

INTRODUCTION

In 2012 Swindon Borough Council published its Strategic Housing Market Assessment¹ to inform the development of the Swindon Local Plan. The assessment followed the methodology set out in the Government's standard guidance² and included evidence about the local housing market, housing affordability and need, and future housing demand. This document is an updated summary of some of the key evidence presented in the original assessment and is relevant for the following reasons:

- I. The original assessment was published before the release of evidence from the Census in 2011 and there is a need to review this to identify key trends and changes to Swindon's housing.
- II. At the time of the original assessment the economy was in recession and there was a focus on performance of the housing market since its peak in 2007/8. With the recent return to economic growth there is a need to re-analyse the key housing market indicators for Swindon for signs of recovery.

The information in this document is primarily presented as charts with a written summary of key points at the beginning of each section. The sections reflect the main focus of the strategic housing market assessment:

1. Housing market indicators
2. Changes in Swindon's housing from 2001 to 2011
3. Housing stress and the need for affordable housing
4. Housing affordability and housing supply
5. Housing and ethnicity

This update does not include an update of the population forecasts or certain economic indicators, which can be accessed through the JSNA website under 'Population Projections' and 'Census Profiles'. The evidence update for households with specific needs is currently being reviewed.

¹ Swindon Strategic Housing Market Assessment 2012

² Swindon Local Plan 2026

1. Housing market indicators

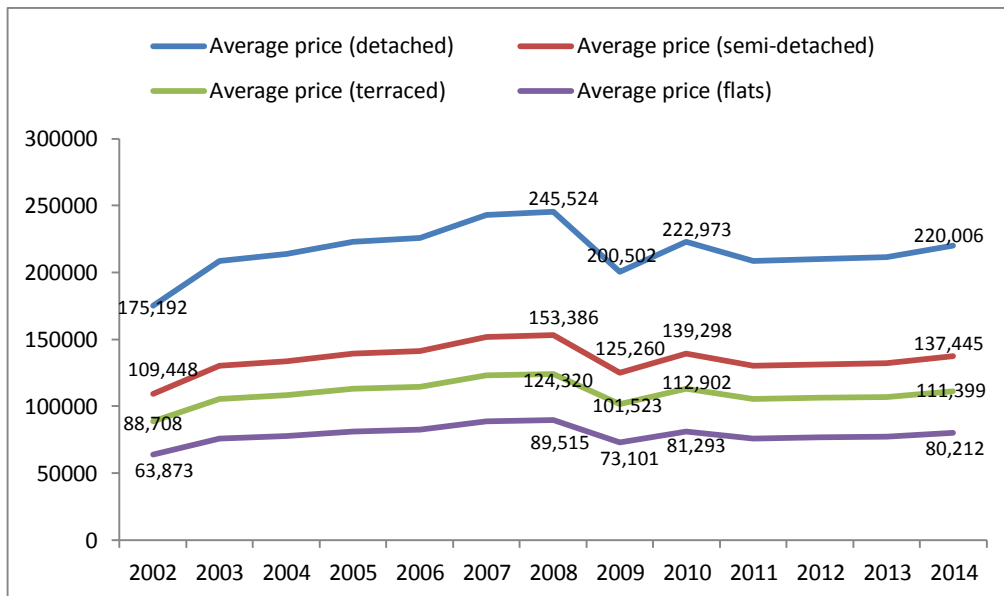
SUMMARY

The following charts provide a summary of some key housing market indicators such as average house prices and property sales. The charts show trends in average house price by property type, their comparison with regional and national trends, and transactions by property type. More detailed analysis shows the annual change in Swindon's average house price compared to the South West region and England, average house price by electoral ward, and the number of transactions by property value in specific years.

KEY POINTS

1. By 2014 average prices had not recovered to their peak in 2008 across all broad property types, but had recovered and surpassed their low in 2009 (figure 1);
2. Swindon's average house price tends to follow the national and regional trend (figure 2) although there appears to have been slower growth in Swindon's average house price from 2003 to 2007, and bigger annual percentage falls in 2008 to 2009 and 2010 to 2011 than the regional and national averages. However, in 2011/12 there was growth in Swindon's average house price compared to the region and England as a whole, where negative growth was recorded (figure 3).
3. Average prices are highest in Ridgeway ward and lowest in Central ward. This is likely to be a reflection of the nature of housing supply in each area with many more transactions of a lower value taking place in Central due the nature of the (figure 4).
4. From January to December 2013, sales were highest in terrace properties, and lowest in flats (figure 5) reflecting market conditions and the type of housing stock in Swindon.
5. Although the number of property sales has increased since 2010, they have not recovered to their peak levels of 2007. The highest number of sales in 2010 and 2013 were in the £100,000 to £125,000 price range, down from 2007 when they were in the £125,000 to £150,000 range (figure 6).

FIGURE 1: SWINDON AVERAGE PRICE BY PROPERTY TYPE



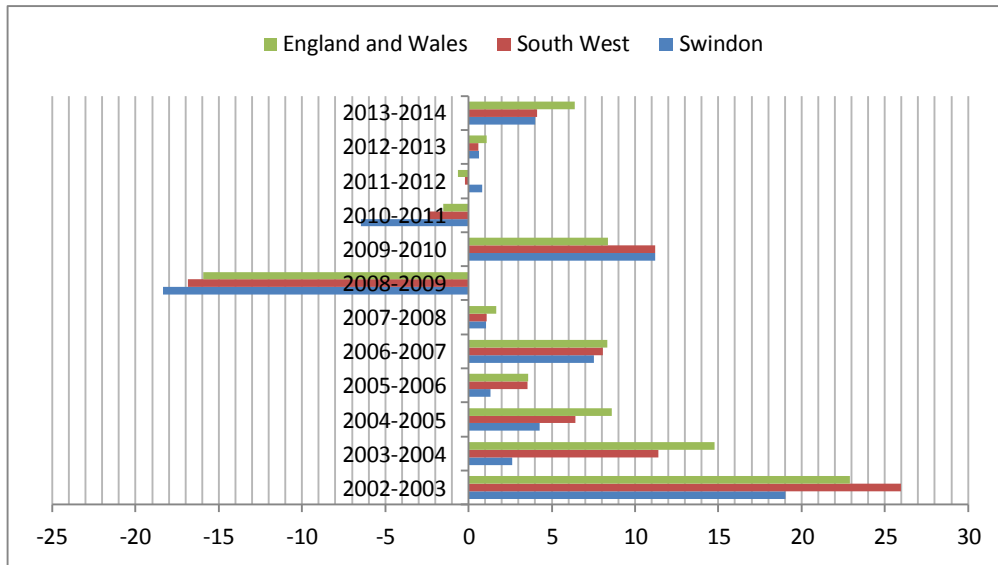
Source: DCLG House Price Index (shows average price in April each year)

