

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

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## Contents

1	Introduction .....	1
2	Process followed.....	1
3	Key statistics .....	2
4	How many new homes are needed in Fontmell Magna? .....	3
4.1	Estimate based on the North Dorset Local Plan (to 2031) .....	4
4.2	Estimate based on Past Build Rates .....	5
4.3	Estimate based on the North Dorset Housing Register .....	7
4.4	Estimate based on Estate Agents questionnaire .....	8
4.5	Household Questionnaire Responses .....	8
4.6	Committed Development .....	10
4.7	Calculation of the Housing Need based on averaging the estimates above ....	10
5	Type of Housing Need.....	11
6	Conclusion – Fontmell Magna Housing Need.....	12

## 1 Introduction

This document is an assessment of housing need for Fontmell Magna CP. This document forms part of the evidence base of the Fontmell Magna CP Neighbourhood Plan.

The assessment was carried out by the Fontmell Magna Neighbourhood Plan Group and checked by Jo Witherden of Dorset Planning Consultants Limited.

This document has the following aims:

- I. To establish how much housing is required in Fontmell Magna CP in the period 2016-2031.
- II. To identify what type of housing is required and where it could be located.

## 2 Process followed

The statutory development plan is the North Dorset Local Plan (hereafter 'The Local Plan'). The plan was adopted on 15th January 2016.

The Local Plan is the starting point for any assessment of housing need for the area. However, the Local Plan does not identify specific housing need at a village level. To identify a specific local housing need the following key sources of information were assessed:

- Bournemouth/Poole Housing Market Area – Strategic Housing Market Assessment - North Dorset Report Jan 2012 (hereafter the '2012 SHMA')
- Eastern Dorset Housing Market Area - SHMA 2015 North Dorset Summary Report (hereafter the '2015 SHMA')
- Planning permissions data provided by Dorset County Council (DCC)
- 2011 Census data
- North Dorset District Council Housing Register data
- Other sources: Magna Charter Questionnaire 'MCQ' (2007); House Builders Federation 'HBF' (2013); NDDC Annual Monitoring Report 'AMR' (2015); Fontmell Magna NP Questionnaire 'FMNPQ' (2016); Land Registry Statistics 'LR' (2007-2016).

## 3 Key statistics

*(Source: Office for National Statistics 2011 Census unless stated. Other sources include Land Registry “LR” and Fontmell Magna Neighbourhood Plan Questionnaire “household questionnaire” or “FMNPQ”)*

The following facts provide important context to the assessment of housing need in Fontmell Magna CP.

- 24 households reported a likelihood of moving within the plan period. 11 households reported a wish to downsize, against 4 seeking a larger property, 6 households declared a need for affordable housing either rented or shared ownership and 9 households declared a wish to self-build. [FMNPQ].
- The 2011 census showed 734 residents in 334 dwellings. Residents aged 65 and over comprise the largest age group, due to people at or near to retirement age choosing to live here and an expected life span of 81-85 years for residents of the parish. 16 to 24 year olds are under-represented in the parish, and this is likely to be due to wanting to live closer to higher education and/or jobs (the main centres of education and employment being Bournemouth, Poole and Christchurch, at between 25-30 miles distant) or for cheaper properties. It is inevitable that a proportion of the over 70s will release housing stock to the open market and that the 16-24 year olds will require their first homes before the end of the plan period, but unless other factors intervene the future supply of housing from the first group is unlikely to satisfy the future needs of the second group.
- Housing stock in the highest council tax bands E, F and G number between 63-56 properties each but there are only 9 properties in council tax band A, 36 in band B and 70 in band C. In the period 2006 to 2016 72 properties in the parish changed ownership, with sold house prices in FM averaging £380,093 [LR]. In 2016 the average property is estimated to be worth £484,000. The HBF reports average house prices of band D properties at £253,000 in North Dorset being unaffordable for those on average North Dorset income of £18,900 requiring an income multiple of 10.19. There are a few properties for rent available in Fontmell Magna, mostly in the private sector. The average rental price for a 3 bed property in ND is £850 pcm, which requires 50% of the average weekly salary. 22% of properties have changed hands in

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

---

a ten year period, indicating that the current level of housing stock is not causing stagnation in the housing market. However, a lack of continuous supply of average-sized average-priced properties in the parish is contributing to a more acute shortage of affordable housing, potentially contributing to an outward flow of people seeking to fulfil their housing needs.

