

Housing Needs Survey Report

Renhold

November / December 2021

Completed by Bedfordshire Rural Communities Charity



This report is the property of Renhold Neighbourhood Plan Steering Group / Renhold Parish Council
For further information, contact Bedfordshire Rural Communities Charity, The Old School, Cardington,
Bedfordshire, MK44 3SX.

1. Introduction

1.1 About this survey

The Housing Needs Survey (HNS) is being carried out by Beds RCC to identify the housing needs of local people over the next 10 years. The survey aimed to assess the need of local people for either affordable housing or market housing in Renhold.

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.

Starter Homes initiatives are also available where homes are offered for sale at a minimum of 20% below its open market value to first time buyers.

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 Renhold.

1.3 Market housing

The demand for market housing 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 Renhold

2.1 Population and demographics

In 2011 (latest census information available) in the parish of Renhold there were 963 households containing 2451 residents¹. Compared to 2001, this represents a large increase of around 64% in terms of households (from 584) and also a large increase of 69% in terms of residents (from 1448).

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

Age	% Renhold 2011	% Renhold 2001	% Bedford Borough 2011
0 - 4	7.8	5.9	6.3
5-15	14.8	11.4	14.3
16-17	2.5	1.7	2.6
18-29	11.6	10.8	15.7
30 - 64	47.0	50.6	46.0
65-84	14.1	17.2	13.1
85+	2.2	2.3	1.8

There have been some changes in the age demographics between the 2001 and 2011 census. The overall average population has decreased in age. The percentage of residents aged over 65 years has decreased from 19.5% in 2001 to 16.3% in 2011. The percentage of residents aged under 18 years has increased from 19% in 2001 to 25.1% in 2011. The age profile overall is now more in line with that of Bedford Borough as a whole.

2.2 Household Composition

	% Renhold	% Bedford Borough
1 person - pensioner	9.3	11.9
1 person - other	11.7	16.9
Couple + dependent children	25.4	20.9
Couple + non-dependent children	28.2	23.5
Lone parent + dependent children	8.7	7.6
Lone parent + non-dependent children	2.3	3.4
All aged 65 and over	8.8	8.2
Other	5.4	7.5

There are lower levels of single occupant households compared to Bedford Borough averages and higher levels of couples and single parents with dependent children at home.

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

2.3 Housing Tenure

	% Renhold	% Bedford Borough
Owned outright	32.7	31.4
Owned with mortgage/loan	47.9	34.3
Shared ownership	2.8	1.0
Social rented	8.3	16.1
Private rented	7.9	15.9
Living rent free	0.6	1.3

The levels of home ownership, both owned outright and owned with a mortgage, in Renhold is higher than that of Bedford Borough. 80.6% of residents in Renhold own their own home, compared to 65.7% across Bedford Borough.

2.4 Dwelling Types

	% Renhold	% Bedford Borough
Detached house	57.1	27.4
Semi-detached house	28.2	32.2
Terraced house	12.1	21.9
Flat	2.4	17.6
Caravan/other temp. accommodation	0.0	0.9

There are significantly more detached properties, with correspondingly fewer semi-detached and terraced houses in Renhold compared to Bedford Borough averages. Other dwelling types such as flats, caravans and other temporary accommodation are significantly lower than the boroughs average figures.

2.5 Housing in poor condition

	% Renhold	% Bedford Borough
Households in overcrowded conditions	1.8	7.7
Households without central heating	0.5	2.0
Households in fuel poverty (2011)	8.4	11.3

The highest levels of non-decent homes (that do not pass the Housing Health & Safety rating system) are found in smaller rural communities, particularly those in more isolated areas. This is often due to the age of properties, with older housing (more common in rural areas) most likely to be in this condition.

Overcrowded housing can highlight areas with pressing needs for more affordable housing, and over-crowding counts as a housing need for households applying to join the Housing Register. In 2011 there were 15 households in Renhold classified as being overcrowded (figures are rounded), which is lower than the Bedford Borough average.

Where central heating is not present, fuel poverty is significantly more likely. 5 households had no central heating, below the average for the borough. Fuel poverty

levels are also lower than the Bedford Borough average.

2.6 People on low incomes

13.8% of all people in Renhold were classified as "experiencing income deprivation" in 2009, above the Bedford Borough average of 12.1%. In 2007/08, 16.2% of households were calculated as receiving below 60% of the median income, below the Bedford Borough average of 20.0%.

