

Somerford Keynes

(Cotswold District)

Parish Housing Needs Survey Report
March 2014



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1. INTRODUCTION

1.1 In May 2014 Somerford Keynes Parish Council agreed to engage the services of the Rural Housing Enabler to carry out a local Housing Needs Survey.

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 7 housing associations.

2. PARISH SUMMARY

2.1 According to Census 2011 Somerford Keynes has:

- a population of 480.
- 466 dwellings
- 210 households

Somerford Keynes has 256 vacant dwellings. This is an average 2.3 persons per household, lower than 2.5 persons per household for Gloucestershire as a whole.

2.2 Somerford Keynes has a large development of holiday homes that cannot be occupied throughout the whole year.

- By road Somerford Keynes is 6 miles from Cirencester, and 3 miles from the nearest station on the national rail network in Kemble.
- Somerford Keynes has the following facilities: village hall, pub, **this may require adding to.**

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 Somerford Keynes Parish. 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 Somerford Keynes Parish Council with an independent report of a robust nature based on evidence from reliable sources. This will assist the Parish Council to respond to any planning proposal that may come forward for additional housing within the parish.

4. SURVEY DISTRIBUTION AND RESPONSE

4.1 In September 2014 Somerford Keynes Parish Council distributed questionnaires to 210 permanently occupied dwellings in the parish. People were given the choice of returning their completed questionnaires in a freepost envelope directly to GRCC offices in Gloucester or having it collected in a sealed envelope at their door by a representative of the parish council.

4.2 Five questionnaire was received via freepost, and 104 completed questionnaires were collected in sealed envelopes by the parish council and forwarded to GRCC's offices.

4.3 Part A is entitled 'You and your household' and is for every household to complete. Part B is entitled 'Home Working' and is also for every household to complete. Part C is entitled 'Housing Needs' and is for households in housing need to complete. People were asked to provide their name and contact details if they would like further information on housing options. Personal details are neither presented in this report nor passed to a third party.

4.4 Everyone was asked to complete Part A and Part B 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 C 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 Somerford Keynes .

109 completed replies were received, none from second home owners. This gives a response rate based on 210 permanently occupied dwellings of 52%. The rate of response is favourable compared to Bourton-on-the-Water 27%, Oddington 31%, Ebrington 40%; Stow-on-the-Wold 17%; Norton 36%; Kempford 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 A – You and your household

5.1 Question 1 asks...Is this your main home? All 109 respondents reported that their home in Somerford Keynes was their main home.

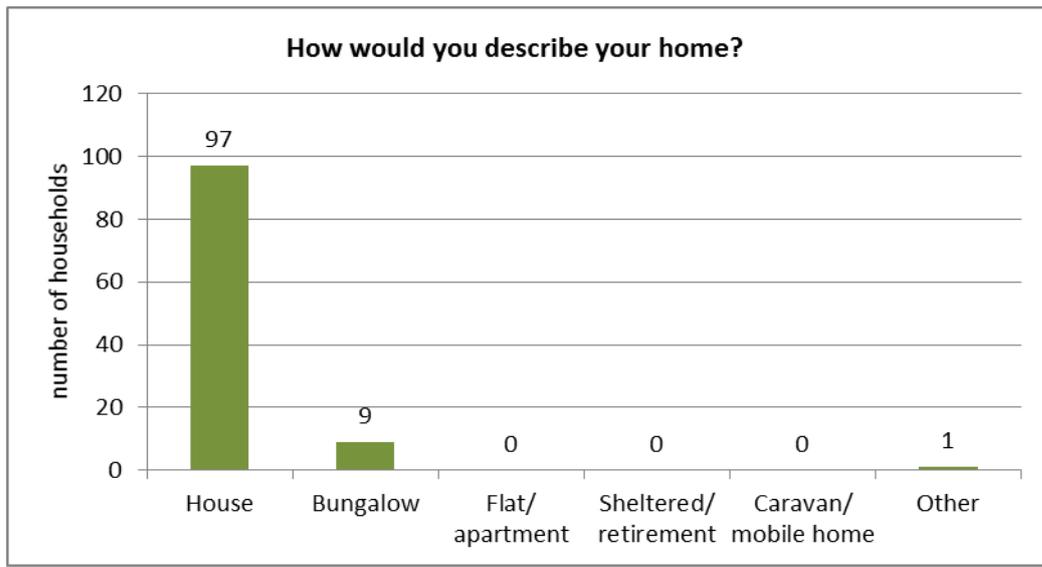
5.2 Question 2 asks...How many years have you lived in Somerford Keynes? Table A below shows that a 37% of respondents have lived in the parish for 20 years or more or their whole life. 21% of residents have lived in Somerford Keynes for 4 years or less.

Table A – How many years have you lived in Somerford Keynes Parish?



5.3 Question 3 asks ...How would you describe your home? Table B below shows 89% of respondents live in a house, 8% live in a bungalow, and 1% live in 'other'. No one lives in sheltered housing, flat or a caravan.

