

Berrow Parish Housing Need Assessment 2016



Final Report

DECEMBER 2016

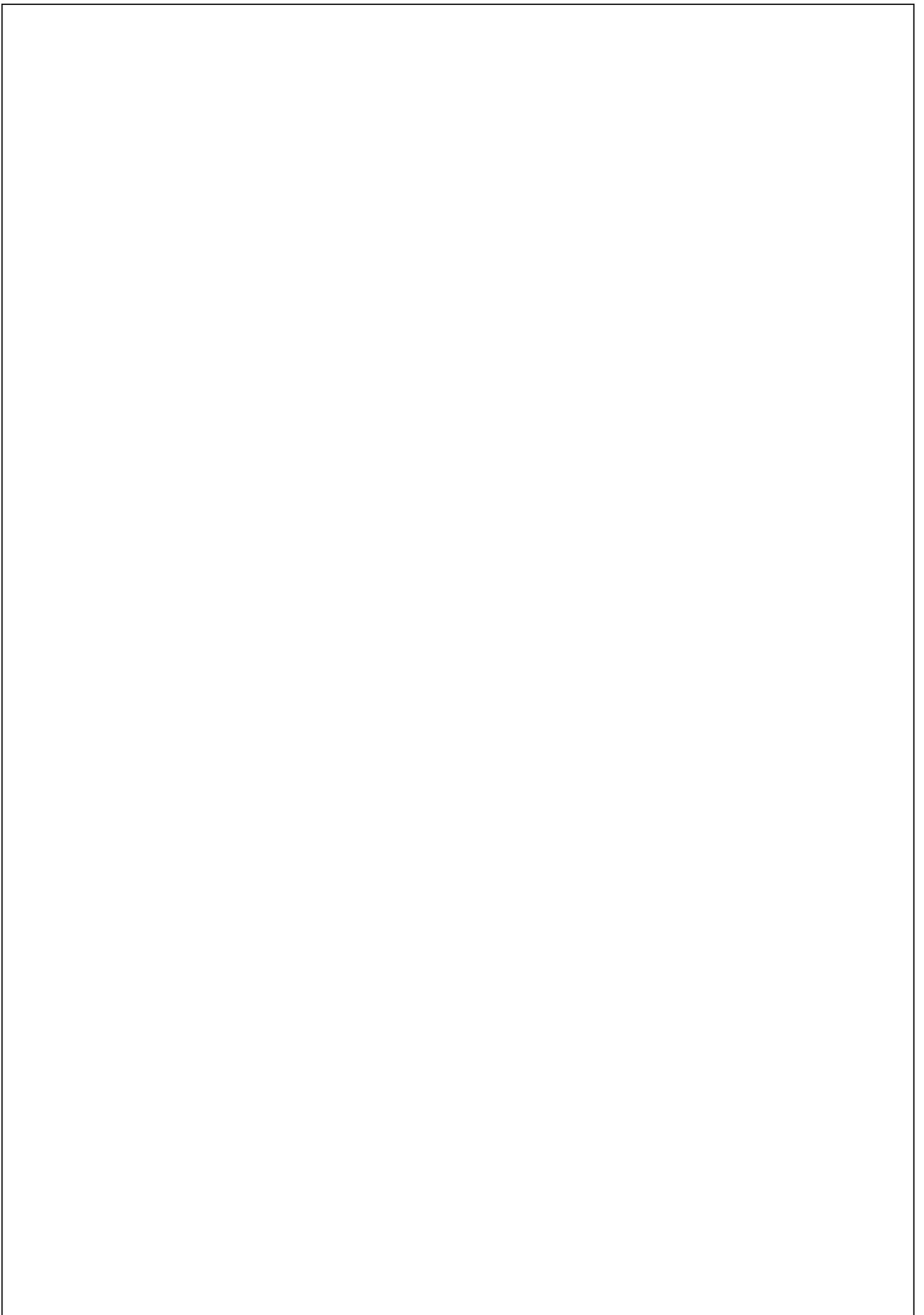


Berrow Parish Housing Need Assessment 2016



Draft Report	December 2016
Final Report	
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Sedgemoor Affordable Housing Development Team	<p>The Sedgemoor District Council Affordable Housing Development Team (“AFHDT”) is a small dedicated team with specific responsibility to oversee the delivery of new affordable housing. The team are part of the wider SDC Strategy and Development Service. This service is responsible for developing and implementing many of the Council's key strategies and policies. Building upon a successful track-record of delivering affordable-homes in rural communities, the AFHDT provides support and advice to parish councils, landowners, developers and registered providers with the aim of developing new affordable-housing. The AFHDT has developed its own housing need assessment processes which provide publically available independent and robust evidence for future housing growth in rural communities.</p>



Part 1 Executive Summary - The 2016 Berrow Housing Need Assessment

Readers must remember that the conclusions within this report merely represent a snap-shot in time into what (if any) unmet housing requirements exist in Berrow.

