

Hillesley and Tresham

Parish Housing Needs Survey Report

February 2013



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1. INTRODUCTION

1.1 In November 2012 Hillesley and Tresham Parish Council agreed to engage the services of the Rural Housing Enabler to carry out a local Housing Needs Survey. The Parish Council agreed to distribute the questionnaires to all residential properties in Hillesley and Tresham Parish in February 2013.

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

- Gloucestershire County Council's Maiden 2010 mid-year estimate for Hillesley and Tresham is 608 population, comprising 238 households (according to Council Tax records as at November 2012), this equates to an average 2.55 persons per household compared to approximately 2.4 for Gloucestershire as a whole.
- By road Hillesley village is 3 miles from Wotton-under-Edge, 9 miles from Dursley and 9 miles from Chipping Sodbury.
- The nearest railway station on the national railway network is in Cam 10 miles away.
- Hillesley and Tresham parish has the following facilities: *Village Hall, Church, public house and primary school.*

3. AIM OF SURVEY

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 Hillesley and Tresham. 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 an independent report of a robust nature based upon evidence from reliable sources. The report is designed to be used as evidence that may be used in support of a planning application for affordable housing.

4. SURVEY DISTRIBUTION AND RESPONSE

4.1 Hillesley and Tresham Parish Council distributed questionnaires to all homes in the Parish in February 2013.

4.2 Householders were requested to return completed questionnaires in an enclosed freepost envelope. **Part A: You and your household** provides anonymity with no reference to a household's name or address. **Part B: Housing needs** is for people wishing to move to alternative housing who are requested to supply their name and contact details. Respondents' names or means of contact are not stated in this report, and nor will their contact details be passed to a third party. However, information may be sent to them if, for example, a new affordable housing scheme is proposed in Hillesley and Tresham Parish or one of the surrounding villages. A total of 238 questionnaires (not including questionnaires issued to former Hillesley and Tresham residents who wish to return) were distributed..

- Everyone was asked to complete Part A 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 B 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 Hillesley and Tresham.

4.3 There was a response rate of 35% with **82** completed returns (58 received by return freepost, and 24 received by in the collection box in The Fleece public house in Hillesley). The rate of response is good 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 One – You and your household

5.1 81 respondents reported that their home in Hillesley and Tresham was their main home. 1 respondent did not make an entry. Of the 82 respondents, 60 indicated they live in Hillesley, 17 in live Tresham and 5 live elsewhere in the parish of Hillesley & Tresham.

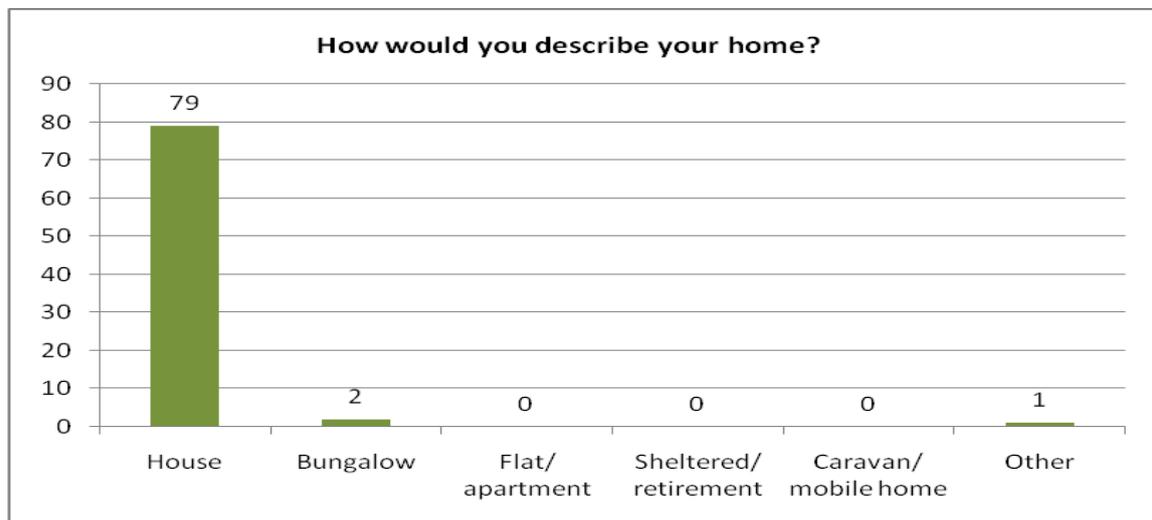
5.2 Table A below indicates the length of time respondents have lived in Hillesley and Tresham. 24% of respondents have lived in the parish for 20 years or more or their whole life. 15% of residents have lived in Hillesley and Tresham for 4 years or less.

