



**Cheddar Parish
“Mini”
Housing Needs Assessment
Review of
November 2014 Report**

Updated Briefing Paper

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**POST ALLOCATION OF THE AFFORDABLE HOUSING
UNITS AT SHARPHAM ROAD**



Review of Cheddar “Mini” Housing Needs Assessment



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Sedgemoor Affordable Housing Development Unit	<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.</p> <p>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>
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REVIEW SUMMARY

The 2014 Cheddar Housing Need Assessment

In September 2013 Cheddar Parish Council carried out a parish wide housing need assessment (“HNA”) the results of which will inform the neighbourhood plan. The deadline for replies was 6th October 2014. The results of this survey have yet to be published.

Demand for the new affordable homes at Helliars Lane (Cheddar) was significantly over subscribed from local people seeking assistance to secure an affordable home in Cheddar. Given the unprecedented level of unmet affordable housing demand, Sedgemoor District Council felt it was appropriate to look into what (if any) unmet housing need existed in Cheddar by carrying out a “mini” housing need assessment.

As reported in November 2014, this exercise suggested that there was a need for a further 41 affordable homes in Cheddar. The detailed requirement is summarised below.

34 x Affordable Rent

19 x 1-bed home for rent;
9 x 2-bed house for rent;
5 x 3-bed house for rent;
1 x 4-bed house for rent;

7 x Affordable Homeownership

1 x 1-bed home for affordable-homeownership;
5 x 2-bed houses for affordable-homeownership;
1 x 3-bed houses for affordable-homeownership;

Note All 41 households were assessed as having a strong local connection with Cheddar Parish

Note A further 10 respondents were assessed as being in housing need, but a lesser local connection.

As with any housing survey, the exercise is not an exact science. Whilst the conclusions associated with the 2014 exercise offer a snap-shot in time into the likely affordable housing need in Cheddar, the exercise did provide a strong indication that demand for an affordable home in Cheddar remains high.

Whilst described as being a “mini” housing need assessment, the 2014 HNA is no less a valid survey following the same rigorous methodology and assessment criteria used when carrying out a traditional “full” parish wide HNA. A parish wide HNA would have seen survey forms sent to every property in Cheddar. The cost of carrying out a full HNA could not be funded or resourced by Sedgemoor District Council at the time.

The mini HNA simply sought to gain an insight into what level of unmet affordable housing existed post occupation of the 77 affordable-homes at Helliars Lane in Cheddar. At that time, there were a total of 177 households seeking an affordable home in Cheddar on the homefindersomerset CBL (“choice based lettings”) housing register. Many people still refer to the CBL system as the “housing waiting list”.

Whilst the CBL information is a useful indication of possible unmet need, the range of data held on the CBL system did not allow us to accurately assess true housing need across the parish.

It should be noted that housing applicant’s seeking a home via the homefindersomerset CBL system 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. Whilst speculation on my part, the numbers of CBL housing applicant’s with a potential interest in an affordable home in Cheddar is likely to be greater than the 177 contacted through the 2014 HNA exercise.

A standard SDC HNA survey form was sent to all one hundred and seventy-seven (177) households registered on the CBL system who had stated Cheddar was their preferred place to live.

The 2014 HNA was conducted by Sedgemoor District Council’s Affordable Housing Development Unit (AFHDT).

59 HNA forms were returned (representing about a third of the 177 registered on the CBL)

Quite why so many people, who have taken the time to register for housing on the CBL system failed to reply to the HNA is unclear at this time. Many of those contacted would have missed out on an affordable home at Helliars Lane. Experience gained from working in other rural communities tells us that CBL applicant’s often assume that their CBL submission doubles up as a HNA. This assumption on the CBL applicant’s part is incorrect. Apathy and form-filling overload is often cited by the non-responding CBL applicant.

Individual 2014 HNA responses were assessed against the methodology described in the original 2014 HNA report. This methodology is set out later in this report for information.

The 2014 Cheddar Housing Need Assessment Review – February 2016

Since publishing the 2014 HNA report in November 2014, new affordable homes have been completed at Sharpham Road in Cheddar by Stonewater Housing Association.

