

A DETAILED INVESTIGATION INTO THE HOUSING NEEDS OF HOSE



JANUARY 2015



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1. Summary

- A housing need survey was carried out in the village of Hose in November/December 2014.
- Results obtained showed there was a need for up to 11 affordable homes and 4 open market (sale) homes for local people enabling them to be suitably housed within the community.
- Local needs affordable homes could be developed on a ‘rural exception site’¹, if available, and subject to local support some open market sale homes could be used to cross-subsidise the affordable homes.
- The alternative to this is that the local homes that are needed are developed as part of a larger development if the opportunity arises and if the needs cannot be met by existing properties.

2. Introduction

Midlands Rural Housing (MRH) is one of the leading providers of rural housing services in the UK. MRH works with government organisations, developers, architects, builders, parish councils, local authorities, and housing providers to assess the needs for as well as enable access to excellent affordable homes in the Midlands. More details of the work of MRH can be found on the web site (www.midlandsrural.org.uk).

In Leicestershire, MRH works on behalf of a collaborative rural housing partnership. The Leicestershire Rural Housing Group is guiding the work of Midlands Rural Housing to assess and meet the housing needs of people in the villages of Leicestershire. Partners are focused on delivering affordable homes for local people and having a positive impact on our rural areas. The Group is a dedicated formal partnership between the County Council, six rural District and Borough Councils (including Melton Borough Council) and three Housing Associations who fund enabling work in Leicestershire to investigate housing needs and bring forward affordable housing schemes where they are needed. The Group also includes non funding organisations such as the Rural Community Council, National Housing Federation and the Homes & Communities Agency.

In 2014, Melton Council (MBC) instructed MRH to investigate the local housing needs of the residents of Long Clawson, Hose and Harby, Leicestershire. This formed part of a rolling 5 year programme of Housing Needs Surveys that MBC have to understand the housing needs of its rural communities. MRH worked with Clawson, Hose and Harby Parish Council to agree and arrange the Housing Needs Survey of the Parish.

¹ An exception site is a piece of land outside but touching the village boundary that can be developed as an exception to normal planning policy. Planning permission is only granted on sites where it has been demonstrated that housing is needed and the homes provided will be affordable and reserved for local people as a priority in perpetuity i.e. now and in the future.

3. Rural housing and the Housing Needs Survey

Average property prices in rural areas have increased more than urban areas in monetary terms over the past 5 years² forcing many local residents to move away from their towns and villages in order to find suitable and affordable homes. House prices in the countryside are now from £20,000 to £50,000 higher than in urban areas, despite average wages being lower.

The number of people on waiting lists for affordable homes in rural England has soared to around 750,000³. New household formation is outstripping supply by 3 to 1 (source: CLG). Increasing house prices and the limited availability of appropriate properties has resulted in local people being unable to find a home within their community and this may be happening in Hose.

The Hose Housing Needs Survey questionnaires were delivered to every household in the village during the final weeks of November. This was at the same time as surveys were carried out in the other two villages in the Parish. The return date for the survey was 15th December and returns were made via a postage paid envelope directly to MRH. Survey forms were distributed to all households as well as to those who contacted MRH to say that they had moved away from Hose or had a strong connection to the village and wished to complete a form. In total 192 survey forms were distributed.

In addition, the information can be used positively in the planning process. It provides a foundation on which to negotiate 'planning gain' opportunities with developers. In short, it gives planners and parish organisations evidence that can be used to obtain an element of 'local needs' housing in negotiations with house builders, should such situations arise in the village.

The information obtained from a Housing Needs Survey is also invaluable at the local level, particularly in relation to local authority, parish council and neighbourhood planning activities. Such information can be acted upon locally and taken on board in the decision making process when housing issues arise.

² Halifax Rural Housing Review 2014 - "a house in a rural area costs £206,423 on average, which is 13 per cent more than the typical cost of a property in an urban area at £182,710."

³ National Housing Federation, Rural housing research report 2014

4. Purpose of the Survey

The survey was conducted in order to obtain clear evidence of any local housing need for a range of housing tenures for Hose residents. This evidence will be made available to Melton Borough Council and Long Clawson, Hose & Harby Parish Council; used to inform Housing Strategy; and provide clarity on what type and tenure of housing is required to meet local needs.

In addition, the information can be used positively in the planning process. It provides a foundation on which to negotiate 'planning gain' opportunities with developers. In short, it gives the planners evidence that can be used to obtain an element of 'local needs' housing in negotiations with house builders, should such possibilities arise in the village.

The information obtained from a Housing Needs Survey is also invaluable at the local level, particularly in relation to local authority and parish council activities. Such information can be acted upon locally and taken on board in the decision making process when housing issues arise.

5. Respondent details

A total of 192 survey forms were distributed and 57 were received in return, giving a return rate of 30% against the number distributed. In our experience this is a good level of response for a survey of this kind but it should be noted that only those who have a housing need, or are interested in a local needs development and general village life, are likely to respond.

i) Household type

The questionnaire asked village residents to indicate the type of household they are.