Table A – How many years have you lived in Hillesley and Tresham Parish?



5.3 Table B below shows 96% of respondents live in a house and 3% live in a bungalow, and 1% live in 'other'.

Table B – House type



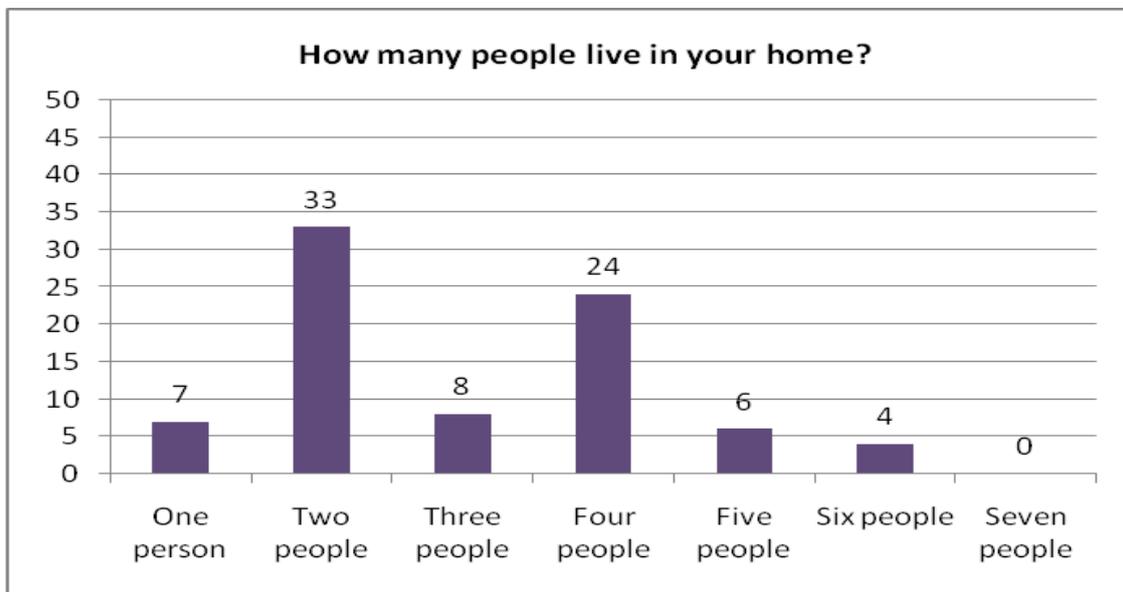
5.4 Table C below shows 94% of homes have three or more bedrooms, 5% of homes have 2 bedrooms, and 1% of homes have one bedroom according to the survey response.

