



Haslemere Community Land Trust  
Housing Survey  
July 2018

Louise Williams  
Surrey Community Housing Partnership

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## Report Summary

This report sets out the results of the housing survey conducted for Haslemere Community Land Trust which took place from April - June 2018. The purpose of the survey was to gain a better understanding of local barriers, aspirations and level of support for a small housing development, for local people.

A summary of the findings follows:

- 224 responses were received
- 46% of which considered themselves well housed.
- 24% were renting privately
- 83% said they would support a small, local development
- 91% said they would support the conversion of unused buildings
- 47% were looking to move within the town in the next 5 years
- 47% were looking to start their first home
- 29% could not afford the rent
- 41% of those looking to move have annual household incomes of less than £38,000
- 54% of those looking to rent would prefer to do so via a housing association or trust
- 60 people expressed an interest in Haslemere Community Land Trust

### Key Comments

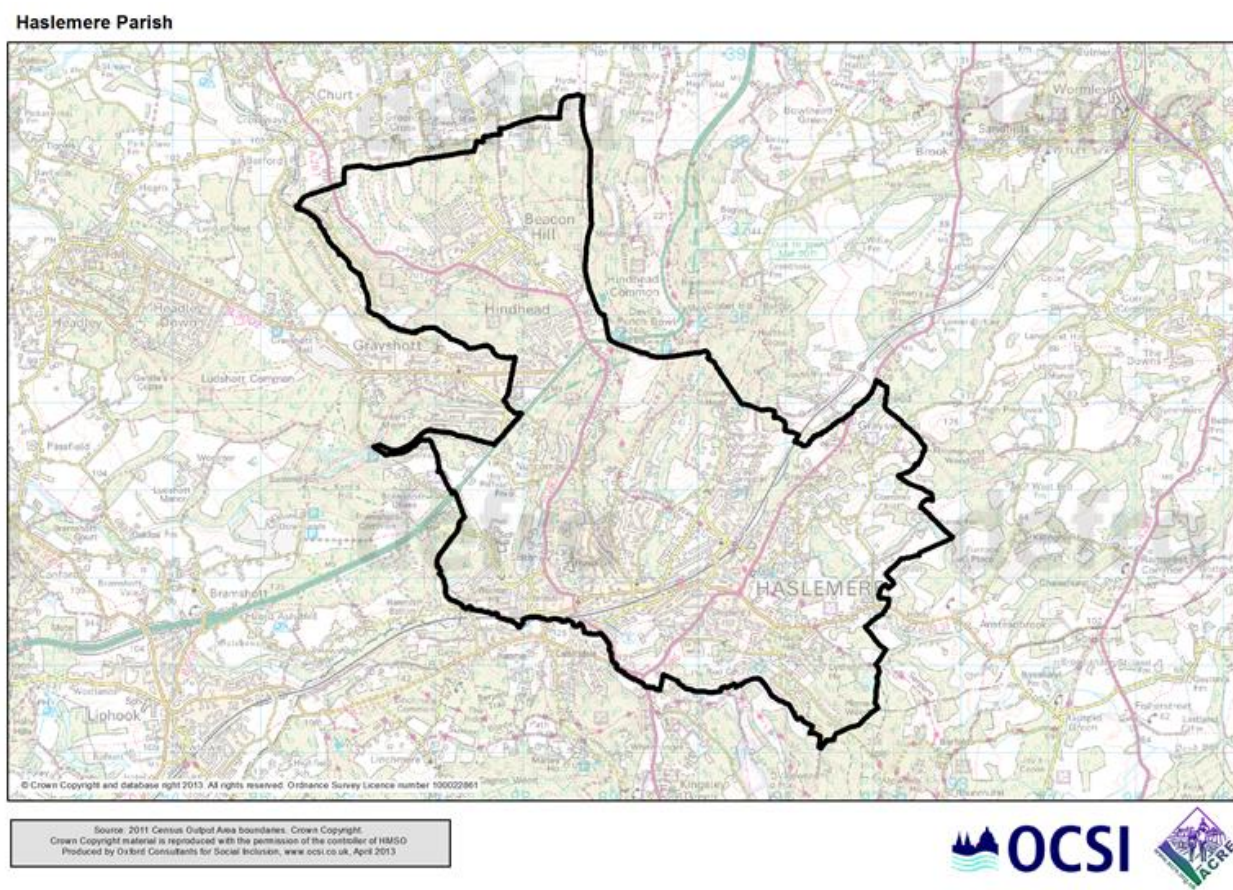
- Concerns about retaining affordable housing in perpetuity
- The high cost of housing in Haslemere
- The lack of effective infrastructure
- Those on reasonably decent salaries are still struggling to afford to rent or buy

## Introduction

Haslemere is a historic market town in the borough of Waverley and is the most southerly town in Surrey, lying between London and Portsmouth and just 12 miles from Guildford with good public transport and road links.

Haslemere Community Land Trust was incorporated as a Community Benefit Society in May 2017 for the purpose of developing affordable homes, its overarching principle is: “In the community, for the community, by the community”. The survey was designed to gather data on the level of housing need locally, affordability, support for development as well as preferred location. The report sets out the responses to the survey along with information on the current housing market and how this may impact upon the local community.

Fig 1. Parish Boundary Map





## Haslemere Background



Haslemere, in the borough of Waverley lies approximately 12 miles from Guildford and sits within the Surrey Hills, an Area of Outstanding Natural Beauty. It has a population of approximately 16,800 people living in approximately 7,000 homes. The town is vibrant with a wide range of shops and services. The area also benefits from a large range of social and sporting activities, schools, nursing and care facilities. There are plenty of community groups, spaces and amenities including an award winning independent museum.

Haslemere has good access to the A3 linking to the M25, there are regular trains to London and Portsmouth as well as a regular local bus service.



## Setting the Scene

Surrey, often seen as an affluent County with a strong housing market, has its own unique problems when it comes to housing. Large areas of the County fall within the Green Belt, Areas of Outstanding Natural Beauty, Areas of Special Scientific Interest and many settlement areas are often subject to conservation area regulations.

Being within easy reach of London makes Surrey a popular choice for commuters, house prices are, by comparison, cheaper than London, whilst salaries in London are significantly higher. Local people on an average salary (for Surrey this is £32,248) are finding it increasingly difficult to afford to access the housing market with homes costing on average 13.9 times the average salary. This together with the loss of council homes through the Right to Buy and the increased cost of private renting leaves some people with little choice but to either move away or continue to live at home with relatives.

## Defining 'Housing Need'

Housing need in this context is defined as follows:

- The need for an individual or household to obtain housing which is suitable to their circumstances;
- It implies that there are issues or limitations with the household's current housing arrangements and that the household is unable to afford or to access suitable accommodation in the private sector;
- Such problems may be concerned with housing costs, size, location, layout, state of repair or security of tenure;
- This need may be immediate or anticipated in the near future.
- It may also include ageing households who are looking to downsize but remain within the locality.

## Defining 'Affordable' Housing

In recent years, it has become more difficult to agree exactly what is defined as affordable housing. The new government definition<sup>1</sup> is:

*'Affordable housing; housing for sale or rent, for those whose needs are not met by the market'*

In Surrey the extremely high house prices mean that some households, on what would be considered a reasonable income elsewhere in the Country, are finding it increasingly difficult to access the open market.

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<sup>1</sup> National Planning Policy Framework – Annex 2; Glossary, page 64

## Tenure Types

### Open Market

The price of property is determined by supply and demand, there are no restrictions placed on who can purchase.

### Discounted Market Sale

The product is discounted, usually in perpetuity, to those with a defined need with the discount being applied at each point of sale (following valuation). The defined need may be financial and/or geographical or linked to local salary levels for example.

So, a £300,000 property has a 20% discount applied at the first point of sale and is sold for £240,000. 10 years later the same property is revalued at £400,000 and sold for £320,000.

The discount is 'locked' into the asset usually through a covenant on the land or property.

### Affordable Rent

Historically the guide to what is affordable has been 30-35% of a household's net income. For some even these 'affordable rents' can now be unaffordable and with the push towards affordable rents defined as 80% of open market rents, households could potentially be looking to spend over £14,000 pa on an affordable rent property in a typical rural area in Surrey. In Waverley 27% of housing benefit claimants are in employment, needing financial support to meet their housing costs. The average social rent is around £8,000 per annum.

The situation is further complicated by restrictions on the Housing Register eligibility criteria where those with a gross income of over £60,000 or savings/assets more than £30,000 will not qualify. Whilst this is considered a healthy income, it may not be enough to buy a property in rural Surrey nor can all households afford to privately rent. Such families are often caught between the two, being too rich for one and too poor for the other.

