

A DETAILED INVESTIGATION INTO THE HOUSING NEEDS OF PAILTON



PRODUCED BY
MIDLANDS RURAL HOUSING

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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. 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 Pailton.

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 Pailton Housing Needs Survey questionnaires were delivered to every household in the Parish in mid to late August. The return date for the survey was 30th 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 Pailton or had a strong connection to the Parish and wished to complete a form. In total 257 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 housing tenures for Pailton residents. This evidence will be made available to Rugby Borough Council and Pailton 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 2011

3. Respondent details

A total of 257 survey forms were distributed and 54 were received in return, giving a return rate of 21% against the number distributed. In our experience this is an average level of response for a survey of this kind and 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:

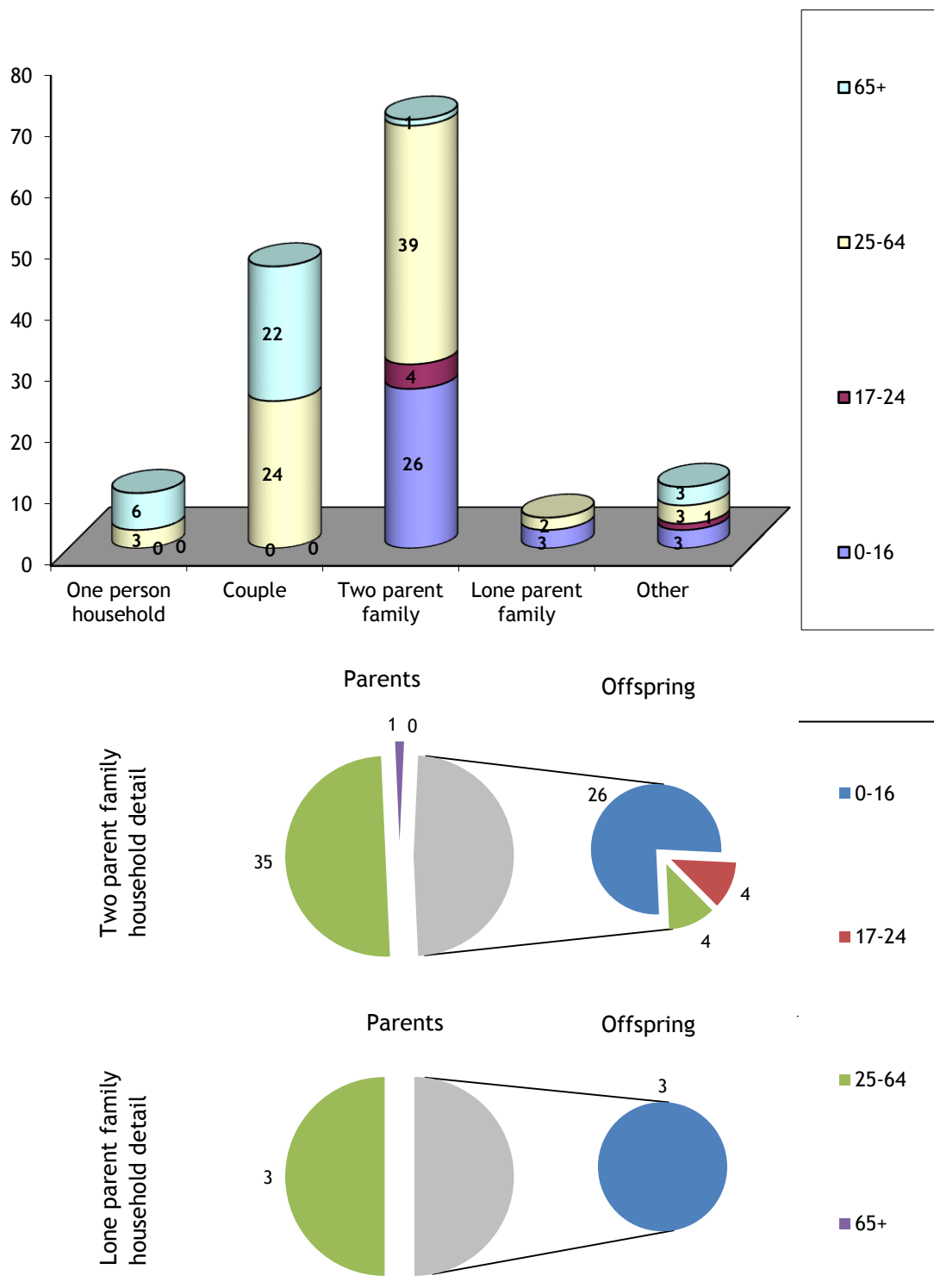


Fig 1.1 - Household type

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 23 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.

