



# **Westonzoyland Parish Housing Need Assessment**

**2016**

## **Final Report**

**APRIL 2016**



## Westonzoyland Parish Housing Need Assessment (2015-16)



<b>Draft Report</b>	<b>MARCH 2016</b>
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### **Sedgemoor Affordable Housing Development Unit**

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.



## The 2015-16 Westonzoyland Housing Need Assessment

Sedgemoor District Council's Affordable Housing Development Unit ("AFHDU") undertook a housing survey ("HNA") in Westonzoyland in late 2015. A letter was sent to every household living in the parish of Westonzoyland. The letter, along with a stage-one Expression of Interest Survey Form ("EOI") invited people to community housing consultation in the village hall on 26<sup>th</sup> August 2015.

The Westonzoyland HNA set out to investigate what level of unmet housing need existed from people with a connection with the parish. The HNA used a two stage assessment process.

As described above, **STAGE-ONE** saw a short housing questionnaire posted to every household in the parish of Westonzoyland which incorporated an invite to a housing consultation held in the village hall on 26<sup>th</sup> August 2015. This simply asked respondents to indicate whether they felt they had some form of unmet housing need and invited them to come along to the consultation event. This exercise provided an initial insight into what unmet housing need might exist locally. This exercise resulted in 29 separate local households come forward claiming to have some form of unmet housing need in Westonzoyland.

A detailed housing assessment of each of the 29 respondents from stage-one took place at **STAGE-TWO**. This stage asked people to complete a longer and more in depth housing survey questionnaire ("HNA"). HNA forms were also sent to a further 38 families (expressly looking for a home in Westonzoyland or were looking for a home elsewhere, yet had a connection with Westonzoyland) who were already registered with the authority on the homefindersomerset CBL register. The CBL register is commonly referred to as the housing waiting list. People living outside Westonzoyland would not have received a HNA form. Nevertheless people living elsewhere were free to submit a HNA form if they were aware of that the survey was taking place.

### Assessment of Affordable Housing Need in Westonzoyland = 24 Homes

#### 20 x Affordable Rented

8 x 1-bed flat/house for rent  
6 x 2-bed house for rent  
4 x 3-bed house for rent  
2 x 4-bed house for rent

#### 4 x Affordable Homeownership

2 x 1-bed flat /house for affordable-homeownership  
1 x 2-bed house for affordable-homeownership  
1 x 3-bed house for affordable-homeownership

As with any housing survey, the exercise is not an exact science. Nevertheless, the conclusions of this report do offer a snap-shot in time into the possible levels of affordable housing need in Westonzoyland from local people.

As at September 2015, there were a total of 38 families expressly looking for an affordable home in Westonzoyland or were looking for a home elsewhere, but had a connection with Westonzoyland registered with the authority on the homefindersomerset CBL register. 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 in Westonzoyland.

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 Westonzoyland is likely to be greater than 38.

Despite writing to all 38 CBL applicants personally, a significant number of these failed to respond to the HNA survey. 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. 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.

Only responses to the HNA have been used to inform the conclusions of this report.

## Westonzoyland

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.

Westonzoyland is a village (and civil parish) in Somerset. The village is situated on the Somerset Levels, 4 miles south east of the town of Bridgwater

There were 736 households in Westonzoyland parish <sup>(Office of National Statistics, Census 2011)</sup>

### Owner Occupied Accommodation

Homeownership is the overwhelming dominant housing tenure in Westonzoyland, equating to 82% all properties in the Parish <sup>(ONS data, updated April 2011)</sup>. This is above the average for Sedgemoor (71%) and the average for England.

Reviewing recent house sale values and current asking prices confirm that cost is a significant barrier for many looking to purchase a home. Despite a below average increase in house prices of £5,279 in Westonzoyland over the past year (increase of 2.4%) <sup>Zoopla, March 2016</sup> Westonzoyland properties remain unaffordable and out of reach for a significant number of local people (who are already not on the housing ladder and on local incomes) looking for a home in Westonzoyland.

