

# **Potton Housing Needs Survey Report**

**Survey carried out July/August 2014**

**Report published September 2014**

*Completed on behalf of Potton Consolidated Charity by  
BRCC (Bedfordshire Rural Communities Charity)*



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## **1. Introduction**

### **1.1 About this survey**

Potton Consolidated Charity, with the agreement of Potton Town Council, requested for a Housing Needs Survey (HNS) to be carried out by BRCC in July/August 2014 to identify the housing needs of local people. The survey aimed to assess the need of local people for either for affordable housing for rent or shared ownership (see 1.2), or for market housing for purchase (see 1.3), in Potton.

The survey was commissioned as a result of a study into the needs of older people in 2013, also carried out by BRCC and commissioned by Potton Consolidated Charity, which also included a survey distributed to all households. This identified "a potential shortage in Potton of appropriate housing for frail older people, whether owned or rented", as well as "a concern about local people being able to access sheltered or retirement housing where it exists".

The last Housing Needs Survey for Potton was carried out in 2009. It identified a need for 21 units to be built on a Rural Exception Site (see 1.2), however a development was never taken forward, principally to difficulties in identifying a site.

### **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. In 2013 a new Local Lettings Policy specifically for Rural Exception Sites was adopted by Central Bedfordshire Council, laying out the order of priorities under which housing would be allocated to people with a local connection.

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 Potton.

### **1.3 Market housing**

The survey also investigated the aspirations of respondents to buy housing within Potton. It is more difficult to make recommendations for market housing needed for local people, as no restrictions could be placed on the sale of this housing.

## 2. About Potton

### 2.1 Population and demographics

In 2011 in the parish of Potton there were 2,085 households containing 4,870 residents<sup>1</sup>. Compared to 2001, this represents an increase of around 11% in terms of households (from 1,872) and 9% in terms of residents (from 4,472).

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

Age	% Potton 2011	% Potton 2001	% C Beds 2011
0 – 15	18.7	20.3	19.6
16 – 24	8.9	9.6	10.0
25 – 44	27.2	32.2	26.8
45 – 64	29.4	24.8	27.9
65 – 74	8.5	7.6	8.6
75 – 84	5.4	4.5	5.2
85+	2.0	1.1	1.8

There has been a clear ageing on average of the Potton population over 10 years between 2001 and 2011 (the proportion of those aged 45+ has risen from 38.0% to 45.3%). However, the breakdown is broadly comparable to that of Central Bedfordshire as a whole.

250 (11.8%) out of 2,080 households were single pensioner households. 170 (8.0%) were composed of people all aged 65 and over. These are in line with Central Bedfordshire averages.

### 2.2 Household Composition

	% Potton	% Central Beds
1 person - pensioner	11.8	11.2
1 person - other	16.3	14.7
Couple – no children	23.1	20.5
Couple + dependent children	22.8	23.1
Couple + non-dependent children	6.6	7.3
Lone parent + dependent children	4.7	6.5
Lone parent + non-dependent children	2.8	3.1
All aged 65 and over	8.0	8.7
Other	3.9	4.9

Levels of single and multiple pensioner households are in line with Central Bedfordshire as a whole, reflecting the figures in 2.1.

<sup>1</sup> 2011 census data – other data also from this source unless otherwise specified

## 2.3 Housing Tenure

	<b>% Potton</b>	<b>% Central Beds</b>
Owned outright	31.6	31.6
Owned with mortgage/loan	40.6	40.9
Shared ownership	0.9	0.8
Social rented	12.2	13.4
Private rented	13.5	12.1
Living rent free	1.2	1.1

The majority of households are owner occupiers in Potton. In general the breakdown of tenures is very close to the Central Bedfordshire averages.

## 2.4 Dwelling Types

	<b>% Potton</b>	<b>% Central Beds</b>
Detached house	30.4	28.2
Semi-detached house	36.6	33.8
Terraced house	20.9	25.3
Flat	11.2	11.7
Caravan/other temp. accommodation	0.9	1.0

There are slightly more detached and semi-detached houses, and relatively fewer terraced houses, in Potton compared to Central Bedfordshire averages.

## 2.5 Housing in poor condition

	<b>% Potton</b>	<b>% Central Beds</b>
Households in overcrowded conditions	3.8	4.6
Households without central heating	2.4	1.7
Households in fuel poverty (2011)	8.5	9.2

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 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 overcrowding counts as a housing need for households applying to join the Housing Register. In 2011 there were 80 households in Potton classified as being overcrowded (figures are rounded), which works out as lower than the Central Bedfordshire average.