Sedgemoor District Council carried out a Housing Need Assessment (HNA) in May 2013 to ascertain what, if any, housing need exists in the parish of Berrow. There is no specific length of time associated with the relevance and robustness of a HNA. However, it is advisable that any HNA older than 3-years should be updated to capture the scale and nature of current local housing need.

The 2013 HNA report justified the as-yet undeveloped housing proposals at Rosetree Paddock in Berrow.

The conclusions of this exercise will be formally presented to Berrow Parish Council in early 2017 and will subsequently be made freely available on the Sedgemoor District Council website.

The HNA exercise began in August 2016 with Sedgemoor District Council posting a HNA survey form to every property in Berrow, along with a limited number of homes in the very north of Burnham.

The personal data provided from survey responses have been assessed individually to ascertain each and every respondent's personal need/requirement.

GROSS Households Requiring an Affordable Home in Berrow

1 bed			2 bed			3 bed			4 bed			5+ bed			Total
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	
2	1	1	2	7	2	0	6	0	0	3	0	0	0	0	24

NET AFTER DISCOUNTING TCPA CONSENTED PROVISION AT ROSETREE Paddock Households Requiring an Affordable Home in Berrow

1 bed			2 bed			3 bed			4 bed			5+ bed			Total
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	
1			6			4			3			0			14
2	1	-2	2	5	-1	0	4	0	0	3	0	0	0	0	

Part 2 The Context

Sedgemoor District Council (“SDC”) Affordable Housing Development Team (“AFHDT”) is a small dedicated team with specific responsibility to oversee the delivery of new affordable housing. The team are part of the wider SDC Strategy and Development Service. Building upon a successful track-record of delivering affordable homes in rural communities, the AFHDT provides support and advice to parish councils, landowners, developers and registered providers with the aim of developing new affordable housing. The AFHDT has developed its own housing need assessment process which provides publically available independent and robust evidence for further housing growth in rural communities.

The HNA sought to investigate the current level if any of housing need locally, as well as gauging opinion on the value of developing affordable homes for local people in the parish both for existing and future levels of affordable housing need.

Housing need in this context is defined as follows:

- For the purposes of this document “housing need” can be defined as the need for an individual or household to obtain housing which is suitable to their circumstances;
- It implies that there are problems or limitations with the household’s current housing arrangements and that the household is unable to afford or to access suitable accommodation in the private sector;
- Such problems may be due to housing costs, size, location, layout, state of repair or security of tenure;
- This need may be immediate or anticipated in the near future.

Historically, the majority of responses in any survey of this kind come from:

- People who feel themselves to be in need of housing now or in the near future;
- Their relatives;
- People involved in some way in community affairs who probably have an appreciation of the problems affecting the community as a whole, even if they are not in housing need;
- People who feel strongly that there should be no more development in the village.

The HNA exercise began in August 2016 with Sedgemoor District Council posting a HNA survey form to every property in Berrow, along with a limited number of homes in the very north of Burnham.

The personal data provided from survey responses have been incorporated to assess each and every respondent’s personal need/requirement.

Past experience shows that local people are often apathetic to register for affordable housing and fill out a survey form prior to any housing development project. This is mainly due to the fact that they feel that there is no prospect of an affordable home in the locality. The numbers on the housing register spike at key stages of new affordable housing build projects. The most notable of these triggers tend to be firstly when planning permission is secured, secondly when construction activity can be seen on site and thirdly, when the new homes are nearing completion.

Part 3

The Berrow Housing Picture

Data from the 2011 Census and other national statistical sources information can be accessed down to ward and parish level via the National Statistics web site of the Office for National Statistics.

Berrow lies on the north Somerset coast between the towns of Burnham on Sea and Weston super Mare. The Bristol Channel lies to the west and open farmland of the Somerset Levels to the east.

