

LITTLE MILTON NEIGHBOURHOOD DEVELOPMENT PLAN APPENDIX D

HOUSING NEEDS ASSESSMENT

May 2017

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Note: The following Housing Needs Assessment is based on housing numbers and policies as stated in SODC's Local Plan 2033 2nd Preferred Options dated March 2017 and also SODC's Topic *Paper Housing need and potential supply - Background Paper* published April 2017.

INTRODUCTION

The following assessment has been developed using methodology in the *My Community Locality: Housing Needs Assessment at Neighbourhood Plan Level - A toolkit for neighbourhood planners*. This toolkit is itself based on guidance contained in the National Planning Practice Guidance and was drafted by AECOM for *Locality*. This toolkit advises:

Housing needs assessment at neighbourhood plan level is best thought of as a review of existing data... to determine a notional 'fair share' of housing development that the neighbourhood plan area can contribute with the wider context of its strategic housing market area and Local Plan housing target.

The advice also states that 'it is perfectly possible, indeed desirable, to produce a fit-for purpose HNA without spending time or money on primary evidence gather. In other words, the NPPG approach suggests that you do not normally need to carry out a household survey of your own to inform your housing needs assessment, as sufficient data from other sources is usually already available.

Role of the Village Survey

Notwithstanding the above advice, a village survey was carried out which had a number of objectives:

1. To confirm the data on numbers and types of the current housing and the demographics of households
2. To update census data on the village population
3. To be the second step in the process of consulting the village on the neighbourhood plan (the first step having been the 13 Sep 2016 village meeting)
4. To ascertain the villagers views on a number of facets of housing development for use as an input to policy-setting within the neighbourhood plan
5. To determine what villagers thought were the key issues to be considered in a neighbourhood plan and to gauge at an early stage what might be the difficult issues which would need to be addressed if the plan was to have the support of the village
6. To obtain village-specific data on the affordability of houses in the village
7. To seek views on the size and types of new houses needed in the village
8. To identify if there is an outstanding need for more affordable housing in the village

STRATEGIC HOUSING MARKET ASSESSMENT

The first source document is the *Oxfordshire Strategic Housing Market Assessment - April 2014*. The document is long and complex. The conclusions can be read in Chapter 9 of the report. Essentially the SHMA builds on:

1. Demographic trends
2. The shortfall in housing delivery in previous years
3. The forecast economic growth of the county
4. The affordable housing need

and comes to the conclusion that housing is needed as follows:

Houses needed per year 2011-2031	Demographic Base + Shortfall	To Support Committed Economic Growth	To meet Affordable Housing Need	Range of Housing needed per year	Midpoint of range
South Oxfordshire	552	749	985	723-825	775
Oxford City	782	700	2058	1200-1600	1400
Oxfordshire	3064	4200	5624	4678-5328	5003

In the normal course of events, these figures would be translated across to South Oxfordshire District Council's Local Plan.

However when the availability of land for development in Oxford City was assessed in *Oxford's Housing Land Availability and Unmet Need Assessment - December 2014*, it was concluded that between 24,000 and 32,000 dwellings would be required to meet Oxford's Objectively Assessed Need. Against that figure, the housing supply was assessed as 10,212. A comparison of need against potential supply is shown in the report as follows:

Oxford housing need ranges (SHMA)	Shortfall when a housing supply of 10,212 is applied
Lower: 24,000	13,788
Mid-point: 28,000	17,788
Upper: 32,000	21,788

Following further work, the Oxfordshire Growth Board has subsequently agreed a working figure of 14,800 as the so-called Oxford City unmet need¹. This figure has then been rounded to 15,000.

SOUTH OXFORDSHIRE DISTRICT COUNCIL'S LOCAL PLAN

The current approved Local Plan is contained in the *South Oxfordshire Core Strategy - December 2012*. However this plan was developed before the publication of the SHMA. In response to not only the SHMA but also the Oxford City unmet need, SODC is developing a new *Local Plan 2033* for publication in 2018. This emerging Local Plan has the aim of meeting the revised housing needs of the district, including the district's contribution to meeting the Oxford City unmet need.

It is on the basis of the SHMA and the emerging Local Plan that the housing needs of Little Milton have been assessed. There are important differences between the Core Strategy and the emerging Local Plan which form the basis for the Housing Need Assessment.

Little Milton is classified as a smaller village within the settlement hierarchy in both the Core Strategy and the emerging Local Plan.

Policy CSR1 Housing in villages

In order to contribute to the present and future economic, environmental and social sustainability of the villages, the Core Strategy 2012 stated that housing will be allowed where the scale and nature of the development is as follows:

¹ Oxfordshire Growth Board Memorandum of Co-operation Sep 2016

CORE STRATEGY	Allocations of housing	Infill	Rural exceptions*
Smaller villages	No	Sites of up to 0.2ha allowed, equivalent to 5-6 houses	Yes if a need shown

*Rural exception sites are those for provision of affordable housing for people with a local connection and, exceptionally, may be built in the Green Belt.

The emerging Local Plan at the 2nd Preferred Options stage² proposed meeting the future housing need for the district as follows:

Completions 2011 - 2016	2,647
Commitments at 31 March 2016 - sites under construction, with planning permission or resolution to grant planning permission and allocations carried forward from the Core Strategy	9,369
New strategic allocation in the Local Plan 2032	8,475
New Henley, Thame and Wallingford allocations	1,355
New allocations in the Larger Villages	1,122
Sites in smaller villages (Neighbourhood Plans) and windfalls	500

The most important development affecting Little Milton is that the emerging Local Plan 2033 has determined that smaller villages should now contribute more to the housing need of the district within a strategy of allowing limited amounts of housing and employment to help secure the provision and retention of services. The figures in the table above may change but it is the inclusion of a number of houses against smaller villages which is the most important factor for Little Milton.