Assessing the entry level price of housing is difficult in Westonzoyland. The average price paid for a home in Westonzoyland over the past year was £195,816 <sup>Zoopla, March 2016</sup>. The current average asking price of homes stands at a staggering £229,422 <sup>Zoopla, March 2016</sup>. The smallest property on the market at this time is a 3 bed unit at £249,950.

The majority of homes sold or currently on the market tend to be larger homes, with very few smaller homes available for people looking to get a foot on the housing market ("first time buyer housing"). There have been no flats on the market for sale in Westonzoyland.

Research has confirmed that the lowest recorded sale price for residential property (since 2013) has been in the region of £165,000 <sup>Zoopla, March 2016</sup>. Resale values for residential property in the Westonzoyland area are typically in excess of £250,000 <sup>Zoopla, March 2016</sup>. There have been no properties sold in Westonzoyland over the past 12 months which could be typically considered "first time buyer housing". The majority of properties sold were 3 bed family homes, the smaller two bed properties sold tended to be bungalows which are typically not first time buyers properties.

Assuming someone was looking for a small property priced at 165k. This would typically require a person to have a minimum deposit of 10% (£16.5k) in order to secure a mortgage of £148.5k. Notwithstanding the fact that many people do not have access to any form of deposit and by referring to the table later in this report (labelled "Detailed Assessment of Individual 2014/15 Westonzoyland HNA Respondents"); none of these households could even afford the cheapest, smallest property.

Furthermore, local incomes are not keeping pace with this rate of house price inflation. Westonzoyland is becoming an increasing unaffordable place to live for many local people.

The 2015-16 HNA exercise has not offered any obvious insight into the future scale and nature of market housing requirements for Westonzoyland.

The Sedgemoor Core Strategy is the Local Plan relevant to Westonzoyland. 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 Westonzoyland is one.

### Private Rented Accommodation

The PRS sector accounts for approximately 9% of the total Westonzoyland housing stock <sup>(ONS data, Census 2011)</sup>. This is below the average for Sedgemoor. PRS housing is in limited supply. Whilst only Anecdotal, research suggesting exceptional high levels of local demand as and when rare vacancies arise. Whilst this review is only a snapshot in time, there were no PRS vacancies being advertised at the time of this point-in-time. 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 (LHA).

### **Affordable Housing**

As at March 2011, there were 60 affordable homes in Westonzoyland. This equated to 7.5% of the Westonzoyland housing stock (ONS data, updated March 2011). The majority of these (52) were provided on rented basis by Sedgemoor District Council or by housing associations. There are a further 8 affordable-homes provided on a shared-ownership basis. The impact of the right-to-buy has seen the numbers of affordable homes drop since the early 1980's. The existing affordable housing stock is likely to come under pressure as-and-when the government introduces the right-to-buy for housing associations and the possible sale of high value local authority stock. It remains to be seen just what effect these initiatives will have in high value areas such as Westonzoyland.

Whilst there have been 10 affordable housing vacancies in Westonzoyland over the past 24 months, predicting future churn rate from the existing affordable housing stock future affordable housing opportunities is difficult to predict. The vast majority of these recent vacancies (8) in Westonzoyland 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 (2) with children are very low. None of the existing affordable housing stock has a local allocation policy offering local people initial priority. This means that people, registered on the CBL system, without any form of connection with Westonzoyland can apply for vacancies as they arise.

As at September 2015, there were a total of 38 families expressly looking for an affordable home in Westonzoyland or where looking for a home elsewhere, but had a connection with Westonzoyland registered with the authority on the homefindersomerset CBL register. Of these, there are currently 13 seeking an affordable home in Westonzoyland.

When considering the scale of any future affordable housing provision for Westonzoyland, consideration has been given to parcels of land where TCPA planning approval for housing has been granted. There are a currently no TCPA approved residential planning permissions which will increase the supply of affordable housing in Westonzoyland.

### **Second Homes, Holiday Lets and Empty Properties**

Information from the 2011 census suggests that second homes-holiday lets and long-term empty properties are not a significant issue in Westonzoyland. Nevertheless, 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.

### **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 communities, are priced out of the market or forced to leave the Town 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. Westonzoyland has a higher than average population of 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 Town and wish to return, many to provide family support. Similarly, the lack of housing options affects individuals who are employed in the Town. They may be in need of affordable housing if they cannot afford to buy in the Town or if there is a lack of available market led housing. There was some evidence of this arising from the assessment.