### Shared Ownership

This is where you purchase a % of the property and rent the remaining %, typically from a Housing Association. This housing tenure may be a good alternative option as it offers the opportunity to gain a foot on the housing ladder whilst building up some equity in the property, however this option should be approached with some caution. Again, with house prices being so high the actual level that people may be able to afford to buy outright may be less than the normal level of 40% of the property value. In turn this means the rental percentage will be higher too. Problems may also occur on re-sale, where a homeowner has 'staircased up'<sup>2</sup> The re-sale price may be too high for those looking to purchase, particularly because the income levels for this tenure type is currently capped at £80,000 per annum.

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<sup>2</sup> This term refers to the act of increasing the percentage of ownership.

## Starter Homes

The Housing and Planning Act 2016 introduced a further affordable housing tenure, 'Starter Homes'. These are homes which are to be sold at 20% discount on the market price to people under the age of 40. However, the cap is set at £250,000. The average house price in Surrey is over £480,000, therefore even with a 20% discount (£96,000) this is still way above the cap set. Some smaller properties and flats may fall just within this price range in urban areas but such properties (high rise flats) would not be appropriate within a rural setting.

## Help to Buy

Providing help to purchasers through Equity Loans, the Government provides a loan of 20% towards the cost of new build homes (up to £120,000) meaning purchasers only need to find a 5% deposit and a 75% mortgage. Interest is only paid after 5 years and the full loan is due after 25 years or if the property sells. Taking the average house price in Surrey at £484,735, allowing for the maximum £120,000 loan and minus a 5% deposit the purchaser would still need to have an income of just under £100,000 per annum (assuming a 3.5 loan to value ratio) The Government Help to Buy ISA does however offer an opportunity to save towards a deposit with a maximum £3,000 bonus for each purchaser.

The Help to Buy Mortgage Guarantee Scheme is not affordable housing for the purposes of policy AHN1 as it does not meet the definition of affordable housing in the NPPF. It differs from affordable homeownership products such as shared ownership and shared equity, which have set eligibility criteria. It can be offered on private market developments and is generally welcomed as it enables households to get on the housing ladder for the first time.

## Community Led Housing

In December 2016 the Government announced a new £60 million fund to assist local authorities in tackling the problem of high levels of second home ownership. Community led housing is inspired and controlled by the community. It is not a new mechanism for delivering homes but the number of homes being built through this means is rapidly increasing. There are some basic guiding principles to Community Led Housing.

A scheme is community led when:

- There is meaningful community engagement and consent throughout the process.
- The local community manages the homes in a manner of their choosing. This could be done in partnership with a housing association or be completely self-managed.
- The benefits to the community are clearly defined and legally protected in perpetuity e.g. through an asset lock.

There are several ways in which this may happen:



**Permanent affordability and local control of assets** can be achieved by forming a Community Land Trust (CLT). This approach is supported by the *National Community Land Trust Network* and there is substantial support and funding available to help a Community Land Trust form and develop housing.

**Closer and more supportive communities** can be achieved using cohousing where households each have a self-contained home, but residents come together to manage their community and share some facilities. Cohousing is becoming increasingly popular with older people to create mutual support and with younger people in cities and is supported by *UK Cohousing*.

**Self-build groups** can work together to develop their own housing, supporting one another and creating a strong community.

**Housing cooperatives** allow tenants to democratically control their homes

**self-help housing** brings empty properties into use as homes.

It should be noted that a single type of scheme, whether it is a CLT or a Co-housing project can deliver a number of tenure types on a single site, and such a site can be a rural exception scheme.

The National Planning Policy Framework refers to rural exception sites as “Small sites used for affordable housing in perpetuity, where sites would not normally be used for housing. Rural exception sites seek to address the needs of the community by accommodating households who are either residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority’s discretion, for example where essential to enable the delivery of affordable units without grant funding”

## Local Housing Demographics<sup>3</sup>

Haslemere is similar to other areas in Surrey, in that it has a higher percentage of detached properties, and a lower percentage of semi-detached and terraced properties. Only when it comes to flats does it mirror the English average.

Fig 2. Housing stock in Haslemere 2011 Census

<b>Detached houses</b> <b>2,332</b> 39.2% of dwellings (England average = 22.3%)	<b>Semi-detached houses</b> <b>1,391</b> 23.4% of dwellings (England average = 30.7%)	<b>Terraced houses</b> <b>899</b> 15.1% of dwellings (England average = 24.5%)
<b>Flats (purpose built)</b> <b>990</b> 16.6% of dwellings (England average = 16.7%)	<b>Flats (other)</b> <b>332</b> 5.6% of dwellings (England average = 5.4%)	<b>Caravan or other temporary accommodation</b> <b>02</b> 0.0% of dwellings (England average = 0.4%)

With regards to tenure Haslemere is 10.7% higher than the average level for home ownership and almost 5% below the average for socially rented homes. 10% of all homes are privately rented.

Fig 3. Household Tenure Type – 2011 Census

<b>Housing that is owner occupied</b> <b>4,255</b> 74.8% of households (England average = 64.1%)	<b>Housing that is social rented</b> <b>751</b> 13.2% of households (England average = 17.7%)	<b>Housing that is private rented</b> <b>569</b> 10.0% of households (England average = 15.4%)	<b>Other rented accommodation</b> <b>114</b> 2.0% of households (England average = 2.8%)
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Fig 4 – Council Tax Bands

Dwelling stock by council tax band

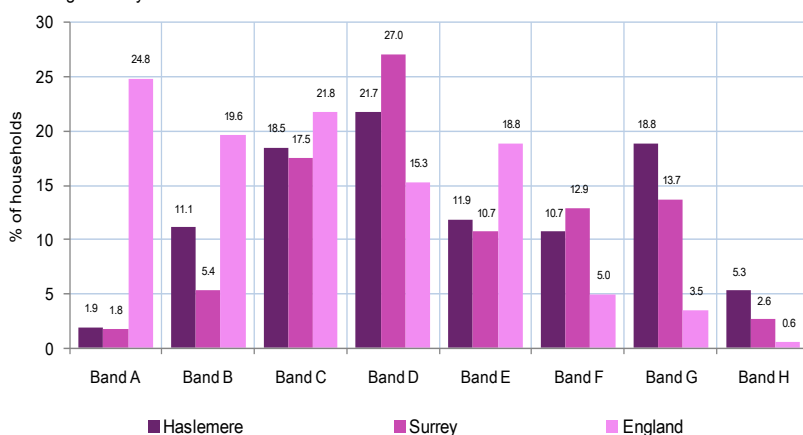


Fig 4 illustrates the proportion of properties in each council tax band, Haslemere has a significantly smaller percentage of properties in Bands A and B with a higher percentage of properties in Band G.

These price bands are set nationally, so can help show how the cost of all local property (not just those properties that have recently been sold) compares with other areas in both Surrey and England.

<sup>3</sup> Source: Census 2011 (table KS401EW)

## Market Data

The following data seeks to illustrate how Haslemere compares at a national, regional and local level. Whilst Waverley is not the most expensive areas in Surrey, Haslemere is almost £83,000 more expensive than the average Surrey home and £237,636 more expensive than the average property in the South East. When compared with other nearby towns Haslemere is at least £60,000 more expensive.