Table C – Number of bedrooms



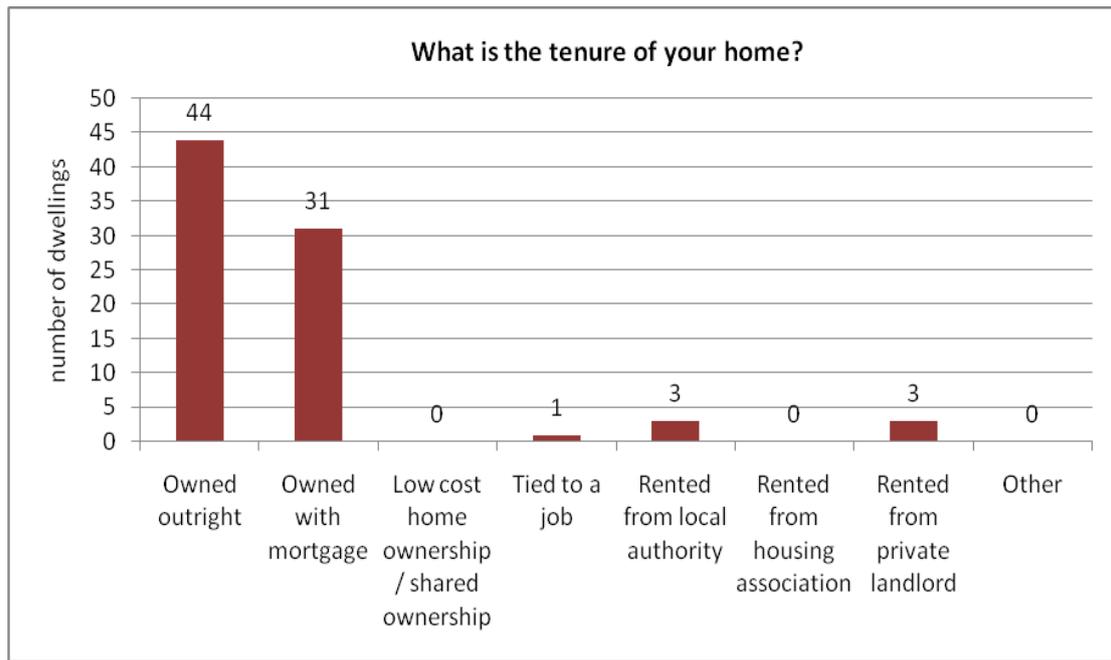
5.5 Table D below shows 51% are one or two person households, 29% are 3 or 4 person households, and 12% are 5 person or more households.

Table D – Number of people in household



5.6 Table E below shows 91% of respondents in Hillesley and Tresham are owner-occupiers, of whom nearly two thirds have no mortgage, and the remainder own their home with a mortgage. 4% in local authority rented and 4% live in private rented and 1% live in tied accommodation.

Table E - Tenure



5.7 8 respondents said a member of their family had moved away from home due to difficulty finding an affordable home within the last 10 years.

5.9 66% of respondents said they are in favour of a small development of affordable homes. 25% indicated they were not in favour. And 9% gave no reply.

5.10 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 distribution according to survey