It has been suggested from some quarters that the homes at Sharpham Road has absorbed a significant level of identified need in the 2014 HNA. Regrettably, this is not true.

The February 2016 review is not a new HNA. The review simply looked back at the information provided in 2014 to see what impact the Sharpham Road development has had in tackling the housing requirements of those assessed as being in housing need in 2014.

Information provided and assessed in late 2014 was reviewed.

The assessment criteria, assumptions and methodology used in 2014 were the same.

The cost associated with carrying out a full parish-wide HNA of circa 2500+ households has been estimated at £7,800. Sedgemoor District Council has neither the resources nor the budget to carry out an exercise of this scale at this time.

So, what impact has the Sharpham Road scheme had in tackling the housing requirements of the 41 household's assessment as being in housing need in the November 2014 HNA?

Sharpham Road, TCPA reference 17/09/00105 provided a total of twenty-three new homes. The planning consent required that 100% ~~40%~~ of these homes should be affordable housing (~~9 units~~). The TCPA s106 includes a local letting requirement that these ~~for these nine~~ units designed to offer priority to local Cheddar people. ~~With construction of these new homes being delayed due to the lack of an open market partner (to build the fourteen market homes),~~ The SDC AFHDT worked closely with Stonewater Housing Association to fund the construction of these ~~purchase of the additional fourteen market~~ homes. This ultimately meant that all twenty-three properties at Sharpham Road became affordable housing. ~~Whilst not required to implement the local letting requirement for the additional fourteen homes,~~ Stonewater agreed with priority going to local people. ~~where possible for these extra homes.~~ Note: strike through wording deals with an inaccurate typo.

The allocation of the Sharpham Road properties was via the homefindersomerset CBL system. Anyone interested in being considered for one of these properties will have had to already pre-register on the CBL system in order to be considered. The new homes at Sharpham Road were advertised on the CBL system. Potential suitable CBL applicants who were registered on the system at the time were able to "bid" for individual specific properties at Sharpham Road. It is important to note that potentially suitable CBL applicants could have bid for these properties even if Cheddar wasn't their preferred place to live.

Bidding for the Sharpham Road properties opened in the autumn of 2015, with successful residents eventually moving in throughout late 2015.

The Regional Housing Manager at Stonewater Housing Association has confirmed that they received a total of 295 household bids for the 23 affordable homes at Sharpham Road. Of these, about a third was residents who had bid for more than one property. Nevertheless, after discounting a third of the bids, circa 200 households bid for these new homes. This means that there was circa 8/9 household bids for every affordable home on offer. This meant that the vast majority of those who bid were unsuccessful (circa 175 households). Stonewater HA has also confirmed that "...every single person had a connection to the village as per the S106..."

After cross referencing the allocation data for Sharpham Road with the 2014 HNA information, only two (2) of the 41 HNA respondents (assessed as being in housing need) were successful in securing one of the Sharpham Road properties. A further one HNA respondent has since been rehoused in a SDC property.

After deducting the three successful applicants (as described above), a revised housing need figure flowing from the 2014 HNA would read 38 affordable homes. The detailed requirement is summarised below.

31 x Affordable Rent

18 x 1-bed home for rent;
8 x 2-bed house for rent;
4 x 3-bed house for rent;
1 x 4-bed house for rent;

7 x Affordable Homeownership

1 x 1-bed home for affordable-homeownership;
5 x 2-bed houses for affordable-homeownership;
1 x 3-bed houses for affordable-homeownership;

Note All 38 households were assessed as having a strong local connection with Cheddar Parish

Note A further 10 respondents were assessed as being in housing need, but a lesser local connection.

Current Levels of Housing Register (“CBL”) Demand – February 2016

Based on experience elsewhere the Homefindersomerset CBL data is a useful additional indicator of potential affordable housing demand.

As discussed earlier, housing applicant’s seeking a home via the homefindersomerset CBL system 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. Whilst speculation on my part, the numbers of CBL housing applicant’s with a potential interest in an affordable home in Cheddar is likely to be greater than the figures described below.