Fig 5 and 5a - Average Property Price Comparisons<sup>4</sup>

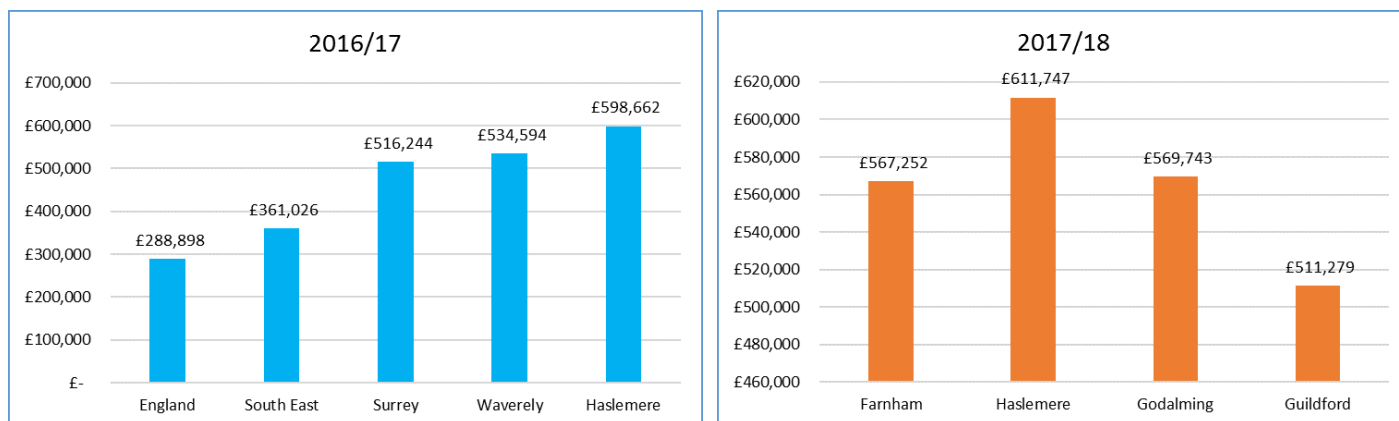
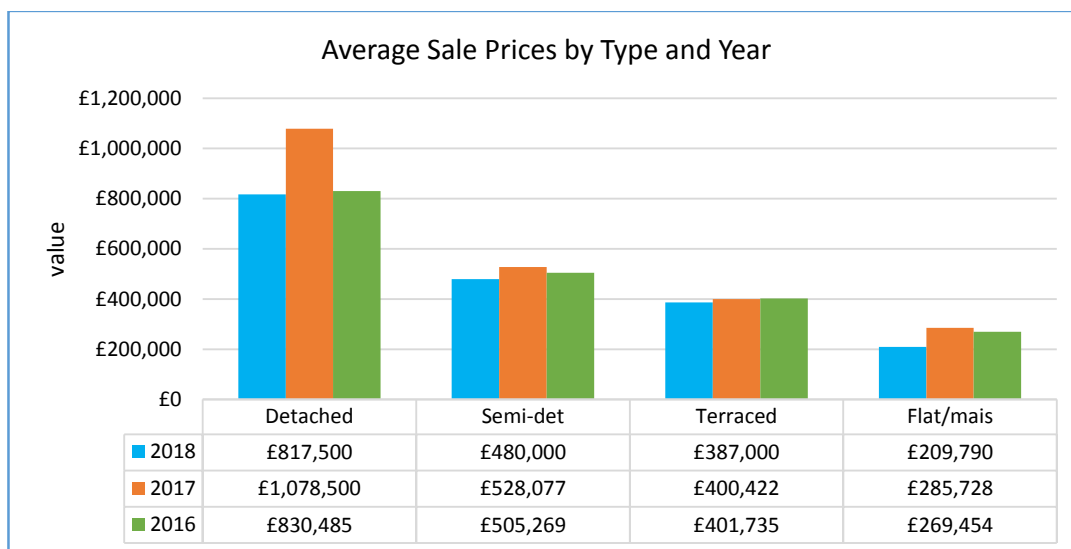
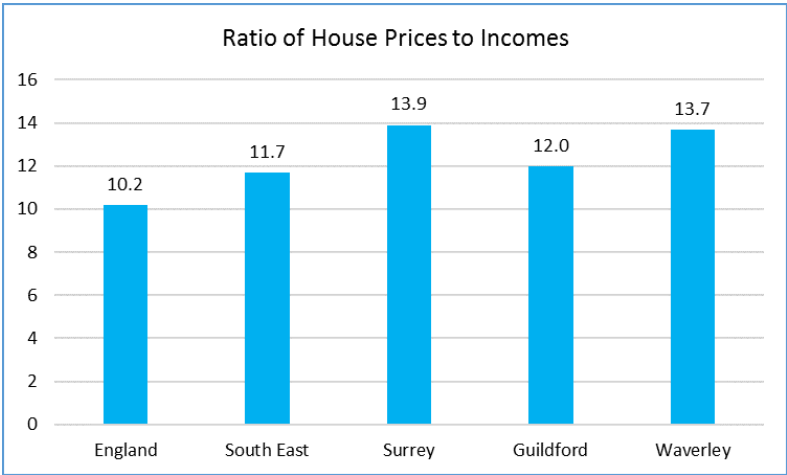


Fig 6 (below) provides details of actual sale prices by property types for the GU27 2 area since 2016.



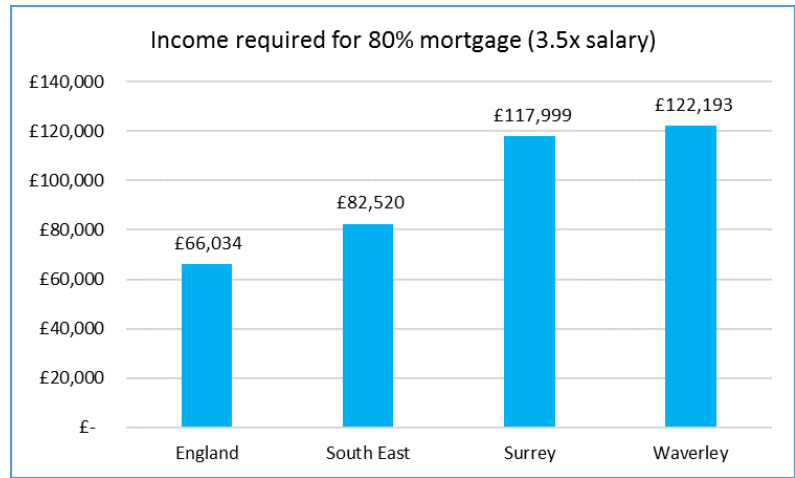
<sup>4</sup> <https://www.housing.org.uk/resource-library/home-truths>

Fig 7 Income to House Price Ratio



At 13.7 times the average salary, house prices in the area appear to reflect those of Surrey as a whole. However, as illustrated in Fig 8 you still need a household income of £122,193 to be able to afford the price of an average home in the borough.

Fig 8 Household Income required for an 80% mortgage<sup>5</sup>



<sup>5</sup> <https://www.housing.org.uk/resource-library/home-truths>

## Current Property for Sale

A search of property for sale on the open market was undertaken in July 2018 and this data has been grouped into the following table to illustrate the price ranges for each type available.

Fig 9 – Property for sale July 2018

Type	Price Range
1 bed retirement flat	Range from £225,000 - £425,000
2 bed retirement flat	Range from £145,000 - £290,000
1 bed flat	Range from £165,000 - £275,000
2 bed flat	Range from £190,000 - £625,000
2 bed terrace	Range from £265,000 - £435,000
2 bed semi	Range from £300,000 - £475,000
3 bed terrace	Range from £305,000 - £525,000
3 bed semi	Range from £350,000 - £600,000
3 bed detached	Range from £450,000 - £1,250,000
4 bed detached	Range from £525,000 - £1,750,000
5 bed detached	Range from £800,000 - £1,650,000
6 bed detached	Range from £1,200,000 - £3,500,000

## Private Rental Market

There were 21 properties available to let, although the latest data from the National Housing Federation gives the average monthly private sector rent for Waverley as £1,148 (PCM) the properties available in Haslemere ranged from £700.00 for a 1 bed flat to £1,850 for a 3-bed semi-detached property. Several respondents referred to the high market rents which have impacted on their ability to save for a deposit towards their own home.

Fig 10 – Property for rent July 2018

Type	Price Range
1 bed flat	Range from £700.00 - £1,150
2 bed flat	Range from £750.00 - £1,500
2 bed semi/terrace	Range from £995.00 - £1,100
3 bed semi	Range from £1,550 -£1,850
4 bed detached	Range from £2,500 - £3,995
5 bed detached	Range from £3,497 -£3,900
6 bed detached	Range from £3,900 - £4,000

## Housing Survey – Purpose

The purpose of the survey was to gather a more detailed understanding of the views and needs of local people towards a small local scheme, who the local community felt should benefit from such a scheme and to ascertain what the level of support might be should a scheme come forward.

The level of response to such as specific survey such as this can be quite low, this is because most people living in the area are well housed and would not necessarily respond to a housing survey unless they felt it directly affected them or a family member.

The survey results do not purport to be representative of all residents; no information is available on non-respondents and it is not possible to gross up results to the entire population. Nor does the survey purport to assess the entirety of housing need in the area.

Access to the survey, which was hosted online, was publicised across the town from May – June 2018, a paper version was made available to those unable to access the online version. A total of 224 responses were received within the timeframe and 2 were returned outside of it, these responses have not been included.

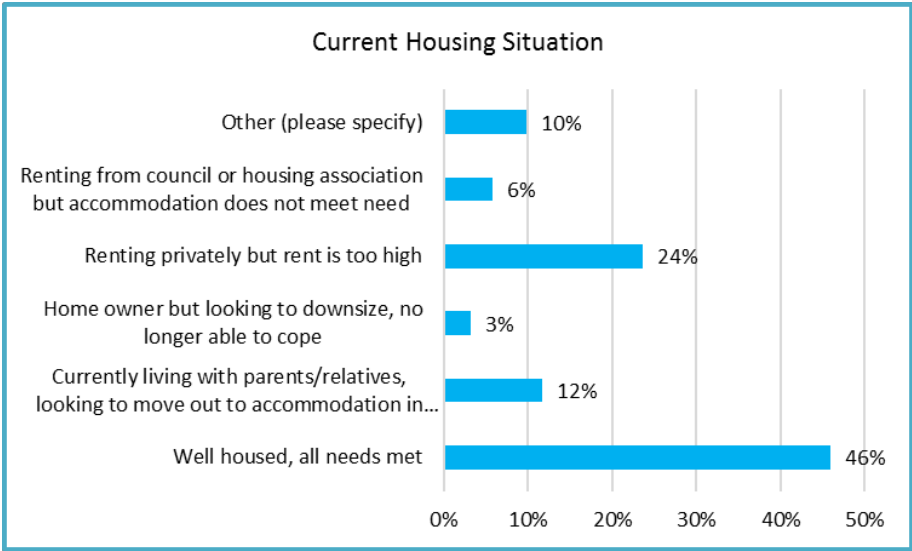
Please note that findings are based on 224 responses but not everyone responded to every question and percentages have been rounded up/down so may not total 100%.



