

Housing Needs Survey Report

Turvey

February / March 2017

Completed by Bedfordshire Rural Communities Charity



This report is the property of Turvey Parish Council

For further information contact Bedfordshire Rural Communities Charity, The Old School, Cardington,
Bedfordshire, MK44 3SX.

1. Introduction

1.1 About this survey

Turvey Parish Council requested for a Housing Needs Survey (HNS) to be carried out. The survey aimed to assess the need of local people for either affordable housing or market housing in Turvey over the next 10 years, as well as the general views of the local community

1.2 Affordable housing

Affordable housing can be affordable rented property (where rent is charged at up to 80% of market value), or it can be shared ownership in which people can own a share in the property and pay rent on the remainder. It is usually provided by Registered Providers such as housing associations.

Affordable housing in rural areas is often progressed through Rural Exception Site developments – this is where the planning authority accepts that there is a need for affordable housing in the parish, and is prepared to grant an “exception” to planning policy, providing that the development is for affordable housing that will be available to local people in perpetuity.

Households seeking affordable rented accommodation through any new exception site development would have to apply through the Bedfordshire Choice Based Lettings scheme, through which they would have to demonstrate both a housing need and a local connection to Turvey.

1.3 Market housing

Any market housing recommendations made (e.g. proposed numbers, size and type) would need to be based on a broad evidence base. This would include local housing need identified through this survey, although the wider housing market would also need to be taken into consideration, as there would be no restrictions placed on the sale of this housing.

2. About Turvey

2.1 Population and demographics

In 2011 in the parish of Turvey there were 505 households containing 1,225 residents¹. Compared to 2001, this represents an increase of around 6% in terms of households (from 476) and an increase of 2.8% in terms of residents (from 1,192).

The age profile in 2011 (compared to 2001, and then to Bedford Borough as a whole in 2011) is shown below.

Age	% Turvey 2011	% Turvey 2001	% Bedford Borough 2011
0 - 14	16.8	19.1	18.6
15 - 24	9.5	9.6	12.7
25 - 44	22.4	25.8	27.3
45 - 64	33.6	28.3	25.5
65 - 74	8.9	8.4	8.1
75 - 84	6.1	7.7	5.5
85+	2.7	1.1	2.2

There has been some ageing on average of the Turvey population over 10 years between 2001 and 2011 (the proportion of those aged 45+ has risen from 45.5% to 51.3%). The age profile is slightly older than that of Bedford Borough as a whole.

2.2 Household Composition

	% Turvey	% Bedford Borough
1 person - pensioner	15.6	11.9
1 person - other	9.1	16.9
Couple - both 65+	8.9	8.2
Family - without dependent children	35.5	26.9
Family - with dependent child(ren)	28.3	28.5
Other	3.6	7.5

Turvey has a slightly higher level of 1 person pensioner households, than the Borough average.

¹ 2011 census data – other data also from this source unless otherwise specified

2.3 Housing Tenure

	% Turvey	% Bedford Borough
Owned outright	34.5	31.4
Owned with mortgage/loan	34.3	34.3
Shared ownership	0.4	1.0
Social rented	12.1	16.1
Private rented	16.8	15.9
Living rent free	2.0	1.3

Turvey has slightly higher levels of owner occupation than the Bedford Borough average, and lower levels of shared ownership and social renting. The number of private rental properties is slightly higher than the Bedford Borough average.

2.4 Dwelling Types

	% Turvey	% Bedford Borough
Detached house	41.7	27.4
Semi-detached house	27.8	32.2
Terraced house	27.0	21.9
Flat	3.4	17.6
Caravan/other temp. accommodation	0.0	0.9

There are considerably more detached houses, with correspondingly fewer semi detached houses and flats, in Turvey compared to Bedford Borough averages. This is likely to indicate a relative lack of affordable properties.

2.5 Housing in poor condition

	% Turvey	% Bedford Borough
Overcrowded households	2.2	7.7
Households without central heating	2.2	2.0
Households in fuel poverty (2011)	14.6	11.3

Overcrowding counts as a housing need for households applying to join the Bedford Borough Housing Register. In 2011 the proportion of households in Turvey classified as overcrowded was lower than the Bedford Borough average.

Where central heating is not present, fuel poverty is statistically significantly more likely. The level of households in Turvey without central heating is just slightly over the Bedford Borough average, with the level of households affected by fuel poverty being higher than Bedford Borough averages.

