

## **PRODUCING ROBUST AND INFLUENTIAL RURAL HOUSING NEEDS SURVEYS**

### **Introduction**

Local people have never had more opportunity to help shape the future development of their community. They can influence the Local Plan or bring forward their own Neighbourhood Plan. They can directly engage in development activity through community-led housing schemes such as rural exception sites and Community Land Trusts. Or they can simply comment on planning applications.

The key to effective engagement is having a robust evidence base that provides an assessment of the scale of need and an understanding of its characteristics in terms of, housing tenures, house sizes and types, affordability, household characteristics and bespoke adaptive requirements.

Rural Housing Enablers have been at the heart of providing this evidence base for over 25 years. This document draws on their collective experience from across the country. It sets down ten core principles that should underpin any local Housing Needs Surveys and explains what you should expect from a robust Housing Needs Survey.

As such, this document provides a standard to which all housing needs surveys should adhere rather than a rigid template for the process and form of a Housing Needs Survey.

The document is endorsed by the Rural Housing Alliance.

### **Contact details**

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### **National Network of Rural Housing Enablers**

*The National Network of Rural Housing Enablers is a voluntary membership group comprised of rural housing professionals in England, specifically Rural Housing Enablers and other professionals directly involved in working with rural communities to identify local housing needs and enable development of affordable housing to meet local needs.*

## **The Core Principles**

Identifying the nature and extent of housing need is the founding block of any scheme that provides homes to meet local housing needs. The mechanisms used to assemble this information are varied, but underpinning all of them are 10 principles. All Housing Needs Surveys (HNS) undertaken by Rural Housing Enablers (RHEs) adhere to these principles.

- 1.** The goal of all Housing Needs Surveys is to provide an objective evidenced overview of the scale and nature of the full range of housing need in a locality, usually a village or parish.
- 2.** Housing Needs Surveys are independent and balanced and seen to be so.
- 3.** The process for collecting the data is open, fair and transparent.
- 4.** Any secondary data used as a principal source of information or to augment data collected from households is up to date and relevant to the geography of the survey.
- 5.** Data is anonymised and confidentiality and data protection statements are clear and correct.
- 6.** The community, which is wider than just the Parish Council, is informed of the reasons for the survey, invited to participate and able to access the results.
- 7.** The reports are written in plain English with explanations of how the findings and conclusions are drawn, including any caveats and noting sources of data.
- 8.** Housing Needs Survey reports are publicly available once the commissioning body has agreed and signed off the survey.
- 9.** Housing Needs Surveys are a snapshot in time, their 'shelf-life' is stated and a process for updating the data is available.
- 10.** The Housing Needs Survey is only the start of the process. Once it is completed ongoing liaison should be maintained with the community, housing association or other developer, local authority and landowner to take the project forward.

## **What to Expect From Housing Needs Surveys Undertaken by Rural Housing Enablers**

### **What are Housing Needs Surveys?**

Housing Needs Surveys are an objective tool principally used to gather factual information on the scale and nature of housing need at the local (community) level.

This is achieved through a range of survey techniques to gain information on the attributes of households seeking accommodation whose requirements are not being met by the current housing stock. This may be a consequence of the housing not being available or the respondent not having the income to buy or rent a home that meets their needs. In particular Housing Needs Survey identify the need for:

- affordable housing to rent;
- affordable housing to buy;
- Starter Homes;
- downsizing;
- adapted and/or housing with care support.

### **Why are Housing Needs Surveys carried out?**

To provide **communities** with the evidence they need to:

- Have an informed dialogue with:
  - any type of developer;
  - the staff from the local authority housing enabling, allocation and planning departments.
- Promote and gather support of the community for a local housing development

To provide **housing associations** and other developers with the information they require to:

- Determine what they can offer for the land if it is not a rural exception site. Price is directly affected by the costs of development and the level of income from sales and rents from the different types and tenure of housing
- Design a scheme that contributes to meeting the housing needs of the community
- Support the planning application for the scheme

To provide **landowners** with information that will inform:

- How much they sell the site for;
- Whether to dispose of the site;
- Whether there is scope for them to negotiate for nomination rights on some of the properties.

### *Housing Needs Surveys and Neighbourhood Plans*

Neighbourhood Plans' site allocations and policies for the type of housing to be developed in a community must be supported by robust evidence. There are two elements to this evidence base. The first sets the broader housing market context. It will provide an analysis of the headline characteristics of current housing market operating within the Neighbourhood Plan area, within the context of relevant economic and demographic data. It will primarily draw on existing data available from a range of established resources. The Housing Needs Survey supplements this evidence by providing a more detailed picture of the nature and extent of housing need that exists within the community, usually drawing on the results of some form of household survey.

#### **Who undertakes Housing Needs Surveys?**

Housing Needs Surveys are primarily undertaken by Rural Housing Enablers as part of their broader role of assisting communities provide housing that meets their identified needs and facilitating its delivery.

Rural Housing Enablers may be commissioned to undertake a survey by: community groups, parish councils, Local Authorities, housing associations, landowners or private developers.

