.
10. The National Park has the capacity to absorb more people and more development. Indeed the population *needs* to stabilise or grow in order to sustain existing infrastructure and help deliver new services. It will be critical for the future that the National Park Authority, the five District Councils and the three County Councils work together to develop and deliver a coordinated approach.

Responding to the challenge

11. Initial discussions with District Councils have indicated a potential desire to develop a more joined-up approach, with the overall aim being:

To halt and then reverse the decline in the number of younger people (18-44 year olds) in the National Park.

12. A key part of these discussions has been a recognition that, in order to try to achieve that aim:

- a. it will no longer be enough to just try to hang on to the people already here. The area must attract families and people of working age to *move into it*.
- b. there are a range of inter-related issues that all need to be tackled at the same time (employment, access to services, housing etc).

13. Consequently, a working group comprising officers from the constituent District Councils has considered the need to develop objectives to be delivered by 2023. Although still in the early stages these include:

- Creating more new dwellings in a range of tenures (affordable, community self-build, local occupancy, open market etc).
- Bringing a proportion of second homes back into permanent residential use, and reducing the overall proportion of second homes.
- Working with Parish Councils on specific local initiatives to attract younger people to live in that parish.
- Increasing the number and quality of jobs.
- Accelerating the roll-out of hyperfast and superfast broadband, and mobile telecommunications.
- Retaining local schools.

14. All of these potential objectives will need further refinement in order to set meaningful targets, and will have to be supported by a more detailed action plan. As work progresses, further information will be brought to Members.

Second Homes

15. There can be no doubt that the long term viability of communities in the National Park has been adversely affected by the level of second home ownership. The YDNPA has a long history of considering proposals in relation to second homes. These have generally looked at planning controls though we have also proffered support for control through taxation. Most recently (in 2014), the YDNPA supported South Lakeland District Council in lobbying Government for a change to the planning system to help control further harmful growth in the number of second homes. At that time, the proposal was not supported by Government but there is an obvious change in circumstances and possibly attitudes towards innovative local solutions. This was shown in the Chancellor's quote in the November budget that, "*It cannot be right to*

leave property empty when so many are desperate for a place to live.” This comment related specifically to empty properties but the analogy with second homes is clear. In any event, it showed willingness from Government to use local taxation as a tool for social change.

16. Out of a total of around 13,500 units, approximately 3,000 are second homes or holiday lets. Of this, about half are registered as second homes. The scale of the impact can be gleaned from the 2011 census. Whilst an average of 65 new homes were created each year between 2001-2011, approximately 90 houses were being turned into second homes or holiday lets each year.
17. A certain number of holiday lets is economically beneficial to the area. They are run as businesses, generate supply chains and are usually owned and serviced by local people. Second homes are usually much less so. They ‘deny’ a home to a permanent resident and push up prices. They also generate a substantial economic ‘loss’ to the area because for much of the year there is no one in them spending money or using local services. This impact is magnified in the National Park because of the obvious limitations on the scope for significant new house-building to compensate.
18. The overall effect has been dramatic: pushing up house prices beyond the reach of local people, especially younger people. Second homes also reduce the money circulating within the local economy and the demand for local services (e.g. primary schools) to a level where local authorities are finding it increasingly difficult to justify on-going provision. The overall impact of this is a change in demographic to more elderly retired, the ‘flight of the young’ and a downward spiral in local services.
19. In order to attempt to address these problems it is proposed that the Yorkshire Dales National Park Authority (YDNPA), the 5 District Councils (Craven, Eden, Richmondshire and South Lakeland Districts and Lancaster City Council) and the 3 County Councils (Cumbria, Lancashire and North Yorkshire) approach DCLG/Defra with the following proposition:

To seek government support for the establishment of a 5-year pilot to test whether a substantial increase in Council Tax for second homes, within the boundary of the Yorkshire Dales National Park, would have a positive effect by:

- (a) **encouraging some existing homes back into full time occupancy;**
 - (b) **discouraging the purchase of further second homes; and**
 - (c) **ensuring that remaining second home owners are making a similar ‘socio-economic contribution’ to the local area as permanent residents.**
20. It is not for the YDNPA to set the level of council tax that might apply during the pilot period (we are not a council tax precepting authority). This can only be decided by the authorities that have responsibility for these matters. Nonetheless the sum concerned has to be of sufficient magnitude to have a significant impact. Whilst a small increase in Council tax on second homes might raise some additional revenue, it is unlikely to deliver the three objectives set out above.
 21. For those reasons it is suggested that a figure of at least five times the current rate should be considered. To provide an indication of impact, that would equate to a

charge of at least £8.5k per annum on a Band D property. It is unlikely that this initiative would raise significant revenue, and that is not the aim. However, any additional funding that *is* raised should be ring-fenced to provide *extra* support for local services in the Park communities.

22. This is clearly a radical and controversial approach but there are many who believe it is now worth pursuing because:
- Everything else that has been tried over the last 20 years has had limited or no impact in tackling the long-term socio-economic decline of remote rural areas.
 - This approach is based on making the market work more fairly. Second home ownership is inadvertently contributing to the long term decline of the area. This proposal recognises that impact, and aims to ensure that second homes make a fair economic contribution to looking after the area (its economy, services, communities etc).
23. There have been some initial discussions on this proposal with local District and County Councils, including the Leaders of both Richmondshire and Craven District Councils, who have indicated their support in principle. In order to take this forward this initiative now needs to be considered by all the constituent local authorities within the National Park. Only if it has their support would a final proposal be worked up to take to Government.

Risks

24. It will be evident to Members that these proposals, particularly around treatment of second homes, are not without risk for the Authority. Particularly in relation to reputation and the relationship we have with local communities and the reliance we place on them helping us to deliver national park purposes.
25. In terms of the Authorities involvement in these matters, the statutory purposes of the National Park Authority are set out in sections 61 and 62 of the Environment Act 1995. In pursuing those purposes the Authority should seek to foster the economic social well being of local communities within the National Park, and shall for that purpose co-operate with local authorities and public bodies whose functions include the promotion of economic or social development within the area of the National Park.

Conclusion

26. There are many reasons why a co-ordinated initiative to try to attract more families to move to the National Park might fail. There are likely to be people who want it to fail. For National Park Authority Members and officers, it would be much easier to concentrate purely on our conservation and recreation remit and leave these difficult matters for others to deal with, or not. However, the long term viability of our communities is under serious threat and so, in turn, is the management of the National Park. Even now it may be too late to halt the decline. What the evidence of recent years has shown us is that the policies that we have tried in order to address this situation have had limited overall impact.

27. There are obligations on all of us to try to address the problems we face in the short time that we have some responsibility and influence over this area. Who truly wants the legacy of being the generation that presided over the slow decline of its communities when they could have tried approaches that may have had a positive impact on the long term good of our communities.
28. Elements of this initiative — more house-building, tackling the proliferation of second homes — are likely to be particularly difficult. If Members have no appetite for this approach as ‘a matter of principle’ then they should raise that objection now. That will save a huge amount of time, effort, energy and public money. However, should Members be inclined to support the principle, we can then work with colleagues in the other Local Authorities to try to develop a workable proposal to Government.

David Butterworth
Chief Executive

8 December 2017

Background documents:
none