

# Geddington, Newton and Little Oakley Housing Needs Survey

March 2011

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## **Key Findings**

713 survey forms were distributed and 209 were returned giving a response rate of 29% which is good.

31 households indicated they needed to move in the next five years.

The most frequent reason given for needing to move was current home being difficult to manage

18 households have someone wanting to move within the parish of Geddington, Newton and Little Oakley

Of these 18, 14 households have been identified as having someone in genuine need of affordable housing. 1 household actually has 2 young adults wanting to set up home separately for the first time, hence final analysis indicates a need for 15 new homes.

The type of accommodation required to meet their needs is:

- 6 x 2 bed maisonettes/flats for rent
- 2 x 2 bed houses for rent
- 1 x 2 bed bungalow for rent
- 1 x 2 bed bungalow for shared ownership
- 1 x 2 bed house for shared ownership
- 3 x 3 bed houses for rent
- 1 x 3 bed house for shared ownership

It is also apparent from the survey findings that there is a need for smaller units of accommodation in the private market, for instance for elderly people to downsize to.

## **Introduction**

Rising house prices and the loss of social housing stock, as a result of the right to buy policy, has seen many first time buyers and those on more modest incomes forced out of the villages where they have lived all their lives. In some villages the knock on effects of this is the loss of key services such as schools, pubs, Post Offices, village shops etc, along with the sustainability of the village.

The North Northamptonshire Strategic Housing Market Assessment (2007) shows a strong need for affordable homes across the district highlights some interesting information on the rural areas. For example it acknowledges that when looking at broad levels of income, the average household income in the rural area is much higher than in the urban areas. The type of housing in rural areas is also more likely to comprise larger detached dwellings, with by far the highest tenure being owner-occupation.

In order to obtain a more localised perspective a parish housing need survey can be carried out. Through a housing needs survey it is possible to assess the level of need for affordable housing in a village as well as any support the village has for a small scale development. If a need is shown to exist, then there are steps that can be taken to encourage the development of affordable housing.

During December 2010 713 surveys were distributed to all households within Geddington, Newton and Little Oakley parish.

### **Purpose of the Survey**

Kettering Borough Council has a statutory duty to investigate housing needs and examine ways of meeting these needs. In rural areas it is recommended by the Audit Commission and the National Housing Federation that Housing Needs Surveys are carried out in all villages as part of a rolling program over a 3-5 year period.

It is however recognised that only a village housing needs survey will indicate the specific housing needs that may be required within a village which can be used to form the evidence base on which to base strategy and policy. A more detailed village housing needs survey can identify the nature and extent of any need within a village. Housing need surveys can help to demonstrate the need for affordable housing, and the level of community support for any new development which may be necessary. They provide vital information to help to plan to meet local needs, including through the formulation of planning policy.

Exception sites are exclusively for affordable housing and use the 'exceptions' criteria set out in Planning Policy Statement 3 (PPS 3 was published in November 2006 and sets out the national planning policy framework for delivering housing objectives). This enables small sites to be used, specifically for affordable housing in small rural communities that would not normally be used for housing. These sites are located adjacent to the village confines. In order to build on these sites there must be evidence of a local housing need and a housing needs survey is the best way of doing this.