2.6 People on low incomes

4.7% of people in Turvey are classified as “experiencing income deprivation”, well under the Bedford Borough average of 12.1%. In 2007/08, 12.3% of households were calculated as receiving below 60% of the median income, below the Bedford Borough average of 20%.

6.4% of working age people were claiming DWP benefits in August 2012, below the Bedford Borough average of 13.4%; and 18.4% of people over 65 were claiming pension credit, which is below the Bedford Borough average of 21.0%.

2.7 Households on Bedford Borough Council Housing Register

There are currently no Turvey households on the Bedford Borough Council Housing Register.

It should be noted that the difficulty of securing affordable housing, particularly in villages, can act as a significant deterrent to people in housing need from placing themselves on the register; so this figure does not therefore necessarily represent the true number of residents in housing need.

2.8 Health and disability

Limiting illnesses and disabilities can affect the type of housing that people need in order to remain independent. 11.5% of those aged 65 and over in Turvey (around 25 people) are claiming Attendance Allowance (a non-means-tested benefit for severely disabled people aged 65 or over who need help with personal care), just under the Bedford Borough average of 15.7%. The proportion of the population in Turvey claiming Disability Living Allowance is 2.4%, under the Bedford Borough average of 4.2%.

14.6% of people have a limiting long-term illness, just under the Bedford Borough average of 16.0%.

3. Housing Availability and Affordability in Turvey

3.1 Housing affordability ratio

The 'affordability ratio' (median house prices as a ratio of median household earnings) for Turvey in 2008/09 (latest data available) was 12.1. In other words, houses on the market cost on average 12.1 times annual incomes².

3.2 Dwellings in lower Council Tax Bands

5.9% of dwellings in Turvey are in Council Tax Band A, and 7.7% in Band B, compared to 13.6% and 24.9% for Bedford Borough as a whole.

3.3 Current property availability for sale in Turvey

In February 2017, we found 6 properties for sale in Turvey:

Dwelling size / type	Number	Asking/sale price
2 bedroom house	1	£295,000
3 bedroom house	2	£350,000 - £542,000
4 bedroom house	1	£474,995
5 bedroom house	1	£580,000
10 bedroom house	1	£2,000,000

This represents just over 1% of total private housing stock in the parish.

3.4 Property sales over last 3 years

Property sales over the last 3 years can be broken down as follows³:

	2014	2015	2016
£100,000 and under	1	0	0
£100,001 – 150,000	0	0	0
£150,001 – 200,000	4	1	2
£200,001 – 300,000	5	8	2
£300,001 – 400,000	1	8	1
£400,000 +	6	3	9
Total	17	20	14

3.5 Current property availability for rent in Turvey

In February 2017, we found 2 properties currently available for rent in Turvey: a 2 bedroom flat at £775 per month and a 3 bedroom semi-detached house at £1100 per month.

² Data from community profile for Turvey (Parish), © ACRE, RCAN, OCSI 2013

³ Data sourced from www.rightmove.co.uk

3.6 Household income required by first time buyers or renters in Turvey

The Department of Communities and Local Government (DCLG) provides a guideline that "A household can be considered able to afford to buy a home if it costs 3.5 times the gross household income for a single earner household or 2.9 times the gross household income for dual-income households."⁴ This is reflected in the fact that the average loan to income ratio in lending to first-time buyers in May 2015 was 3.34.⁵

According to the DCLG guidance, in order to purchase the cheapest property currently available in Turvey (a 2 bedroom home at £295,000) as a first time buyer, a single earner household would need an annual gross income of over £84,000, and a dual-income household would need over £101,000. It should be noted that the median annual full-time wage in the UK stood at £28,200 in April 2016⁶.

According to the same guidance, "A household can be considered able to afford market house renting in cases where the rent payable was up to 25% of their gross household income." (The 'Rent Payable' figure is defined as the entire rent due, even if it is partially or entirely met by housing benefit.) To rent the cheapest property currently available in Turvey (2 bedroom flat at £775 per month), a household's gross income would therefore need to be over £37,000.

3.7 Minimum deposit required by first time buyers in Turvey

Another major barrier to entry to the property market for first-time buyers is the high deposit needed for a competitive mortgage rate. The average loan to value for first time buyers nationally in May 2015 was 81%⁷, meaning that the average deposit is 19%.