Cheddar - Homefinder Somerset CBL as at 02-2016

Cheddar - Homefinder Somerset CBL as at 02-2016					Max Bed Size Override
Min Bedroom	1	2	3	4	Grand Total
Grand Total	40	53	11	4	108

The above table has been extracted from the Homefindersomerset CBL “live” database of people seeking an affordable home in Cheddar. These figures on relate to those people who have chosen Cheddar as their preferred place to be housed.

On face value, the numbers of people seeking an affordable home in Cheddar has dropped from the 177 in November to lower number in February 2016. It would be incorrect to assume that this reduction has come about through significant numbers of people being rehoused. The primary reason for this reduction can be attributed to the CBL system being is routinely reviewed and audited. Nevertheless, a figure of one-hundred and eight CBL applicants is still a significant number of households in need of help with their future housing.

When considering Cheddar’s role-and-function in terms of location. Sedgemoor District Council currently classifies Cheddar as a Key Rural Settlement in the current local plan. Cheddar provides important services to residents living in neighbouring parishes. Once function could include the provision of affordable housing. Many of the neighbouring parishes may not have the planning policies nor access to the requisite public funds to bring forward new affordable homes in own parish. Residents seeking affordable homes in these parishes are likely to look to Cheddar for a solution.

Neighbouring Parishes to Cheddar - Homefinder Somerset CBL as at 02-2016

Neighbouring Parishes to Cheddar - Homefinder Somerset CBL as at 02-2016					Max Bed Size Override
Min Bedroom	1	2	3	4	Grand Total
Axbridge	13	6	1	1	21
Weare	1	0	0	0	1
Rodney Stoke	1	1	0	0	2
Shipham	2	0	0	0	2
Priddy	1	0	0	0	1
Grand Total					27

At this point, I now begin to speculate about the range of possible affordable-housing demand from households with a strong local connection to Cheddar.

Whilst acknowledging that simply being registered on the CBL system does not necessarily mean each and every applicant can be said to be in housing-need, the above figures are nevertheless a useful pointer to a potential scale of affordable housing demand in the Cheddar locality.

The combined evidence from the Cheddar 2014 mini HNA with local connection (38) & without a local connection (10), live CBL data (108+) and recent bidding data from Sharpham Road would provide confidence that a truer reflection of unmet need in Cheddar would be higher than the 38 suggested in this document.

Recent projects in localities such as East Brent, East Huntspill, Nether Stowey have all provided evidence that true levels of local unmet affordable-housing need is much higher than that suggested by the HNA. Indeed, in each instance, the numbers of local people left on the Homefindersomerset CBL system after the project has been built / occupied has been higher than the CBL figure prior to project.

Again, calling on past experiences, local people are often apathetic to register for affordable-housing (prior to a project) because they often feel there is no prospect of a home. In each case, the crude numbers of local people registering on the CBL system spikes 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.

Whilst I prefer to deal in facts, we mustn't forget any HNA is simply a snap-shot in time. In this instance, I would be happy to call on fact and strong recent experiences (as described above).

Notwithstanding the above speculation, it is important to note that the applicant information from the homefindersomerset housing system (CBL) has not been used to inform this paper.

The 2014 Cheddar Housing Need Assessment Review – February 2016

After cross referencing the allocation data for Sharpham Road with the 2014 HNA information, only two (2) of the 41 HNA respondents (assessed as being in housing need) were successful in securing one of the Sharpham Road properties. A further one HNA respondent has since been rehoused in a SDC property.

After deducting the three successful applicants (as described above), a revised housing need figure flowing from the 2014 HNA would read 38 affordable homes. The detailed requirement is summarised below.

31 x Affordable Rent 18 x 1-bed home for rent; 8 x 2-bed house for rent; 4 x 3-bed house for rent; 1 x 4-bed house for rent;	7 x Affordable Homeownership 1 x 1-bed home for affordable-homeownership; 5 x 2-bed houses for affordable-homeownership; 1 x 3-bed houses for affordable-homeownership;
Note All 38 households were assessed as having a strong local connection with Cheddar Parish	
Note A further 10 respondents were assessed as being in housing need, but a lesser local connection.	