It is judged in the emerging Local Plan that the overall housing need can now be met if, inter alia, the policy for smaller villages is modified as follows:

EMERGING LOCAL PLAN 2033	Housing	Rural exceptions
Smaller villages	5%-10% growth, through Neighbourhood Development Plans, infill and small suitable sites of up to 10 dwellings	Yes if a need is shown

There are currently 58 villages in the district that are classed as 'smaller villages', which includes Little Milton. Thus the smaller villages are expected between them to deliver 5-10% percent growth, based on the number of dwellings at the 2011 Census, plus completions over the period 2011-16 and outstanding commitments at 31 March 2016. However housing numbers will not be allocated by the local planning authority. Where smaller villages are preparing a neighbourhood plan, they may choose to allocate sites for housing in their plan.

² SODC Local Plan 2032 2nd Preferred Options March 2017

It has also been proposed that the definition of infill also be modified to allow for more flexibility. Infill development is now defined as the filling of a small gap in an otherwise built-up frontage or on other sites within settlements where the site is closely surrounded by buildings³.

It is also proposed that the policy on affordable housing provision in CSH3 be adjusted as follows:

Core Strategy	40 per cent affordable housing will be sought on all sites where there is a <u>net gain of three</u> or more dwellings subject to the viability of provision on each site.
Emerging Local Plan	On all sites where there is a <u>net gain of 11</u> or more dwellings, 40 percent of the dwellings on the site shall be affordable housing subject to the viability of provision on each site.

Note that as the emerging policy for small villages is that developments should be for no more than 10 houses, there is now no requirement to provide a percentage of affordable housing within such developments.

The emerging Local Plan is states the following on housing density:

All development will be expected to make an efficient use of land, with a density appropriate to the site and its surroundings, subject to a minimum density of 25 dwellings per hectare (dph).

IMPACT FOR LITTLE MILTON

The 2011 census recorded 205 dwellings in Little Milton. There have been no completions to 2016 and there were no outstanding commitments on 31 Mar 2016.

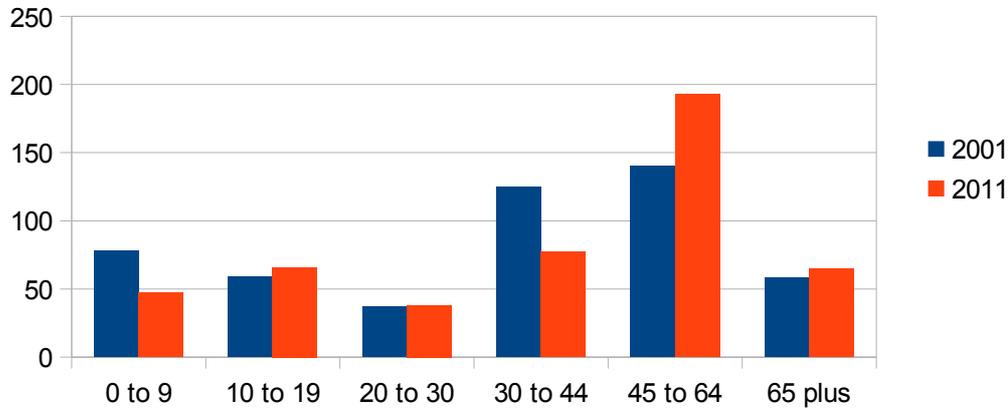
The housing need for Little Milton which follows from the emerging Local Plan is:

- An overall objective for smaller villages of a 5-10% increase in the housing stock (which represents 10-20 houses for Little Milton) to be realised in the period to 2033
- Such houses to be built either on new site developments of no more than 10 houses, or on infill sites which constitute the filling of a small gap in an otherwise built-up frontage or on other sites within settlements where the site is closely surrounded by buildings
- Such developments if less than 11 houses do not necessarily require a percentage of affordable housing
- A minimum density of 25 dwellings per hectare (net) will be required unless this would have an adverse effect on the character of the area.

