

A DETAILED INVESTIGATION INTO THE HOUSING NEEDS OF STRETTON ON DUNSMORE



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1. Introduction

Rural house prices have doubled over the last decade¹ 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 up to £40,000 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 750,000². 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 Stretton on Dunsmore.

Midlands Rural Housing (MRH) work with local authorities, town and parish councils, registered providers (housing associations/registered social landlords), private developers and local communities in order to investigate the need for, and provide, affordable homes in towns and villages throughout the Midlands. The first step in this research is to undertake a Housing Needs Survey which will give an overview of the current housing situation in a parish and provide details of the need for local housing.

The Stretton on Dunsmore Housing Needs Survey questionnaires were delivered to every household in the Parish in mid August. The return date for the survey was 16th September 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 Stretton on Dunsmore, or had a strong connection to the Parish and wished to complete a form. In total 503 survey forms were distributed.

2. Purpose of the Survey

The survey was conducted in order to obtain clear evidence of any local housing need for a range of affordable housing tenures for Stretton on Dunsmore residents. This evidence will be made available to Rugby Borough Council and Stretton on Dunsmore 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.

¹ Halifax Rural Housing Review 2010 - " the average house price in rural Great Britain rose by 96%, or £102,722, from £107,250 in 2000 to £209,972 in 2010 - equivalent to a weekly increase of £198"

² National Housing Federation, Rural housing research report 2010

3. Respondent details

A total of 503 survey forms were distributed and 140 were received in return, giving a return rate of 28% against the number distributed. In our experience this is an average level of response for a survey of this kind. In our experience it is only those who have a housing need or are interested in a local needs development and general village life that are likely to respond.

i) Household type

The questionnaire asked village residents to indicate the type of household they are. This enabled the charts below (fig 1.1), to be produced:

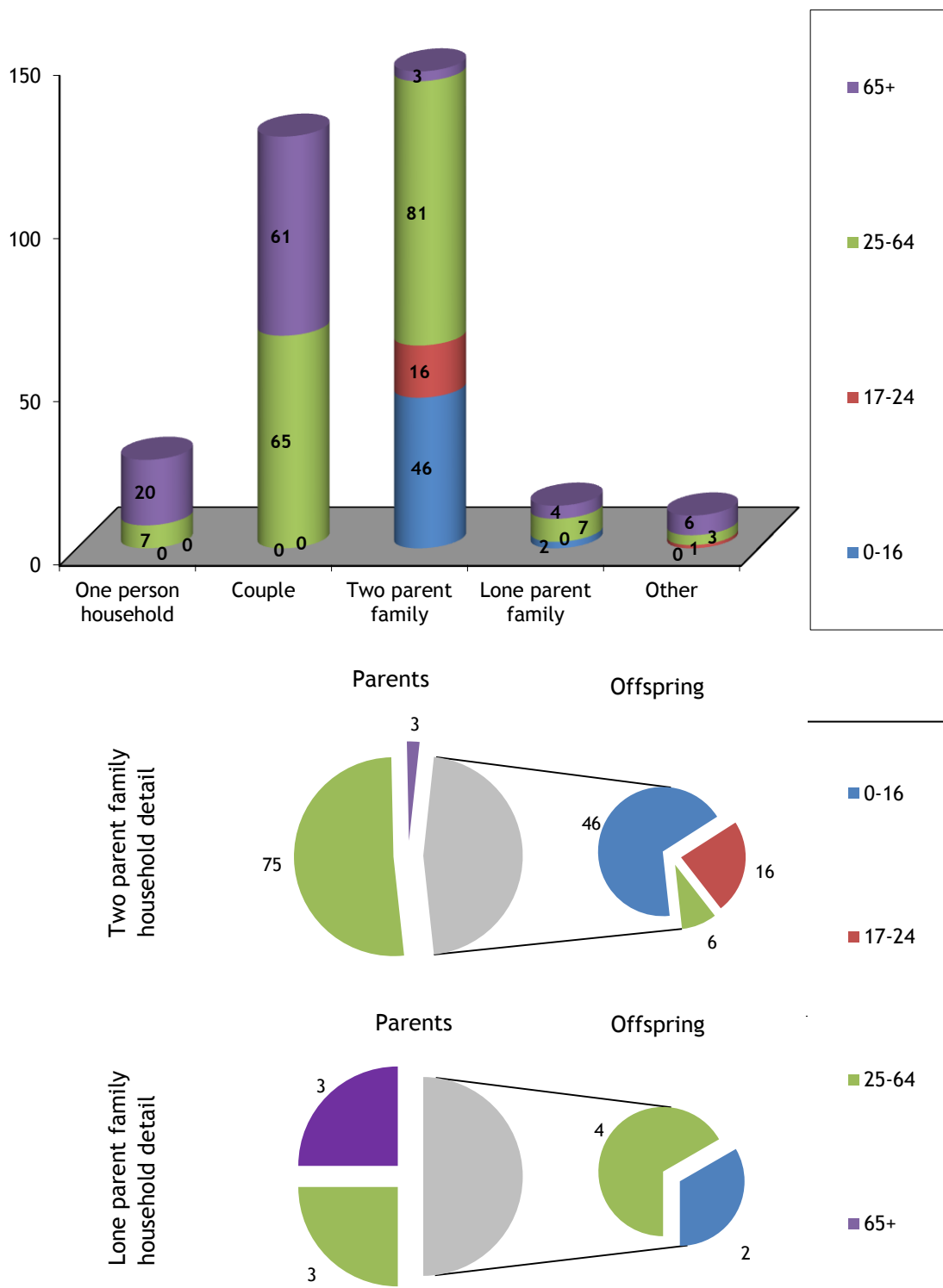


Fig 1.1 - Household type

Fig 1.1 on page 3 shows the age range breakdown of households that responded to the survey.

The largest number of responses were from those living in couple only households; a total of 63 responses were received from this type of household. 52% of people in those households were 25-64 years old and 48% were 65 years and over.