Detailed Assessment of Individual HNA Respondents

Respondent Reason for Needing Housing	What Local Connection	Respondent Desired Housing	Affordability Potential (£)	Number in Household	Recommend AFH Tenure	Recommend Bedroom(s)
Medical	Live + 5 yrs	1bb Rent	32,300	1	Rented	1
Too expensive	Family	1bf Rent	50,500	1	Rented	1
Medical	Live + 5 yrs	1bf Rent	89,400	1	Rented	1
Too small	Live + 5 yrs	3bh Rent	18,200	4	Rented	3
Family support	Family	2bh Rent	63,700	3	Rented	2
Too expensive	Live + 5 yrs	2bh Rent	100,100	3	Rented	2
Too expensive	Live + 5 yrs	1bh Rent	18,200	2	Rented	1
no details	Live + 5 yrs	2bh SO	63,700	4	SO	2
Too expensive	Live + 5 yrs	2bh SO	no details	3	SO	2
Wants council bungalow	Live + 5 yrs	1bb OP	50,500	1	Rented	1
Too expensive	Live + 5 yrs	2bh Rent	45,500	2	Rented	2
Family breakup	Live + 5 yrs	2bf Rent	no details	3	Rented	2
Too large	Live + 5 yrs	1bb OP	18,200	1	Rented	1
no details	Live + 5 yrs	2bh Rent	63,700	3	Rented	2
Too small	Live + 5 yrs	1bh Rent	no details	1	Rented	1
Medical	Live + 5 yrs	1bb Rent	45,500	1	Rented	1
Need more security	Live + 5 yrs	2bh Rent	86,900	2	SO	2

Respondent Reason for Needing Housing	What Local Connection	Respondent Desired Housing	Affordability Potential	Number in Household	Recommend AFH Tenure	Recommend Bedroom(s)
Asked to leave by parents	Live + 5 yrs	4bh Rent	no details	6	Rented	4
Living in a caravan	Live + 5 yrs	1bf Rent	32,300	2	Rented	1
Need more security	Live + 5 yrs	1bf Rent	27,300	1	Rented	1
Family support	Live + 5 yrs	1bf OP	183,800	2	SO	1
no details	Live + 5 yrs	1bf Rent	45,500	1	Rented	1
Too small	Live + 5 yrs	2bh Rent	no details	3	Rented	2
Medical	Live + 5 yrs	1bf Rent	18,200	1	Rented	1
Setting up home first time	Work + 5 yrs	3bh Rent	45,500	4	Rented	3
Would like to buy	Live + 5 yrs	2bh Rent	100,100	2	SO	2
Would like more children	Live + 5 yrs	2bh SO	81,900	3	SO	2
Medical	Live + 5 yrs	1bf OP	no details	4	Rented	4
Need more security	Live + 5 yrs	1bf SO	27,300	1	Rented	1
Too expensive	Live + 5 yrs	2bh Rent	37,300	2	Rented	2
Too small	Live + 5 yrs	3bh Rent	45,500	4	Rented	3
Too expensive	Live + 5 yrs	3bh Rent	55,500	4	Rented	3
Mothers tied housing	Live + 5 yrs	2bh Rent	45,500	2	Rented	2
Too expensive	Work + 5 yrs	1bh Rent	no details	2	Rented	1
Too expensive	Live + 5 yrs	1bf Rent	50,500	2	Rented	1
Family breakup	Live + 5 yrs	1bf Rent	no details	1	Rented	1
no details	Live + 5 yrs	1bh Rent	45,500	2	Rented	1
Too small	Family	2bf Rent	no details	2	Rented	2
Too expensive	Live + 5 yrs	3bh Rent	45,500	4	Rented	3
Too expensive	Live + 5 yrs	2bh SO	86,900	3	SO	3
No details	Live + 5 yrs	2bh Rent	45,500	3	Rented	2
(*) Could afford shared-ownership (no deposit), therefore rented recommended (*)						
Those struck through in the above table were successful in being housed at Sharpham Road or SDC Vacancy						

The above recommended bedrooms are based on the size of household and the Governments welfare reforms. The majority of respondents who are deemed to be in housing need have the affordability and some sort of savings behind them to be able to afford some form of affordable home-ownership product. A degree of weight may be given to respondent's desired housing when it comes to size who have indicated an interest in homeownership products. Respondents who are interested in home-ownership products are likely to be thinking of future plans for having a family and therefore requesting a larger house than necessary in order to purchase a long term home.

