

Trafford Council

Housing Propositions - Rural Communities



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INTRODUCTION

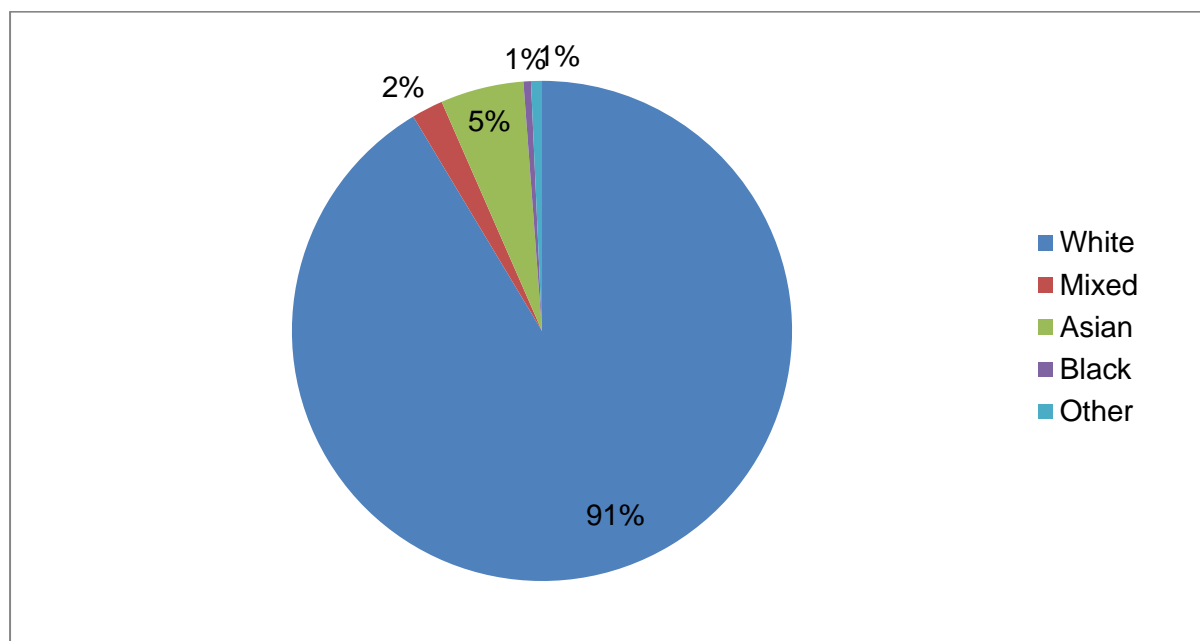
The Trafford Housing Needs Assessment (HNA) 2019 provides the latest available evidence to help shape the future housing related strategies and policies in Trafford. This study complements the Greater Manchester (GM) Strategic Housing Market Assessment (SHMA) by providing detailed local information and supports the development of the new local plan for Trafford. It considers the need for affordable housing and the size, type and tenure of housing need for specific groups within the borough. This research provides up-to-date analysis of the social, economic, housing and demographic characteristics of the area.

The HNA evidence base is prepared in accordance with the requirements of the February 2019 National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG). The findings from the study provide an up-to-date, robust and defensible evidence base for policy development, in accordance with Government policy and guidance.

RURAL COMMUNITIES

Bowdon is the largest ward in Trafford and is a combination of the small rural villages of Warburton and Dunham Massey surrounded by open countryside and the more densely populated residential area of Bowdon. The majority of the ward is owned by the National Trust as part of the Dunham Massey Estate, which includes the Grade I listed Dunham Massey Hall and Grade II* registered deer park. Bowdon is a semi-rural ward and has a low population density. Bowdon is a largely affluent ward.

DEMOGRAPHICS



The graph above shows the ethnicity of residents who live in Rural Communities. The majority of those are White (91%), followed by 5% being Asian, 2% being Mixed, 1% being Black and 1% being other. Therefore 8% of the residents in Rural Communities are from the BME community. Note: this data is from 2011 Census and consideration must be given to changes in ethnicity since that time.

CURRENT DWELLING STOCK

Table 1: Number of dwellings in Rural Communities	
Dwellings	Households
3,187	4,112

Table 1 shows that in 2019 there were 3,187 dwellings and 4,112 households in Rural Communities.

Table 2: Dwelling type and size in Rural Communities	
Type/size	Percentage
1 bedroom house	0.0
2 bedroom house	4.1
3 bedroom house	17.4
4 or more bedroom house	49.6
1 bedroom flat	7.0
2 or more bedroom flat	18.4
1 bedroom bungalow	0.0
2 bedroom bungalow	2.1
3 or more bedroom bungalow	1.0
Other	0.4

Total	100.00
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Table 3: Dwelling Type in Rural Communities	
Type	Percentage
House	71.1
Flat	25.4
Bungalow	3.1
Other	0.4
Total	100.0

Dwelling Size in Rural Communities	
Type	Percentage
1 Bed	7.0
2 Bed	18.8
3 Bed	24.6
4 Bed	49.6
Total	100.0

Tables 2 and 3 shows that the majority of the properties in Rural Communities are 4 bedroom houses.