- The 2011 census showed 334 dwellings of which 319 were permanent residences and 15 were not. This equates to a vacancy rate of about 4.5%.
- When household need was questioned only one household expressed a preference for renting an affordable home, as against 1 shared-ownership, and 4 who desired some form of affordable home to own rather than rent. [FMNP Questionnaire]
- About a third of households seeking a move, 9 out of 24, expressed a desire to self-build if there was an opportunity to do so.
- Most households are made up of two adults, and under-occupancy of 2+ bedrooms is common. A significant number of those seeking housing, 11 out of 24 households, wished to move to a smaller home in order to downsize. While properties are currently on the market, it appears they would not be fulfilling this need. It is reasonable to conclude that the opportunity to downsize therefore depends on the location, size, and relative value to existing property (i.e. sufficient price difference between large and smaller properties). Together with the affordability issues noted, all this suggests that there is an adequate or oversupply of 4+ bedroomed properties and a lack of suitable 1 and two-bedroomed properties to meet the need for affordable or desirable homes.
- The 2014/15 NDDC Annual Monitoring Report shows 273 current commitments to build properties across the 18 larger villages (i.e. not including Stalbridge), of which 48 (18%) are for Affordable Housing.
- Over the period 2003 to 2014 1.33 Ha of agricultural buildings were granted a change of use across the whole of North Dorset (2014/15 NDDC Annual Monitoring Report): 49% to business use and 45% for residential. The monitoring report estimates the total supply for such conversions could be in the region of 10 per annum across the whole of North Dorset. The FMNPQ showed a preference of change of use of buildings to residential over building on agricultural land.

## 4 How many new homes are needed in Fontmell Magna CP?

This section assesses a variety of information sources to establish an estimate of the future housing required in Fontmell Magna CP in the period to 2031.

We have estimated the requirement based on the different sources of information and these are set out below and summarised in Table 3.

A number of sites subject to planning consent will also form part of the current supply:

- 2/2014/0464/PLNG and 2/2015/0459/FUL New Dwelling at North Street, Fontmell Magna
- 2/2014/1602PMBPA Permitted Development class Q St Andrews Farm Barns

This total of 2 can be deducted from the estimated housing need for Fontmell Magna calculated at as there is reasonable certainty that these are deliverable and will be built.

### 4.1 Estimate based on the North Dorset Local Plan (to 2031)

As stated, the Local Plan does not identify a specific housing need figure for Fontmell Magna CP. However, it does set out a housing need figure for rural areas outside the four main towns. Over the period 2011 to 2031, at least 825 dwellings out of a minimum of 5,700 dwellings district wide will be built in Stalbridge and the eighteen villages. Of this 825 target, 115 have been built in the first four years to 2015, leaving 711 required.

To establish the specific Local Plan housing need target for Fontmell Magna CP, we can look at what this would mean simply on a pro-rata basis. This is based on the figure of 711 total rural dwellings in North Dorset and an extrapolation of Fontmell Magna's percentage of the total 'Stalbridge and more sustainable villages' housing stock in North Dorset. This two-step process is set out below:

#### *Step 1: 2011 'pro rata' estimate*

Total population [734] ÷ Total population in Stalbridge and the 18 villages [20,150] = 3.64%

#### *Step 2: applying the 'pro rata' estimate to the rural target*

Rural target [711] x Pro-rata amount [3.64 %] = 26 dwellings

The estimated housing need for Fontmell Magna CP based on the North Dorset Local Plan would be **26 dwellings** (or about 1.75 homes a year for the period 2016-2031).

