

Action *with* Communities in Rural Kent



HOUSING NEEDS SURVEY FOR THE PARISH OF
St JAMES ISLE OF GRAIN

JUNE 2009

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With the support of

St James Isle of Grain Parish Council
&
Medway Council

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1. Summary

The Rural Housing Enabler (RHE) assisted Medway Council and St James Isle of Grain Parish Council to undertake a parish wide survey to ascertain if there are imbalances in the local housing market including shortfalls in the provision of affordable housing. This report provides overall information as well as analysis of housing need.

A survey was posted to every household in the parish during January 2009. 700 surveys were distributed with 66 surveys being returned to Action with Communities in Rural Kent, representing a 9% response rate.

Analysis of the survey identified that 79% of respondents are owner occupiers with 71% of properties having 3 or more bedrooms. Medway Council's housing needs survey 2006/07 identified 74% owner occupiers with 52.5% having 3 bedrooms.

For a first time buyer to purchase the cheapest property for sale at the time of writing the report, an income in excess of £23,000 per annum is required. In the current financial climate it is also necessary for a first time buyer to have at least a 10% deposit. To be able to afford to rent the cheapest property found in the parish at the time of writing the report, an income of £27,000 is required.

From the analysis of section 2 a need is shown for up to 10 affordable homes, for local people.

2. Background information

In 2007 Matthew Taylor, MP for Truro and St Austell, was asked by the Prime Minister to conduct a review on how land use and planning can better support rural business and deliver affordable housing. Many rural communities are faced by a combination of higher than average house prices and lower than average local wages. This can create challenges for individual families, the local economy and the wider sustainability of the community.

On July 23rd 2008 Matthew Taylor presented his Review to the Government and it was duly welcomed. Caroline Flint, Housing Minister, indicated that the Government agrees with the core principles of the report and will take further measures to boost rural enterprise and affordable housing.

Caroline Flint said:

"Matthew Taylor has provided a comprehensive and authoritative report into the issues that our rural communities face, as well as a number of practical recommendations. He has been talking to people right across the country and his report will have a lasting impact on policy that will help their communities prosper. I thank him for that hard work."

"It's simply not fair that people in rural communities struggle to afford a place of their own. I am determined that we do everything we can to further help people in rural communities into home ownership, by for example helping landowners to establish community land trusts and by ensuring councils deliver the sustainable homes their communities need."

Rural Affairs Minister Jonathan Shaw said:

"Everyone should have the chance of a decent home at a price they can afford in a place they want to live and work in, and that goes for rural people too."

Ministers will look at the recommendations in detail and give them careful consideration before publishing a full response.

(Department of Communities and Local Government 2008)

The Rural Housing Enabler Programme, which is delivered in Kent through Action with Communities in Rural Kent – the Rural Community Council for Kent and Medway, is supported by Local Authorities across Kent and Medway.

Action with Communities in Rural Kent is a registered charity (No.212796) whose purpose is to improve the quality of life of local communities, particularly for disadvantaged people, and to facilitate the development of thriving, diverse and sustainable communities throughout rural Kent. Since March 1998 Action with Communities in Rural Kent has employed a Rural Housing Enabler whose role is to provide independent support, advice and information to Parish Councils and community groups concerned about the lack of local needs housing in their rural communities.

The RHE will assist with carrying out a housing needs survey and analyse the results. The findings of this report will be used to inform the Council's future affordable housing requirements in the parish.

3. Local Housing Costs

To fully assess local housing need it is important to look at open market prices in the private sector of houses both to rent and to buy.

Property for sale

Searches of www.rightmove.co.uk which markets the property of a number of local estate agents, in May 2009, showed the following cheapest properties for sale in Grain -

| Type of property | Number of bedrooms | Price £ |
|------------------------|--------------------|---------|
| Semi detached bungalow | 2 | 89 950 |
| Terraced house | 2 | 120 000 |
| Semi detached house | 3 | 140 000 |
| Detached house | 4 | 174 995 |

Property to rent

A similar search for rental property also using www.nestoria.co.uk to search for properties found the following available -

| Type of property | Number of bedrooms | Price £ pcm |
|------------------------|--------------------|-------------|
| Semi detached bungalow | 2 | 550 |
| Semi detached house | 3 | 600 |
| Semi detached house | 3 | 700 |
| End of terrace house | 4 | 1000 |

Household income required to afford current market prices

Using local information the table below shows income level needed to purchase a property in the area. The figures are calculated assuming a 10% deposit and using 3.5 x gross income. Monthly repayment is based on a 5 year fixed rate at 6.14% (Halifax fixed rate May 2009).

