

Sherborne & Windrush

Parishes Joint Housing Needs Survey Report October 2012



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1. INTRODUCTION

1.1 In August 2012 Windrush parish meeting and Sherborne Parish Council engaged the services of the Rural Housing Enabler to carry out a joint local Housing Needs Survey of both parishes.

1.2 The Rural Housing Enabler (RHE):

- is employed by Gloucestershire Rural Community Council, which is part of the national network of Rural Community Councils (ACRE - Action with Communities in Rural England).
- works closely with rural communities, housing associations, local authorities, other community organisations (including community land trusts) and landowners to meet the affordable housing needs of rural communities.
- is an independent advisor, although, the post is funded through contributions from Cotswold District Council, Forest of Dean District Council, Stroud District Council, Cotswold District Council and seven housing associations.

2. PARISH SUMMARY

2.1 The number of households and population figures for Sherborne and Windrush are given on Table 1 below. Corresponding district and county figures are shown in Table 2.

Table 1 - Population and household numbers for Windrush & Sherborne

	Households (Council Tax records October 2012)	Population (GCC Maiden estimate for 2011)*	Average household size
Windrush	63	101	1.60
Sherborne	169	349	2.06
Total	232	450	1.94

** this is the most recent data GCC Maiden has available*

Table 2 – Population and household numbers for local authorities in Gloucestershire according to 2011 Census

	household (rounded to nearest 100)	Population (rounded to nearest 100)	Average household size
Cheltenham	50,900	115,700	2.27
Cotswold	36,200	82,900	2.29
Forest of Dean	34,200	82,000	2.42
Gloucester	50,400	121,700	2.41
Stroud	47,800	112,800	2.36
Tewkesbury	35,100	81,900	2.33
Gloucestershire	254,600	597,000	2.34

2.2 This equates to an average of 1.94 persons per household for Sherborne and Windrush combined compared to approximately 2.34 for Gloucestershire as a whole.

2.3 By road Sherborne and Windrush are approximately 5 miles from Burford and 12 miles from Whitney. The nearest station on the national rail network is in Shipton-under-Wychwood, approximately 9 miles away.

2.4 Sherborne has the following facilities: Primary school, shop & tea room and reading room/social club. And Windrush has: ??????

3. AIM

3.1 The purpose of the survey is to investigate and establish the affordable housing needs of people who live in or have close ties to Windrush & Sherborne . By comparing the established needs with the existing supply of affordable housing and the number of re-lets, we can estimate the number of dwellings, house types and tenure of new units required to meet the Parish's needs.

3.2 **Housing needs** can be defined as the need for a household to obtain housing which is suitable to meet their requirements in terms of:

- House type and accessibility e.g. house, bungalow, flat etc
- Size and number of rooms
- Location e.g. in relation to employment, schools, family, shops and public services etc
- Affordability
- Tenure, including security

3.3 The aim of the survey is to provide Windrush & Sherborne Parish Council with an independent report of a robust nature based on evidence from reliable sources. This will assist the Parish Council, District Council and Private Landlords to respond to any planning proposal that may come forward for additional housing within the parish.

4. SURVEY DISTRIBUTION AND RESPONSE

4.1 The parish council arranged for the delivery of questionnaires to all homes in both Windrush and Sherborne parishes in October 2012.

4.2 Householders were requested to return completed questionnaires in an enclosed freepost envelope or collected from the person's home by a representative of the parish council.

4.3 Part 1 is entitled 'You and your household' and is for every household to complete. Part 2 is entitled 'Housing Needs' and is for completion by households in need of more suitable accommodation. People were asked to provide their contact details if they would like further information in the event affordable housing being developed in Windrush & Sherborne. This report includes only anonymous information. No individual can be identified in this report.

4.4 A total of 232 questionnaires were distributed..

- Everyone was asked to complete Part 1 of the form.
- If a household considered themselves in need, or likely to be in need of re-housing within the next five years, they were invited to complete Part 2 of the form.
- Households were asked to forward the questionnaire to anyone they knew of who had moved away but might wish to return to live in Windrush & Sherborne .

There was a response rate of 36% with 82 completed replies received. The rate of response is favourable compared to Bourton-on-the-Water 27%, Oddington 31%, Ebrington 40%; Stow-on-the-Wold 17%; Norton 36%; Kempsford 22%). Whilst the survey provides no direct evidence of the needs of those who did not respond to the questionnaires there are other useful sources that inform of housing needs i.e. the District Council's housing register (Gloucestershire Homeseeker), District-wide Housing Needs Survey 2009 and Gloucestershire Strategic Housing Market Assessment.