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

---

The latest (2015) housing needs assessment has yet to be tested at examination, but suggests a slightly higher annual requirement across the North Dorset part of housing market area, equating to 330 dwellings per annum (as opposed to 285). As well as being untested, no decision as yet has been taken on their strategic distribution such as the town / rural area 'split'. However, in the absence of any other information, the best assumption that can be made is that there may well be a requirement to increase the amount of housing by an equivalent amount.

### ***Step 3: applying a 'pro rata' uplift to the local target***

Proportionate uplift  $(330-285)/285 = 15.8\%$

Fontmell Magna target [26] + 15.8% = 30 dwellings

*On this basis, a target of 30 dwellings would appear a reasonable number.*

It should be noted that this figure is a high level figure. It does not factor in any local considerations specific to Fontmell Magna CP. It can therefore be considered to be a starting point or baseline for a more tailored assessment of housing need for Fontmell Magna. These more specific elements are set out below.

## **4.2 Estimate based on Past Build Rates**

Past build rates can give an impression of demand for housing, and what may be the baseline to judge whether the plan will 'boost' housing in line with national policy aims.

However looking at past trends does not necessarily provide an indication of likely future need or demand. They are necessarily supply constrained as they relate to specific sites, whereas the assessment of housing need seeks to identify an unconstrained housing need figure.

Fontmell Magna 2001 census shows 320 dwellings of which 294 were permanently occupied and 15 holiday (or other non-permanent) properties. The 2011 census showed 334 dwellings of which 319 were permanent residences and 15 were not. This would equate to a growth of 14 properties per 10 years or 1.4 per year. This would equate to 21 houses between 2016 and 2031.

Past build rates for Fontmell Magna CP and for rural areas of North Dorset (excluding the four main settlements) for the period 2000/2001 to 2013/14 has been taken from information provided by Dorset County Council. Fontmell Magna CP housing completions

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

between 2000 and 2014 are shown below. These total 9 properties completed over 14 years mainly at Fontmell Magna.

**Table 1: recent past growth rates**

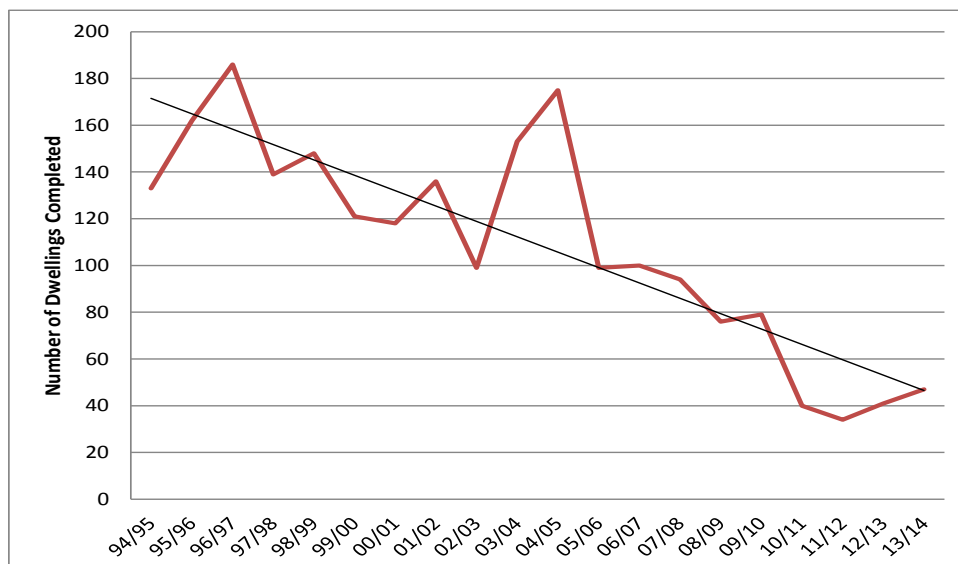
Settlement	Fontmell Magna		Hartgrove		Bedchester	
Year	Completed	Committed	Completed	Committed	Completed	Committed
02/03			1			
04/05	1					
06/07	1					
08/09	2					
11/12	2					
12/13	1					
13/14	1	2		1		2
Totals	8	2	1	1	0	2