Survey Findings

Q1. How would you describe your current housing situation?

Fig 10 - Current Situation

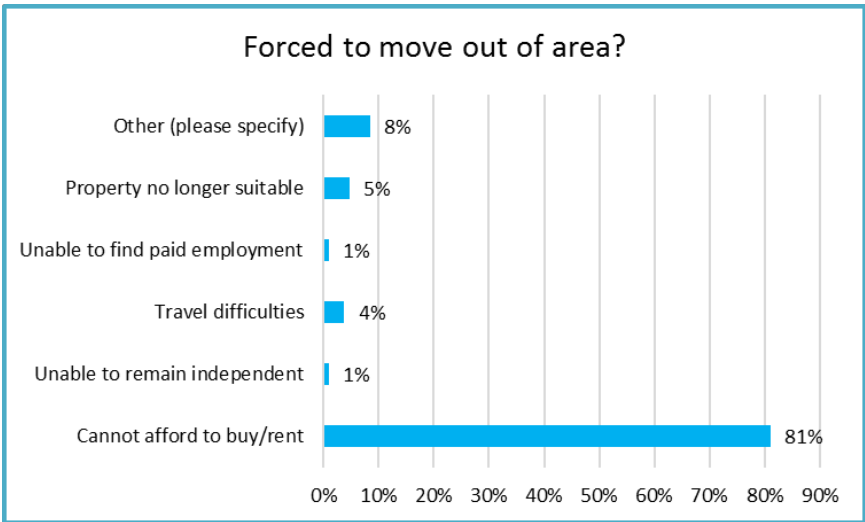


Base: 224 respondents

**46%** of all respondents considered themselves well housed. 24% of households were renting privately but the rent is considered too expensive, 3% were homeowners looking to downsize and 12% were emerging households currently living with parents

Q2. Do you plan or has any member of your household been forced to move out of the area for any of the following reasons?

Fig 11 – Forced to move away

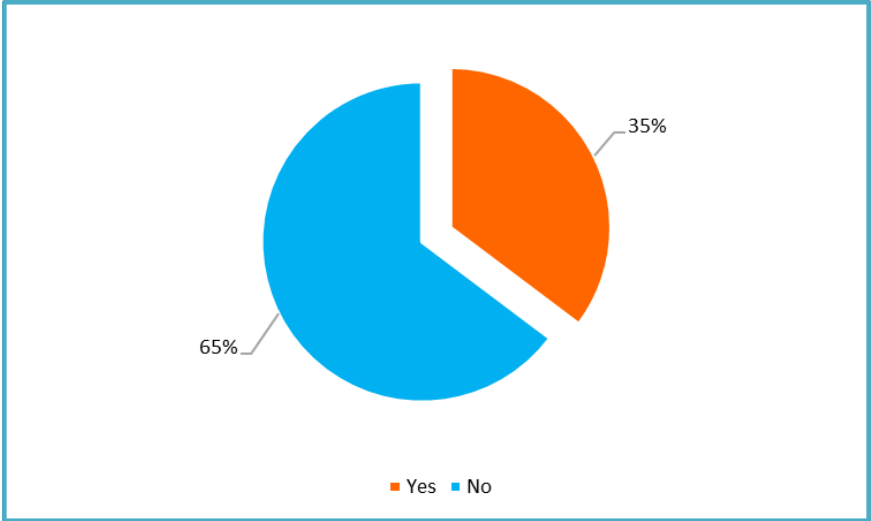


Base: 106 respondents

106 respondents responded positively to this question of which 81% said they plan to/been forced to move out because they could not afford to live in the area.

Q3. Apart from you or anyone currently in your household, do you know anyone with a local connection who is not currently living in Haslemere that would like or needs to set up home in Haslemere?

Fig 12 – Potential, additional housing need

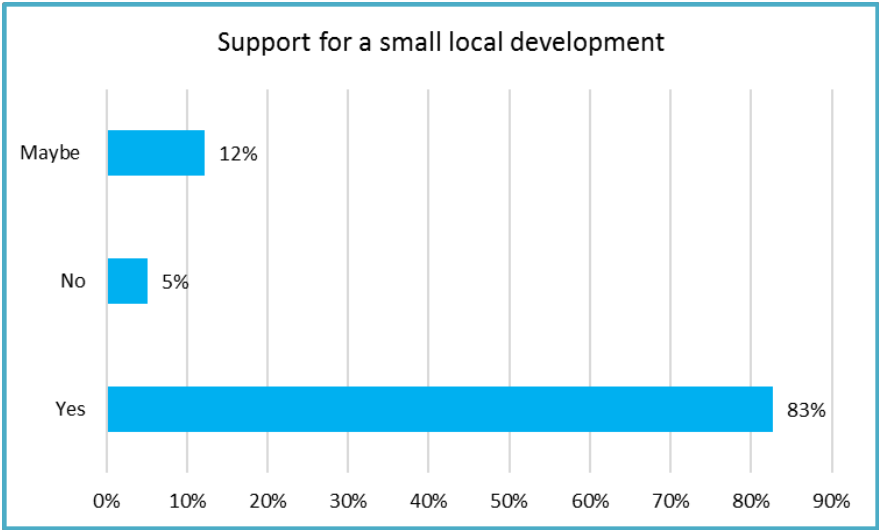


71 households said they knew of other people, with a local connection who would be interested in moving back to Haslemere

Base: 224 Respondents

Q4. Would you be supportive of a small development of affordable housing for local people?

Fig 13 - Support for Local Scheme

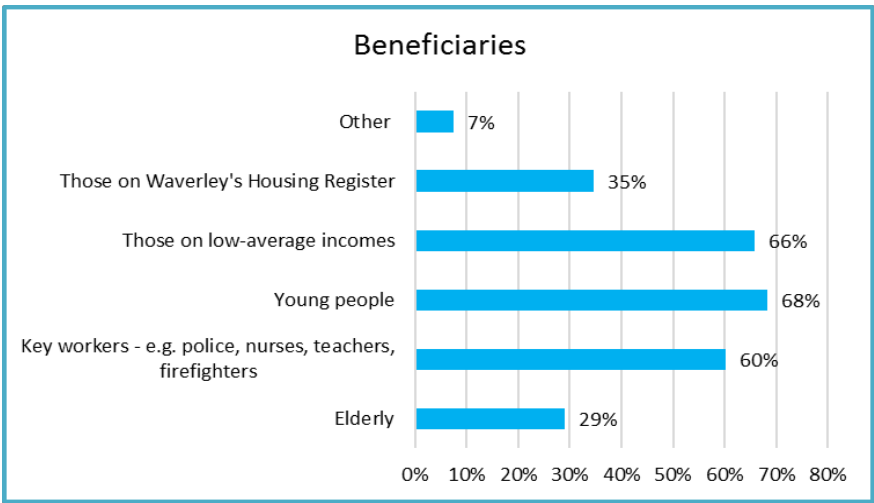


83% stated they would support a scheme, 5% were against and 12% were unsure.

Base: 214 respondents

Q5. Which members of our community would you like to see benefit from our Community Land Trust affordable housing projects? (more than one answer allowed)

Fig 14 - Beneficiaries

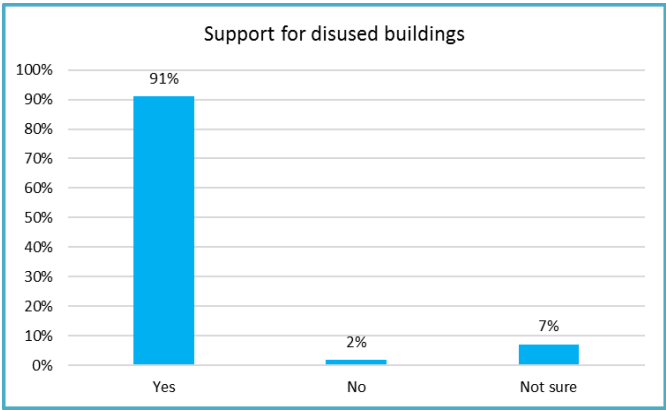


Those on average incomes, young people and keyworkers all received approximately the same level of support whereas the elderly and those on the housing register received approximately half the level of support

Base: 214 respondents

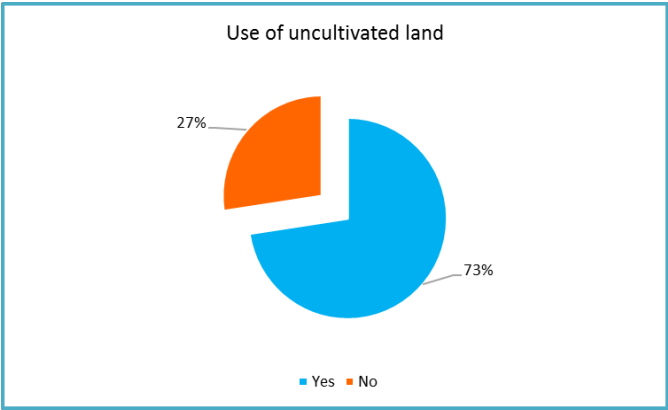
Questions 6 and 7 asked people whether they supported the use of disused buildings and/or uncultivated land. Whilst 91% were supportive of using disused buildings for housing this dropped to 73% in favour of using uncultivated land.

