

Dursley

Housing Report
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1. INTRODUCTION

1.1 This report was prepared by the Stroud Rural Housing Enabler in order to provide a summary of the existing housing stock in Dursley. In this instance it was decided not to carry out a full housing need survey (HNS) and, instead, the data was drawn from ACRE's Rural Evidence reports which are based on the 2011 Census. Although this data may be considered less up-to-date than that gathered from a more recent housing need survey, because the Census includes all households, it is perhaps more representative than a HNS which would only represent the proportion of households who respond – usually between 25-40%. Additional information on the current social housing stock was provided by the Housing Strategy Office at Stroud District Council and information on current house sales and rent prices and volumes were obtained from www.rightmove.com and the Land Registry.

1.2 The Rural Housing Enabler (RHE):

- is employed by Gloucestershire Rural Community Council, which is part of the national network of Rural Community Councils (ACRE - Action with Communities in Rural England).
- Works closely with rural communities, housing associations, local authorities, other community organisations (including community land trusts) and landowners to meet the affordable housing needs of rural communities.
- is an independent advisor, although, the post is funded by Stroud District Council.

2. TOWN SUMMARY

- According to the 2011 Census, the current population of Dursley is 6,695, comprising 2910 households. This equates to an average of 2.3 persons per household which is similar to the average of 2.35 for Gloucestershire county as a whole (source: 2011 Census).
- By road Dursley is 6.2 miles from Wotton-Under-Edge, 9.9 miles from Stroud and 15.6 miles from Gloucester.
- The nearest railway station is 2 miles away in Cam.
- Dursley has a wide range of facilities typical of a small town: *a Town hall (formerly the Market House), 2 Community halls, 4 churches of different denominations, 1 primary school, 1 senior school, 3 GP's surgeries, a Post Office and a variety of shops (many independent), cafes and pubs. There are daily bus services to Stroud, Gloucester and Thornbury.*
- The draft Local Plan for Stroud District categorises Dursley as a 1st tier settlement ie 'one of the District's main towns. These towns are the primary focus for growth and development to safeguard and enhance their strategic roles as employment and service centres. They will continue to provide significant levels of jobs and homes, together with supporting community facilities and infrastructure to meet their economic potential in

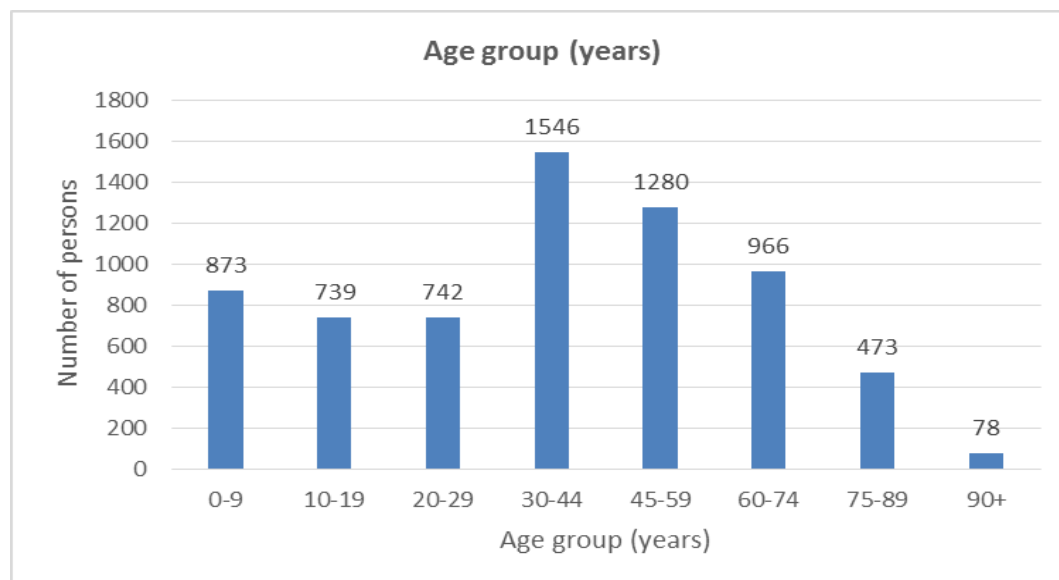
the most sustainable way.’ (p30) The Draft Local Plan also states that Dursley, along with the adjacent town of Cam, will be a focus for the District’s strategic growth, providing up to 450 homes (many in the new settlement of Littlecombe) and up to 1,500 new jobs. Dursley town centre will also be a focus for employment, economic growth and regeneration – aiming to upgrade its retail offer, enhance its public realm and built environment, and boost its role as the second commercial centre of the district.