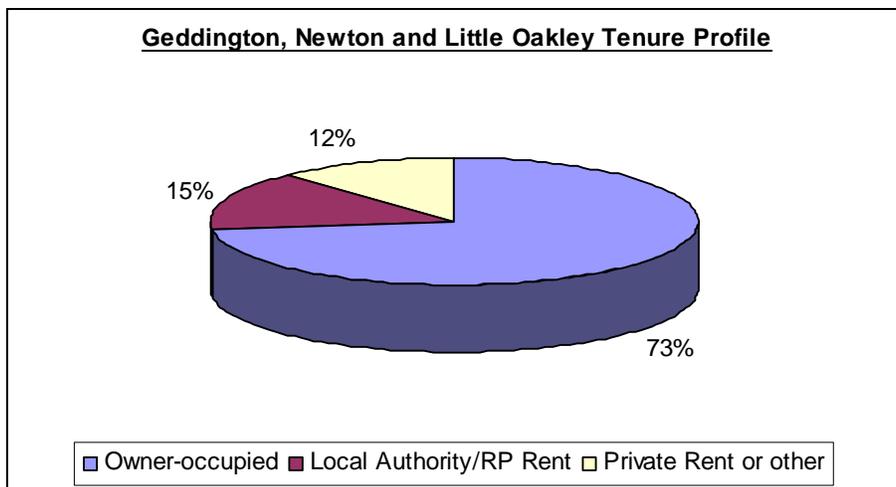
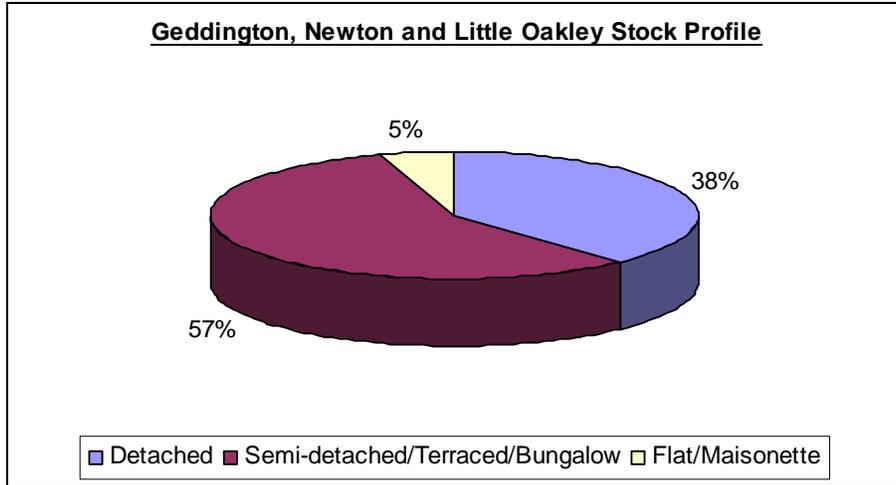
Planning gain and infill sites are primarily for market housing, however Kettering Borough Council has a policy requirement of 30% affordable housing on sites over 15 units. The North Northants Strategic Housing Market Assessment (SHMA) recommended that in rural villages this threshold be reduced from 10 dwellings to 3 dwellings. Work is already underway in the Borough on the Site Specific Document

Information from this survey will be used by the Planning and Housing Departments as evidence that there is a need for a small level of affordable housing

The information from a housing needs survey is also useful at a local level, in particular with parish council activities. It can be used when decisions on housing issues are required.

**Contextual Information on Geddington, Newton and Little Oakley**

Housing in the Parish has a high proportion of detached properties and is predominantly privately owned. The graphs below indicate the split in types (Source: Office for National Statistics).



Affordable housing within Geddington is currently made up of the following (source: Kettering Borough Council):

	<b>Kettering Borough Council</b>	<b>Registered Social Landlord (RSL)</b>
1 bed flat	14 (13 of which sheltered)	
1 bed bungalow	2	
1 bed house	4	
2 bed flat	2 (both sheltered)	
2 bed bungalow	14	
2 bed house	3	19 (all social rented)
3 bed house	25	1 (social rented)
4 bed house	1	
<b>Total</b>	<b>65</b>	<b>20</b>

There is no affordable housing stock within Newton or Little Oakley.

### House Prices and Affordability in Geddington, Newton and Little Oakley

To establish levels of affordability, an assessment of how expensive it is for people who are trying to enter the housing market has been undertaken. For this we compare the bottom 25% of house prices (lower quartile) with the bottom 25% of salaries (lower quartile). Lower Quartile price is used for housing market analysis as it is deemed to be the appropriate entry level to access housing.

