Stockton-on-Tees 2010
Rural Housing Needs Assessment

Final Report for Stockton-on-Tees Borough Council

March 2010

arc4

AFFORDABILITY RESEARCH COMMUNITIES

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Publishing Date: March 2010

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1.0 Introduction

Background and objectives

1.1 arc4 Limited was commissioned in September 2009 to carry out a Rural Housing Needs Assessment in the rural parishes and communities for Stockton-on-Tees Borough Council. The assessment period runs from September 2009 to January 2010.

1.2 The aims of the study are to:

- establish the current dwelling and household profile of rural parishes;
- identify the level of housing need across rural parishes, and the extent to which their housing needs cannot be accommodate by market prices;
- identify the affordable housing requirements across a range of affordable tenures and dwelling sizes for each rural parish of Stockton-on-Tees, taking into account local connections, incomes and market prices;
- establish the general level of support for small developments of affordable housing for people in housing need with a strong local connection.

Geography

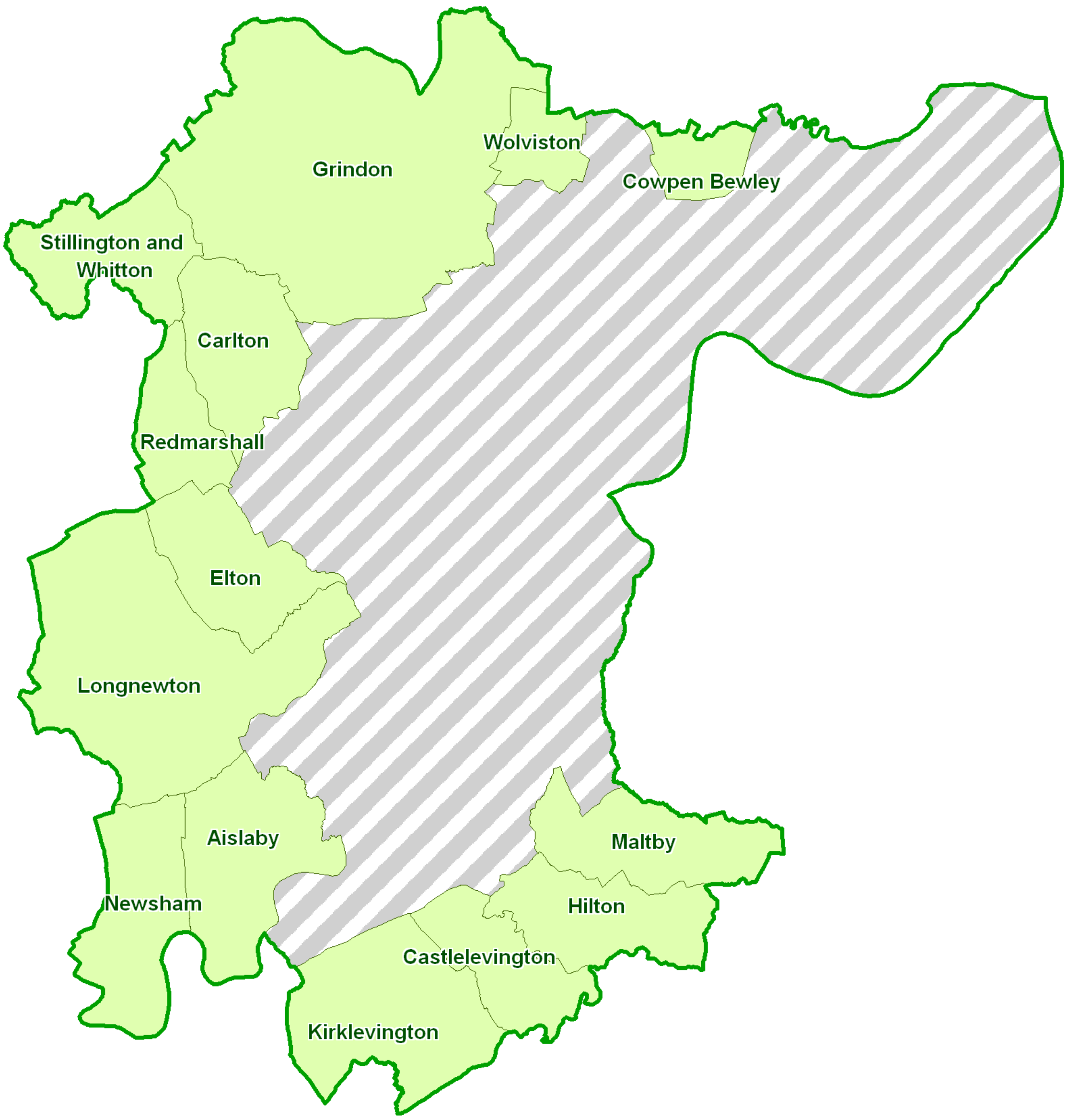
1.3 The rural parishes of Stockton-on-Tees Borough are located to the west and south of the urban area of Stockton-on-Tees (Map 1.1). The parishes defined as rural and included in the study are:

Aislaby and Newsham, Carlton, Castle Leavington and Kirklevington, Elton, Grindon, Hilton, Long Newton, Maltby, Redmarshall, Stillington and Whitton, Wolviston. Rural parts of Billingham are also included, totalling 12 rural locations.

1.4 Some other rural areas outside of the main conurbation but not within a rural parish are considered to be sufficiently close to the main conurbation for affordable housing need to be met within it, and are therefore not included within the study.

1.5 Appendix 1 shows the rural parishes with Ordinance Survey background mapping.

Map 1.1 Stockton-on-Tees Rural Parish Geography



Research methodology

1.6 To deliver the rural housing needs study a multi-method approach was adopted consisting of:

- A 100% survey of households across rural parishes in Stockton-on-Tees. A total of 3,665 households were contacted and 770 questionnaires were returned and used in data analysis. This represents a 21% response rate. The response rate varied by parish with 34% in Maltby and Hilton, and 15% in Elton and Grindon. A full breakdown of response rates is highlighted in the data tabulations which accompany this report;
- Consultation with all parish councils and councillors regarding the household survey, community housing needs, and affordable housing sites; and
- Consultation with the residents through a series of four community events in clusters across the rural areas, during November 2009.

Report structure

1.7 This report is structured in the following way:

- Chapter 2 reviews **household survey results** and includes a review of dwelling stock, household profiles including income; future housing requirements of households intending to move; and the scale of new household formation and their dwelling preferences; dwelling and household profiles;
- Chapter 3 considers the **scale of housing need** across the rural areas and how this translates to affordable housing requirements.
- Chapter 4 reviews issues raised in **community and parish consultation**
- Chapter 5 completes the report by considering **policy options** and next steps, including a **summary of key issues** for each parish.