45 responses came from two parent family homes. The parents of these households were mostly aged between 25-64 years old (96%). The remaining 4% of parents were aged 65 years and over. The offspring living in the two parent family households were of varying ages. 68% of the offspring were under 16 years old; 24% were 17-24 years old; and 9% were aged 25-64. *(n.b. the % figures for the offspring equals just over 100% due to rounding)*

There were 27 responses from one person households. 74% of them were from those 65 and over. 26% of responses were from people aged 25-64.

6 responses were from lone parent family households. 50% of the parents were 25-64 years old and 50% were aged 65 and over. Lone parent family offspring fell into two age range categories; 67% were 25-64 years old and 33% were under 16.

ii) Tenure of all respondents

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

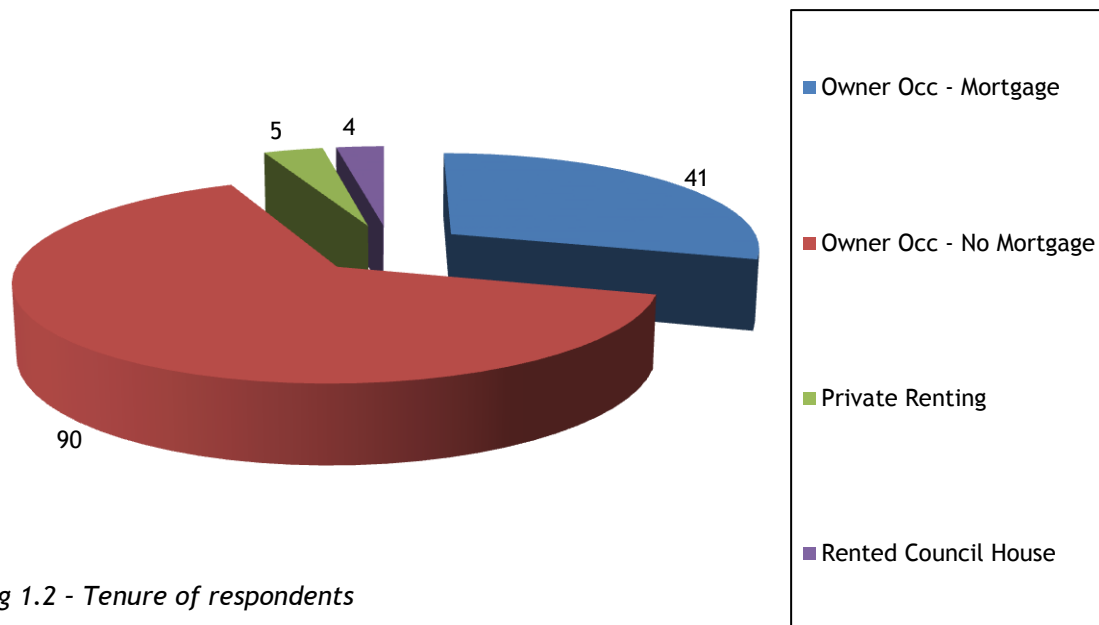


Fig 1.2 - Tenure of respondents

It shows that owner-occupiers were by far the largest tenure group accounting for 93% of replies (64% of total survey respondents have no outstanding mortgage on their property and 29% have a mortgage on their home).

The remaining 7% of respondents live in rented accommodation (4% rent privately, and 3% rent from the council).

iii) Property Types

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

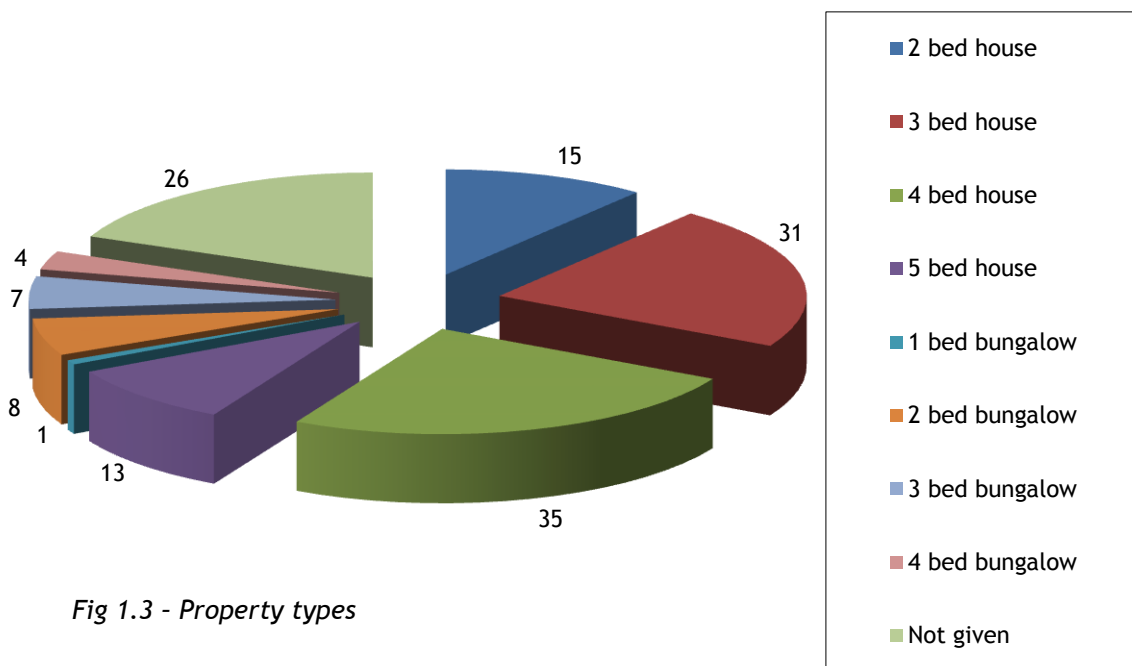


Fig 1.3 - Property types

Those living in 4 bedroom houses were the largest group (25% of responses), followed by those living in 3 bedroom houses (22%) and 2 bedroom houses (11%). 15% of responses were from people living in a bungalow.