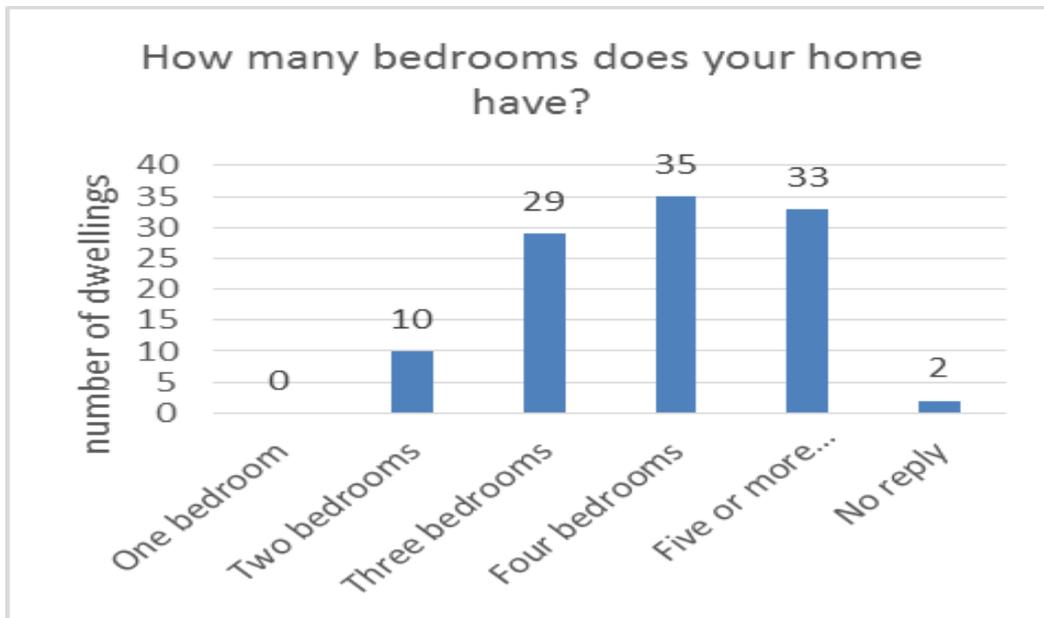
Table B – How would you describe your home?



5.4 Question 4 asks...How many bedroom does your homes have?

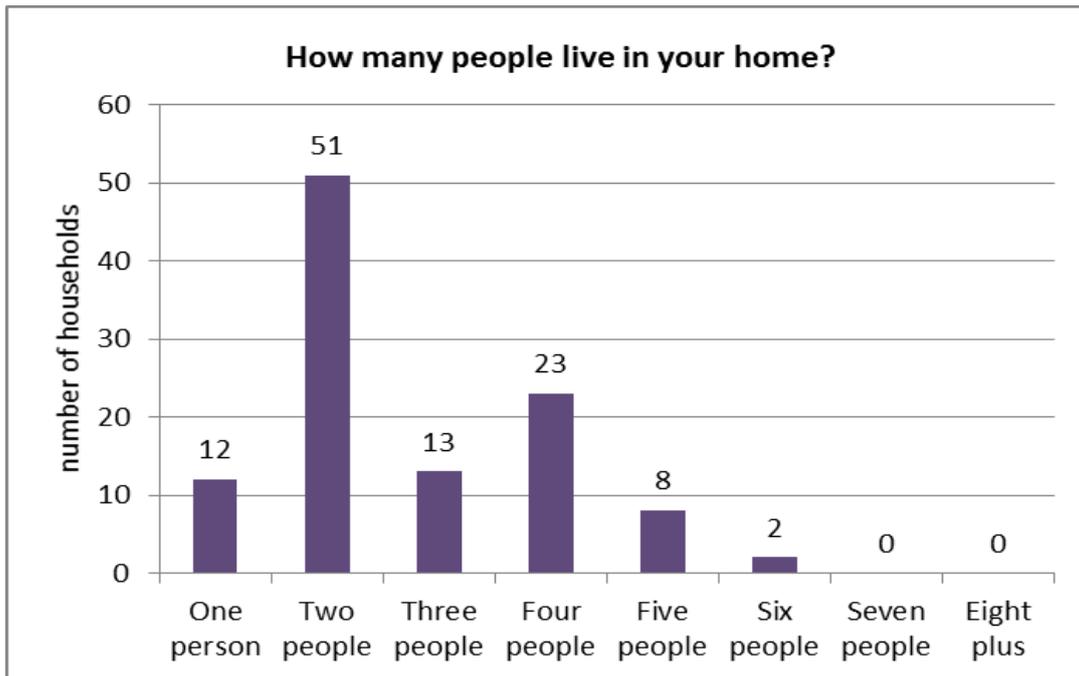
Table C below shows that 9% of respondents have 1 or 2 bedrooms, and 62% have four or more bedrooms.

Table C - How many bedrooms do you have?