Smaller deposit mortgages all but disappeared following the onset of the financial crisis. However, Phase 2 of the government's Help to Buy scheme has more recently facilitated a market in mortgages for first-time buyers at up to 95% loan to value. These mortgages are generally offered at higher rates of interest than for buyers with larger deposits.

At 95% loan to value, to purchase the cheapest property currently available (2 bedroom house), a first-time buyer household would need a deposit of around £14,750. At the current average of 81% loan to value, a deposit of around £56,000 would be required.

⁴ Strategic Housing Market Assessments: Practice Guidance Version 2 (DCLG 2007)

⁵ Council of Mortgage Lenders, July 2015

⁶ www.ons.gov.uk, February 2016

⁷ Council of Mortgage Lenders, July 2015

4. Survey process and response

To study the need for affordable housing in Turvey, a survey form (appendix A) was delivered to all households within the parish boundary, together with a FREEPOST envelope to enable residents to return their completed survey to BRCC. The survey form also gave the contact details to request additional survey forms in the event of there being more than one case of housing need in the household.

The survey form was in two parts. Section 1 was for completion by all residents and aimed to gain their views on overall housing needs in Turvey (see chapter 5). Section 2 was for completion by or on behalf of any household member currently looking for different accommodation, or who would be looking within the next 10 years. The findings from this section are analysed in chapters 6 and 7.

We received 168 responses from around 505 distributed, a return rate of around 33%. This is very good response rate for a housing needs survey, typical return rate is approximately 20 - 25%.

5. Views on housing needs in Turvey

74% of respondents thought that there was a need for one or more types of new housing in the parish (Q1). The % of respondents in favour of each specific type of housing was as follows: (respondents could tick more than one option)

Housing type	% of respondents
Flats	15.6
Smaller houses (1-2 bedrooms)	65.3
Larger houses (3+ bedrooms)	24.6
Bungalows / retirement housing	40.7
No new housing needed in Turvey	26.4

There was a clear preference for smaller (1-2 bedroom) houses followed by bungalows / retirement housing.

The % of respondents in favour of each type of tenure (Q2) was as follows: (respondents could tick more than one option)

Housing type	% of respondents
Purchase on the open market	79.7
Shared ownership (part owned, part rent)	58.8
Private rent	19.0
Affordable rent (through a housing association)	52.3

There were a high proportion of respondents in favour of properties being available to purchase on the open market. There was also a fairly high level of support for shared ownership and affordable rental properties.

If affordable housing was provided in the parish, 93% of respondents, felt that priority for these houses should be given to people with a strong local connection.

6. Analysis of housing needs – affordable rent and shared ownership

71 respondents indicated that they would be looking for new housing in the parish of Turvey over the next 10 years. These respondents are therefore regarded in principle as being in some form of housing need.

Out of these, 39 respondents were existing owner occupiers who were either only looking to buy on the open market or their current savings/equity level was too high to be considered for affordable housing. These respondents will be considered in Chapter 7.

The other 32 respondents were either considering affordable rent, shared ownership or starter homes or were not currently owner occupiers; within this 32, 2 respondents who are current owner occupiers have been included as they are seeking a property more suitable for retirement due to medical reasons / disability and they do not have the income and savings / equity to purchase a suitable property. The 32 respondents will be considered in this chapter.

6.1 Nature of local connection

Local needs affordable housing would usually be made available in the first instance to people with a strong local connection. All 32 respondents identified a strong local connection (Q6) as follows (respondents could tick more than one):

Nature of local connection	No. of households
Currently living in Turvey	26
Previously lived in Turvey	4
An immediate family member (parent, child, or sibling) lives in Turvey	10
Have permanent employment in Turvey	5

6.2 Current housing circumstances of households in need

The current housing circumstances of the 32 respondents (Q7) broke down as follows:

Housing tenure	No. of households
Living with parent(s) in their home	13
Renting - private	12
Renting – housing association	3
Owner occupier	2
Other	1

The majority of respondents were either currently renting a property privately or were living with parents in their home.