2.0 Household survey results

Overview

2.1 The rural household survey was split into three sections. Part 1 considered the characteristics of dwelling stock, households and residents. Part 2 considered future housing requirements by focusing on the aspirations of households planning to move in the next five years. Part 3 focused on newly-forming households by reviewing how many new households were likely to form in the next five years and their housing aspirations.

2.2 An overall response rate of 21% was achieved (see Table 2.1)

Table 2.1 Survey responses

Parish	Total Occupied Households	No. Of Responses	Response Rate (%)
Aislaby & Newsham	89	15	16.9
Billingham	42	10	23.8
Carlton	273	72	26.4
Castle Leavington & Kirklevington	479	143	29.9
Elton	147	23	15.6
Grindon	980	140	14.3
Hilton	171	58	33.9
Long Newton	342	71	20.8
Maltby	133	46	34.6
Redmarshall	139	38	27.3
Stillington & Whitton	486	85	17.5
Wolviston	384	69	18.0
Total	**3665**	**770**	**21.0**

2.3 For analysis reporting purposes, key information presented below will refer to all the rural Parishes collectively as the ‘rural area’. Where appropriate, comments relating data for specific parishes are made.

2.4 This report is accompanied with a set of data tabulations which present the household survey data for each parish. It is standard practice when doing 100% rural housing needs surveys not to weight the data. Therefore, the results presented are for unweighted data and relate to the actual responses received.

Dwelling profile

2.5 Evidence from the 2009 household survey suggests 77.4% of respondents lived in houses (of which 52.6% were detached), 19.2% in bungalows and 1.7% in flats (Table 2.2).

2.6 Notable parish variations included:

- Stillington & Whitton have a mixture of dwelling types: 33% detached, 24% semi-detached and 30% terraced; and
- In Long Newton 88% of households live in houses.

Table 2.2 Property type proportions

Property Type	Rural Areas
Detached house/cottage	52.6
Semi-detached house/cottage	13.1
Terraced house/cottage	11.7
Bungalow	19.2
Maisonette	0.3
Flat/apartment	1.4
Caravan/Park Home	1.0
Other	0.6
Total	100.0
Base (Total households)	770

2.7 92.2% of survey respondents were owner occupiers. A further 4.7% rented from a social landlord (mainly from Tristar Homes) and 3.1% rented from a private landlord. Table 2.3 summaries the tenure profile of respondents across the rural area.

Table 2.3 Tenure

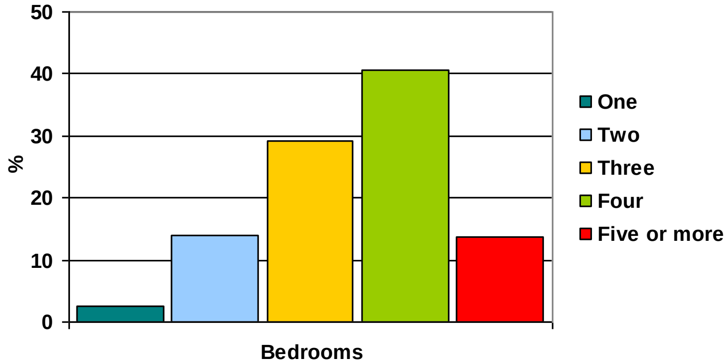
Tenure	Rural Areas
Owned (no mortgage)	54.5
Owned (with mortgage)	37.7
Rented from Council/ Tristar Homes	3.9
Rented from a Housing Association	0.8
Rented Privately (furnished)	0.9
Rented Privately (unfurnished)	1.6
Tied to your job	0.6
Total	100.0
Base (Total households)	770

2.8 In terms of notable parish variations in tenure:

- 98% of household respondents are owner occupiers in Maltby, Castle Leavington and Kirklevington, 96% in Elton and Long Newton;
- 19% of household respondents in Stillington and Whitton rent from a social landlord;
- 7% of household respondents privately rented in Wolviston

2.9 Figure 2.1 illustrates the number of bedrooms in rural areas. 17% of respondents lived in one and two bedroom dwellings; 29% lived in properties with three bedrooms; and 54% lived in properties with four or more bedrooms.

Figure 2.1 Bedrooms



2.10 Further analysis indicated that 70% of respondents who were owner occupiers lived in properties with four or more bedrooms and three-quarters of social renters had properties with one or two bedrooms.

Household profiles

2.11 70.3% of respondent households contained one or two people. A further 25.4% contained three or four people and 4.3% contained five or more people (Table 2.4).

2.12 In terms of area and tenure variations:

- 13% of Elton and Redmarshall households have five or more persons;
- 86% of outright owner and 90% of social renting households contained one or two people.

Table 2.4 Household Size

Household Size	Rural Areas
One	20.9
Two	49.4
Three	12.7
Four	12.7
Five	3.4
Six	0.5
Seven	0.4
Total	100.0
Base (Total households)	770

2.13 Table 2.5 provides a summary of the types of household which responded to the household survey. Overall, largest household groups were couples (one or both over 60) 33.9%, couples with children (19.2%) and singles over 60 (15.3%).

2.14 More than 60% of households responding contained someone aged 60 or over in Castle Leavington, Kirklevington, Hilton, Long Newton and Wolviston.

Table 2.5 Household Type

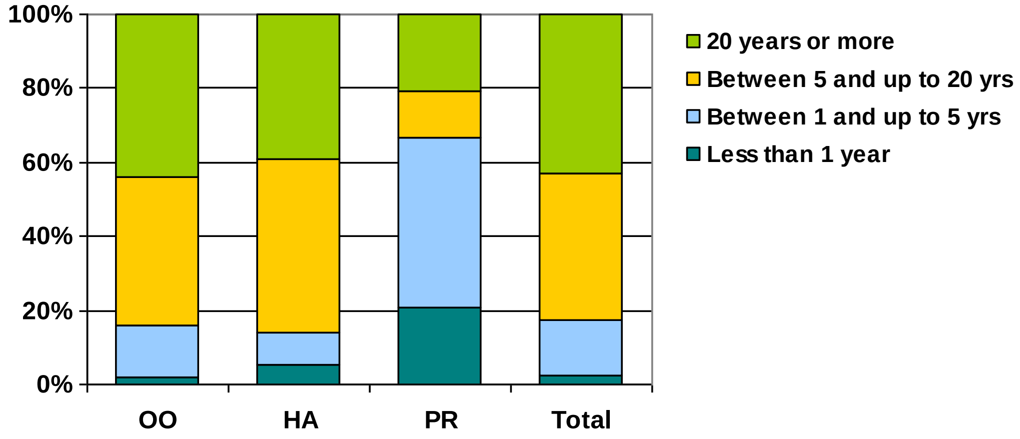
Household Type	Rural Areas
Single Adult (under 60)	5.6
Single Adult (60 or over)	15.3
Couple only (both under 60)	12.1
Couple only (one or both 60 or over)	33.9
Couple with 1 or 2 child(ren)	16.2
Couple with 3 or more children	3.0
Couple with adult child(ren)	7.3
Lone Parent with 1 or 2 child(ren)	1.8
Lone Parent with 3 or more children	0.4
Lone Parent with adult child(ren)	2.3
Older Other	1.2
Other type of household	0.9
Total	100.0
Base (Total households)	770