Fig 15 – Disused buildings



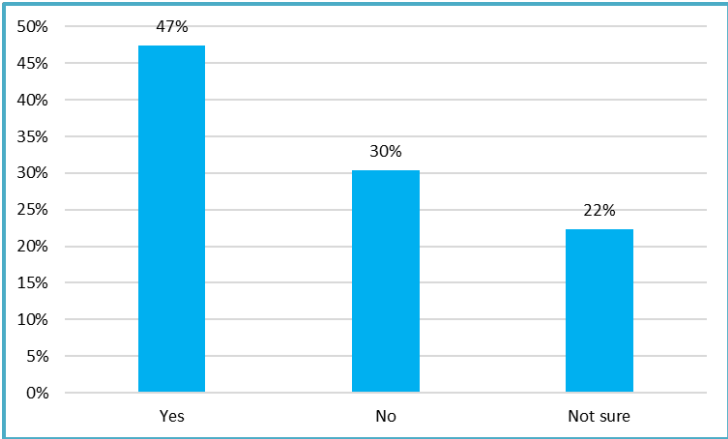
Base: 210 respondents

Fig 16 – Uncultivated land



Q8. Do you or any member of your household need to move to alternative accommodation within the town in the next 5 years?

Fig 17 – Future move

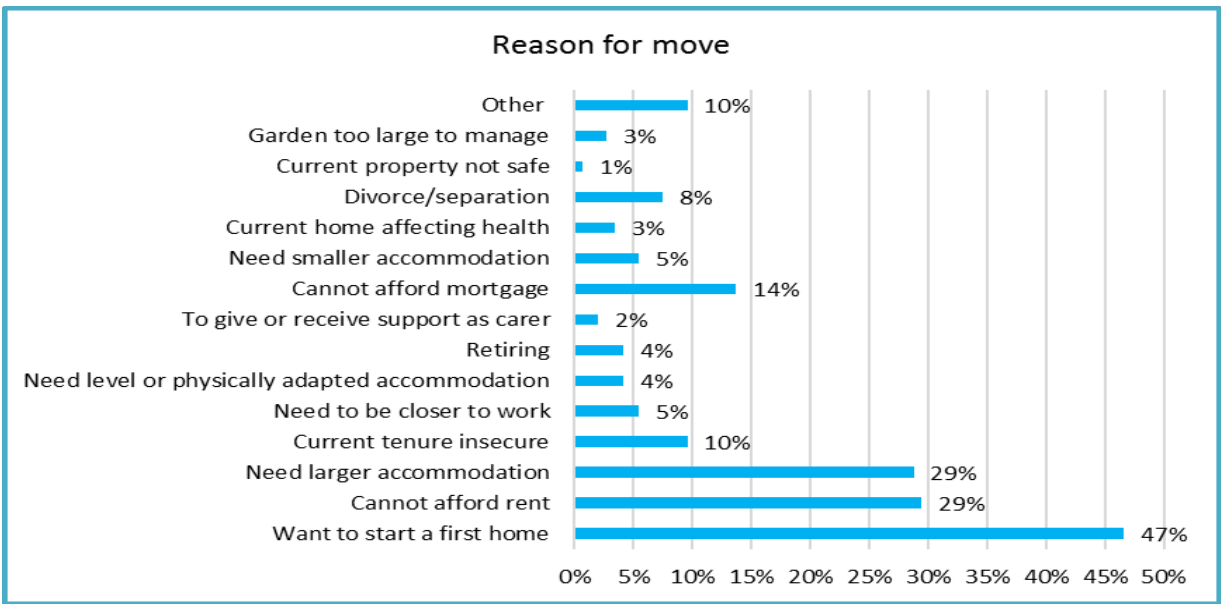


100 people responded positively to this question, 47 were unsure.

Base: 196 respondents

Q9. How would you describe the reason for this move?

Fig 18 – Reason for move



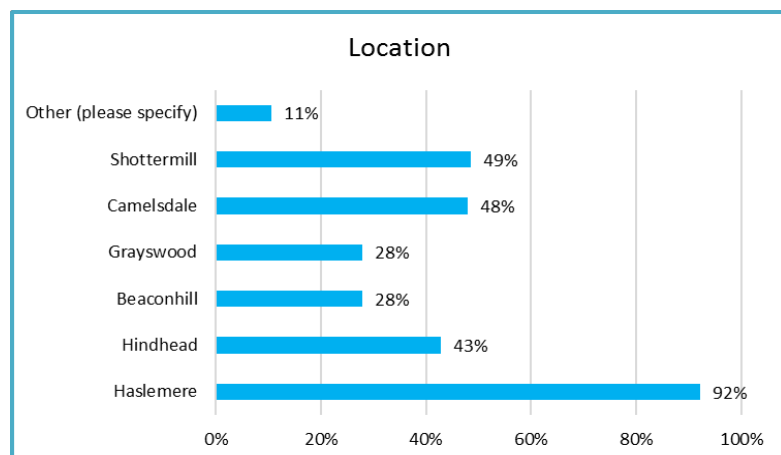
Base: 136 respondents

47% were looking to start their first home, 29% were looking for larger accommodation and 29% cited being unable to afford the rent. 10% felt their tenure was insecure.

Amongst the reasons given for ‘other’ were “still living at home aged 30 and unable to afford to buy” “parents’ home being sold” and “Adult children cannot afford to live here, it feels as if the town has put the brakes on any development, as change is viewed as inevitably a bad thing. It makes it feel unwelcoming to younger people”

Q10 Where would you like this home to be? (more than one answer allowed)

Fig 19 – Future location

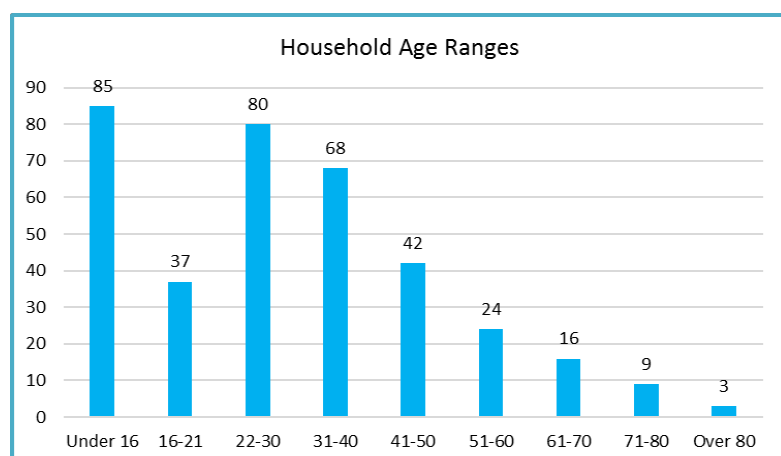


Haslemere was by far the most popular choice with 92% choosing this as a location, Shottermill, Camelsdale and Hindhead were also popular.

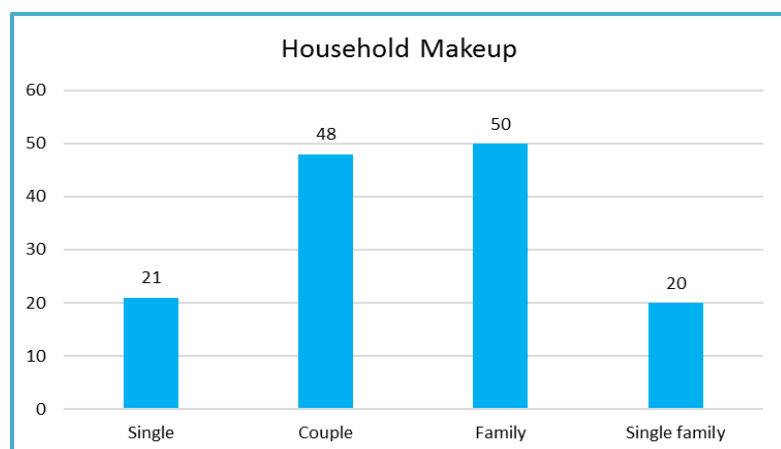
Base: 130 respondents

Q11 What will the age range of this household be?

