

## **Swindon Tenants Campaign Group media release**

# **Not enough genuinely affordable homes being built in Swindon**

**T**he latest government statistics on “affordable homes” in Swindon <sup>1</sup> show that over the last five years *less than 10% of homes have been affordable* even by the government’s own definition. Worse still, not a single home has been added at ‘social rent’ (council and housing association rent level). Most of the 541 added have been “affordable rent”, which is up to 80% of market rents. In Swindon the properties which the council owns and charges “affordable rent” for, have on average rent of 37% higher than the ‘social rent’.

The number of council owned properties has fallen from 10,507 in 2012 to 10,299. Even with an increase in the number of housing association homes, ‘social housing’ stock has fallen as a percentage of the town’s properties.

There is a crisis of affordability across all the housing tenures.

- Despite four years of a 1% rent cut for council tenants, over the long term council rents have risen way above inflation. So much so that we have the new phenomenon of some applicants on the waiting list being refused tenancies on the grounds that they cannot afford the council rent.
- Private sector rents have outstripped earnings and inflation. Statistics from the Valuation Office Agency show that between September 2011 and September 2018 the average rent for a lower quartile (cheapest) room in shared accommodation increased by 31.66% in comparison with an increase of lower quartile earnings of just 13.4%. The latest statistics in Table 4 below show how high rents are.
- The Centre for Cities has reported that the average price of a house in the town is more than eight times average earnings, way beyond the means of many residents. In 2018 even the cheapest lower quartile properties were 8.05 times lower quartile earnings.<sup>2</sup>

So acute is this shortage of genuinely affordable housing in the town that we have seen the emergence of people living in ‘beds in sheds’ (outhouses adapted or built) and even garages! A council Environmental Health Officer, speaking in relation to a prosecution of a private landlord, told the Advertiser:

“The tenants in this case were exposed to significant risks to their health, safety and welfare over a prolonged period of time. ‘Beds in sheds’ as they are known are increasingly becoming a problem locally and nationally and it appears that landlords feel they can get away with providing sub-standard accommodation.”

We have been told by the council that house prices in Swindon are lower than places like Reading and Oxford. However, if local people cannot afford them they will simply attract people from outside the town who will commute to work, clogging up the roads, a prospect recently welcomed by a Cabinet member according to his comments in the Advertiser.

Martin Wicks, Secretary of Swindon Tenants Campaign Group said:

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<sup>1</sup>[https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply?utm\\_source=7cb53d97-a3cf-46cc-8828-6e3495272dc0&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply?utm_source=7cb53d97-a3cf-46cc-8828-6e3495272dc0&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

<sup>2</sup> Since 2010 the median house price in Swindon has risen from £155,000 to £227,500 in 2018. The lower quartile price over the same period rose from £120,000 to £175,000.

“An increase in the number of homes built in the town is not in itself a solution to the housing crisis. We face a crisis of affordability because of the decline in council housing numbers, price to earnings ratios rising and rents in the PRS outpacing inflation and earnings.

Government policy has meant that if the council applies for grant from Homes England to build new homes it has to agree to charge “affordable rent” (nearly £30 higher than a council rent) and convert some existing homes to “affordable rent”. We now have the phenomenon of people on the waiting list who come top in the bidding process, being refused tenancies because they cannot afford council rent.

Although the council has a paper policy of 30% of homes built being “affordable” it is not happening in practice. Building expensive homes to attract people into the town when current residents cannot afford them will only add to the inequalities that exist. There can be no solution to the housing crisis without a return to large scale council house building, charging 'social rent'.”

### 1.Swindon additional “affordable homes”

	2014/15	2015/16	2016/17	2017/18	2018/19	Total
Affordable home ownership	4	0	0	0	0	4
Affordable shared ownership	12	2	4	1	1	20
Intermediate rent	0	0	0	0	0	0
Affordable rent	18	55	126	171	147	517
Social rent	0	0	0	0	0	0
Total	34	57	130	172	148	541

### 2.Net additional dwellings in Swindon

	Total	Total “affordable homes”	Percentage
2014/15	687	34	4.95%
2015/16	1,442	57	3.95%
2016/17	1,699	130	7.65%
2017/18	789	172	21.8%
2018/19	1,036	148	14.3%
Total	5,653	541	9.6%

### 3.Composition of additional stock

	2014/15	2015/16	2016/17	2017/18	2018/19	Total	Percentage
New Build	544	980	1,445	664	879	4,512	79.28%
Conversions	0	1	7	3	-2	9	0.16%
Change of use	143	462	281	121	163	1,170	20.55%
<i>Of which Office to residential</i>		297	40	39	111	487	8.6%
Demolitions			34			34	
Total	687	1,442	1,699	789	1,040	5,657	

#### **4.Private rents in Swindon – Valuation office agency, March 2019**

No of bedrooms	Monthly Rent – lowest quartile	Monthly rent - median
Room in shared house	£395	£400
1 bed	£530	£595
2 bed	£650	£695
3 bed	£760	£850