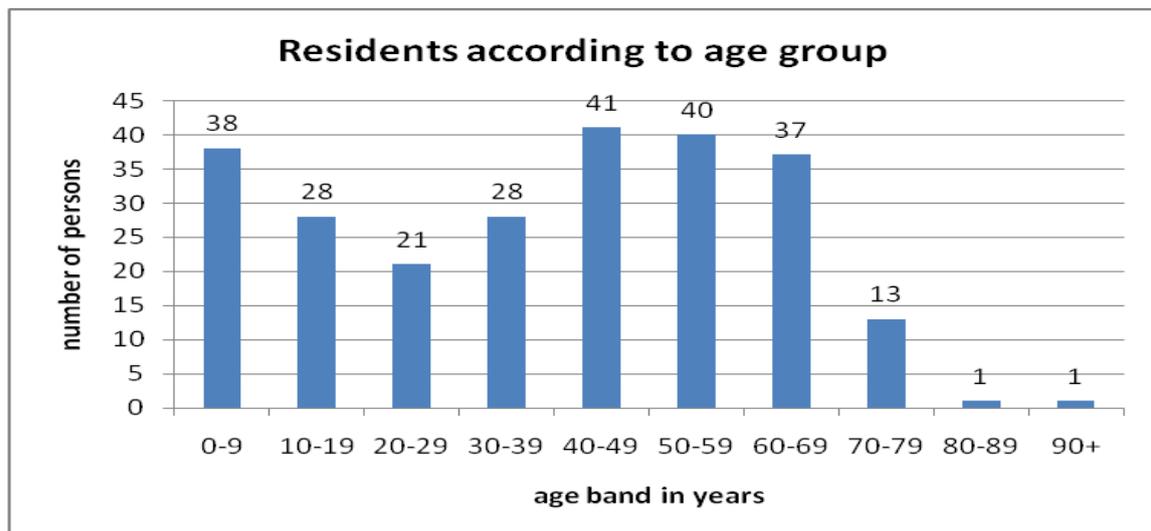
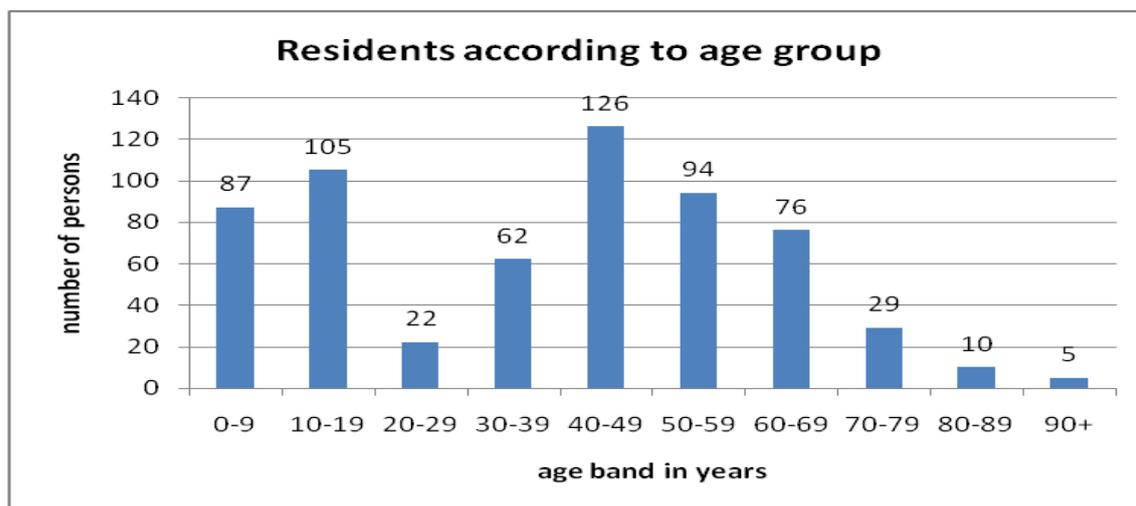


Table G - Age distribution of Hillesley and Tresham according to Gloucestershire County Council Maiden estimate for 2010



5.11 The figures shown in Tables F and G demonstrate people in the age group 10 to 19 years of age are most markedly underrepresented in the housing needs survey. However, most unusual age band 20 to 29 are significantly over represented in the survey response.

5.12 Respondents' comments

- Additional housing needs to be supported by local employment opportunities. Development of light industrial/commercial premises serviced by high speed internet connection must also be considered.
- We need a small collection of houses mixed, all detached and in keeping with village properties, including a few single storey houses suitable for the retired. Low rental and low priced homes are not suitable – no amenities here. Bear in mind there is no sewer in Tresham
- I believe the village needs housing for young families to keep the school open. There is no need for executive type houses. My youngest son would like to move back to the village if there were any 3 bed houses for sale at around £180,000 to £190,000.
- As long as the development is in keeping with the surrounding, existing housing, and is not too large then I think it would be of benefit to the village to allow some 'younger' families to reside here and keep the village regenerated.
- No suitable infill location, so village envelope would have to be expanded. Existing water and road services are at full capacity.
- It is important that such houses do remain affordable. If they are allowed to be modified or extended, they soon become unaffordable to those who need them. Restrictions need to be applied at the outset. Where would the affordable housing go? I'm not aware of any suitable sites within the present village boundaries.