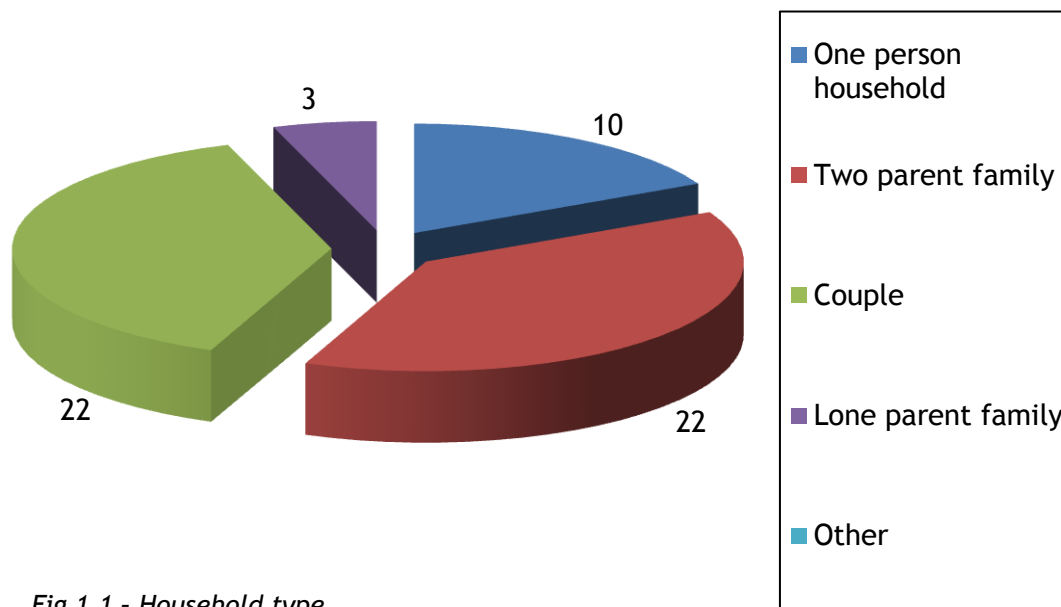


Fig 1.1 - Household type

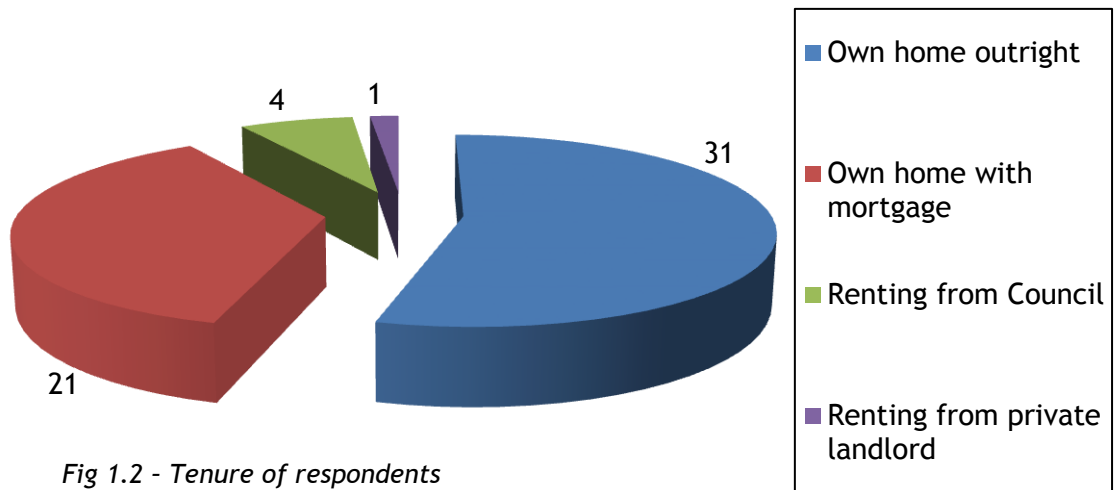
The chart above (fig 1.1), shows the breakdown of households that responded to the survey.

The largest numbers of responses were from households containing couples and households containing two parent families. Both groups of responses totalled 39%.

17% of responses were from one person households and 5% from lone parent families.

ii) Tenure of all respondents

The current household tenure of respondents is given in the chart below (fig 1.2):

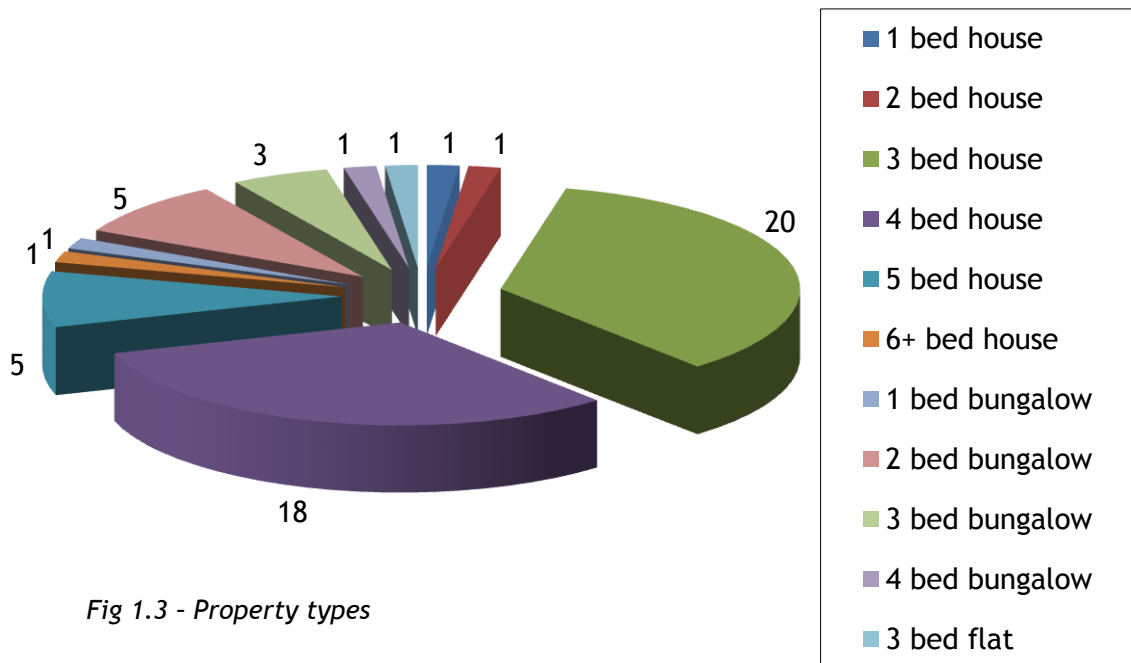


It shows that ‘owner-occupiers’ were by far the largest tenure group accounting for 91% of replies (54% of total survey respondents owned their home outright with no outstanding mortgage and 37% have a mortgage on their home).