5. KEY FINDINGS

Part 1 – You and your household

5.1 Question 1 asked ***Is this your main home?*** 70 respondents reported that their home in Windrush or Sherborne was their main home. 12 of respondents (14.6%) reported it was their second home.

5.2 Table 3 below compares the numbers and percentages of people using second homes. It should be noted that Windrush & Sherborne combined have a significantly higher percentage of second homes (14.6%) than Cotswold District (7.1%), Gloucestershire (3.8%), and England & Wales (2.8%).

Table 3 – Second homes

Geographical area	People using a second address for more than 30 days a year *		Response to Sherborne & Windrush HNS	
	number	%	number	%
Sherborne & Windrush	unavailable	unavailable	12	14.6%
Cotswold	5,898	7.1%		
Gloucestershire	22,696	3.8%**		
England & Wales	1,570,224	2.8%		

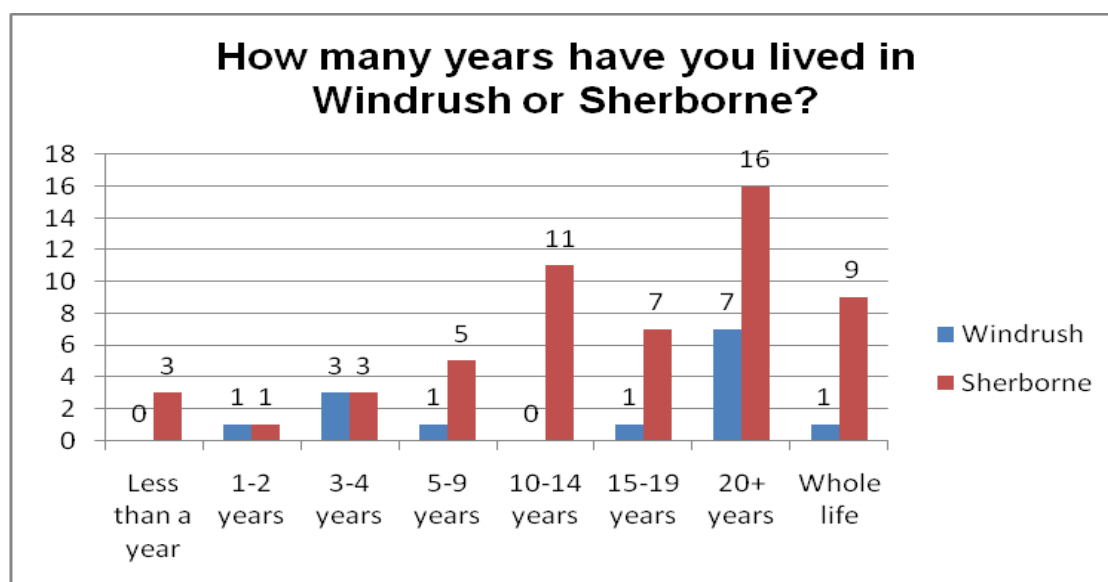
* information provided by 2011 Census.

** % figure is based on Glos Maiden mid-year population estimates 2011 for Gloucestershire of 598,789.

5.3 Question 2 asked **Where do you live?** Of these 70 residents with their main home in Windrush or Sherborne, 51 respondents live in Sherborne, and 14 respondents live in Windrush. 5 people gave no reply. Tables A, B, C, D, E, F, & G provide information for Sherborne and Windrush separately.