Berrow (the village) is considered a rural settlement. In the affordable housing arena, settlements with a population of less than 3000 are classed as villages. In Planning terms, Berrow is viewed as one of Sedgemoor's Key Rural Settlements ("KRS") under the current Local Plan.

As at 2011, there were 679 households and a population of 1,534 in Berrow ^(Office of National Statistics, Census 2011)

Owner Occupation is the dominant tenure across the parish accounting for 83% of all homes (561 households). This is much higher than the Sedgemoor district average of 71.3% ^(Office of National Statistics, Census 2011)

Private Rented accounts for 11% Berrow has a small private rented housing supply, which is significantly below the Sedgemoor district average of 14.5% ^(Office of National Statistics, Census 2011)

Affordable Housing accounted for just 5% of the total housing stock (35 homes) ^(Office of National Statistics, Census 2011)

The majority of these homes were rented from either the Council or a housing association. A significant proportion of the affordable rented units (28 in total) are small 1–bed or bedsit sheltered flats. The impact of the Right-to-Buy has seen the number of larger family affordable homes drop since the early 1980's.

There are very few rent affordable rented homes suitable for families left in Berrow. Whilst the sheltered housing units become available on fairly regular basis, vacancies are extremely rare for all other affordable housing unit types. The almost non-existent supply of affordable housing capable of accommodating families and younger people (singles and couples) is a genuine issue for local families and singles / couples seeking a home in Berrow.

When vacancies do arise from the existing affordable homes none of the properties include a local allocation plan offering local people priority for vacancies.

When considering the provision of future affordable housing for Berrow, consideration has been given to parcels of land where TCPA planning approval for housing has been granted. There is a TCPA approved residential planning permission (05/14/00022) for twenty-five (25) new homes at Rosetree Paddock in Berrow. This scheme is required to deliver ten (10) new affordable homes. Unlike the existing housing affordable housing stock, the Rosetree Paddock affordable housing units will offer local people priority for vacancies. It is unclear when the construction of these new homes will get underway.

The Cost of Housing in Berrow

Across Sedgemoor, it is noticeable that a growing number of adult children are unable to get on the housing ladder and continue to live with parents or relatives. Many wishing to remain in rural communities, are priced out of the market or forced to leave the village due to a lack of "price" or "cost" of housing, a situation heightened by an influx of wealthy commuters, second home buyers, holiday lets and retirees moving to the area. Rural house prices tend to be well above the average, while local rural incomes are below. This affordability gap continues to grow and adds to the increasing loss of younger adults and families who often support and contribute to local rural communities; shops, schools and transport services can be affected as young people and families are forced to look for more affordable places to live.

SDC reviewed and investigated sales of homes over a two year period in Berrow from the property website Rightmove (October 2016). Berrow, with an overall average price of £187,246 was more similar in terms of sold

prices to nearby Woolavington (£191,446). During the last year, sold prices in Berrow were 11% down on the previous year and 14% down on 2011 when the average house price was £218,088.

By using “real house price data”, and taking a conservative view on the current average price of houses in the parish, the price at which someone can buy a property (entry level at which it would be feasible to get onto the housing ladder) has been taken to be circa £159,500 for a 2-bed property & circa £175,625 for a 3-bed property & £294,500 for a 4-bed property. These are average figures and are only a guideline.

A comparison of house prices with neighbouring and broader market areas suggests Berrow is a relatively expensive village. Prices are higher than the average in the SDC area. Data tends to be less robust for smaller areas as it contains fewer records. This particularly applies to one bedroom properties in rural areas.

The table below illustrates prices which are considered to be average for properties offered for sale in Berrow. There are some assumptions about deposits and mortgages to enable the calculation of salaries to meet the mortgage requirement.

Annual income requirements for open market properties

House Price	Deposit (assume 15% required)	Mortgage required	Annual income required (based on 3.5 x income)
£150,000	£22,500	£127,500	£36,429
£170,000	£25,500	£144,500	£41,285
£200,000	£30,000	£170,000	£48,572

It should be remembered that a household's ability to buy is also dependent on them having saved an appropriate deposit. The calculation presented in Table 1 assumes a mortgage to house value of 85%, i.e. the purchaser has saved a 15% deposit. It may be possible to secure a mortgage with a lower % deposit but this will require even higher income levels. Under new mortgage rules, which came into effect in April 2014, lenders must now obey strict guidelines to check whether a borrower can afford their mortgage repayments, not just at current interest rates, but also if interest rates shot up to 6 – 7 %.