3. KEY FINDINGS

3.1 Population distribution by age:

According to the 2011 Census, 24% of people in Dursley are currently under the age of 20, 11% are aged 20 and 29 years, 23% are aged between 30 and 44, 19% are aged between 45 and 59 whilst 23% are aged 60+.

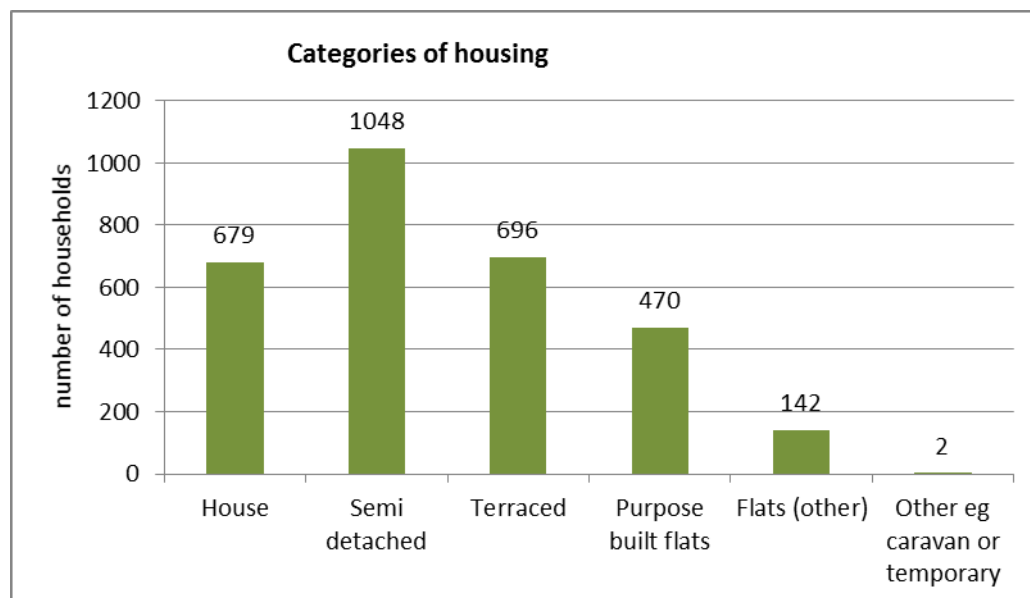
Table A - Age distribution in Dursley



3.2 Categories of Housing:

Table B below shows that 22.4% of people in Dursley live in a detached house, 34.5% live in a semi-detached house, 22.9% live in a terraced house and 20.2% live in a flat.