| Property | Price | Deposit | Gross Income Level | Monthly repayment 6.14% |
|----------------|---------|---------|--------------------|-------------------------|
| 2 bed bungalow | 89 950 | 8 995 | 23 130 | 497 |
| 2 bed terrace | 120 000 | 12 000 | 30 857 | 663 |
| 3 bed detached | 140 000 | 14 000 | 36 000 | 774 |
| 4 bed detached | 174 995 | 17 499 | 44 999 | 967 |

It should be noted that in the current economic climate lenders have made the borrowing criteria for potential mortgagees far stricter. This has been achieved mainly through asking for higher levels of deposits. As the figures above illustrate this requires potential purchasers to find a large sum of money in the first instance, making securing a mortgage difficult for some first time buyers, especially those on lower incomes.

To gauge the income level required to afford to rent privately government guidance suggests a threshold level of 25 – 30% net income may be adopted. (*Department of transport, Local Government and Regions –Local Housing Needs Assessment: A guide to good practice, July 2000*)

| Property | Price £pcm | Net Income Level |
|-------------|------------|------------------|
| 2 bed house | 550 | 27 499 |
| 3 bed house | 600 | 30 000 |
| 3 bed house | 700 | 34 999 |
| 4 bed house | 1000 | 49 999 |

4. Introduction to the St James Isle of Grain housing needs survey

The Rural Housing Enabler worked with Medway Council and the Parish Council to undertake a housing needs survey. This was posted to every household in the parish during January 2009.

The aim of this survey is to identify in general terms if there is a housing need from local people. Its purpose is not to provide a list of names and addresses of individuals requiring a home. It aims to help Medway Council to develop housing and planning policies to meet the needs of people in rural areas in the coming years.

5. Method

The Rural Housing Enabler initially met with Medway Council in January 2009 to discuss the detail of undertaking a housing needs survey.

The format of the survey and covering letter were agreed and a copy of the survey distributed to every household in the parish during January 2009.

Surveys were returned in pre paid envelopes to Action with Communities in Rural Kent.

It was asked that completed survey forms were returned by 23rd February 2009. All surveys received at Action with Communities in Rural Kent are included in this report. 66 surveys were returned representing a return rate of 9%.

Some surveys were not fully completed therefore the results are shown for the total answers to each question.

6. Results

Listed below are the results of each question asked by the housing needs survey.

SECTION 1

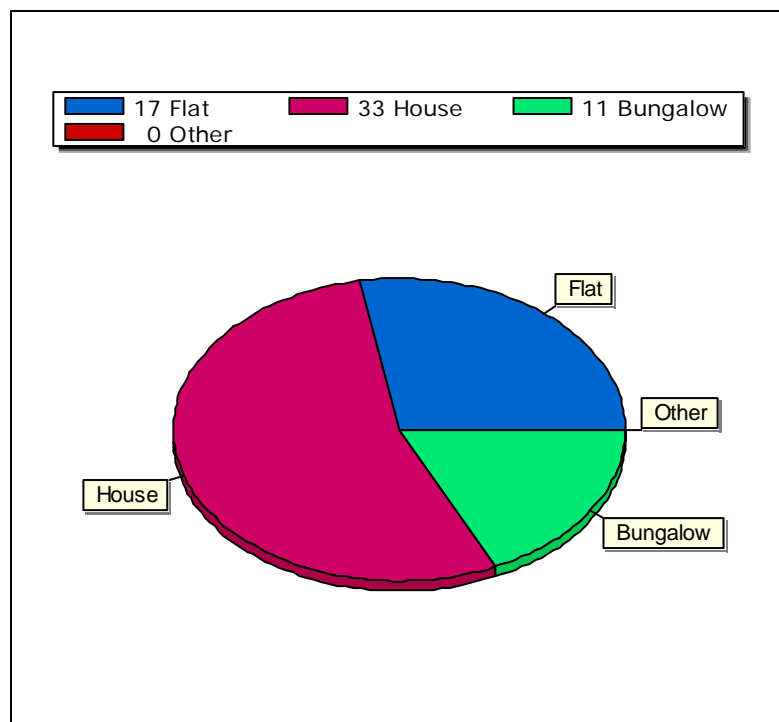
Question 1. How many people of each age group currently in your home?

