

**FINAL
SHERBORNE ST JOHN HOUSING NEED
SURVEY REPORT**

DECEMBER 2014

ACTION HAMPSHIRE

SHERBORNE ST JOHN HOUSING NEED SURVEY REPORT

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EXECUTIVE SUMMARY:

SHERBORNE ST JOHN PARISH HOUSING NEEDS SURVEY REPORT

Key Features and Main Outcomes

- Sherborne St John housing need survey was conducted in July 2014. 523 surveys were sent out to all households in the parish.
- Out of these 523 surveys distributed, 220 were returned, a 42% response rate. This is a good response rate.

Support for an affordable housing scheme

- 74% of survey respondents would support a small affordable housing scheme for local people in the parish, should one be needed. 26% would not support a scheme.

Local Housing Need Survey Results

- The overall findings of the survey showed that whilst 22 households completed Part 2 of the survey stating they were in need of affordable housing only 17 households were interested in either an affordable rented home or shared ownership home within the parish. The remaining 5 were only interested in owner occupation.
- The majority of households in need stated a local connection to the parish of more than 10 years.
- Housing need may arise for a number of reasons, but in the majority of cases within the parish, it is because individuals cannot afford the high cost of mortgage and rent levels locally. Other respondents stated they wished family members to return to the parish for support or be supported by families currently living in the parish. Setting up a first home and divorce and separation were also given as reasons.
- Almost half of all those giving income details earn below the national average. For those on lower incomes the opportunities to stay in the parish will be limited by the types of tenures they can afford.
- Only 2 households in the survey mentioned that they were currently registered on the local housing registers maintained by Basingstoke and Deane Borough Council's 'Homebid' for affordable rented housing or 'Help to Buy South' shared ownership register. The 'Homebid' register has currently 24 households stating a connection to the parish and 5 households are registered with 'Help to Buy South'.

- This means that the Housing Need Survey has uncovered a further 15 households who have expressed a need for affordable rented housing or shared ownership and are not currently listed on either Housing Register.

Future housing requirements for the parish.

- Survey respondents identified affordable housing for local people, housing for older people to downsize and homes for first time buyers as priority housing groups for the parish.
- More than 80% of survey respondents currently own their own home and most live in 3 and 4 bedroom houses or bungalows, with much fewer 1 and 2 bedroom homes available in the parish. With the demographic trend moving towards smaller households, this lack of 1 and 2 bedroom homes will make it difficult for many groups, such as single people and couples, first time buyers and those on low income to enter the local housing market.

Adequacy of existing home

- 16 survey respondents stated their current homes were not adequate for their future needs. The majority of these residents were over the age of 65 and owned larger homes. Most wanted smaller housing for older people to downsize within the parish where support networks such as family and friends could be maintained.

The survey recommendations

- The survey has indicated that a mix of new homes is needed by local residents of the parish. This is evidenced in the results of the survey and by those currently registered for affordable rented and shared ownership housing.
- Further investigation with Basingstoke and Deane Borough Council is recommended to confirm whether this identified need can be met through the new homes currently being planned and developed within or close to the parish boundary. These new developments will provide a mix of market and affordable housing for the Borough. A rural exception scheme for the parish should only be considered if local housing need is not being given some priority.
- A Rural Exception Affordable Housing Scheme for local people should only be considered for the parish if the housing need identified cannot be met through the new planned housing developments being built close to or within the parish boundary.

Background information

Rural affordable housing for local people

- Access to affordable housing is a real concern for many residents living in rural areas; they are often some of the least affordable places to live in the country.
- House prices in rural areas have nearly doubled in the last ten years, up 82% from £126,016 to £228,742. However, wages have not kept pace, rising 17% slower in rural areas than in urban areas over the last five years.' (Source: National Housing Federation-'*Thirty-something's abandon villages as rural housing prices soar*' (June 2013))
- Rising house prices and few homes for affordable rent often result in some members of the community having to leave their village. The number of affordable rented council properties has reduced considerably since the introduction of the government's 'Right to Buy' scheme. This has resulted in demand outstripping supply.
- When people move elsewhere the result can be the closure of village schools, shops, pubs, bus routes, post offices and local businesses. It is important that communities remain vibrant and mixed and made up of people from all social groups.
- The affordable housing built by the Hampshire Alliance for Rural Affordable Housing (HARAH) will be specifically for people with a local connection to their parish. Before a household is offered an affordable property, they will be asked to provide documentary evidence of their local connection.
- The local connection criteria and length of connection are written into the Section 106 agreement, a legal document which sets out planning conditions for the housing.
- The HARAH Affordable Housing projects help those who do not have the financial means for a mortgage, by offering them the chance to have a home, into which they have to put some equity or rent. The freehold will remain with Hyde Housing, so that such houses will not be available on the open market.
- The waiting list for affordable accommodation has increased in recent years as more and more people are unable to afford properties on the open market, due to increasing house prices and falling incomes. The current climate means that many people are struggling to find an affordable property.