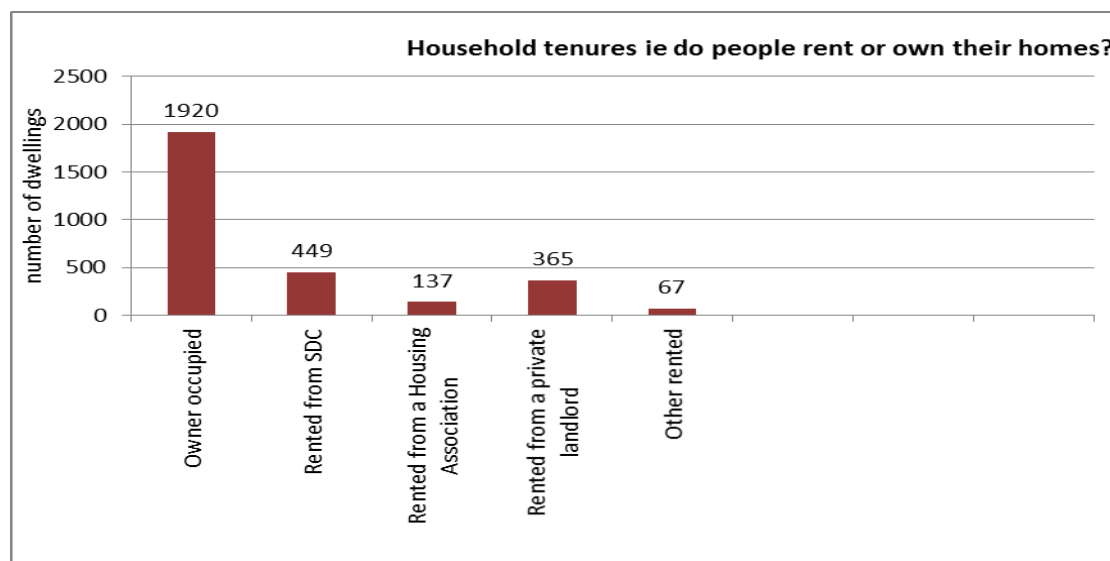
Table B – House type



3.3 Household tenure ie do people rent or own their homes?

Table C below shows that at the time of the 2011 Census, 66% of households in Dursley were owner occupiers which is slightly higher than the current proportion – 64% - for England as a whole (Office for National Statistics: Trends in the UK Housing Market, 2014). 20.2% of households lived in a home rented from Stroud District Council or a housing association and 11.7% lived in privately rented properties.

Table C – Household Tenure



3.4 Housing turnover:

According to the 2011 Census, 645 people (11.1%) in Dursley had moved house within the last 12 months.

4. AFFORDABLE RENTED HOUSING - general information

4.1 Affordable rented housing is housing owned either by a local authority or a registered provider (usually/ie a housing association) and made available to people who cannot meet their needs on the open market. Stroud District Council is relatively unusual in that it continues to own and manage its original council housing stock of approximately 5,200 homes. A further 1500+ homes in Stroud District are managed by housing associations.

4.2 Historically the levels of rent that local authorities and Registered Providers have been able to charge have been controlled by the *Homes and Communities Agency*. These rents are known as *target rents* and are subject to the national Housing Benefit scheme. They are calculated according to a formula based on relative property values and relative local earnings.

4.3 A household's entitlement to housing benefit takes into account a household's size, income, savings and other circumstances, and may entitle a household to a financial contribution of a sum up to the entire rental charge.

4.4 In 2011 the Coalition Government introduced *affordable* rents for council and some housing association rented properties. The *affordable* rents are up to 80 per cent of market rents. For many areas of rural Gloucestershire that means *affordable* rents are significantly higher than traditional *target (or social)* rent levels.

4.5 Existing affordable rented housing stock in Stonehouse

The following additional information on the social housing stock in Dursley has been provided by Stroud District Council and is up-to-date as of July 2015.

Dursley currently has 740 affordable homes which would seem to indicate that 154 new affordable homes have been provided since the 2011 Census – a 26% increase. At the time of the 2011 Census, social housing formed 20% of the total housing stock in the parish. This is higher than the proportion for Stroud District as a whole where social housing accounts for roughly 15.5% of the 43,840 total homes.

Table D – Breakdown of Existing Social Housing Stock in Dursley

Property type	Bed	B	B	B	B	F	F	F	H	H	H	H	
No of bedrooms		0	1b	2b	3b	Bed	1b	2b	1b	2b	3b	4b	TOTAL
Housing Association	4		2	9			61	53		63	34	9	235
SDC		14	10	21	1	6	62	176	24	58	128	5	505
Of which number of units are sheltered housing		14	4			6	32	1					

Key to abbreviations: Bed = Bedsit, B = Bungalow, F= Flat, H = House, M = Maisonette

4.6 Numbers of households requesting an affordable home in Dursley:

297 households who are currently registered on Gloucestershire Homeseeker have put Dursley as their first preference location to live. A further 230 households have put Dursley as their second preference and 129 have indicated it as their third preference. However, please note that expressing a preference does not necessarily imply that applicants have a 'local connection' to Dursley.

4.7 Turnover on affordable homes:

Social homes in Dursley which become available for letting are allocated according to need on a district-wide basis.

The table below indicates the amount of turnover on the above social homes during the period 1/4/2011 to 31/3/2015.

Table E – numbers of re-lets on social homes in Dursley

	Bedsit/room	Bungalow	Flat	House
1bed, 1 person	1	13	15	0
1bed, 2 person		4	32	28
2bed, 2person			1	
2bed, 3 person		4	128	
2bed, 4 person		6	39	17
3bed, 4 person				3
3bed, 5 person				22
3bed, 6 person				1
4bed, 6 person				1
4bed, 7 person				1
Total	1	27	215	73