Sales prices were looked at for the period 2009/10 to present. Sales prices ranged from £87,500 for a terraced property to £499,995 for a detached property. Current available properties to buy were then assessed. At present the cheapest property available to purchase in Geddington, Newton and Little Oakley is £157,995, the most expensive is £484,000 (NB have not included £1.2m manor in Little Oakley as this would heavily skew the figures) – source: Rightmove.co.uk. The Lower Quartile property price is £203,373.

For a household to be able to purchase a home at this price they would need to be earning in the region of £52,296 (assuming 3.5 times salary and a 10% deposit). However, the average lower quartile of salaried household income for Geddington, Newton and Little Oakley Parish is only £26,987 (source: CACI Paycheck Profile 2010). This demonstrates that for households whose earnings are in the bottom 25%, a property (which is also in the bottom 25%) would cost 7.5 times that of their annual income. With mortgages being calculated on 3.5 times of their annual salary this highlights how unaffordable 'entry level' properties are to people trying to access the market. 66% of the population in the Parish earn below £52,296 (source: CACI Paycheck Profile 2010).

We have also considered affordability of intermediate products to assess whether this would make much of a difference for people trying to access the housing market. The table below illustrates this:

Entry Level (Lower Quartile) Property Price	Entry level property price (less 10% deposit)	Income required	Proportion able to purchase	Homebuy income required (70%)	Proportion able to purchase
£203,373	£183,036	£52k	34%	£36k	54%

(These calculations are based on a single person obtaining a mortgage at 3.5 times their income plus a 10% deposit)

Introduction of some form of intermediate housing product that equates to the cost of 70% of entry level (lower quartile) prices could help a further 20% of the Parish population. Some 46% of households have a household income of below £36k which would imply they would still rely on some other form of affordable housing i.e. social rent or affordable rent. Affordable Rent is a new product made available by the government, set at up to 80% of market rent. The majority of new schemes developed across the Country will be delivered as this tenure. There are currently limited numbers of advertised rental properties in the Parish from which to draw sufficient analysis of the local 'affordability' of affordable rent. It is anticipated that affordable rent developed in rural areas has the potential to be expensive hence options at below 80% market rent would need considering in terms of true affordability.

### Identifying housing need

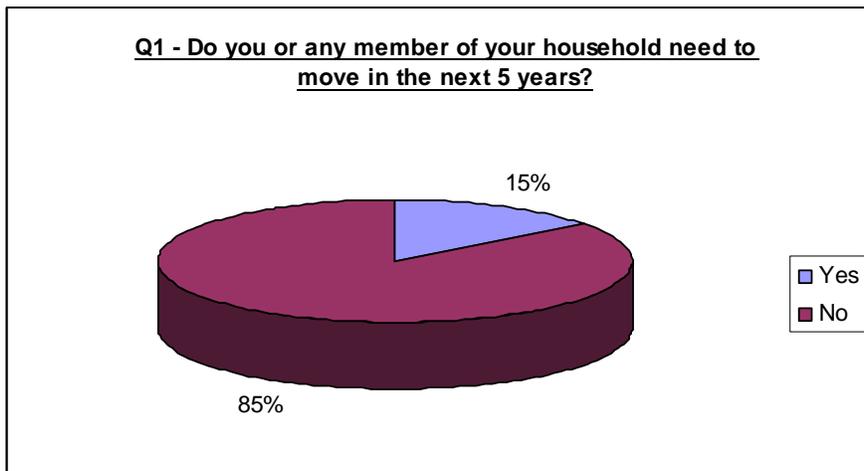
The following sections of this report detail the responses from the questionnaires distributed and returned during December/January 2010/11. Respondents individual details have been

kept confidential and any identifiable attributes have not been included in the results. Any comments that have been made may have also been edited so as not to identify individual circumstances.