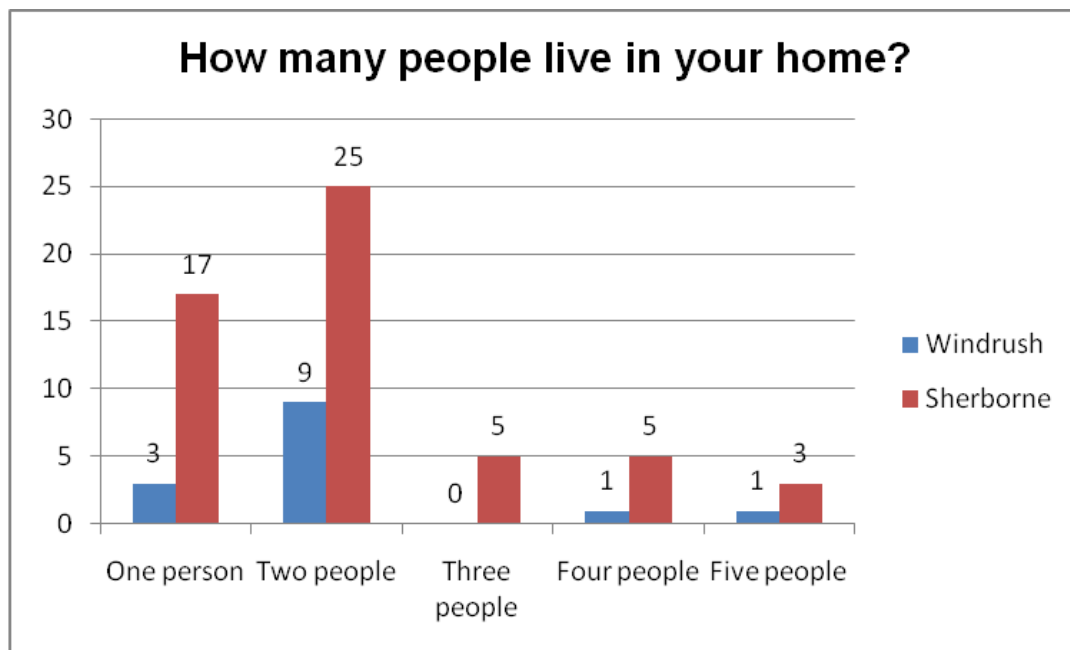
5.4 Question 3 asked **How many years have you lived in Windrush or Sherborne?** It shows that a 49% of respondents have lived in these parishes for 20 years or more or their whole life. 23% of residents have lived in Windrush or Sherborne for 4 years or less.

Table A – How many years have you lived in Windrush or Sherborne Parish?



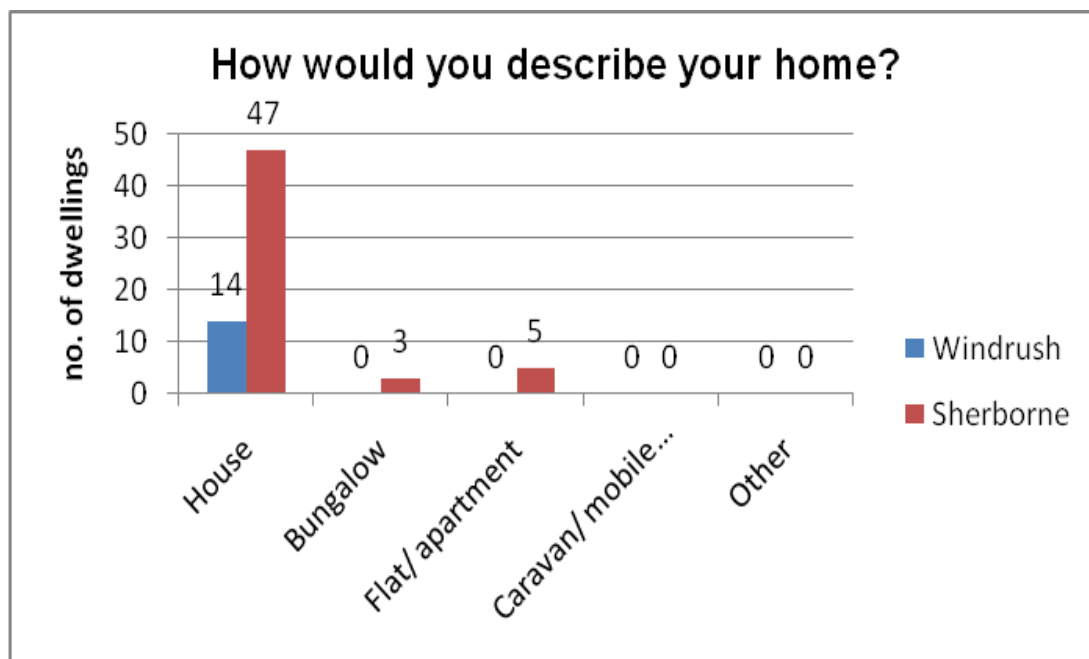
5.5 Question 4 asked **How many people live in your home?** 1 & 2 person households account for 78%, 3 & 4 person households account for 16%, and 5 person households account for 6%.

