

Housing Key Facts

Who lives in the District?

- Around 113,000 people (46,000 households) who live in the district, a growth of around 6% over the last 10 yrs.
- Over that period the greatest increase has been in 45-64 yr olds, though in percentage terms over 75 yr olds see the largest growth.
- The District is popular with families with pre-school and school age children and a significant proportion of households moving into the district are young families.
- The southern parts of the District play an important role in housing families with the rest of the District housing a relatively higher proportion of single pensioner households, couples without dependents and, in Winchester Town, a high proportion of single households and sharing households, with fewer family households.
- 72% of households are home owners, 15% have a private landlord, and 13% rent from the Council or a housing association.

How might this change in the future?

- Forecasts suggest an increase in couple and family households in the future, though the largest growth is forecast to be in single person households, due to a large extent to the growth in single older people.
- Despite the growth in the numbers of single people, around 35% of the demand from future households is likely to be for 3 bed properties, with around 15% looking for larger homes. There is no direct link between household size and the size of home they want.
- A recent study of the patterns of ownership over recent years revealed much of the increase in housing supply being taken up by the private rented sector. The current economic climate makes the future difficult to project, however, it is possible private rented market share could grow further.

Where do people move to and from?

- The PUSH area acts as an integrated housing market with significant movements within it. The rest of the District is made up of several self contained housing markets which means people are more likely to move locally.
- Movement to/from Southampton and Eastleigh is high but broadly in balance. There is significant in-migration from London and other parts of the South East.
- Most movers into affordable housing already live in the District.

What can people afford?

- Average annual household income of residents is around £47,000 p.a., with individual income around £35,000 p.a.
- The vast majority of the households on the Council's housing register seeking rented accommodation earn less than £10,000 p.a., with most of those seeking other forms of affordable housing, such as shared ownership, earning less than £30,000 p.a.
- Average property prices are £375,000, with flats averaging at £181,000 (2010 figures).
- Taking standard lending criteria a household income of over £63,000 is needed to buy even the lower cost housing in the District. 84% of households earn less than this.
- Affordability is related not just to price but to income and to access to finance. Despite the impact of the current recession on prices the shortage of mortgage finance is reinforcing affordability problems. Large deposits are required by lenders and interest rates can be high for certain borrowers.
- The "affordability gap" (the gap between the average property price and the price the average household can afford) is over £73,000.
- Between a 1/4 and a 1/3 of households cannot afford to rent in the private sector unassisted, with a £24,000 p.a. income needed to rent a flat.

What does this mean for affordable housing needs?

- There are around 3000 households on the Council's housing register seeking social rented housing. The register size has been increasing at 10% per quarter over the last few months.
- Another 500 are looking for other forms of affordable housing such as shared ownership.
- On average new affordable housing supply in the District is around 100 new homes a year.
- To meet demand, however, 375 new affordable homes are needed each year.

- Without increasing new supply the unmet need will increase.
- That need exists in greatest numbers in Winchester Town but also in the market towns and rural villages.

What is affordable housing?

- This is housing that is available at below market prices for rent (known as social rent), or part purchase (e.g. shared ownership).
- Social rented housing makes up the bulk of the affordable homes. Rents are significantly less than market rents.
- Affordability of shared ownership type properties is improved by letting purchasers buy just a share in the property, sometimes as low as a 25% share. They then pay rent on the remaining proportion. This makes it easier for those on lower incomes to get a mortgage. Some recent sales allowed purchasers earning between £20,000 and £28,000 to buy, well below average income levels.

Who lives in affordable housing?

- Affordable housing potentially is available to anyone who cannot afford a suitable home.
- Nearly all households who move into affordable housing are from Winchester District.
- Most households seeking shared ownership type homes are couples or single people, often young people trying to get on the housing ladder. Around 1/3 are key workers such as teachers and nurses.

How is new affordable housing provided?

- There needs to be some element of subsidy for the housing to be 'affordable' (usually from developers/landowners, government or council grants, or charities).
- Most is provided by housing associations.
- The principle determinant of how much affordable housing can be provided is how much land with planning permission is available.
- Planning policies require parts of larger sites to be set aside for affordable housing. Most the new supply comes from these types of sites.
- In rural areas affordable housing is provided on special categories of site (exception sites) adjoining villages that mean no other kinds of housing can be built (priority is given to local people from the village to live in the houses).
- The Council uses some of its land to allow affordable housing to be built.

What may happen if there is inadequate housing?

- There will be upward pressure on house prices and rents as demand exceeds supply. So homes will become less affordable.
- Homelessness will increase. In the past year homelessness has increased and more people are approaching the Council for homelessness advice.
- Families will be more likely to live in temporary accommodation, including bed and breakfast, and live in overcrowded conditions, be it in owner occupied dwellings or in other tenures.
- Housing waiting lists will grow.
- Economic prosperity and service delivery may be compromised and commuting and congestion increased.
- Children may not get a good start in life, educational attainment may suffer due to poor housing conditions and health may suffer for all age groups.
- Local people will have to move away from the area to find suitable housing, in particular the drift of young people away from rural areas will continue. Often these are the children of families who have lived in a village for many years
- Older people will suffer as housing to meet their needs is not provided.
- Young people will have to live in the parental home longer. Already we are seeing 'children' well into their thirties having to stay at home.
- Patterns of tenure may continue to change as in recent years with a high proportion of new housing supply falling into the private rented sector rather than into owner occupation.

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