3 SODC Local Plan 2033 2nd Preferred Options March 2017

Population Trends

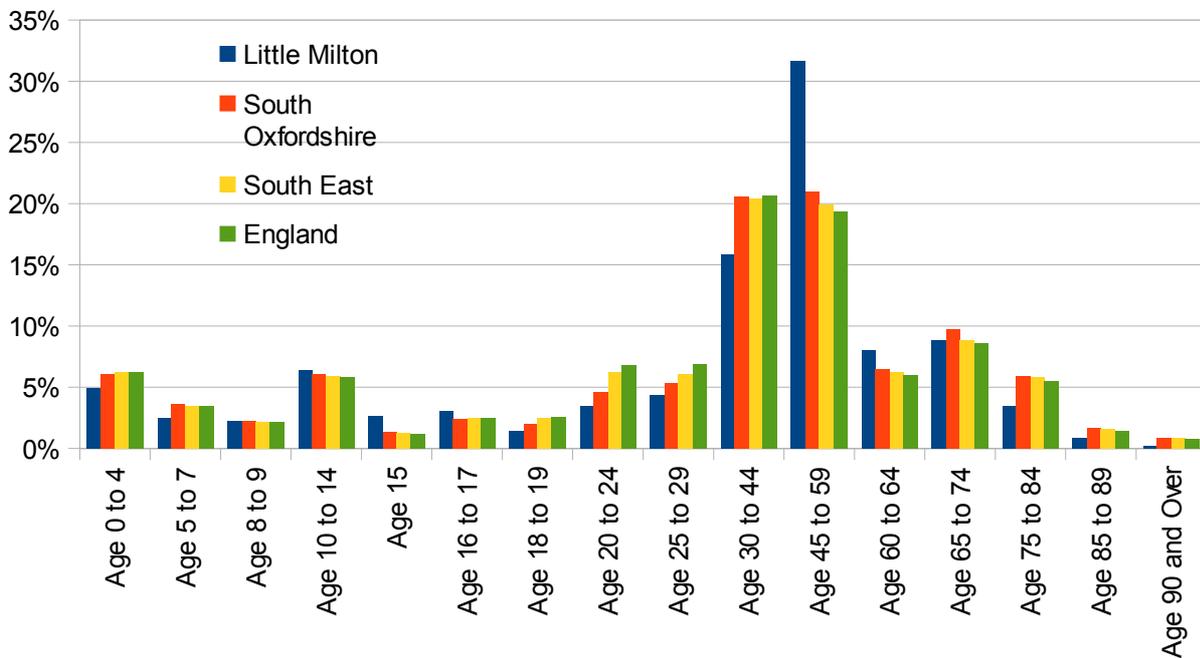
Population compared 2001 v 2011



There was a 2% decline in the village population since 2001 as measured by the 2011 Census and this should be compared with an 8% increase in the population of Oxfordshire as a whole.

The 2011 age profile⁴ compares with district, county and national data as follows:

Little Milton Age Profile 2011



The data taken from the 2001 and 2011 census indicates that the village has a lower than average

⁴ ONS 2011 Census Little Milton: Age Structure

number of adults aged 20-44 and, in particular, the population of 30-44 year olds declined in that 10 year period. This was primarily due to people remaining in the village and simply getting older. Over 55% of the population has lived in the village for over 10 years⁵ and, as people have stayed on in the village, this has contributed to an older population than average. This data was verified by the 2016 Village Survey.

The village has a markedly above-average number of people aged 45-59.

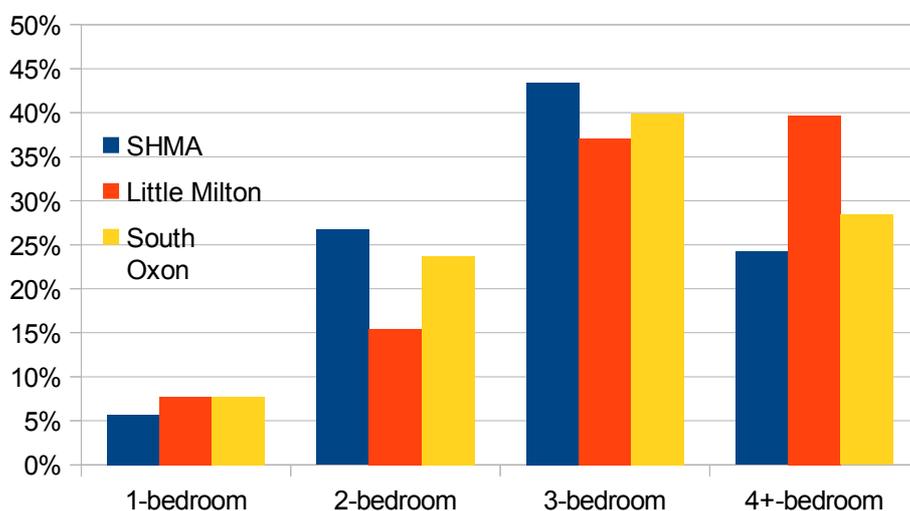
Housing Mix

The SHMA⁶ recommended that the provision of market housing should be more explicitly focused on delivering smaller family housing for younger households and identified an overall target housing mix for market housing as follows:

	SHMA Recommendation for South Oxfordshire	Little Milton Current Housing Mix	South Oxfordshire Current Housing Mix
1-bedroom	5.7%	7.7%	7.7%
2-bedroom	26.7%	15.4%	23.7%
3-bedroom	43.4%	37.1%	39.9%
4+-bedroom	24.2%	39.7%	28.4%

In graphical form:

Housing Mix



5 Village Plan Survey 2013

6 Oxfordshire SHMA Tables 64 & 65 and para 7.34

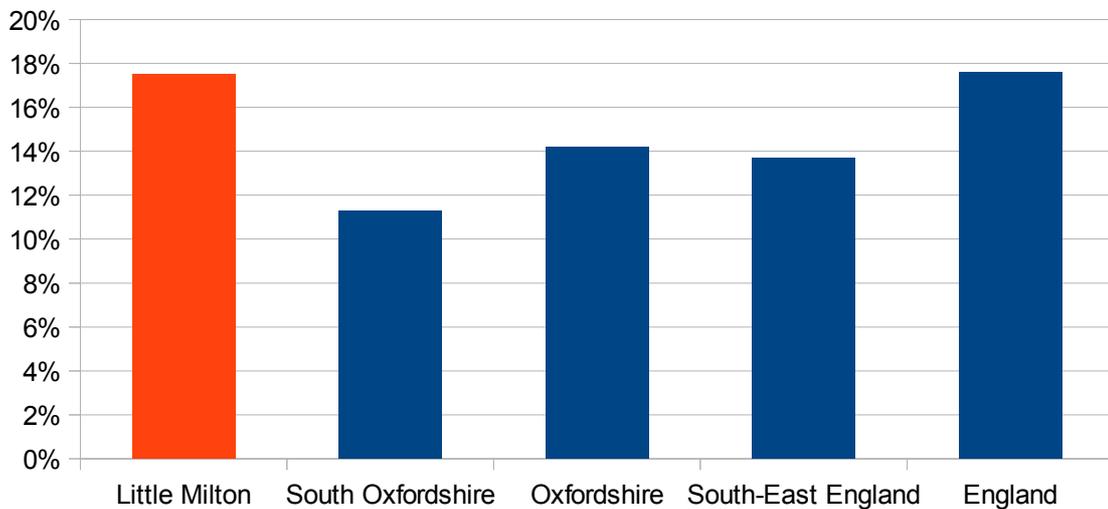
Comment

The population trends and the housing mix indicate that the village is not catering well for younger adults and families. The village has a higher than average number of houses with 4 or more bedrooms which generally attract the older, more affluent buyers, but the village is under-provided for 2-bedroomed houses in particular which are more suited to young adults and their families.

Social Housing

The village has an above-average number of social houses when compared with the district, county and region⁷, and an average number compared with the whole of England. There are 36 social houses in the village, administered by housing associations, of which 9 are subject to s106 agreements, giving priority in perpetuity to those with a village connection.

% Social Housing



There is a discrepancy between the number of social houses in the village noted by the 2011 Census data (28) and the actual number (36) which has been confirmed by the two housing associations⁸ that own houses in the village and also from Land Registry data⁹. Assuming similar discrepancies in the data for other villages, the locality figures compare as shown¹⁰:

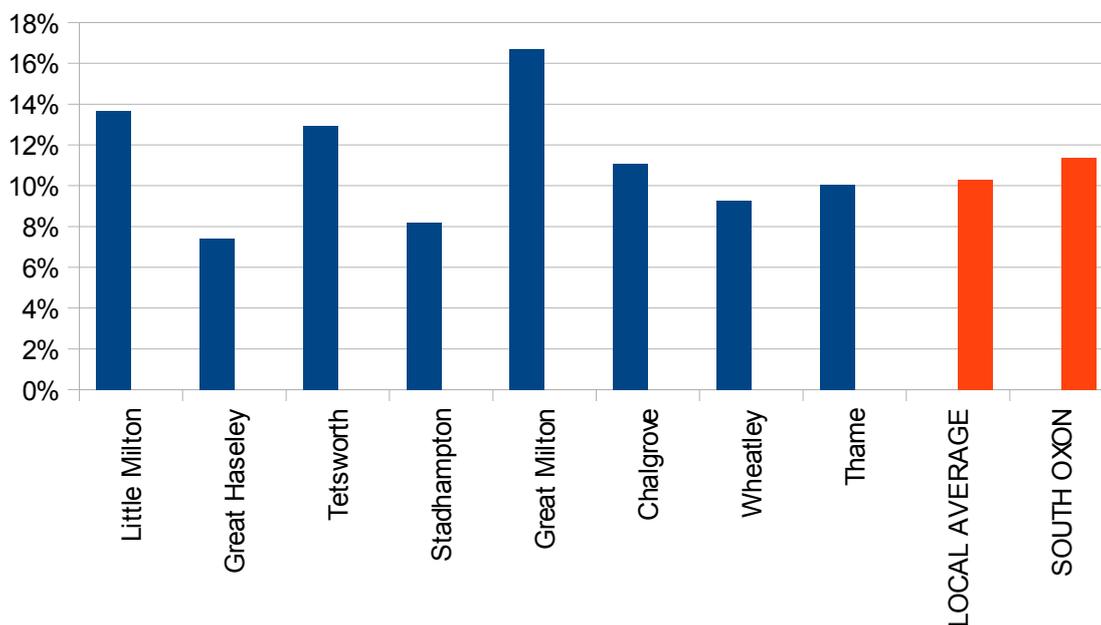
⁷ ONS Little Milton Census 2011 - Tenure-Households

⁸ Telephone calls SOHA and Sovereign Housing 20 July 2016

⁹ Land Registry Title Deeds searched 20 July 2016

¹⁰ ONS 2011 Census – tenure data

**% Social Rented Housing in local towns and villages
Census 2011 data**



The last two significant development projects in the village both served to increase the social housing stock in the village as follows:

		Total
Up to mid 1990s	Existing social housing	23
Mid 1990s	Add 6 at Warren View	29
2003	Demolish 6 in Old Field/Thame Road and erect 13	36

Since the mid 1990s, 13 houses have been added to the stock, an average of about 0.6 houses per annum. The global need in rural areas is nearer one house per parish council per annum¹¹.

Dwelling Completion Rate

No new dwellings have been completed in the village since the 2003 development outlined above. One dwelling has been completed in the parish since that date, namely a farm house at Warren Barn Farm. Construction of this house was spread over a prolonged period.

¹¹ Report of the Rural Housing Policy Review 2016

House Prices and Affordability

A search of recent house prices on Zoopla in August 2016 indicated house prices in the following ranges for the more common types of housing:

Type	Bedrooms	Price range
Terraced or Semi-detached	3	£277,00 - £325,000
Detached	3	£420,000 - £585,000
Detached	4	£485,000 - £750,00

The older houses tend to be more expensive. Houses in Milton Manor Drive, which are mainly terraced or semi-detached, tend to be cheaper.