5. AFFORDABILITY

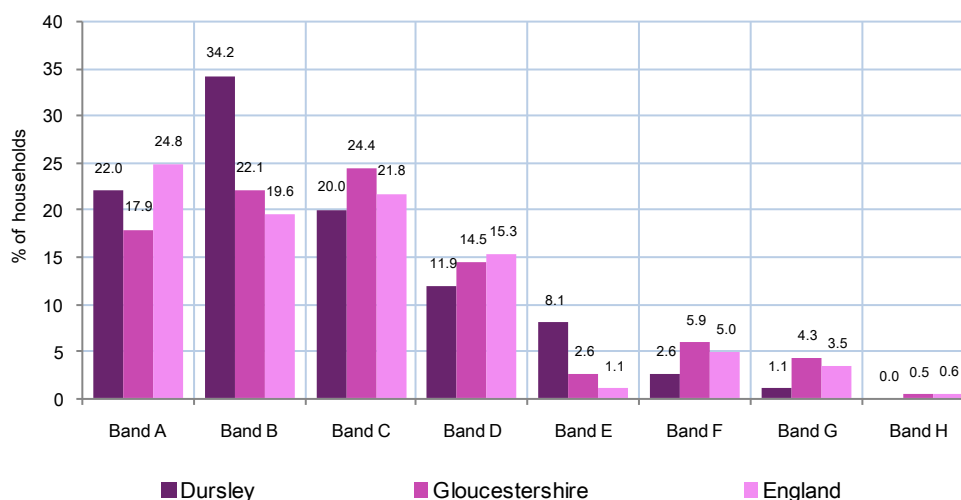
5.1 Council tax bandings: The following data shows the number (and proportion) of houses in Dursley in the lowest 3 council tax. This data is useful because it relates to **all** local properties not just those that have sold recently.

Table F – proportion of properties in lowest 3 council tax bands

Council Tax Band	Total number	As a %	Compare with England average
A	663	22%	24.8%
B	1,031	34.2%	19.6%
C	604	20%	21.8%

Table G below shows the proportions of properties in all council tax bands in comparison to Gloucestershire & England.

Dwelling stock by council tax band



Source:
Council

Tax Band (Valuation Office Agency 2011), House prices (Land Registry 2009), Affordability Ratio (Land Registry/ONS 2007/08)

5.2 A household's income, savings and the state of the housing market are key factors for assessing a person's need for affordable housing.

5.3 In simplistic terms the assessment of affordability requires household incomes and savings to be measured against prices of property of a suitable size, type and location, whether rented or home ownership. However, depending upon tenure there will be additional factors that will impact upon costs of acquiring the right to occupy the property.

5.4 For home ownership, these costs include: mortgage interest rates, mortgage indemnity premium, mortgage application fee, legal fees, stamp duty tax, legal fees and search fees etc.

5.5 For rented, these costs may include: rent deposit and rent paid in advance.

Home ownership

5.6 In order to investigate affordability, further research has been carried out on house prices in the area.

5.7 Using information gained from HM Land Registry it is possible to obtain the average property prices in Stonehouse.

5.8 In the last 12 months 129 properties were sold within Dursley parish, the majority being semi-detached properties, selling for an average price of £191,211. Detached properties sold for an average of £282,043 whilst terraced properties fetched an average price of £172,897.

Table H: Average Prices of residential properties in Dursley sold in the 12-month period to end July 2015 (according to HM Land Registry)

Average House Prices in Dursley (£)			
House Type	Average Price	Number of Sales	Property sizes
Detached	282,043	23	1 x 5b, 6 x 4b, 2 x 3b, 2 x 2b
Semi-detached	191,211	52	4 x 4b, 20 x 3b, 9 x 2b
Terraced	172,897	39	1 x 5b, 7 x 4b, 20 x 3b, 4 x 2b, 1 x 1b
Flats	104,733	15	5 x 2b, 2 x 1b
All	191,814	129	2 x 5bed, 17 x 4b, 42 x 3b, 20 x 2b, 3 x 1b*

**NB not all houses indicated the numbers of bedrooms in that property.*

The overall average of £191,814 is slightly higher than the average for the county which, according to the Land Registry, was £189,696 in July 2015. According to Rightmove.com overall sold house prices in Dursley over the last year rose by 5% from the previous year.

5.9 The number of house sales are for new and existing properties where the sale details registered with the Land Registry are for the postcodes defining Dursley Parish.

- Figures were obtained from “www.rightmove.co.uk” with data supplied by HM Land Registry.
- There are sometimes delays in registrations of sales and this may result in under counting of property sales.

5.10 The average price of properties sold does not necessarily reflect the average value of all properties in the parish.