The total number of people living in respondents' homes are –

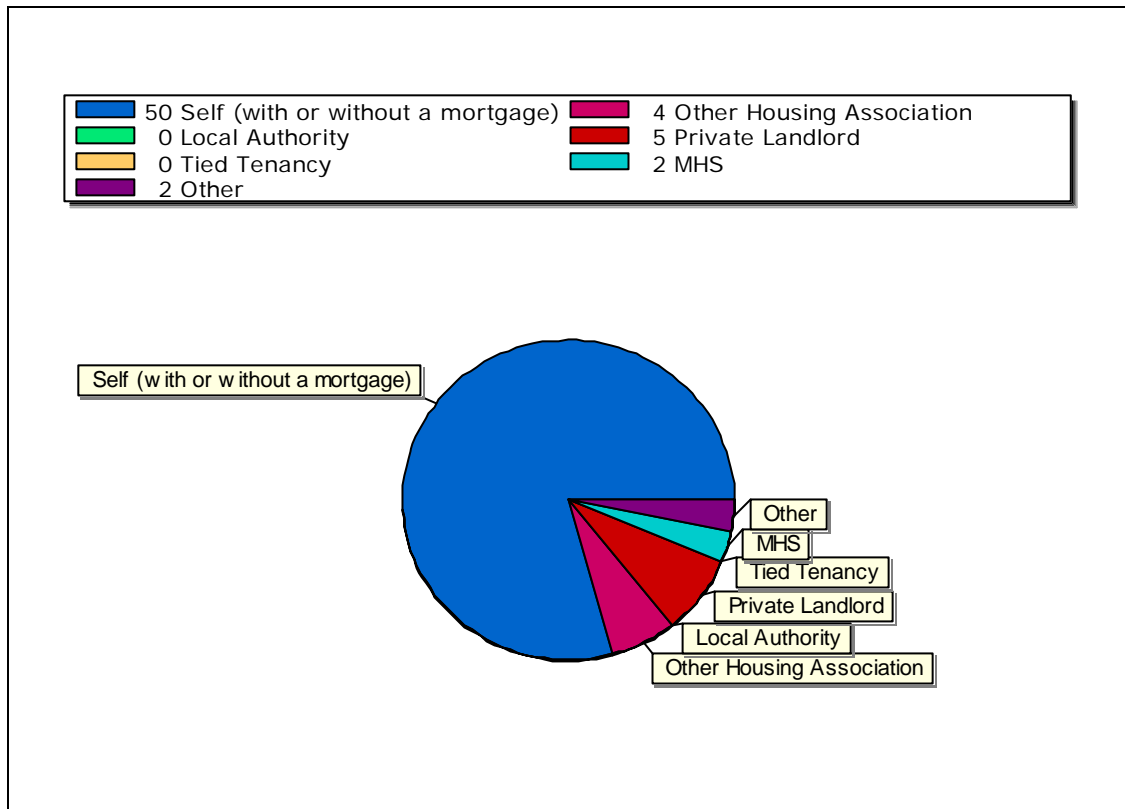
| | 0 - 15 | 16 - 24 | 25 - 34 | 35 - 54 | 55 - 64 | 65-74 | 75+ |
|--------|--------|---------|---------|---------|---------|-------|-----|
| Male | 15 | 6 | 8 | 28 | 16 | 11 | 1 |
| Female | 16 | 4 | 6 | 23 | 9 | 8 | 3 |
| Total | 31 | 10 | 14 | 51 | 25 | 29 | 4 |

The returned surveys represent a total of 164 people.

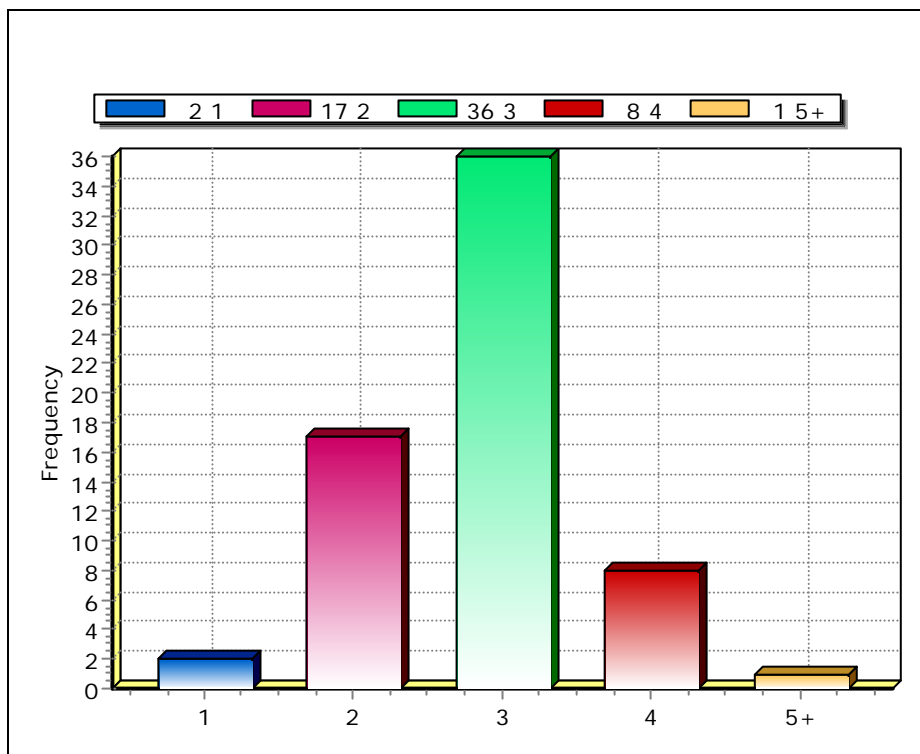
Question 2. Is your current home:-



Question 3. Who owns the property?