iv) Length of residence in Parish

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

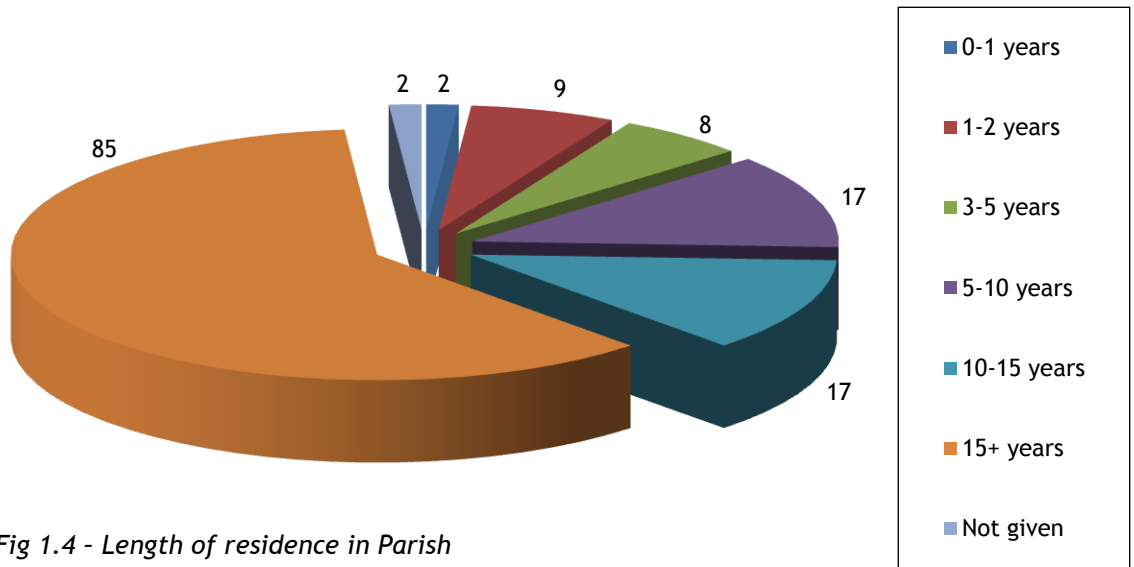


Fig 1.4 - Length of residence in Parish

It shows that nearly two thirds of respondents (61%) have lived in the Parish for in excess of 15 years.

12% of respondents have lived in Stretton on Dunsmore for between 10 and 15 years, and 12% have been there for between 5 and 10 years. 14% of responses came from those who have lived in the village for less than 5 years.

v) Anticipated next home move - tenure

The following chart (fig 1.5) shows the tenure that respondents expect to move into in their next home move:

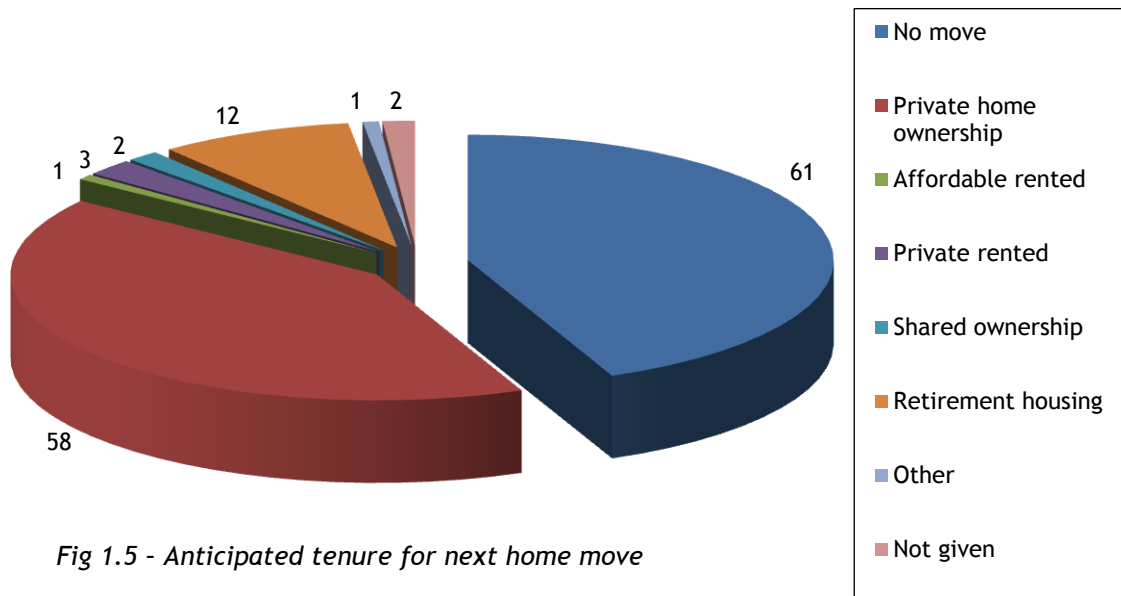


Fig 1.5 - Anticipated tenure for next home move

44% of completed questionnaires came from villagers who do not expect to move home again. 41% of people anticipate their next property being a privately owned home and 9% believe they will move into retirement housing.

Anticipated moves into affordable housing (affordable rented and shared ownership) totalled 3%.

vi) **Anticipated next home move - time**

The timescale for the anticipated next move for respondents is detailed below (fig 1.6):