## The 2015-16 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 Westonzoyland?" 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 Westonzoyland housing. This assessment and recommendations contained within this report deal with need rather than desired or perceived future housing requirements in Westonzoyland. This report includes a clear statement "recommendations" on the unmet housing need in Westonzoyland. The report conclusions are justified within the body of this report.

### The HNA Assessment Methodology

The personal data provided from STAGE-TWO 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 HNA looked at each household to determine whether they were firstly **IN HOUSING NEED**, and secondly whether that household was capable of **RESOLVING THEIR HOUSING PROBLEM** in prevailing housing market.

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 is a physical (or other medical) impairment living in unsuitable housing.
- Where the property lacks basic facilities and places which are subject to major repair.

### Assessment Criteria 1: The Housing Affordability Assessment

The criteria effectively assessed a household's ability to resolve their housing need in the wider housing market.

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.

#### Repeated from Earlier

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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 £50,000 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.

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

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

### **Assessment Criteria 2: The Housing Need Assessment**

The criteria effectively assessed a household's housing need against the appropriateness of their current home. Here, we effectively explore whether the household is 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.

## KEY FINDINGS

It is important to note that the 2015-16 Westonzoyland HNA offers a snap shot of the housing situation in the parish at the time of the survey. These will alter with increasing/decreasing values of housing, policies of lenders, the economic climate, and demographic changes in the community and as individual's situations change.

### Westonzoyland Affordable Housing Need = 24 Homes

<b>20 x Affordable Rented</b> 8 x 1-bed flat/house for rent 6 x 2-bed house for rent 4 x 3-bed house for rent 2 x 4-bed house for rent	<b>4 x Affordable Homeownership</b> 2 x 1-bed flat /house for affordable-homeownership 1 x 2-bed house for affordable-homeownership 1 x 3-bed house for affordable-homeownership
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### Detailed Assessment of Individual Housing Needs from 2015-16 Westonzoyland HNA

Respondent Reason for Needing Housing	What Local Connection	Respondent Desired Housing	Affordability Potential (£)	Recommend AFH Tenure	Recommend Bedroom(s)
Family separation	Live +5yr	3bh rent	31,200	Rented	2
Cheaper accommodation	Born/grew up	3bh rent	72,800	Rented(*)	3
Cheaper accommodation	Born/grew up	3bh rent	36,400	Rented	3
Family separation	Live +5yr	2bh rent	15,600	Rented	2
Larger accommodation	Work	3bh rent	54,600	S/O	3
Larger accommodation	Live + 5yr	3bh rent	109,200	Rented(*)	4
Need Independence	Born/grew up	2bh S/O	72,800	Rented(*)	2
Looking for 1 <sup>st</sup> home	Live +5yr	1/2 bh S/O	38,700	Rented	1
Need independence	Live +5yr	2bh rent	18,200	Rented	1
Need family support	Family	2bh rent	72,800	S/O	2
Need Independence	Family	2/3bh rent	20,600	Rented	2
Looking for 1 <sup>st</sup> home	Live +5yr	3b OM	46,200	S/O	1
Need Independence	Live +5yr	1b OM	54,000	S/O	1
Medical reasons	Live +5yr	1b rent	31,200	Rent	1
Looking for 1 <sup>st</sup> home	Live +5yr	2b OM	35,200	Rent	1
Need carer/dependent	Live +5yr	1b rent	Unclear	Rent	1
Unknown	Live +5yr	2b rent	31,200	Rent	2
Need Independence	Born/grew up	2b rent	39,000	Rent	2
Family separation	Born/grew up	3b rent	15,600	Rent	3
Cheaper accommodation	Born/grew up	3b rent	36,400	Rent	3
Looking for 1 <sup>st</sup> home	Born/grew up	1b rent	18,200	Rent	1
Looking for 1 <sup>st</sup> home	Born/grew up	4b rent	Unclear	Rent	4
Looking for 1 <sup>st</sup> home	Born/grew up	1b rent	Unclear	Rent	1
Looking for 1 <sup>st</sup> home	Work	1b rent	Unclear	Rent	1

	Rented	Recommended for rented housing only
	Rented (*)	Could BUY an affordable home, but has no deposit
	S/O	Recommended for affordable homeownership

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.