SHERBORNE ST JOHN

Housing Needs Survey

OCTOBER 2014

SURVEY REPORT

SECTION ONE: BACKGROUND AND GENERAL INFORMATION

1. Introduction

- Following discussions with Sherborne St John Parish Council in 2014, it was agreed that the Rural Housing Enabler at Action Hampshire would carry out a Housing Need Survey of the parish. The aim was to determine whether or not there is a need for affordable housing for local people within the parish. The survey was expanded to include a question around the future housing needs of the parish, in order to provide evidence to help inform the Neighbourhood Development Plan currently being carried out.
- The survey and this report has been conducted and produced by Action Hampshire. Thus, the report and the findings are an independent and impartial commentary based on the evidence collected.
- The survey has been carried out at no financial cost to the Parish Council. The survey was funded by Basingstoke and Deane Borough Council as part of its remit to explore the need for affordable housing across its planning area. The work is also fully supported by Borough Council as the housing authority for that area. Other rural parish-based surveys are either taking place or planned.
- This survey is the most recent comprehensive study of housing need undertaken in the parish. Whilst some households will already be on the Borough Council Housing Register, many may not be included on existing records of need. This survey also raises awareness of housing issues facing local people and gave respondents space to express their views on local housing issues.
- The findings in this report are based on the survey only. They should be read in conjunction with other borough-wide housing needs surveys, the housing market assessment, affordable housing and planning policies to place the conclusions in a borough-wide, sub-regional and regional context.
- For a wider overview of the national rural housing problem, reference should be made to the findings and recommendations of the Government's Affordable Rural Housing Commission Final Report, May 2006 (www.defra.gov.uk)

2. Survey Purpose and Methodology

- The purpose of the survey was to acquire detailed information about the current housing situation and the numbers and types of households in housing need and to find out what kind of alternative housing they were seeking. Also, it gave people an opportunity to express their views on what was needed or not.
- Based on a core questionnaire, the survey form (a copy is appended to the report) was agreed by Sherborne St John Parish Council and Basingstoke and Deane Borough Council in its final form before distribution. The survey form was divided into two parts: Part One collected general information about the respondent's household and Part Two for completion by those in housing need. Also, the questionnaire included an explanatory section on what is meant by affordable housing provided by housing associations, together with a case study of a previous beneficiary now living in a small rural exception site.
- An important element in the design of the form was to reveal what is called hidden or concealed households, people who cannot afford to be in the housing market and are living within another household.
- The forms were hand delivered by members of the Parish Council and returned in pre-paid envelopes to the Rural Housing Enabler at Action Hampshire.
- The data processing was carried out by the Rural Housing Enabler.
- As the questionnaires went to 100% of households, this is a total or census survey rather than a sample survey. This methodology is that recommended* as being appropriate for rural areas. In the more usual borough-wide sample surveys, rural wards are grouped together and as such it is not possible to disaggregate information for individual villages or parishes. There is a presumption (*Source: A Guide to Housing Needs Assessment, IOH 1993*) that there will be a greater response from those in need using this methodology. The results are presented as found (no figures have been 'grossed up').

*Assessing Housing Need in the South East – A Good Practice Guide (SEERA 2004)

- It should be noted that a few respondents did not answer all the questions asked.
- It is possible that a degree of housing need occurs within the households who did not respond to the questionnaires and therefore the need identified in this report could be an under-representation of the real situation. The actual figures from the survey can be classed as demonstrable need.

- Some information has also been cross-referenced to the 2001 Census, 2011 Census, and the HM Land Registry parish-based data from web-based sites, the Office of National Statistics. (ONS) and Rural Community profile Sherborne St John (Parish) Action with Communities in Rural England (ACRE) Rural evidence project 2013. It was also noted that parish boundaries were changed after the Census 2011 was carried out, and this report has reflected this in its reporting.
- It is hoped that this report is clear and readable. But some terms have differing definitions, not least '*What is affordable housing*'?

We have used the following definition in this report:

'Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.'

(Please note that when we refer to housing association rented properties, this could be social rented or affordable rented.)

- The Affordable Homes are destined to help those who do not have the financial means for a mortgage, by offering them the chance to have a home, into which they have to put some equity or rent. These homes will be affordable in perpetuity; and are not currently permitted to be sold on the open market. They must only be available to people with a **local connection** to the parish.
- The terms 'house' and 'housing' used in this report refers to all types of residential property including flats, bungalows, sheltered accommodation etc. unless otherwise stated.

3. Response to Survey

- Of the 523 questionnaires distributed, 220 were processed, a 42% response. The response rate is very good for such a survey and is large enough to have statistical validity. (1)
- Population figures show that approximately 1160 people live in Sherborne St John Parish (*data is taken from ONS Mid-year estimates 2013*). The 523 forms distributed equate to the Council Tax Register records for the number of households and in addition the Parish Council ensured that all addresses were within the Parish. Households working in the parish but living outside were also eligible to complete the survey, validating this as a 100% survey.
- The 220 returned survey forms represent a survey population of 468 people, giving an average household size of 2.1 people. This equates well with the ONS population mid-year estimates, which give an average of 2.2 people per household, validating this as a representative survey.
- The survey was carried out in July 2014 for 5 weeks before the questionnaire return date. All forms returned to the Rural Housing Enabler during this period have been included in this analysis. A copy of the Housing Need Survey covering letter and questionnaire can be found at **Appendix 3**
- A breakdown of the data as compiled from answers to the questions on the survey form is presented in the following sections of the report. A full data analysis of results can be found at **Appendix 2**.