5.11 House prices in Gloucestershire rose steadily during 2013 and 2014, increasing by 5% overall in the year since September 2013.

5.12 House sales volumes fell considerably following the credit crunch in 2008. However since the winter of 2013/14 Gloucestershire sales volumes have remained extremely buoyant, generally over 1000 per month and being on average 36% higher than the same month in the previous year. Although house sales were down again to 641 in January 2015 this dip reflects the usual pattern for sales during the winter months.

EXAMPLE CALCULATION FOR A MORTGAGE

5.13 Typically, a household can obtain a mortgage of 3.5 times their gross annual income, and in today’s financial market would expect to pay a deposit of at least 15% towards the total purchase price.

5.14 To afford a 2-bed terraced house (typical starter home) at the average price in Dursley last year of £153,000 a household would require at least £22,950 as a deposit, and their annual gross income for mortgage purposes would have to be at least £37,157.

5.15 At the time this report is published mortgage lenders currently offer first time buyers standard variable annual rate interest rates from 4.5% APR. Applying a 4.5% interest rate to a mortgage of £130,050 equates to £730.87 per month for a repayment mortgage (repayment of capital and interest) over a 25 year period.

Gross annual earnings for employees (full and part-time) in local authority areas

Area	Median gross annual earnings (residents in local authority area) (£)	Median gross annual earnings (place of work in local authority area) (£)
Cotswold	18,099	18,224
Forest of Dean	21,151	19,178
Gloucester	20,456	19,880
Stroud	22,239	21,921
Cheltenham	24,208	21,530
Tewkesbury	23,468	24,264
Gloucestershire	21,727	20,778
South West	20,095	19,934
Great Britain	21,965	21,965

Source: Annual Survey of Hours and Earnings 2013, Office of National Statistics – revised and released 19th November 2014

- As shown by the above table, the median (50th percentile) gross annual earnings of employees in Stroud District (£21,921) is higher than the regional median (£19,934) but comparable to the national median (£21,965).
- Considering the average prices of homes sold in Dursley Parish during the 12 months up to 30 May 2015 a household on a median income in Stroud District (£21,921) would be unable to purchase a property without a substantial deposit (by using savings or by using monies from the sale of current home).
- The Rural Evidence Report calculates an affordability ratio (median house prices as ratio of median incomes) of 16.9 in Dursley which is slightly higher than the average for England of 15.4.
- Many potential first time buyers struggle to meet the costs of buying their own home.
- In some cases intermediate housing (shared ownership, low cost market housing and rented housing at prices between rented social housing and market rented prices) would be a suitable option, whilst in other instances traditional housing association rents known as target rents would be appropriate.

Private rented

5.16 A variety of properties were available to rent within Dursley town itself:

Two bedroom flat£540 per calendar month

Two bedroom cottage.....	£850 pcm
Three bedroom semi-detached house.....	£800 pcm
Four bedroom house	£995 pcm

Information provided by www.rightmove.com

5.17 Although there is currently no official definition of housing affordability, it is widely accepted that a household's housing costs should not exceed 25% of a household's gross income. Based upon this presumption, a minimum gross annual income required to afford the above properties would be £25,920 for the cheapest two bedroom flat, £38,400 for a three bedroom house and £47,760 for the four bedroom house. Of course, the rent does not include running costs e.g. council tax, fuel bills etc.

5.18 Comparisons of monthly rental costs with monthly mortgage costs for a similar sized property reveal that it is usually cheaper to rent.

6. SUMMARY

- Dursley has a housing stock predominantly made up of houses, notably quite a high proportion of semi-detached houses but a lower proportion of flats compared to England as a whole. The proportion of households who own their own homes (66%) is similar to the proportion for England as a whole (64%). 129 properties (4% of the private housing stock) were sold in the last year.
- At the time of the 2011 Census, Dursley had a higher proportion of social housing (20.2%) than Stroud District (15.5%) and England (17.7%). In addition 154 new affordable homes have been built since 2011 which represents a 26% increase on the overall total of social housing within the parish. During the last 4 years, the 1-bedroom properties have experienced a particularly high turnover.
- Affordability is an issue for people looking to buy or rent privately in Dursley. Although the ongoing development at Littlecombe will ensure a supply of new homes in future years and although the affordability ratio is not as high as for many of the smaller, more rural settlements in the District, it is still higher than for England as a whole and new tenants/purchasers need to have above average salaries plus a considerable deposit.