9% of respondents live in rented accommodation (2% privately renting and 7% Council renting).

iii) Property Types

The following chart (fig 1.3) details the type of property that respondents currently reside in:



81% of respondents live in a house, 18% live in a bungalow. Those living in 3 bedroom houses were the largest group (35% of responses), followed by those living in 4 bedroom houses (32%).

iv) Length of residence in village

The length of time that respondents have lived in Hose is given in the chart below (fig 1.4):

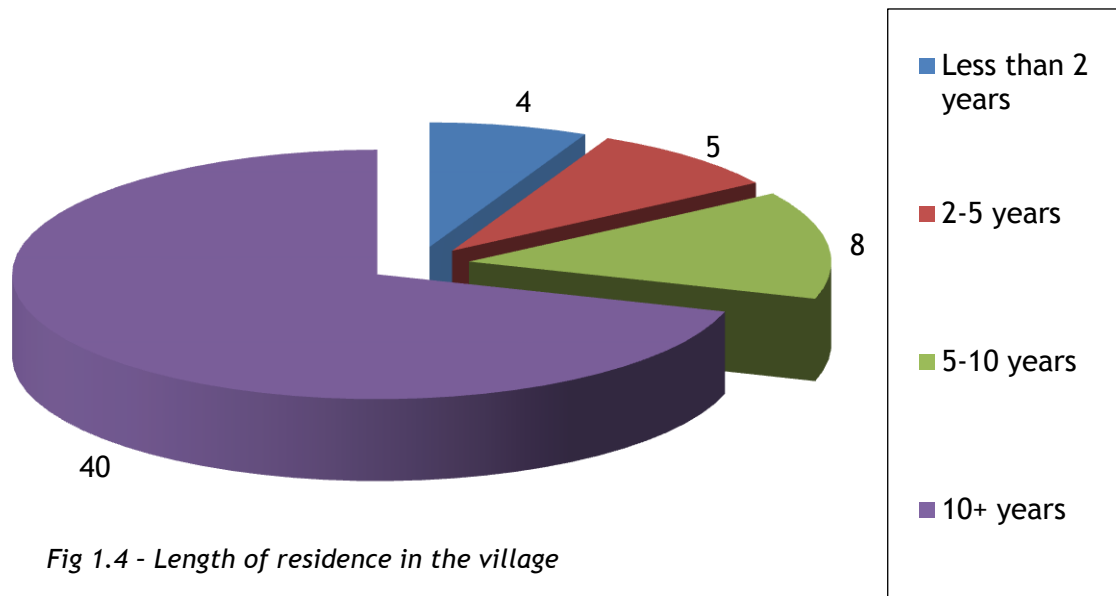


Fig 1.4 - Length of residence in the village

It shows that 70% of completed surveys came from households that have lived in the village for over 10 years.

14% of respondents have lived in Hose for between 5 and 10 years, and 9% have been there for between 2 and 5 years. 7% of responses came from those who have lived in the village for less than 2 years.

v) Type of housing required in the village

The questionnaire asked for opinions on the type of housing that respondents believed is needed in the village. The results are given in the chart below (fig 1.5):

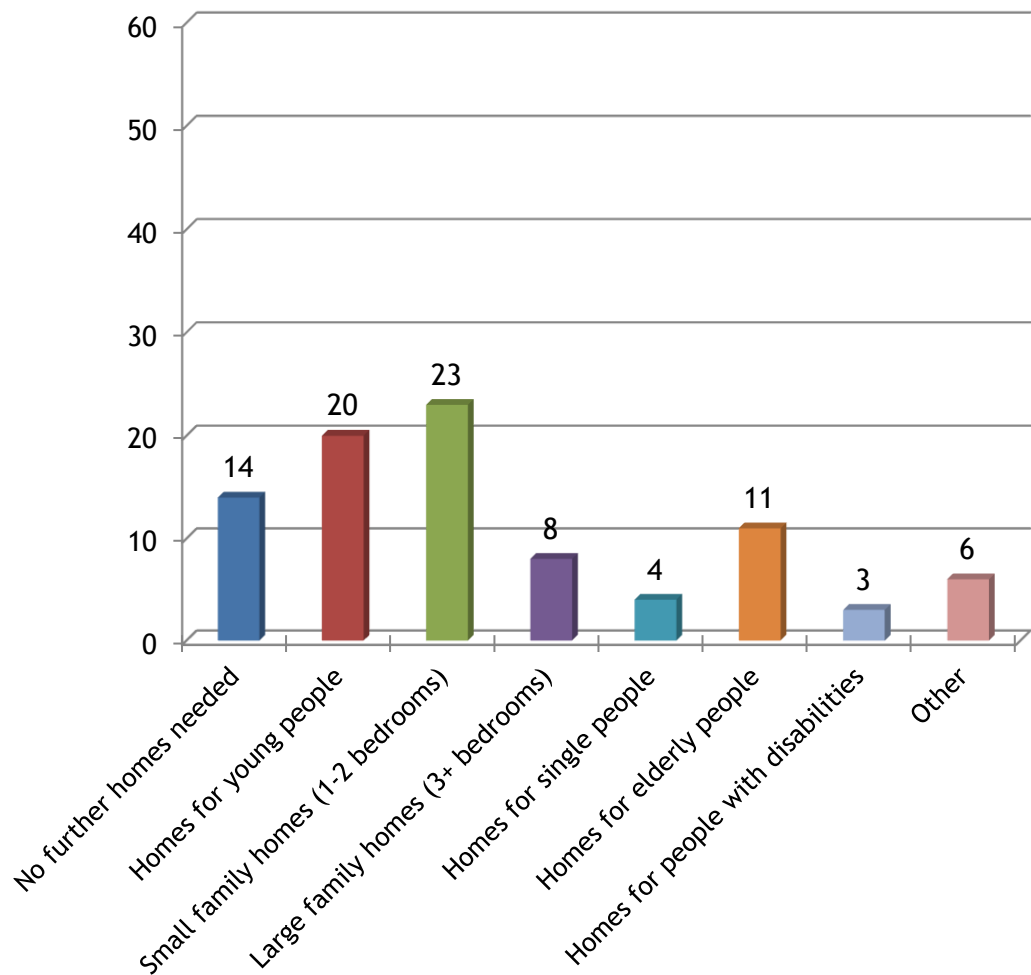


Fig 1.5 - Type of housing needed in Hose

It shows that 25% of respondents thought that no further homes were needed in Hose.

Of those that believed more homes were needed, the most popular requirements were:

- Small family homes
- Homes for young people
- Homes for elderly people

vi) Requirements for new homes

Respondents were asked whether anyone living in their household has a need to set up home separately in the village in the next 5 years.