(1) At a 95% confidence interval, the margin of error in this survey would be +/- 6.6%. If we take the example of home ownership ... if in this survey 50% of people say they own their own home, if we repeated the survey many times, then 95% of the time between 43.4% and 56.6% of respondents would say that they own their own home.

SECTION TWO: THE SURVEY FINDINGS

4. Current Housing Situation – Key Features

- Part 1 of the questionnaire was completed by all households whether or not there was any housing need so as to build up a picture of the current housing situation in the parish.

The Population

- 220 households replied to the housing need survey, representing 468 people.
- 13% of the total population of households represented in the survey are under 16 years of age. This is lower than the England average of 19% (Source:2011 Census results)
- 53% are working age adults; this is lower than the England average of 65%. When you divide the working group into age range as below, it shows that the 16-24 year old age group to be the smallest representative group within the respondent households. This group makes up only 5% of the 468 residents represented in the survey in comparison to the England average of 13%.
- The survey represents 13% of residents of Sherborne St John parish aged between 25-44 years. This is low compared to the national average. The average for England is 27% (Source: 2011 Census data).
- 69% of residents represented in the survey are over 44 years of age (35% are between 45-64 and 34% are aged 65 years and over.) The England average for these two age groups is 42%, made up of 25% for 45-64 age group and 16% for the over 65+. In common with other rural areas in Hampshire, the parish has a relatively large number of older people and the need for specialist accommodation and care and support for the elderly is likely to increase.
- This tells us that those aged 65+ are over represented in the survey response and younger people are underrepresented.
- The overall profile here, matches the one depicted for many rural villages in 'The State of the Countryside Report' 2007 and many other more recent studies that highlight the outward migration of younger people from the rural area due to the high cost of market housing and the lack of affordable housing, whilst at the same time an in-migration of affluent families and an ageing resident population

The table below provides a breakdown by age of survey residents compared with Sherborne St John and England population breakdown.

Age range in household	Survey households	%	SSJ Pop profile ONS 2013 ⁽¹⁾	%	England Pop %
0-15	62	13%	190	16%	19%
16-24	21	4%	77	7%	13%
25-44	63	13%	208	18%	27%
45-64	161	35%	372	32%	25%
65+	161	35%	310	27%	16%
Total	468	100%	1157	100%	100%

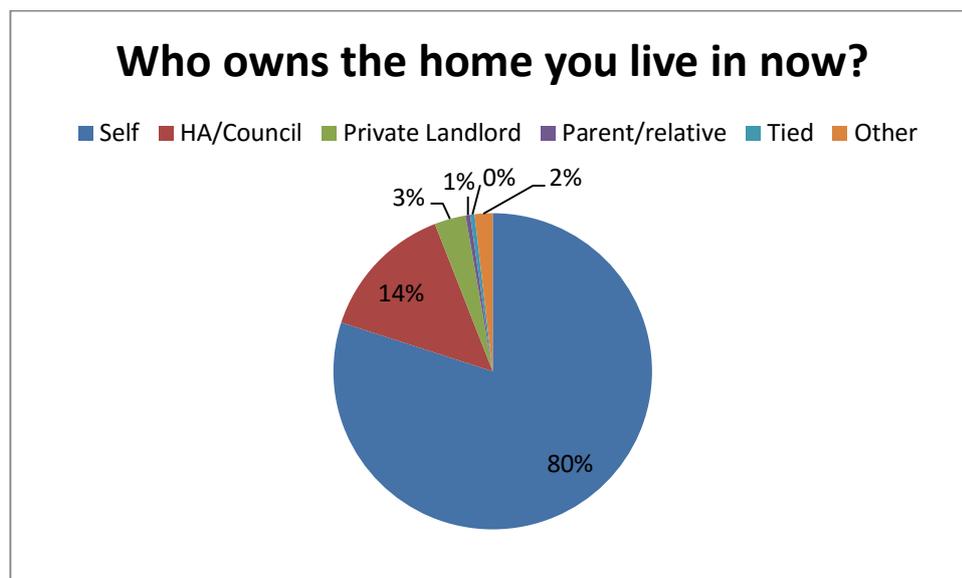
(1). Office for National Statistics: Website 2014 at <http://www.neighbourhood.statistics.gov.uk>

The Housing Stock and Tenure

- Housing is an important issue in rural communities. Recent increases in house-prices, have far outstripped average increases in earnings, meaning that local people on average incomes are priced out of the housing market in the area in which they grew up. An important feature of a sustainable and inclusive community is that its housing supply must be fair and balanced and must provide affordable housing accessible to the whole of its local community.
- The Office for National Statistics ONS tenure profile breakdown for Sherborne St John parish showed 73% of household to be owner occupied, 15% to be rented from a Housing Association or the Council, 11% to be privately rented and 1% to be living rent free.⁽¹⁾

(1) Statistics taken from Neighbourhood Statistics (NeSS) website <http://www.neighbourhood.statistics.gov.uk/dissemination/>

- The results from those responding to the survey show a much higher rate of owner occupation. More than 80% of survey respondents own their property. 14% live in either council or housing association accommodation and 3% live in the private rented sector.
- Of these, 93% or (203 households) live in a house or bungalow and only 6% or (15 households) live in a flat or other type of home. 74% (162) live in properties with 3 or 4 bedrooms and only 26% or (56) are 1 or 2 bedroom homes. With the demographic trend towards smaller households, this lack of 1 and 2 bed units will make it difficult for single people, couples, small families or first time buyers and people on low income to enter the housing market.