FIGURE 2: CHANGE IN SWINDON AVERAGE HOUSE PRICE COMPARED TO THE SOUTH WEST REGION AND ENGLAND AND WALES



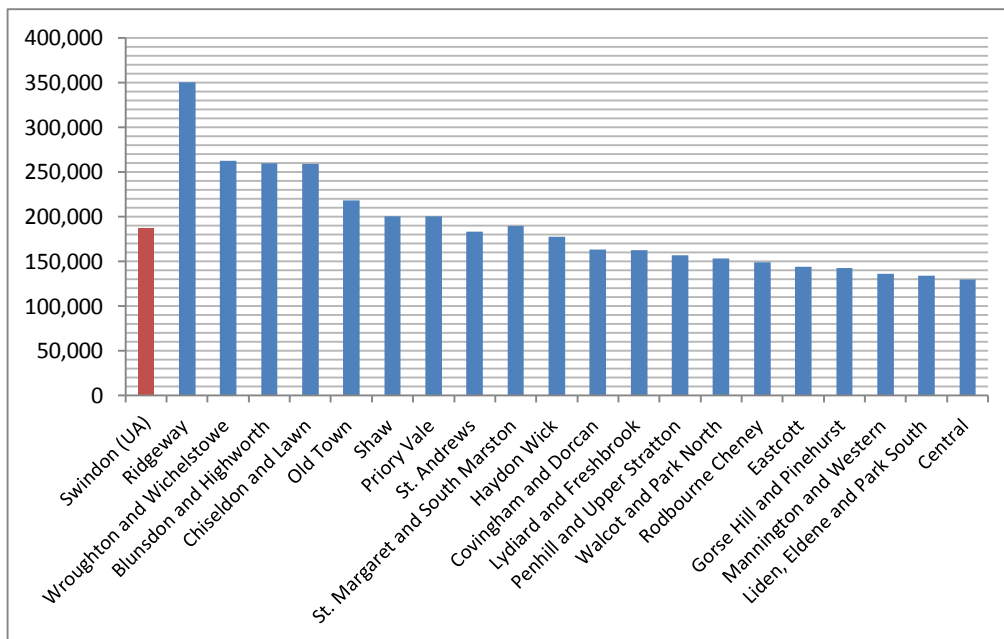
Source: DCLG House Price Index (shows prices for April each year)

FIGURE 3: ANNUAL CHANGE IN AVERAGE HOUSE PRICES: SWINDON UA COMPARED TO THE SOUTH WEST AND ENGLAND AND WALES



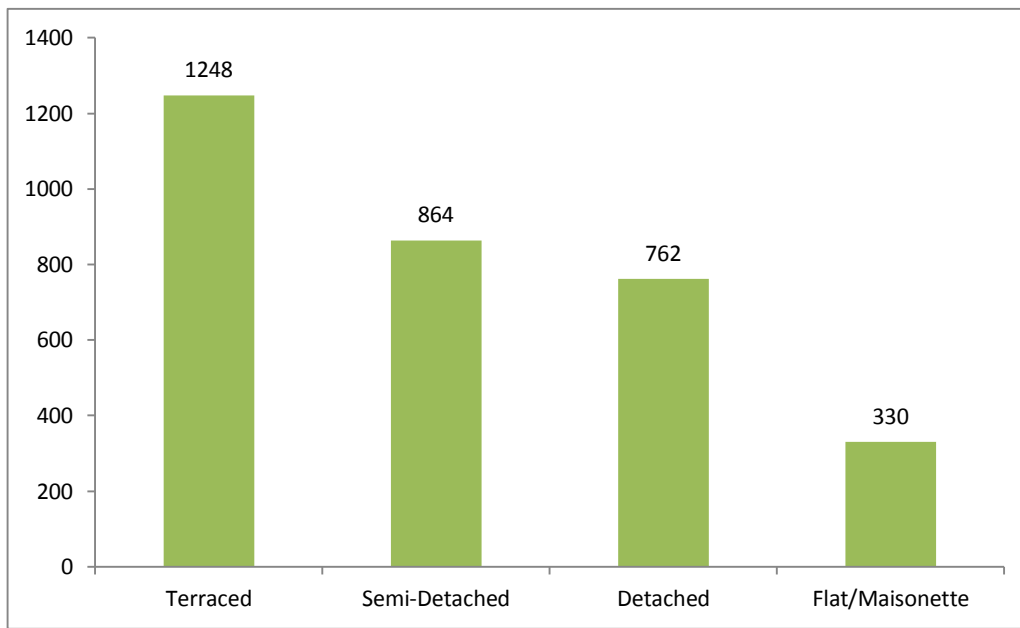
Source: DCLG House Price Index (shows annual change in average house price from April to April)

FIGURE 4: AVERAGE HOUSE PRICE BY SWINDON WARD



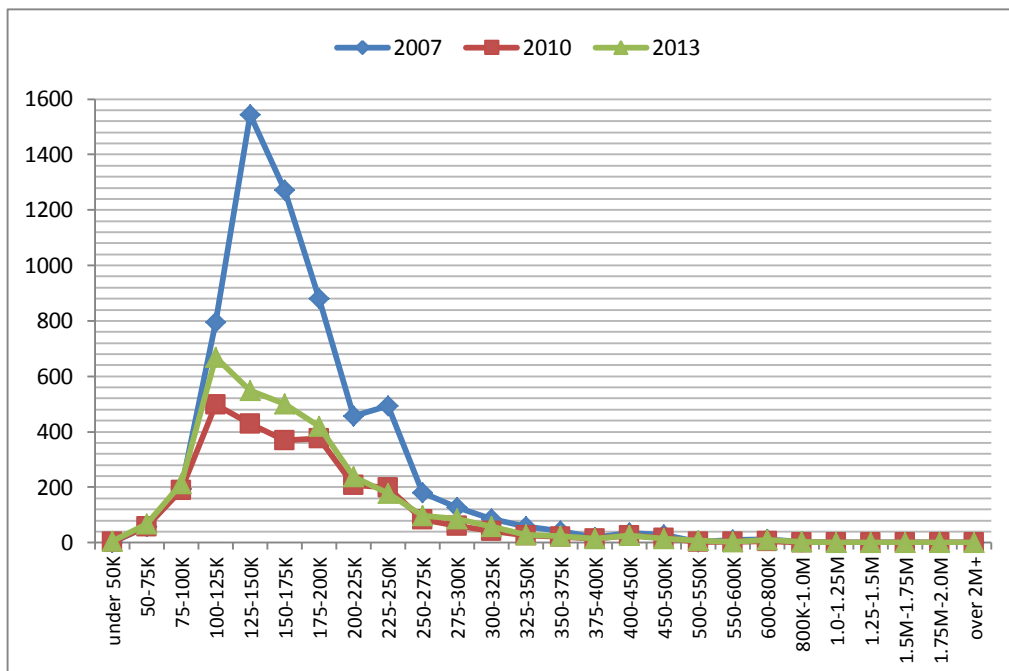
Source: Hometrack (May 2014)

FIGURE 5: NUMBER OF SALES BY PROPERTY TYPE IN 2013



Source: Land Registry (sales from Jan to Dec 2013)

FIGURE 6: NUMBER OF PROPERTIES SOLD IN SWINDON UA IN 2007, 2010, AND 2013



Source: Land Registry

2. Changes in Swindon housing from 2001 to 2011

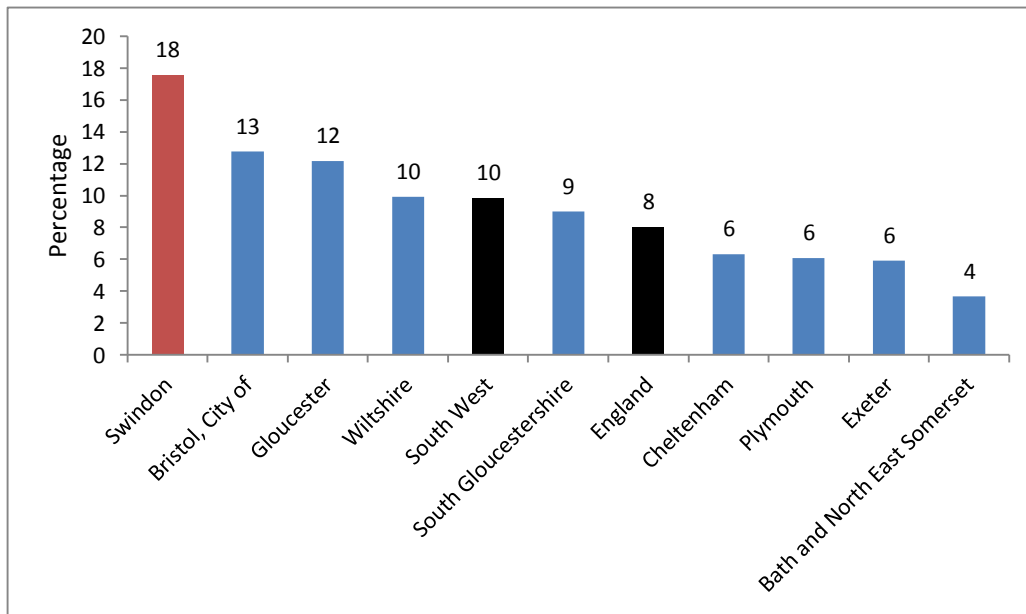
SUMMARY

The following charts show change in Swindon's housing profile recorded by the Census in 2001 and the Census in 2011. They show the growth in Swindon's total housing stock from 2001 compared to some other areas, including the region and England; change in housing tenure, and change in the extent of over-crowding or under-occupation.