2.15 Figure 2.2 illustrates the extent to which households have remained in their current accommodation by tenure for the rural areas. Analysis indicates that:

- 15% of owners had lived in their property for less than five years, compared with 14% housing associations and 67% of private renters;
- 44% of owners have resided for greater than 20 years, compared with 39% social tenants and 21% of private renters;

2.16 Analysis suggests a high degree of residential stability across both the owner occupied and social rented sectors, with higher levels of turnover in the private rented sector.

Figure 2.2 Turnover by tenure groups



2.17 Information on the economic activity of a total of 1,482 adults aged 16 or over was obtained through the household survey (Table 2.6). Of these adults, 37.4% worked full-time, 11.4% worked part -time and 35.7% were retired. Unemployment is low at 2.2%.

- The highest number of economically active adults was in Aislaby & Newsham and Billingham (71%); and 62% in Grindon;
- The proportion of retired people was highest in Hilton (56.5%) and around 47% in Wolviston, Elton, Castle Leavington and Kirklevington.

Table 2.6 Economic activity

Employment Status (16+)	Rural Areas
Working full-time - permanent contract	35.2
Working full-time - temporary contract	2.2
Working part-time - permanent contract	8.0
Working part-time - temporary contract	3.4
Unemployed	2.2
Full-time carer	0.7
Retired	35.7
Permanently sick / disabled	1.8
Mainly doing unpaid household duties	2.4
In full-time education / training	8.5
Total	100.0
Base (Total persons)	1482

2.18 60% of working-age adults work in the private sector, 40% work in the public sector and include: 15% in health care, 17% in education and 5% in local government.

2.19 Half of working households have a workplace in Stockton-on-Tees, and include 11% working from home and 8% working within their local Parish. A further 26% work in Tees Valley and 15% in the North East. Working from home is most prevalent in Elton (27%) and Maltby (33%). Adults working further afield are proportionately higher in Wolviston at 10%.

Household income and housing costs

2.20 A diverse range of household incomes was stated across rural areas. The distribution of weekly income bands is highlighted in Table 2.7. Key statistics include:

- 20% households earn less than £250 a week;
- 25% earn more than £1000 a week (£52,000 a year), typical of affluent rural areas;
- Stillington and Whitton has a higher proportion of low income households;
- Grindon has the greatest number of high earning households, with 45% earning over £1,000 per week;

Table 2.7 Gross household income (weekly, %)

Household Income	Rural Areas
Under £100	2.9
£100 to under £150	4.7
£150 to under £200	5.4
£200 to under £250	6.4
£250 to under £300	4.9
£300 to under £350	5.2
£350 to under £400	4.1
£400 to under £450	4.4
£450 to under £500	4.7
£500 to under £550	5.1
£550 to under £600	3.4
£600 to under £650	3.6
£650 to under £700	3.6
£700 to under £750	2.7
£750 to under £800	2.5
£800 to under £850	2.4
£850 to under £900	3.6
£900 to under £950	2.0
£950 to under £1,000	3.2
£1,000 or more	25.2
Total	100.0
Base (Total households)	770

2.21 55% of households responding to the survey were outright owners and therefore pay no housing costs, a further 38% pay a mortgage and receive no help. 4% of households receive housing benefit in some way. 77% of Tristar Homes tenants receive some form of housing benefit, along with 21% of private tenants.

2.22 The range of housing costs varies by tenure and Parish. In rural areas 39% of households pay less than £100 per week in housing, and 16% pay over £300. Stillington and Whitton have the greatest proportion of households who pay less than £100 per week (54%). Elton and Grindon Parishes have the highest proportion paying over £300 per week on housing. All social tenants pay less than £80 per week and all private tenants less than £200 per week.

2.23 26% of rural households stated they were concerned with paying their rent or mortgage. The majority 74% stated they were not concerned. 46% of social tenants were concerned and 40% of private renters.

Housing circumstances

2.24 Households in rural areas stated what new housing was needed in their area. 41% stated some form of new housing, and 57% preferred no new housing to be built. Homes for young people were stated by 19% of households, homes for the elderly at 8%, small family homes at 6%.

2.25 Respondents were asked if they had provided temporary accommodation for a friend or family member who did not have a home. Temporary accommodation was provided by 4% of households in rural areas, 6.3% in Stillington and Whitton, 5.4% in Redmarshall and 5.1% Grindon. In the majority of cases this was for a single person (86% of responses).

2.26 Within rural areas 23% of households have had a member leave the Parish in the last five years. This increased to 33% in Maltby and 30% in Carlton. Typically one or two people had left the household (70% and 26% respectively). Two fifths had left to take up employment elsewhere, a further fifth had gone to go to college or university and one fifth had left to get married. Only 12% stated leaving because of the lack of affordable housing in the Parish.

Future housing requirements

2.27 Evidence from the survey suggests that around 21% of households intend to move in the next five years (2009 - 2014). 7% expect to move in the next 6 months, 18% between 6 months and a year, (25% within one year), 27% between one and three years and a further 48% between three and five years.