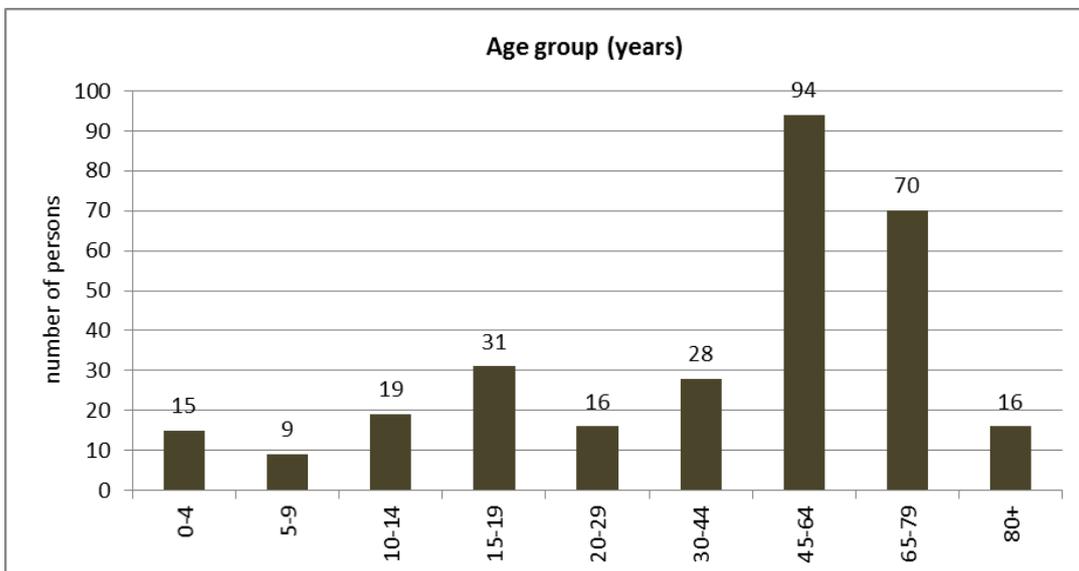
5.5 Question 5 asks...How many people live in your home? Table D below shows that 58% are one or two person households. 33% are three or four person households. 9 % are five or six person households.

Table D - How many people live in your home?



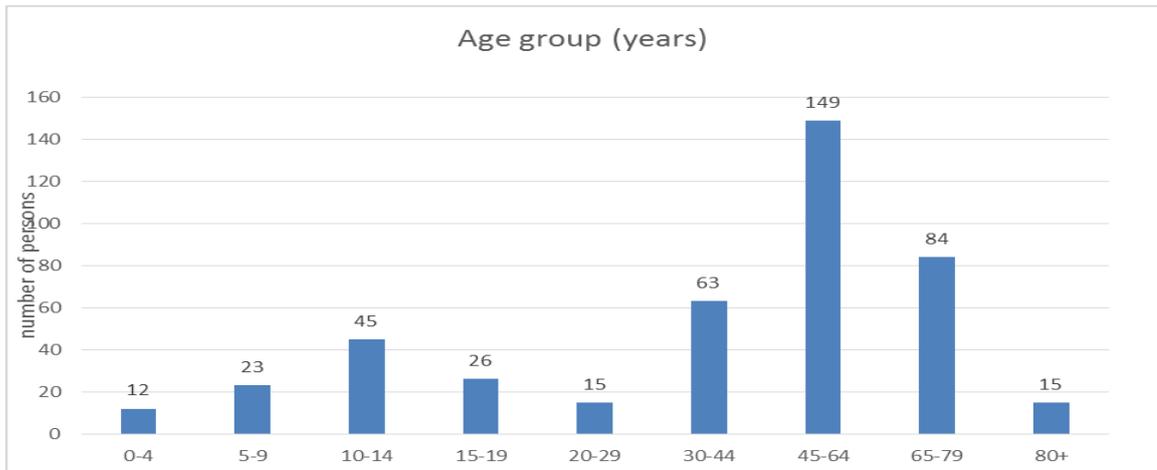
5.6 Question 6 asks...How many people in your household are in each age group? Table E below shows that 55% of people are aged 45-79 yrs. 24% of people are aged 19 years or less.

Table E - How many people in your household are in each age group?



5.7 Table F below shows Gloucestershire County Council 2010 population estimates for Somerford Keynes parish. These figures indicate the survey was overrepresented by people aged 0-4 years, 15-29 years and 65 years and over, and underrepresented by people aged 5-14 years, and 30-44 years.

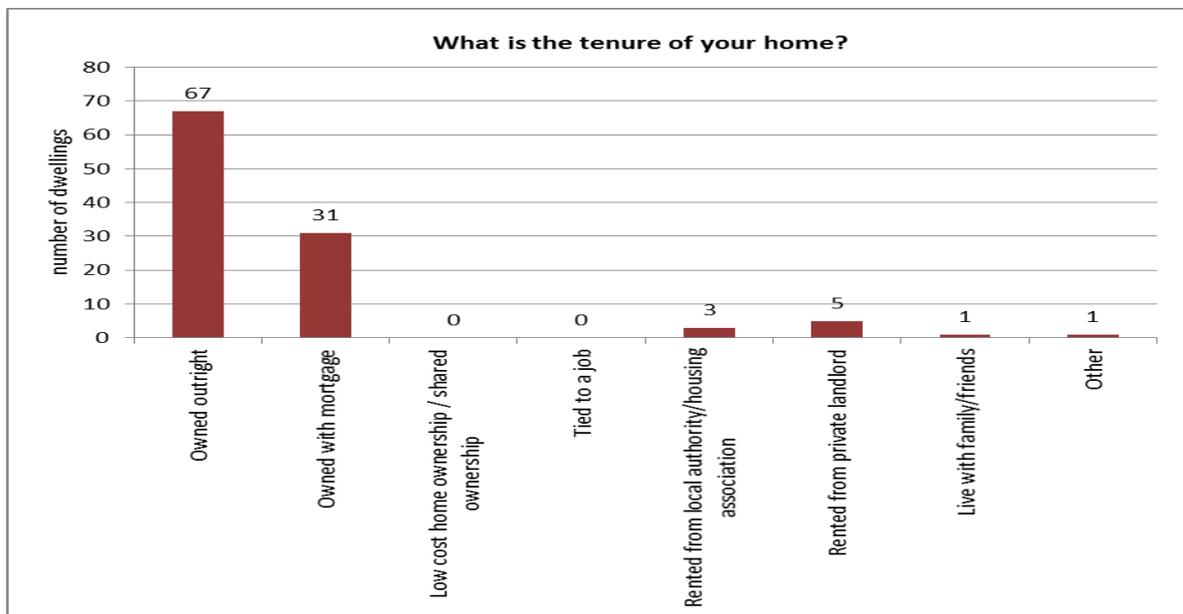
Table F - Gloucestershire County Council population estimates 2010 for Somerford Keynes parish