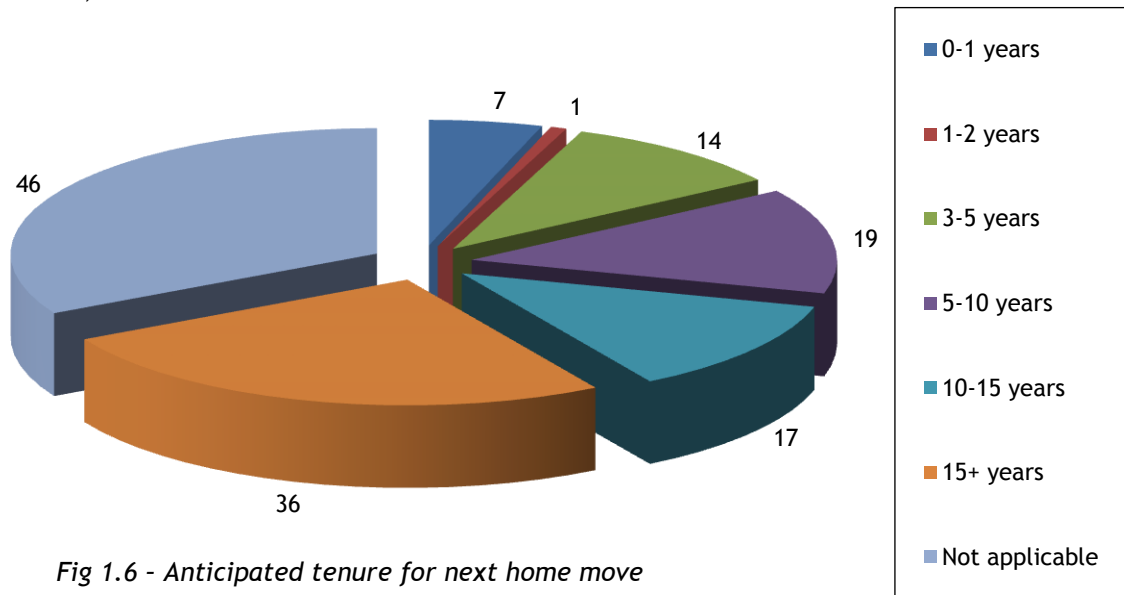


Fig 1.6 - Anticipated tenure for next home move

71% of responses came from households that expect their next home move to be in more than 10 years or not at all.

23% anticipate moving in 3-10 years time, whilst 6% of respondents expect to move within 2 years.

vii) Life in the Parish

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

The views expressed allow a picture of life within the Parish to be built up. This information can help assess whether any homes that are subsequently provided in the village will be 'sustainable.' Ensuring that people will want to take up tenancies 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 Parish residents how they felt about the 'positive' factors of life in the Parish.

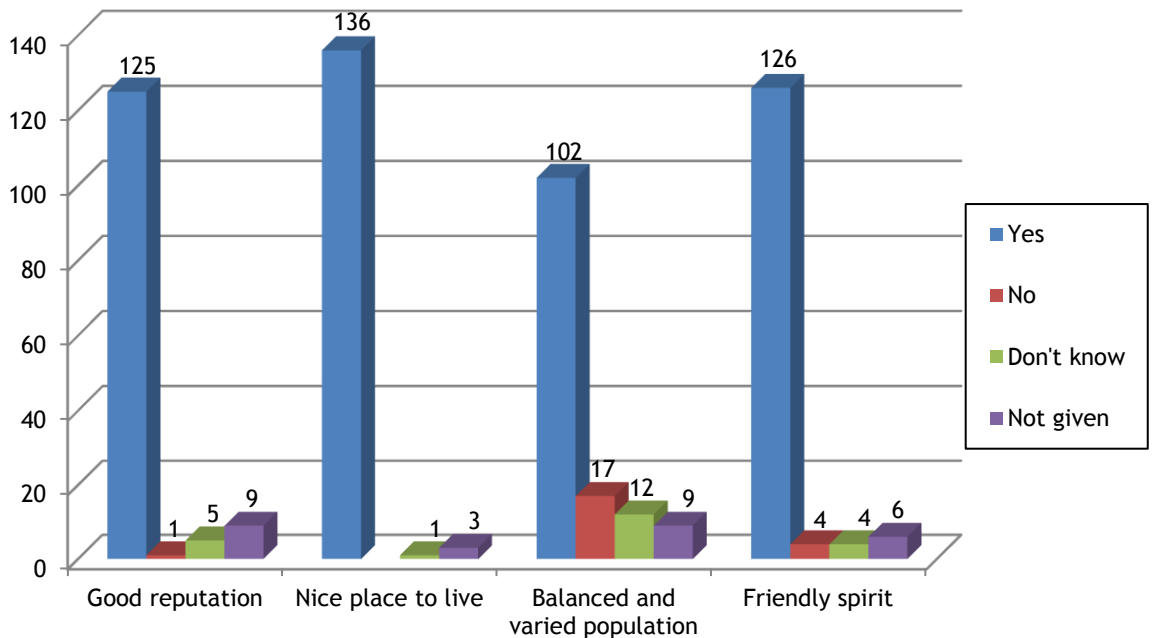


Fig 1.7 - Life in the Parish - positive factors

From fig 1.7, above, it can be seen that the majority of respondents are very positive about life in Stretton on Dunsmore. 89% believed that the Parish has a good reputation and 97% thought that it is a nice place to live.

73% of completed questionnaires came from those who believed that Stretton on Dunsmore enjoys a balanced and varied population, whilst 90% said that the Parish has a friendly spirit.