Every household has its own set of circumstances; therefore our assumption and should be used as a guide only.

Deposit, mortgage, rent & income for a shared ownership based on purchasing a 40% share.

There are some assumptions about deposits and mortgages to enable the calculation of salaries to meet the mortgage requirement.

Property value	Deposit (assume 10% of 40% share)	Mortgage required (remaining equity in brackets)	Mortgage cost per calendar month approx. (assuming rate of 5% for 25yrs)	Rental on remaining equity per calendar month	Annual income required based on 3.5 x income
£120,000	£4,800	£43,200 (£72,000)	£253.00	£165.00	£12,343
£160,000	£6,400	£57,600 (£96,000)	£337.00	£220.00	£16,457
£200,000	£8,000	£72,000 (£120,000)	£421.00	£275.00	£20,571

Market Rent, Affordable Rent, Social Rent & Local Housing Allowance (per week)

This table compares the cost of Market Rent, Affordable Rent, Social Rent & current Local Housing Allowance.

Number of Bedrooms	Typical Market Rent (approx.)	Affordable Rent (approx.)	Social Rent (approx.)	Local Housing Allowance (April 2016 – March 2017)
1	£110.00	£88.00	£71.50	£97.81
2	£146.00	£116.80	£94.90	£122.36
3	£162.00	£129.60	£105.30	£150.00

Part 4

The 2016 HNA Assessment Rationale

As with any housing survey, the exercise is not an exact science.

As far as has been practical, the assessment evaluated fact and was specifically designed to avoid it being a local opinion-poll on housing.

In reality, the assessment sought to answer a simple, yet fundamental question, “was there any unmet local housing need from local people in Berrow?” rather than “I think there is a need for housing”.

It is not the purpose of the assessment to gauge local opinion on the merits or otherwise of the future provision of any new Berrow housing.

This assessment and recommendations contained within this report deal with need rather than desired or perceived future housing requirements in Berrow. This report includes a clear statement “recommendations” on the unmet housing need in Berrow.

The conclusions reported offers and a strong insight into the likely affordable housing need in Berrow.

The HNA Assessment Methodology

The personal data provided from the HNA responses have been used to assess each and every respondent's personal need / requirement. For each and every respondent, the assessment has tried to answer questions such as: “Is the respondent in housing need or not?” The assessment also clarifies “what type, size and tenure of housing does the respondent need and what can they afford?”

The HNA looked at each household to determine whether they were firstly **IN HOUSING NEED**, secondly whether that household was capable of **RESOLVING THEIR HOUSING PROBLEM** in prevailing housing market and thirdly what **STRENGTH OF LOCAL CONNECTION** the household had with Berrow

A household fitting one or more of the following criteria might be said to be **IN HOUSING NEED**:

- Containing people with a particular social need, which cannot be resolved except through a move.
- Who cannot afford market properties and have a need to move.
- Homeless people, who those living in insecure housing (this will include housing that is too expensive compared to the household's disposal income).
- Where there is a mismatch between the housing need the current home (overcrowding or under occupation).
- Where there someone with a physical (or other medical) impairment living in unsuitable housing.
- Where the property lacks basic facilities and places which are subject to major repair.

HNA survey forms were sent to all households who are registered on Homefinder Somerset (formerly known as the housing waiting list). HNA forms were sent to those households who had Berrow as their parish of choice or who had a Berrow address, forms were also sent to those who responded to the original 2013 survey. The survey purports to assess the entirety of housing need in the area.

There were eight (8) parts to the survey:

1. Details of applicant
2. Current housing circumstances of applicant
3. Unsuitability of applicants current home

4. Applicants future housing requirement
5. Applicants financial information
6. Applicants local connection
7. How to register for affordable housing
8. Additional information

All respondents were assessed against their ability resolve their future housing requirements from the local housing market. Respondent household incomes and savings have been assessed to establish if they can afford suitable housing to meet their needs in the private sector, whether home ownership or private rented housing:

Home Ownership

Purchase price based on multiplier of 3.5 time's gross annual income plus available deposit (minimum of 15% of purchase price).

Private Rented

Private renting affordability is usually calculated at 30 xs monthly rent should be approximately the annual salary. This purely just for rent and doesn't include other bills.

Those who are unable to meet their need in the private sector were assessed to establish if they were eligible for either affordable rented or could afford some form of intermediate home ownership product

A household's income, savings and the state of the housing market are key factors for assessing a person's need for affordable housing.