12.1% of working age people were claiming DWP benefits in August 2012, below the Bedford Borough average of 13.4%; and 11.2% of people over 65 were claiming pension credit, under the Bedford Borough average of 21.0%.

2.7 Households on Bedford Borough Council Housing Register

There is currently 1 household from Renhold on the Bedford Borough Council Housing Register. There is a category on the register for people aged over 55yrs in need of retirement or sheltered accommodation, the 1 applicant from Renhold was in this category.

It should also 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.

21.7% of those aged 65 and over in Renhold (around 85 people) were claiming Attendance Allowance (a non-means-tested benefit for severely disabled people aged 65 or over who need help with personal care) in August 2012, over the Bedford Borough average of 15.7%. 3.52% of the population were claiming Disability Living Allowance, below the Bedford Borough average of 4.2%.

14.5% have a limiting long-term illness, just below the Bedford Borough average of 16.0%.

3. Housing Availability and Affordability in Renhold

3.1 Housing affordability ratio

The 'affordability ratio' (median house prices as a ratio of median household earnings) for Renhold in 2008/09 (latest data available) was 13.9. In other words, houses on the market cost on average 13.9 times annual incomes².

3.2 Dwellings in lower Council Tax Bands

6.6% of dwellings in Renhold are in Council Tax Band A, and 12.1% in Band B, compared to 13.6% and 24.9% for Bedford Borough as a whole. The lower proportion of Band A and B properties when compared to borough wide levels is likely to indicate a relative shortage of affordable housing for purchase in Renhold.

3.3 Current property availability for sale in Renhold

In November 2021, we found 2 residential properties for sale in Renhold parish³:

No. of bedrooms	Number	Asking price (range)
3 bedroom house	2	£400,000 - £550,000

This represents under 0.5% of total private housing stock in the parish. No properties were being marketed as shared ownership properties. No properties were available which were being marketed as accessible such as bungalows.

3.4 Property sales over last 3 years

Property sales over the last 3 years in Renhold parish can be broken down as follows⁴:

	2018	2019	2020
£100,000 and under	0	0	0
£100,001 – 150,000	0	0	0
£150,001 – 200,000	0	0	0
£200,001 – 300,000	11	9	12
£300,001- 400,000	7	5	5
£400,000 +	8	10	13
Total	26	24	30

No properties have sold on the open market in Renhold for under £200,000 in the last 3 years. The highest proportion of properties sold in the parish each year were for properties £200,000 - £300,000 and over £400,000.

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

³ Data sourced from www.rightmove.co.uk

⁴ Data sourced from www.rightmove.co.uk

3.5 Current property available for rent in Renhold

In November 2021, there was 1 property currently available for rent in the parish of Renhold: a 3 bedroom bungalow for £1095 per month⁵.

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

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."⁶ This is reflected in the fact that the 'average income multiple' in lending to first-time buyers in October 2017 was 3.6.⁷

According to the DCLG guidance, in order to purchase the cheapest property currently available for sale on the open market in Renhold (a 3-bedroom house at £400,000) as a first time buyer, a single earner household would need an annual gross income of over £114,000 and dual-income household would need over £137,000. It should be noted that the median annual full-time wage in the UK stood at £28,200 in April 2016⁸.

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.) In order for a household to be able to rent the cheapest / only property available in Renhold (a 3-bedroom bungalow at £1095pcm), a household's gross income would therefore need to be over £52,500.

3.7 Minimum deposit required by first time buyers in Renhold

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 October 2017 was 84.7%⁹, meaning that the average deposit is 15.3%.

Smaller deposit mortgages all but disappeared following the onset of the financial crisis. However, Phase 2 of the government's Help to Buy scheme did facilitate 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, a first-time buyer household in order to purchase the cheapest property currently available on the market in the parish (3-bedroom house) at £400,000, would require a deposit of around £20,000. At the current average of 84.7% loan to value, a deposit of over £61,000 would be required.

⁵ Data sourced from www.rightmove.co.uk

⁶ Strategic Housing Market Assessments: Practice Guidance Version 2 (DCLG 2007)

⁷ Council of Mortgage Lenders

⁸ HMRC, April 2016

⁹ Council of Mortgage Lenders

4. Survey process and response

To study the need for affordable housing in Renhold, a survey form (Appendix A) was delivered to all households, together with a FREEPOST envelope to enable residents to return their completed survey to Beds RCC. The survey form also gave contact details to request additional forms in the event of there being more than one case of housing need in the household. The survey form was distributed on 27th October with a return deadline of 26th November, allowing respondents around 1 month for their returns to be submitted. The survey was also available to complete online via a Survey Monkey Link. The web link was included in the letter which accompanied the survey and was sent to all households.