The average annual housing completion figure for Fontmell Magna CP, has been 0.6 dwellings per annum when based on NDDC figures including Hartgrove and Bedchester. If this trend was applied for the 15 year period to 2031 it would equate to 10 homes. A further 4 homes had planning consent.

*On this basis, a target of between 10 to 21 dwellings should be applied, the higher end of the range being more compatible with the national emphasis on boosting housing delivery levels.*

The historic housing completions for the period 1994 to 2014 in North Dorset rural areas outside the four main settlements are shown in Figure 1:

**Figure 1: North Dorset Rural Housing Completions 1994-2014 (including linear trend line)**



North Dorset’s rural housing completions show a declining trend in the 20 years between 1994 and 2014. As such, the average historic rate perhaps should not be given significant weight in establishing what a reasonable level of need may be.

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

## 4.3 Estimate based on the North Dorset Housing Register

An assessment of the North Dorset Housing Register can be helpful in showing how many people are seeking properties in and around Fontmell Magna at any one point in time. The Housing Register is confidential and only records those households whose earnings are below a certain threshold. As open market prices in Fontmell Magna show, much housing that comes on the open market is not affordable to those on average earnings. North Dorset Council has indicated that in July 2016 23 applicants on the housing register were interested in Fontmell Magna (of which 6 had Fontmell Magna as their first choice). In February 2017 the number had fallen to 14, illustrating how this need can fluctuate over time. Six applicants of the applicants on the housing register live in Fontmell Magna, only one of which requested Fontmell as an area of choice to bid for properties. Most demand came from those currently living in Shaftesbury, which may be due to past outward migration, due to lack of supply in the Parish.

A summary of the Dorset Home Choice housing register at (February 2017) is set out below:

*Table 2: affordable housing register entries*

North Dorset Housing Register	1 bed	2 beds	3 beds	4+ beds	Total
<b>First Choice to live in Fontmell Magna –</b>					<b>3</b>
Living in Fontmell Magna	-	-	-	-	
Living in Shaftesbury	1	-	-	-	
Living in elsewhere in North Dorset	1	1	-	-	
<b>Second or Third Choice to live in Fontmell Magna</b>					<b>11</b>
Living in Fontmell Magna	1	-	-	-	
Living in Shaftesbury	2	2	2	-	
Living in District	2	1	1	-	
Living in Fontmell but not preferred location	(5)				
<b>TOTAL</b>	<b>7</b>	<b>4</b>	<b>3</b>		<b>14</b>

A further change to the housing register later this year will allow applicants with no 'housing need' to be able to apply. For instance someone living at home with parents and able to remain at home, but who would like to leave home but cannot find anything affordable, could join the housing register.

*It is difficult to quantify an exact housing needs number from the above figures, but on the assumption that larger sites could deliver 40% affordable homes, notwithstanding the*



*potential for rural exception sites, a target of 35 homes on larger sites would appear a reasonable number.*

## 4.4 Estimate based on Land Registry Figures

Land Registry data on house sales indicates that typically 6 to 8 homes get bought and sold every year. In the last ten years there have been approximately 82 sales within the whole parish, with property prices on average increasing 20% during that time. Sales are broadly representative of the house types within the parish, about 70% are detached, of which 30% are bungalows, 20% are semi-detached and 10% are terraced properties.

Property sales under the £250,000 stamp duty level numbered 17 (21% of sales) in ten years to 2016, mostly located within the settlement boundary and consisting of terraced or semi-detached two or three bedroomed properties. A further 28 properties in the stamp duty band £250,001 to £500,000 were sold in ten years. The remaining properties (45% of sales) were above this price band.