In simplistic terms the assessment of affordability requires household incomes and savings to be measured against prices of property of a suitable size, type and location, whether rented or home ownership. However, depending upon tenure there will be additional factors that will impact upon costs of acquiring the right to occupy the property.

For home ownership, these costs include: mortgage interest rates, mortgage indemnity premium. Mortgage application fee, legal fees, stamp duty tax, legal fees and search fees etc.

For rented, these costs may include: rent deposit and rent paid in advance.

Part 5 HNA Summary and Recommendations

This report has been informed by primary data from the Housing Needs survey, as well as secondary data from local house price and income data (web based), Office for National Statistics (2011 census data) and Homefinder Somerset (CBL) system (Housing waiting list). The results of the survey will alter with increasing/decreasing values of housing, policies of lenders, the economic climate, and demographic changes in the community as individual's situations change.

Key Headline Findings

A total of thirty-seven (37) completed HNA forms were returned.

It is important to note and acknowledge that completed forms were only returned by people who felt that they had some form unmet housing need now or the foreseeable future.

Of these twenty-four (24) respondents were assessed as had a strong connection with Berrow and were considered to be in housing need and requiring help to access an affordable home in the village.

In Housing Need – Moving Timescale	Number of Respondents
Need to move immediately	8
Need to move within the next two years	10
Need to move with the next five years	6

In Housing Need - Reason for Move	Number of Respondents
Need a larger home	2
To give/receive care	0
Need independence	12
Separation and Divorce	1
Current home too expensive	2
Insecure tenancy	7

In Housing Need – Local Connection	Number of Respondents
Live in the Parish for 5+ years	9
Live in the Parish for 1 to 5 years	6
Lived in the Parish for 5 years in last 10	1
Strong Family Connections in Berrow	8

The HNA looked at each household to determine whether they were firstly **IN HOUSING NEED**, secondly whether that household was capable of **RESOLVING THEIR HOUSING PROBLEM** in prevailing housing market and thirdly what **STRENGTH OF LOCAL CONNECTION** the household had with Berrow

For the purposes of the HNA, households with any one or more of the following links with Berrow is considered to a strong local connection with the parish:

- (1) Currently living in parish for a reasonable period of time;
- (2) Previously lived in the parish, but moved away due to problems finding a home;
- (3) Permanent employment of 16 hours per week (and has been in employed for at least a 1 year) in the parish;
- (4) Strong family connections (parents, siblings or children where it is necessary to provide or offer support);
- (5) Other non-specified reasons considered important to the parish.

Pre Existing Evidence of Housing Need

Information from the homefindersomerset CBL housing register (“CBL”) data is a useful additional indicator of potential affordable housing demand. Housing applicants who register via CBL are only able to select one preferred location for housing. However, all housing applicants can bid for vacant affordable homes in locations outside their preferred choice. Speculation on the numbers of CBL applications with a potential interest in an affordable home in Berrow is likely to be greater than the figures described below.

People are often apathetic to register for affordable-housing (prior to a project) because they often feel there is no prospect of a home. On CBL the numbers of local people registering spike at key stages of a new affordable-housing project. The most notable of these triggers tend to be firstly when planning permission is secured, secondly when construction activity can be seen on site and thirdly, when the new homes are nearing completion.

The below sets out the data from CBL (Source: Homefindersomerset August 2016), showing current number of households and their bedroom requirement for those who have registered an interest in Berrow on CBL. Based on experience, whilst the CBL data is a useful indicator of potential affordable housing demand, it would be inadvisable to just use this information as a definitive assessment of true unmet housing need in Berrow.

CBL Affordable Housing Demand	Maximum Bedroom Requirement				Total
	1 bed	2 bed	3 bed	4 bed	
Berrow 1st Area Choice	5	4	3	0	12

Affordable Housing Requirement

After assessing the completed survey forms returned, we have determined there are eighteen (18) household’s considered to be in need of some form of affordable housing in Berrow. We have assessed the breakdown of accommodation they require in table format below.

(F – Flat, H – House, B – Bungalow)

Affordable Rented Accommodation

The table below represents bedroom sizes and property type

Affordable Rented Accommodation															Total
1 bed			2 bed			3 bed			4 bed			5+ bed			
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	
2	1	1		4	1		2			2					13

Affordable Homeownership - Low Cost Home Ownership / Shared Ownership Accommodation

The table below represents households that have been recommended for Low cost home ownership and shared ownership tenure from the Housing Need Survey. These are households who are deemed to be in housing need, and have income for a mortgage and savings for a deposit.