Table B – How many people live in your home?



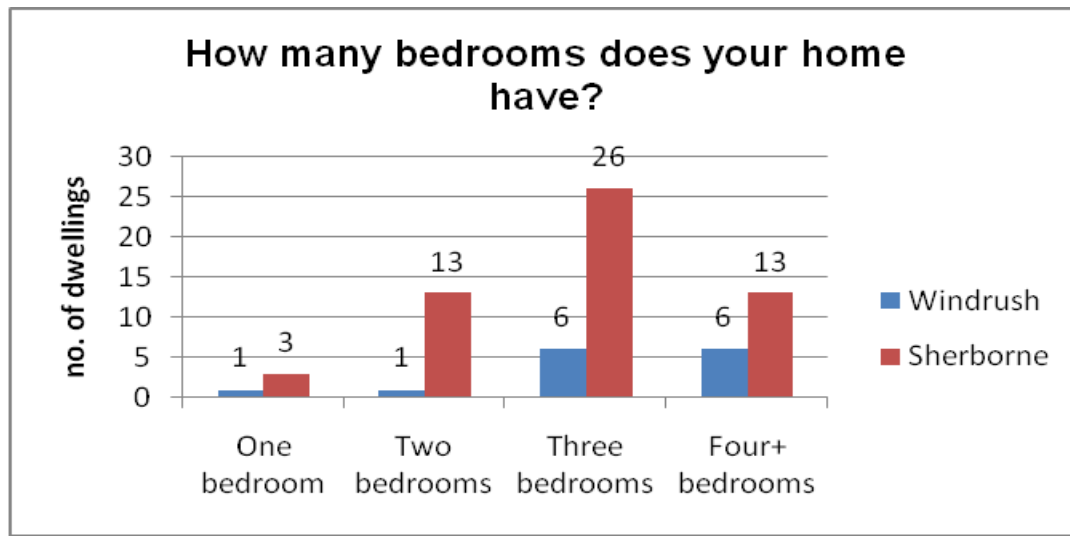
5.6 Question 5 asked ***How would you describe your home?*** 88% of respondents live in a house, 4% live in a bungalow and 7% live in a flat/apartment.

Table C - How would you describe your home?



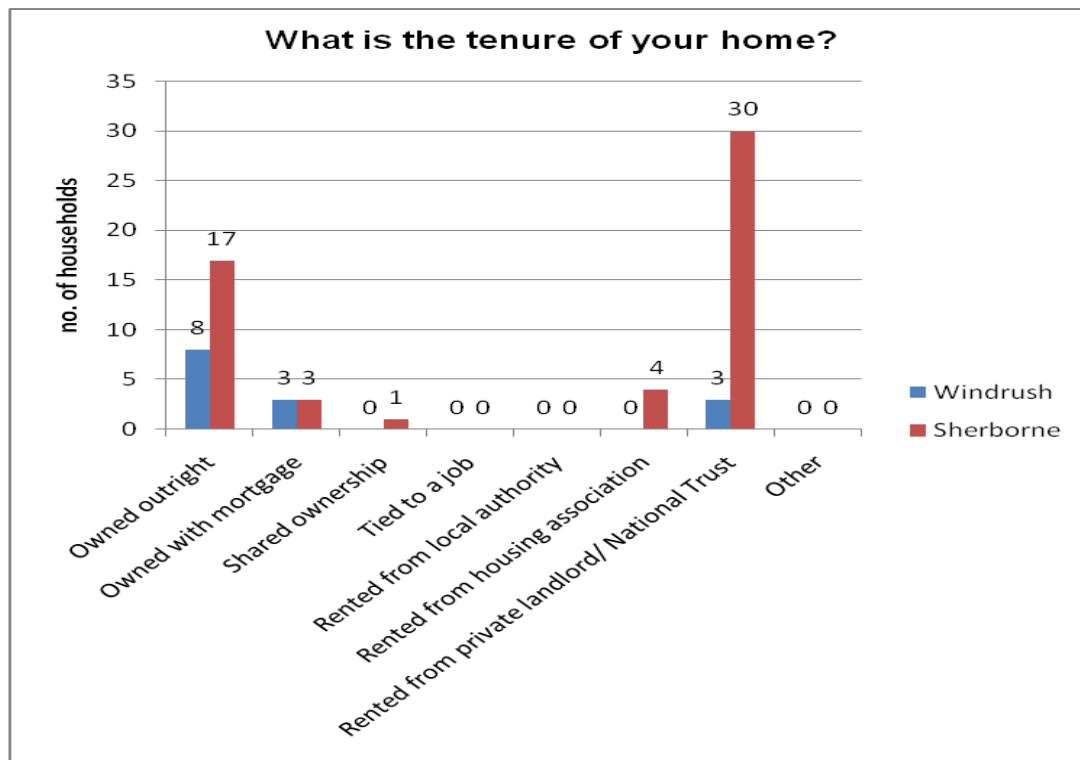
5.6 Question 6 asked ***How many bedrooms does your home have?*** Table D below shows 74% of homes have three or more bedrooms, 20% of homes have 2 bedrooms, and 6% of homes have one bedroom according to the survey response.