*This data suggests that the type of housing provided, weighted towards smaller and more affordable homes, may be more influential in meeting a wide range of needs than an overall target per se.*

## 4.5 Household Questionnaire Responses

The responses to the May 2016 household questionnaire “FMNPQ” (delivered to all households in the parish) indicated that about a fifth of all households (18% of those who responded) were seeking to move within the plan period. A significant proportion (nearly one half of those looking to move) said that they were looking to downsize to a smaller home. There was also a comparatively high proportion of respondents (11 of the 24 responses) who were specifically interested in a plot for a self-build / custom build home.

Existing housing stock may meet some of this need as there is a regular supply of properties that come on to the open market every year. However, their suitability will depend on size and price. Opportunities for self-build homes will only arise through development on new plots or replacing existing buildings, particularly outside the settlement boundary.

When asked about housing, residents’ preference on where new housing should be built, the highest level of support was for conversions of existing buildings and use of garden

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

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plots within the settlement boundary and some modest growth at the smaller settlements e.g. Bedchester and Hartgrove, with the least favoured being undeveloped gaps within the settlement boundary, and green-field sites for larger housing developments.

*Further information and consultation with the community is planned before requesting community views on numbers of new housing that would be acceptable. This is so that the community can respond in a more meaningful way, aware of factors highlighted by this and other research.*

## 4.6 Local services

The service providers operating in Fontmell Magna and the surrounding areas include (but are not limited to)

- > Fontmell Magna Village Hall
- > St Andrew's Church
- > St Andrew's Primary School Church of England VA
- > Fontmell Magna Shop, Post Office, Café and B&B
- > The Fontmell Pub, Restaurant and B&B
- > Fontmell Under Fives Pre-school
- > Fontmell Surgery
- > Fontmell Clinic
- > Mobile Library – to close end March 2017
- > Dorset and Wilts Bus Services

In 2014/15 the school had a surplus or under-attendance of 46 places. There are several providers of private education in nearby villages which act as competition for children of families with a high level of disposable income and these children are not found to enrol at the village school, in general. In order to ensure the continued provision of public sector primary school in the village, the school will either need an increase in the current population (of families with school age children), a larger catchment to draw from, or other changes that will make it preferred to alternatives.

Wessex Water has confirmed that the sewage treatment works serves approximately 180 people (December 2016), and that further connections from existing properties within the village were being considered. If the number of people served by the works increases to

# Housing Needs Assessment – Fontmell Magna CP

First drafted June 2016, last updated March 2017

250, it is likely that this will trigger the requirement for improvement works, which may require additional land and Wessex Water has indicated that a new plant might require up to three times the area of the existing works.

*The importance of the school as a key community facility suggests that opportunities should be taken to encourage development that would actively support the school's improvement. The pressure on the sewage treatment works is known but can be addressed through a suitable upgrade provided land if required could be made available.*

## 4.7 Calculation of the Housing Need based on averaging the estimates above

Given that there are a variety of sources of information on which to base the housing needs figure, it seems appropriate to consider the average of these various data sources. This is shown in the following table.

**Table 3: Summary of housing need findings**

Source of housing need information	Section in report	Requirement	Housing need to 2031
<b>Draft Local Plan Target</b>	4.1	Between 26 to 30 homes pro-rata	30
<b>Past build rates</b>	4.2	Between 10 to 21 homes pro-rata	21
<b>ND Housing Register</b>	4.3	14 affordable homes delivered through open market housing sites @ 40%	35
<b>Housing sales assessment</b>	4.4	Strong demand evidenced, but limited smaller properties	Housing type important
<b>Consultation responses</b>	4.5	Reasonable demand evidenced, particularly for smaller properties and self-build plots	Housing type important
<b>Local services</b>	4.6	No limit subject to provision of land for STW. Affordable family homes more likely to support school	Housing type important
<b>CONCLUSION</b>		A housing target of 30 – 35 homes is likely to provide a reasonable mix and address likely local needs	30 - 35
<b>Less already committed</b>			(2)

The above suggests that a reasonable housing target would be 30 – 35 new dwellings throughout the period between 2016 and 2031. It will be important to ensure that this includes the range of house types for which there is an obvious need. This appears to include affordable housing, homes suitable for older residents to downsize, more affordable open market family homes and self-build plots.