Low Cost Home Ownership (LCHO) / Shared Ownership (SO) accommodation required

1 bed			2 bed			3 bed			4 bed			5+ bed			Total
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	11
			2	3	1		4			1					

Combined Affordable Housing Conclusion

GROSS
Households Requiring an Affordable Home in Berrow

1 bed			2 bed			3 bed			4 bed			5+ bed			Total
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	24
2	1	1	2	7	2	0	6	0	0	3	0	0	0	0	

NET AFTER DISCOUNTING TCPA CONSENTED PROVISION AT ROSETREE PADDOCK
Households Requiring an Affordable Home in Berrow

1 bed			2 bed			3 bed			4 bed			5+ bed			Total
F	H	B	F	H	B	F	H	B	F	H	B	F	H	B	14
	1			6			4			3			0		
2	1	-2	2	5	-1	0	4	0	0	3	0	0	0	0	

The table below gives a detailed assessment of each individual respondent who we have assessed as being in housing need from the survey. Details included are reason for needing affordable housing, local connection, desired housing, affordability potential, number in household, recommended bedroom size and tenure.

Housing requirement due to	Local connection	Desired housing	Affordability potential (£)	Household numbers	Recommended Affordable Tenure	Recommended bedroom(s)
Independence	Live 5+ years	2bf S/O	69,500	1	S/O	2
Independence	Live 5+ years	2bf S/O	65,274	1	S/O	2
Insecure tenancy	Live 1 – 5 years	2bb rent	91,000	2	Rent (*)	1
Separation/Divorce	Immediate family	2bh rent	No info	2	Rent	2
Too expensive	Live 5+ years	4bh S/O	73,500	6	Rent (*)	4
Insecure tenancy	Live 5+ years	2bh rent	80,500	3	Rent (*)	3
Need larger home	Immediate family	3bh S/O	182,000	3	S/O	3
Independence	Live 5+ years	1bh S/O	64,500	1	S/O	2
Independence	Live 5+ years	3bh S/O	99,000	3	S/O	3
Independence	Live 5+ years	2bh S/O	No info	2	Rent	2
Insecure tenancy	Live 1 – 5 years	2bh rent	No info	3	Rent	2
Insecure tenancy	Live 1 – 5 years	3bh rent	98,000	3	Rent (*)	3
Independence	Live 1 – 5 years	4bh S/O	136,500	5	S/O	4
Independence	Work 1 – 5 years	2bh S/O	No info	1	Rent	1
Insecure tenancy	Immediate family	2bb rent	75,592	2	Rent	2
Insecure tenancy	Immediate family	3bh S/O	157,000	3	S/O	3
Need larger home	Immediate family	4bh rent	171,500	6	Rent (*)	4

Insecure tenancy	Immediate family	2bh S/O	90,500	3	S/O	2
Independence	Lived 5 out of 10 years	1bf rent	Benefits	1	Rent	1
Independence	Live 1 – 5 years	2bh S/O	88,500	1	S/O	2
Independence	Immediate family	2bf rent	43,750	1	Rent	1
Too expensive	Live 5+ years	2bb S/O	77,000	2	S/O	2
Independence	Immediate family	3bh S/O	75,000	4	S/O	3
Independence	Live 5+ years	2bh rent	45,000	2	Rent	2

Rented – Recommended for rented housing only

Rented (*) – Could BUY an affordable home but has no deposit or would find difficulty obtaining a mortgage

Shared Ownership (S/O) – Recommended for affordable home ownership

Possible Range and Scale of Affordable Housing Need in Berrow

Interestingly, not one of the 12 CBL registered applicants appeared to have responded to the HNA.

If we combine all the evidence gathered from the survey and the figure of CBL applicants who failed to respond to the HNA, it might suggest a possible housing need of circa fifty (26). Whilst acknowledging that being registered on the CBL system does not necessarily mean each applicant can be said to be in housing need, the figures are nevertheless useful to the potential scales of affordable housing demand in Berrow and the surrounding villages. The totals below show the possible scale of affordable housing in Berrow if combined.