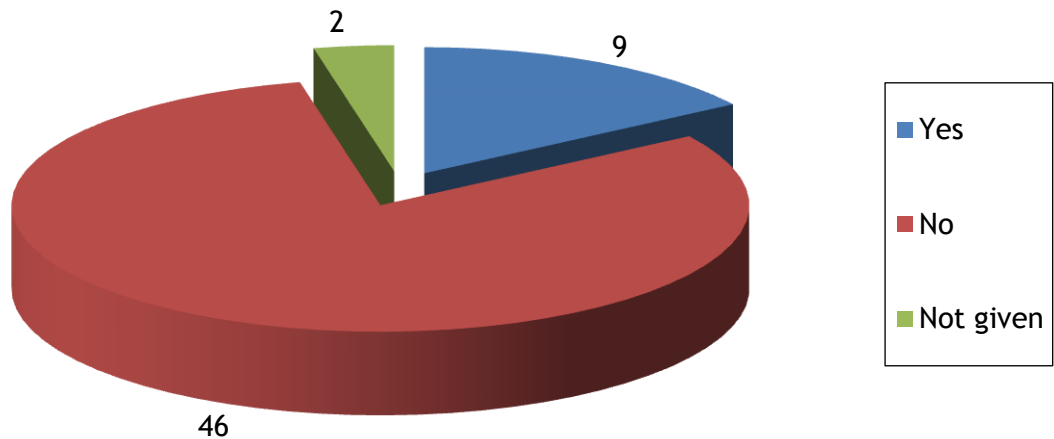


Fig 1.6 -New homes required for people currently living in respondents' home

It can be seen from the chart, above, that 16% of responses came from households that contained individual/s who need to set up home separately in the foreseeable future.

vii) Migration and reasons for leaving

The survey asked whether respondents had experienced former members of their household leaving the village over the last 5 years and, if so, what the reasons were for them leaving.

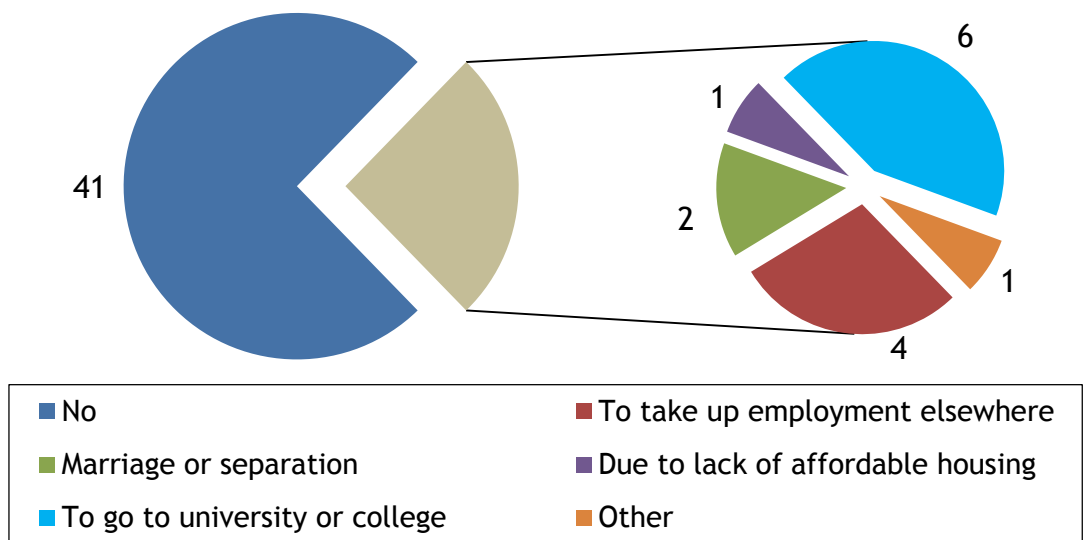


Fig 1.7 - Migration and reasons for leaving

Fig 1.7 shows that 25% of village residents who returned questionnaires were aware of others who have had to leave the village in the last 5 years.

The reasons for members of the households leaving can be seen in the chart above, but it is worth noting that less than 2% involved those who have left due to a lack of affordable housing.

viii) **Support for small number of homes to meet local peoples’ needs**

One of the fundamental questions in the survey is that which asks whether people are in favour of a small number of homes in the village to meet the needs of local people.

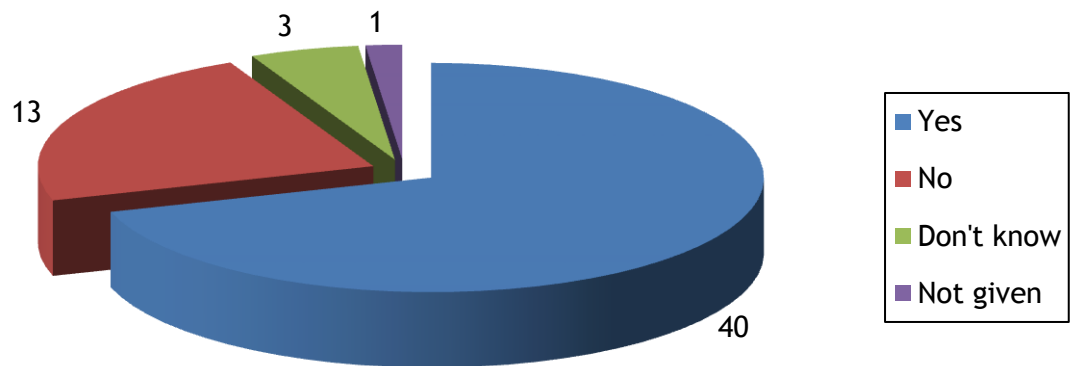


Fig 1.8 - Support for homes for local people

Fig 1.8 shows that 70% of respondents are in support of a small number of homes to meet local peoples’ needs and 23% are not in support.

Those that answered ‘no’ to this question and provided a comment have had the comments summarised as shown below:

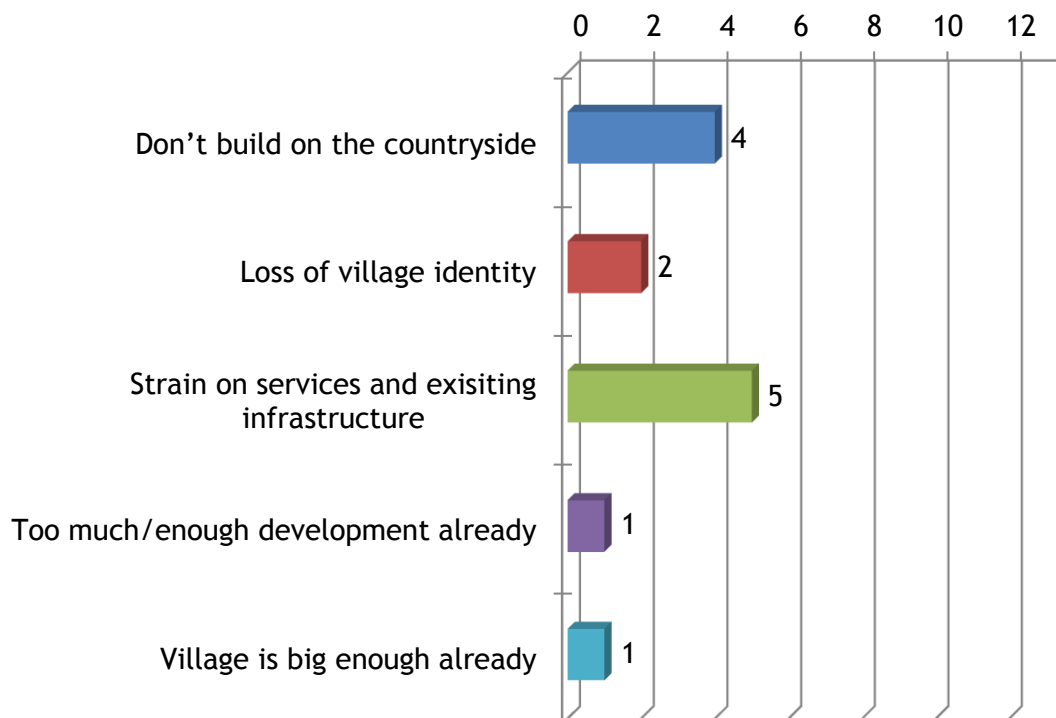


Fig 1.9 - Concerns over supporting small number of homes for locals

The most common reason highlighted the strain on services and existing infrastructure.

ix) **Life in the village**

The following two charts detail respondents' answers to the 'life in the village' questions.

The views expressed allow a picture of life within the village to be built up. This information can help assess whether any homes that may be subsequently provided in the village will be 'sustainable.' Ensuring that people will want to take up residency and tenancy and live in a village both now and in the future are important factors when considerations around the provision of new homes take place.

The first question asked village residents how they felt about the 'positive' factors of life in the village.

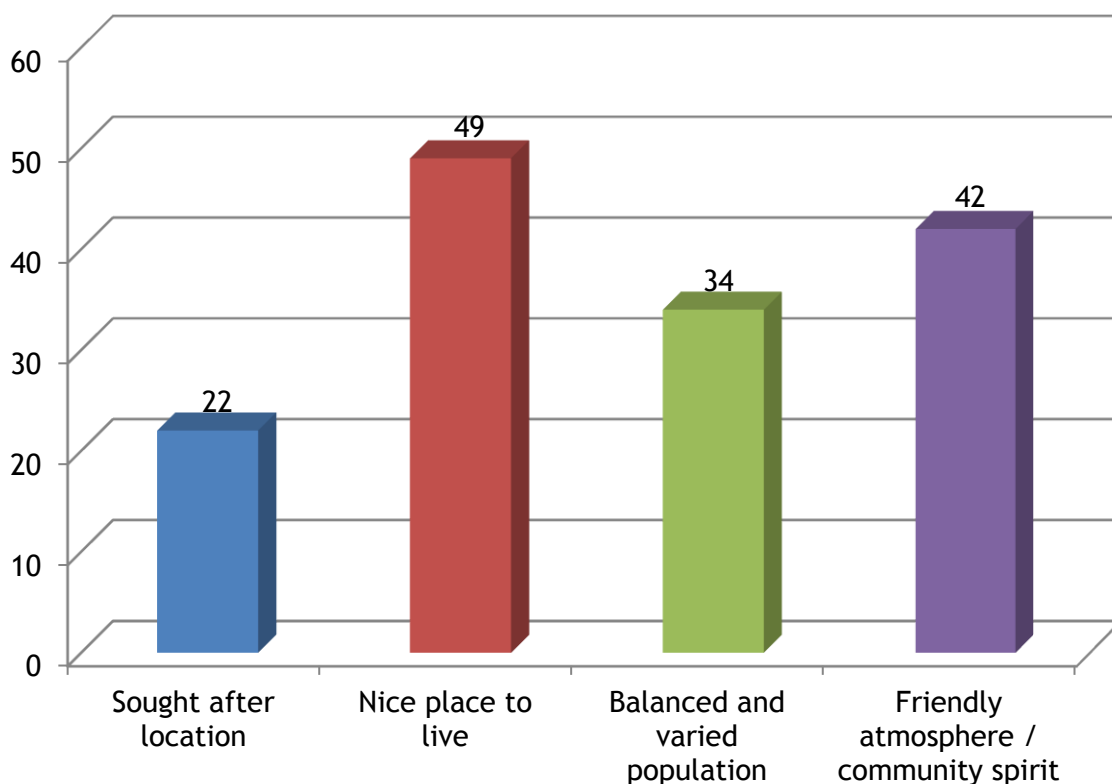


Fig 2.0 - Life in the village - positive factors

From fig 2.0, above, it can be seen that many respondents hold positive views about life in Hose. 86% believed that the village is a nice place to live; 74% feel it has a friendly atmosphere / community spirit; 60% believe it has a balanced and varied population; 39% believe it is a sought after location to live in.

The second question sought village residents' perceptions on the potentially negative aspects of life in the village.