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

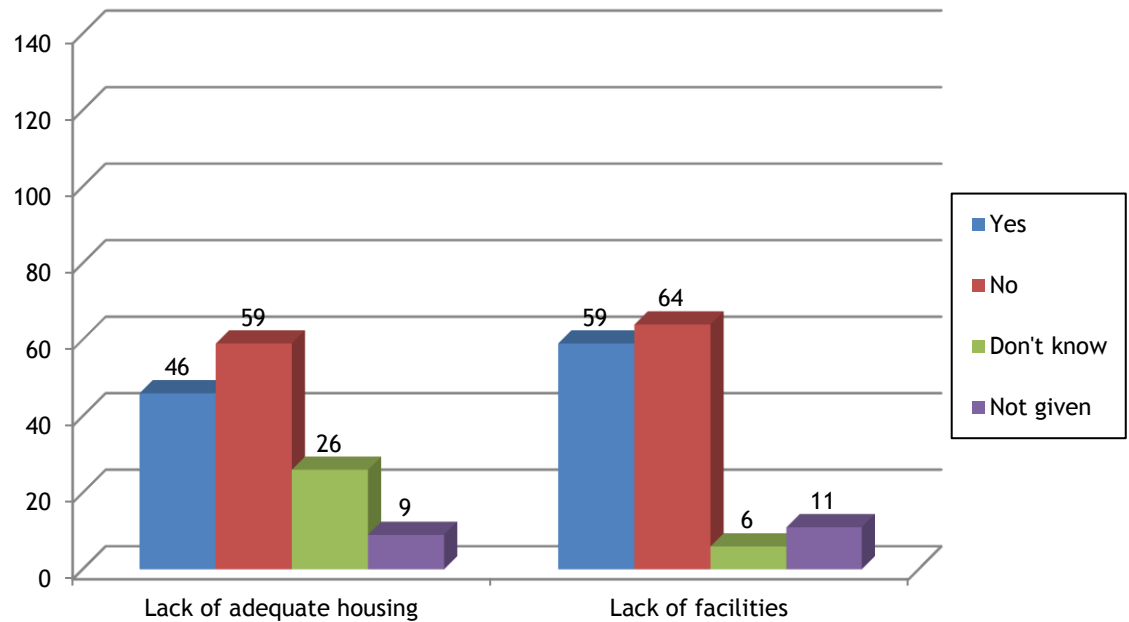


Fig 1.8 - Life in the Parish - negative factors

As can be seen from fig 1.8, above, 42% of respondents believed that there is not a lack of adequate housing in Stretton on Dunsmore whilst 33% of returned surveys felt that there is. 25% of completed questionnaires came from people who did not know or did not respond with regard to this question.

Villagers' perception on whether Stretton on Dunsmore is well served by facilities saw 46% of respondents stating that there is not a lack of facilities in the Parish whilst 42% of responses said that there is.

Comments detailing respondents perceived problems in the Parish (besides housing) were mainly focused around transport. The issues raised were around the subjects of:

- Poor transport links / public transport (45 comments)
- Lack of youth / children's activities (3 comments)
- Lack of shops / variety of shops (2 comments)
- Other - lack of take away; lack of CCTV on skate park (1 comment each)

viii) Migration

The survey also asked whether respondents knew of people who had been forced to leave the Parish because of a lack of suitable or affordable accommodation.

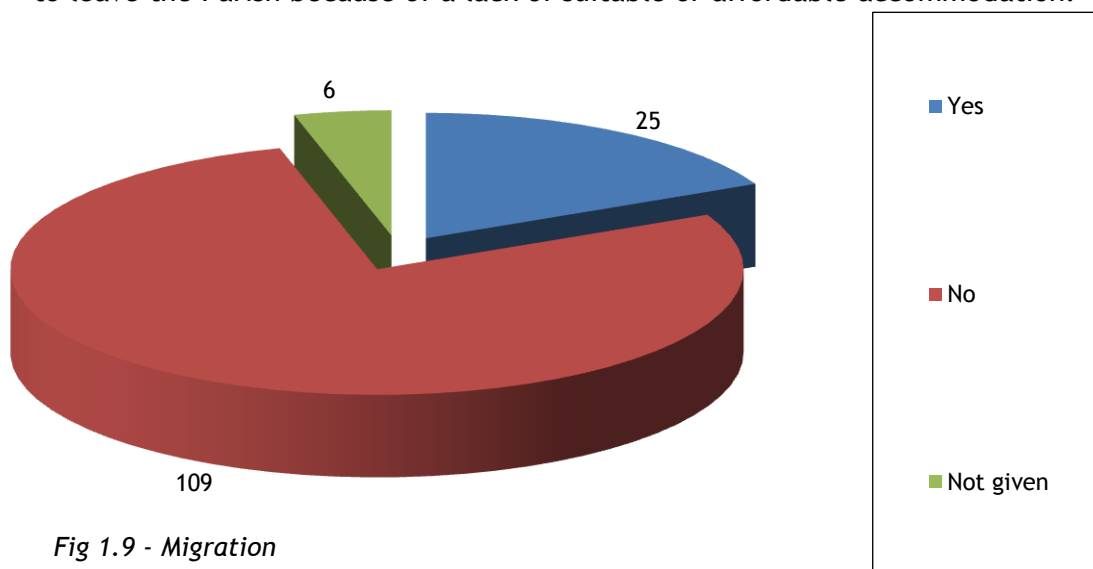


Fig 1.9 - Migration

Fig 1.9 shows that only 18% of Parish residents who returned questionnaires were aware of others who have had to leave the Parish in the last 5 years due to a lack of suitable or affordable accommodation.

However, these 25 respondents knew of some 67 people in total who have had to leave Stretton on Dunsmore for this reason. Obviously some/many of these 'leaving' people/families will have been 'double counted' within this figure, but the number is still noteworthy considering the size of the village and the timescale involved.

ix) Support for an affordable housing scheme for local people

One of the fundamental questions in the survey is that which asks whether people are in favour of a small scheme of affordable homes in the village for local people.

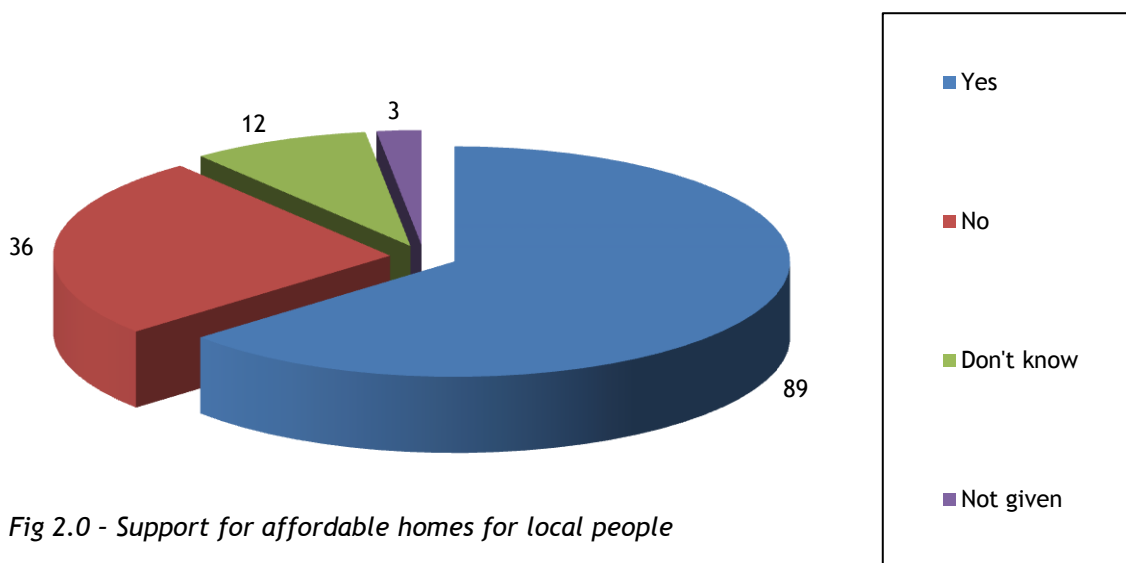


Fig 2.0 - Support for affordable homes for local people

Fig 2.0, above, shows that 63% of respondents are in favour of an affordable housing scheme for local people, while 26% said that they are not in favour.