6.3 Household composition

Respondents were asked (Q10) which of a number of basic situations best described them:

Situation	No. of households
A young single person/couple without dependent children	15
A family with dependent child(ren) or other dependent(s)	4
An older single person/couple without dependent children	13
Other	0

6.4 Size, type and tenure of housing sought

The housing type, size and tenure sought by the households in need (Q8) broke down as follows (respondents could tick more than one):

Housing tenure	No. of households
Private Rental	3
Affordable Rental (housing association)	13
Buy on the open market	12
Shared ownership basis (housing association)	20
Starter home (home to buy at 20% below market price up to £250,000)	19
Type of property	
Flat	6
House	25
Bungalow / retirement property	9
Size of property	
One bedroom	11
Two bedrooms	26
Three bedrooms	9
More than three bedrooms	5

12 respondents wanted to buy a property on the open market, although they were all also interested in shared ownership, starter homes or affordable rental properties. The highest demand amongst respondents was for 2 bedroom properties, mainly houses, with a smaller demand for bungalows. This was followed by a smaller demand for one bedroom houses and bungalows / retirement properties.

There was the highest demand for shared ownership properties and for homes available to purchase under the starter homes initiative. There was also some demand for affordable rental properties.

6.5 Reason for housing need

The reasons for housing need identified by the 32 respondents (Q9) can be summarised as follows (respondents were able to identify more than one):

Need	No. of households
Present home too large / wish to downsize	5
Present home too small	5
Want to move out of the family home	14
First time buyer	15
Medical reasons / disability	2
Risk of losing current home	3
Need property more suited to older people	3
Need to live closer to family or carer	4
Present home too expensive	5
Other	4

The need was predominantly from first time buyer households and respondents that want to move out of the family home.

6.6 Gross income of households in need

We saw in Chapter 3 that, in order to purchase the cheapest property currently available for sale in Turvey (a 2 bedroom house at £295,000) as a first time buyer, a single earner household would need an annual gross income of over £84,000, and a dual-income household would need over £101,000. To rent the cheapest property currently available (a 2 bedroom flat) households would require an annual gross income of over £37,000.

The current gross annual income of anyone responsible for paying the rent/mortgage for the 32 households under analysis breaks down as follows:

Current gross income	No. of households
Less than £20,000 / yr	16
£20,000 to £30,000 / yr	7
£30,000 to £40,000 / yr	4
More than £40,000 / yr	3
No response	2

Based on the data provided, only 3 of the households could potentially afford to purchase the 2 bedroom house available for sale on the open market, and this is only if their household income is significantly higher than the £40,000 top income asked about in the survey. The remaining 20 household's income is considerably below the minimum income required to purchase the cheapest property available on the open market.

6.7 Savings or equity of households in need

As we saw in Chapter 3, the average deposit required for a first-time buyer to purchase the cheapest property currently available on the open market in Turvey is £56,000. The minimum (under a 95% Loan to Value deal) would be round £14,750.

The savings or other equity that these 32 households could use to contribute towards a mortgage breaks down as follows:

Savings/equity	No. of households
Below £25,000	21
£25,000 - £50,000	3
Above £50,000	1
No response	7

Only 1 of the respondents who provided their financial information would have enough savings or equity currently to buy a property on the open market as a first time buyer, except at high Loan to Value.

7. Analysis of need – market housing

Chapter 7 will consider the 39 households who were existing owner occupiers or were only looking to purchase on the open market (mentioned in chapter 6), in Turvey over the next 10 years.

7.1 Household composition

Respondents were asked (Q10) which of a number of situations best described them:

Situation	No. of households
A young single person/couple without dependent children	3
A family with dependent child(ren) or other dependent(s)	14
An older single person / couple without dependent children	21
Other	1

7.2 Sizes and types of house required

The preferred future housing type of the 39 respondents (Q8) breaks down as follows (respondents could tick more than one):

Housing type	Number
Flat	1
House	25
Bungalow / retirement housing	15

Based on these figures, there appears to be a significant demand for open market houses and bungalows / retirement housing.

The preferred future house size of the 39 respondents in terms of number of bedrooms (Q8) breaks down as follows (respondents could tick more than one):

Number of bedrooms	Number
1 bedroom	2
2 bedrooms	13
3 bedrooms	15
More than 3 bedrooms	11

The highest demand was for 3 then 2 bedroom properties.

7.3 Reason for housing need

The needs identified by the 39 respondents (Q9) can be summarised as follows (respondents were able to identify more than one need):

Need	Number
Present home too large / wish to downsize	18
Present home too small	11
Want to move out of the family home	2
First time buyer	1
Medical reasons / disability	4
Risk of losing current home	1
Need property more suited to older people	10
Need to live closer to family or carer	3
Present home too expensive	2
Other	6

The highest demand was from households who were to downsize looking to smaller homes. There is a demand from households who need a larger property and from those that are looking for home more suited to older people.