KEY POINTS

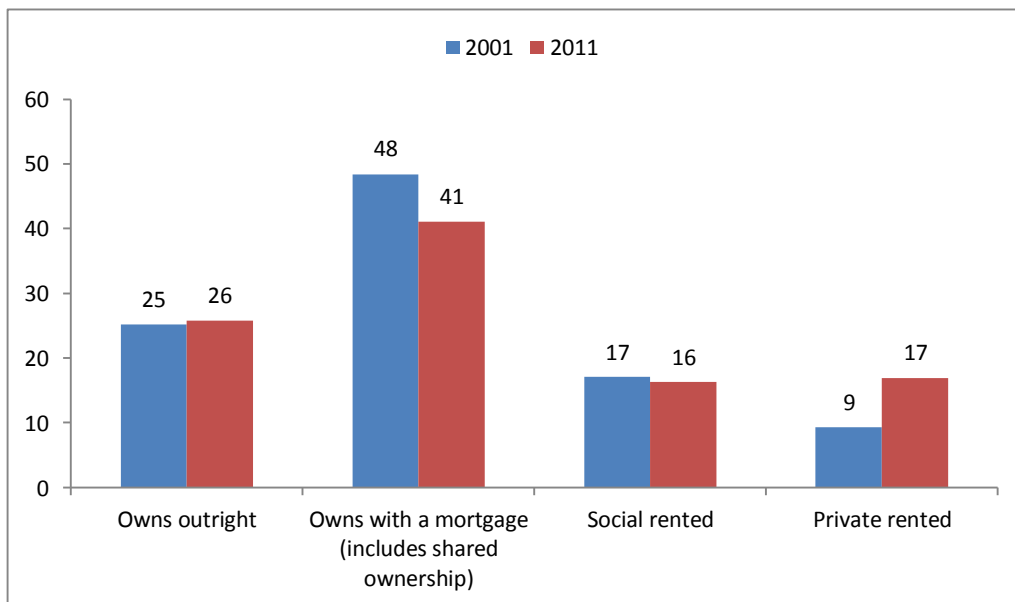
1. Swindon's total housing stock grew by 18% from 2001 to 2011, which was higher than the region and many other areas, and was more than double the growth rate for England as a whole (fig.7).
2. Most people in Swindon own their own house either with or without a mortgage, and this is consistent with the national trend. However, the proportion of people owning their own home fell by 6% from 2001 to 2011, while the proportion of those renting from a private landlord rose by approximately 8% (fig.8). This is likely to be a reflection of difficulties in accessing mortgage funding for first-time buyers post-recession and rather than worsening affordability as such, although it is too early to say whether the trend will continue.
3. Swindon is broadly consistent with the region and England in terms of the proportion of all households who are either under-occupying or are overcrowded (fig.9), and there has been little change from 2001 to 2011 (fig.10).
4. There is much more under-occupation than overcrowding in Swindon. Just over half of all Swindon residents have two rooms more than they need, while a quarter have one more. About 5% need an extra room, and this has gone up slightly since 2001, and 2% need two extra rooms, which has remained unchanged.

FIGURE 7: PERCENTAGE GROWTH IN HOUSING STOCK, 2001 TO 2011



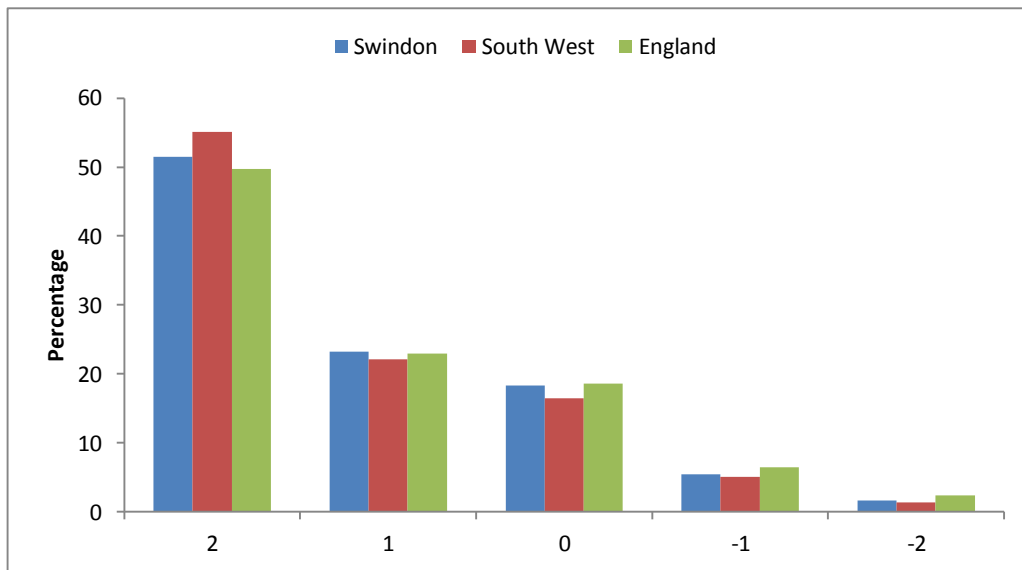
Source: ONS Census 2001 and 2011

FIGURE 8: CHANGE IN HOUSING TENURE (PERCENTAGE)



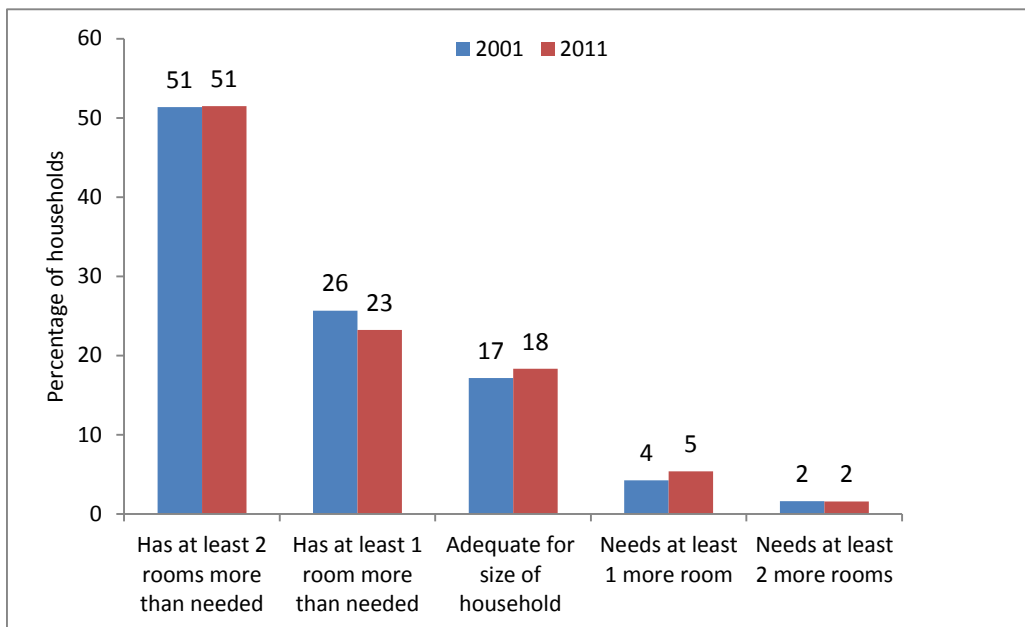
Source: ONS Census

FIGURE 9: EXTENT OF OVERCROWDING AND UNDER-OCCUPATION COMPARED TO THE SOUTH WEST REGION AND ENGLAND (HOUSEHOLDS)



Source: ONS Census 2011

FIGURE 10: CHANGE IN THE EXTENT OF OVERCROWDING OR UNDER-OCCUPATION



Source: ONS Census 2001 and 2011

3. Housing stress and the need for affordable housing

SUMMARY

The following charts show indicators of housing stress, for example, trends in repossessions, the number of households on the Council's housing register for affordable rented housing, and their profile, and trends in the number of households presenting to the Council as homeless.