Fig 20 and 20a – Household makeup



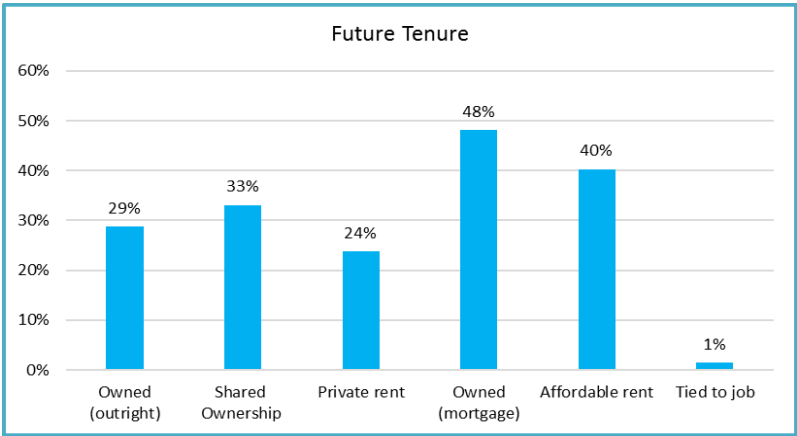
Figs. 22 and 22a show the breakdown of the age ranges of the households and then the 'type' of household. As you can see, given that the majority of those looking to move gave *'wanting to start their first home'* as the main reason for moving it is not surprising that a significant number of people fall within the 22-40 age ranges.



Base: 140 respondents

Questions 12, 13 and 14 all sought to establish the type, size and tenure of the property required.

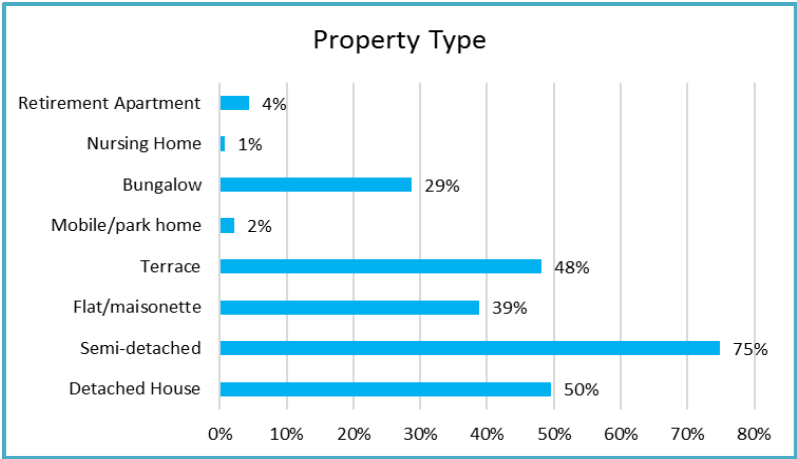
Fig 21 – Future tenure



Base: 139 respondents

48% of respondents were hoping to own their own home, 40% would consider affordable rent and 33% shared ownership. 29% could afford to purchase outright.

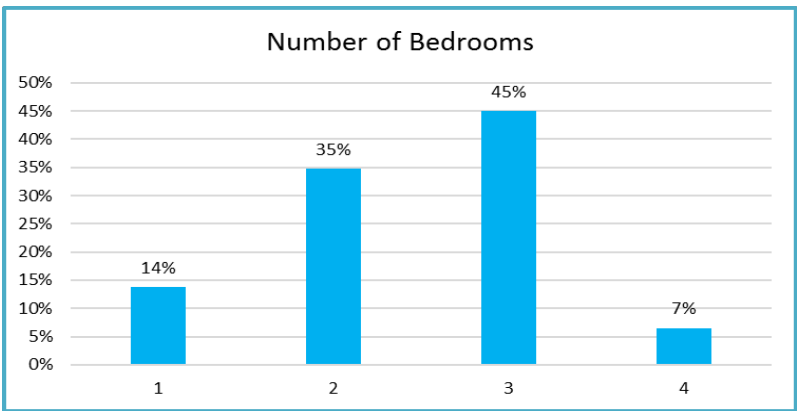
Fig 22 – Property type



Base 138 respondents

75% were hoping to purchase a semi-detached property with terraces and detached properties being the next most popular. 39% were looking for a flat/apartment and 29% were hoping for a bungalow.

Fig 23 – Bedroom requirement



Base: 138 respondents

45% were looking for a 3-bedroom property with 35% looking for a 2-bedroom home.

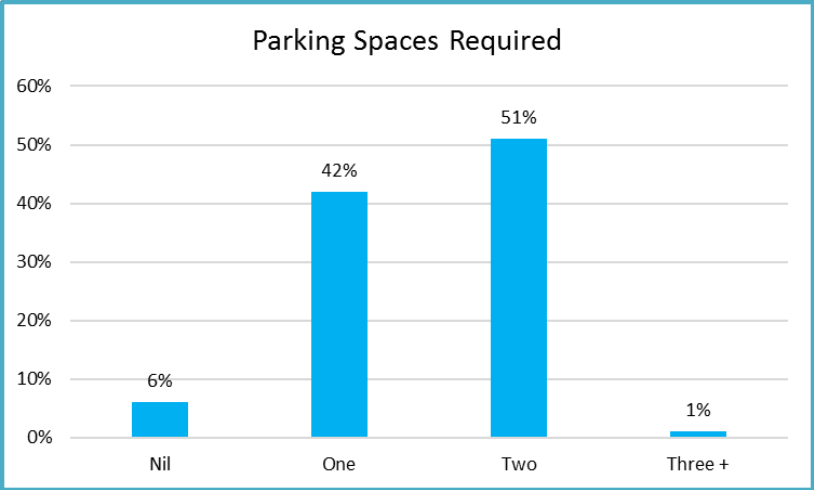


Q15 Do you need physically adapted accommodation?

6 households were looking for physically adapted accommodation.

Q16 How many car parking spaces will you need?

Fig 24 - Parking



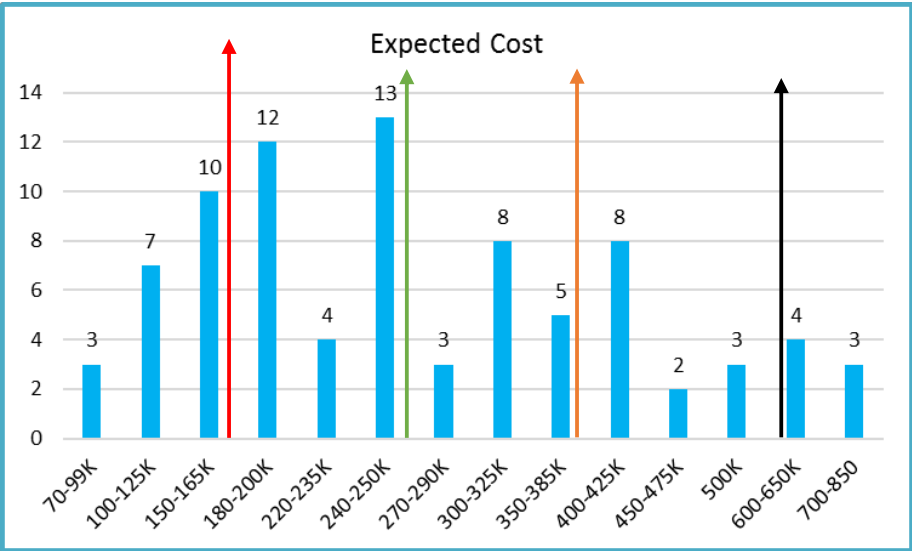
Base: 138 respondents

Financial Data

The following questions were asked to enable a comparison to be made between household’s aspirations and the likelihood of them being able to afford their goal in Haslemere.

Q17. If you are looking to buy, how much do you expect to pay for the property?