Property Turnover

- The question on length of residency shows that 68% of survey respondents have lived in the parish for over 10 years with a further 13% being resident for 5-10 years. This represents a very stable community, a low level of development and a low turnover of property.
- This may also suggest that there is a lack of supply of homes for people on lower incomes whose opportunities may be more limited by changing circumstances.

Length of residency	Respondents	%
Under 5 years	42	19%
5-10 years	28	13%
10-20 years	62	29%
20-30 years	33	15%
30+	53	24%
Total	218	100%

Adequacy of existing home

- When asked about the adequacy of their existing home to meet their current or future needs within the next three years, a high proportion of households said they felt their home was adequate for their needs (93%)
- The 16 respondents who said their home was inadequate for their needs went onto give reasons. More than a third (35%) stated that their homes were too large for their needs. (17%) stated that the rent or mortgage was too expensive. 13% stated that the home was too costly to heat and a further 13% stated that the home was too small. 13% stated they wanted to buy a home.
- Of these 16 respondents, 8 contained someone in the household aged over 65+. The majority were owner occupiers in 3 and 4 bed homes. Many respondents provided further commentary on the issue, stating there was a need in the parish for appropriate smaller housing for older people to downsize. Most wanted to remain in the parish where support networks, such as family and friends existed.

Future housing requirements

- Respondents gave information on their preferred choice of tenure if they were to seek a move. Buying on the open market was favoured by (72%) of respondents. An affordable rented or shared ownership home from a housing association was preferred by (17%). Only 2% were interested in privately renting. 'Other' categories included self-build, buy to let and care home.

Preferred tenure if seeking a move	Number	%
Buying on the open	100	72%
Affordable rent	20	15%
Shared ownership	3	2%
Private renting	3	2%
Other	12	9%
Total	138	100%

- Staying or remaining in the parish was preferred by 86% of those responding to the question. Only 14% of households wanted to leave the parish.

Local views on future housing development needed in the parish

- Respondents were asked what types of housing were needed in the parish in the future. (72%) or (160) households answered this question. Affordable housing for local people was chosen as the category most needed. It was mentioned (109) times by those responding to the survey.

- Housing for older people downsizing was also highly rated by (88) responding, followed by housing for first time buyers (67); Housing for older people, such as sheltered or warden controlled (47). Housing for families and disabled people was also mentioned.

Residents views on types of housing needed in the parish in the future	Number	%
Affordable housing for local people	109	27%
Housing for older people (downsizing)	88	22%
Housing for first time buyers	67	17%
Housing for older people	47	12%
Housing for families	43	11%
Housing for disabled people	35	8%
Other	10	3%
Total	399	100%

Suggested Sites for Development

- The survey invited residents to make suggestions for suitable site suggestions where a small affordable housing scheme might be developed. More than 18 respondents answered this question. Suggested sites included Bobs Farm mentioned by 8 respondents, Cranes Road Allotment site, Kiln Lane and Braeside, amongst others. The full list is attached at the end of Appendix 1.

Housing Need and Out-Migration

- 24 respondents reported that some members of their households had left the parish in the last few years due to the difficulty of finding a suitable home locally. The majority of those leaving the parish were looking for a suitable home to buy (58%) and nearly a third were looking for an affordable rented or shared ownership home locally (30%).
- 24 respondents stated that 28 members of their households would need a separate home in the next 5 years. 22 households went on to complete Part 2 of this survey.
- The following analysis gives a breakdown of the needs and situations of the 22 households who wish to find a new affordable home in the parish of Sherborne St John in the next 3 years.
- This means that the remaining 6 members identified above, do not need housing in the near future, however, it is likely there will be a continual demand for affordable housing as the younger generation reaches adulthood in the next 5 or so years.

- Part of this out-migration is indicative of a lack of affordable housing to rent or buy. Given the very low percentage of the survey population aged 16-24 years (5%) and this being the age group most likely to be looking at their first affordable home, there is an indication here that this is a trend which the Parish Council may wish to address: the housing needs analysis in detail will further justify this.

5. Level of support for a Small Development of Affordable Housing

- One of the purposes of the report was to establish the level of local support for a possible new scheme of affordable housing for local people within the parish.
- Question 7 on the questionnaire asked:

‘Would you support a small development of affordable housing in the parish if there was a proven need from households with a genuine local connection?’

A total of 207 respondents answered this question. This was 94% of all those responding to the survey: Of these:-

YES	154	74%
NO	53	26%
TOTAL	207	100%

- 74% of those responding would support an affordable housing scheme for local people in the parish. Numerically, this represents a clear majority of residents who would support the Parish Council if a small development were needed. Many respondents backed up their decision by adding comments and I have included these as verbatim transcripts in **Appendix I**.
- I have made no judgement nor attempted to attach any weight to these findings either way, preferring to leave such local opinion to be considered by the Parish Council.
- Many respondents who have stated they may support a scheme have explained that they will only support a development if it is on a small scale, well designed and for local people. Hampshire Alliance for Rural Affordable Housing (HARAH) always builds small affordable housing schemes for local people that are in keeping with the local area

Households completing Part 2 of the survey form

6. Local Connection

- Respondents were asked to fill out Part 2 of the survey form **only** if they needed affordable housing within the next three years and wished to stay within the parish.
- 22 respondents completed Part 2 of the form. **This means that 22 households have identified themselves as being in housing need for the purpose of the survey.**
- Housing is allocated according to housing need and it is worth emphasising that strong local connection criteria will be rigidly enforced should a scheme be proposed and advanced.
- The table below illustrates the 22 respondent's local connection to the parish and length of time of that connection.