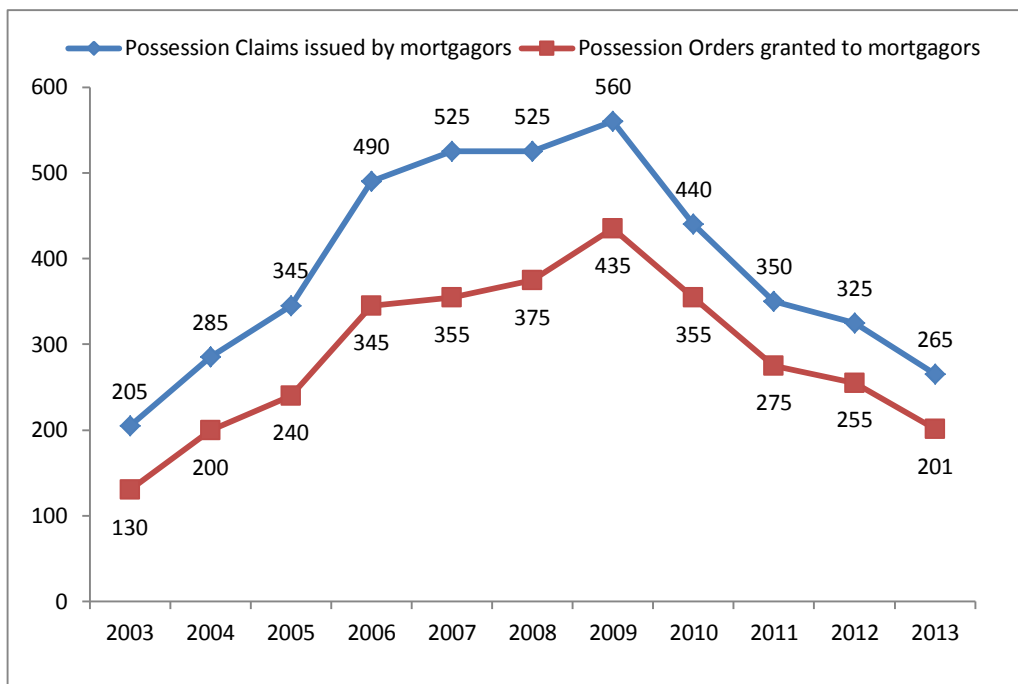
KEY POINTS

1. The number of possession orders granted to mortgagors rose to a peak of 435 in 2009 at the height of the recession, but have since fallen back to pre-recessionary levels (fig.11). Not all possession orders granted to mortgagors result in the repossession of a property as agreements can be made post order resulting in a stay of execution.
2. The number of households in receipt of housing benefit has been increasing. Since 2009 the number of private tenants in receipt of HB increased by approximately 18%, and those in the social rented sector increased by about 8% (fig.12). When compared to the total estimated stock of social housing in Swindon, about two thirds of social rented tenants are in receipt of housing benefit.
3. The number of households on the Council's housing register for affordable rented housing has increased threefold since 2003 (fig.13). Although not all of these households will be considered to be 'in need', it is an indication of the effect of a growing population and the additional demand this places on social housing.
4. Approximately 50% of those on the housing register are classed as 'in need' of affordable housing. On 1st April 2014 this amounted to 8,287 households (fig.14). Most households classed as 'in need' have no home of their own and are staying with family or other relatives, 40% of the total (fig.15).
5. Of the households classed as 'in need' about a quarter are under the age of 25, and a third are aged 25 to 34 (fig.14). At the other end of the spectrum there were 173 applicants over the age of 85 and likely to be in need of some housing and care support services in addition to their housing requirement.
6. Almost 60% of those 'in need' require one bedroom accommodation with almost equal proportions requiring either 2 or 3 bedrooms. A small proportion

of the total number of households 'in need' require accommodation with more than 3 bedrooms (fig.16).

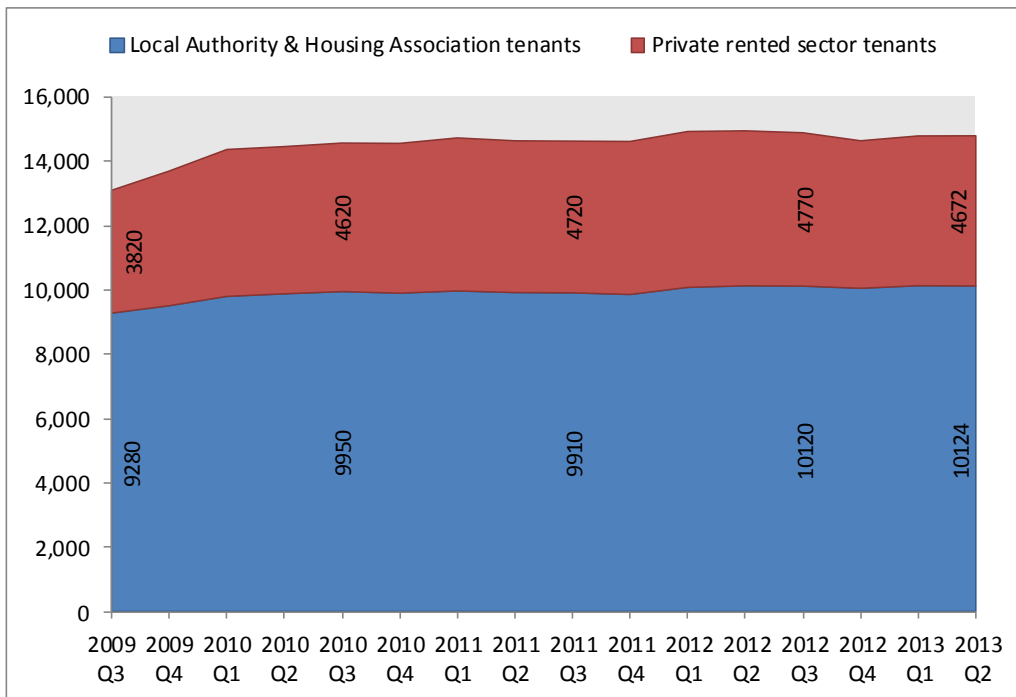
7. Since 2004 there has been a downward trend in the number of statutory homeless acceptances and the number of households in temporary accommodation. However, 2009/10 saw a peak in demand for homeless assistance with the number of cases prevented from becoming homeless peaking, and an increasing trend in the number of homeless acceptances (fig.17).