The following results are a snapshot in time and provide the Parish and Kettering Borough Council with an insight into current housing need, the desirability of the village and the current level of facilities serving the local community.

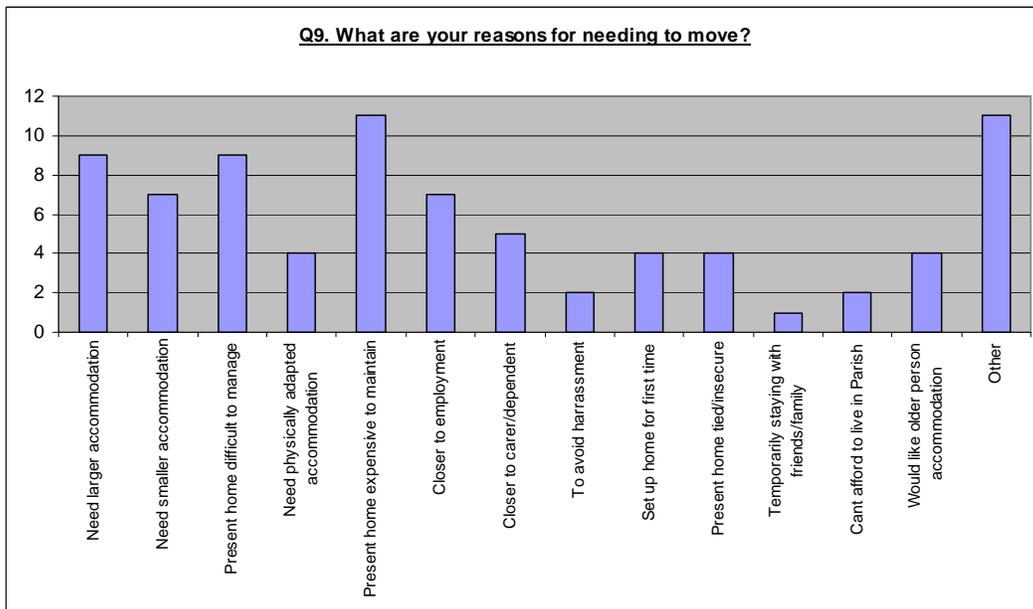
We can start to build a picture of the number of households needing an affordable home in the Parish by looking at those, including newly forming households (i.e. children moving out of the parental home) that need to move and whether they want to live within the Parish.

**Those needing to move**



209 households responded to this question, of which 178 (85%) said that they would not need to move from their current home in the next 5 years. 31 respondents (15%) indicated that there was someone in their household who would require a move in the next 5 years.

**Reasons for needing to move**



Respondents were asked “What are your reasons for needing to move?” and were able to tick as many answers as applied. The total number of reasons given from the 31 surveys was 80. This is an average of 2.6 reasons per respondent.

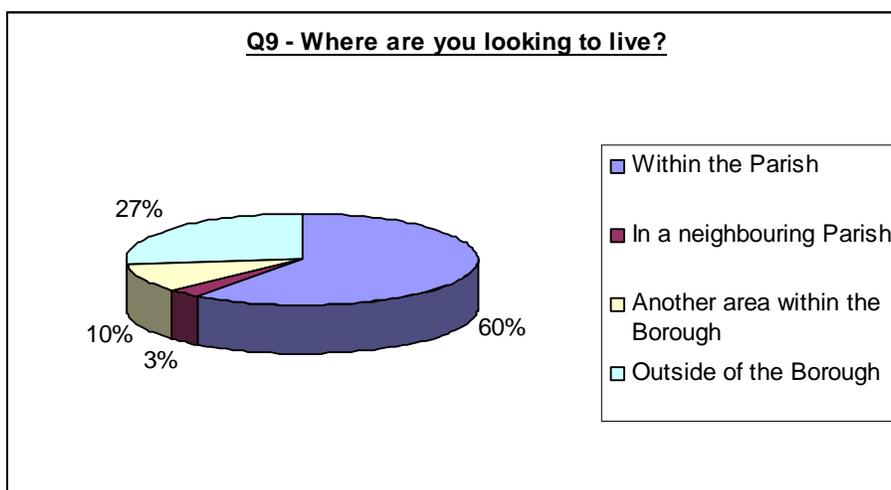
The most frequent answers given were ‘present home expensive to maintain’ (11 respondents), ‘need larger accommodation’ (9 respondents), and ‘present home difficult to manage’ (9 respondents). 11 respondents also selected ‘other’ and the reasons given were as follows:

- Renting from family member planning to sell
- Downsizing to an urban area
- Family reasons
- Geddington having a lack of bungalows
- Currently caring for parent
- Moving to work in armed forces
- Private rent too expensive
- To live closer to local amenities
- Lack of affordable smaller homes to buy

Households were also asked to specify their main reason for needing to move and the responses from those that answered this question are shown in the table below.

	Frequency
Larger accommodation needed	3
Smaller accommodation needed	4
Home difficult to manage	6
Need adapted accommodation	1
Present home expensive	5
To be closer to employment	4
To set up home for the first time	2
Other	6
<b>Total</b>	<b>31</b>

***Where households are looking to live***



When asked, "Where are you looking to live?" 18 respondents (60%) said that they would like to live within the Parish. 8 respondents want to move to somewhere outside of Kettering Borough. 1 respondent wanted to live in a neighbouring Parish, 3 respondents wanted to live in another area in the Borough. 1 respondent said they did not know where they wanted to live

***Migration***

Households were asked whether they knew of anyone who had had to move away from the village within the last 10 years. Only 13 of the households who responded answered yes to this question.

**Identifying local connection**

According to the surveys, 18 respondents needed to move and wanted to stay within the parish. These households will need to have a strong local connection to the parish to be included in the final total of households in housing need. Kettering's Allocation Policy is currently under review and local connection criteria generally is a priority being looked at. The recommendation for rural areas will be a strong local connection where the household has been living in the parish for at least 2 years; or used to live in the parish or has relatives living in the parish for a number of years and also other considerations such as working or undertaking education or training in the parish. It is important to include those respondents to the survey with a local connection of less than 2 years as they may be considered to have a strong local connection once a development is completed. All local connections are assessed at the time of development. The link between rural local connection, residency and certain affordable housing developed in villages would be covered in the associated legal agreement and would take priority over any over-arching allocations policy.

The following table indicates the local connection criteria to all those who indicated a need to move within the next 5 years, i.e. the 18 households, not just those with an identified housing need. Households may have met more than one of the Local Connection criteria.

Local Connection	Yes	Timescale			
		Less than 1 year	1-3 years	3-4 years	5+ years
Work in the Parish		0	2	1	3
Live in the Parish		2	3	2	11
Previous residence in the Parish		0	1		2
Close relatives living in the Parish (parents, children, siblings, grandparents or grandchildren, including step-relatives)		0	0	2	9
Participating in education/training in the Parish		0	2	2	1

Of the households needing to move within the next 5 years and who want to stay within the Parish, 6 are currently registered with Kettering Borough Council Keyways register, 2 on a Registered Provider register and 10 are not on any housing register or waiting list.

**Housing Needs Analysis Table**

The following table lists details of the respondents who feel they have a housing need. This table only includes those households who have said they need to move within/into the parish and have a strong local connection as outlined in the section above as these households will be the households that are likely to be eligible for affordable housing. 4 survey respondents indicated a need to move but to owner occupied accommodation therefore these results have been omitted. Those households looking to move away from the Parish have also had results omitted.

The reality type was determined by looking at the response to the question on the household composition, using the Council's allocations policy. Each household's priority need has also

been examined and judged against the current entry-level housing available in the village and their current housing circumstances.