Question 4. How many bedrooms does your property have?



Question 5. How long have you lived in the parish?

| Years in Parish | |
|------------------------|----|
| Less than 6 months | 1 |
| 6 months – 1 year | 0 |
| 1-5 years | 20 |
| 6-10 years | 11 |
| 11-15 years | 4 |
| 16-25 years | 12 |
| 26+ years | 15 |

Question 6. Have any members of your household left the parish in the last few years?

18 respondents said that members of their household had left the parish; a total of 36 people.

The reasons for leaving are listed in the table below

| Reason for leaving | Number |
|---------------------------------|---------------|
| Lack of affordable housing | 5 |
| To attend college or university | 5 |
| Employment | 7 |
| Other | 9 |

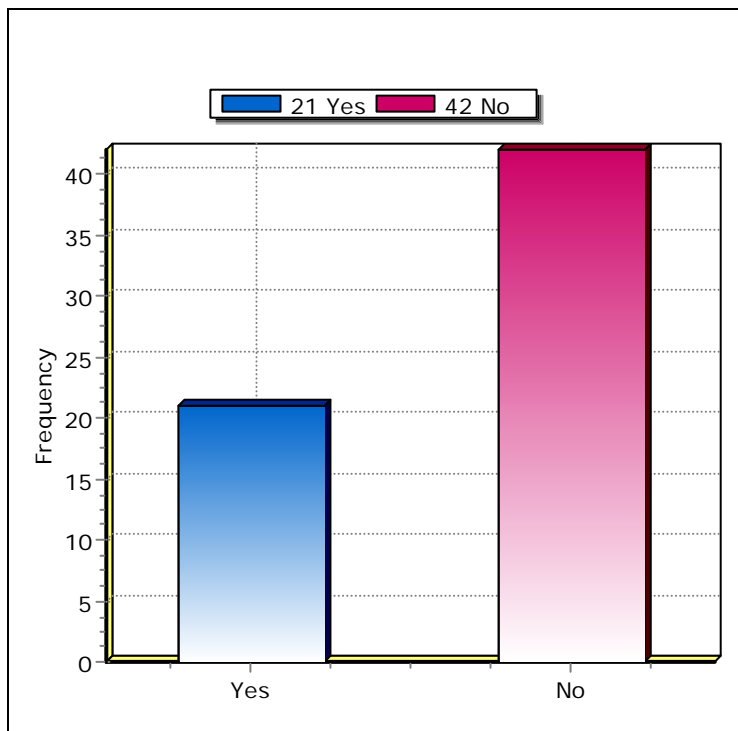
Question 7. Would they return if affordable accommodation could be provided?

In total 7 respondents indicated that family members would return if cheaper accommodation was available. 12 respondents indicated their family members would not return.

Question 8. What types of housing do you think are needed in the parish?

| TYPES OF HOUSING | NUMBER |
|----------------------------------|---------------|
| Housing for young people | 16 |
| Housing for older people | 19 |
| Sheltered housing | 11 |
| Flats/bedsits | 8 |
| Family homes | 16 |
| Housing for sale | 6 |
| Rented social housing | 16 |
| Rented private housing | 9 |
| Shared ownership | 15 |
| None | 15 |
| Housing adapted for disabilities | 14 |
| Other | 1 |

Question 9. Would you object to a development which would help to meet local needs?



In total 63 respondents answered this question. 33% of these respondents said yes they would object to a development and 67% said they would not object.

Question 10. If yes, please briefly explain your concern

There were a total of 21 responses to question 10. A full list of responses are found in appendix G1.

Question 11. Can you suggest where such a development might be situated?

There were a total of 24 responses to question 11; they can be found in appendix G2.

Question 12. Have you any other comments you would like to make about the housing needs of your parish?

There were a total of 20 comments; they can be found in appendix G3.

Question 13. Are you, or any members of your household, in housing need or requiring separate accommodation either now or in the next 3 years?