FIGURE 11: TRENDS IN POSSESSION ACTION BY MORTGAGORS



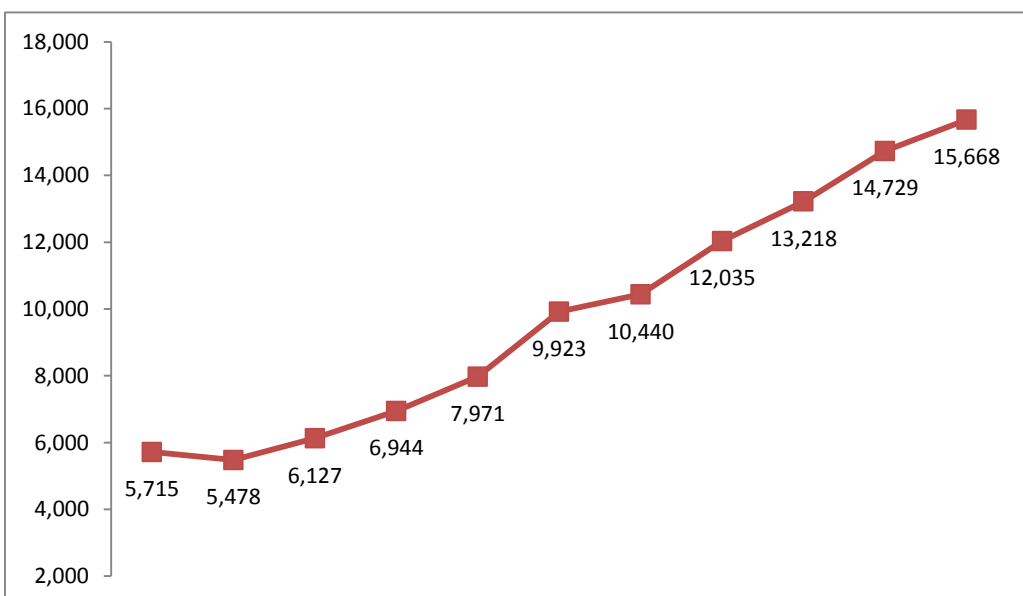
Source: Shelter Databank

FIGURE 12: TREND IN THE NUMBER OF HOUSING BENEFIT CLAIMANTS BY LANDLORD TYPE



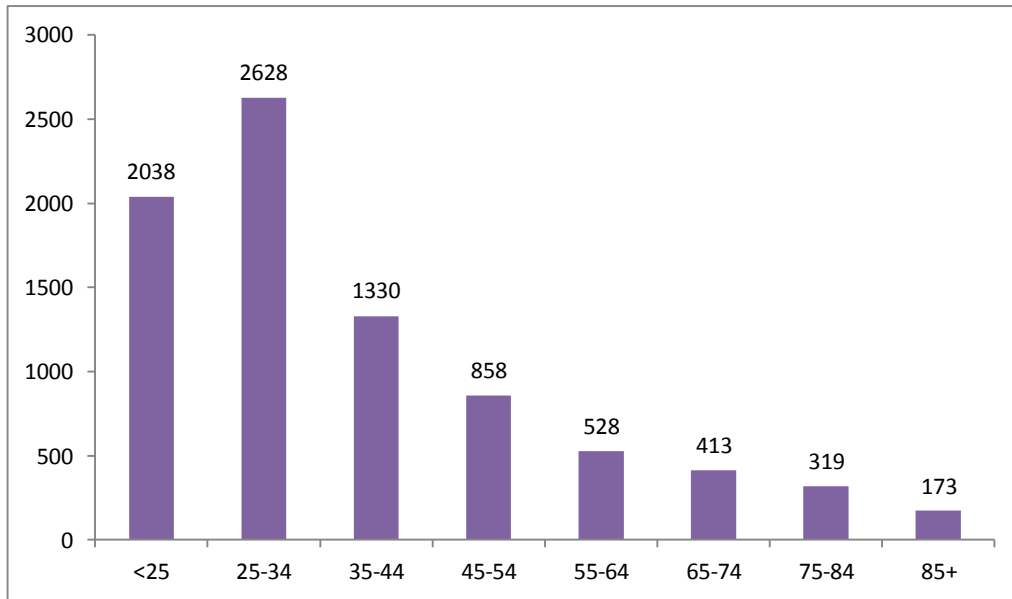
Source: Shelter Databank

FIGURE 13: ANNUAL TREND IN THE NUMBER OF HOUSEHOLDS ON THE COUNCIL'S HOUSING REGISTER, 2003 TO 2013



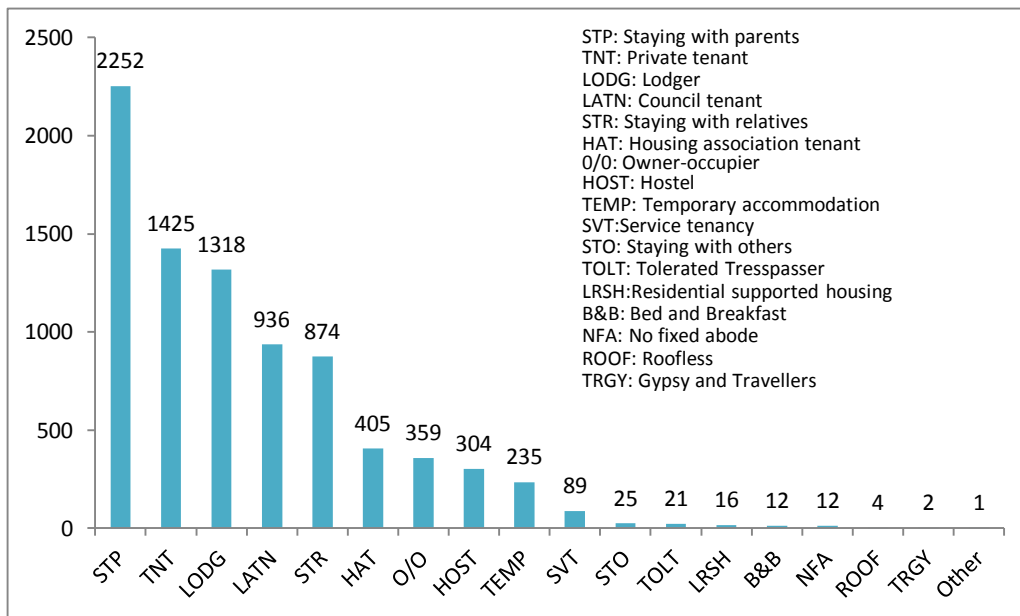
Source: DCLG Live Tables 600

FIGURE 14: AGE PROFILE OF APPLICANTS 'IN NEED' ON THE COUNCIL'S HOUSING REGISTER



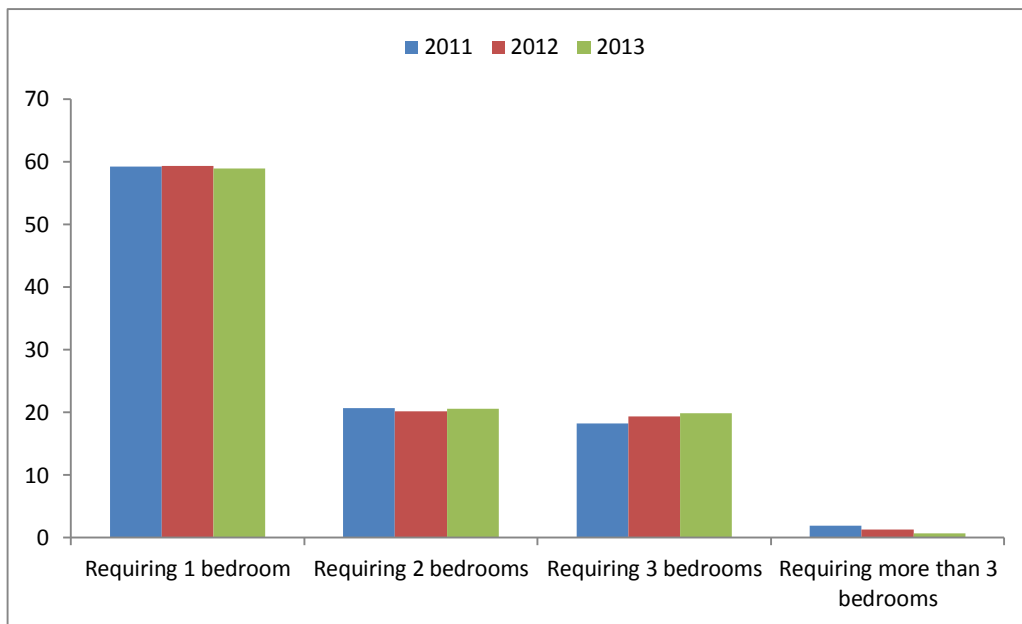
Source: SBC Housing Register (Bands A and B as at 1st April 2014)