18 responses came from two parent family homes. The parents of these households were all aged over 25 years old. The offspring living in the two parent family households were of varying ages. 76% of the offspring were under 16 years old; 12% were 17-24 years old; and 12% were aged 25-64.

There were 9 responses from one person households. Two thirds of them were from those 65 and over and one third were from people aged 25-64.

2 responses were from lone parent family households. The parents were aged 25-64 years old and all the children of these households were under 16 years old.

2 responses came from household that did not fall into the categories above.

ii) Tenure of all respondents

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

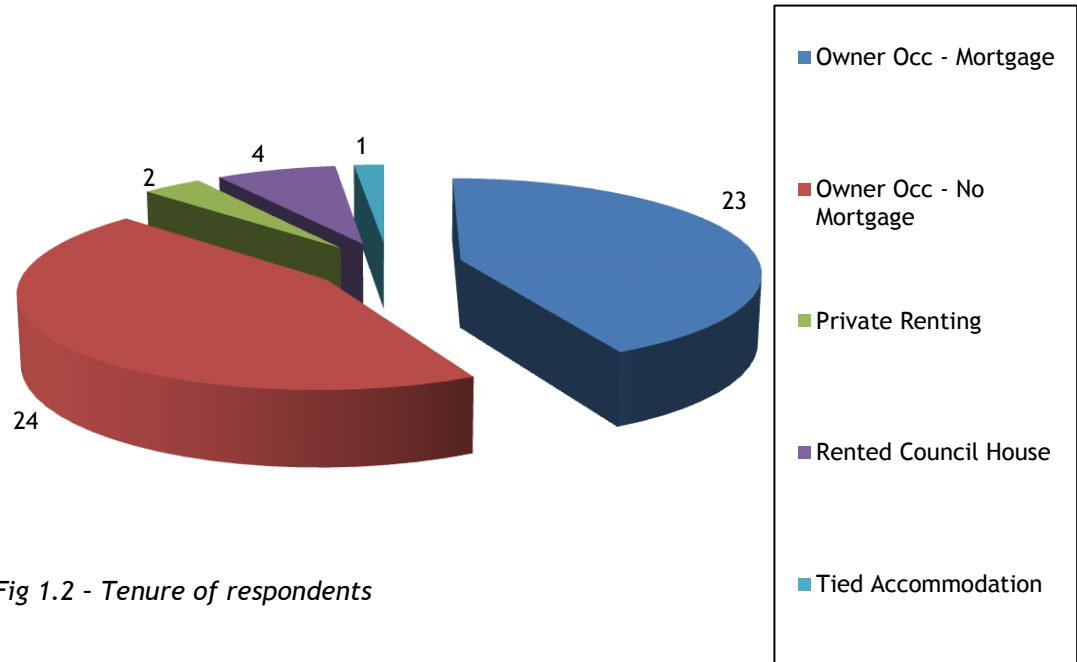


Fig 1.2 - Tenure of respondents

It shows that owner-occupiers were by far the largest tenure group accounting for 87% of replies (44% of total survey respondents have no outstanding mortgage on their property and 43% have a mortgage on their home).

11% of respondents live in rented accommodation (7% rent from the council and 4% rent privately). The remaining respondents live in tied accommodation.