Of the 66 responses to question 14 (21%) respondents indicated they had a housing need.

| Housing need | Total |
|----------------------|-------|
| Yes Now | 4 |
| Yes, in next 3 years | 10 |
| No | 52 |
| Total | 66 |

SUMMARY TO SECTION 1

The 2001 Census shows Grain as having a population of 1731 people with 841 people (31%) aged 45 or more.

The survey indicates that owner occupier properties account for 79% of the housing stock. The 2001 census indicates 20% rented accommodation available in the parish with 11% social rented and 9% private rented/other tenure. The survey shows that 71% of the housing stock has 3 or more bedrooms.

49% of the respondents have lived in the parish for more than 11 years.

Employment and 'other' were the most frequently given reasons for leaving the parish. When asked if family members would return if cheaper accommodation was available 37% responded yes.

67% of respondents who answered the question (64% of all respondents) indicated that they would not object to a development that would help meet local housing needs.

SECTION 2 – HOUSING NEED

Those households or family members of the household, looking for housing either now or in the next 3 years, completed Section 2 of the survey.

In total 14 households answered questions in section 2. In some instances not all the questions were completed by each respondent therefore results are for the actual response to each question.

Question 14. How many people in each age group are in housing need?

| | 0 - 15 | 16 - 24 | 25 - 34 | 35 - 54 | 55 - 64 | 65-74 | 75+ |
|--------|--------|---------|---------|---------|---------|-------|-----|
| Male | 7 | 5 | 2 | 4 | 0 | 1 | 0 |
| Female | 5 | 3 | 0 | 3 | 1 | 1 | 1 |
| Total | 12 | 8 | 2 | 7 | 1 | 2 | 1 |

Question 15. How are you related to the person whose home is described in Question 2?

| Relationship to head of household | Total responses |
|-------------------------------------|-----------------|
| Head of the household | 6 |
| Child of the head of the household | 7 |
| Other relation to head of household | 1 |
| Not related to head of household | 0 |
| Total | 14 |

Question 16. What type of household will you be in alternative accommodation?

| Type of Household | |
|-------------------|---|
| Single person | 3 |
| Couple | 5 |
| Family | 5 |
| Other | 1 |

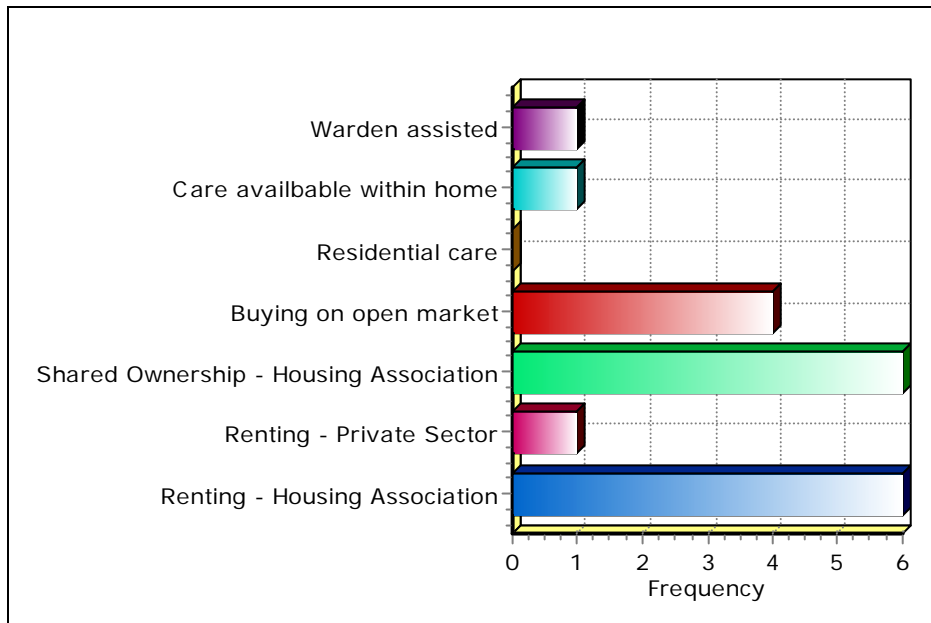
Question 17. Why are you seeking a new home?

| Reason for needing new home | Responses | Percentage |
|--------------------------------------|-----------|------------|
| Need larger home | 2 | 14 |
| Need smaller home | 0 | 0 |
| Present home too expensive | 2 | 14 |
| Present home in poor condition | 0 | 0 |
| First independent home | 4 | 29 |
| Lodging/separate accommodation | 0 | 0 |
| Private tenancy ending | 0 | 0 |
| To be nearer family | 1 | 7 |
| To be nearer work | 1 | 7 |
| Retirement | 0 | 0 |
| Setting up home with partner | 2 | 14 |
| Divorce/separation | 1 | 7 |
| Disability/disabled | 0 | 0 |
| New job | 0 | 0 |
| Sheltered accom due to age/infirmity | 1 | 7 |
| Total | | |

Question 18. What type of house are you looking for?

| Type of home | Responses |
|--------------|-----------|
| Flat | 2 |
| House | 10 |
| Bungalow | 10 |
| Other | 2 |

Question 19. Which tenure would best suit your housing need?