In August 2016, Rightmove¹² reported the house market in Oxfordshire as follows:

The majority of sales in Oxfordshire during the last year were terraced properties, selling for an average price of £322,825. Detached properties sold for an average of £554,473, with semi-detached properties fetching £361,867.

Oxfordshire, with an overall average price of £384,632, was similar in terms of sold prices to nearby Buckinghamshire (£377,360) and Berkshire (£388,553), but was more expensive than Hampshire (£291,088). The most expensive area within Oxfordshire was Jericho (£947,965) and the cheapest was Banbury (£219,602).

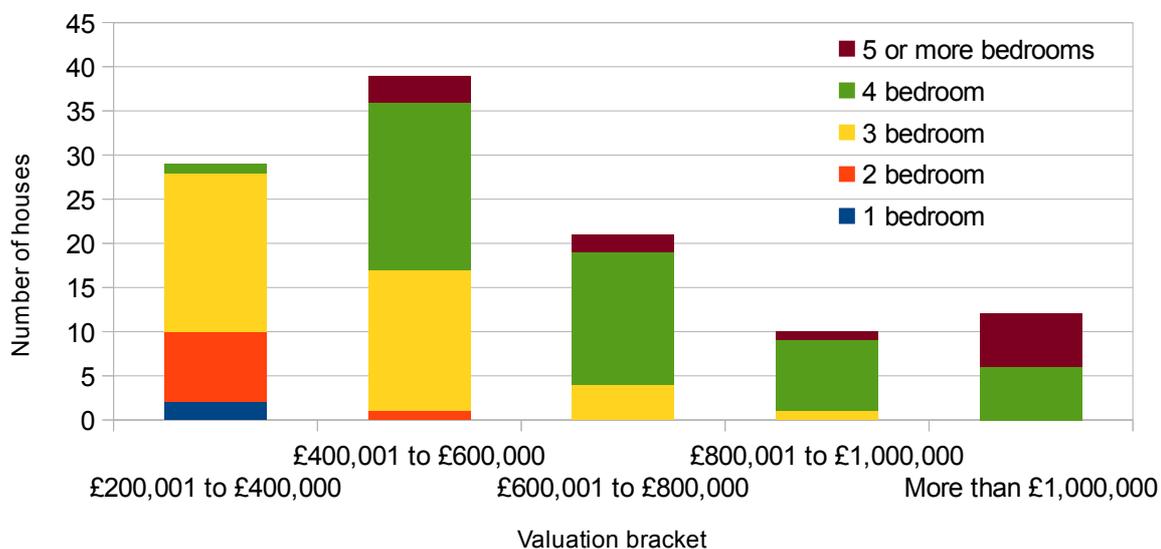
Overall sold prices in Oxfordshire over the last year were 7% up on the previous year and 20% up on the 2013 level of £321,625.

Data on average house prices in Little Milton should be treated with caution as the turn-over of properties is relatively low so data is sparse and also any calculation of average prices is skewed because of the higher-than-average number of 4 or more-bedroomed houses in the village. That said, the average house price of all properties up to and including 4-bedrooms in Little Milton appears to be of the order of £465,000. However the average prices for terraced properties and 3-bedroom detached properties are of the same order of magnitude as the averages quoted by Rightmove.

12 <http://www.rightmove.co.uk/house-prices-in-Oxfordshire.html>

Data from the 2016 Village Survey indicated that villagers assessed the values of their houses as follows:

House valuations against number of bedrooms



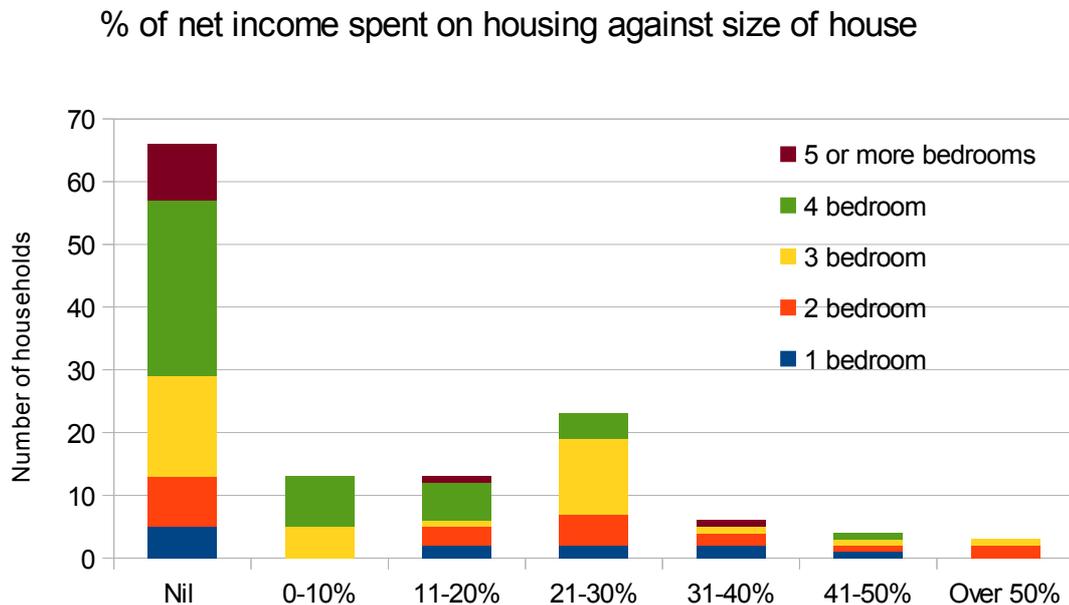
Bedrooms	Range of values	Average
1	£200,001 to £400,000	£300,000**
2	£200,001 to £600,000	£320,000**
3	£200,001 to £1,000,000	£440,000
4	£200,001 to £1,000,000	£695,000
5 or more	£200,001 to over £1,000,000	£865,000**