Does the household needing to move currently live in the parish?	No of Households
Yes	12
No	10

- Of those, 12 households currently live in the parish. 81% or (9) households have a connection of more than 10 years. Of these, 45% or (5) households have a connection of more than 20 years. 2 households have a local residency of more than 40 years. The results show that the majority of households responding have a long standing local connection to the parish.
- Of the 10 households currently living outside the parish, 9 were either previously resident or have family currently living in the parish. 1 household did not stipulate connection. Some respondents ticked more than 1 option. Of these, 44% or (4) households had a connection of more than 10 years, and the remaining 5 households had a connection of between 3-10 years to the parish.
- **Table of connection to the parish and length in years.**

Length of Connection in years	Number of households
30+	2
21-30	5
11-20	6
6-10	4
0-5	3
Total	20

Current Tenure

- In terms of the current tenure of the 22 households, the information is as follows:

Current tenure of households in housing need	Number of respondents	%
Self with mortgage	8	36%
Living with parents	5	23%
Renting privately	4	18%
Renting from a housing association	4	18%
Other - probate	1	5%
Total	22	100%

- The largest group represented comes from those already owning their own home. A profile of this group has indicated that three households are elderly downsizers, whose current accommodation is no longer suitable for their needs. It is well worth pointing out, this issue` is one frequently encountered in rural areas and is a type of housing need that is not being adequately met by the rural housing market currently. Of the others, relationship breakdown, unable to pay the cost of the mortgage and wanting to be nearer family were all given as reasons for requiring alternative accommodation.
- Of the other groups represented, 5 households were living with parents, 4 households were privately renting. 4 households stated they were currently renting from a housing association, mainly outside the parish and wanted to move back because of their local connection.

Reasons Accommodation Needed

- The table below sets out the reasons given :

Reasons separate accommodation is required	Number of respondents
To be nearer family	9
Cannot afford mortgage/rent	7
Want to set up first home	5
Divorce/separation	4
Overcrowding	2
Home is unsuitable for physical needs/disabled	2
Need smaller home	2
Other	2
Retiring	1
To be nearer to work	1

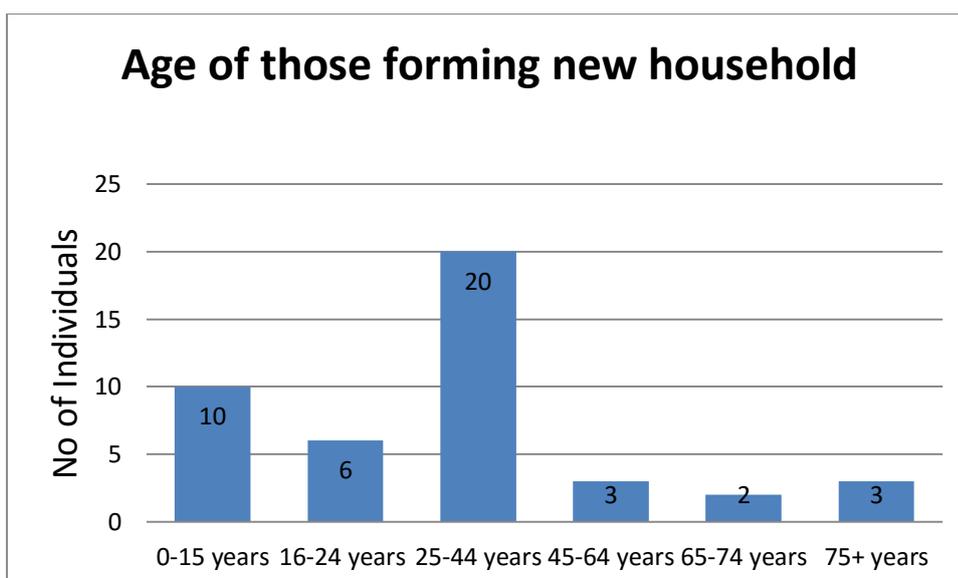
- The largest group requiring a new home come from those that want to be nearer family, some of which have moved away for reasons such as no affordable homes and wish to return to support or be supported by family members. This was cited by both older and younger members of the parish who had family outside. Divorce and relationship breakdown was also cited as a reason why alternative accommodation was required, which had led to difficulties paying private rents and mortgages. A number of households reported the lack of homes at affordable prices both to buy and rent in the parish.
- The comments above demonstrate that households need a good annual income to afford to rent or purchase a property in rural areas so it is not surprising 7 respondent's report they cannot afford to rent or buy a property. It also indicates that the shortage of suitable affordable housing in rural areas affects a wide spectrum of people.