Cheddar – The Parish

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

Cheddar is a large village in the north of the district of Sedgemoor. It is situated on the southern edge of the Mendip Hills, 9 miles (14 km) north-west of Wells. The village, which has its own parish council, has a population of 5,684 (Office of National Statistics, Census 2011)

There are 2,449 households in Cheddar parish (Office of National Statistics, Census 2011)

Owner Occupied Accommodation: Homeownership is the dominant housing tenure in Cheddar, equating to 77.3% of all properties in the Parish ^(ONS data, updated April 2011).

The November 2014 HNA reported 167 properties were sold in the parish over the past twelve months (1 year period) with an average price of £244,840. As at October 2014, there were 91 Cheddar properties on the open market for sale ranging from £750,000 to £89,256. The average asking price stood at £288,040. As at October 2014 there were seventeen (17) x one (1) bed properties, fifteen (15) x two (2) bed properties, twenty-four (24) x three (3) bed properties and twenty x four (4) bed properties for sale in Cheddar. Statistics were provided by Zoopla.

By using statistics provided by Zoopla “real house price data”, and taking a conservative view on the current average house 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 £160,438 for a two bedroom property and circa £270,634 for a 3 bedroom property. These are mid-range guide figures.

By February 2016, a snap shot of the housing market confirmed that 81 properties were sold in the parish over the past twelve months (1 year period) with an average price of £266,593 (up by £26k from November 2014). The average asking price of a home in Cheddar stood at just over £306k (up £18k from November 2014).

By using statistics provided by Zoopla “real house price data”, and taking a conservative view on the current average house 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 £190k (up £30k from November 2014) for a two bedroom property and circa £297k (up £17k from November 2014) These are mid-range figures and are only a guideline. The cheapest property on the market was a 1-bed flat at £105k.

House prices have risen circa 12% since November 2014. Local incomes are not keeping pace with this rate of house price inflation. Cheddar is becoming an increasingly unaffordable place to live for many local people.

The 2014 HNA exercise has not offered any obvious insight into the future scale and nature of market housing requirements for Cheddar. The Sedgemoor Core Strategy is the Local Plan relevant to Cheddar. 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. This indicates that 70% of all new homes (2006 - 2027) are to be built in Bridgwater and 15% at Burnham-on-Sea and Highbridge. The remaining 15% (1,575 homes) are expected to be provided in smaller towns and villages. The majority of the 15% (12%) going to 17 identified Key Rural Settlements (KRS), of which Cheddar is one.

Private Rented Accommodation: Private rented housing is in limited supply, with anecdotal research suggesting exceptional high levels of local demand as and when rare vacancies arise. The PRS sector accounts for approximately 13% of the total Cheddar housing stock ^(ONS data, Census 2011). Turnover of private rented housing in Cheddar is slow. Rent levels are generally higher than the district average. Larger properties (capable of accommodating larger families) would undoubtedly be much more expensive. Benefits and financial support is available for private tenants renting property or a room from a private landlord. If they are on a low income, they may be able to claim and receive Local Housing Allowance.

Affordable Housing

There were 227 affordable-housing households (9.3%) ^(Office of National Statistics, Census 2011). The impact of the right-to-buy” has seen the numbers of affordable homes drop since the early 1980’s. Whilst vacancies do arise from this stock, vacancy rates in high demand units (such as family houses and general need flats) tend to be very low. A further 100 new affordable homes have been built in Cheddar (Helliars Lane & Sharpham Road) since the census data was published. The demand for these new homes was significantly over subscribed from local people seeking assistance to secure an affordable home in Cheddar.

The churn rate from the existing affordable housing stock future affordable housing opportunities is difficult to predict. The vast majority of recent vacancies (13 over the past 12 months) in Cheddar have tended to be accommodation specifically designated for older people. Affordable housing vacancy rates in homes classified for general needs housing for young people (0), couples (0) and families (3) with children are very low. Unlike the developments and Helliars Lane and Sharpham Road, the majority of the existing affordable housing stock does not have a local allocation policy offering local people initial priority.