#### **What is the content of a Housing Need Survey?**

There is no single form of Housing Needs Survey. They may be a paper based household survey, web-based, electronic survey, or involve direct contact with an individual.

Whilst the actual questions in a survey will vary they will universally collect information to establish:

- How many people have a housing need?;
- What is their age?;
- The composition and size of their household that has a housing need?;
- What are their current housing circumstances and why they require alternative accommodation?;
- What type and size of housing are they seeking?;
- What tenure are they seeking?;
- What can they afford including income and savings?;
- What is the nature of their connection with the community?;

The survey will put this into the context of the housing market of the community by using relevant secondary data specific to the community on the tenure makeup of the housing stock; price and transactions, rents and turnover. A useful way of

demonstrating this is through a housing ladder, which represents the levels of sales/rents of different properties as a horizontal bar chart.

An assessment may be made of the affordability of the current market and what the respondent is able to afford. The fragility of the data means it is good practice to use a triangulation approach that uses a combination of methods to demonstrate affordability with a clear explanation of the how the calculation is made and details of the data used.

#### *Affordability of the current market*

The lack of published data on incomes at a community level make it difficult to assess how affordable market housing is to people living in the community. However, a headline view may be provided using the DCLG Live Tables on lower quartile income to lower quartile house prices, but with the caveat that this is district level data, which provides the wider context for the community specific results.

This may be supplemented by working out the lower quartile house price from recent sales using one of the commercial residential property sales sites. The low levels of sales in rural areas necessitate at least a year's worth of data, then working out the income that would be needed to buy such a home. This is conventionally done by dividing the derived house price by 3.5, which is the usual multiplier used for mortgage purposes. This can then be compared with the income of those who responded to the survey.

Alternatively, a similar calculation may be made using the actual cost of a particular type and size of home that meets the identified need. In some villages such properties will not have come onto the market, a point in itself worth making.

#### *What can the respondent afford?*

Using the reverse process, the incomes quoted by respondents can be multiplied by 3.5 and the resultant house price that could be afforded is then compared with actual sales values in the village. This approach provides a reasonable estimate of affordability for any local community. Clearly, any household actually seeking to purchase will be subject to more rigorous scrutiny from potential lenders.

#### *Assessing levels of support*

Surveys may also be used to take a measure of the level of support for a housing scheme to meet local needs. It can only be measured from the responses to a specific question that probes opinion.

#### **How are the results reported?**

The results of Housing Needs Surveys will be presented in a balanced objectively written report. It will set out the findings and conclusions of the survey and how these were reached, including any caveats. It will also provide information on the methodology and reference the data sources.

As the household data is collected on a confidential basis actual households will not be identified. In very small communities this is particularly difficult, but at the very least anonymity will be preserved.

Once completed and signed off by the commissioning body the report will be put into the public domain. The responsibility for this is often given to the parish council.

### *Rates of return*

The rate of return is the percentage of replies to the number of surveys sent out. It is only of significance when assigning weight to the responses to the questions asked of all households, such as whether they favour development of affordable housing. It is not relevant when reporting the responses to the questions relating to nature of housing needs. The survey is solely seeking and only able to report on how many people expressed a need and what type and tenure of housing they require.

The sometimes low return rates, and the lack of information on the representativeness of the returns to the whole population, means that it is not reliable to aggregate data from Housing Needs Surveys.

### **How can the evidence be kept up to date?**

Housing Needs Surveys are only a snapshot and will become out of date as individuals housing circumstances change. The rule of thumb is that the results have a shelf life of between three to five years.

Where a scheme is progressing, updating and verification will take place. This may take the form of a 'surgery' held in the community, open to all those who think they have a housing need. This allows face-to-face explanation and discussion of the type of housing being sought and what is available. In so doing it provides an opportunity for households to formally register their interest in an affordable home and ensure they are considered when affordable homes, including those being provided by the scheme, are being allocated.

Where there has been no progress with a site, or there have been significant changes in the community or surrounding area, a new survey may need to be undertaken.

### **What happens next?**

A Housing Needs Survey does not mean a scheme will automatically be built. It does mean both the commissioner of the survey and the community (where these are not the same) should be in possession of a robust piece of evidence that sets out in clear terms the scale and nature of the housing need in the area surveyed. On the basis of this an informed discussion can proceed with those organisations responsible for delivering affordable housing, principally housing associations, the local authority housing enabling and planning staff and within the community.

## Endorsement

*“The Rural housing Alliance is a membership organisation made up of housing associations that develop and manage affordable rural homes in England. We are committed to community based housing solutions and are pledged to work with local communities to give local people in housing need the very best opportunity to live in a quality affordable home. This is why we are delighted to support local communities in bringing together locally led housing proposals and consider that the best starting point for this is sound local evidence of housing need. As such the Alliance is pleased to endorse the guidance recently issued by the Network of Rural Housing Enablers setting out core principles for conducting robust rural housing needs surveys. A link to this guidance is available on the Alliance website.”*

Jake Berriman, Chief Executive, Shropshire  
Housing Group and Chair, Rural Housing Alliance