2.28 In Castle Leavington, Kirklevington and Maltby, 43%of those intending to move expect to move within the year.

Location preferences

2.29 Table 2.8 summarises where households would prefer to move to and where they are most likely to move to.

Table 2.8 Location preferences of households planning to move

Location	Prefer (%)	Most Likely (%)
Rural areas:		
Billingham	3.8	5.7
Carlton	5.1	3.2
Elton	1.3	1.3
Grindon	1.9	1.9
Hilton	0.6	
Kirklevington	3.2	1.9
Long Newton	5.1	5.1
Maltby	1.3	1.3
Redmarshall	5.1	2.5
Stillington and Whitton	1.9	2.5
Wolviston	7.6	4.4
Total Rural Areas	**36.9**	**29.7**
Elsewhere in Stockton-on-Tees	7.6	13.3
Stockton-on-Tees total	**44.6**	**43.0**
Outside Stockton-on-Tees		
Elsewhere in Tees Valley	5.7	5.1
County Durham	5.7	5.7
Elsewhere in NE	6.4	8.2
Yorkshire	17.8	15.2
Elsewhere in UK	12.7	17.7
Outside UK	7.0	5.1
Total outside Stockton-on-Tees	**55.4**	**57.0**
Total	100.0	100.0
Base (households moving)	158	158

2.30 Analysis indicates that:

- 36.9% of households would prefer to move within the rural area of Stockton-on-Tees but only 29.7% are likely to; they are more likely to move to other areas of Stockton-on-Tees-on-Tees i.e. the urban area of the District;
- Of households preferring to move within the rural areas, the most popular parishes are Wolviston, Redmarshall, Long Newton and Carlton; although households are generally feel they are less likely to move to these Parishes
- A majority of households would both prefer and are most likely to move outside the Stockton-on-Tees-on-Tees Borough, with Yorkshire and Elsewhere in the UK the most preferred and likely to be moved to.
- Households with the strongest preference to remain in the same parish currently lived in Long Newton (70% wanted to remain in the parish), Wolviston (50%) and Redmarshall (38.5%).

Type and tenure preferences

2.31 Households were asked to state the type and size of property they would realistically consider. Around 57% of households would realistically consider a house, 38% a bungalow and 4% a flat. The most frequently reported preferences were for a:

- three bedroom house (25%);
- four+ bed house (24%);
- two bed bungalow (15%);
- three bed bungalow (15%);
- one bed bungalow (9%).

2.32 When asked if respondents would prefer a newbuild or previously-occupied dwelling, 60% stated they didn't have a preference, 23% preferred previously occupied and 17% newbuild dwellings.

2.33 A range of tenure preferences were evidenced in the survey. A majority (67%) would prefer owner occupation (44% outright and 23% with a mortgage); 18% would prefer to rent from a social housing provider (10% Tristar Homes and 8% other housing associations), 8% privately rent and 7% would prefer an intermediate tenure product such as shared ownership.

2.34 Intermediate tenures were particularly popular in Maltby (30% of respondents would consider), and Redmarshall (17%). Housing Association properties were particularly mentioned by households in Elton (56%) and Wolviston (44%).

2.35 Dwellings which were adapted for someone with an illness/disability were required by relatively few (8%) households planning to move.

2.36 Survey respondents were asked if they would consider a range of older persons' housing options. 239 respondents (68%) answered this question and Table 2.9 shows the proportions of the 239 respondents who would consider different tenure options. Of these respondents, 76.1% would prefer to buy a property, 26.5% would like to rent from a Housing Association, and 19.5% would prefer to buy sheltered housing (Table 2.9).

Table 2.9 Older persons' housing choices (%)

Older Persons' Preferences	Rural Areas
Buying a property	76.1
Shared ownership	13.3
Private renting	8.0
Rent from a Housing Association	26.5
Sheltered - Renting	17.7
Sheltered - Buying	19.5
Sheltered - shared ownership	7.1
Extra Care - Renting	18.6
Extra Care - Buying	14.2
Extra Care - shared ownership	2.7
Residential care home	8.0
Base (Total preferences)	239

Note: % relates to the percentage of respondents who would consider a particular tenure e.g. 18.1% would consider renting in an extra care scheme

2.37 Remaining in owner occupation is popular in Hilton, Maltby, Grindon, Castle Leavington and Kirklevington. 44% of older people in Redmarshall would consider shared ownership and 17% prefer to privately rent in Carlton. Moving into housing association accommodation is a popular option for households in Maltby, Redmarshall, Stillington and Whitton, and Wolviston.

2.38 The main reasons stated for moving in the next five years are:

- Needed smaller property for other reasons (18.2%)
- To be closer to family/friends to give/receive support (12.3%)
- Wanted larger property or one that was better in some way (12.3%)
- Needed smaller property, difficult to manage (11.7%)
- To be closer to work/new job (5.8%).

2.39 Households planning to buy a property provided a range of financial resources available to fund the purchase. Across rural areas 26% have between £0 and £100,000 in financial resources; 19% of households have between £100,000 and £200,000; 23% of households between £200,000 and £300,000 and a further 33% can access over £300,000.

2.40 Over 40% of households in Castle Leavington and Kirklevington, Elton, Grindon and Wolviston can access £300,000 or more. 45% of households in Carlton can access less than £100,000.

2.41 Few households are registered on a housing waiting list. 5.9% are registered on the Council/Tristar Homes list, 3% on other housing association waiting lists and 2% on private landlord register. Registration on a housing waiting list was most apparent amongst respondents in Redmarshall (33%) and Wolviston (20%).

Newly-forming households

2.42 Evidence from the 2009 household survey suggests that a total of 146 people currently living in 98 households want to leave home and form new households in the next five years. Of the 146 individuals who want to form new households, 35 have stated a preference for remaining in the rural areas.

2.43 The parishes with the largest number of residents expected to move and form new households were Grindon (29 residents), Castle Levington and Kirklevington (25), Redmarshall (16) and Carlton (16).

2.44 60.2% all households with members wanting to form new households have one person moving out. A further 32.7% have two persons and 7.1% have three or more persons. Single young adults make up the majority of newly forming households.

2.45 Only 9 people intending to form new households are registered on a waiting list (either social or private), but these were mainly from Redmarshall and Wolviston.

2.46 Newly-forming households expected to move over the following time periods:

- 25% within the year;
- 21.2% between one and two years;
- 15.9% between two and three years; and
- 36.4% between three and five years.

2.47 Location preferences of newly-forming households include: within the rural areas of Stockton-on-Tees (23.7%), elsewhere in (20%), Elsewhere in Tees Valley (12%), 12% elsewhere in the North East and 36.3% outside the North East. Within the Rural areas, strongest preferences were for dwellings in Stillington and Whitton, Redmarshall, Billingham and Wolviston.

2.48 Table 2.11 illustrates where newly-forming households would consider living by current parish of residence. It indicates that 40% of residents intending to form new households in Aislaby and Newsham want to remain in the same parish, along with 36.4% of residents in Stillington and Whitton and 25% in Wolviston.