## 5 Type of Housing Need

*(Source: Office for National Statistics 2011 Census unless stated)*

The majority of households (70%) are occupied by one or two people. 14% of households are home to a single occupant aged 65 years or over. 24% of households have dependent children living there.

*Table 4: Summary of house types found in the parish*

Looking at the housing stock – 175 households or 55% reported having two or more bedrooms empty; 88 households have one spare bedroom; two households require one more bedroom and one household requires two more bedrooms.

<b>House or Bungalow; Total</b>	332	
Detached	195	59%
Semi-Detached	108	32%
Terraced (Including End-Terrace)	29	9%
<b>Flat, Maisonette or Apartment; Total</b>	2	
Conversion of a House	2	100%
Part of a Shared House (Including Bed-Sits)	0	0%
In a Commercial Building	0	0%
<b>Caravan or Other Mobile or Temporary Structure</b>	0	0%

Most households (36%) occupied 3 or 4 bedroom homes (roughly equal numbers) 30% occupied 5 or 6 bedroomed homes (again equal numbers for 5 and 6 bedrooms), with just 6% living in 1 bedroom properties.

Occupancy rating (bedrooms) provides a measure of whether a household's accommodation is overcrowded or under occupied. The number of bedrooms required (based on a standard formula) is subtracted from the number of bedrooms present to obtain the occupancy rating. 55% of households were in housing with one or more bedrooms over the standard requirement, compared to 1% in houses with too few bedrooms

Looking at potential trends (based on district-wide data), older person households are projected to grow significantly, whereas there is no anticipated growth in the under 55 age sector which would generally be larger households. However, provision of some family homes has to be made possible in order to retain younger households in the parish.

FMNPQ reported that 11 households required a house in which to downsize, 4 required an affordable starter home, 4 required a house on one level, and 4 required a larger property. While 3 households reported requiring sheltered accommodation, it is likely that this need

will more likely be met by adapting ordinary housing. Two households required live/work accommodation and 9 households expressed a desire for self-build plots. There is strong demand for medium size houses in Fontmell Magna from older single couple retirees, but good family homes will always be popular on the open market.

## **6 Conclusion – Fontmell Magna Housing Need**

Based on the above analysis the local housing need figure for Fontmell Magna is approximately 30 - 35 new dwellings between 2017 and 2031.

There is likely to be strong continuing demand from people who ‘desire’ to live in Fontmell Magna to retire or to commute to the main towns. Meeting the demand for inward migration may not be sustainable, given the environmental sensitivity of the area in landscape and heritage terms. Catering for more than local housing need may, however, help support the community and the village services (such as the village shop and post office and recreational facilities).

The outflow of younger people and families to centres is a concern. Housing types that are particularly aimed at younger residents, families, downsizers or keyworkers that is affordable to those working in the village or district should be supported, and the provision of Affordable Housing, open market housing at more affordable prices and self-build plots should help achieve this. The types of housing required appear to be starter homes, two and three bedroomed properties, including houses without stairs or otherwise adapted for older residents. There is less need for four bedroomed properties, because of the overbalance towards larger properties in the village.

Current national housing policy allows for sites outside the settlement boundary to be used for rural exception sites, where 100% Affordable Housing must be provided. However, it is recognised that it may be desirable also to allocate sites or enlarge the settlement boundary in certain places in order to release other sites that would provide a proportion of affordable housing.