Table D – How many bedrooms does your home have?



5.7 Question 7 asked ***What is the tenure of your home?*** 36% owned outright, 9% own with as mortgage, 1% shared ownership, 6% rent from housing association, and 48% rent from private landlord or National Trust.

Table E - What is the tenure of your home?



5.8 3 respondents said their home had been adapted to increase physical accessibility.

5.9 Asked... *Has anyone from your family moved away due to difficulty finding an affordable home?* 9 people answered 'yes'.

5.10 Asked... *Do you know of anyone who would like to return to the parish if there was suitable affordable housing made available?* 19 people answered 'yes'.

5.11 Tables F and G below compare age profiles between those who responded to the survey questionnaire Part 1 and Gloucestershire County Council's Maiden estimate for 2007.

Table F – Age profile of Windrush & Sherborne combined according to the survey

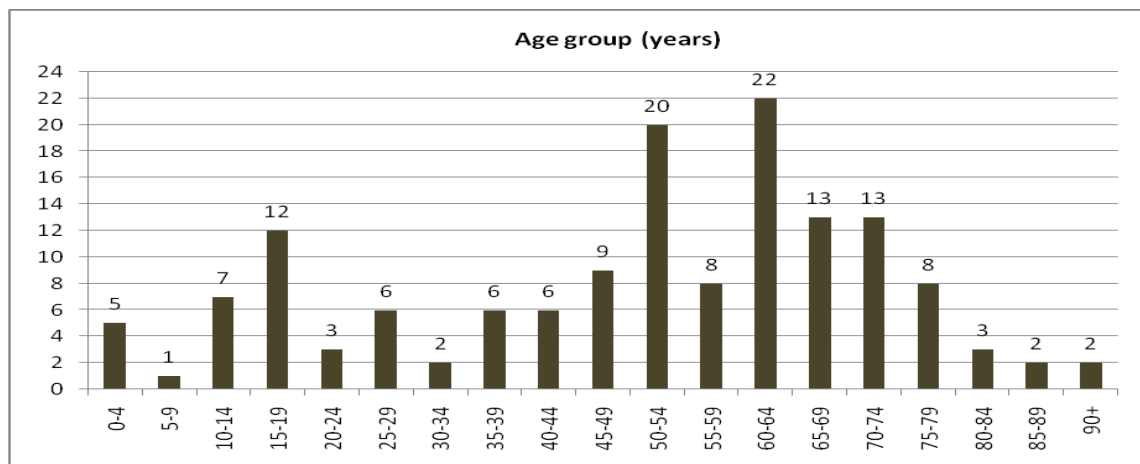
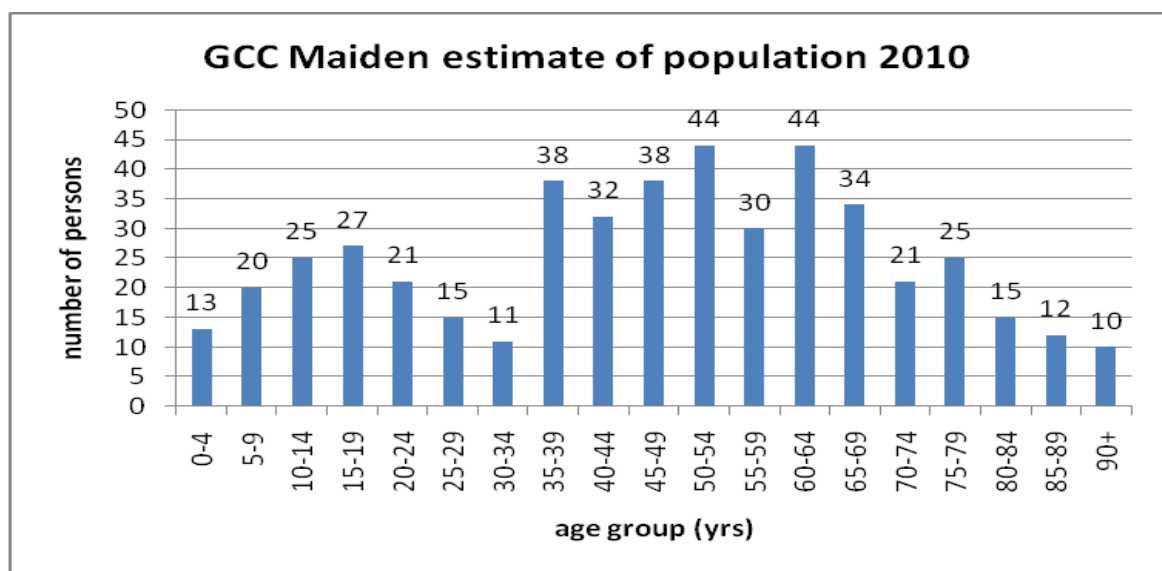