Table 2.10 Newly-forming location preferences (%)

Location	Number stating preference	% Preferences
Aislaby and Newsham	2	1.5
Billingham	6	4.4
Carlton	3	2.2
Castle Leavington & Kirklevington		
Elton		
Grindon	1	0.7
Hilton		
Long Newton		
Maltby	3	2.2
Redmarshall	6	4.4
Stillington and Whitton	8	5.2
Wolviston	4	3.0
Elsewhere in Stockton-on-Tees	29	20.0
Elsewhere in Tees Valley	18	12.6
County Durham	1	0.7
Elsewhere in NE	10	6.7
Yorkshire	5	3.7
Elsewhere in UK	44	30.4
Outside UK	3	2.2
Total	**146**	**100**

Table 2.11 Newly-forming location preferences by current parish of residence (%)

Location preference	Current Parish										
	Aislaby and Newsham	Billingham	Carlton	Castle Leavington & Kirklevington	Elton	Grindon	Hilton	Long Newton	Maltby	Redmarshall	Stillington & Whitton	Wolviston
Aislaby and Newsham	40	0	0	0	0	0	0	0	0	0	0	0
Billingham	0	25	0	0	0	9.7	0	0	0	0	9.1	8.3
Carlton	0	0	15.4	0	0	3.2	0	0	0	0	0	0
Grindon	0	0	0	0	0	3.2	0	0	0	0	0	0
Maltby	0	0	0	0	0	0	0	0	50	0	0	0
Redmarshall	0	0	0	0	0	6.5	0	0	0	21.4	9.1	0
Stillington and Whitton	0	0	0	0	0	0	0	0	0	21.4	36.4	0
Wolviston	0	0	0	0	0	3.2	0	0	0	0	0	25
Elsewhere in Stockton-on-Tees	0	0	15.4	35	0	16.1	62.5	44.4	0	21.4	9.1	0
Elsewhere in Tees Valley	60	0	15.4	10	0	16.1	0	0	0	28.6	9.1	0
County Durham	0	0	0	0	0	0	0	11.1	0	0	0	0
Elsewhere in NE	0	0	0	15	0	0	25	11.1	33.3	0	0	8.3
Yorkshire	0	25	0	5	0	3.2	12.5	0	16.7	0	0	0
Elsewhere in UK	0	50	53.8	35	100	35.5	0	22.2	0	7.1	27.3	50
Outside UK	0	0	0	0	0	3.2	0	11.1	0	0	0	8.3
Total	100	100	100	100	100	100	100	100	100	100	100	100
Base	6	4	16	25	3	29	8	12	4	16	12	11

2.49 In terms of dwelling type and size preferences, 73% of newly-forming households prefer to move into a house, 6% a bungalow and 22% a flat. A detailed breakdown of dwelling type and size preferences is as follows:

- House - 1 bedroom (18.2%)
- House - 2 bedrooms (29.1%)
- House - 3 bedrooms (20.0%)
- House - 4 or more bedrooms (5.5%)
- Bungalow - 1 bedroom (5.5%)
- Flat ground floor - 1 bedroom (3.6%)
- Flat ground floor - 2 bedrooms (3.6%)
- Flat above ground floor - 1 bedroom (9.1%)
- Flat above ground floor - 2 bedrooms (5.5%)

2.50 Owner occupation is the main tenure of preference for newly-forming households (51%). A further 13% prefer to rent from a social landlord, 16% rent from a private landlord and 20% a form of intermediate tenure. A detailed breakdown of tenure is as follows:

- Owner occupied - with mortgage (38.2%)
- Private rented (16.4%)
- Shared equity (14.5%)
- Owner occupied - outright (12.7%)
- Rented from Tristar Housing (9.1%)
- Shared ownership (5.5%)
- Renting from a Housing Association (3.6%)

2.51 Evidence from the survey suggests that 20% of newly-forming households earn less than £250 weekly. A further 55% earn between £250 and £500, and the remaining 25% earn over £500 per week. Grindon, Castle Leavington and Kirklevington, and Carlton have the highest paid newly-forming household members.

2.52 Around a fifth of newly-forming households have no deposit to enable them to move and form a new household. 36% have less the £5k for a deposit, 30% have between £5k and £40k and a further 13% have over £40k.

2.53 Affordability is an issue for many newly-forming households. The survey suggests that 13% of households could afford a property worth £150,000 or less. 36% could afford a property worth £100,000 or less, and 87% could afford £50,000 or less. Castle Leavington and Kirklevington, and Grindon have newly-forming households that were most likely to afford higher market values.

3.0 Housing need and affordability requirements

Introduction

3.1 PPS3 defines housing need as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. The 2009 Household Survey and secondary data provide a robust range of information to quantify housing need in the rural areas of Stockton-on-Tees-.

3.2 In summary, the needs assessment model reviews in a step-wise process:

Stage 1: Current housing need (gross backlog)

Stage 2: Future housing need

Stage 3: Affordable housing supply

Stage 4: Housing requirements of households in need

Stage 5: Bringing the evidence together

3.3 Table 3.1 summarises the different steps taken in assessing housing need and evidencing the extent to which there is a surplus or shortfall in affordable housing across the rural area of Stockton-on-Tees. Modelling has been carried out using Parish-level data and takes into account household type and property size requirements. Note that unweighted data has been used in the analysis on the assumption that all households were contacted and those with some form of housing need have responded to the survey.

3.4 This chapter continues with an overview of the data and analysis for each stage of the needs assessment process.

Table 3.1 CLG Needs Assessment Summary

Step		Calculation	Rural Area
	Stage1: CURRENT NEED		
1.1	Homeless households and those in temporary accommodation	Annual requirement	
1.2	Overcrowding and concealed households	Current need	7
1.3	Other groups	Current need	60
1.4	Total current housing need (gross)	1.1+1.2+1.3	67
	A. TOTAL cannot afford open market (buying or renting)	36.5% overall	23
	B. To be reduced at a rate of 20% per year (annual requirement)	1.4A*0.2	**5**
	Stage 2: FUTURE NEED		
2.1	New household formation (Gross per year)		7
2.2	Number of new households requiring affordable housing	45.6% could not afford	3
2.3	Existing households falling into need	Annual requirement	2
2.4	Total newly-arising housing need (gross per year)	2.2 + 2.3	**5**
	Stage 3: AFFORDABLE HOUSING SUPPLY		
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	5
	A. Net impact of households moving	Annual Supply	0
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0
3.3	Committed supply of new affordable units	Annual Ave	0
3.4	Units to be taken out of management	None assumed	0
3.5	Total affordable housing stock available	3.1A+3.2+3.3-3.4 Annual	0
3.6	Annual supply of social re-lets (net)	Annual Supply	5
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply	0
3.8	Annual supply of affordable housing	Annual Supply 3.5+3.6+3.7	**5**
	Stage 4: THE HOUSING REQUIREMENTS OF HOUSEHOLDS IN NEED		
	This stage considers household preferences to inform type and size requirements		
	Stage 5: Affordable requirements		
4.1	Shortfall of affordable accommodation	Annual	**5**

Stage 1: Current need

3.5 PPS3 defines housing need as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. The SHMA Guidance suggests types of housing that should be considered unsuitable as summarised in Table 3.2.