iii) Property Types

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

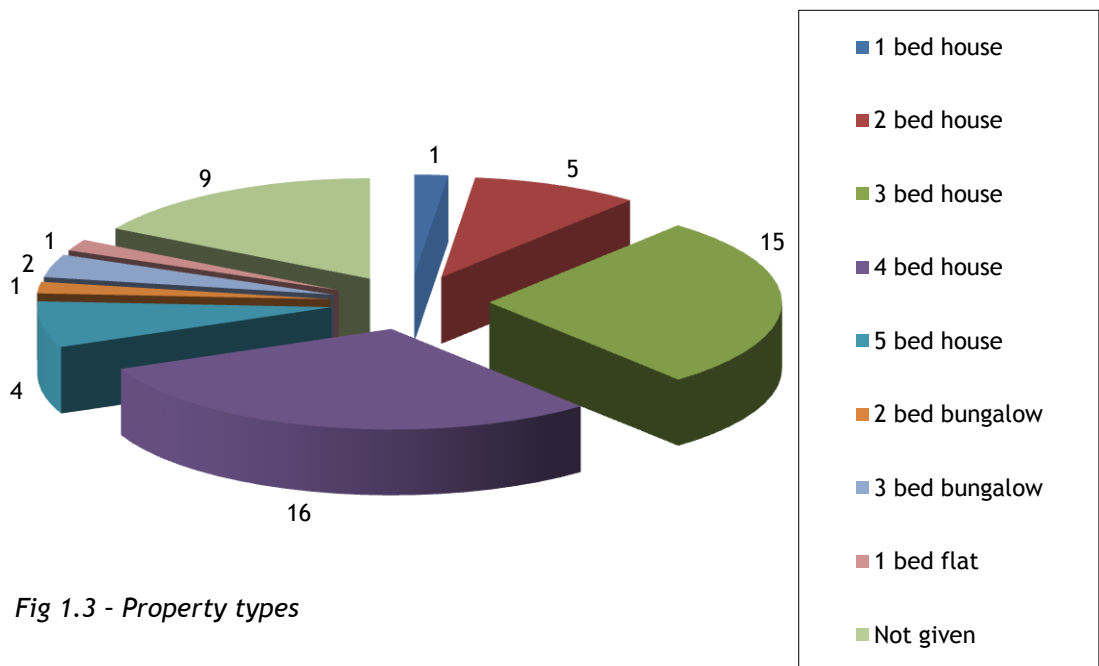


Fig 1.3 - Property types

Those living in 4 bedroom houses were the largest group (29% of responses), followed by those living in 3 bedroom houses (28%), 2 bedroom houses (9%), and 5 bedroom houses (7%). 6% of responses were from people living in a bungalow.

iv) Length of residence in Parish

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

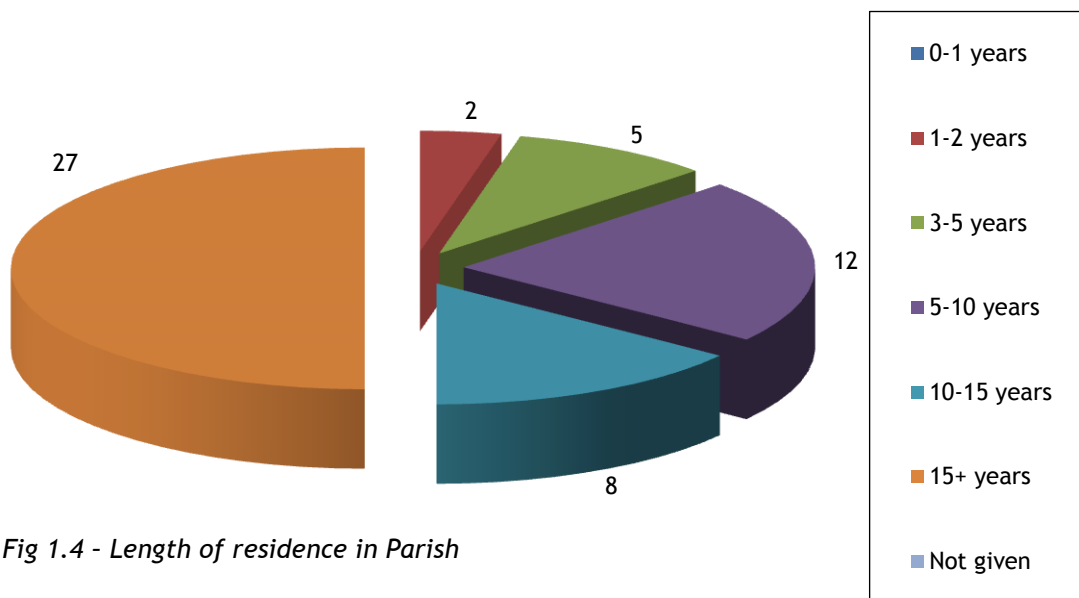


Fig 1.4 - Length of residence in Parish

It shows that exactly half of respondents (50%) have lived in the Parish for in excess of 15 years.