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 Renhold (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 145 completed responses from around 1300 distributed, a return rate of 11%. This is a slightly lower than average response rate for a housing needs survey (typical return rate for a Housing Needs Survey in Bedfordshire is around 20%), however we still feel it is a sufficient response to get a representative sample of views from the community.

5. Views on housing needs in Renhold

73% of respondents would support the development of some affordable homes specifically for people with a local connection to the parish. 27% were not in favour of such a scheme (Q1).

15% of respondents stated that they have had family members move away from the parish due to not being able to find a suitable home locally (Q2).

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

24 respondents indicated that their current home is not suitable for their households needs either now or in the future, by completing the second section of the questionnaire.

Out of these, 10 respondents were existing owner occupiers who were only looking to buy on the open market or buyers who had the means to purchase on the open market. These respondents will be considered in chapter 7.

The other 14 respondents were either considering affordable rent, shared ownership or a starter home initiative scheme or were not currently owner occupiers; they will be considered in this chapter.

6.1 Timescale of housing need

The timescale in which these 14 respondents would be looking for different accommodation (Q5) was as follows:

Timescale	No. of households
Within 0-3 years	10
3-5 years	3
5-10 years	0
No response	1

6.2 Household composition

Respondents were asked (Q4) who lives in their current home:

Situation	No. of households
Single person household / Couple (older person(s))	0
Single person household / couple	2
A single person or couple with dependent child(ren) or other dependent(s)	5
A single person or couple with dependent child(ren) and non-dependent / older child(ren)	6
No Response	1

6.3 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 14 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 Renhold	13
Previously lived in Renhold	0
An immediate family member (parent, child, or brother/sister) lives in Renhold	4
Have permanently employment in Renhold	2
No response	1

6.4 Current housing circumstances of households in need

The current housing circumstances of the 14 respondents (Q7) broke down as follows:

Housing tenure	No. of households
Living with parent(s) in their home	5
Owner Occupier	1
Shared Ownership Property	0
Renting from Private landlord	5
Renting from Housing association	3
Other	0

The majority of respondents in need of a property were currently either living in

rented accommodation, either renting privately or through a housing association or were living in the family home with their parents. 1 respondent was in an owner occupier property but circumstances mean that they may still be eligible for affordable housing.

6.5 Reason for housing need

The reason for the housing need identified by the 14 respondents (Qu 8) can be summarised as follows (respondents were able to identify more than one):

Need	No. of households
Present home too large / wish to downsize	2
Present home too small	4
First time buyer / want to get on the property ladder	10
Medical reasons / disability	1
To be closer to family and / or carer support	2
Financial reasons	3
Other	2

6.6 Size, type and tenure of housing sought

The housing type, size and tenure sought by the households in need (Q10 a,b,c) broke down as follows (respondents could tick more than one):

Type of property	No. of households
Flat / Apartment	4
House	13
Bungalow / Retirement property	3
Size of property	
One bedroom	2
Two bedroom	9
Three Bedroom	8
More than Three bedrooms	1
Tenure of Property	
Private Rental	1
Affordable Rental (through a housing association)	7
Buy on the Open market	8
Shared Ownership (part own & part rent – through a housing association)	5
Starter home (home to buy at 20% below market price up to £250,000)	6

Most of the demand was for 2 or 3 bedroom houses. A high proportion of respondents were seeking an affordable rental property or a starter home. Although 8 respondents stated that they would like to purchase on the open market, they all also selected an affordable option. An initial look at the financial information provided shows that purchasing on the open market in the current market would most likely not be a viable financial option.

6.7 New Household Composition

When asked who would live in the new home they were seeking; out of the 14 respondents, 8 households seeking a new property would contain all the same individuals currently living within their existing household. Of the remaining 6 responses, 5 were from young people aged 25-44 years wanting to move out of the family home and set up their own home and 1 response was from a household wanting to downsize once their offspring had left the family home.

6.8 Gross income of households in need

We saw in Chapter 3 that, in order to purchase the cheapest property available in Renhold (a 3-bedroom house at £400,000) as a first time buyer, a single earner household would need an annual gross income of over £114,000, and a dual-income household would need over £137,000. Only 1 rental property was currently available in the parish. To rent the 3 bedroom bungalow, a household would require an annual gross income of over £52,500.