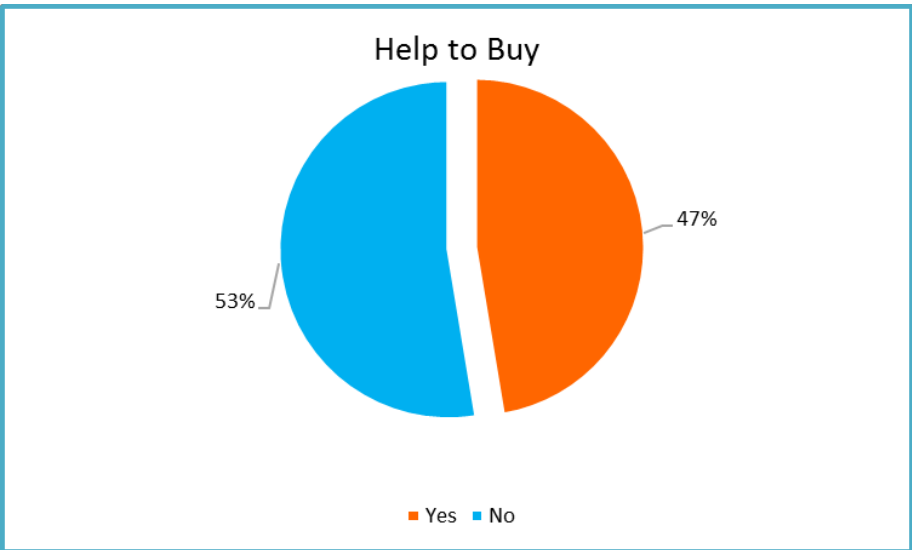
Fig 25 – Purchase price



Base: 85 respondents

Q18. Do you expect to take advantage of any Government Help to Buy schemes?

Fig 26 – Help to Buy



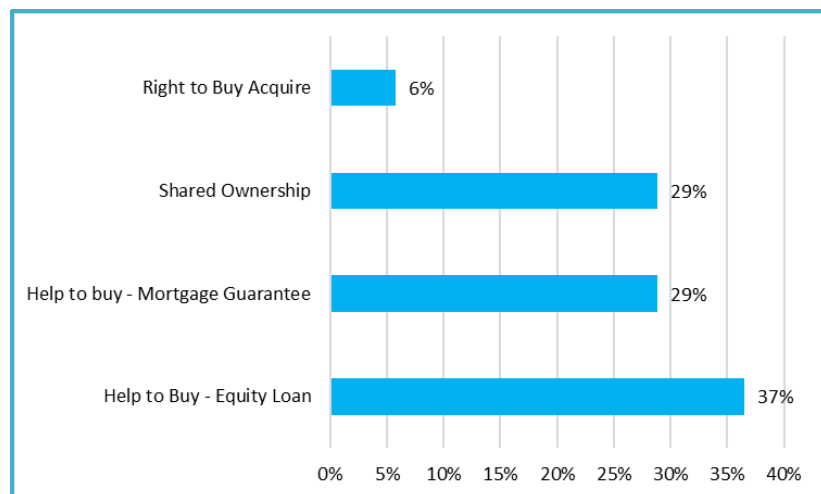
Base: 114 respondents

Fig 27 illustrates the amount that people expected to pay for their home. The red arrow shows the point the cheapest property is on the market for (a one bed flat) and the green arrow shows the cheapest 2 bed home. The orange arrow at £387,000 shows the average sold price of a terraced property in 2018 and the black arrow is the overall average sold price of property in the area.

47% were hoping to take advantage of the ‘Help to Buy’ scheme which is broken down further in figure 29.

Q19. If yes, which ones?

Fig 27 – Help to Buy Products

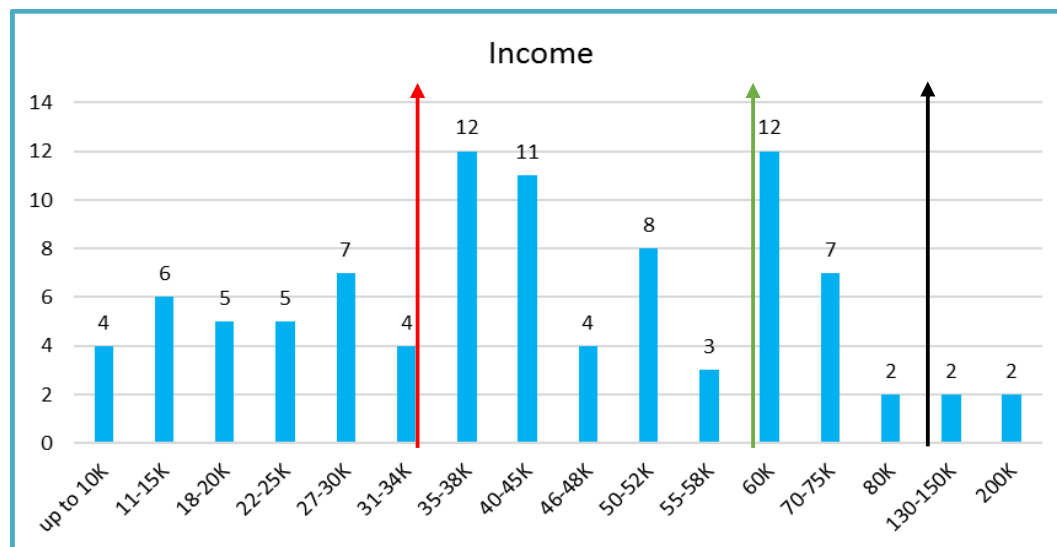


Base: 52 respondents

### Financial Affordability

Q20 What is the gross annual income, including benefits, of those in the NEW household?

Fig 28 – Gross Income



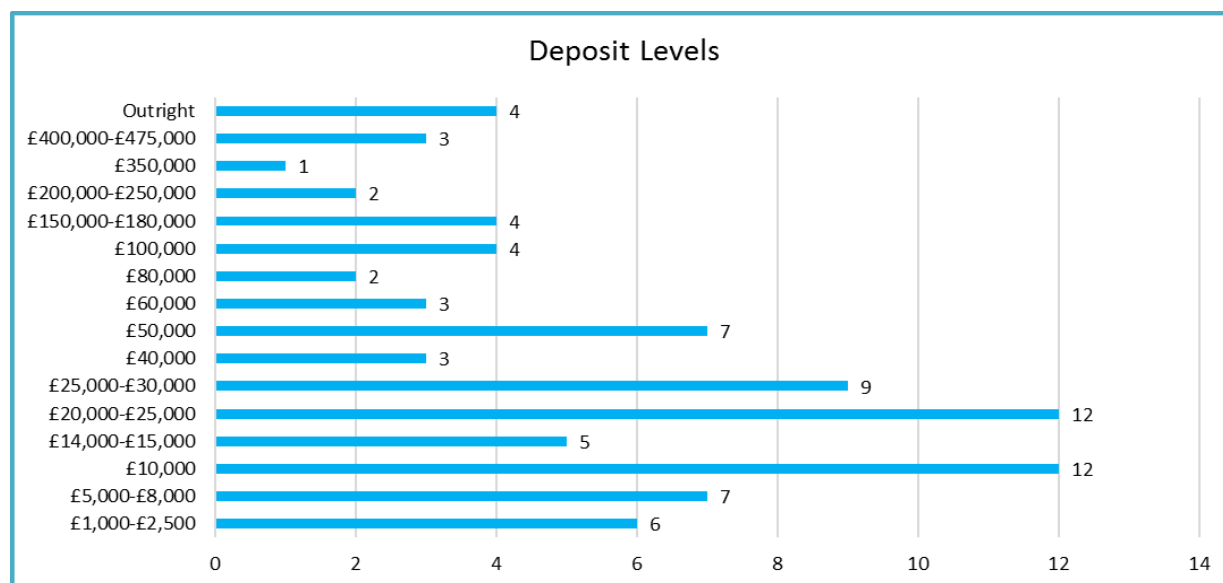
Base: 94 respondents

The red arrow shows the 'average' salary point in Waverley, 31 of those responding earn below this point. The green arrow shows the 'cut off point' for household income if you wish to join the housing register. The black arrow shows the average income required for an 80% mortgage for a property in Waverley<sup>6</sup>

<sup>6</sup> <https://www.housing.org.uk/resource-library/home-truths>

## Q21 How much do you expect to put down as a deposit?

Fig 29 – Deposit levels



Base: 93 respondents

If you assume that the average price of a terraced property in Haslemere is £350,00<sup>7</sup> then a 20% deposit would equate to £70,000. This means that 64 out of the 84 respondents would not be able to afford the deposit required. If you look at the average price of a flat in the area, £250,000, then a 20% deposit becomes a little more realistic at £50,000 and 30 of the respondents would be able to put down a deposit. 54 of the respondents would not be able to place a deposit on a flat in the current market.

## Q22 How much do you think you would be able to obtain as a mortgage?

Fig 30 – Mortgage Levels

Mortgage Amount	No. of Households
Less than £100,000	11
£120,000-£150,000	12
£160,000-£200,000	12
£220,000-£250,000	13
£260,000-£300,000	4
£325,000-£350,000	2
£450,000	1
£600,000	1
Purchase outright	6
Don't know	27

Using the same data as above to purchase an average terrace property would require a mortgage of £280,000 (assuming a 20% deposit) or a £200,000 mortgage to purchase a flat. Out of the 56 people who could estimate the level of mortgage they could obtain 62% would be unable to borrow enough to buy a flat.