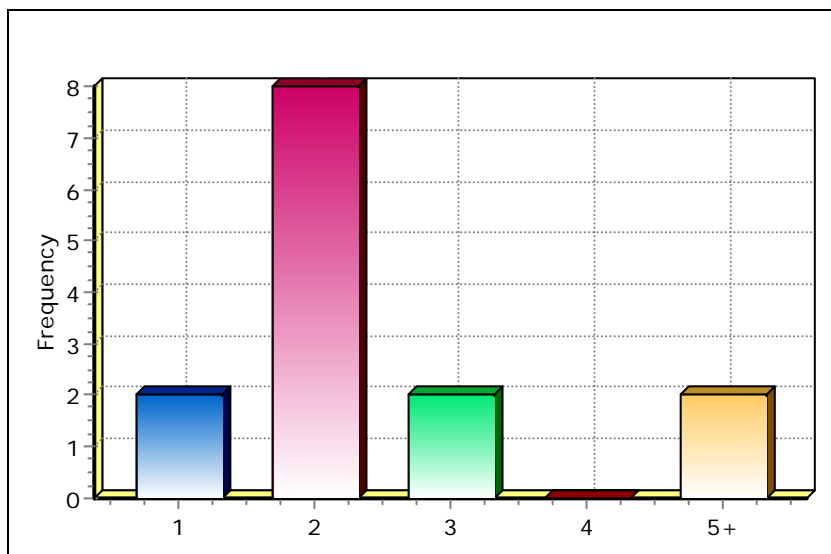
Question 20. Does anyone in your household who needs alternative accommodation have a disability or any special needs?

| | |
|-----|---|
| Yes | 5 |
| No | 8 |

These were described as –

- MS
- Cervical Spondulosis
- Daughter with emotional and learning difficulties
- Arthritis
- Two children with Aspergers Syndrome

Question 21. How many bedrooms would you need?



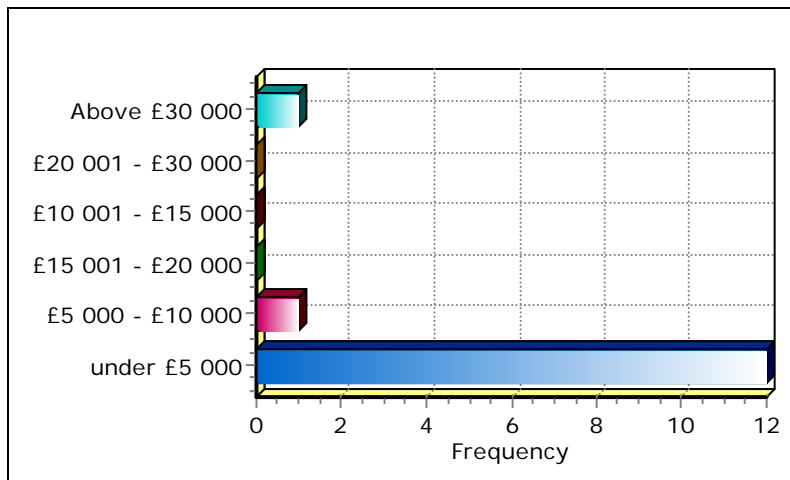
Question 22. Would you prefer to stay in the village?

| Would you prefer to stay in the village? | |
|--|----|
| Yes | 12 |
| No | 2 |

Question 23. How far would you be willing to move away?