15% of respondents have lived in Pailton for between 10 and 15 years, and 22% have been there for between 5 and 10 years. 13% 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:

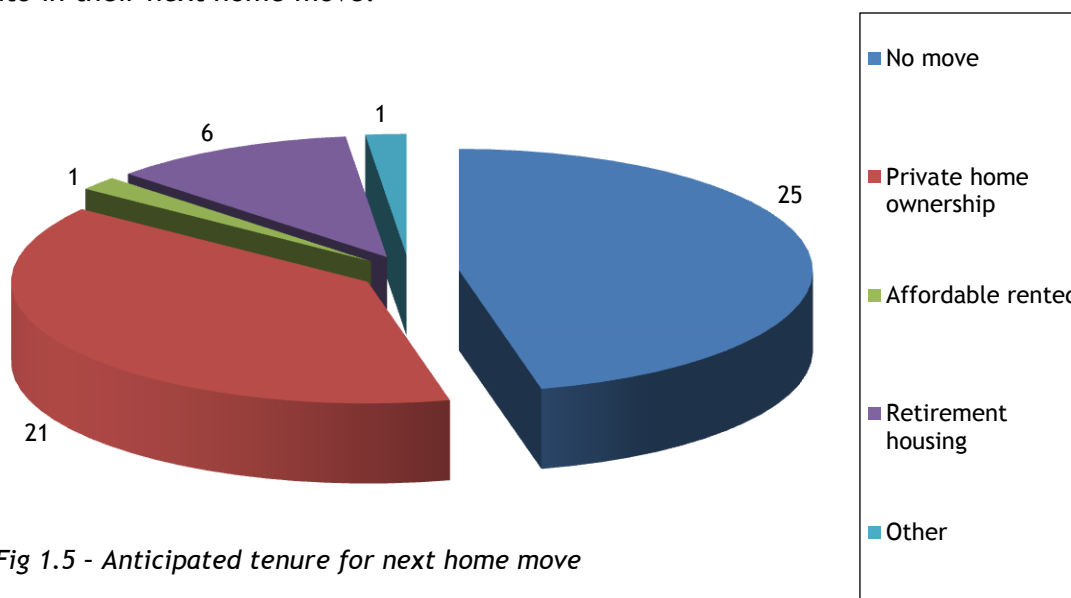


Fig 1.5 - Anticipated tenure for next home move

46% of completed questionnaires came from villagers who do not expect to move home again. 39% of people anticipate their next property being a privately owned home and 11% believe they will move into retirement housing.

Anticipated moves into affordable rented housing totalled 2%.