When considering the scale of any future affordable housing provision for Cheddar, the following TCPA approved schemes have been considered. **Wedmore Road (Stear Bushes) TCPA 17-08-00103** has planning permission for eighteen new homes. If implemented, six of these would be affordable housing. If built, these new affordable units would not carry a local priority allocation policy and as such could be allocated to people with no obvious local connection with Cheddar. Discussions with the applicant offer little confidence that this TCPA approval will be built out anytime in the foreseeable future. There are a **further 12 TCPA** approved

residential planning permissions in Cheddar. Due to their scale and numbers of units associated with each site, none will provide affordable housing.

Second Homes, Holiday Lets and Empty Properties: Information from the 2011 census confirmed that the number of second homes-holiday lets in Cheddar was 252, of these there are 15 classed as empty. The number of Long Term Empty properties excluding second homes was 23 properties. Empty properties can have an extremely negative impact on a local community, as they deteriorate rapidly and as well as being unsightly can often become targets for vandalism and crime. Reducing empty properties is an important priority for Sedgemoor District Council, and they can provide advice and assistance to owners of empty properties which they would like to sell or rent out. Sedgemoor District Council has worked in partnership with owners and local Housing Associations to bring empty properties back into use, and also maintain a list of accredited private landlords. The Council has currently made some empty property funding available.

Young People and Families: 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 parishes, are priced out of the market or forced to leave the parish due to a lack of affordable 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.

An Ageing Population: In line with the national picture, the percentage of people aged over 60 (living in Sedgemoor) is expected to rise significantly over the coming decades. Cheddar has a higher than average population of 1,034 people aged 65 or over. Many older people consider their home to be unsuitable for their needs, and may require alternative accommodation, but often as their home is a large asset they are not deemed in need of affordable housing, however, it may be that they are in need of suitable local housing if none is available on the open market. The evidence arising from this assessment would bear testament to this statement.

Returnees and Employees: There is often frustration regarding the lack housing, affordable or market led, for people who have left the parish and wish to return, many to provide family support. Similarly, the lack of housing options affects individuals who are employed in the parish. They may be in need of affordable housing if they cannot afford to buy in the parish or if there is a lack of available market led housing. There was some evidence of this arising from the assessment.

The 2014 HNA Assessment Rationale

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

The mini HNA simply sought to gain an insight into what level of unmet affordable housing existed post occupation of the occupation of the 77 affordable-homes at Helliers Lane in Cheddar. At that time, there were a total of 177 households seeking an affordable home in Cheddar on the homefindersomerset CBL ("choice based lettings") housing register. Many people still refer to the CBL system as the "housing waiting list".

The purpose of this exercise was to look into what (if any) unmet housing need existed in the parish of Cheddar from those households who were registered on the CBL housing register and seeking a home in Cheddar.

Whilst described as being a "mini" housing need assessment, the 2014 HNA followed the same rigorous methodology and assessment criteria used when carrying out a traditional "full" parish wide HNA. A parish wide HNA would have seen survey forms sent to every property in Cheddar. The cost of carrying out a full HNA could not be funded or resourced by Sedgemoor District Council at the time.

A standard SDC HNA survey form was sent to all one hundred and seventy-seven (177) households registered on the CBL system who had stated Cheddar was their preferred place to live.

Information provided and assessed in late 2014 was reviewed.

The assessment criteria, assumptions and methodology used in 2014 were the same.

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 Cheddar?" 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 Cheddar housing. This assessment and recommendations contained within this report

deal with need rather than desired or perceived future housing requirements in Cheddar. This report includes a clear statement “recommendations” on the unmet housing need in Cheddar. The report conclusions are justified within the body of this report.

The Assessment Assumptions (as described in the November 2014 Cheddar HNA)

The personal data provided from survey responses has 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 Housing Affordability Assessment (“What Can Someone Afford For Their Housing?”)

Sold house prices and current open market prices have been used as markers to assess those who can afford open market housing and those in need of affordable housing.