Table G - Age profile distribution of Windrush & Sherborne according to Gloucestershire County Council Maiden estimate for 2010



5.11 The figures shown in Tables G and H demonstrate people in the following age bands are significantly underrepresented: 5-14 years, 20-24 years, 30-34 years & 80 years plus.

Part B – Housing needs

5.12 8 households completed *Part 2: Housing Needs* of the survey questionnaire self identified themselves in need of moving to more suitable housing. 7 households indicated a need to move to alternative housing in Sherborne or Windrush. 1 household seeks a move to Bourton-on-the Water.

5.13 None of the 7 respondents needing to move home have indicated they are able to afford suitable housing in the private sector.. Account is taken of household's current tenure, deposit, and maximum house purchase price they could afford. Therefore, *7 households are in need of affordable housing within Sherborne or Windrush*. 6 of the 7 households in need of affordable housing currently live in Sherborne, and other household is a single person living in Windrush.

5.14 Of the 5 households in need of affordable housing, 5 respondents indicated a need to move within 2 years, 1 respondent indicated a need to move in more than 5 years.

5.15 3 out of the 7 respondents in need of affordable housing indicated they were on the District Council's housing register (Gloucestershire Homeseeker). These are comments made by persons in need of alternative housing, who answered 'no' and who were asked to explain why they were not on the housing register:

- Was not aware of it
- No point would not stand a chance
- Checked it out 3 years ago but declined to register as it was based on the 'usual' points system

5.16 Respondents provided the following reasons for needing to move home (some people gave more than one reason for needing to move):

- 1 household indicated a need to move to smaller accommodation
- 1 household indicated a need for a move to larger accommodation and to avoid harassment
- 1 household indicated a need to move to cheaper accommodation
- 1 household indicated a need to set up an independent home
- 1 household indicated a need a home better suited to my physical needs
- 1 household indicated a need to move nearer employment
- 1 household indicated a need to move closer to carer/dependent

5.17 Analysing the results of those in need of rented accommodation shows:

- **3 x single persons**
- **1 x 2 person household requiring a minimum of 1 bedroom**
- **1 x 2 parent family requiring a minimum of 2 bedrooms**
- **2 x families requiring a minimum of 2 bedrooms**
- **1 x family requiring a minimum of 3 bedrooms**

5.18 Financial information provided on the respondents questionnaires indicates that none of those households in need afford intermediate housing i.e. low cost home ownership or *affordable rent* i.e. up to 80% market rent:

6. AFFORDABILITY

6.1 A household's income, savings and the state of the housing market are key factors for assessing a person's need for affordable housing.

6.2 In simplistic terms the assessment of affordability requires household incomes and savings to be measured against prices of property of a suitable size, type and location, whether rented or home ownership. However, depending upon tenure there will be additional factors that will impact upon costs of acquiring the right to occupy the property.

6.3 For home ownership, these costs include: mortgage interest rates, mortgage indemnity premium, mortgage application fee, legal fees, stamp duty tax, legal fees and search fees etc.