Households requiring specialist care and support

- Two households responding stated family members had limited mobility or required accommodation to be wheelchair accessible.

Household Composition

- Results from Part 2 of the survey shows that 82% of individuals wanting to form a new household are less than 44 years of age.
- The age profile of all individuals in need is as follows:



Age range in household	Total No	%
0-15	10	23%
16-24	6	14%
25-44	20	45%
45-64	3	7%
65-74	2	4%
75+	3	7%
Total	44	100%

- This table illustrates that the largest age groups of forming households come from 16-24 and 25-44 age range. This represents 59% of all those stating they have housing need. This is in stark contrast to these age ranges represented in Part 1 of the survey which make up only 18% of total survey respondents. This result shows that it is the younger age groups particularly affected by the lack of affordable housing choices in the parish.
- Looking to the future it would be beneficial to maintain a balanced community in the parish (from birth to old age) working in the local area and supporting a full range of local businesses and services. In order for this to be achieved all age groups, in particular young people need to be able to access affordable accommodation in the parish.

- | Household composition of those Completing Part 2 survey | No of Households |
|---|------------------|
| Single | 7 |
| Couple | 6 |
| Single adult family | 2 |
| Two adult family | 6 |
| Other – extended family | 1 |

- This table shows that the most local need is for one and two bed homes for couples and single people. They make up 59% of all the households in housing need. The family accounts for 41% of household composition.

Preferred Tenure

- Out of the 22 households completing the survey, 2 would prefer to only rent from a Housing Association and 9 were interested only in shared ownership and 6 ticked both options. 5 households skipping this question, 4 stating they were only interested in outright market sale. This means only 17 households in this survey are interested in either affordable housing to rent or part buy (shared ownership with a housing association.)

Preferred Tenure	No of households
Shared Ownership only	9
Rent from housing association	2
Either option	6
Total	17

Size of accommodation required

- The table below shows that the majority of households in need require two bedrooms.

Size of accommodation required	Number of respondents	%
One bedroom	4	18%
Two bedroom	10	46%
Three bedroom	8	36%
Four bedroom	0	0%
Total	22	100%

- It must be noted that some households requiring a property at an affordable rent may have stated they need a larger property than they would be eligible for through the councils 'home bid' scheme. For example, a couple or single person registered on the 'Homebid' housing waiting list will only be eligible for a one bedroom property unless they have special circumstances.
- This need for smaller units reflects the household composition pattern for mainly smaller households. Rural parishes traditionally have high levels of larger sized houses and bungalows and less smaller sized homes for people to move into, this may be a reason why there is high demand for one and two bedroom properties.

Household Income

- Respondents were asked to give their gross annual income for the household. The national average earnings are currently £27,000. More than a third of survey respondents earn below this level. For those on lower incomes the opportunities to stay in the parish will be limited by the types of tenures that they will be able to afford. Interestingly 50% or more earn above the national average, with 27% or (6) households earning more than £40,000.

ANNUAL INCOME	HOUSEHOLD	
Under £10,000	2	9%
£10,000 - £15,000	0	0
£15,001 - £18,000	3	14%
£18,001 - £25,000	3	14%
£25,001 - £30,000	3	14%
£30,001 - £35,000	4	18%
£35,001 - £40,000	1	4%
£40,001 - £50,000	4	18%
£50,000+	2	9%
TOTAL	22	100%

7. Local Income Levels and Affordability

Market rent

'With house prices set to rocket by 35% by 2020, an entire generation will be locked out of home ownership forever and will be forced to rent for life. A stable and affordable rental market would ease the pressure and be a good alternative, but England's housing market is broken. Tenancy agreements are short term and insecure. And as house prices rise, rents do too. On average, they currently take up half of an English person's disposable income but in 10 years that will have risen to 57%. By 2020, rents are expected to soar by an average of 39%.' (Source: Home Truths 2013/14, the housing market in England.)

- 2011 Census results show that the percentage of households renting privately in the United Kingdom has increased from 9% to 15% since 2001. The private rented sector has increased significantly in the last 13 years as high house prices have meant that renting privately is now the only option for many households. Renting privately however, can be very expensive in rural areas.
- On the 20th October 2014, 1 property was available to rent in Sherborne St John. This property was a 1 bed barn conversion available to rent for £750 per month (excluding all bills). (1)
 - Source (1) www.zoopla.co.uk 20/10/14

- To calculate the affordability of private renting, net income is used. It is considered a household cannot afford to rent if a suitably sized property is more than 30% of net monthly (take home) income (Source; Assessing Housing Need in the South East' summary of the SEERA Good Practice Guide 2004).
- To afford the property mentioned above, a household would need a net monthly income of £2500. This would equate to gross annual income of £30,000 being required to rent a 1 bed property in the parish.
- Out of the 22 households completing this question, 50% or 11 households would not be able to afford the cheapest and only property that was available for rent in the parish. Not only would it be too expensive, it would also be too small for many local people's needs.
- Private sector rent levels on the Zoopla website 20/10/14.