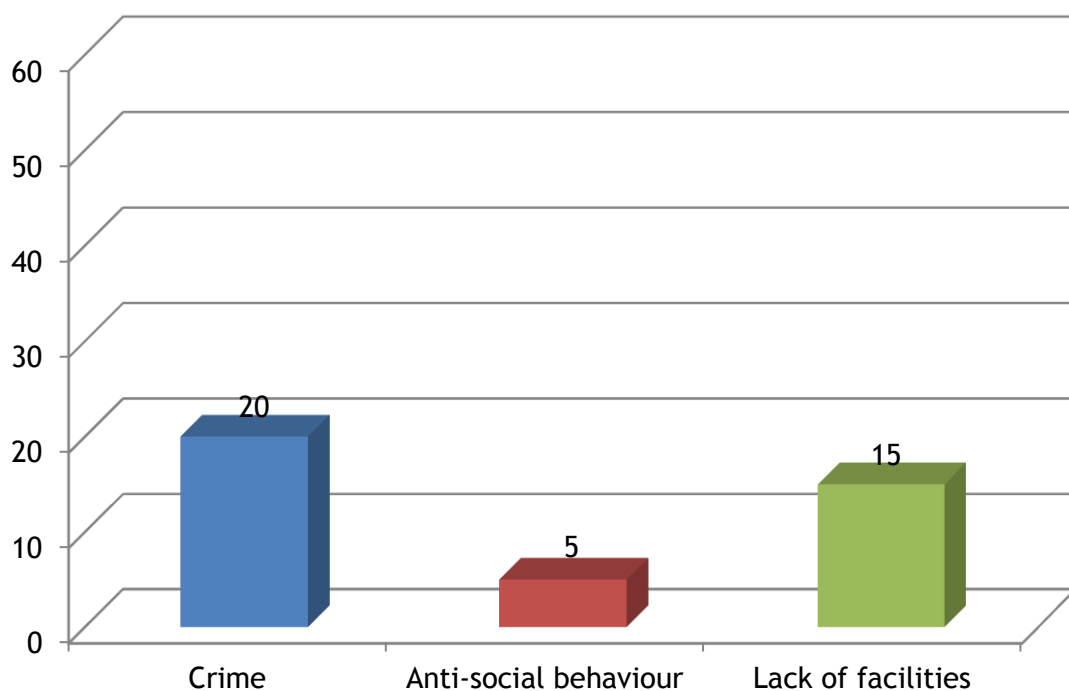


Fig 2.1 - Life in the village - negative factors

As can be seen from fig 2.1 above, several respondents consider that Hose suffers from the 'negative factors' that affect many communities. 35% of respondents stated that Hose suffers from some degree of crime; 26% of respondents stated that there is a lack of facilities in the village; 9% believed there is some anti-social behaviour.

Some respondents provided further details around their thoughts on this question. These can be found below.

Do you feel that the village suffers from a lack of facilities? Those that answered 'yes' and provided a comment can be summarised as:

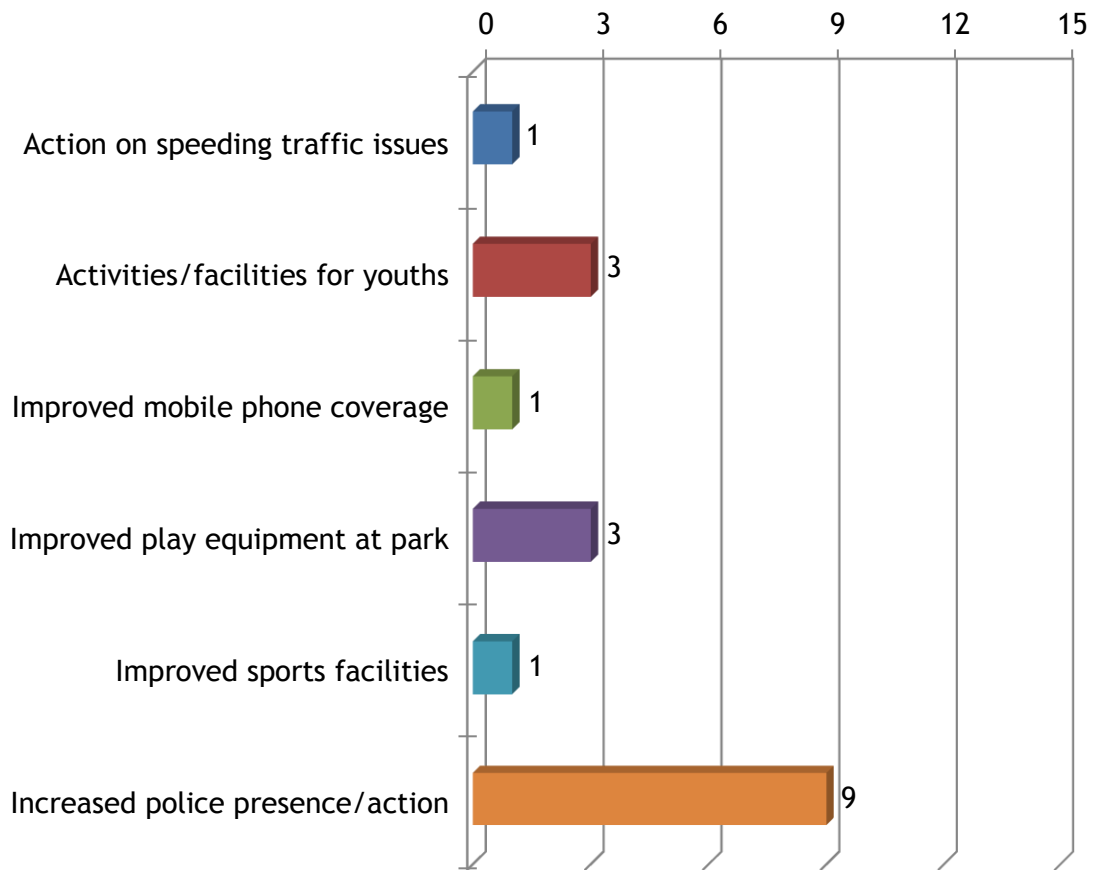


Fig 2.2 - Issues of concern / areas for improvement in the village

Amongst the responses there were a wide variety of concerns. The main three were focused around a need for an increased police presence, more facilities for youths and improved play equipment.

x) Adequate housing in the village

Respondents were asked if they felt that there was a lack of adequate housing in the village.

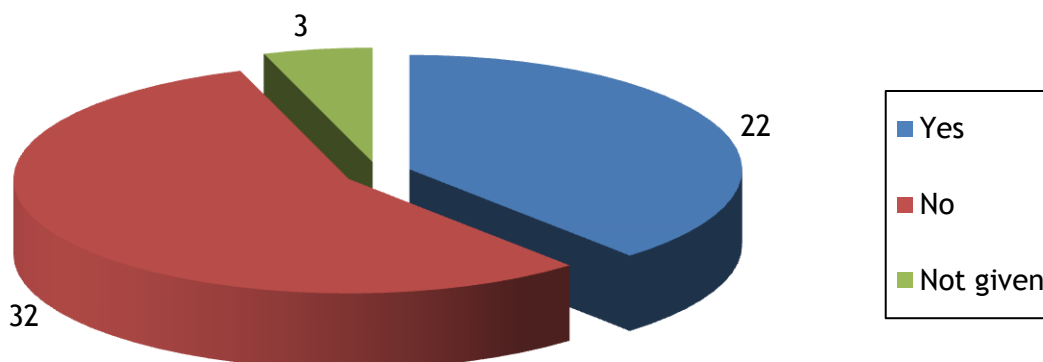


Fig 2.3 - Perceptions on the provision of adequate housing in the village

Fig 2.3 shows that 56% of respondents believe that there is not a lack of adequate housing in Hose, with 39% of respondents believing that there is a lack of adequate housing.