Table 3.2 Summary of current housing need in rural areas of Stockton-on-Tees-

Category	Factor	No. Households
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	8
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	9
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	7
	N4 Too difficult to maintain	37
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	0
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	10
Dwelling amenities and condition	N7 Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	0
	N8 Subject to major disrepair or unfitness and household does not have resource to make fit	3
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	5
Total no. households in need		67
Total Households		770
% households in need		8.7

Note: A household may have more than one housing need.

Step 1.1 Homeless households and those in temporary accommodation

3.6 CLG SHMA guidance suggests that information on homeless households and those in priority need who are currently housed in temporary accommodation should be considered in needs modelling. The scale of need from these types of household can be derived from several sources.

3.7 The household survey indicated that a total of 28 households had provided temporary accommodation for a total of 34 friends and family who did not have a home in the past year. The Council's homelessness statistics report that no households located in the rural areas were identified as homeless in the last three years The model therefore assumes an annual requirement from no households who are homeless or living in temporary accommodation each year across the rural area of Stockton-on-Tees.

Step 1.2 Overcrowding and concealed households

3.8 The extent to which households are overcrowded is measured using the 'bedroom standard'. This allocates a standard number of bedrooms to each household in accordance with its age/sex/marital status composition. A separate bedroom is allocated to each married couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex, and each pair of children under 10. Any unpaired person aged 10-20 is paired if possible with a child under 10 of the same sex, or, if that is not possible, is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms (including bedsits) available for the sole use of the household.

3.9 Analysis identifies **7** households who are currently living in overcrowded accommodation or are concealed households and want to move. This figure is taken as the backlog of need from overcrowded and concealed households.

Step 1.3 Other groups

3.10 Table 3.2 identified a series of households who were in housing need for other reasons including the property is too expensive, difficult to maintain, household containing people with mobility impairment/special need, lacking amenities, disrepair and harassment.

3.11 A total of **60** households were identified to be experiencing one or more of these needs factors. This is taken as the backlog of need from other groups.

Step 1.4 Total current housing need and financial testing

3.12 Based on Steps 1.1 to 1.3, using evidence from the household survey, we have identified the extent to which households are in housing need in the rural areas of Stockton-on-Tees ***and*** whether they want to move to offset that need. A base figure for this is 67 households and the extent to which these households in need can afford open market solutions to address their need has been explored.

3.13 An 'affordability threshold' of households was calculated which takes into account household income, equity and savings. The household income component of the affordability threshold is based on 3.5x gross annual income.

3.14 The affordability threshold was then tested against lower quartile property prices and the cost of privately renting. 2009 lower quartile prices were derived from Estate Agent lists for the rural area (Table 3.3).

3.15 Based on a review of private sector rental prices in December 2009, a lower quartile private rent of £500 each calendar month is assumed for the rural area.

Table 3.3 Lower quartile prices by Parish

Parish	Lower Quartile Price December 2009/Jan 2010
Aislaby and Newsham	£178,000
Billingham	£141,505
Carlton	£184,963
Castle Leavington & Kirklevington	£189,988
Elton	£387,475
Grindon	£178,000
Hilton	£223,588
Long Newton	£182,500
Maltby	£225,000
Redmarshall	£245,000
Stillington & Whitton	£85,000
Wolviston	£219,950
Rural Area	**£178,000**

3.16 Source: www.rightmove.co.uk

*No properties for sale so overall rural lower quartile price assumed

Summary of Stage 1: Current need

3.17 In summary, of the households identified in steps 1.2 and 1.3, a total of **23 households** could not afford to move in the open market to offset their need (which equates to 36.5% of households in need). It is assumed that current need reduces at the rate of 20% per year. This is a standard assumption used in needs assessment modelling suggested in CLG SHMA Guidance and equates to a requirement of around **5** dwellings each year.

3.18 Additionally, there is need from xx households each year who were homeless/living in temporary accommodation, resulting in a total affordable housing requirement from Stage 1 from **5** households each year across the rural area of Stockton-on-Tees-on-Tees (Table 3.4).

Table 3.4 Stage One Summary

Step	No. Households
1.1 Homeless households and those in temporary accommodation	0
1.2 Overcrowding and concealed households	7
1.3 Other groups in need	60
1.4 Total current housing need (gross) (1.2+1.3) 1.4A Who cannot afford open market prices (gross) 1.4B Annual requirement (from 1.2 and 1.3)	67 23 4.6
Annual requirement from Stage One (1.1 + 1.4B)	**5**

Stage 2: Future need

Step 2.1 New household formation (gross per year)

3.19 The household survey identified a total of 146 individuals currently living in households in the rural areas of Stockton-on-Tees who stated that they want to form a household in the next five years (equivalent to 29.2 each year).

3.20 Of these households, 23.7% are most likely to move with the rural area, 20% to elsewhere in Stockton-on-Tees- and 56.3% are most likely to move outside the Borough. Therefore, a total of 35 households are expected to form in the next 5 years and remain in the rural area, equivalent to **7** households each year.

Step 2.2 New households unable to buy or rent in the open market

3.21 An analysis of the likely gross income of newly-forming households and access to financial resources suggests that 54.4% could afford open market prices or rents in the rural area. Therefore, of the 7 households forming each year in the rural area, **3** require affordable housing.

Step 2.3 Existing households expected to fall into need

3.22 Using RSL CORE lettings data, it is possible to identify the number of households who moved into social rented accommodation in the rural areas, moved because they were in need and had moved into the social rented tenure from the private sector (owner occupation or private renting).

3.23 A total of 7 households moved into RSL accommodation as they fell into need in the three years 2005/6, 2006/7 and 2007/8. Therefore, modelling assumes that 2 households each year are expected to fall into need.

Step 2.4 Total newly arising housing need (gross per year)

3.24 Total newly arising need is calculated to be **5** households each year as summarised in Table 3.5

Table 3.5 Stage Two Summary

Step	No. Households
2.1 New household formation (gross per year)	7
2.2 Number of new households requiring affordable housing (each year)	3
2.3 Existing households falling into need (each year)	2
2.4 Total newly-arising housing need (gross each year) **Annual requirement from Stage Two**	**5**

Stage 3: Affordable housing supply

3.25 The CLG model reviews the supply of affordable units, taking into account how many households in need are already in affordable accommodation, stock surpluses, committed supply of new affordable dwellings and dwellings being taken out of management (for instance pending demolition or being used for decanting).

Step 3.1 Affordable dwellings occupied by households in need

3.26 This is an important consideration in establishing the net levels of housing need as the movement of these households within affordable housing will have a nil effect in terms of housing need[1].