6.4 For rented, these costs may include: rent deposit and rent paid in advance.

Home ownership

6.5 In order to investigate affordability, further research has been carried out on house prices in the area.

6.6 Using information gained from HM Land Registry it is possible to obtain some information on property prices in Windrush & Sherborne .

6.7 The average price of properties sold in Windrush & Sherborne in the 24 months to August 2012 are shown in Table H below.

Table H: Average Prices of residential properties in Windrush & Sherborne sold in the period 24 months to August 2012(according to HM Land Registry)

Average House Prices in Windrush & Sherborne		
Parish (£)		
House Type	Price	Number of Sales
Detached	£781,666	3
Semi-detached	£285,050	2
Terraced	-	none
Flats	£360,000	1
All	£545,850	6

6.8 The number of house sales are for new and existing properties where the sale details registered with the Land Registry are in Windrush & Sherborne Parish.

- Figures were obtained from “www.rightmove.co.uk” with data supplied by HM Land Registry.
- There are sometimes delays in registrations of sales and this may result in under counting of property sales.

6.9 Unfortunately, the number of bedrooms in each property is not specified.

6.10 The average price of properties sold does not necessarily reflect the average value of all properties in the parish. This may be especially so in Sherborne and Windrush where there have been few house sales over the past two years.

6.11 HM Land Registry tells us that the average price of residential properties sold in Gloucestershire is £173,038 in September 2012.

6.12 The latest figures show that for Gloucestershire there has been a small increase in the rate of increase in average house prices between May and August 2012, up to 2.5% over the 12 months up to August 2012.

6.13 House sales volumes in Gloucestershire fell significantly from a peak of 1,475 in June 2007 to a low of 436 in January 2009. Sales numbers have recovered somewhat with 742 residential property sales in July 2012. Winter is traditionally a time of fewer house sales.

EXAMPLE CALCULATION FOR A MORTGAGE

6.14 Typically, a household can obtain a mortgage of 3.5 times their gross annual income, and in today’s financial market would expect to pay a deposit of at least 15% towards the total purchase price.

6.15 To afford the cheapest priced semi-detached house (£205,100) sold during the past 2 years in Windrush & Sherborne a household would require at least £30,765 as a deposit, and their annual gross income for mortgage purposes would have to be at least £49,810.

6.16 At the time this report is published mortgage lenders currently offer first time buyers standard variable annual rate interest rates from a low as 4.5% APR upwards. Applying a 4.5% interest rate to a mortgage of £174,335 equates to £979.74 per month for a repayment mortgage (repayment of capital and interest) over a 25 year period.

Gross annual earnings for residents and employees in local authority areas

Area	Median gross annual earnings for residents (£)	Median gross annual earnings for employees (£)
Cotswold	17,948	16,651
Forest of Dean	20,833	19,364
Gloucester	19,630	20,615
Stroud	22,403	19,753
Cheltenham	22,039	19,740
Cotswold	19,937	23,321
Gloucestershire	20,651	20,018
South West	20,000	19,831
Great Britain	21,342	21,324

Source: Annual Survey of Hours and Earnings 2010, Office of National Statistics

- The median (50th percentile) in the table above shows gross annual earnings of residents in Cotswold District (£17,948) is lower than the corresponding regional (£20,000) and national figures (£21,342). However, the median for earnings of employees in Cotswold District (£16,651) is significantly lower than the regional (£19,831), and the national figures (£21,324).
- Considering the average prices of homes sold in Windrush & Sherborne Parish during the 24 months up to August 2012 a household on a median income living in Cotswold District (£17,948) would be unable to purchase a property without a substantial deposit.
- Many potential first time buyers struggle to meet the costs of buying their own home.

Private rented

6.17 Information gained from 'Rightmove.com' tells us these are the starting prices for rents for the following property types in October 2012:

One bedroom house (Sherborne).....£595 per calendar month

Three bedroom semi-detached house (Sherborne)...£925 pcm

Four bedroom house (Sherborne).....£2,250 pcm

6.18 In October 2012 there were no two bedroom properties advertised for rent through Rightmove or Zoopla in Windrush or Sherborne.

6.19 It is generally recognised that a household's housing costs should not exceed 25% of a household's gross income. Based upon this assumption a minimum gross annual income required to afford the rent on the above properties would be £28,560 for a one bedroom house in Sherborne, and £44,400 for a three bedroom house. Of course, the rent does not include running costs e.g. council tax, fuel bills etc.