## Current Levels of Housing Register (“CBL”) Demand: April 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 Westonzoyland is likely to be greater than the figures described below.

Westonzoyland - Homefinder Somerset CBL as at 04-2016

Westonzoyland - Homefinder Somerset CBL as at 04-2016					Max Bed Size Override
Min Bedroom	1	2	3	4	Grand Total
Grand Total	4	5	4	0	13

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

An interesting and intriguing point of note is that whilst the CBL system suggests that there are 13 households seeking an affordable home in Westonzoyland, the HNA exercise saw a greater number of local people assessed as having need of an affordable home. A significant number of those people responding to the HNA are not currently registered on the homefindersomerset CBL system. **KEY ACTION:** It is important that these people time the time register on the CBL system if they wish to be considered for affordable housing in the future.

Based on experience elsewhere and whilst the CBL data is a useful secondary indicator of potential affordable housing demand, it would be inadvisable to use this information as a definitive assessment of true unmet Westonzoyland affordable housing need. The majority of the CBL applicants looking for an affordable home in the parish of Westonzoyland have indeed responded to the housing need assessment but none of the households on the CBL system with a connection to the parish but who have not indicated a preference for Westonzoyland have. This could quite simply indicate that although they have a connection to the parish they have different aspirations when considering their household location.

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 past experience it is the case that the numbers registered on the CBL system spikes at key stages of new affordable housing 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.

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.

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 housing assessment.

### Market Housing Provision in Westonzoyland

The 2015-16 HNA exercise has not offered any obvious insight into the future scale and nature of market housing requirements for Westonzoyland. Nevertheless, it would appear that Westonzoyland would benefit from the provision of additional smaller units for sale and rent.

## 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 27<sup>th</sup> 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 Westonzoyland, 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.

Social Rented	Affordable Rent	Private Affordable Rent	Rent to HomeBuy
This is the truest and most affordable form of housing. These homes are provided by the Council or a Registered Housing Provider ("Housing Association")	This is a new form of affordable rented housing. It is more expensive than Social Rented housing. These homes are provided by Registered Housing Providers ("Housing Association")	This is similar to Affordable Rent. Unlike Affordable Rent, these homes are provided by Unregistered Housing Providers ("Private Landlords")	This is available on selected new developments and gives you the opportunity to rent the home you wish to buy at a reduced rate, on the understanding that you'll buy it through shared ownership within a specific time.
The rent level is subject to a national rent regime as set by the Government. Rents do not include any additional service charges associated with the property. Rents might typically equate to circa 60% of the prevailing value of a similar property in the private sector.	The rent level is not subject to a national rent regime as set by the Government. Rents include any additional service charges associated with the property. Rents might typically equate to circa 80% of the prevailing value of a similar property in the private sector.	The rent level is not subject to a national rent regime as set by Govt. Rents include any additional service charges associated with the property. Rents might typically equate to circa 80% of the prevailing value of a similar property in the private sector. Offers less long term security of tenure when compared to Affordable Rent.	Perfect if you can demonstrate that you could afford to buy 25% of your home, but are not in a position to do so straight away – for example you earn enough for a mortgage but don't have a deposit saved. It gives you a chance to put down roots and move into your new home sooner.