The November 2014 HNA reported 167 properties were sold in the parish over the past twelve months (1 year period) with an average price of £244,840. As at October 2014, there were 91 Cheddar properties on the open market for sale ranging from £750,000 to £89,256. The average asking price stood at £288,040. As at October 2014 there were seventeen (17) x one (1) bed properties, fifteen (15) x two (2) bed properties, twenty-four (24) x three (3) bed properties and twenty x four (4 bed) properties for sale in Cheddar. Statistics were provided by Zoopla.

By using statistics provided by Zoopla “real house price data”, and taking a conservative view on the current average house 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 £160,438 for a two bedroom property and circa £270,634 for a 3 bedroom property. These are mid-range figures and are only a guideline.

By February 2016, a snap shot of the housing market confirmed that 81 properties were sold in the parish over the past twelve months (1 year period) with an average price of £266,593 (up by £26k from November 2014). The average asking price of a home in Cheddar stood at just over £306k (up £18k from November 2014).

By using statistics provided by Zoopla “real house price data”, and taking a conservative view on the current average house 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 £190k (up £30k from November 2014) for a two bedroom property and circa £297k (up £17k from November 2014) These are mid-range figures and are only a guideline. The cheapest property on the market was a 1-bed flat at £105k.

House prices have risen circa 12% since November 2014. Local incomes are not keeping pace with this rate of house price inflation. Cheddar is becoming an increasing unaffordable place to live for many local people.

Shared Ownership (SO) means that the households have been judged able to buy a share of the property as shared ownership or shared equity. An estimate of £80,000 has been used as the being affordable for shared-ownership housing.

To determine whether households could afford to buy a house on the open market in the parish, weekly household income has been used, along with additional income, savings and current equity holdings (income + savings + equity).

At present mortgage lenders may require between 10% - 25% deposit on the mortgage needed. Thus on a house worth £150,000, the applicant would need a minimum of £15,000 to secure a loan. The table below shows the notional purchasing power (assuming 10% and 25% deposits). Where there is only one household income, an earnings multiplier of 3 has been assumed. In households with more than one income an earning multiplier of 3.5 has been assumed. Whilst it is likely that individual households will have different mortgage product, interest charges and repayment periods. For the purpose of this assessment, it has been assumed the interest rate is 5% and 25 year repayment period.

				Interest (APR)	5%					
				Term (years)	25					
Income £pa	Mortgage multiplier	Deposit	Mortgage Obtainable	Purchasing Power	Monthly mortgage cost	Deposit	Mortgage Obtainable	Purchasing Power	Monthly mortgage cost	Monthly mortgage cost
£10,000	3	25%	£30,000	£40,000	-£169	10%	£30,000	£33,333	-£169	-£169
£15,000	3	25%	£45,000	£60,000	-£253	10%	£45,000	£50,000	-£253	-£253
£20,000	3	25%	£60,000	£80,000	-£337	10%	£60,000	£66,667	-£337	-£337
£25,000	3	25%	£75,000	£100,000	-£421	10%	£75,000	£83,333	-£421	-£421
£30,000	3	25%	£90,000	£120,000	-£506	10%	£90,000	£100,000	-£506	-£506
£35,000	3	25%	£105,000	£140,000	-£590	10%	£105,000	£116,667	-£590	-£590
£40,000	3	25%	£120,000	£160,000	-£674	10%	£120,000	£133,333	-£674	-£674
£45,000	3	25%	£135,000	£180,000	-£759	10%	£135,000	£150,000	-£759	-£759
£50,000	3	25%	£150,000	£200,000	-£843	10%	£150,000	£166,667	-£843	-£843

Income £pa	Mortgage multiplier	Deposit	Mortgage Obtainable	Purchasing Power	Monthly mortgage cost	Deposit	Mortgage Obtainable	Purchasing Power	Monthly mortgage cost	Monthly mortgage cost
£10,000	3.5	25%	£35,000	£46,667	-£197	10%	£35,000	£38,889	-£197	-£197
£15,000	3.5	25%	£52,500	£70,000	-£295	10%	£52,500	£58,333	-£295	-£295
£20,000	3.5	25%	£70,000	£93,333	-£393	10%	£70,000	£77,778	-£393	-£393
£25,000	3.5	25%	£87,500	£116,667	-£492	10%	£87,500	£97,222	-£492	-£492
£30,000	3.5	25%	£105,000	£140,000	-£590	10%	£105,000	£116,667	-£590	-£590
£35,000	3.5	25%	£122,500	£163,333	-£688	10%	£122,500	£136,111	-£688	-£688
£40,000	3.5	25%	£140,000	£186,667	-£787	10%	£140,000	£155,556	-£787	-£787
£45,000	3.5	25%	£157,500	£210,000	-£885	10%	£157,500	£175,000	-£885	-£885
£50,000	3.5	25%	£175,000	£233,333	-£983	10%	£175,000	£194,444	-£983	-£983