6.20 By comparing the monthly costs of private rented property with home ownership, it is substantially less expensive to rent than to buy a similar starter-type home (if such a property was available).

What is affordable rented housing?

6.21 Traditionally the levels of rent that housing associations have been able to charge have been controlled by *Homes and Communities Agency*. These rents are known as *target rents* and are subject to the national Housing Benefit scheme.

6.22 The *target* rents of properties let by Housing Associations are controlled by the Tenants Services Authority, the regulatory agency of registered providers of social housing in England. Rents are calculated according to a formula based on relative property values and relative local earnings.

6.23 A household's entitlement to housing benefit takes into account a household's size, income, savings and other circumstances, may entitle a household to a financial contribution of a sum up to the entire rental charge.

6.24 More recently the Coalition Government has introduced *affordable* rents for council and housing association rented properties. The *affordable* rents are up to 80 per cent of market rents. For some areas of Gloucestershire that means *affordable* rents will be significantly higher than traditional *target* rent levels.

7. EXISTING AFFORDABLE HOUSING STOCK

7.1 Sherborne parish currently has a total of 6 affordable dwellings for rent. Windrush has none.

Affordable housing stock in Sherborne

Landlord	Tenure	2 bed house	3 bed house	Total
Fosseway Living	Assured tenancy	2	4	6

8. SUMMARY

8.1 *Part 2* of this survey is aimed at persons who are seeking alternative housing, in particular those who cannot open market prices and therefore require affordable housing (rented or shared ownership).

8.2 The information gained from this survey is a key element of assessing local needs. Other useful sources of information include Cotswold District Council's Housing Register (known as Gloucestershire Homeseeker). Some key issues arising from the survey are:

- It is notoriously difficult to get accurate data on the housing need of young people, and surveys of this type tend to underestimate the figures.
- Those who have expressed a genuine need have been considered in the recommendations, rather than those with a wish to move but are considered to be able to afford appropriate market housing.
- Housing development in Windrush & Sherborne parish should take account of future anticipated housing need as well as the number of households in immediate need.
- There is a shortage of affordable properties in Windrush & Sherborne for rent and none available for shared ownership ownership. This survey has shown 74% of properties in the parish have 3 or more bedrooms.
- Of those 7 respondents to the questionnaire who are in need to move to suitable accommodation in Sherborne or Windrush, all 7 households require affordable housing. None has indicated that they can afford suitable open market housing. In the current financial market some potential purchasers, particularly first time buyers, are experiencing difficulties obtaining a mortgage. The Bank of England Base Rate has remained at an all time low of 0.5% since March 2009 (last reviewed on 4th October 2012). However, mortgage lenders often charge high rates of interest to first time buyers and require substantial deposits, sometimes 15% or more of the purchase price as well as charging arrangement/administrative fees.

Households in need of social rented

	Single persons	Two person household	Families in need of 2 bedrooms	Families in need of 3 bedrooms
1 bedroom general purpose i.e. flat/house/bungalow	3	1	-	-
2 bedroom house	-	-	2	-
3 bedroom house	-	-	-	1

10. CONCLUSION

10.1 This survey has determined that there are **7 households with a local connection who have self identified themselves in need of affordable housing in the parish.**

10.2 In addition to local households in need, consideration should be given to turnover of the existing social housing stock in the parish when determining the number, type and tenure of additional affordable dwellings required to meet the parish's need. Also, consideration may be given to forecasted changes in the demographics and the impact of Government policies e.g. housing benefit regulations. It should be noted that some existing affordable housing may be allocated to persons in greatest housing need throughout Cotswold District.

10.3 The survey did not set out with the intention to identify Windrush & Sherborne residents who were seeking to move to affordable housing outside of the parish. However, one household living in Sherborne/Windrush did indicate a need to move to affordable housing in another parish i.e. Bourton-on-the-Water.

11. RECOMMENDATIONS

It is recommended that:

- a) Windrush & Sherborne Parish Council makes available hard copies of this report to parishioners upon request and the Rural Housing Enabler produces an executive summary of the survey report for publication in the local news letter.
- b) Anyone who is in need is encouraged to apply on the District Council's Housing Register (Gloucestershire Homeseeker).

- c) The District Council is provided with the Housing Needs Survey Report.
- d) The Rural Housing Enabler works with representatives of the Parish Council to identify potential exception sites in Windrush & Sherborne for the provision of affordable housing, thereafter referring any potential sites to the District Council's planners for comment.