8. Conclusions and recommendations

8.1 Affordable housing

Analysis of the data considered in Chapter 6 has identified a need for affordable housing within Turvey from households resident in (or with strong links to) the parish, which is unlikely to be met by normal market provision. This need generally comes from first time buyers, wanting to get on the property ladder or move out of rented accommodation and older households, looking to either downsize or move into a property more suitable for retirement.

Affordable rented and shared ownership housing for local people in Turvey could be provided by through a rural exception site, which would provide affordable housing for which households with a local connection would take priority.

Based on data supplied by respondents, up to 32 households with a local connection would be suitable for housing within a rural exception site development, whether for rent or shared ownership. However, it must be recognised that this is a snapshot of current, self-assessed need: some respondents may withdraw, move, or be housed by other means during the planning and development of any future scheme.

In order to have reasonable confidence that any new housing provided through a rural exception site will be taken up by people with a local connection to Turvey, our recommendation is to meet 50% of the need identified, which would be **16 units**.

Our assessment from the data is that the 16 units could be broken down as follows:

7 x 2 bedroom house (5 shared ownership / 1 rent / 1 starter homes initiative)
3 x 3 bedroom house (1 shared ownership / 1 rent / 1 starter homes initiative)
2 x 2 bedroom bungalow (1 shared ownership / 1 rent)
1 x 1-2 bedroom bungalow (rent)
3 x 1-2 bedroom house (1 shared ownership / 1 rent / 1 starter homes initiative)

In making this assessment we consider a number of factors including household size and circumstances; the type and tenure being sought by respondents; and their financial means. This breakdown is explained further below:

7 x 2 bedroom house (5 shared ownership / 1 rent / 1 starter homes initiative)

11 respondents were single adults / couples without dependent children, either currently living with parents or privately renting. 8 of these respondents were

looking to get on the housing ladder through either shared ownership or the starter homes initiative. 3 respondents were looking for an affordable rental property.

A further 2 respondents were older single adults / couples who were looking to either downsize or for something more affordable for retirement and specified a preference for an affordable rental property.

3 x 3 bedroom house (1 shared ownership / 1 rent / 1 starter homes initiative)

4 respondents were families with dependent children, needing a house with more space or wanting to get on the property ladder. 1 respondent was a young single adult / couple wanting a property with more space and 1 respondent was an older single adult / couple wanting to downsize to a more manageable property.

2 x 2 bedroom bungalow (1 shared ownership / 1 rent)

4 respondents, all older single adults / couples wanted a 2 bedroom bungalow which would be more suitable in retirement either due to existing medical condition or due to a desire to downsize. An alternative to bungalows (which are expensive to build) would be houses built to Lifetime Homes Criteria.

1 x 1-2 bedroom bungalow (rent)

3 respondents, all older single adults / couples wanted either a 1 or 2 bedroom bungalow to enable them to downsize. An alternative to bungalows (which are expensive to build) would be houses built to Lifetime Homes Criteria.

3 x 1-2 bedroom house (1 shared ownership / 1 rent / 1 starter homes initiative)

4 respondents were young single adults / couples wanting to move out of the family home or get on the housing ladder. 2 respondents were older single adults / couple who were either looking to downsize or get on the housing ladder for the first time.

8.2 Market housing

Analysis of the responses considered in Chapter 7, and other evidence considered in chapters 2 and 3, suggests that there is a need for **2-3 bed houses and 2 bed bungalows** or otherwise suitable properties (e.g. houses built to Lifetime Homes criteria) if Turvey is to meet the identified current and future needs of existing owner occupier residents wishing to stay in the village.

The evidence for this is as follows:

- 39 respondents looking for a property to purchase on the open market at some point over the next 10 years.
- The low number of 2 and 3 bedroom properties (especially bungalows) available for sale on the open market at the time of writing this report.

If suitable smaller properties were more widely available, this would be likely to address under-occupation and free up larger houses for growing families to purchase as they work their way up the housing ladder.

It should be noted that there is no guarantee that housing sold on the open market will be bought by people with a local connection to Turvey. It is therefore not possible to stipulate how much new housing would meet the needs of the 39 respondents identified above. However, it is reasonable to suggest that the provision of **up to 19 units** would meet a reasonable proportion of the need while being in keeping with the size of the village. These could be delivered alongside or as part of a rural exception site, with the market housing cross-subsidising the affordable housing.