## 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.

Shared Ownership	FirstBuy	Low Cost Sales	Rent to HomeBuy	Rent to Buy “RENTplus”
<p>You buy between 25% and 75% of your home and pay a subsidised rent on the remainder. You can buy more shares.</p> <p>Shared Ownership is the new name for New Build HomeBuy.</p> <p><b>“Part Buy – Part Rent”</b></p>	<p>A new scheme where you buy 100% of your home but only have to pay for 80% initially – and you only need 5% as a deposit. The rest is covered by an equity loan for which there’s no charge for the first five years. After this there’s a small charge which rises each year.</p>	<p>Housing developers sell the freehold of the property outright, but at % value significantly below prevailing market value. The details vary but in general you pay between 70% and 80%.</p>	<p>This is available on selected new developments and gives you the opportunity to rent the home you wish to buy at a reduced rate, on the understanding that you will buy it through shared ownership within a specific time.</p>	<p>This is newer housing option which gives you the opportunity to rent the home you wish to buy at 80% market rent levels, on the understanding that you’ll buy it at its full market value (after 5,10, 15 or 20yrs). When you purchase, you will be gifted a 10% deposit towards the purchase.</p>
<p>Ideal if you live in an area where prices are high as you only need to buy the percentage you can afford (just as long as it’s over 25%), so you need a smaller mortgage. It’s also perfect if you don’t have much in the way of savings as you only need to find the deposit for the share you’re buying.</p>	<p>FirstBuy is great if you can almost afford your home but need a bit of help, and don’t have a thumping great deposit to start you off. Only having to find a 5% deposit removes a huge hurdle for many people.</p>	<p>Good for anyone who is confident of their ability to buy the remaining equity within the timescale they need to In addition, the eligibility criteria might be less strict.</p>	<p>Perfect if you can demonstrate that you could afford to buy 25% of your home, but are not in a position to do so straight away – for example you earn enough for a mortgage but don’t have a deposit saved. It gives you a chance to put down roots and move into your new home sooner.</p>	<p>Perfect if you are not in a position to purchase straight away (lack a deposit for example). It gives you a chance to put down roots and move into your new home sooner.</p>
<p>The properties are new builds which may not be to your taste.</p>	<p>There are no properties of this nature proposed for Westonzoyland in the immediate future.</p>	<p>There are no properties of this nature proposed for Westonzoyland in the immediate future.</p>	<p>There are no properties of this nature proposed in Westonzoyland in the immediate future.</p> <p>You have to be disciplined to use the 20% discount on your rent to save for your deposit</p>	<p>This tenure does not exist in the village at present.</p> <p>Concerns over local term affordability of the properties at time of sale.</p> <p>Properties will no longer be affordable once sold.</p>
<p>No properties of this nature proposed for Westonzoyland in the immediate future.</p>	<p>No local demand identified.</p>	<p>No local demand identified.</p>	<p>No local demand identified.</p>	<p>No properties of this nature proposed for Westonzoyland in the immediate future.</p>

## **SUPPORTING AFFORDABLE HOUSING DELIVERY WITH LOCAL PLANNING 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](http://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 Westonzoyland 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.

SDC Core Strategy Policy D6: for allocated parcels of land within the settlement boundary

This policy would allow SDC to secure a % of AH units from a qualifying TCPA application. There are two small sites currently in the planning system in Westonzoyland. If either (or both) sites secure planning permission, the numbers of affordable homes from these are insufficient to tackle the scale of identified affordable housing need.

SDC Core Strategy Policy D7

This policy allows development by exception outside the village development boundary ("VDB"). Any use of this policy would only facilitate the delivery of affordable housing only. 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. This has seen the government closed bidding to the 2015-20 AHP (Affordable Housing Programme) to support projects such as the one required in Westonzoyland. It is impossible to say when (or if) another AHP will open. Therefore this policy is not considered appropriate or helpful in bringing forward new affordable housing at this time.

SDC Core Strategy Policy P4

This policy allows development by exception outside the village development boundary ("VDB"). Unlike policy D7, this policy would see the development of both affordable housing market homes. Again, the building of the affordable housing will require some form of subsidy support in order to make the homes affordable. Unlike policy D7, the delivery of the affordable homes is not reliant on the provision of public sector funds (central or local government). Unlike policy D7, this policy would allow the development of land outside the VDB to provide a mix of AH and OMV homes. The OMV units would provide the necessary gap funding in lieu of the D7 public sector investment. SDC would typically expect to see 40% of the new homes to be affordable, with the remaining 60% of the homes built for outright sale. Some of the profits from the sale of these homes would be recycled directly into the provision of the new affordable homes, with developer being allowed to take a reasonable profit from the project.

At the time of publishing this report, the Core Strategy ("Local Plan") is currently under review. Sedgemoor District Council anticipates adoption of a new local plan in early 2017.

## **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](http://www.sedgemoor.gov.uk).

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

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