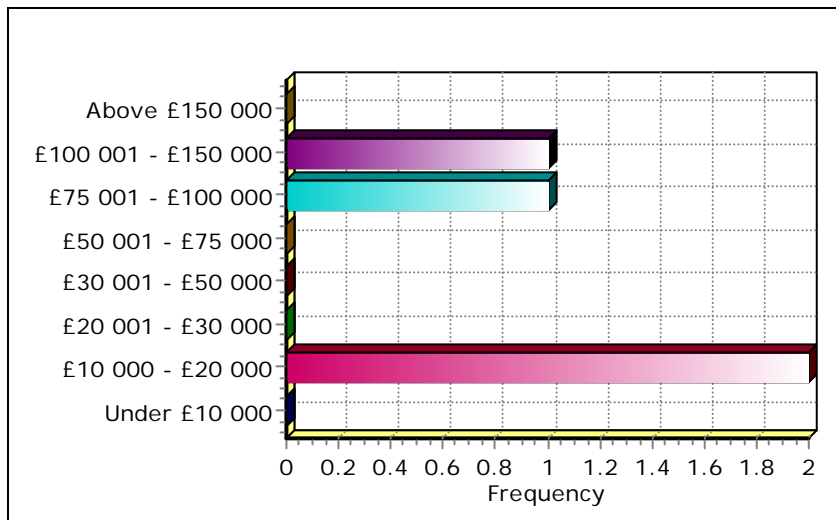
| | |
|-------------|---|
| 0-4 miles | 8 |
| 5-10 miles | 2 |
| 11-20 miles | 2 |
| 21-30 miles | 0 |
| 31-50 miles | 0 |
| 50+ miles | 1 |

Question 24. How much does your household have in savings?

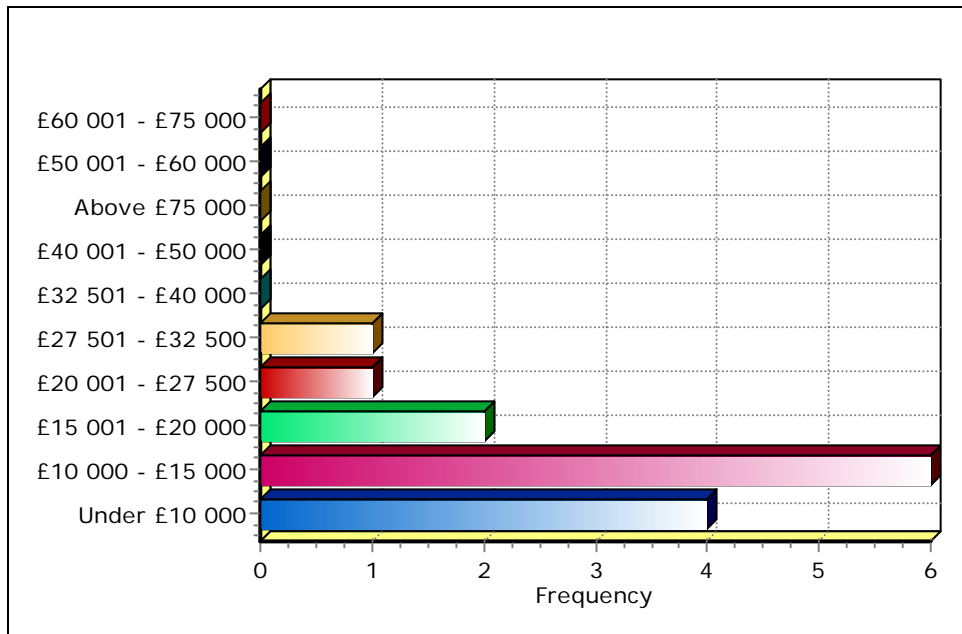


Question 25. If you are a home owner, roughly how much equity value do you own?

There were 3 responses to this question -



Question 26. Please give the total income of combined self and partner only.



Question 27. Where do you live now?

11 households live in the parish and 3 do not.

Question 28. If you do not live in the parish, what is your connection?

| | |
|-------------------|---|
| Employment | 0 |
| Family | 3 |
| Previous Resident | 0 |

Question 29. Are you registered on the local authority housing register?

2 households are registered and 12 are not.

7. Assessing the housing need

Local needs housing schemes provide rented and/or shared ownership options for those with a strong connection to the parish who wish to remain living in the parish and are unable to rent or purchase a home suitable for their needs on the open market.

The respondents who completed section 2 of the survey have been assessed to ascertain if they are eligible for a local needs housing scheme.

To give an indication of respondents ability to afford shared ownership, levels of income, rent/mortgage and deposit have been taken into consideration on purchasing a 50% or greater share of a property with estimated value of £150 000 for a 1 bed property, £200 000 for a 2 bed property and £250 000 for a 3 bed property.

| Property price £ | Share | Monthly mortgage £ | Monthly rent £ | Monthly total £ |
|---------------------|-------|--------------------|----------------|-----------------|
| 150 000 | 50% | 471.83 | 168.75 | 640.58 |
| 200 000 | 50% | 629.11 | 225.00 | 854.11 |
| 250 000 | 50% | 786.38 | 281.25 | 1067.63 |

Assessing the 4 respondents seeking housing now:

1 respondent was excluded; they were an owner occupier and the only tenure they wanted was buying on the open market. They will be assessed separately (see page 17).

Of the remaining 3 households none have indicated the ability to afford a mortgage on the open market.