5.8 Question 7 asks...How many members of your household are male or female? The response shows that 47% are male and 53% are female.

5.9 Question 8 asks... Do you own your home outright etc? Table F below shows that 89% of people own their home, more than two thirds of whom have no mortgage. 3% live in local authority or housing association rented, 5% live in private rented, 1% live with family/friends and 1% stated 'other'.

Table F - What tenure is your home?



5.10 Question 9 asks...Has your home been adapted to improve physical accessibility? 7 people said 'yes', and 102 people said 'no'.

5.11 Question 10 asks...Has anyone from your family moved away from Somerford Keynes in the past 5 years due to difficulty finding a home they could afford locally? 3 people said 'yes', and 105 said 'no'.

5.12 Question 11 asks... Would a member of your family like to move into Somerford Keynes parish if an appropriately priced home was available? 8 people said 'yes', 96 said 'no'.

5.13 Question 12 asks...If a need is identified, would you support a small development of affordable housing for local people in the parish? 43% of people said 'yes', 16% said 'no', and 37% said 'maybe'.

5.14 Question 13 asks... Please suggest a site where such a development could be built.

- Opposite village hall
- Oak and Furrow, Mac's Farm, Church Lane, in fill south of old Vicarage – Cottage (Lake house entrance).
- Between edge of village and Field farm. Leaving open space near church for playing fields etc.
- Perhaps where Oak and Furrows is now? They'll be moving within the next year.
- Next to waterland.
- Where the campsite is.
- Next to the church.
- Edge of village.
- Church Lane. Other available land at northern edge of village (i.e. avoiding river and flood prone areas).
- Oak and Furrow site.
- Water Lane adjacent to Mac's farm.
- When planning permission is granted on green field sites, restrictions should be given to only permit affordable housing. This would keep build costs and prices down.
- Lake House.
- Church Road area.
- Old Nursery.
- Mac's Farm, Spine Road.
- Somerford is developed enough.
- West of Mill Lane.
- Church Lane/ Water Lane/ Oak and Furrows.
- Swindon.
- No preference where built just as long as the style of housing is in keeping with the village/ area.
- The old NCA site.
- Water Lane opposite Village hall.
- Church Lane.
- Difficult question without spending time thinking about feasibility. North side of field adjacent to Somerfield Keynes house, on the opposite side of Parish Road. Accessible from the Ewen Road side?
- Between Field Farm and the Chestnuts.

- Open Site and Opposite the Bakers Arms.
- Surrounding Farmers Fields.
- North end either near Church or animal sanctuary.
- No new buildings, especially not holiday homes.
- Bottom of Water Lane, adjacent to campsite.
- Edge of the village on the road towards Shortcut and Cirencester.
- Land on Cirencester side of the village – village outskirts away from river and lakes to avoid flood risk.
- Along Church Lane.
- Opposite the Church.
- Any wasteland not green.
- Off Spratsgate Lane, north of village, near the Quarry.

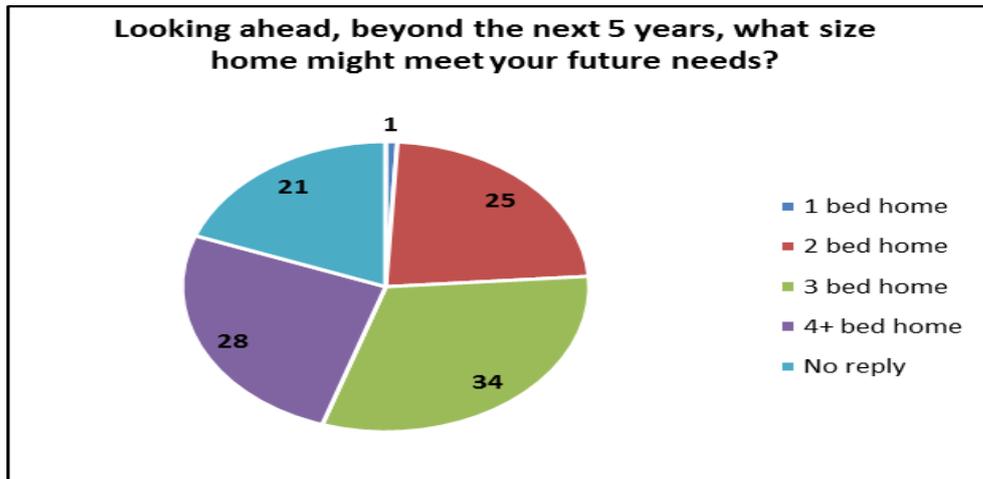
5.15 Question 14 asks... If you have any comments on the issues of accessible/lower price housing please use the space below.