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

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

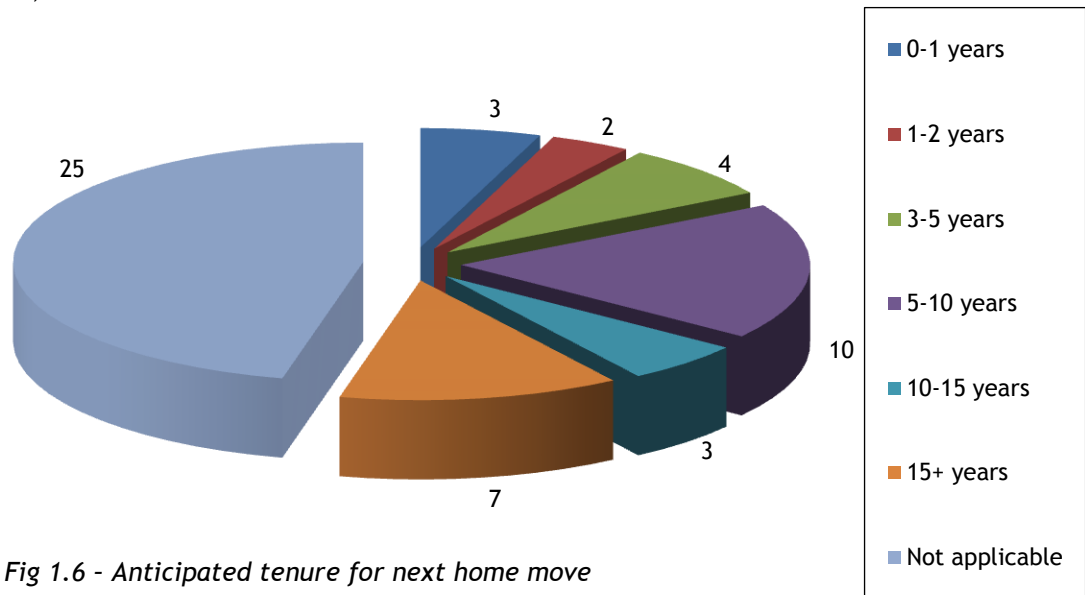


Fig 1.6 - Anticipated tenure for next home move

As with Fig 1.5, 46% of responses came from households that do not expect to move again. 19% of respondents expect their next home move to be in 10 years or more.

18% anticipate moving in 5-10 years time; 7% believe they will move in 3-5 years; whilst 10% 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.

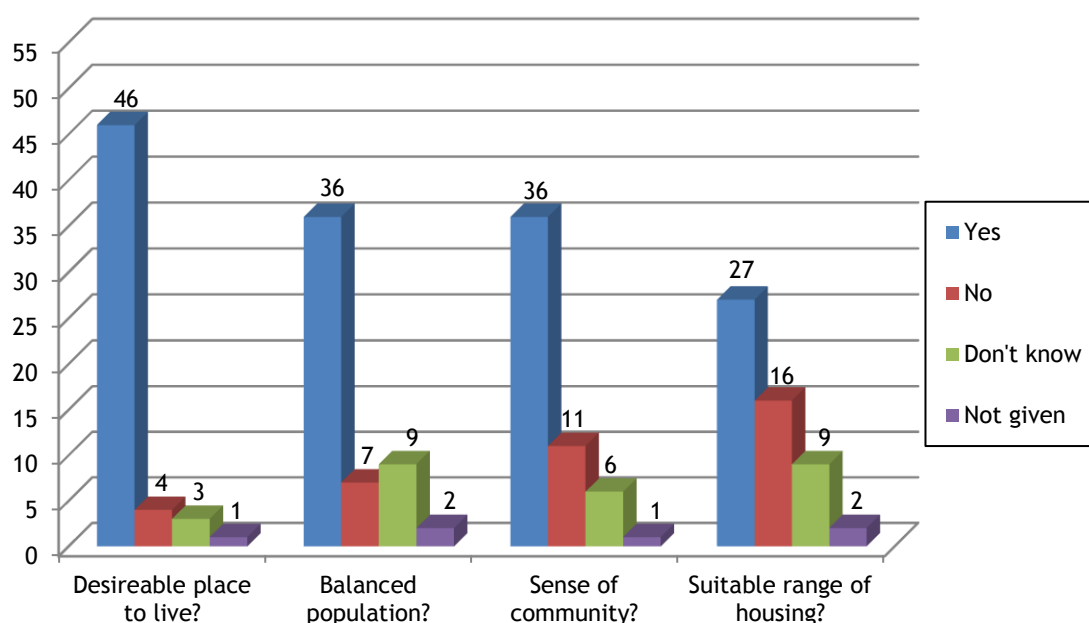


Fig 1.7 - Life in the Parish - positive factors

From fig 1.7, above, it can be seen that the majority of respondents are very positive about life in Pailton. 85% believed that the Parish is a desirable place to live and two thirds thought that it has a balanced population.

Two thirds of completed questionnaires came from those who believed that Pailton enjoys a sense of community, whilst half said that the Parish has a suitable range of housing. 30% of respondents did not feel that there is a suitable range of housing in the village whilst 20% did not know or did not respond to this question.