- This locality has limited resources for further development. Any such properties should be built closer to Wotton-under-Edge, Tetbury etc – existing conurbations.
- We would be in favour of affordable housing which is owned by a housing association (or Council) and available to rent at affordable rents. We would not be in favour of affordable housing which can be bought as it is not, in our view, sustainable. It only gives a benefit to the 1st purchaser. Any affordable housing provision must therefore be outside the right to buy and subject to a restriction on ownership.
- One member of the family could not return to the village. Another cannot afford to purchase at present. In the past a number of young people I've seen grow up in the village were forced to seek accommodation elsewhere.
- Development of a number of affordable or unaffordable new homes would not be appropriate due to the consequential significant increase in traffic to, from and within Hillersey. The roads to and from are already in a poor state with subsidence in places and in any case are not of the size to withstand or cope with such an increase in usage. Key points such as the blind corner by Hillersey House, the hill descent into Hillersey from the monument and the restrictions in Kingswold Road by Day House Lane are already verging on being dangerous. It is also risky entering the Churchyard and entering/leaving the village by the TV shop. There would need to be significant development in utility supplies to Hillesley which would be unsightly (overhead cabling) and disruption to this area of outstanding natural beauty. The loss of farming land and associated local heritage would be very detrimental to the peace and harmony of this 'Jerusalem'.
- No facilities in village to support this type of housing development.
- Affordable housing is vitally important in order to cater for the young adults from this village.
- We are a young couple who moved to Hillesley and did not have any problems purchasing a private property in the village. There is already plenty of affordable houses in the village and no need for the provision of more. We hope that all views will be taken into consideration.
- Tresham is a small hamlet with very overstretched amenities. The telephone, electric and water especially. It is a village where development has been tightly controlled, and is in an area of 'outstanding beauty'. There is no employment in the village and no bus service.
- There are no facilities here for people on low incomes. I would have thought it better to put affordable housing in small towns – proximity to work, shops, doctors etc. is very important. I know personally that life in Hillesley without a car is very difficult.
- Keeping young families in the village is important especially for the future of the school.
- Without affordable housing Hillesley will turn into a dormitory village which will have a major effect on numbers of children at school which could put it on the closure list.

- It must be affordable to young people – two bedroomed preferably and perhaps limited to five or six houses in total in village.
- It is very difficult to see who would actually build such homes, the price of land and provision of up-rated services (i.e. increased electrical capacity, road improvement, water pressure uplift, mains gas!) are prohibitive and developer would not undertake this for minimal or reduced profit as against market rates. There are no derelict properties to renovate, and local rents are high. Government is not adding to Council-owned housing, so unless land is donated to self build or community housing schemes, there is no scope locally for affordable housing.
- I think affordable housing development is a necessity in a village that suffers from inflated house prices. Families are needed to support the local school and other community facilities. People from every walk of life need houses – so why not Hillersey!
- In favour as long as they are well designed and made not on a budget. In keeping with village e.g. Cotswold stone not Bradstone/cheaply built homes. Also, not built in high concentration on small plots. Affordable doesn't necessarily mean ugly/out of keeping, badly designed built properties.
- There should be affordable housing, but I am very concerned as to whether there is a need. It should be in keeping with the surroundings.

Part Two – Housing needs

5.13 14 households completed *Part 2: Housing Needs* of the survey questionnaire indicating they wished to move to a home in Hillesley and Tresham, 13 of whom live in Hillesley and Tresham, and the one remaining household wishes to return to live in Hillesley and Tresham.

5.14 Every households' income details and savings have been assessed to establish if they can afford to buy a home or rent a home in the private sector to suit their needs.

Home ownership - purchase price based on multiplier of 3.5 times gross annual income plus available deposit (minimum of 15% of purchase price).

Private rented - maximum rent afforded is based upon 25% of gross income. Level of private rents applied see paragraph 6.17 below.

3 of the 14 respondents wishing to move home are regarded as having financial means to afford suitable housing in the private sector in Hillesley and Tresham. Account is taken of a household's income and deposit that a household can afford in relation to size and type of accommodation required to meet their needs, and market prices and the costs of mortgage borrowing. Therefore, the remaining *11 households in need of affordable housing* are the focus of this report.

5.15 Of the 11 households in need of affordable housing 2 respondents indicated a need to move within 2 years, 7 respondents indicated a need to move between 2 to 5 years, and 2 respondent needs a move in more than 5 years.