- Arrangement to be set up so priority is given to: Young families, particularly those wishing to return to village and those wishing to downsize.
- Additional housing to encourage Young families to move in and facilitate downsizing for current residents.
- Unlike many villages I think S.K already has quite a good mix of housing types. If there were to be more houses, the village should push for them to go hand in hand with more facilities.
- We think it would benefit a lot of younger people needing homes. We really can't see it happening to many.
- There would need to be some priorities for and conditions of purchase or lower priced could be snapped up as holiday homes by outsiders and speculators.
- It will always be difficult to maintain lower price housing for locals because of the desirability of living in this area and proximity to leisure facilities and entertainment centres.
- It might be helpful to define what is meant by 'small' in the context of our parish. It might be worth considering a mixed development i.e. private and some affordable rather than just affordable.
- Regular and timely public transport would possibly be a necessary for persons interested in lower price housing i.e. the alternative is 1-3 cars per household OR home working.
- I've just moved from what a lovely area was now spoilt by too much social housing and lower cost housing. The area is no longer attractive for those families that have lived there for many generations. It has lost its identity. Please don't spoil this area in the same way!
- More part-rent part-buy homes with lower deposits would enable more people to get on the ladder.
- There has been so much development in the village in recent years that we don't think it should have to sustain any more. There is already affordable housing within the village.
- Shared ownership schemes seem helpful in expensive areas. Helps cheaper housing to be of decent quality.
- Similar schemes in Oaksey appear to have been very successful.
- A higher proportion of the medium – Large developments should be allocated to accessible/ lower price housing.
- It should not ribbon development but filling in spaces instead.

5.16 Question A15 asks ... Looking ahead, beyond 5 years, are you likely to move home? 20 respondents indicated they would move within the parish. And 37 respondents indicated they would move outside the parish.

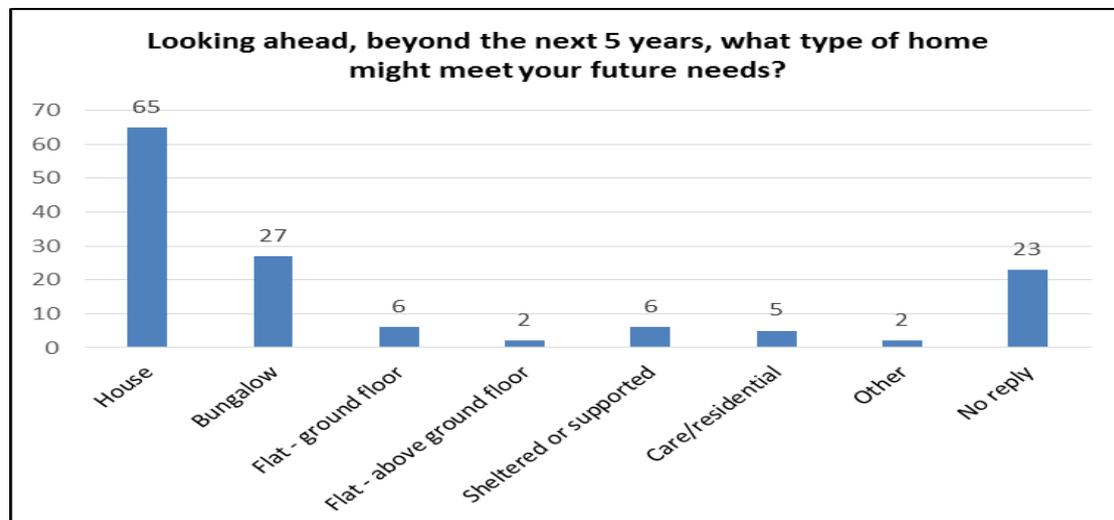
5.17 Question A16 asks... Looking ahead, beyond the next five years, what size home might meet your future needs? Table G below shows more than a half stated 3 or 4+ bedroom accommodation, a quarter 2 bedrooms, and only 1 respondent stated 1 bedroom. A little under a quarter of respondents made no entry.

Table G - Looking ahead, beyond the next five years, what size accommodation might meet your future needs?



5.18 Question A17... Looking ahead, beyond the next five years, what type of home might meet your future needs? Table H below shows 62% of respondents indicated a house, 27% a bungalow, 6% a ground floor flat, 2% flat above ground floor, 6% sheltered, 5% care or residential, and 2% other. Some people ticked more than one category.

Table H - Looking ahead, beyond the next five years, what type of home might meet your future needs?