Table 4 : Recommended Need/Stock Profile (%) in Rural Communities	
Type/size	Percentage
1 bedroom house	0.2
2 bedroom house	8.5
3 bedroom house	8.9
4 or more bedroom house	-19.5
1 bedroom flat	2.0
2 or more bedroom flat	-7.0
1 bedroom bungalow	5.4
2 bedroom bungalow	0.1
3 or more bedroom bungalow	1.2
Other	0.2

Table 4 shows where there are shortfalls in types/sizes of accommodation in the Rural Communities. It doesn't mean there is no need for other types of accommodation just that supply and demand need to be more in balance. As the table shows there are particular shortages in 4 bed houses and 2 or more bedroom flats in the Rural Communities.

Table 5: Current property tenure split in Rural Communities			
Owner occupied	Private rented	Affordable	Base
75.0%	14.3%	10.7%	4,112

Table 5 shows that the largest tenure at 75.0% is owner occupation.

HOUSING NEED INCLUDING OLDER PERSON'S HOUSING NEED

Table 6: Households in need in Rural Communities		
No. of households in need in Rural Communities	% of households in need	Total No. households in Rural Communities
397	9.7%	4,112

Table 6 summarises overall housing need by sub-area. In Rural Communities there are 387 households in need which represents 9.7% of the total number of households in Rural Communities.

Using information from the household survey the majority of over 65s in the Rural Communities would prefer to move within Trafford. 91.9% would prefer to stay in Trafford and 8.8% would prefer to move outside Trafford. Compared to other areas in Trafford this is the highest percentage of older people who want to stay in Trafford. In addition 40.1% of older households live in 4 bedroom properties in the Rural Communities which is much higher than in other sub-areas in Trafford borough. Over 40% would prefer to live in a 2 bedroom flat or bungalow.

In answer to a separate question the household survey also showed that 69.6% of older people in the Rural Communities would like to continue living in their own home with support when needed, 28.8% are considering buying a property on the open market and 22.8% would like to live in an extra care scheme (respondents could tick more than one box).

AFFORDABLE HOUSING NEED

Table 7: Net annual affordable housing imbalance by no. of bedrooms 2018/19 to 2022/23 in Rural Communities		
Number of bedrooms	Rural Communities	Trafford total
1	4	145
2	22	241
3	8	113
4	6	43
5 or more	0	3
Annual imbalance	39	545

Table 7 shows that the annual net affordable housing need in Rural Communities is **39** dwellings.

Table 8: Required tenure split of affordable housing in Rural Communities			
Tenure			Base (annual gross need)
Affordable/social rented	Intermediate tenure	Total	
49.1	50.9	100.00	39

Table 8 sets out the tenure split based on preferences of existing and newly forming households in Rural Communities. This means that of those that will need affordable housing 50.9% would prefer intermediate tenure and 49.1% would prefer affordable or social rent.

Table 9: Affordable Housing Need by Dwelling Type/Size in Rural Communities	
Type/size	Percentage
1 bedroom house	5.3
2 bedroom house	56.1
3 bedroom house	18.9
4 or more bedroom house	15.5
1 bedroom flat	2.5
2 or more bedroom flat	0.0
1 bedroom bungalow	1.4
2 bedroom bungalow	0.0
3 or more bedroom bungalow	0.0
Other	0.3
Total	100.00
Annual net need	39

Table 9 shows that there is a greatest need for affordable 2 bed houses.

HOUSE PRICES AND RENTS

Table 10: Comparative median house price change 2007-2018 for Rural Communities			
	Median price by year (Median £)		2007-2018 % age change
	2007	2018	
Rural Communities	£420,000	£669,000	59.3%

Table 10 sets out comparative house price change by sub-area between 2007 and 2018. Rural Communities has seen some of the largest price increases in the borough with a 46.5% increase.

Table 11: Median Rents for Rural Communities compared to Trafford overall	
Rural Communities	Trafford
£1,148	£776

Table 11 shows that the Rural Communities had considerably higher rents in 2018 at £1,148 compared to £776 for Trafford.

Table 12: Cost of alternative tenures in Rural Communities	
Tenure option	
Social Rent (average)	£380
Affordable Rent	£735*
Market Rent-Lower Quartile	£793
Market Rent - Median	£1,148
Market Sale – Lower Quartile	£345,000
Market Sale – Median	£669,000
Market Sale – Average	£770,495
Starter Home	£535,200
Shared Ownership (50%)	£334,500
Shared Ownership (25%)	£167,250
Help to Buy	£501,750
Discounted Home Ownership	£577,871

*Note in the Rural Communities market rents are much higher than elsewhere in the borough. Based on the 80% of median rents would result in an Affordable Rent of £918 each month which is higher than the lower quartile market rent. For the Rural Areas, the Affordable Rent has been based on actual Affordable Rents being charged in the Rural Area.