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

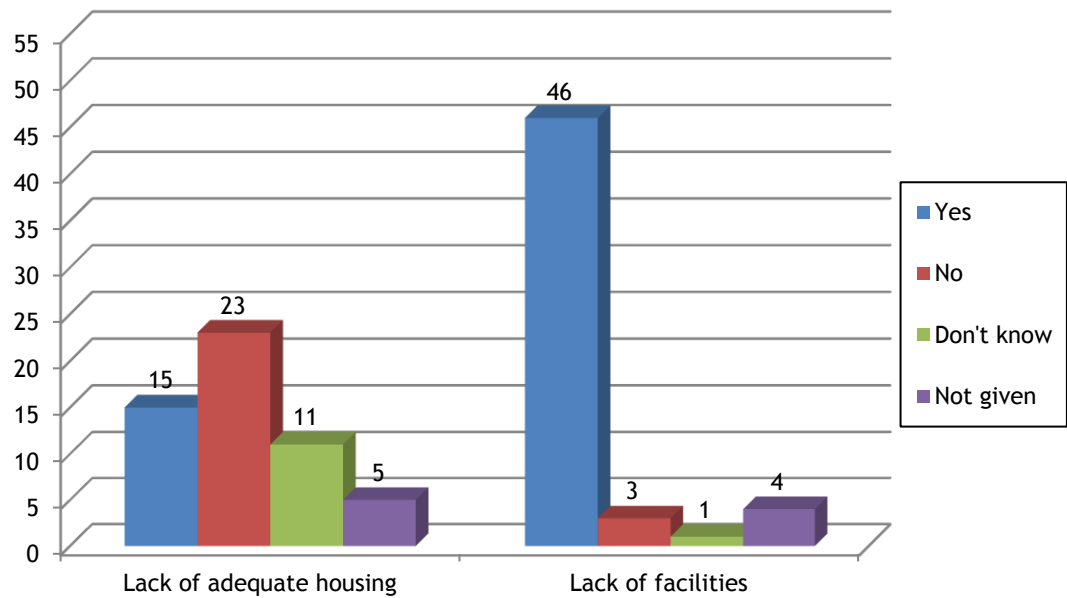


Fig 1.8 - Life in the Parish - negative factors

As can be seen from fig 1.8, above, 43% of respondents believed that there is not a lack of adequate housing in Pailton whilst 28% of returned surveys felt that there is.

Villagers' perception on whether Pailton is well served by facilities saw 85% of respondents stating that there is a lack of facilities in the Parish

Comments detailing respondents perceived problems in the Parish (besides housing) were based around the subjects of:

- No shop (45 comments)
- No Post Office (11 comments)
- Poor public transport links (7 comments)
- No pub (7 comments)
- Lack of children's' activities (1 comment)

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.

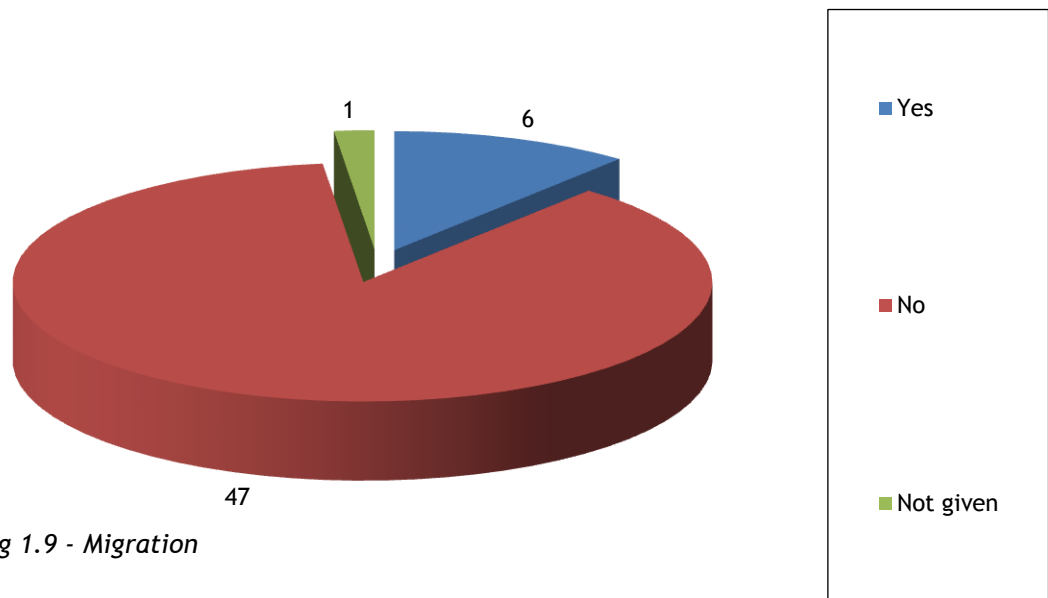


Fig 1.9 - Migration

Fig 1.9 shows that only 11% 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 11 respondents knew of some 40 people in total who have had to leave Pailton 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.