Respondents that would be considered for 1 bedroom properties under Kettering Borough Council's Allocations Policy have been reclassified as being in need of a 2 bedroom home. This offers more flexibility in rural areas as the capacity for housing associations to develop 1 bedroom homes is very limited. In terms of occupancy, the flexibility and sustainability of 2 bedroom homes is far greater than 1 bedroom homes.

Where a respondent indicated a preference for shared ownership their ability to enter into a shared ownership arrangement was assessed. Based on research carried out by Kettering Borough Council into available house prices, incomes, and sales data it was determined that the minimum monthly net household income needed to afford Shared Ownership in Geddington, Newton and Little Oakley is £2,274 or above. Each case is considered separately based on deposit levels and current housing circumstances. Anyone earning below this would be reclassified as being in need of rented accommodation.

Ref	Household Make-up	Reason for need	Preferred Tenure	Likely allocation
1	Married couple with two teenage children	Eldest child looking to set up home for first time	Social Rent	Social/Affordable Rent 2 bed flat/maisonette
2	Married couple in early 70s	Current privately rented home is difficult to manage	LA/RP Rent	Social/Affordable Rent or alternative cheaper Private Rent property 2 bed bungalow
3	Married couple with young son	Need larger accommodation	Private Renting	Social/Affordable Rent or alternative cheaper Private Rent property 2 bed house
4	Single female with young son	Current private rent too expensive	LA/RP Rent	Social/Affordable Rent 2 bed house
5	Married couple in 60s with grown up son living with them	Son – to set up home for the first time	LA/RP Rent	Social/Affordable Rent 2 bed flat/maisonette
6	Single female with 3 children	Private rent too expensive	LA/RP Rent	Social/Affordable Rent 3 bed house
7	Young couple with 3 children	Private rent too expensive	LA/RP Rent	Social/Affordable Rent 3 bed house
8	Single female with 2 children	Wants larger accommodation	Shared Ownership	Social/Affordable Rent 3 bed house
9	Middle-aged couple	Present home difficult to manage (mobility issues)	LA/RP Rent	Shared Ownership 2 bed bungalow
10	Married Couple	Landlord selling private rent accommodation	LA/RP Rent	Social/Affordable Rent (possibly shared ownership if values low enough) 2 bed flat/maisonette
11	Single female	Private rent too expensive	LA/RP Rent	Social/Affordable Rent 2 bed flat/maisonette
12	Married couple	Private rent too	Shared Ownership	Shared Ownership (if

	with 1 child	expensive		values low enough) 2 bed house
13	Couple with 3 grown up children	For children to set up home for the first time	LA/RP Rent	Social/Affordable Rent 2 x 2 bed flat/maisonettes
14	Young couple with 2 children	Landlord looking to sell rented accommodation	Shared Ownership	Shared Ownership 3 bed house

Suggested mix based on the housing needs survey findings using the Keyways allocation Matrix (Keyways Allocations Policy v3 Sept 2010) would be the following:

- 6 x 2 bed maisonettes/flats for rent
- 2 x 2 bed houses for rent
- 1 x 2 bed bungalow for rent
- 1 x 2 bed bungalow for shared ownership
- 1 x 2 bed house for shared ownership
- 3 x 3 bed houses for rent
- 1 x 3 bed house for shared ownership

Rural affordable development can be a lengthy process from site identification to a development completing and during this time households circumstances would change. Also types of units that can be provided may also be dictated by the type of scheme that may come forward. Consideration should also be given to the number of properties becoming available in Geddington. Analysis has shown a lack of 3 bedroom properties becoming available but the Keyways register showing a need. Development of a number of 3 bedroom houses should be considered to help free up some existing accommodation. Therefore the above mix is simply indicative of the survey findings but could be used to inform future development along with other sources of information available at that time.

Shared ownership may be a possibility for a number of households in housing need, if developed, Kettering Borough Council, the Parish Council and a Registered Provider would need to work closely together to ensure that any properties developed would be affordable, this could be done by minimising values as much as possible (dependent on location) and looking at different share options that could be offered to bring down monthly repayments.