5.16 2 out of the 11 respondents in need of affordable housing indicated they were on the District Council's housing register (Gloucestershire Homeseeker). These are comments made by persons who answered 'no' and who were asked to explain why they were not on the housing register:

- No – I haven't lived in the area for very long I hadn't considered it necessary (until now) but will do so soon.
- No – home owner
- Didn't know about it.
- Too young.
- Not ready to move back yet as job is not local
- Partner currently HM soldier in Germany. I will be joining him initially but we will wish to return to the parish in the near future

5.17 Reasons given for need to move home. Some households gave more than one reason:

- 2 households indicated a need to move to larger accommodation
- 2 households indicated a need for a move to cheaper accommodation
- 1 household indicated a need to move to a smaller home
- 3 households indicated a need to move to independent accommodation
- 1 household indicated a need to change tenure
- 1 household indicated a need to move to cheaper accommodation
- 1 household indicated a need to move to accommodation nearer employment
- 1 house hold indicated a need to move to more secure accommodation
- 2 households indicated 'other' reason for needing to move

5.18 Analysing the results of those in need of social rented accommodation shows:

- **5 single persons** (aged 13 yrs, 37 yrs, 39 yrs & 60 yrs. One person did not state their age)
- **1 couple** (aged 21 & 27 yrs)
- **3 families** (one family with daughter aged 3 yrs, one family with son aged 5 yrs and another family with 2 daughters aged 4 & 11 yrs and 2 grandparents)

5.19 Financial information provided on the respondents' questionnaires suggest that the following three households might be able to afford intermediate housing i.e. low cost home ownership or *affordable rent* i.e. up to 80% market rent:

- **1 single persons** (aged 58 yrs)

- **1 family** (family with son aged 5 months)

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 the average property prices in Hillesley and Tresham.

6.7 The average price of properties sold in Hillesley and Tresham in the 24 months to August 2011 are shown in Table H below.

Table H: Average Prices of residential in Hillesley and Tresham sold in the period 24 months to December 2012 (according to HM Land Registry)

Average House Prices in Hillesley and Tresham Parish (£)		
House Type	Price	Number of Sales
Detached	£460,166	6
Semi-detached	£140,000	1
Terraced	-	none
Flats	-	none
All	£414,429	7

6.8 The number of house sales are for new and existing properties where the sale details registered with the Land Registry are for the postcodes defining Hillesley and Tresham 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 There were no terraced houses or flats sold during the two year period. The average price of properties sold does not necessarily reflect the average value of all properties in the parish.

6.11 HM Land Registry tells us that the average price of residential properties sold in Gloucestershire is £168,583 in October 2012.

6.12 The latest figures show that for Gloucestershire there has been a fluctuation in average house prices during 2011 and 2012, culminating in small reduction of -1.3% over the 12 months to December 2012.

6.13 House sales volumes in Gloucestershire fell significantly from a height of 1,475 in June 2007 to a low of 436 in January 2009. There were 682 house sales in October 2012.

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 price of the least expensive property (£140,000) sold during the past 2 years in Hillesley and Tresham a household would require at least £21,000 as a deposit, and their annual gross income for mortgage purposes would have to be at least £34,000.

6.16 At the time this report is published mortgage lenders currently offer first time buyers standard variable annual rate interest rates from 4.5% APR. Applying a 4.5% interest rate to a mortgage of £119,000 equates to £668.77 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
Tewkesbury	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

- As shown by the above table, the median (50th percentile) gross annual earnings of residents in Stroud District (£22,403) is significantly higher than the regional (£20,000) and the national average (£21,342). However, the median for earnings of employees in Stroud District (£19,753) is lower than, the regional (£19,831), and the national figures (£21,324).
- Considering the average prices of homes sold in Hillesley and Tresham Parish during the 24 months up to March 2012 a household on a median income in Stroud District (£22,403) would be unable to purchase a property without a substantial deposit (by using savings or by using monies from the sale of current home).
- Many potential first time buyers struggle to meet the costs of buying their own home.
- In some cases intermediate housing (shared ownership, low cost market housing and rented housing at prices between rented social housing and market rented prices) would be a suitable option, whilst in other instances traditional using association rents known as target rents would be appropriate.