Average private rent levels in RG24	weekly rent	monthly rent
1 bed	£165	£715
2 bed	£193	£836
3 bed	£313	£1356
4 bed	£297	£1287

Affordable rent

(A new form of tenure introduced by the current government that allows the Housing Association to charge up to 80% of market rent)

- Results from the survey show that around 8 out of the 22 households are interested in renting from a housing association as an option. In recent years, the government has taken steps to bring social housing rents closer to those in the private sector. Reduced government grant has meant that rents have had to increase to make schemes financially viable for the housing association. Affordable rents for new tenants are set at up to 80% of the amount payable in the private rented sector. Although the affordable housing rents are higher than the old style social rent levels, they are still more secure tenancy than their private sector counterparts and do not demand large scale deposits at the start of the tenancy.
- The likely average affordable rents for a newly built property in the Parish in 2014 would be in the region of £570 per month for a one bed property, £690 for a two bed property, £820 for a three bed property.
(Source: Local Housing Allowance Rates, Directgov)

Average affordable rent levels in RG24	weekly rent	monthly rent
1 bed	£132	£570
2 bed	£160	£690
3 bed	£190	£820
4 bed	£256	£1100

- Households unable to afford a property at an 'Affordable Rent' can choose to apply for housing benefit to help pay the rent. Eligibility for this benefit will depend upon individual's circumstances to meet the criteria to receive the benefit.

Shared Ownership

- Shared Ownership, as a tenure option gives the opportunity to 'part buy' or 'part rent' a home from a housing association. This means if a household cannot afford to buy a property outright they may be able to afford to buy a share in a property, typically 25% to 75%. Households also have the option to buy further shares in the property up to maximum 80%. When a property has been built on a rural exception site, the maximum percentage that can be owned is 80% so that the property always remains available as affordable housing in the rural parish and is not available to be sold on the open market.
- Shared Ownership housing schemes are designed for people who cannot afford to buy a home by outright purchase and who are in housing need. The minimum acceptable income threshold to be eligible for a shared ownership property is £18,000 per year.
- The housing need survey has identified 15 households who expressed a preference for shared ownership properties. Of these, 14 were earning above the £18,000 income threshold and are likely to be eligible for this type of housing on their income details.
- If the parish were to consider a scheme that included shared ownership, more investigation should be carried out to ensure that the costs are genuinely affordable for the income levels of those recorded in housing need.
- Respondents interested in shared ownership were asked whether they had sufficient savings to meet a deposit and legal costs. 53% had savings of more than £10,000. Of these, 35% had savings of more than £20,000 and 18% had savings of between £10,000 and £15,000.

Open Market

- Measuring average house prices in villages can be difficult due to the small number of transactions that take place. However, there is sufficient information available to give an indication of the sort of prices a new home buyer can expect to encounter in Sherborne St John parish.
- On 20th October 2014, a search on the website 'Right Move' stated from data produced by The Land Registry that the majority of sales in Sherborne St John were detached properties, selling for an average price of £542,667. Semi-detached properties sold for average of £321,500 with flats fetching £132,475. The overall average house price in Sherborne St John was £399,971. This was more expensive than Basingstoke £233,351, Chineham £266,371 and Popley £219,024.

- In the past year house prices in Sherborne St John were 22% up on the year before and 3% down on 2011 when they averaged at £412,100
- On this day, 4 properties were available to purchase in the parish ranging from £380,000 for a 4 bedroom semi-detached house for sale to £700,000 for a 4 bed detached house. (data sourced from www.rightmove.co.uk)
- To afford the cheapest property available for £380,000 a buyer would need at least a 20% deposit of £76,000. A mortgage for a property at this price would be £304,000. For a loan at 3.5 times an annual income, a household would need a gross annual income of £87,000
- None of the 22 households identified as being in housing need would be able to afford the cheapest property currently available to purchase in the parish at this time. For many, the reality is to hope an affordable housing scheme will be built in the village or move away from the area to find cheaper accommodation.
- The average annual income in 2013 for full time workers in the UK was £27,000. The average income for a resident in Basingstoke and Deane is £30,000. (These figures have been published by the Office for National Statistics, in its annual survey of hours and earnings.) A mortgage for a property priced at £380,000 is 12 times the income of someone earning £30,000 per annum.

Households on Basingstoke and Deane Borough Council's Housing Register

- Basingstoke and Deane Borough Council maintains a Housing Register of people who wish to be considered for council or housing association rented accommodation.
- The current figures show that 24 households have registered their housing need with the council and have indicated a local connection to Sherborne St John parish. This is broken down as:

Basingstoke and Deane BC Housing Register	No of households
1 bed	10
2 bed	12
3 bed	1
Sheltered	1
Total	24

- Of the 22 households completing Part 2 of this survey. Only 2 households have indicated that they are already registered on Borough Council's Housing Register for affordable rented housing with a local connection to the Parish.

Households on Help to Buy South (Shared Ownership) Housing Register

Help to Buy South Housing Register	No of households
1 bed	1
2 bed	0
3 bed	3
Sheltered	1
Total	5

- The 'Help to Buy South' Housing Register is a waiting list maintained by Radian Housing Association of households in Hampshire interested in being considered for shared ownership accommodation. 5 households stating a local connection to the parish are interested in shared ownership housing. No household represented in the housing need survey response has stated that they are registered with 'Help to Buy South'.
- This means of the 17 respondents interested in either renting or shared ownership only 2 households are currently registered on one of the two housing registers above. 6 households have left contact details and this has been passed to Borough Council's Housing Department to send out information on both registers.
- Only those registered will be considered for properties should a housing scheme be progressed. The Parish Council may wish to consider how they can best encourage residents to register.