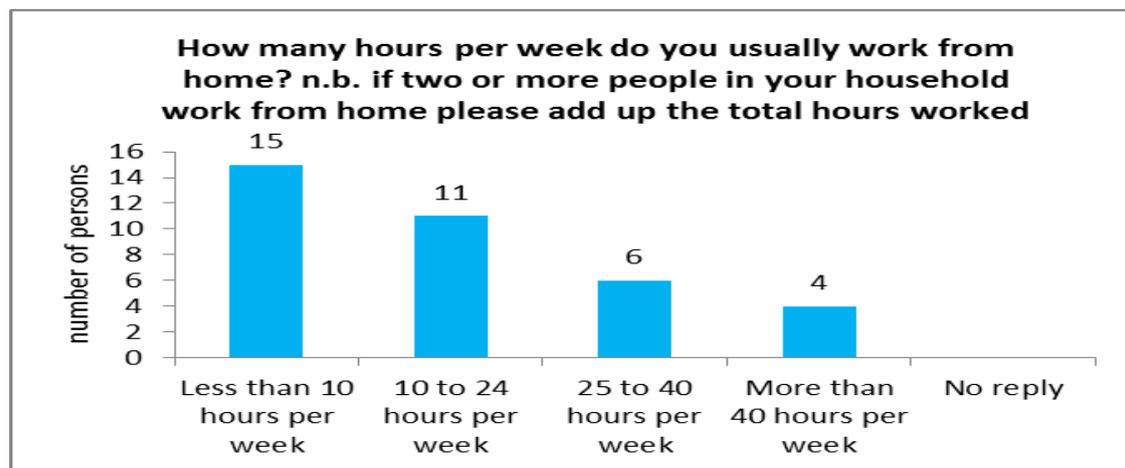
Part B - Home working

6.1 Question B1 asks ...*Does any member of your household carry out any paid work from home?* 36 answered 'yes' and 73 answered 'no'.

6.2 Question B2 asks...*Do these household members work for an employer or for their own business?* 17 answered 'for an employer', and 19 answered 'for their own business'.

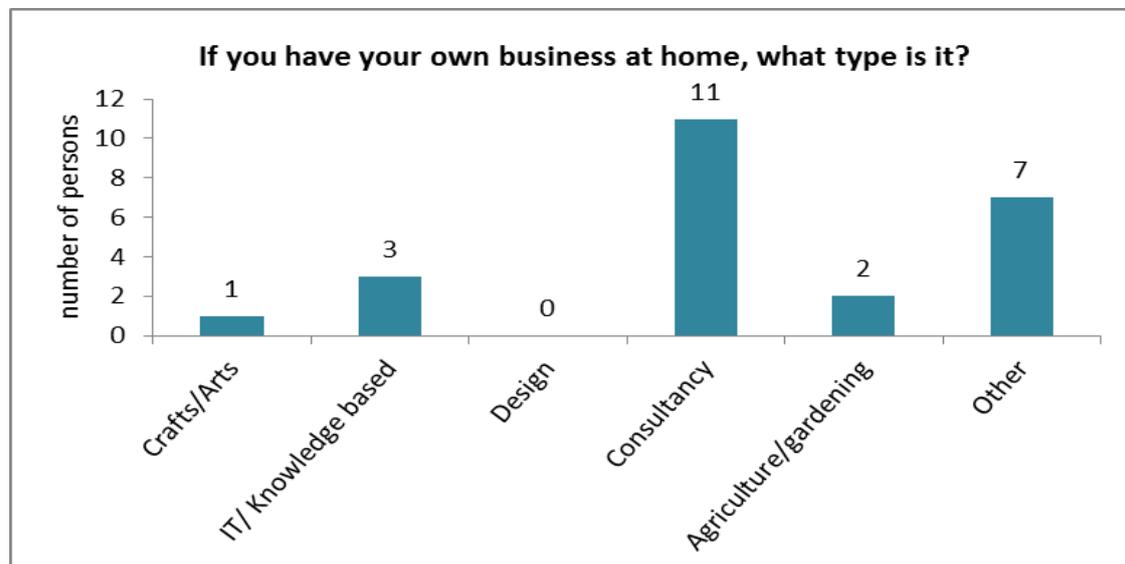
6.3 Question B3 asks... *How many hours per week do they usually work from home?*

Table I - How many hours per week do they usually work from home?



6.4 Question B4 asks... *If any member of your household has their own business at home, what type is it?* Other includes, research, book keeping, holiday let cottage, catering, systems maintenance, sales and wellness.