Table 12 sets out the cost of alternative tenure options in Rural Communities ranging from £380 a month for a social rented property to a purchase price of a market sale property of £770,495.

Table 13 sets out the indicative incomes required in Rural Communities based on rental property being affordable, if up to 25% of household income is spent on rent; and owning is affordable if a 3.5x household income multiple is used assuming deposits of up to 10%. This shows that much higher incomes are needed to rent or buy a house in Rural Communities than in Trafford as a whole.

Table 13: Household income required for alternative tenure options in Rural Communities (based on 25% for income for rents and 3.5x income multiple for buying)

Tenure option	Rural Communities	Trafford
Social Rent (average)	£18,240	£18,240
Affordable Rent	£44,083	£34,061
Market Rent-Lower Quartile	£38,064	£31,200
Market Rent - Median	£55,104	£37,440
Market Sale – Lower Quartile (assumes 10% deposit)	£88,714	£47,571
Market Sale – Median (assumes 10% deposit)	£172,029	£66,857
Market Sale – Average (assumes 10% deposit)	£198,127	£83,395
Starter Home	£137,623	£53,486
Shared Ownership (50%)	£124,249	£49,169
Shared Ownership (25%)	£102,029	£40,533
Help to Buy	£133,800	£52,000
Discounted Home Ownership	£154,099	£64,862

Table 14 presents local income levels in Rural Communities based on median rents to determine what is affordable. As can be seen due to the higher incomes in Rural Communities median rents of £1,148 are affordable.

Table 14: Median rents, household incomes and what could be afforded in Rural Communities

Monthly median rent that could be afforded by percentage of income spent on rent						Median Rent and income	
25% of income	30% of income	35% of income	40% of income	45% of income	50% of income	Actual median rent 2018	Median gross household income 2018 (monthly £)
£1,302	£1,563	£1,823	£2,083	£2,334	£2,604	£1,148	£5,208

Note: Green cells indicate rent is affordable.

Table 15: Median house prices compared with median household income buying capacity in Rural Communities

Potential buying capacity of median priced properties based on income multiples				Median Price and Income	
3.5x	5x	7.5x	10x	Actual Median price 2018	Median Gross household income 2018 (Monthly £)
£122,500	£175,000	£262,500	£350,000	£669,000	£5,208

Note: Red cells indicate property is not affordable to buy

The situation is worse for median house prices and incomes (Table 15) where it is not possible to access median quartile house prices of £669,000 in Rural Communities unless income multiples exceed 10 times income.

Table 16: Rents and house prices which would be genuinely affordable in Rural Communities			
Lower Quartile Rents (25% of income)	Median Rents (25% of income)	Lower quartile purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
£938	£1,302	£157,500	£218,750

Based on the evidence provided it is possible to establish genuinely affordable rents and purchase prices across the borough. This is demonstrated for Rural Communities in Table 16. Genuinely affordable median rents in Rural Communities should be £938 and median purchase price (assuming 3.5 times income) should be £157,500.

SUMMARY

- The majority of residents in Rural Communities are White (91%) with 8% being from the BME community.
- Current dwelling stock in Rural Communities is 3,187 and there are 4,112 households.
- The majority of the properties in Rural Communities are 4 bedroom houses.
- The current tenure split in Rural Communities is 75.0% owner occupied, 14.3% private rented and 10.7% affordable, which along with Altrincham and Urmston is the highest percentage of owner occupation in one area across the borough.
- The number of households in need in Rural Communities is 397 which equates to 9.7% of the current households in Rural Communities.
- In respect of market housing there are particular shortages in 4 bed houses and 2 or more bedroom flats in the Rural Communities.
- Over 40% of older people in the Rural Communities would prefer to live in a 2 bedroom flat or bungalow.

- The household survey also showed that 69.6% of older people in the Rural Communities would like to continue living in their own home with support when needed, 28.8% are considering buying a property on the open market and 22.8% would like to live in an extra care scheme.
- There is a need for 39 affordable units per annum with the majority being intermediate tenure (50.9%).
- The type of affordable dwellings needed in Rural Communities is 56.1% two bed houses, 18.9% three bed houses, 15.5% four or more beds, 2.5% one bedroom flats, and 1.4% two bed bungalows.
- Median house prices have increased by 35.63% in Rural Communities from £420,000 to £669,000 between 2007 and 2018.
- Median monthly rents of £1,148 in Rural Communities are higher than the average equivalent for Trafford (£776).
- Based on a monthly gross household income of £5,208 median rents of £1,148 are affordable in Rural Communities if 25% of income is spent on rent.
- Based on a monthly gross household income of £5,208 it is not possible to purchase median priced properties (£669,000) in Rural Communities unless income multiples exceed 10 x income.
- Genuinely affordable median rents in Rural Communities should be £938 and median purchase price (assuming 3.5 times income) should be £157,500.