9% of respondents did not know whether they would be in favour or not, and 2% did not give a response.

x) **Respondents' comments**

Many respondents made additional comments on their returned form. They are summarised below:

(It is not appropriate to include certain comments which make specific reference to particular areas of the village or to identifiable elements of the community)

Supportive of affordable housing development to meet local needs

*There were **49** general comments highlighting a lack of affordable / low cost / rented / shared ownership / council housing; for the young / elderly / families / disabled / first-time buyers and those on low and average incomes.*

“The village has been vibrant mainly because of its good mix of ages - but now it is an ageing population.”

“As a lone parent I may not be able to afford to keep the marital home. I would love to stay in the village but there is nothing cheaper than what I have - smaller properties are period homes and cost more.”

Not supportive of affordable housing development to meet local needs

“Stretton already has a significant % of 2 and 3 bed terraced housing.”

“Village has grown enough over past 40 years.”

“No more houses in the village, we think this is wrong, should not have sold off council houses then would have houses for people.”

“Ex local authority housing is plentiful and low cost.”

“The village contains ample properties. More housing would mean sewerage update and traffic. Leave the village unspoilt.”

Other comments regarding housing, development and life in Stretton on Dunsmore

“Important [that any affordable homes] remain so in perpetuity.”

“No development in green belt; development consistent with village plan.”

4. Housing Need Analysis

Of the 140 returns, 136 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 Parish. These were, therefore, discounted from the rest of the analysis.

As far as the requirement for housing, 4 returns indicated a need for housing either within the next two years, in two to five years time, or in ten to fifteen years time.

i) Local Connection

The survey form is made available to those who currently live in the Parish and those who have a previous residency or a strong local connection to the Parish, such as a job or close family in the Parish. Of the 4 respondents who indicated a housing need 2 of them currently satisfy Rugby Borough Council's local connection criteria (5 year permanent residency in the Parish; 5 out of the past 20 years permanent residency in the Parish; requirement to live close to another person who satisfies the previous criteria and is in essential need of frequent attention and/or care due to age, ill health and/or infirmity; essential functional need to live close to work in the Parish). The remaining 2 respondents will satisfy the criteria if they continue to live in Stretton on Dunsmore for 2-3 more years.

The local connection links are shown in the chart below (fig 2.1):

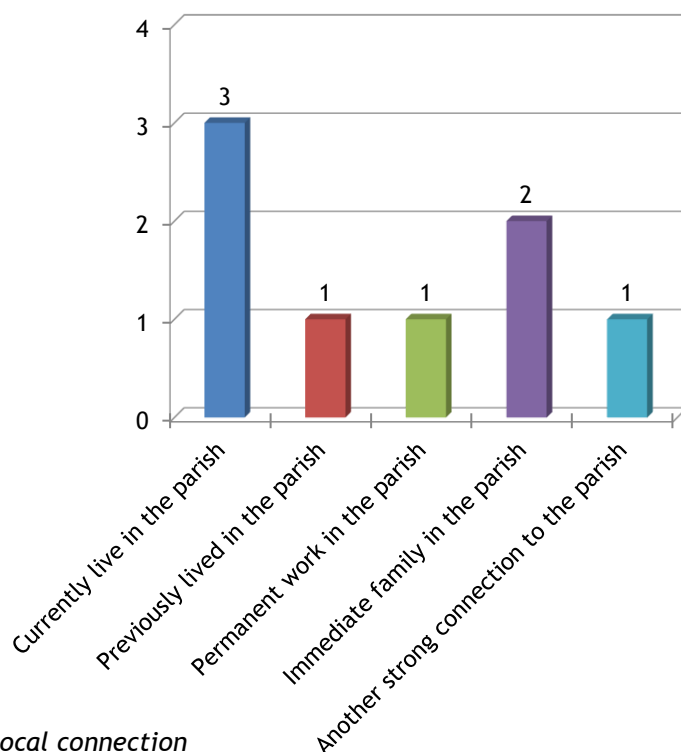


Fig 2.1 - Local connection

3 returns were from people who currently live in Stretton on Dunsmore. 2 have done for over five years (the other 2 have lived there for 2-3 years). 1 respondent has previously lived in the Parish for 5 years out of the last 20; 2 have immediate family in the Parish and 1 respondent has permanent work in the Parish.

In total, there were 8 local connections given by the 4 respondents. This is more than the total number of responses in housing need as most households had more than one connection to Stretton on Dunsmore.

ii) Reasons for housing need

Respondents were asked to state why they felt they were in need of alternative accommodation. The chart below (fig 2.2), shows the reasons that were given:

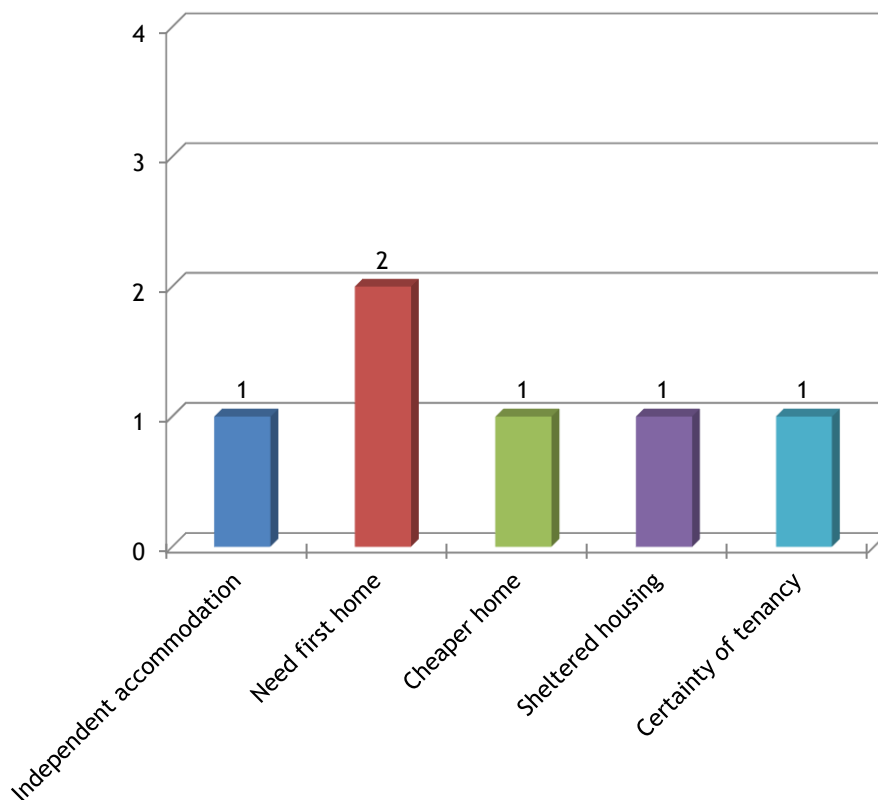


Fig 2.2 - Reasons for housing need

It can be seen that the reasons for seeking alternative accommodation are varied. The most popular reason is the need for a first home (2 counts).

iii) Respondent analysis

The following table lists details of those respondents who stated that they are in housing need. 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 scheme would indeed meet the needs of those to be housed. Therefore a 'reality tenure' is suggested to outline realistic provision.

Those marked with a * indicate that the respondent has been suggested a 'reality tenure' of a two bed property, but this could be changed to a one bed property dependant upon the Local Authority's 'under-occupation' policies. A two bed property means that a single person or a couple would not be 'filling' the property, but in reality the homes built need to be sustainable over a period of years. Building one bed properties may limit their use in terms of future lettings. It is often felt that it is better to house a single person/couple who can benefit from a spare room so that the property is more 'flexible' when it comes to a change in their circumstance or for future residents and their circumstances.

Those marked with a ** indicate that the respondent is currently housed in Housing Association/Council accommodation which would be available to other people in need on waiting lists if the current residents were able to be re-housed in a more suitable property.

Within next 2 years

Ref	RESPONDENT	WHAT REQUIRED	REALITY TENURE
RESPONDENTS BELOW HAVE AN IMMEDIATE NEED AND MEET THE LOCAL CONNECTION CRITERIA			
73	Lone parent family household (1 adult, 25-64 years old), with 1 child, (0-16 years old), currently living in privately rented home in the Parish. Have previously lived in the Parish for 5 years and have immediate family in the Parish. Need cheaper accommodation and first home.	2 / 3 bed house / bungalow - Market rent level home / Open market housing	2 bed house - Social rented home
117	One person household (1 adult, 25-64 years old), currently living with family in the Parish (has lived in the Parish for 15+ years). Needs first home and independent accommodation.	2 / 3 bed house / flat / bungalow - Social rented home / Shared ownership home / Market rent level home / Open market home	2 bed house - Social rented home *

In 2 to 5 years

Ref	RESPONDENT	WHAT REQUIRED	REALITY TENURE
RESPONDENTS BELOW HAVE A NEED THAT WILL ARISE IN 2-5 YEARS (BY WHICH TIME THEY WILL MEET THE LOCAL CONNECTION CRITERIA)			
108	Two parent family household (2 adults, 25-64 years old), with 2 children (0-16 years old), currently living in privately rented home in the Parish (have lived in the Parish for 1-2 years). Will need security of tenure.	2 / 3 bed house - Social rented home	3 bed house - Social rented home *

In 10 to 15 years

Ref	RESPONDENT	WHAT REQUIRED	REALITY TENURE
RESPONDENTS BELOW HAVE A NEED THAT WILL ARISE IN 10-15 YEARS (BY WHICH TIME THEY WILL MEET THE LOCAL CONNECTION CRITERIA)			
1	One person household (1 adult, 65+ years old), currently living in bungalow with no mortgage in the Parish (has lived in the Parish for 1-2 years). Will need sheltered housing.	Sheltered housing	Sheltered housing

iv) House price data

The tables, below (figs 2.3 and 2.4), detail the house prices and household type breakdown for the CV23 area. They are taken from www.landregistry.gov.uk and www.upmystreet.com. Unfortunately more detailed data at Parish level is not available but further local context is given on page 21 with regard to properties that are/have been for sale and rent in Stretton on Dunsmore itself.

Quarter	Property type			
	Flats	Terraced	Semi	Detached
Jul-Sep 2011	£0 (0 sales)	£171,250 (2 sales)	£0 (0 sales)	£281,875 (4 sales)
Apr-Jun 2011	£108,000 (1 sales)	£157,242 (12 sales)	£173,518 (14 sales)	£358,649 (24 sales)
Jan-Mar 2011	£100,000 (2 sales)	£116,250 (4 sales)	£174,419 (8 sales)	£314,231 (18 sales)
Oct-Dec 2010	£101,250 (4 sales)	£160,145 (10 sales)	£204,729 (24 sales)	£295,099 (39 sales)