3.27 A total of **5** households are current occupiers of affordable housing in need (Table 3.1). Although the movement of these households within affordable housing will have a nil effect in terms of housing need (i.e. they already live in affordable housing).

Step 3.2 Surplus stock

3.28 No surplus vacant **stock** is assumed in the rural areas.

Step 3.3 Committed supply of new affordable units

3.29 No development is currently planned in the rural areas and therefore this is 0 in the model.

Step 3.4 Units to be taken out of management

3.30 The model assumes there will be no social rented units taken out of management over the next five years.

Step 3.5 Total affordable housing stock available

3.31 It is assumed that there are **0** social rented dwellings available over the 5 year period arising from households moving within the stock.

Steps 3.6 Annual supply of social re-lets

3.32 The CLG model considers the annual supply of social re-lets. Allocations data has been obtained from RSL CORE general lettings data for the three years 2005/6, 2006/7 and 2007/08. During this time, a total of 15 lettings have been made but 14 were associated with a scheme in Stillington which was occupied in 2006. The other letting was to a property in Grindon. There were no reported social renting lettings to properties elsewhere in the rural area.

[1] Strategic Housing Market Assessment Guidance (CLG, August 2007)

Step 3.7 Annual supply of intermediate re-lets/sales

3.33 There were no lettings to intermediate tenure properties reported in CORE lettings data for 2005/6, 2006/7 or 2007/8

Summary of Stage 3

3.34 Table 3.6 summarises the data derived at Stage 3 of modelling. Overall, there is an annual supply of **5** dwellings based on a total of 15 lettings over the period 2005/6, 2006/7 and 2007/8. However note that most of these lettings were in a specific scheme in Stillington.

Table 3.6 Stage Three Summary

Step	
	Rural Areas
3.1 Affordable dwellings occupied by households in need	5
3.2 Surplus stock	0
3.3 Committed supply of new affordable units (annual average)	0
3.4 Units to be taken out of management (each year)	0
3.5 Total affordable housing stock available (each year)	0
3.6 Annual supply of relets (net, each year)	5
3.7 Annual supply of intermediate relets/sales	0
3.8 Annual supply of affordable housing	**5**

Stage 4: The housing requirements of households in need

3.35 The household survey data provides an indication of the type and size of properties which households in need and newly-forming households would realistically consider. Before taking into account supply, there are a total of 10 households each year requiring affordable housing (5 existing and 5 newly-forming/falling into need each year) or 50 over a five year period (25 existing and 25 newly-forming). Analysis of the dwelling type and size preferences suggests the dwelling requirements summarised in Table 3.7. A range of dwelling types and sizes are required but most notably houses and bungalows; and properties with two and three bedrooms.

Table 3.7 Dwelling type and size preferences

Type/Size	Household type		Requirement	
	Existing	Newly-Forming	5 yr	Annual
1 Bed	3	8	11	2
2 Beds	9	10	19	4
3 Beds	9	5	14	3
4 or more Beds	2	1	3	1
House	8	15	23	5
Bungalow	14	1	15	3
Flat	2	8	10	2
Total	**24**	**24**	**48**	**10**

Stage 5: Estimate of annual housing need

Step 5.1 Net shortfalls

3.36 After taking into account an annual supply of 5 dwellings (based primarily on lettings in Stillington), this results in a net annual shortfall of around 5 dwellings each year or 24 over the five years 2009/10 to 2013/14. A summary of the total net shortfall of affordable dwellings is presented in Table 3.8.

Table 3.8 Affordable requirements by parish groups, property type and size for the five years 2009/10 to 2013/14

Parish Groups	Affordable requirements by property size and type							
	Size				Type			Total
	1 Bed	2 Beds	3 Beds	4+ Beds	House	Bung alow	Flat	
Aislaby & Newsham, Elton, Long Newton	1	1	1	0	1	1	1	**3**
Castle Leavington & Kirklevington, Hilton Maltby	0	1	0	0	1	0	0	**1**
Stillington & Whitton	2	4	2	1	4	3	2	**9**
Carlton, Grindon, Redmarshall	1	3	2	0	3	2	1	**6**
Billingham, Wolviston	1	2	2	0	2	2	1	**5**
TOTAL	**5**	**11**	**7**	**1**	**11**	**8**	**5**	**24**

3.37 Analysis indicates that affordable housing need is distributed through the rural area. Stillington and Whitton have significantly greater need than any other Parish Group.

Tenure profile of affordable dwellings

3.38 Affordable housing includes both social rented and intermediate tenure dwellings. In order to recommend an appropriate split between social rented and intermediate tenure, the stated preferences of households and the relative affordability of intermediate tenure products is now reviewed.

3.39 Households were asked to state tenure preferences. Table 3.9 summarises the preferences of both existing households in need and newly forming households by tenure. Overall, this gives a tenure split of 63.6% social rented and 36.4% intermediate tenure across the rural area.

Table 3.9 Affordable tenure preferences (based on 5 year requirements)

Tenure preference	Existing	Newly-Forming	Total
Social Rented	67.5	57.1	63.6
Intermediate	32.5	42.9	36.4
TOTAL	100	100	100
Base	25	25	50

Source: 2009 Household Survey

Affordability of intermediate tenure dwellings

3.40 Table 3.10 reviews what level of equity share based on household income and other financial resources available. This suggests that 68.4% of all households requiring affordable accommodation could afford an intermediate product of £50,000; 45.9% could afford £60,000 and 35.9% could afford £70,000.

Table 3.10 Proportions of households in need who could afford different equity shares by household type

Equity Share (£)	% could afford		
	Existing households	Newly-Forming households	All Households
50,000	65.2	73.7	68.4
60,000	43.5	50.0	45.9
70,000	34.8	37.7	35.9
80,000	30.4	32.5	31.2
90,000	21.7	25.4	23.1
100,000	13.0	22.8	16.7
Base (5 yr requirement)	25	25	50

3.41 Intermediate tenure development has the potential to make an important contribution to diversifying housing choice in the rural areas of Stockton-on-Tees 36.4% of existing and newly-forming households stated a preference for intermediate products and a good proportion of these households could afford products priced at between £50,000 and £80,000.

4.0 Community and Parish consultation

Community engagement events

4.1 To complement the rural housing need survey and provide information to residents within rural Stockton-on-Tees, four community information events were held throughout rural Stockton-on-Tees during the survey period. The purpose of the events was to inform residents about the study, encourage survey forms to be returned and provide information on affordable housing provision including: Who develops it? Who manages it? Who is it for? What are the benefits of such provision within rural villages?