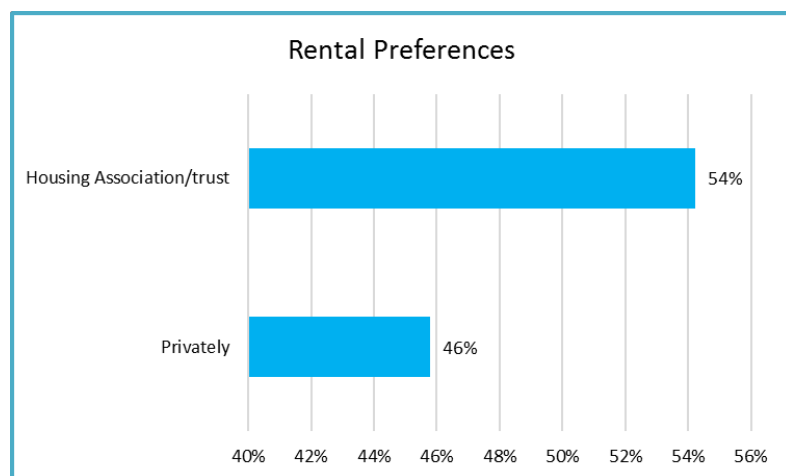
Only 4 respondents would be in a realistic position to purchase a house.

Base 89 respondents

<sup>7</sup> <https://www.zoopla.co.uk/house-prices/browse/haslemere>

### Q23. Would you prefer to rent?

Fig. 31 – Rental preferences



Base: 83 respondents

Despite the issues with security of tenure and the high rent levels 46% would still prefer to rent privately. This may be based on the lack of choice associated with social housing, including location and size of property.

### Q24 Are you on Waverley Borough Councils housing register?

21 of the respondents stated they were on the Housing Register. In addition, as of July 2018 there were 77 households living in Haslemere on the Housing Register, this is broken down as follows:

1 – bed	2 - bed	3 - bed	Total
46	25	6	77

### Q25. How much do you think you can afford in rent per month? As a guide it is normal to consider about a third of your monthly income.

Fig 32 – Monthly rent

Monthly Rent	No. of Households
£200-£400	9
£450-£500	14
£600-£700	15
£750-£850	11
£900-£1000	18
£1200-£1350	4
£1,750	1

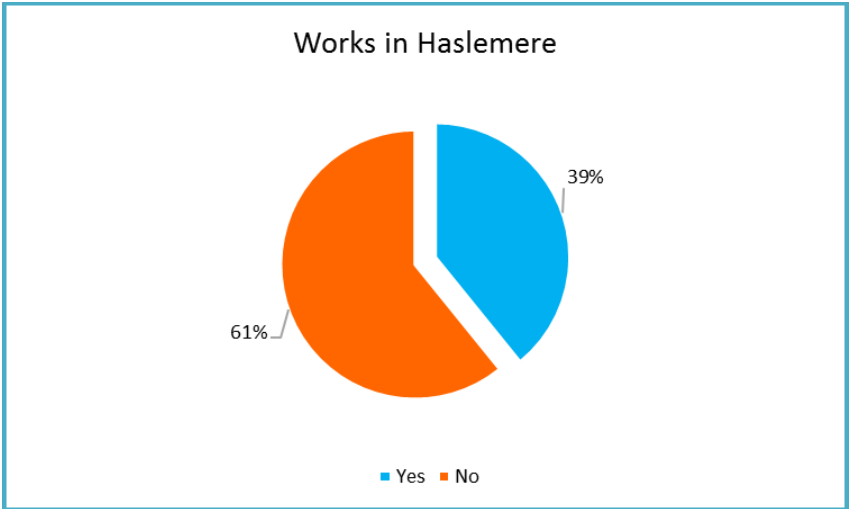
38 of those looking to rent would not be able to afford the cost of a 1 bed flat in Haslemere (price range £700-£1150)

Only 5 of those looking to rent would be able to afford anything over a 2-bed terrace.

Base: 72 respondents

Q26. Do you work in Haslemere?

Fig 33 - Employment

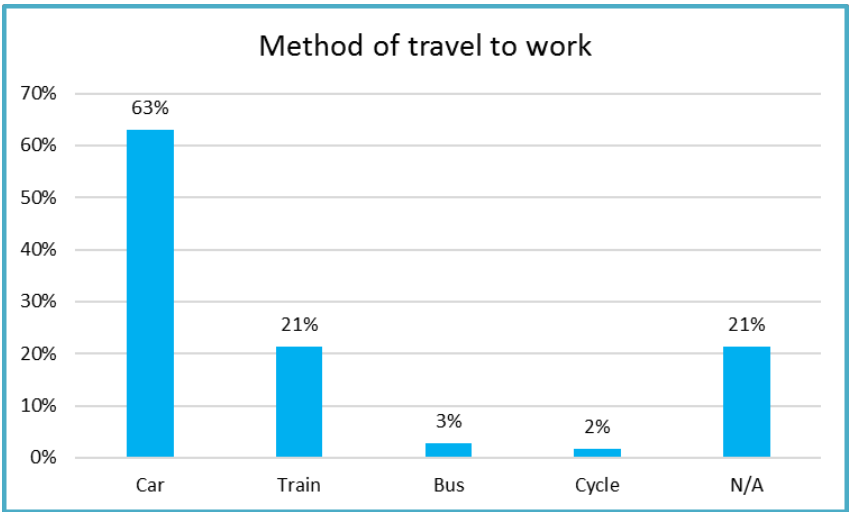


39% (74 people) currently work in Haslemere

Base: 189 respondents

Q27. If you travel to work outside the town do you do so by;

Fig 33 – Transport



63% of those travelling to work outside of Haslemere do so by car.

21% travel by train and just 3% use the bus.

Base: 178 respondents



## Q28. Additional Comments

In addition to the direct questions put to respondents in the survey, the survey invited comments in spaces provided. These are some of the thoughts expressed:

One reply came from a Haslemere resident bemoaning the fact that they lived in a small privately rented flat with two grown children who could not afford to move out.

Another entered a plea for more small homes to be made available for young couples who might otherwise be forced to move away to cheaper places, thereby damaging the social health of the town. Affordability and availability were mentioned elsewhere, too, with housing cited as a major issue for many – one respondent with this view said that there was insufficient low-cost rental housing to meet local needs.

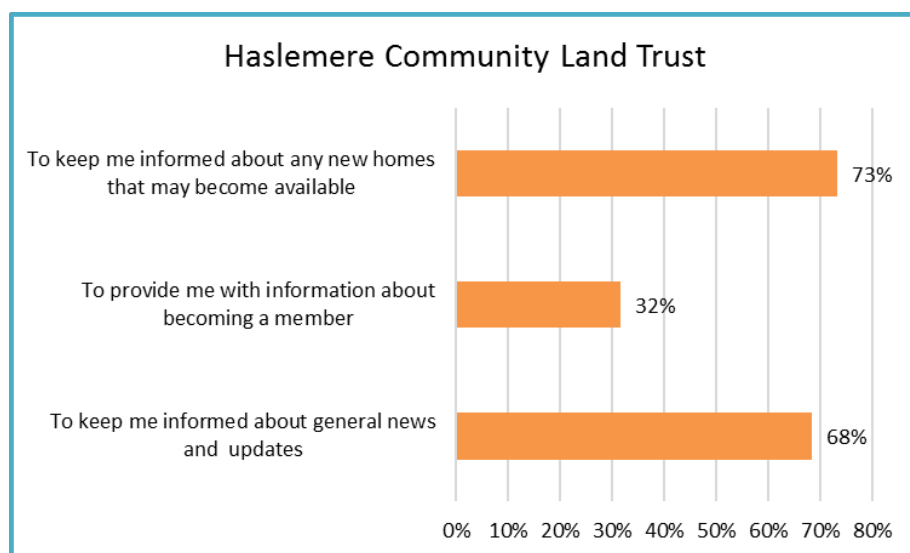
While making the point that they would hate to see green spaces turn into housing estates, another resident said they would be happy for disused buildings to be turned into flats. But one more said they didn't just want a small development, they would like to see more housing created that was affordable rather than fully commercial. Without diversity, it was said, Haslemere would lose its character and become a dormitory town for the rich; and low-paid essential workers should be encouraged for the benefit of all in the community.

Even though they were born in Haslemere, grew up in Haslemere and are currently working in Haslemere, one of our respondents reported that they couldn't afford to live in Haslemere.

43 additional comments were made, a full list is included at appendix 1.

Q29 and Q 30 collated details of those interested in the work of the Community Land Trust

Fig 34 – Community Land Trust Interest



Base: 60 respondents

## Recommendations:

1. For the Board of Haslemere Community Land Trust to adopt the contents of the report and share more widely amongst its members.
2. Given the high levels of unaffordability demonstrated within the report for the trust to consider ways in which it might reduce typical 'affordable rents' further to meet local need.