FIGURE 15: CURRENT TENURE OF HOUSING APPLICANTS 'IN NEED'



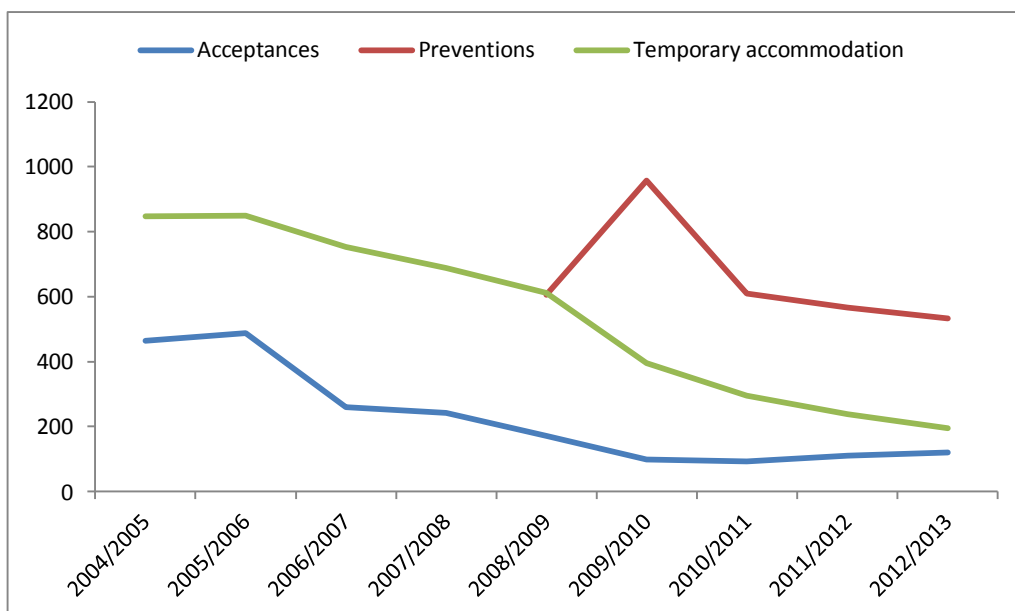
Source: SBC Housing Register (Applicants in Bands A and B as at 1st April 2014)

FIGURE 16: PROPORTION OF SWINDON APPLICANTS BY THE NUMBER OF BEDROOMS NEEDED (INCLUDES ALL BANDS)



Source: HSSA

FIGURE 17: TREND IN STATUTORY HOMELESSNESS ACCEPTANCES, HOMELESS PREVENTION, AND HOUSEHOLDS PLACED IN TEMPORARY ACCOMMODATION



Source: SBC Housing records (figures for acceptances and preventions are total for the year, April to April. Figures for temporary accommodation are the number in TA at the end of June in the year)

4. Housing affordability and housing supply

SUMMARY

The following charts show the weekly cost of different tenures in Swindon, the percentage of first-time buyers priced out of the market, the supply of new housing including affordable homes, and the turnover of social housing stock in terms of lettings.

KEY POINTS

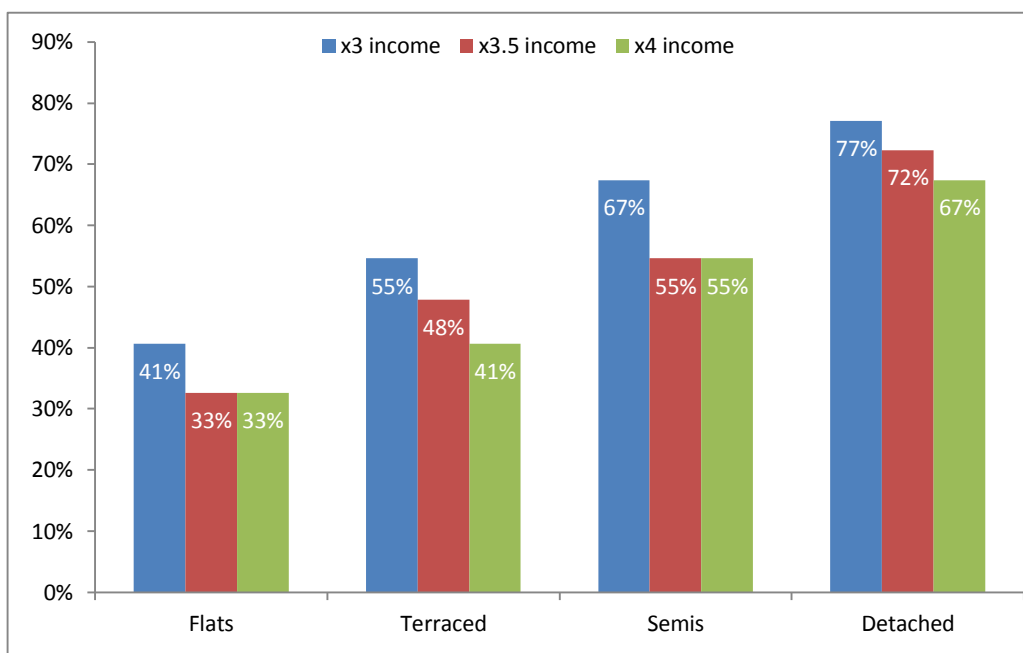
1. The cheapest form of tenure in Swindon is generally social renting. However, for one and two bedroom properties, the weekly cost of purchasing a 40% share of a property through the Homebuy scheme is comparable (fig.18).
2. The most expensive tenure is generally buying a new build property but for one and two bedroom properties there is not much difference between the weekly cost of this and renting from a private landlord (fig.18).
3. Approximately 41% of first-time buyers in Swindon are priced out of the market for a flat based upon three times their income (fig.19).
4. Since 1981 approximately 14,500 new homes have been delivered in Swindon averaging just over 1,200 per year. The number of properties completed peaked in 2006 to 2007 but have since fallen back. However, they are still higher than their level during the previous housing market crash of the late 1980s and early 1990s (fig.20).
5. The Council's Local Plan has set a target of 25,000 new homes over the course of the Plan period (2006 to 2026) and these vary from year to year to reflect the cyclical nature of the economy (fig.20).
6. Since 2002 approximately 300 new affordable homes on average have been delivered each year (fig.21).
7. There are in the region of 1,800 lettings of self-contained social rented housing in Swindon each year, of which about 300 to 350 are to existing tenants (fig.22).
8. From 2010/11 to 2012/13 there was not much change in lettings of supported housing, but there was a drop in 22% drop in lettings of general needs housing to new tenants. This could be due to the drop in new affordable housing completions in 2012/13 (fig.21), and the increase in the number of housing transfers to existing tenants in that year (fig.22) following changes to benefits legislation, in particular the impact of the 'bedroom tax'.