The current gross annual income of anyone who responsible for paying the rent/mortgage for the 14 households looking for a property, breaks down as follows:

Current gross income	No. of households
Less than £20,000 / yr	4
£20,001 to £30,000 / yr	6
£30,001 to £40,000 / yr	1
£40,001 to £50,000 / yr	0
More than £50,000 / yr	3

Based on the data provided, only 3 of these households could potentially afford to purchase the cheapest property currently available on the open market in Renhold but only if their household income was significantly higher than the top level of £50,000 asked about in the questionnaire.

6.9 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 in Renhold is £61,000. The minimum (under a 95% Loan to Value deal) would be around £20,000.

The savings or other equity that these 14 households could use to contribute towards a mortgage breaks down as follows:

Savings/equity	No. of households
None	4
Less than £10,000	4
£11,000 - £25,000	3
£26,000 - £50,000	1
More than £50,000	2

2 of the respondents could potentially have enough savings or equity currently to buy a property on the open market as a first time buyer, but only if their savings / equity

was higher than the £50,000 asked about in the questions. 4 additional respondents, may be able to purchase at high Loan to Value.

7. Analysis of need – market housing

7.1 Timescale of housing need

Chapter 7 will consider the 10 owner occupier households (mentioned in chapter 6) looking to purchase housing on the open market in Renhold over the next 10 years.

The timescale in which these 10 respondents indicated that they would be looking for different accommodation (Q5) was as follows:

Timescale	Number
Within 0-3 years	5
Within 3-5 years	2
5 - 10 years	2
No response	1

7.2 Household composition

Respondents were asked (Q4) who lives in their current home:

Situation	No. of households
Single person household / Couple (older person(s))	7
Single person household / couple	1
A single person or couple with dependent child(ren) or other dependent(s)	2
A single person or couple with dependent child(ren) and non-dependent / older child(ren)	0

7.3 Sizes and types of house required

The preferred future housing type of the 10 respondents (Q10a) breaks down as follows (respondents could tick more than one):

Housing type	Number
Flat / Apartment	2
House	7
Bungalow / Retirement housing	5

The demand is predominantly for houses and bungalows / retirement suitable homes.

The preferred future house size of the 10 respondents in terms of number of bedrooms (Q10b) breaks down as follows:

Number of bedrooms	Number
1 bedroom	0
2 bedrooms	5
3 bedrooms	5
More than 3 bedrooms	3

7.4 Reason for housing need

The reason for the housing need identified by the 10 respondents (Qu 8) 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	2
First time buyer / want to get on the property ladder	0
Medical reasons / disability	2
To be closer to family and / or carer support	1
Financial reasons	1
Other	1

The majority of responses were from people wanting to downsize into smaller properties due to their age, medical reason or for financial reasons.

8. Conclusions and recommendations

8.1 Affordable housing

Analysis of the data considered in chapter 6 has identified a need for affordable housing within Renhold from households' resident in (or with strong links to) the parish, that is unlikely to be met by normal market provision. This need is predominantly from families and couples / individuals who are currently in rented accommodation who would like something more affordable or who would like to get on the property ladder and also from older children living in the family home with their parents, who would like to move into their own property.

Based on data supplied by respondents, up to 14 households with a local connection would be suitable for housing within a rural exception site development, whether for rent, shared ownership or under a starter homes initiative. 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 potential 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 Renhold, our recommendation is to meet around 50% of the need identified over the next 5 years, which would be **7 units**.

Our assessment from the data is that the 7 units could be broken down as follows:

5 x 2 bed house (2 rent / 3 shared ownership)
2 x 3 bed house (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.

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 small need for market housing, if Renhold is to meet the identified current and future needs of existing owner occupier residents wishing to stay in the parish. The need identified is predominately from couples and families who are looking to downsize into smaller properties.

The evidence for this is as follows:

- There was only 2 x 3-bedroom properties currently available for sale on the open market. No smaller housing was currently available.
- No properties have sold for under £200,000 in the parish in the last 3 years.
- The 10 owner occupier respondents who would be looking for more suitable properties at some point over the next 10 years, 7 of these within the next 5 years.

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 Renhold. It is therefore not possible to stipulate how much new housing would meet the needs of the owner occupier respondents identified above. However, it is reasonable to suggest that the provision of up to **5 suitable units** would meet a reasonable proportion of the need. These could be delivered separately or alongside affordable housing as part of a rural exception site, with the market housing cross-subsidising the affordable housing.