The 3 households are -

- 2 x couples
- 1 x family
1 adult and 2 children

2 households currently live in the parish and one does not. They have family who have lived in the parish for over 26 years.

1 of the households is registered on the Council's housing register.

Couples –

Ages:

All aged 16-24

Reason for seeking a new home:

To be nearer work and setting up home with partner.

Disability:

None

Number of bedrooms:

1 x 1. 1 x 2

Choice of home:

1 x flat. 1 x house or bungalow

Choice of tenure:

1 x Renting Housing Association. 1 x Shared ownership/buying on open market

Family –

Ages: Adult aged 35-54 and two children aged 0-15.

Reason for seeking a new home: Divorce/separation

Choice of home: House or bungalow

Choice of tenure: Renting Housing Association/Shared ownership

Disability: None

Number of bedrooms: 3

None of the respondents who expressed an interest in shared ownership indicated a high enough income to afford it.

Assessing the 10 respondents who have a housing need in the next 3 years.

1 respondent was excluded because the only tenure they wanted was buying on the open market and they do not wish to stay in the parish.

1 respondent was excluded because they were an owner occupier and as such do not qualify for affordable housing. However, they are an elderly resident and have been assessed separately at a later stage in this report (see page 18)

Of the remaining 8 households none have indicated the ability to afford a mortgage on the open market.

The 8 households are –

- 2 x single person
- 3 x couples
- 3 x families
 - 2 x adults and 1 child
 - 2 x adults and 5 children
 - 2 x adults and 2 children

6 of the households currently live in the parish and two do not; one is a previous resident who family living in the parish and the other has a family connection to the parish.

1 of the households in registered on the Council's housing register and 6 are not.

Single people

Age: 16-24, 75+

Reason for seeking a new home: First independent home. To be nearer family.

Choice of home: House or bungalow. Bungalow

Choice of tenure: Shared ownership. Warden assisted.

Disability: None

Number of bedrooms: 1 x 2, 1 x 1

Couples

Ages:

16-24 x 2. 55-64/65-74

Reason for seeking a new home:

1 x disability/disabled. 2 x first independent home

Choice of home:

2 x house/bungalow. 1 x bungalow.

Choice of tenure:

1 x shared ownership. 1 x renting housing association/shared ownership. 1 x shared ownership/buying on open market.

Disability: MS

Number of bedrooms: 3 x 2

Families –**Ages:**

2 x adults aged 35-54 and 1 child aged 16-24.

2 x adults aged 35-54 and 5 children aged 0-15

2 x adults aged 16-24/25-34 and 2 children aged 0-15

Reason for seeking a new home:

2 x present home too expensive. 1 x need larger home.

Choice of home:

2 x house. 1 x flat/house/bungalow.

Choice of tenure:

2 x renting housing association. 1 x renting housing association/private sector

Disability:

Aspergers Syndrome x 2

Cervical Spondulosis

Number of bedrooms:

1 x 2. 1 x 3. 1 x 4/5

None of the respondents who wanted shared ownership indicated sufficient income to afford it.

Total housing need:

11 households meet the criteria for a local needs housing scheme. This represents a total of 29 people in housing need.

| | Total households |
|---------------|------------------|
| Single people | 2 |
| Couples | 5 |
| Families | 4 |
| Total | 10 |

None of the above households have indicated sufficient income to purchase a share of their home.

Assessing the excluded respondent who has a housing need now

1 family who are the head of household. They are owner occupiers who need a larger home and want to buy on the open market only.

Age: Adults 35-54 + 3 children aged 0-15.

Choice of home: House/bungalow/conversion/self build project

Choice of tenure: Buying on open market

Disability: Emotional and learning difficulties

Number of bedrooms: 5+

Savings: Above £30,000

Equity: £100,001 - £150,000

Annual income: Under £10,000

Assessing the excluded respondent who has a housing need in the next 3 years

A single person who is an owner occupier and is seeking a new home because they need sheltered accommodation due to age/infirmity. They live in the parish and wish to remain.

Age: 65-74

Choice of home: Bungalow

Choice of tenure: Care available within home

Disability: Arthritis

Number of bedrooms: 2

Savings: Under £5000

Equity: £75,000 - £100,000 – owes £33,000 on equity release

Income: Under £10,000

8. Recommendation

Using the above results it is recommended that up to a maximum of 10 homes are needed for local people who are unable to rent or purchase on the open market. At the time of writing, two people indicated the ability to afford a shared ownership property.

If any shared ownership properties were to be included in the scheme, further more detailed work would be needed to determine levels of income and type of property required.

A mix of 1, 2 and possibly a 3 bedroom property, including warden assisted accommodation will help meet existing and future housing needs of the parish.