### Local Authority Data

As a statutory duty, Kettering Borough Council holds a housing waiting list for the whole Borough. This register allows a household to request to be considered for housing anywhere in the borough and is therefore an additional way to measure housing need. As part of the Keyways application, applicants can request as many areas as they wish and also have the opportunity to request a 'preferred village/area'. Figures gleaned from analysing the waiting list can be used to complement the findings of the survey returns. The register was analysed in October 2010, this showed that 44 applicants have specified Geddington as an area they are interested in. Of these, 15 applicants are currently already resident in Geddington. The requirement is predominantly for 2 and 3 bedroom homes although a number require a 1 bed property.

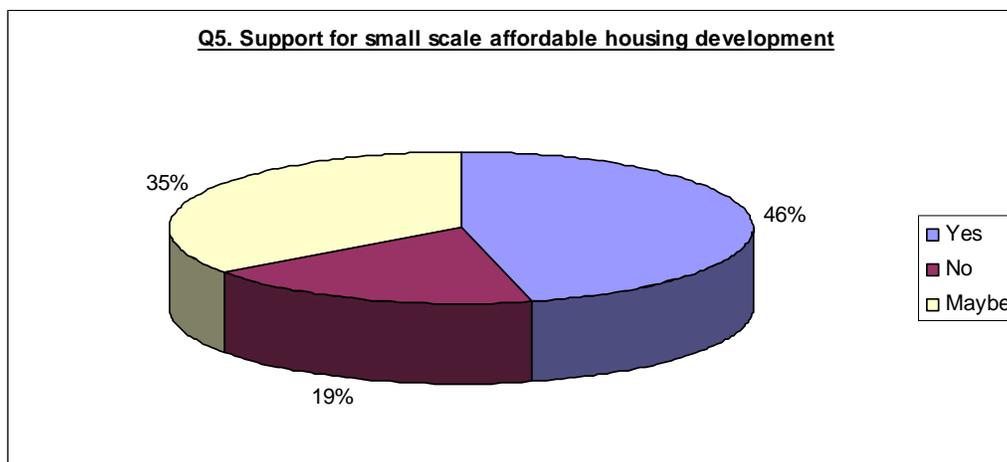
In terms of availability of social rented properties, since the launch of Keyways at the beginning of 2009 there have only been eight properties become available for re-let which attracted the following number of bids (source: Keyways.org.uk):

1 bedroom flat (sheltered)	3 bids
1 bedroom flat (sheltered)	5 bids
2 bedroom bungalow	30 bids
1 bedroom flat (sheltered)	7 bids
2 bedroom bungalow	40 bids
1 bedroom flat (sheltered)	6 bids
2 bedroom house	49 bids
1 bedroom flat (sheltered)	3 bids