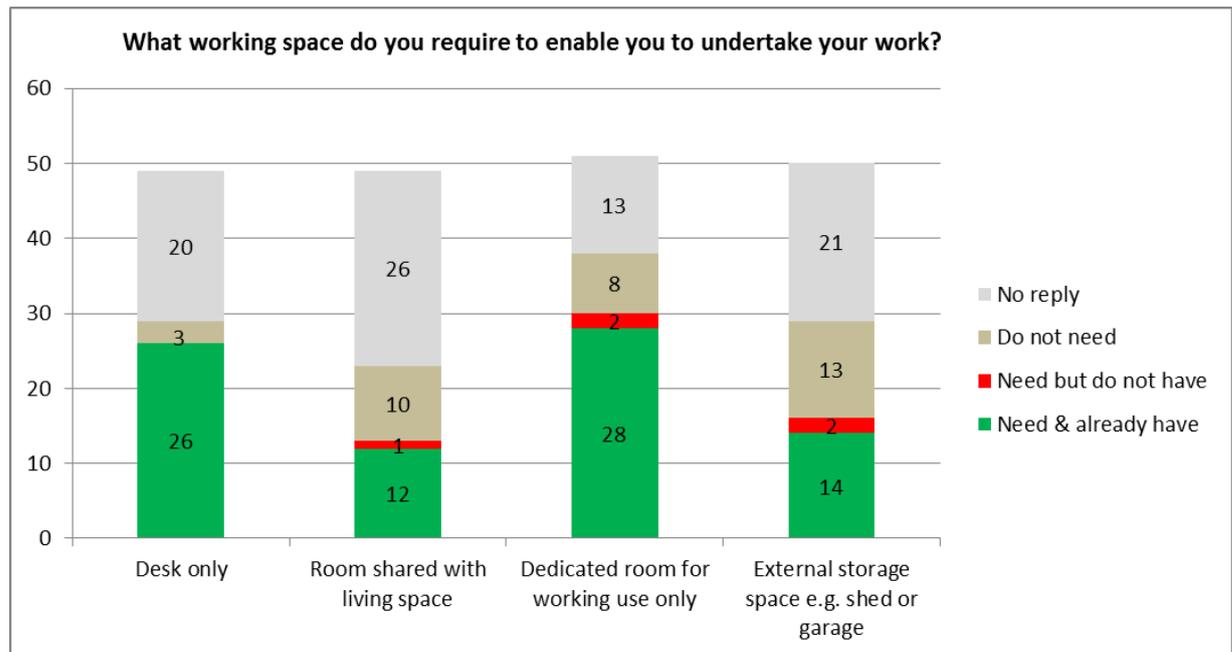
Table J - If any member of your household has their own business at home, what type is it?



6.5 Question B5 asks... *Would anyone in your household like to work from home if the proper facilities were available?* 9 people said 'yes', 56 said 'no'.

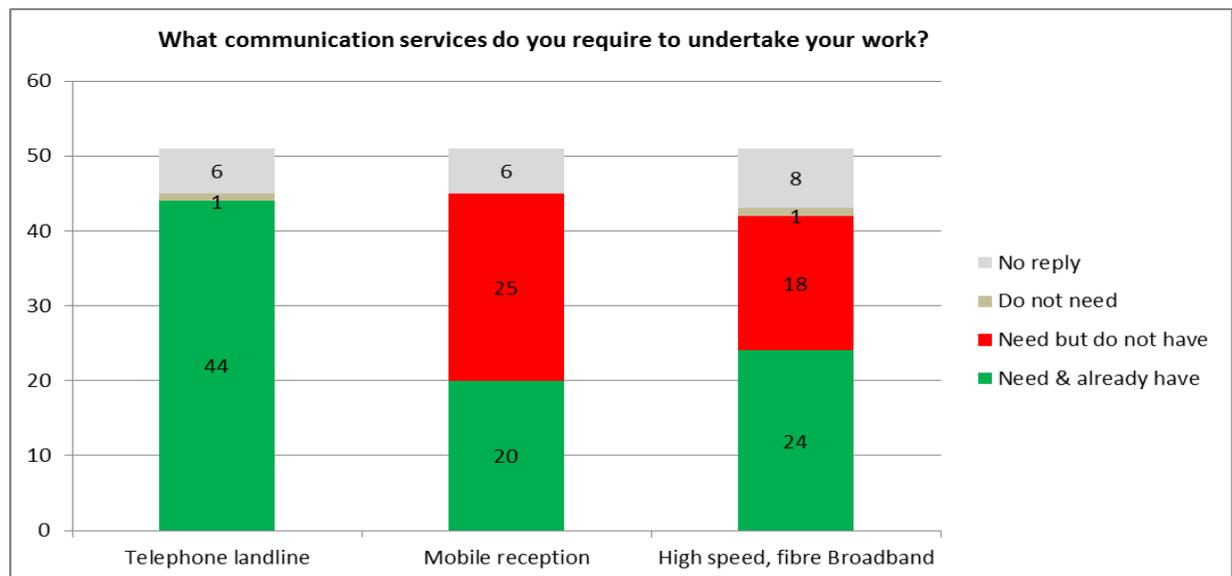
6.6 Question B6 asks... *Whether or not you currently work from home, working space do you/would you require to enable you to undertake your work?*

Table K - What working space would you require to work from home?



6.7 Question B6 asks... *What reliable communications services would be required to undertake your work?*

Table L - What reliable communications do you require to enable you to undertake your work?



Part C - Housing needs

7.1 6 households completed *Part C: Housing Needs* of the survey questionnaire self identified themselves in need of moving to more suitable housing in Somerford Keynes Parish.

7.2 5 of the 6 respondents seeking to move home within Somerford Keynes have indicated they have the financial means to afford suitable housing in the private sector. Account is taken of what a household has to place as a deposit and their level of income, as well as stated maximum house purchase price or rent they could afford. There is 1 respondent in need of affordable housing.

7.3 The respondent in need of affordable housing is seeking larger accommodation and their preferred tenure is low cost home ownership/ shared ownership. According to the information provided on their questionnaire they could afford to buy a three bedroom house on a shared ownership lease. They are registered on Gloucestershire Homeseeker, but not on Help to Buy South where they should be for shared ownership. They have indicated they would like to move within 2 to 5 years. Table M below shows requirements of the household in need of affordable housing.

Table M - Households requiring affordable housing (low cost home ownership/ shared ownership)

Household	Number of bedrooms preferred	Dwelling type required	When to move
Family with daughter 14 yrs	3	house	2-5 years

7.4 These are comments made by respondents in respect of Gloucestershire Homeseeker who are not registered:

- No - currently in tied cottage, changing job & house
- No - not expecting to move before 5 years from now

7.5 Table N below shows details of respondents indicating a preference to buy suitable housing on the open market in Somerford Keynes.