All the average figures should be treated with caution as they are owners' estimates only and those marked ** were derived from a very limited data base. The average house price across the village was ~£580,000.

In common with most of Oxfordshire and the South East, these prices make the buying of a first house in the village a significant financial challenge¹³.

¹³ Housing affordability for first time buyers – Shelter Mar 2015

In terms of % of net income spent on housing:



This data¹⁴ shows a wide spread of financial commitment but just over half (52%) of households have no financial burden, the majority of those because mortgages have been paid off.

SODC's Housing Development Officer¹⁵ has advised that the average cost of a 2 bed property is £295,350 in Little Milton and that this would mean that first time buyers would need to earn in the region of £75k per annum to afford to buy. (*prices based on Zoopla sold data and multiplier for buyer on 4 x salary*). The Officer also advised that Affordable Housing also includes shared ownership properties, and that when negotiated at district level all developments over 11 properties have to include affordable housing at 35% - this is then split 75% affordable rent and 25% shared ownership.

The local estate agent's view is that they are continually asked for their specific market which is typical village property – period and middle upper. The village lacks flats, starter homes and 2 bedroom properties.

Results of village survey

The village survey conducted in November 2016 indicated that:

Affordability

1. House values in the village range from £200,000 to over £1m, with an average price of ~£580,000
2. 52% of residents pay no mortgage charges or rent

¹⁴ Little Milton Village Survey 2016

¹⁵ Jan Phillips email 28 Sep 2016

3. Of those who do pay mortgage charges or rent, the % of net income spent ranges from 10% to over 50%, with an average of 20%
4. Of the 34 previous members of households who have left the village in the last 5 years, 5 left because they could not afford to own or rent a house in the village, and would have stayed if they could. The need for such people was primarily for 2-bedroom properties (but the sample size was small)

People wishing to move within the village

5. 11 potential new households would like to move within the parish in the next 5 years. The adult age range of these households is wide (20-75) and the primary requirement is for 1-3 bedroom houses. These households are a mix of single persons (4), couples (4) and families (3).
6. The main reason for wanting to move was to live independently. Some wished for a smaller house, some for larger.
7. Of those who wish to move within the parish but cannot, the main reasons given for not being able to move were either could not afford to rent or buy or lack of suitable housing.
8. The majority of such households (55%) could afford to pay up to £150 per week or £7800 per annum for rent or mortgage; 27% could afford more; 9% could afford less.

Affordable housing

9. Of those 11 households who wish to move, renting from the Local Authority or Housing Association is a possible option for 5, shared ownership with the Local Authority or Housing Association is a possible option for 3.
10. Of those who wish to move within the parish, 2 are on the District Council housing register
11. 6 households stated that there was someone in their current household who had a need for affordable housing. Of those, 2 are on the housing register
12. Of those 6 households, all have a local connection with the village
13. The primary requirement is for 2-3 bedroom dwellings

Number and types of new houses needed

14. Residents are of the view¹⁶ that the need for new houses in the village is as follows:

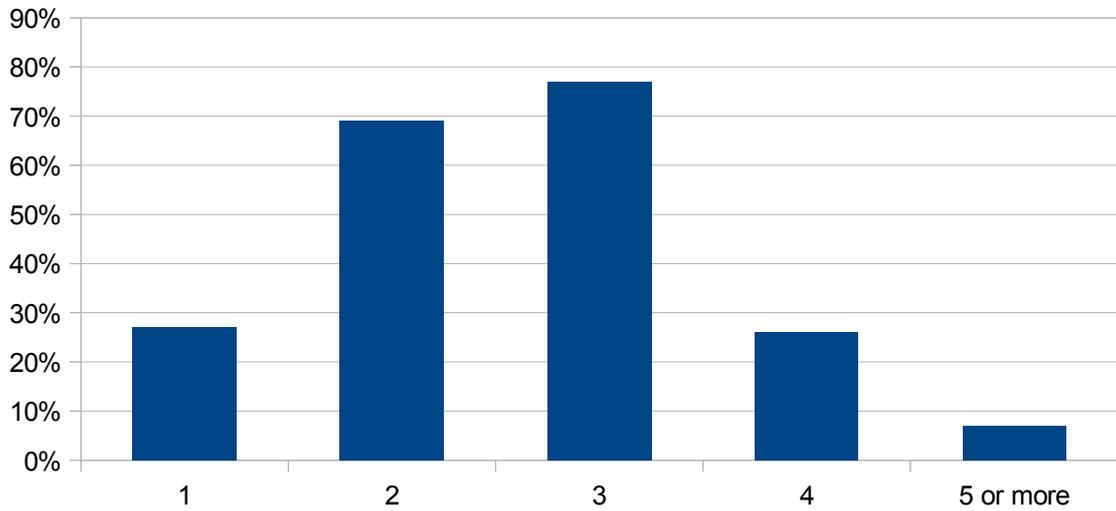
No. of new houses	None	1-10	11-20	21-30	31-40	41-50	50 or more	No view
Responses	11%	33%	30%	10%	6%	1%	3%	7%