Do you feel that the village suffers from a lack of adequate housing? Those that answered ‘yes’ and provided a comment can be summarised as:

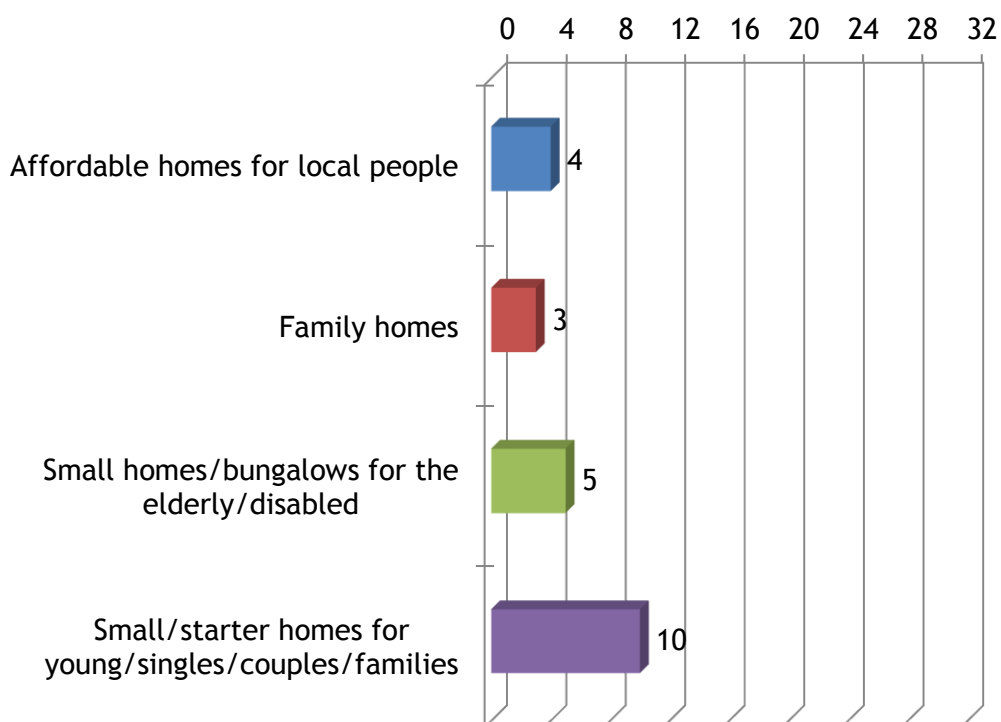


Fig 2.4 - Types of homes that are needed in the village

Of the 22 responses (39%) who felt that the village had a lack of adequate housing, their specific comments show that small starter homes are the housing group felt to be most required.

6. Housing Need Analysis

Of the 57 returns, 49 were from people who felt that they were adequately housed at present. These respondents completed a form primarily to offer their support, objection or thoughts towards 'local needs' housing as well as to give their comments regarding life in the village. It was, therefore, not necessary to process these in the 'housing needs analysis' as they had not indicated a housing need for the next 5 years.

i) Respondent analysis

The following table lists details of the 8 respondents who stated that they are in housing need in the next 5 years as well as the 7 assessed as being in need on MBC's Housing Register. Respondents were asked to identify what they felt is needed in terms of property type and size together with a preferred tenure type. In reality it may not be possible to meet the aspirations of each respondent. Incomes and likely property prices are considered in order to ensure that any proposed future homes would indeed meet the needs of those to be housed. Therefore a 'likely allocation' is suggested to outline realistic provision.

| RESPONDENTS BELOW HAVE A NEED THAT IN THE NEXT 5 YEARS | | | | | | |
|--|-------------------|----------------------|----------------------------------|--|--|--|
| Ref | Local connection? | On Housing Register? | Household details | Reasons for need | Preferred home and tenure | Likely allocation / purchase |
| 05 | Yes | No | Single person living in own home | Cannot manage stairs - Couple setting up home together | 1 bed bungalow - Affordable rented | 1 bed bungalow - Affordable rented |
| 08 | Yes | No | Living with parents | First independent home | 1 bed house / flat - Shared ownership /affordable rented | 1 bed house - Affordable rented |

| Ref | Local connection? | On Housing Register? | Household details | Reasons for need | Preferred home and tenure | Likely allocation / purchase |
|-----|-------------------|----------------------|---|--|--|---|
| 16 | Yes | Yes | Family living in Council rented home | Present home too small - disabled, need specially adapted home | 3 bed bungalow - Council / affordable rented | 3 bed bungalow with adaptations - affordable rented |
| 27 | Yes | No | Family living in own home with mortgage | Present home too large, too expensive, in poor condition | 3 / 4 bed bungalow - Open market purchase | 3 bed bungalow - Open market purchase |
| 32 | Yes | No | Living with parents | First independent home | 2 / 3 bed house - Open market purchase | 2 bed house - Open market purchase |
| 34 | Yes | No | Living with parents | First independent home | 2 bed house - Shared ownership | 2 bed house - Shared ownership |
| 49 | Yes | No | Couple living in privately rented home | Renting but would like to buy | 2 / 3 bed house - Open Market purchase / affordable rented | 2 bed house - Open market purchase |
| 55 | Yes | No | Family living in own home with mortgage | Present home too large | 3 bed house - Open market purchase | 3 bed house - Open market purchase |