Private rented

6.17 Information gained from 'Rightmove.com' tells us these are the starting prices for rents for the following property types in November 2011:

Studio apartment (Wotton-u-Edge).....£320 per calendar month

One bedroom flat (Horton)..... £395 pcm

Two bedroom house (Wotton-u-Edge).....£575 pcm

Three bedroom house (Hillesley).....£775 pcm

6.18 It is often accepted that a household's housing costs should not exceed 25% of a household's gross income. Based upon this presumption a minimum gross annual income required to afford the above properties would be £18,960 for a one bedroom flat, £27,600 for a two bedroom house, and £37,200 for a three bedroom house. Of course, the rent does not include running costs e.g. council tax, fuel bills etc.

6.19 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?

6.20 The levels of rent that Registered Providers are able to charge are restricted by *Homes and Communities Agency* (formed on 1st December 2008 from the *Housing Corporation* and *English Partnerships*). These rents are known as *target rents* and are subject to the national Housing Benefit scheme.

6.21 The *target* rents of properties let by Housing Associations are controlled by the Homes & Communities Agency for the Government. Rents are calculated according to a formula based on relative property values and relative local earnings.

6.22 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.

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

7. EXISTING AFFORDABLE HOUSING STOCK

7.1 Hillesley and Tresham parish currently has a total of 9 Council rented dwellings. There are no housing association properties in the parish.

Table I: Affordable housing stock in Hillesley and Tresham parish

Village	Landlord	Tenure	1 bed bungalow	2 bed house	3 bed house	Total
Hillesley	Stroud District Council	rented	4	0	3	7
Tresham	Stroud District Council	rented	0	0	2	2
Total			4	0	5	9

7.2 There have been no re-lets of affordable housing in the parish since January 2011.

7.3 It should be noted that when a vacancy arises in an existing affordable dwelling in Hillesley and Tresham, priority is usually awarded to persons in greatest housing need throughout Stroud District.

8. SUMMARY

8.1 *Part B* of this survey is aimed at persons who are seeking affordable housing (rented or shared ownership), and cannot afford suitable housing in the open market.

8.2 The information gained from this survey is a key element of assessing local needs. Other useful sources of information available to us include Stroud District Council's Housing Register (known as Gloucestershire Homeseeker) and the staff who operate it.

- It is notoriously difficult to get accurate data on the housing need of young single 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 Hillesley and Tresham 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 Hillesley and Tresham for rent and none available for shared ownership ownership. This survey has shown 94% of properties in the parish have 3 or more bedrooms.
- Of those 14 respondents to the questionnaire who are in need to move to suitable accommodation, 11 households require affordable 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 7th March 2013). 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.

8.3 Tables J below states the number of households in need of affordable housing, the number of bedrooms needed by each household and the tenure required (affordable rented or shared ownership/intermediate).

Table J: Households in need of rented

	Single persons	Couple	Families with 1 child)	Family with daughters aged 4 & 11 yrs & 2 grandparents

1 bedroom general purpose i.e. flat/house/bungalow	5	1	-	-
2 bedroom house	-		2	-
3 bedroom house	-		-	1

Table K: Households in need of shared ownership/intermediate

	Single person	Family with son aged 5 months
1 bedroom house/flat/bungalow	1	-
2 bedroom house	-	1

9. CONCLUSION

9.1 This survey has determined that there are **11 households with a local connection who have self identified themselves in need of affordable housing in the parish.**

9.2 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 existing affordable housing is allocated to persons in greatest housing need throughout Stroud District and priority is not required to be awarded to persons with a connection to Hillesley and Tresham Parish

9.3 The survey does not attempt to identify Hillesley and Tresham residents seeking to move to affordable housing outside of the parish.

10. RECOMMENDATIONS

It is recommended that:

- a) Hillesley and Tresham Parish Council places this report on their web site and the Rural Housing Enabler produces an executive summary of the survey report for publication in the parish news letter for all to read.
- 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) Hillesley and Tresham Parish Council and the Rural Housing Enabler work together to identify potential exception sites in Hillesley and Tresham parish suitable for the provision of affordable housing for local people.**