FIGURE 18: WEEKLY COST OF DIFFERENT TENURES IN SWINDON

	1 bed	2 bed	3 bed
Renting(Local Authority)	71	77	85
Renting (Housing Association)	68	80	93
Renting (Intermediate)	91	110	134
Renting (Private)	114	137	167
Buying a lower quartile resale	79	103	165
Buying an average resale	93	119	195
Buying 40% share through HomeBuy	62	81	132
Buying a lower quartile new build	106	118	196
Buying an average new build	108	133	214

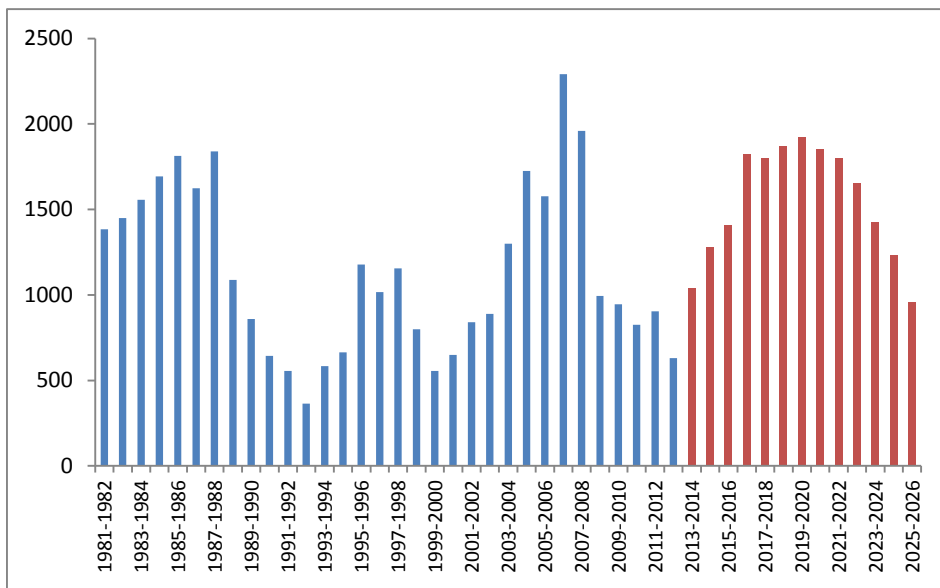
Source: Hometrack (May 2013 to April 2014)

FIGURE 19: PERCENTAGE OF FIRST-TIME BUYERS PRICED OUT OF THE MARKET IN SWINDON



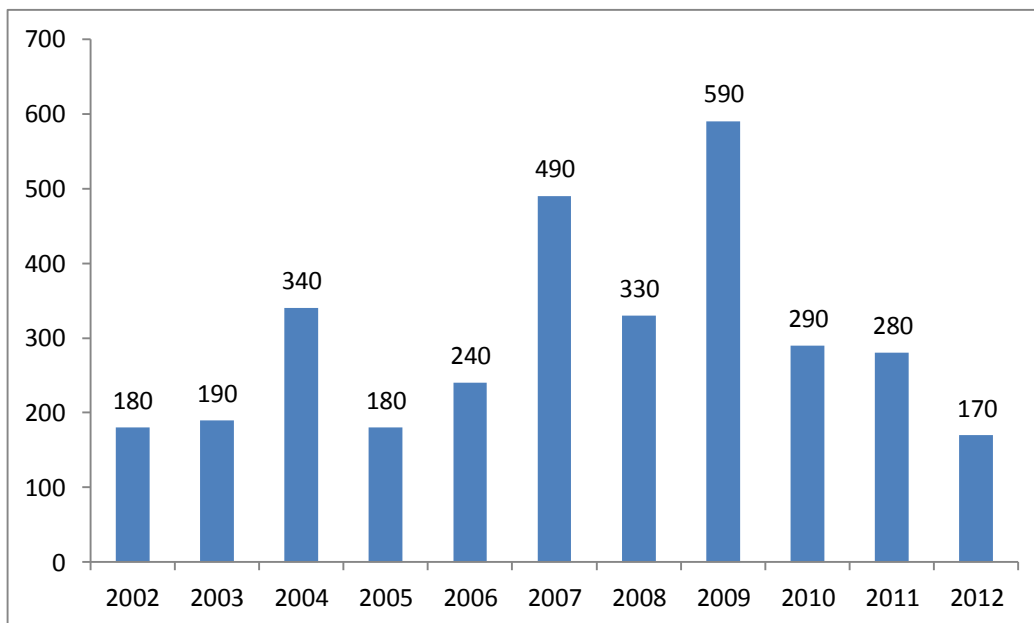
Source: Hometrack (May 2013 to April 2014)

FIGURE 20: TREND IN HOUSING COMPLETIONS AND FUTURE HOUSING TARGETS



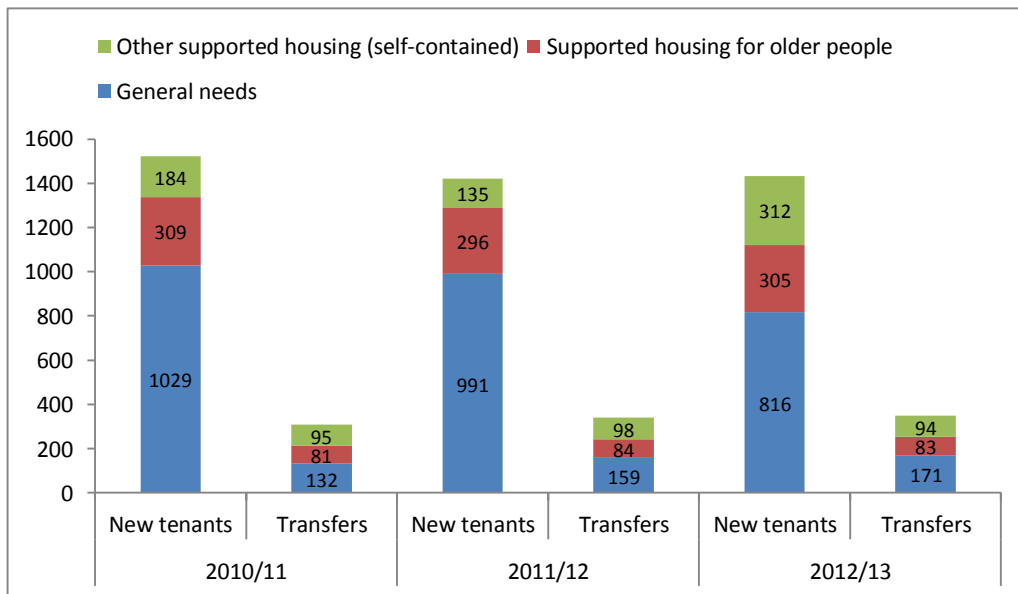
Source: Swindon Borough Council Annual Monitoring Report (Completions in blue, targets in red)

FIGURE 21: ANNUAL NUMBER OF NEW AFFORDABLE HOMES DELIVERED IN SWINDON, 2002 TO 2012



Source: DCLG

FIGURE 22: ANNUAL LETTINGS OF SOCIAL HOUSING STOCK (INCLUDES HOUSING ASSOCIATION AND LOCAL AUTHORITY)