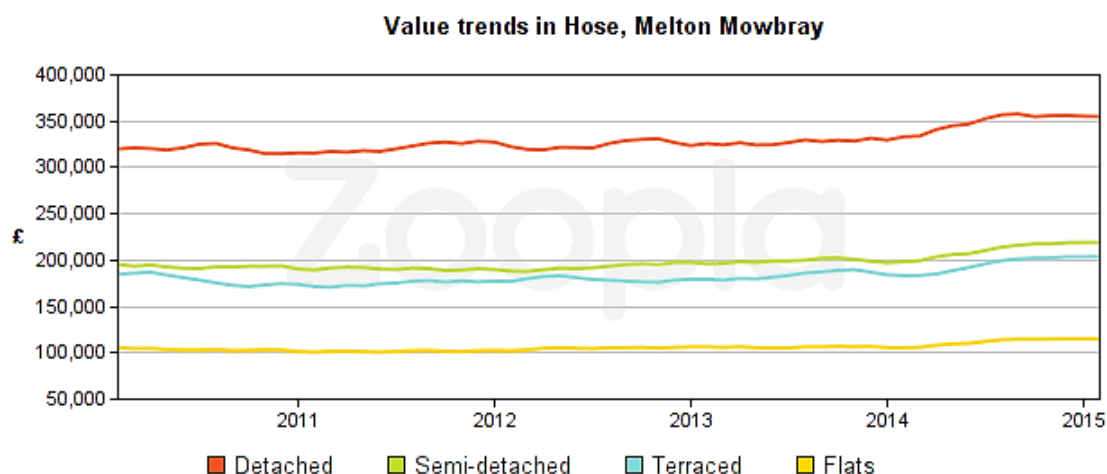
**RESPONDENTS THAT DID NOT COMPLETE A SURVEY FORM BUT ARE ON
MELTON BOROUGH COUNCIL'S HOUSING REGISTER AND HAVE BEEN
ASSESSED AS BEING IN IMMEDIATE HOUSING NEED**

| | Local Connection? | On Housing Register? | Household details | Reasons for need | Likely allocation |
|--|-------------------|----------------------|-------------------------------|--|---------------------------------------|
| | Yes | Yes | Lone parent with 1 dependant | Unsuitably housed - private rented house | 2 bed house - affordable rented |
| | Yes | Yes | Single person (<25) | Unsuitably housed - living with family | 1 bed house - affordable rented |
| | Yes | Yes | Lone parent with 2 dependants | Unsuitably housed - living with family | 2 bed house - affordable rented |
| | Yes | Yes | Lone parent with 2 dependants | Unsuitably housed - private rented house | 2 bed house - affordable rented |
| | Yes | Yes | 2 single adults | Unsuitably housed - social rented house | 2 bed house - affordable rented |
| | Yes | Yes | Couple with 3 dependants | Unsuitably housed - social rented house | 3 bed house - affordable rented |
| | Yes | Yes | Single person (26-59) | Unsuitably housed - social rented house | 1 bed house - affordable rented |

Those from the Housing Register have been cross referenced with the respondents of this survey to ensure that no duplication or double counting has occurred.

ii) House price data

Property prices in the village have, overall, increased over the past 5 years. During that period prices have increased by an average of 8.15% (£22,586).



iii) Local context - properties for sale

By way of local context, the table below shows prices of properties that were for sale or rent in Hose village in January 2015 (source: www.zoopla.com).

Current asking prices in Hose

| Property type | 1 bed | 2 beds | 3 beds | 4 beds | 5 beds |
|---------------|-------|--------|-----------------|--------|--------|
| Houses | - | - | £329,950 (1) | - | - |
| Flats | - | - | - | - | - |
| All | - | - | £329,950 (1) | - | - |

Current asking rents in Hose

| Property type | 1 bed | 2 beds | 3 beds | 4 beds | 5 beds |
|---------------|-------|--------|--------|--------|--------|
| Houses | - | - | - | - | - |
| Flats | - | - | - | - | - |
| All | - | - | - | - | - |

In total, there is currently 1 property for sale in Hose and none available for rent.

| Property For sale | Price (£) | Property To rent | Price (£) |
|----------------------|-----------|------------------|-----------|
| 3 bed detached house | 329,950 | | |

Affordability is calculated using a mortgage multiplier of 3.5 times household income with a 20% deposit.

The 'cheapest' available house is a 3 bed detached house at £329,950. Based on this affordability criteria it would require a deposit of £66,000 and an income of over £75,000 per annum to afford the 'cheapest' property currently available in Hose.

iv) Local context - properties sold

Property value data/graphs for Hose

| Property type | Avg. current value | Avg. £ per sq ft. | Avg. # beds | Avg. £ paid (last 12m) |
|---------------|--------------------|-------------------|-------------|------------------------|
| Detached | £354,196 | £211 | 3.6 | £285,375 |
| Semi-detached | £218,221 | - | 3.1 | £282,500 |
| Terraced | £202,869 | - | 3.0 | £150,800 |
| Flats | - | - | - | - |

The average property price for actual sales since December 2013 can be seen on the right hand column of the chart above.

The left hand column shows the current average property value. There have been 8 property sales in Hose in the past 12 months.

Based on the affordability criteria explained earlier, to purchase a terraced house at current average value (£202,869) would require a deposit of over £40,000 and an income of £46,500 per annum. To purchase a semi-detached house at current average value (£218,221) would require a deposit of £43,600 and an income of almost £50,000 per annum.

7. Conclusion

MRH has conducted a detailed study of the housing needs of Hose up to 2020. This study has not only investigated the actual affordable housing need of the village, but also for market rent level housing and open market housing. In addition, the survey ascertained residents' views with regard to living in the village and support for local needs housing to help sustain local communities.

The survey has identified an immediate need for affordable and open market properties in the next 5 years.

Of the 8 respondents who indicated a housing need in the next 5 years:

- **4 were assessed as being in need of affordable housing for rent or shared ownership**

| | |
|---------------------------------------|---|
| 1 x 1 bed house for rent | 1 x 2 bed house for shared ownership |
| 1 x 3 bed bungalow (adapted) for rent | 1 x 1 bed bungalow for shared ownership |

- **4 were assessed as being in need of open market housing (for local people) to purchase**

| | |
|-----------------|--------------------|
| 2 x 2 bed house | 1 x 3 bed bungalow |
| 1 x 3 bed house | |

These results were cross referenced with the Melton Borough Council Housing Register. Some respondents to the Housing Needs Survey were also on the Housing Register (and were, therefore, discounted so as not to be double counted), and there were a further 7 households who have been assessed as being in housing need who feature on the Housing Register but did not complete a Housing Needs Survey questionnaire. These households all have a connection to Hose and their housing needs are as follows:

- **7 were assessed as being in need of affordable housing:**

| | |
|-------------------------------------|-------------------------------------|
| 2 x 1 Bed house - affordable rented | 1 x 3 Bed house - affordable rented |
| 4 x 2 Bed house - affordable rented | |

THEREFORE, THERE IS AN IDENTIFIED NEED FOR
11 AFFORDABLE HOMES AND 4 OPEN MARKET HOMES
IN HOSE FOR THOSE WITH A LOCAL CONNECTION

8. Contact information

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