4.2 Displays and advice were available from Fabrick Housing Group, North Star Housing Association (Endeavour), Stockton-on-Tees Housing Services team, Tees Valley Rural Community Council and Arc 4. Table 4.1 provides details of the events and the parishes they covered.

Table 4.1 Rural Stockton-on-Tees community information events

Parish	Date	Venue	Time
Aislaby and Newsham, Long Newton, Elton	Tuesday 10th November	Wilson Centre, Long Newton	3-7pm
Kirklevington and Castle Levington, Hilton, Maltby	Wednesday 11th November	Kirklevington Village Hall	3-7pm
Stillington and Whitton, Carlton, Redmarshall	Tuesday 17th November	Stillington Youth and Community Centre	3-7pm
Billingham (rural part only), Grindon, Wolviston	Wednesday 18th November	Wolviston WI Hall	3-7pm

4.3 Every household received details of the events in a covering letter with the survey form. In addition Parish Councils and Billingham Town Council displayed posters throughout their communities on parish notice boards, local shops and post offices. The events were promoted within October/November 2009 parish newsletters, where relevant. One ward councillor also assisted the information process by arranging a meeting with residents prior to the event, which was welcomed as the numbers of residents attending the information event to discuss the survey and provision of affordable housing was in excess of 29 residents. The number of residents attending each event are summarised in Table 4.2. Additional survey forms were given out at the events for households who requested them.

Table 4.2 Consultation attendance, and additional forms

Parish Event	Attendance	Additional survey forms
Long Newton	8	2
Kirklevington	29+	6
Stillington	7	2
Wolviston	4	0

Long Newton event

4.4 Desire for market housing attractive for older persons e.g. bungalows to allow residents to down size from large family housing.

4.5 Growth in private renting for younger households.

4.6 Recent development has been for larger executive housing, few smaller dwellings. Development land is very scarce, and typically infill.

4.7 Signs of village sustainability are dwindling. Limited bus service, closure of post office, but revived in Wilson Centre. Around half the pupils in the local school are from outside the catchment area.

4.8 There is some local support for affordable housing in Long Newton.

Kirklevington event

4.9 Most young people live and work outside the villages, and typically outside of Teesside. Strong out migration of young people. There is subsequently no demand for housing in Kirklevington by younger households and newly forming households.

4.10 Poor public transport for teenagers and persons travelling to employment areas. Travel to hospital is long and no Sunday bus services.

4.11 Main routes into the village are narrow and dangerous for pedestrians in rush hour. Walking and cycling on routes out of the village remain dangerous. Dependency on the car to get around is essential.

4.12 Concerns over accommodation for farm/rural workers in the area.

4.13 A recent development on the edge of the village is only 50% occupied, and remains so since completion. Unclear if this is linked to the level of second home ownership or un-occupation from market downturn in the recession.

4.14 A private development at the top of the village is an empty buy-to-let estate, completely inappropriate for the village needs. Prices are lower, typically around £160k, which was stated as a reasonable price for the area. Access to the estate is a small narrow lane on a one way system.

4.15 Residents considered that any future housing development would need to be incorporated into a village plan, with facilities and services increased.

4.16 A successful development in Ingelby Barwick was highlighted for providing a range of property types and market prices.

4.17 There is a need for older person's accommodation, typically privately owned apartments.

4.18 Residents would welcome HA accommodation that is either the purchase of existing empty stock or part of new private developments. The type and size of affordable housing must reflect local needs.

Stillington event

4.19 The sustainability of rural life in surrounding areas is questionable. There is no walk able post office and access to doctors is poor. Public transport is limited.

4.20 There is no affordable housing in Thorpe Thewles but an excess of market housing.

Wolviston event

4.21 There is a need for affordable housing. Recent development has been aimed at the executive housing market. There is an imbalance between what the market or private developers are providing and what local people need.

5.0 Policy options and next steps

Overview

5.1 This research has evidenced that there is a modest need for affordable housing across the rural area of Stockton-on-Tees. An annual shortfall of 5 dwellings each year has been calculated which equates to 24 over the 5 year period 2009/10 to 2013/14. The general consensus amongst local residents is there are pockets of need across the rural areas and affordable development would help support longer-term community sustainability.

Summary of affordable requirements

5.2 Of the affordable housing needs identified, half is from existing households who are in need but cannot afford open market options; and half is from newly-forming households who want to remain living in the rural area.

5.3 A range of affordable dwellings are required as summarised in Table 5.1.

Table 5.1 Summary of affordable dwelling requirements by type and size

No. Bedrooms	No. Required	Property type	No. Required
1	5	House	11
2	11	Bungalow	8
3 or more	8	Flat/Apartment	5
TOTAL	**24**	**TOTAL**	**24**

5.4 Analysis of tenure preferences suggests split of 63.6% social rented and 36.4% intermediate tenure for new affordable dwellings. Analysis of data relating to income and other financial resources suggests that most households could afford an intermediate tenure product marketed at between £50,000 and £80,000.

5.5 The extent to which affordable housing is required varies across the rural areas, with greatest needs identified in Stillington & Whitton, Redmarshall and Wolviston. In other parishes, the number of dwellings required is low and it may be appropriate to group parishes together and any development would aim to address affordable shortfalls for that group of parishes.

Sub-area recommendations

5.6 On the basis of combining some of the parishes together, Table 5.2 suggests a profile of affordable requirements for the rural areas of Stockton-on-Tees by dwelling size and dwelling type.

Table 5.2 Affordable requirements by size and type for Parish groups

Parish Groups	Affordable requirements by property size and type							
	Size				Type			Total
	1 Bed	2 Beds	3 Beds	4+ Beds	House	Bungalow	Flat	
Aislaby & Newsham, Elton, Long Newton	1	1	1	0	1	1	1	**3**
Castle Leavington & Kirklevington, Hilton Maltby	0	1	0	0	1	0	0	**1**
Stillington & Whitton	2	4	2	1	4	3	2	**9**
Carlton, Grindon, Redmarshall	1	3	2	0	3	2	1	**6**
Billingham, Wolviston	1	2	2	0	2	2	1	**5**
TOTAL	**5**	**11**	**7**	**1**	**11**	**8**	**5**	**24**

Future development

5.7 RSL partners remain committed to developing new affordable housing in the rural areas of Stockton-on-Tees. The RSLs who have assisted us with this study are keen to develop in rural areas in the future. This evidence base has demonstrated a need for a modest amount of affordable housing within several Parishes. When considering how to meet this need, the local authority will need to work with its partners and to consult further with the local community.

Appendix 1 Stockton-on-Tees-on-Tees Rural Parishes and Ordnance Survey© mapping.