15. The average figure indicates a need for 13 new houses or 6.3% growth, which is much in line with the need identified by SODC

¹⁶ Little Milton Village Survey 2016

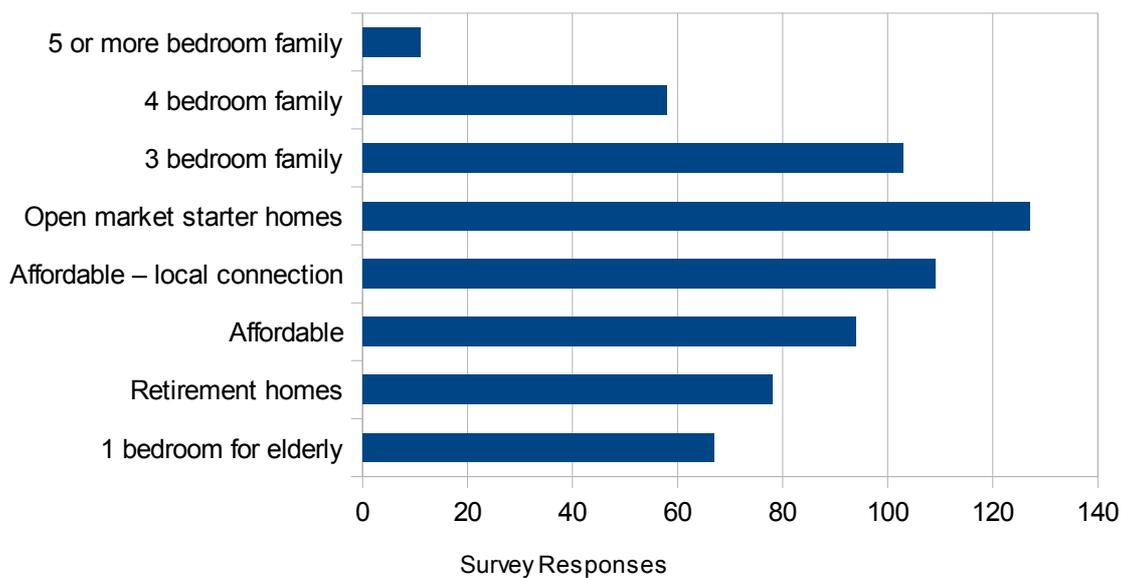
16. The sizes of houses needed are shown on the graph. Note that the total is more than 100% as this was a multi-choice question:

Number of bedrooms most needed



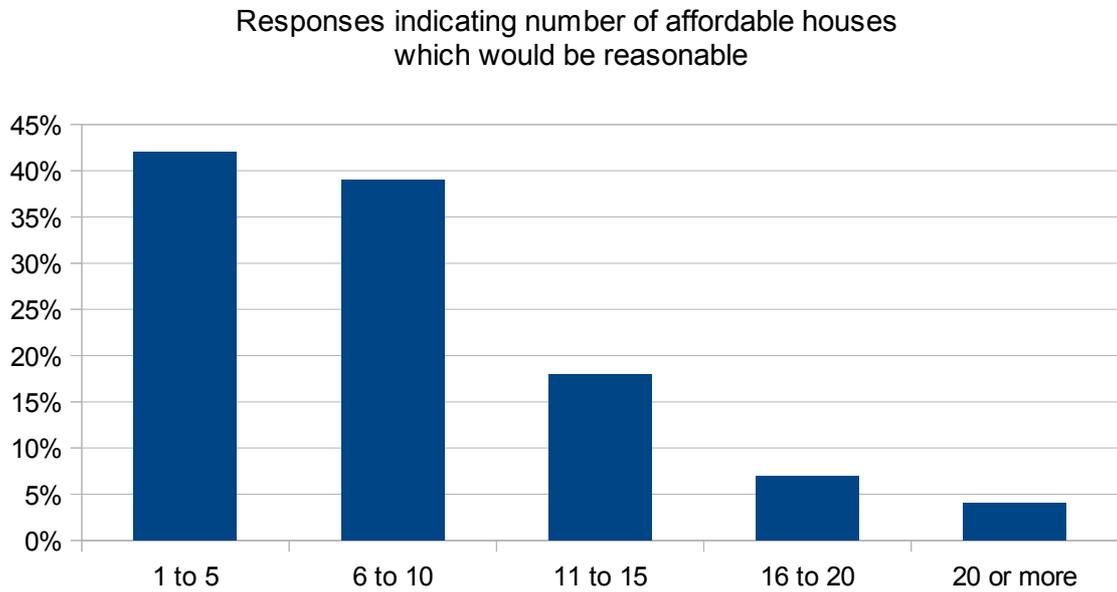
17. The types of houses needed are shown on the following graph:

Types of homes needed

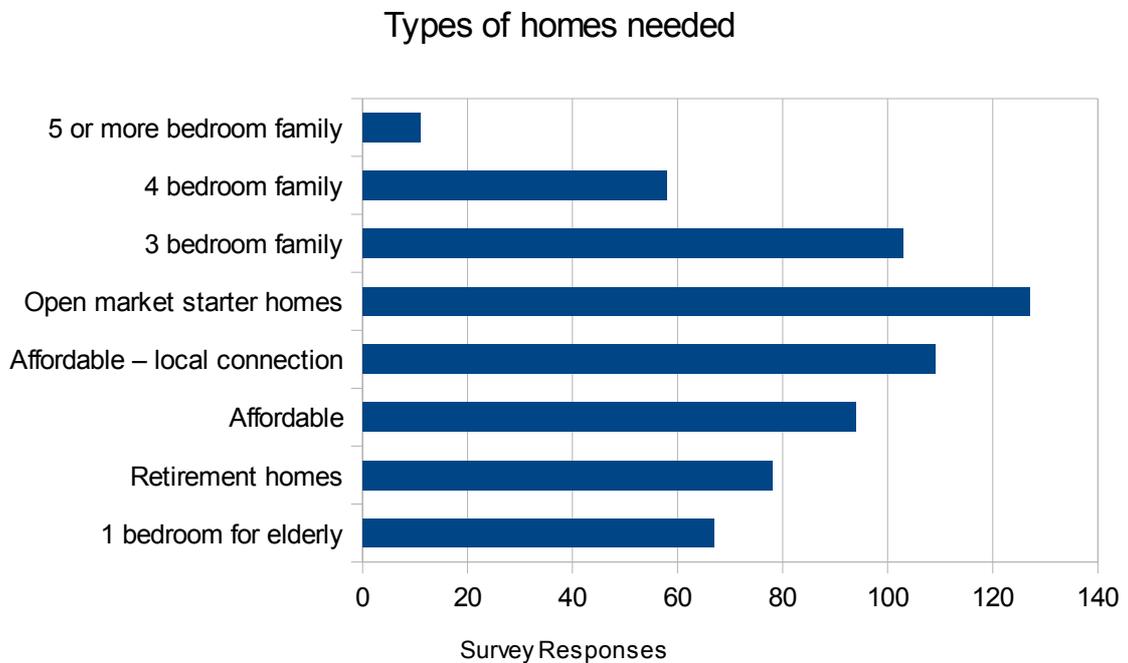


18. There was 77% support for more affordable housing if a need were identified.

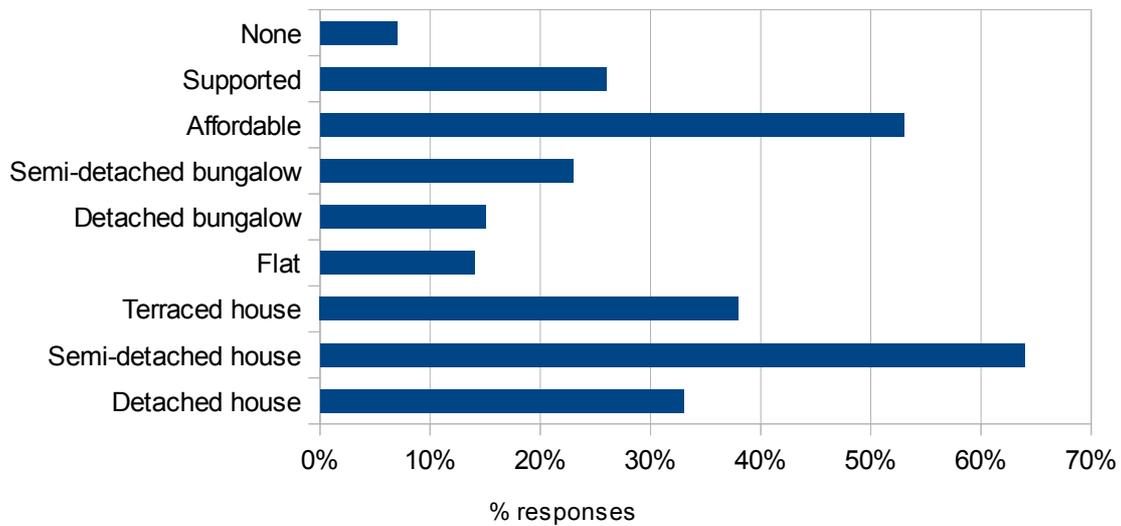
19. In response to the question of how many affordable houses would be reasonable:



20. The housing mix advocated by villagers is:



Type of house



Open question comments in the village survey highlighted the need to provide more houses for young people at prices they can afford.

THE HOUSING NEED

The whole process of the SHMA calculations, the Oxford City unmet need, distribution of that unmet need across the surrounding districts and proposals within South Oxfordshire for strategic settlements have been the subject of much debate. The absolute figures may be adjusted over time but the overall needs in the district are clear:

- More houses are needed
- Affordability is a key factor, whether for affordable housing as such or for low cost market housing
- Younger people cannot currently afford to buy or rent locally
- There is a need for more 2-bedroom and 3-bedroom houses

SODC has proposed that a fair share of the housing need in the district should now be met by a small percentage (5-10%) increase in the number of houses in smaller villages such as Little Milton. On average, the residents of Little Milton think the need is for a 6.5% increase.

In common with much of Oxfordshire, houses in Little Milton are relatively expensive. Affordability is a key criterion, whether it be market housing to buy or rent, or affordable housing rented from or in shared ownership with the Local Authority or Housing Association. A small number of households would like to move within the village and set up a new home. The greatest need is for 2- or 3-bedroom dwellings.

Compared with SHMA targets, Little Milton is currently over-provided for 4-bedroom houses and under-provided for 2-bedroom and 3-bedroom dwellings.