Fig 2.3 - Average property prices for CV23 Warwickshire - Oct 2010-Sep 2011

Property trends in CV23

Average property prices for CV23

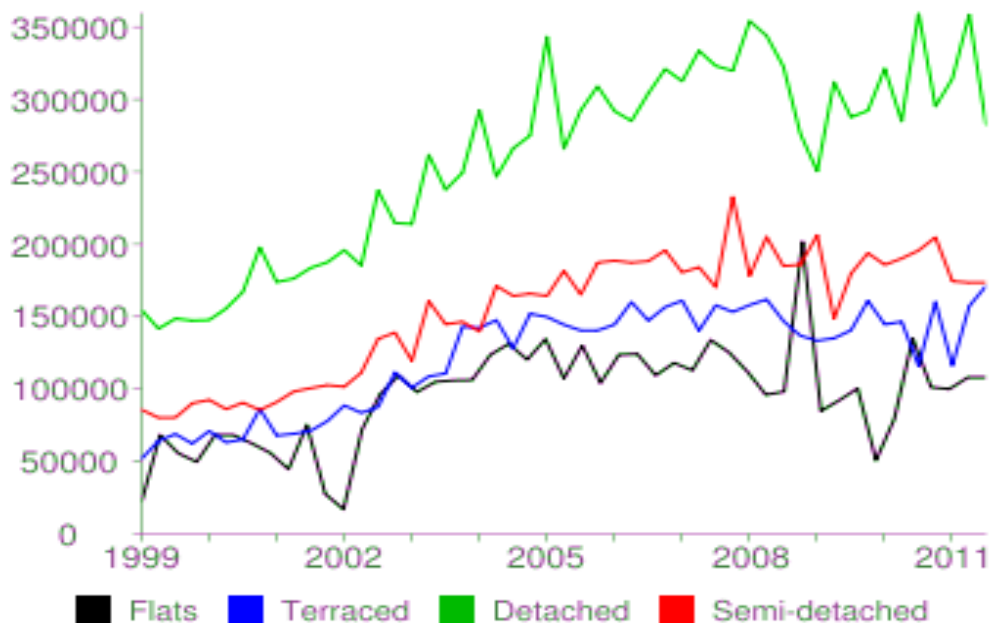


Fig 2.4 - Average property prices for CV23 Warwickshire - 1999-2011

The charts on the previous page (figs 2.3 and 2.4) show that property prices in Warwickshire and CV23 have, overall, increased over the past decade despite a general fall/stagnation in recent few years. Entry level housing (i.e. terraced properties or flats) had an average price of £151,000 (terraced) and £103,000 (flat) in the last year (it should be noted that the postcode CV23 does include areas other than the Parish of Stretton on Dunsmore. House prices in the surrounding area may be higher or lower than those in Stretton on Dunsmore itself, but given that this postcode includes part of the suburbs of Rugby it can safely be assumed that the average property prices in Stretton on Dunsmore alone would be considerably higher).

Affordability is calculated using a mortgage multiplier of 3.5 times household income with a 10% deposit.

Based on the average local house price data for CV23 over the past year it would mean:

- a household wanting to access an average priced flat in the CV23 area over the last 12 months would require a deposit in excess of £10,000 and an income level in excess of £26,500 per annum. (It should be noted that only 7 flat sales occurred during the last 12 months in CV23 and none of them were actually in Stretton on Dunsmore).
- a household wanting to access an average priced terraced property in the CV23 area over the last 12 months would require a deposit in excess of £15,000 and an income level in excess of £38,500 per annum.

It should be noted that these affordability figures are based on prices for the CV23 area as a whole as more localised house price data for Stretton on Dunsmore itself is not available in this format (please see page 21 for local context).

It should also be noted that the availability of mortgages at 3.5 times income with a 10% deposit may be limited in the current bank lending climate.

Finally, property prices are beginning to rise again so the income and deposit levels will also be rising. These two factors mean that more people may realistically be priced out of meeting their housing needs on the open market.

v) **Local context**

By way of local context, the table, below, shows prices of properties that were for sale or rent in Stretton on Dunsmore in September 2011 (source: www.rightmove.co.uk). The table shows all properties that were offered for sale in Stretton on Dunsmore priced under £400,000 and includes all properties that were available to rent under £1,000pcm.

Property	Price (£)	Property	Price (£)
3 bed terraced house	149,950	2 bed cottage	600 pcm
4 bed terraced house	170,000		
3 bed terraced house	199,995		
4 bed semi detached house	209,950		
3 bed cottage	250,000		
2 bed cottage	325,000		
3 bed detached bungalow	349,950		
3 bed detached house	399,950		

It can be seen that the cheapest available property is a 3 bed terraced house which is on the market for £149,950. Based on the affordability criteria explained in section iv this would require a deposit of £15,000 and an income of £38,500 per annum. There are only three properties available under £200,000.

The private rental market is currently only offering one property and that is priced at £600 per calendar month.

With regard to actual sales, the table below shows properties that have been sold in Stretton on Dunsmore over the past 12 months:

Year	Property	Price (£)
2011	Detached	235,000
2011	Detached	330,000
2011	Detached	307,500
2010	Detached	442,000
2010	Semi detached	178,000
2010	Detached	530,000
2010	Detached	319,950
2010	Detached	599,000

The lower quartile property price for actual sales since July 2010 is £251,500. Based on the affordability criteria explained earlier this would require a deposit of £25,150 and an income in excess of £64,500 per annum.

It should be noted that there was only one property sold for less than £200,000 and only one sold for £200,000-£300,000 during the last twelve months.

5. Conclusion

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

The survey has identified a need for properties to meet the immediate (i.e. those with a need within 2 years) affordable housing needs of those with a local connection. (It should be noted that many more households will be on housing registers wanting an affordable property in Stretton on Dunsmore, but this survey ascertained those in need who have a local connection to the Parish).

The survey has also highlighted the needs for market level rent housing and open market housing as well as 'non immediate' needs that will arise in the future.

Of the 2 respondents who indicated a housing need within the next two years:

- **2 were assessed as being in need of affordable housing**
 - 2 x 2 Bed house - social rented home
- **0 were assessed as being in need of open market housing**
- 1 does not yet meet the local connection criteria (currently lived in the Parish for less than 5 years)

There were 2 respondents who will require a range of housing options in 2 to 5 years and 10-15 years time; both are not currently in immediate housing need and both do not yet meet the local connection criteria. They were discounted from the analysis at this time but the information will help plan strategically for the future.

THEREFORE, THERE IS AN IMMEDIATE IDENTIFIED NEED
OF 2 LOCAL HOUSING NEED DWELLINGS IN STRETTON ON
DUNSMORE FOR THOSE WITH A LOCAL CONNECTION

6. Contact information

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