Source: CORE

5. Housing and ethnicity

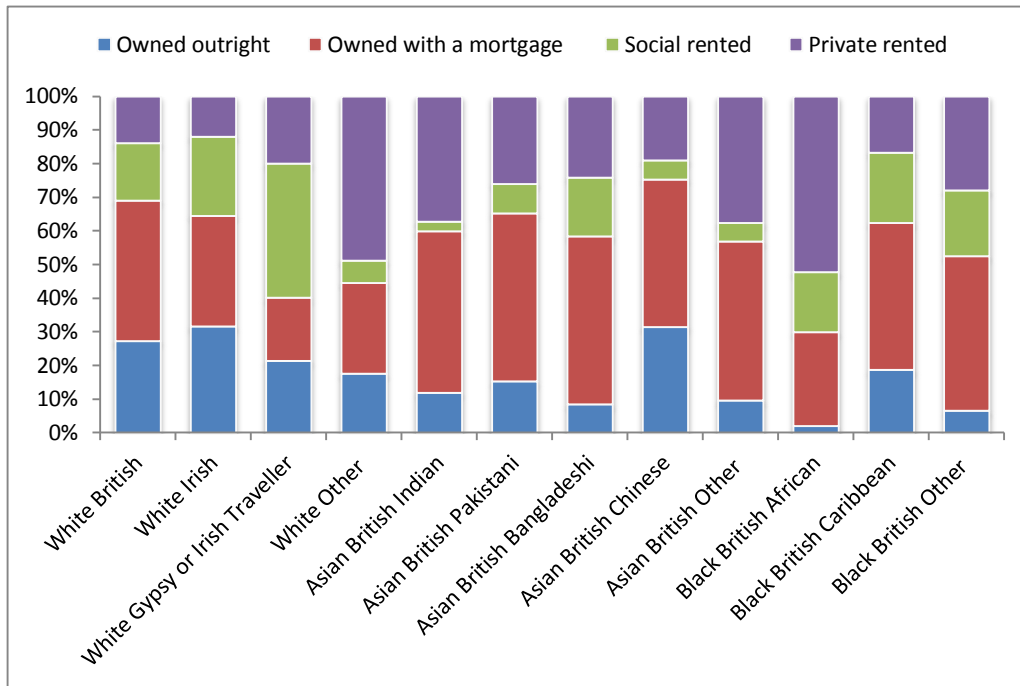
SUMMARY

As the proportion of the Black and Minority Ethnic (BME) population doubled in Swindon from 2001 to 2011, from 15,344 to 32,128, it is appropriate to analysis the relationship between ethnicity and housing. The following charts show the relationship between ethnicity and housing tenure, ethnicity and access to social housing, and ethnicity and employment status.

KEY POINTS

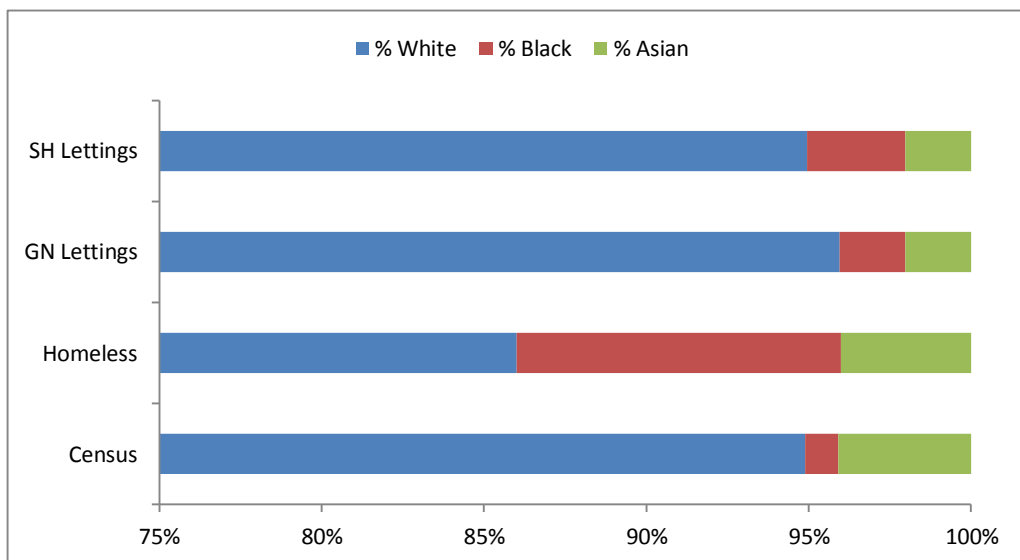
1. Although fewer than 400 households and accounting for less than 1% of the total population of Swindon, the British Chinese population has the highest proportion of its community who own their own homes. The British Black African population, which also accounts for less than 1% of the total household population, has the lowest proportion of home ownership amongst its community, and the highest proportion in private rented accommodation (fig.23).
2. The White Gypsy or Irish Traveller population of Swindon, although representing only about 80 households, has the highest proportion of its population in social housing. The Asian British population has the smallest proportion of its population in social housing (fig.23).
3. In comparison to the ethnic breakdown of Swindon's population from the Census in 2011, the combined British Black and Asian populations appeared to be over-represented in terms of statutory homelessness in 2011. The British Asian community is also under-represented in terms of access to general needs social rented accommodation, although the British Black population is over-represented.
4. Of the population classed as 'economically active' in Swindon, the White Gypsy or Irish Traveller population is the most likely to be unemployed, followed by the Black African and Black Other, and British Bangladeshi and Pakistani population. The least likely to be unemployed are the White Irish.

FIGURE 23: TENURE AND ETHNICITY



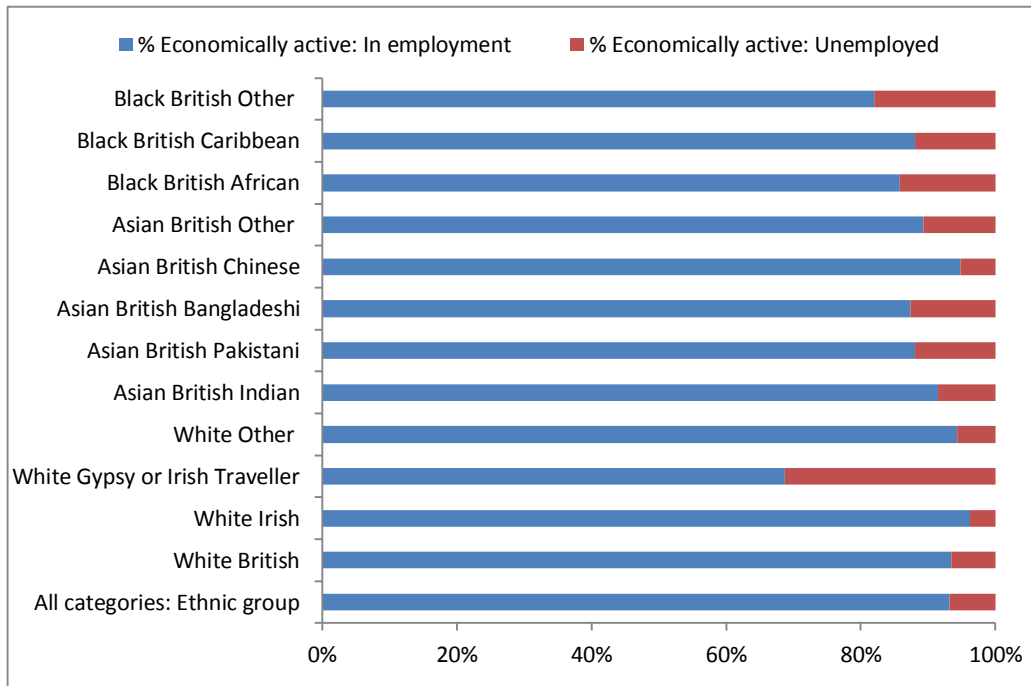
Source: ONS Census 2011

FIGURE 24: PROPORTION OF HOUSEHOLDS BY ETHNICITY AND COMPARISON WITH SOCIAL HOUSING LETTINGS AND STATUTORY HOMELESS ACCEPTANCES



Source: ONS Census 2011, CORE lettings data, SBC Homelessness records for 2011

FIGURE 25: ETHNICITY AND THE PROPORTION OF THE ECONOMICALLY ACTIVE POPULATION IN WORK OR UNEMPLOYED



Source: Census 2011