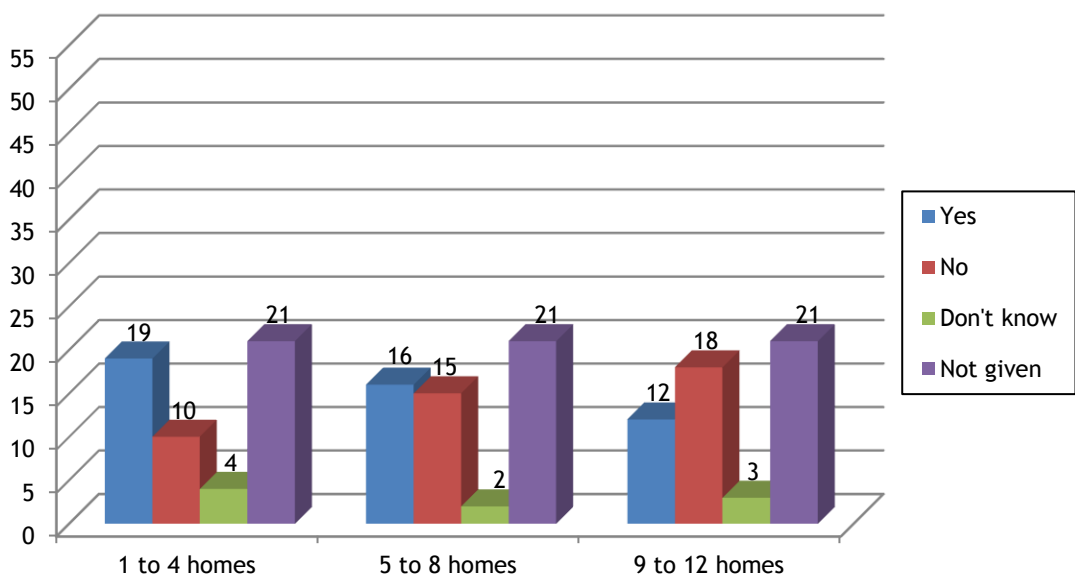


Fig 2.0 - Support for affordable homes for local people

Fig 2.0, on the previous page, shows that 35% of respondents are in favour of an affordable housing scheme for local people of between 1 and 4 homes, while 19% said that they are not in favour.

30% of respondents are in favour of an affordable housing scheme for local people of between 5 and 8 homes, while 28% said that they are not in favour.

12% of respondents are in favour of an affordable housing scheme for local people of between 9 and 12 homes, while 33% said that they are not in favour.

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)

*There were **19** 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.*

Supportive of affordable housing development to meet local needs

"Extend Brookside Avenue in village."

"Must be for local people or those with links to the parish."

Not supportive of affordable housing development to meet local needs

"Already have enough affordable houses."

"There have been a few developments in recent years. Very little room left for further building."

"Not needed."

"Would only be in favour if I'm compensated on the drop in value of my own home!!"

Other comments regarding housing, development and life in Pailton

"Provision for elderly who are downsizing."

4. Housing Need Analysis

Of the 54 returns, 53 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, only 1 return indicated a need for housing.

i) 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.

In 2 to 5 years

Ref	RESPONDENT	WHAT REQUIRED	REALITY TENURE
RESPONDENTS BELOW HAVE A NEED THAT WILL ARISE IN 2-5 YEARS			
20	One person household (1 adult), currently living with parents in the Parish (has lived in the Parish for 15+ years). Will need first home.	1 bed house / bungalow / flat - Social rented home	2 bed house - Social rented home *

ii) House price data

The table, below (fig 2.1), details the house prices and household type breakdown for the Pailton area. They are taken from www.zoopla.co.uk. Further local context is given on page 15 with regard to properties that are/have been for sale and rent in Pailton itself.