GROSS	
Berrow 2016 Housing Need Survey	24
Berrow CBL applicants (not counted in survey)	12
TOTAL	36

NET of ROSETREE PADDOCK	
Berrow 2016 Housing Need Survey	14
Berrow CBL applicants (not counted in survey)	12
TOTAL	26

This scale of affordable housing need is small but significant. On-going consultation between Sedgemoor District Council and the Parish council will help inform details of any scheme brought forward. Careful consideration should be given to the final scale and tenure mix of the scheme to ensure local occupancy is maximised.

Market Housing Provision in Berrow

The 2016 HNA exercise has not offered any obvious insight into the future scale and nature of market housing requirements for Berrow. Nevertheless, it would appear that Berrow would benefit from the provision of additional smaller units for sale and rent.

Part 6 Affordable Housing

Affordable housing is best described as housing provided at prices below the prevailing market value to people who are unable to find a suitable home on the open market (primarily due to its price). Affordable housing can be provided on a rental or homeownership basis. Affordable Housing will allow local people to access a suitable home, at a price they can afford; in the area they need to live in.

Affordable housing allows **LOCAL PEOPLE** to access a suitable home, at a price they can afford, where they were born / grew-up / have support and social networks or work in

Affordable housing is best described as housing provided at prices below the prevailing market value to people who are unable to find a suitable home on the open market (primarily due to its price).

Affordable housing can be provided on rental basis

Affordable housing can be provided on a homeownership basis.

Affordable housing can be provided by the public sector (the Council and-or housing associations)

Affordable housing can be provided by the private sector (volume house builders and private landlords)

Affordable housing can be provided by the community (CLT etc etc)

The HNS has highlighted a number of households who fit the description of people in need of affordable housing. Affordable housing is defined within the National Planning Policy Framework (as published on 27th March 2012) as including social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices.

Affordable Rented

Social Rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency. Affordable Rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). In rural communities, such as Berrow, we generally encourage a preference for social rent where possible. Social rent is considered the more affordable form of renting. However, the funding mechanism used to deliver any affordable homes will have a direct influence over whether or not social rented units can be provided.

Affordable Homeownership

There are different types of affordable homeownership under the global banner of affordable housing. This is because locally different types of households have different incomes and housing needs. Affordable housing is best described as housing provided at prices below the prevailing market value to people who are unable to find a suitable home on the open market (primarily due to its price). Affordable housing can be provided on a rental or homeownership basis. In addition to affordable rented housing, affordable homeownership is also encouraged. The table below summaries the affordable-housing homeownership options potentially on offer across Sedgemoor.

The precise impact and role of the Government's Start Homes Initiative in Berrow is unclear at the time of drafting this report. The precise details associated with this initiative are due to be published in the near future.

Tenure	Description	Applying	Applicants information
Affordable rent	Homes provided by both the Council and Housing Associations and in some cases by private landlords who charge rent below that charged on the open market.	You need to register with Homefinder Somerset. www.homefindersomerset.co.uk	These homes are ideal if you do not want or are unable to obtain a mortgage.
Shared Ownership	Homes are both new and resale properties and are provided by the Council and the Housing Associations. You buy between 25% and 75% of your home and pay a subsidised rent on the remainder. You may be able to buy up to 100% of your home.	You need to register with Help to Buy. http://www.helptobuy.org.uk/other-housing-options/shared-ownership Re-sales can often be found with local Estate Agents.	These homes are not limited to new builds and are ideal if you can find a deposit for the share that you are buying
Low Cost Home Ownership or Discounted Market Housing	Homes are new build or resale properties; you buy 100% of the property at 60% - 80% discounted from the market value. You will sell the property under the same basis.	You will need to contact the developer direct - details of properties can be found on our website and re-sales can often be found with local Estate Agents.	These homes are ideal if you are able to provide a deposit and mortgage.
Self-Build, Custom Build	Homes are built or commissioned, for those who want to build their own home on a serviced plot	You will need to sign up to the Sedgemoor Self-Build Register www.sedgemoor.gov.uk/10755	These homes are ideal if you would like to have a bespoke home

Part 7

Addressing Future Affordable Housing Need in Berrow

The Sedgemoor Core Strategy is the Local Plan relevant to Berrow. Sedgemoor District Council adopted this plan in 2011. This sets out planning policy for the district over the period 2006-2027. This plan is currently being reviewed, with a new plan proposed by 2017. Policy S1 sets out the spatial strategy for Sedgemoor, identifying how much development should go where. At 70% of all new homes (2006 - 2027) are to be built in Bridgwater, with 15% in Burnham-on-Sea and Highbridge. The remaining 15% (1,575 homes) are expected to be provided in smaller towns and villages. (KRS and OSS) The majority of the 15% (12%) going to 17 identified Key Rural Settlements (KRS).