In summary, where it is considered that the household's affordability potential is insufficient to purchase on the open market or shared ownership, affordable rent or social rent has been recommended.

The Housing Need Assessment ("Is the household suitably or unsuitably housed")

Accommodation Mismatch

- Overcrowded according to the bedroom standards (including caravans).
- Difficult to maintain (e.g. too large) even with equity release.
- Households containing people with mobility impairment or other specific needs living in unsuitable dwelling (e.g. accessed via steps), which cannot be made suitable insitu.

Current Home Facility and Condition

- Lacks a bathroom, kitchen or inside WC and household does not have the resources to make fit.
- Sharing a kitchen, bathroom or WC with another household.
- Subject to major disrepair or unfitness and household does not have the resources to make fit.

Social Reasons

- Need to live independently or need housing due to divorce/separation.
- Needs to live near immediate family/friends to give or receive support.
- Harassment from other living in the vicinity which cannot be resolved except through a move.
- Inaccessibility of accommodation to employment.
- Households with tenure under notice, real threat of notice or lease coming to an end;
- Housing is too expensive for households.

Is the household unable to afford to rent or buy on the open market?

There is a demonstrable disparity between the family income and/or assets and local house prices or rents.

Where a 1 bed unit is requested for rent (and in light of the 2012 Welfare Reforms), it is assumed that a 1 bedroom unit is appropriate. If a single person or a couple have expressed a need for a house or a flat - this is accepted. If a preference was not given, then a house is given as the preferred recommended option. If it is a family, a house has been recommended. Bungalows have been recommended for older households, over 55 or for those who state they have mobility concerns. If a bungalow has been requested without justification, a level access property has been recommended.

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.

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 housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

The delivery of, and the deliverability of affordable housing is likely change in the near future. Issues such as a seismic central government policy shift from rented housing towards homeownership could increase pressure on existing affordable housing stock in high value areas such as Cheddar. Other factors such as the reduced public sector investment into traditional affordable rented housing, the extension of the right to buy for housing association tenants and reduced financial capacity from within the social housing providers to maintain meaningful new build programmes all point to an uncertain future.

Affordable Rented Homes

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 Cheddar, 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 Options

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.

Local Plan Housing Policies

The Sedgemoor Core Strategy and Affordable Housing: The Core Strategy was formally adopted at the Full Council meeting on 12th October 2011 and has replaced the Sedgemoor District Local Plan 1991-2011 as the 'development plan' for the District. The adopted Core Strategy (CS) can be viewed via the following link www.sedgemoor.gov.uk

The Core Strategy sets out a 20 year vision for the District and establishes the spatial strategy and spatial policies and outlines the key infrastructure and investment decisions required to deliver this. It is central to achieving the objectives of the Sustainable Community Strategy for Sedgemoor and the Council's identified priorities.

The Core Strategy 'joins up' town planning and land use issues with plans and strategies of other stakeholders and service providers that deal with community issues such as health, community safety, housing, employment, community development, education, transport, the environment and regeneration. This approach is called spatial planning, and ensures development and investment decisions are guided by the objectives and long-term vision for the District. Spatial planning is not limited to things that the District Council control, therefore working with other partners and agencies will be essential

In terms of affordable housing, Policy D6 deals with the delivery of affordable housing. Policy D7 deals with Rural Local Needs. Policy D7 has designated Cheddar as a Key Rural Settlement (KRS) and as such policy D7 allows for rural exception of small scale housing development in or adjacent to rural settlements outside of Key and Local Service Centres where the housing is 100% affordable to meet an identified local housing need. A further CS policy (P4) allows for mixed tenure housing projects to come forward to address unmet local housing needs.

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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