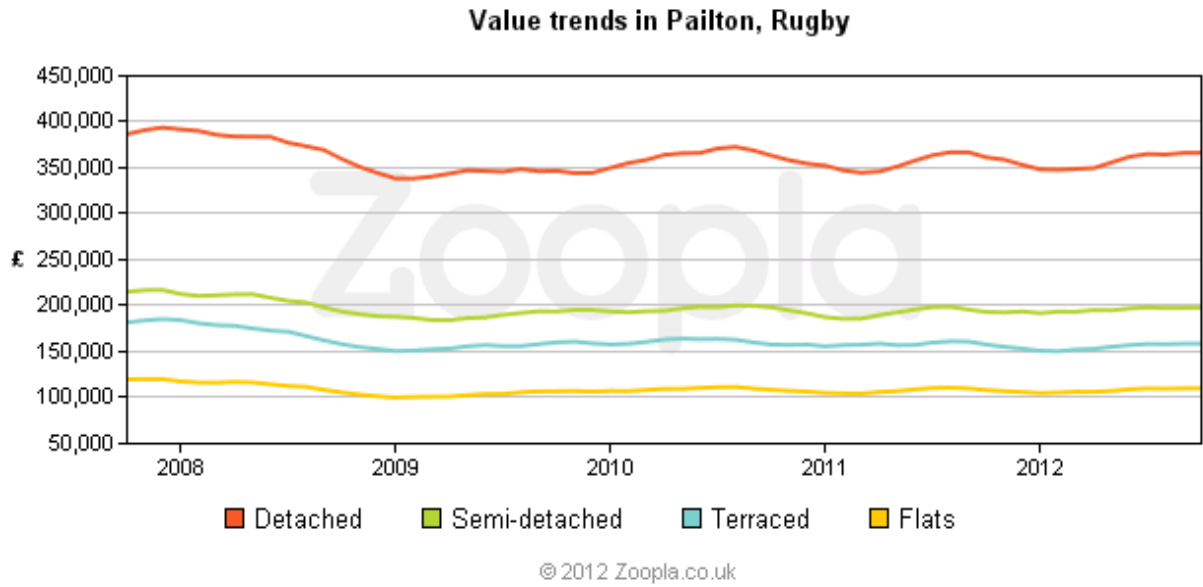


Fig 2.1 - Average property prices for Pailton 2008-2012

The chart above (figs 2.1) shows that property prices in Pailton have, overall, decreased slightly over the past 4 to 5 years.

iii) Local context

By way of local context, the table, below, shows prices of properties that were for sale or rent in Pailton in October 2012 (source: www.rightmove.co.uk). The table shows all properties that were offered for sale in Pailton and includes all properties that were available to rent under £1,000pcm.

Property	Price (£)	Property	Price (£)
7 bed detached house	645,000	3 bed cottage	795 pcm
4 bed detached house	415,000	3 bed semi detached house	695 pcm
4 bed detached house	400,000		
3 bed detached house	325,000		
4 bed semi detached house	190,000		
3 bed terraced house	140,000		

It can be seen that the cheapest available property is a 3 bed terraced house which is on the market for £140,000.

Affordability is calculated using a mortgage multiplier of 3.5 times household income with a 25% deposit.

Based on this affordability criteria it would require a deposit of £35,000 and an income of almost £33,000 per annum to afford the cheapest available property currently available in Pailton. There are only two properties available under £300,000.

The private rental market is currently only offering two properties and they are both priced at over £690 per calendar month.

With regard to actual sales, the table below shows properties that have been sold in Pailton over the past 2 years:

Year	Property	Price (£)
2012	Detached	275,000
2011	Terraced	129,000
2011	Detached	110,000
2011	Detached	382,500
2011	Terraced	150,000
2011	Semi detached	142,250
2011	Detached	235,000
2010	Detached	396,000

The lower quartile property price for actual sales since October 2010 is £151,250. Based on the affordability criteria explained earlier this would require a deposit of £37,812 and an income in excess of £32,000 per annum.

It should be noted that there was only four properties sold for less than £200,000 during the last two years.

5. Conclusion

MRH has conducted a detailed study of the housing needs of Pailton. 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 no immediate need for properties as no respondents showed a need for alternative accommodation at this time.

There was 1 respondent who indicated a requirement for affordable housing in 2 to 5 years. This was discounted from the analysis at this time but the information will help plan strategically for the future.

**THEREFORE, THERE IS NO IMMEDIATE IDENTIFIED HOUSING
NEED IN PAILTON FOR THOSE WITH A LOCAL CONNECTION**

6. Contact information

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