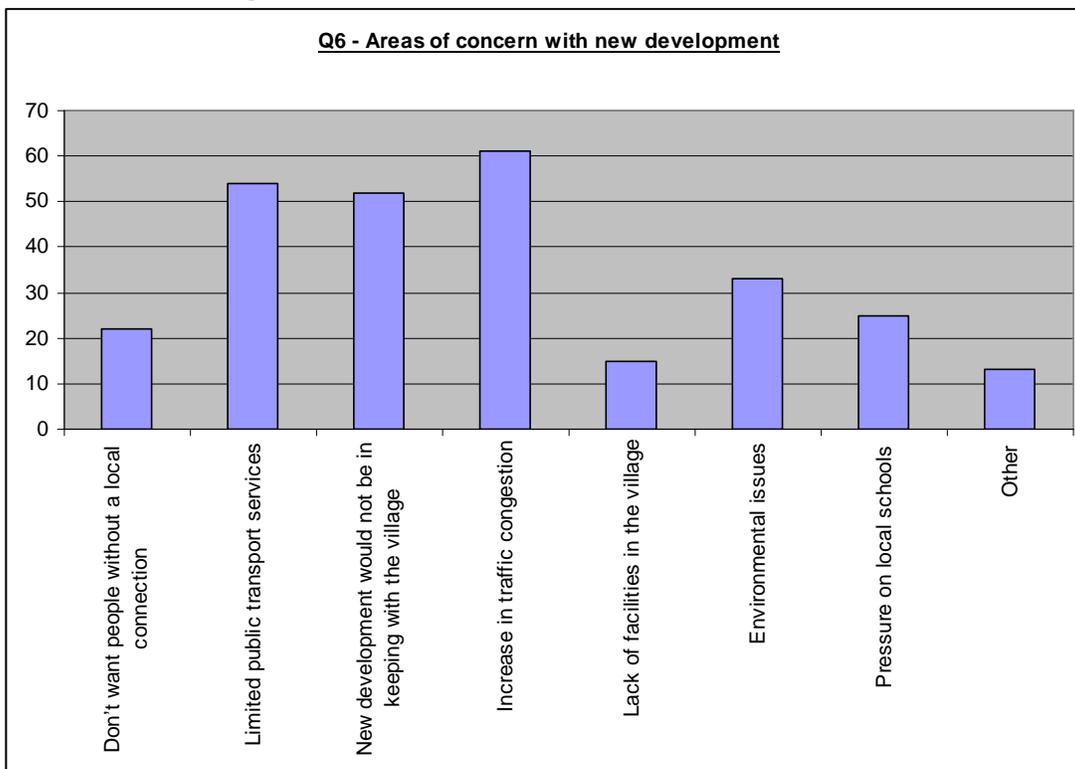
This highlights again, a high demand for 2 bedroom properties. Certainly the bids on the 2 bedroom bungalows seems to reflect housing needs survey findings illustrating a need for more purpose built accommodation suitable for older persons but not necessarily sheltered accommodation as the number of bids on these has not been so high. No 3 bedroom houses have become available in the last 2 years.

### Support for new small scale affordable housing development

Households were asked whether they would support a new small-scale affordable housing development in the Parish if there was a proven need. All but nine of the households who responded answered this question. The results are shown below. The majority have indicated either yes or maybe to supporting new affordable housing development.



Households were then asked to indicate what their areas of concern were with new development. Households could tick as many areas as applied or indicate their own areas of concern. The following chart indicates the areas of concern:



Other areas of concern included:

- Inadequate car parking
- Inadequate sewerage systems
- Conservation areas
- location and size of any development
- Affordable in perpetuity?
- Flooding problems
- Villages growing too larger
- Extent of development in neighbouring areas i.e. Oakley Vale, Little Stanion.

### Working from Home

The question on working from home was included in this survey as Kettering Borough Council Development Services are keen to find out whether there are any particular issues related to this. 47 respondents answered this question. Of those 47, 14 households worked from home. 17 respondents felt that better broadband services were needed. 1 household required more space to be able to work from home more effectively and 1 household felt there needed to be better mobile phone coverage in the Parish.

### **Ethnic Monitoring**

Only 71 households completed this section of the survey. 66 households were White-British. 1 household was White-other, 1 household was White-Irish and 3 households refused the question.

### **Limitations of the surveys**

Most surveys of this nature will have limitations. Whilst compiling the results the following issues have been noted:

The very first question on whether the households considers themselves to be in need will attract subjective answers; some people who have answered “no” may in fact have a housing need, and therefore will not be included in the final analysis of need.

Extra attention needs to be paid to the issue of how representative the sample is and special caution is needed about the extent to which generalisations can be made on the basis of the research findings. Provided that the limitations are acknowledged and taken into account, the limited size of the sample need not invalidate the findings.

These findings apply to a point in time. If development does occur at some point in the future, individuals and households interested in any affordable properties will need to have their housing need and suitability assessed at that time.