Household	Number of bedrooms required	Dwelling type required	When to move
Family with daughters aged 7 yrs & 2 yrs	4+	house	2-5 yrs
Single person aged 71 yrs	1	Sheltered/ supported housing	>5 yrs
couple	3	House or bungalow	>5 yrs
Couple aged 29 yrs & 30 yrs	3	house	<5 yrs
Couple aged 20 yrs & 18 yrs	3	House or bungalow	>5 yrs

8. AFFORDABILITY

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

8.2 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.

8.3 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.

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

Home ownership

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

8.6 Using information gained from HM Land Registry it is possible to obtain the average property prices in Somerford Keynes .

8.7 The average price of properties sold in Somerford Keynes in the 2 years to January 2014 are shown in Table O below.

Table O: Average Prices of residential properties in Somerford Keynes sold in the period 2 years to August 2014 (according to HM Land Registry)

Average House Prices in Somerford Keynes Parish (£)		
House Type	Price	Number of Sales
Detached	£465,167	9
Semi-detached	£267,500	2
Terraced	£220,500	3
Flats	£270,000	1
All	£388,600	15

8.8 The number of house sales are for new and existing properties where the sale details registered with the Land Registry are inside Somerford Keynes 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.

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

8.10 The average price of properties sold does not necessarily reflect the average value of all properties in the parish.

8.11 The latest figures show that for Gloucestershire there has been a small fluctuation in average house prices during 2011 and to 2014, and up by 5.7% over the 12 months to August 2014.

8.12 House sales volumes in Gloucestershire fell significantly from a peak of 1,475 in June 2007 to a low of 436 in January 2009. There were 978 sales in June 2014. Winter is traditionally a time of a lower number of house sales.

EXAMPLE CALCULATION FOR A MORTGAGE

8.13 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.

8.14 To afford the price (£170,000) of the least expensive property sold during the past 2 years in Somerford Keynes a household would require at least £25,500 as a deposit, and their annual gross income for mortgage purposes would need to be at least £41,300.

8.15 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 £144,500 equates to £812.07 per month for a repayment mortgage (repayment of capital and interest) over a 25 year period.

Gross annual earnings for employees (full and part-time) in local authority areas

Area	Median gross annual earnings for employees (£)
Cotswold	18,214
Forest of Dean	22,316
Gloucester	19,904
Stroud	23,591
Cheltenham	23,168
Tewkesbury	19,714
Gloucestershire	21,299
South West	20,095
Great Britain	21,607

Source: Annual Survey of Hours and Earning 2012, Office of National Statistics

- The median (50th percentile) in the table above shows gross annual earnings of employees in Cotswold District (£18,214) is lower than the corresponding county (£21,299), regional (£20,095) and national figures (£21,607).

- A person or household in receipt of a median income in Cotswold District (£18,214) would be unable to purchase a property in the parish of Somerford Keynes without a substantial deposit.
- Many potential first time buyers struggle to meet the costs of buying their own home.

Private rented

8.16 Information gained from 'Rightmove.com' tells us these are the starting prices for rents for the following property types in March 2014:

1 bedroom flat (South Cerney).....£470 per calendar month

2 bedroom house (Minety).....£725 pcm

3 bedroom house (Oaksey).....£1,100 pcm

8.17 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 £22,560 for a one bedroom flat, £34,800 for a two bedroom house, and £31,200 for a three bedroom house. Of course, the rent does not include running costs e.g. council tax, fuel bills etc.

8.18 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.

What is affordable rented housing?

8.19 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.

8.20 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.

8.21 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.

8.22 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 can be significantly higher than traditional *target* rent levels.

9. EXISTING AFFORDABLE HOUSING STOCK –

9.1 Somerford Keynes parish currently has a total of 10 affordable dwellings (all for rent and no low cost home ownership).

Table P - Affordable housing stock in Somerford Keynes

Landlord	Tenure	2 bed bungalows	2 bed houses	3 bed houses	Total
Bromford	rented	4	1	5	10

10. SUMMARY

10.1 *Part C* 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).

10.2 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. This survey has shown that for the most part people within the age range 30 to 44 years are underrepresented in the survey, and older people are over represented. 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 Somerford Keynes parish should take account of future anticipated housing need as well as the number of households in immediate need.

- 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 in April 2014). 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.
- Of those 6 respondents to the questionnaire who are in need to move to suitable accommodation in Somerford Keynes Parish, 1 household requires affordable housing. 5 households have indicated they could afford market prices.

11. CONCLUSION

11.1 This survey has determined that there is **1 household with a local connection who have self identified themselves in need of affordable housing in the parish.**

11.2 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 in Somerford Keynes may be allocated to persons in greatest housing need throughout Cotswold District.

12. RECOMMENDATIONS

It is recommended that:

- a) Somerford Keynes Parish Council place this report on their website.
- b) Anyone who is in need of affordable housing is encouraged to apply on the District Council's Housing Register (Gloucestershire Homeseeker www.gloshomeseeker.co.uk tel 01285 623300).
- c) The District Council is provided with the Housing Needs Survey Report.