

Affordable housing background – Godalming and Farncombe (May 2014)

The following sources of evidence have been used to provide a picture of housing need in Godalming and Farncombe:

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1. Godalming findings from the Draft Strategic Housing Market Assessment (SMHA, 2013)

The Council has a draft SHMA, which provides data broken down into Waverley’s four main settlements and the rest of the borough. The Godalming submarket used in the SHMA includes the wards of Charterhouse, Central and Ockford, Binscombe, Farncombe and Catteshall and Holloway.

Godalming is a sought after place to live. According to Wikipedia, in recent years it has been ranked the UK's third most desirable property hotspot, voted the fourth best area of the UK in which to live and judged in 2013 to have the highest quality of life in Great Britain. Estate agents interviewed for the SHMA reported that 60% of sales are to incomers who mostly originate from West London. Typically they will be economically active high earning households seeking a better quality of life than London can offer for their families due to the quality of place and the quality of local schools. It is close to Guildford and agents told us that such households will consider both Guildford and Godalming in their area of search. Agents reported considerable demand and a shortage of supply for family homes in the £200,000 to £500,000 price range. Investors were active, mostly seeking opportunities in the £200,000 to £300,000 price range. Agents reported that across the board prices dipped by 20%

due to the credit crunch but had now recovered and had exceeded their 2007 peak values where there was a shortage of supply.

Entry level purchase prices in Godalming are higher than Farnham, Haslemere and Cranleigh with most properties for sale being larger three and four bedroom properties. Entry level private rents are also higher in Godalming than the other main settlements. An average household income of £61,000pa is required to purchase an entry level property in Godalming, yet 71% of Godalming households have an income below this level. An average household income of £33,520 is required for an entry level private rent, yet 38% of Godalming households have an income below this level. Overall, it is estimated that 43% of Godalming households are unable to afford to buy or rent without subsidy or assistance. Subsequently, there is a significant need for affordable housing in Godalming, with the SHMA estimating a need for 64 additional affordable homes each year between 2013 and 2031.

2. Need for affordable housing (rented) from the Council's Housing Register

The Council's Housing Register for affordable housing (rented) gives us a current snapshot of housing needs in each locality across the borough. It should not be taken in isolation as an accurate measure of housing need because it is likely that there are households in housing need who have not yet made an application to join the register. To be eligible to join the Housing Register applicants must have a housing need and a local connection to Waverley as defined in our Allocations Policy¹.

The Housing Register includes households living in either housing association or Council properties in Godalming and Farncombe who are waiting for a transfer because their current home does not meet their housing need.

As at 1 April 2014 there were 238 households living in Godalming and 161 households living in Farncombe currently registered on the Housing Register, requiring affordable homes in the following sizes:

¹ Waverley Borough Council Affordable Housing Allocation Scheme 2013:
http://www.waverley.gov.uk/downloads/file/2526/2013_housing_allocation_scheme

	1-bed	2-bed	3-bed+	Total
Godalming	137	80	21	238
Farncombe	87	51	23	161
Total	224	131	44	399

3. The existing social housing stock in the area and the frequency at which these homes become available to re-let

When considering housing need, it is important to consider the number of affordable homes in Godalming and Farncombe and the frequency with which these affordable homes become available to re-let to applicants from the Council's Housing Register.

There are 1407 affordable homes in Godalming and Farncombe, made up of 1082 council-owned affordable homes (of which 72 are sheltered units or designated for older people) and 325 housing association homes.

Of course, these 1422 homes are occupied by tenants and it is only when a vacancy arises that it can be advertised to applicants on the Housing Register. Table 4 shows an average of 30 vacancies/ lettings per year in general needs council owned affordable housing in Godalming and Farncombe over the last four years:

FINANCIAL YEAR	1- bedroom	2- bedroom	3- bedroom	TOTAL
2013-2014	5	13	8	26
2012-2013	4	5	6	15
2011-2012	7	14	14	35
2010-2011	16	17	9	42
TOTAL	32	49	37	118

Table 3: Lettings of general needs Council owned property in Godalming and Farncombe 2010-2014

These figures demonstrate that the local need for affordable housing far outstrips supply as the level of vacancies that arise are minimal.

4. Need for part rent- part buy affordable housing from The Help To Buy Register

The Help To Buy Register tells us about the current needs of households registered for affordable home ownership with the Help To Buy Agent, which administers these applications on behalf of the Council. This information relates to Waverley as a whole, and cannot provide information specific to a given Ward or Parish, however it is useful for determining the number of shared ownership homes needed on new developments and the number of bedrooms these homes will need.

As at July 2013, over 65% of the households on the Help To Buy Register who live or work in Waverley were single people or couples without children, and it is estimated that 88% of Help To Buy need would be met by 1 or 2 bedroom shared ownership properties. 12% of the households registered would need 3 bedrooms or larger.

However, Help To Buy applicants are able to purchase a property with one bedroom larger than they need, so on certain new developments there may be an argument for building a bigger proportion of 3 bedroom shared ownership properties. This could be the case where a local Housing Needs Survey indicates that some residents have saved deposits which would enable them to afford larger properties and they have indicated that they wish to expand their family, for example.

5. New Build Supply of Affordable Housing in Godalming

There is currently planning permission for 14 rented homes at Station Road and work is on site for 37 affordable homes at Wurth House in Godalming. Planning permission has also been granted for 4 affordable homes at Badgers Close, 2 affordable homes at Silo Drive and 3 affordable homes at Warren and Perrior Road. Permission has also been granted nearby at Upper Tuesley (land surrounding former Hospital buildings at Milford) for 36 new affordable homes in addition to the 12 existing affordable properties which will be owned and managed by Thames Valley Housing Association.