Berrow is currently designated a KRS within the adopted Local Plan. In terms of housing growth, the adopted local plan currently focusses on local growth that supports community needs only.

In terms of future housing delivery beyond 2017, the emerging new local plan (which is likely to be adopted by Sedgemoor District Council in 2017) suggests that Berrow would see it classified a Tier 3 Settlement.

In terms of housing delivery, the current thinking within the emerging plan could see the parish being appropriate for additional growth that meets both local needs and part of the wider district requirements. Readers will note that this goes beyond the current local needs policy requirement. Assuming Berrow were ultimately to be classified as a Tier 2 Settlement, this could see future housing growth prioritised on brownfield opportunities, appropriate infilling, small scale self-build schemes within or adjacent to the settlement boundary, and greenfield sites appropriate to the size and character of the village. Housing sites would either be allocated through a small sites allocation DPD, brought forward through a neighbourhood plan, or through an amended local priority housing site policy that would require at least 30% of housing to be available to meet local affordable housing needs.

Planning Policy D6 - Planning Gain

This approach would see affordable housing provided through the TCPA planning system as part of private sector lead larger open market housing project and secured by s106 agreement. The precise level of affordable housing would vary from site-to-site. This approach would typically be on land within the village development envelope or land allocated by local planning authority for new residential development. This approach only applies to new-build residential developments of 5 or more residential units. There is no intelligence to suggest that a suitable site fitting this description will come forward in the foreseeable future in Berrow.

However, if the new local plan were to allocate land for new residential development (as discussed above) anyone deemed eligible on the housing register applicant would be able to bid for the units. Local people would not have immediate priority for homes secured under this type of policy.

Planning Policy D7 – Affordable Housing by Exception

This would see affordable homes only built by exception outside the village development boundary (“VDB”). This policy is designed to tackle an evidenced based shortage of affordable housing at the local level. The starting point for any project seeking to use this policy would typically be evidence from a local HNA.

This approach is possible in Berrow. However, this policy is not considered appropriate or helpful in bringing forward new affordable housing at this time. See comments immediately below.

By its very nature, the building of affordable housing requires some form of subsidy support in order to make the homes affordable. Gap funding has in the past almost always been provided by the public sector (central or local government). Securing sufficient levels of public funds in support of new affordable housing has become increasingly more difficult due to reductions in government expenditure. Since winning the May 2015 election, government has embarked on a radical alternative affordable housing policy focussed on home ownership. It is impossible to say when (or if) further central government funds specifically for rented homes will be made available.

Unlike a D6 type policy (above), these homes would be built to specifically offer local people priority for the new affordable homes. This could be secured by way of local allocation plan enshrined in TCPA s106 agreement.

Planning Policy P4 – Affordable Housing by Exception

In some ways, a similar approach as described in D7. This would see new affordable homes built alongside open market homes for sale by exception outside the village development boundary VDB”. Again, this policy is designed to tackle an evidenced based shortage of affordable housing at the local level. The starting point for any project seeking to use this policy would typically be evidenced by a local HNA.

This approach is possible in Berrow and should be considered appropriate and genuinely helpful in bringing forward new affordable housing.

Unlike policy D7, the delivery of the affordable homes is not reliant on the provision of public sector funds (central or local government). The funding required for the affordable homes would come from the sale of the open market homes. Projects using this policy would typically be required to provide a minimum 40% of the new homes to be affordable.

It seems highly probable that the emerging new local plan will have a similar local priority policy and would offer priority to local people in the first instance (as per policy D7 above).

Better Use of Existing Affordable Housing Stock

This would see the existing stock put to better use. This approach could see the current homes modified or be subject to deregulation from its current use. This would not naturally increase the supply of new affordable homes.

Empty Homes

Sedgemoor District Council operates an Empty Homes Scheme to assist with helping to bring the property back into use, sometimes leased on an affordable basis.

Self-Build or Custom Build or Community Led Initiative

The Government wants to enable more people to build or commission their own home and make this a more mainstream housing option. Still requires land on which any new homes could be built.

Part 8 Further Information

A limited number of copies of this report will be published. The report will be available on the Sedgemoor District Council web site www.sedgemoor.gov.uk.

If you would like to receive a copy of this report, you should contact

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