Affordable Housing Stock in the Parish

- Sherborne St John has 77 council or housing association owned properties. (Figures supplied by Neighbourhood Statistics (NeSS) website www.neighbourhood.statistics.gov.uk)
- 15% of the housing stock in the parish is affordable housing owned by housing associations. This is marginally lower than the national average for England where 17.7% of the housing stock is rented from the council or a housing association.

Turnover of affordable housing stock in Sherborne St John parish

Year	2 bed flat	1 bed bungalow	2 bed bungalow	Total No of relets
2010			1	1
2011	2	1	1	4
2012	1		2	3
2013	1	2	1	4
2014	1		2	3
Total	5	3	7	15

(Information supplied by Basingstoke and Deane Borough Council)

- The information detailed above illustrates how few affordable properties are available within the parish to rent and how rarely they become available to let. In the last 5 years, on average 3 homes a year have come up for relet in the parish of which 66% are bungalows traditionally allocated to elderly or disabled residents.

Future housing supply

- The justification for a Rural Exception Scheme for the parish, a housing scheme specifically designed to meet the needs of local people unable to meet their own needs in the housing market, can only be made where existing housing policies applying to the settlement cannot deliver the required housing for the identified housing need.
- Basingstoke and Deane Borough Council's emerging Local Plan proposals indicates that Sherborne St John is located close to a number of planned housing developments for the Borough which will deliver a mix of new affordable and market homes. Further investigation needs to be made with the Borough Council to find out whether local residents currently registered on the housing registers will be given priority for this housing built within or on the edge of the parish boundary. The outcome of this investigation will help inform whether there is a need for a parish rural exception housing scheme for local people.

SECTION THREE: THE WAY FORWARD

Conclusions

Local Affordable Housing Need

- The housing need survey has identified 17 households with a local connection to the parish in need of affordable accommodation. Of these 2 are interested in affordable rent, 9 are interested in shared ownership and 6 are interested in either option.
- 24 households indicating a local connection to the parish are currently registered on the Basingstoke and Deane 'Homebid' Housing Register for an affordable rented property and 5 households are registered on the Help to Buy South shared ownership housing register. Of these, only 2 households completing the survey are represented in these statistics. To be considered for an affordable rented or shared ownership households must be registered on one of these two registers.
- This means that the Sherborne St John Housing Need Survey has uncovered a further 15 households who are interested either an affordable rented property or a shared ownership property and not currently registered.
- The unmet need is a product of a low turnover of relatively large expensive open market housing in the parish which excludes those local people on lower incomes from gaining access to this market should they wish to stay in the parish.
- Further investigation is recommended to assess whether residents with a local connection will be prioritised for any new affordable housing built within or on the edge of the parish boundary.
- If a Rural Exception Housing Scheme be required for the parish 74% of survey respondents would support this. This is a positive response.

Future requirements for housing development within the parish.

- Survey respondents identified affordable housing for local people, housing for older people to downsize and homes for first time buyers as priority housing groups for the parish.
- More than 80% of survey respondents currently own their own home and most are 3 and 4 bedroom houses and bungalows, with much fewer 1 and 2 bedroom homes available in the parish. With the demographic trend moving towards smaller households, this lack of 1 and 2 bedroom homes will make it difficult for many groups, such as single people and couples, first time buyers and those on low income to enter the local housing market.

Adequacy of existing home

- 16 survey respondents stated their current homes were not adequate for their future needs. The majority of these residents were over the age of 65 and owned larger homes. Most wanted smaller housing for older people to downsize within the parish where support networks such as family and friends could be maintained.

The survey recommendations

- The survey has identified the need for a mix of new homes both market and affordable to meet the needs of local residents of the parish. This is evidenced in the results of the survey and by those with a local connection currently registered for affordable rented and shared ownership housing on Basingstoke and Deane Borough Council Housing Register and the Help to Buy Register.
- Further investigation with Basingstoke and Deane Borough Council is recommended to confirm whether this identified need can be met through the new homes currently being planned and developed within or close to the parish boundary. These new developments will provide a mix of market and affordable housing for the Borough.
- The justification to progress a rural exception scheme for the parish should only be considered if these needs are not being met by the planned new developments.
- It should also be remembered that a housing needs survey is only a snapshot of the given need at any one time and while the scale of need is not likely to change by the time any possible future scheme is likely to be achieved, the mix and size of units would need to be cross-referenced with the Basingstoke and Deane Borough Council's Housing Register to show emerging need with a local connection at that time.

Recommendations

9.1. It is recommended that the Parish Council

1. Accepting the findings of this report
2. Investigate further with the Borough Council how allocation to the affordable element of the new homes will be prioritised in order to assess whether there still exists a need to consider a separate rural exception housing scheme for local people. Secondly, consider whether the new housing development can meet the market housing needs of those groups identified in the survey e.g. first time buyers and existing homeowners who require different types of housing e.g. elderly downsizers.
3. Encourage local residents who require affordable rented housing or shared ownership to register on the Basingstoke and Deane's 'Homebid' Housing Register for rented affordable housing and 'Help to Buy South' for shared ownership properties

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December 10th 2014