Where central heating is not present, fuel poverty is significantly more likely. 50 households had no central heating, working out at above the average. Fuel poverty levels, however, are just under the Central Bedfordshire average.

## **2.6 People on low incomes**

5.7% of all people in Potton were classified as “experiencing income deprivation” in 2009, under the Central Bedfordshire average of 8.0%. In 2007/08, 14.6% of households were calculated as receiving below 60% of the median income, just below the Central Bedfordshire average of 15.7%.

7.5% of working age people were claiming DWP benefits in August 2012, under the Central Bedfordshire average of 9.5%; and 19.4% of people over 65 were claiming pension credit, above the Central Bedfordshire average of 17.7%.

## **2.7 Households on Central Bedfordshire Council Housing Register**

There are currently 52 Potton households on the Central Bedfordshire Council Housing Register. 16 of these need 1 bedroom properties; 11 need 2 bedrooms; and 3 need 3 bedrooms; 2 need 4 bedrooms; and for 20 the bedroom need was not known. 1 of these was assessed as being in Band 2 (high need); 32 in Band 3 (medium need); 11 in Band 4 (low priority); and 8 had not been placed in a band.

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.

Applicants to the register are no longer asked where they would prefer to live, so it is not possible to know how many of the above would wish to remain in Potton.

## **2.8 Health and disability**

Limiting illnesses and disabilities can affect the type of housing that people need in order to remain independent.

13.2% of those aged 65 and over in Potton (around 100 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, just under the Central Bedfordshire average of 13.9%. 2.5% of the population were claiming Disability Living Allowance, under the Central Bedfordshire average of 3.4%.

13.3% have a limiting long-term illness, just under the Central Bedfordshire average of 14.4%.

### 3. Housing Availability and Affordability in Potton

#### 3.1 Home purchase

##### **Overall housing affordability in Central Bedfordshire**

The 'housing affordability ratio' (the lowest 25% of house prices as a ratio of the lowest 25% of earnings) in Central Bedfordshire as a whole in 2008 was 12.6. In other words, the most affordable houses on the market cost 12.6 times the lowest incomes<sup>2</sup>.

##### **Dwellings in lower Council Tax Bands**

10.2% of dwellings in Potton are in Council Tax Band A (the cheapest), compared to 8.6% for Central Bedfordshire as a whole; and 16.5% of dwellings are in Band B, compared to 20.4% for Central Bedfordshire. This suggests that there are reasonable levels of cheaper housing relative to the area as a whole.

##### **Snapshot of current housing market in Potton**

In September 2014, an online search revealed 22 properties on the market in Potton<sup>3</sup>:

Dwelling size	Number	Asking price range
1 bedroom	2	£90,000 - £115,000
2 bedroom	4	£140,000 - £177,000
3 bedroom	9	£164,000 - £550,000
4 bedroom	7	£235,000 - £550,000

This represents only around 1% of total private housing stock in Potton.

None of these was being marketed as a retirement property.

##### **Property sales over last 3 years**

Property sales over the last 3 years can be broken down as follows<sup>4</sup>:

	2012	2013	2014 (to date)
<b>£100,000 and under</b>	3	5	2
<b>£100,001 – 150,000</b>	14	19	9
<b>£150,001 – 200,000</b>	28	21	21
<b>£200,001 – 300,000</b>	21	33	20
<b>£300,001 – 400,000</b>	3	8	6
<b>£400,001+</b>	2	6	2
<b>Total</b>	<b>71</b>	<b>92</b>	<b>60</b>

10 properties have been sold for under £100,000 in the 3-year reference period, the cheapest going for £72,000. 9 had 1 bedroom and 1 had 2 bedrooms. The most consistent market has been for properties costing between £150,000 and £300,000.

<sup>2</sup> Data from community profile for Potton, © ACRE, RCAN, OCSI 2013

<sup>3</sup> Data sourced from [www.rightmove.co.uk](http://www.rightmove.co.uk)

<sup>4</sup> Data sourced from [www.rightmove.co.uk](http://www.rightmove.co.uk)

### **Minimum household income required to purchase in Potton**

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."<sup>5</sup> This is reflected in the fact that the 'average income multiple' in lending to first-time buyers in July 2014 was 3.41.<sup>6</sup>

According to this guidance, in order to purchase the cheapest property currently available in Potton (a 1 bedroom house at £90,000), a single earner household would need an annual gross income of over £25,000, and a dual-income household would need a gross income of over £31,000. As we have seen above, properties are rarely available in this price range. It should be noted that median annual household income in the UK in 2010-11 stood at £26,572<sup>7</sup>. The typical gross income of a first-time buyer in July 2014 was £38,900<sup>8</sup>.

### **Minimum deposit required to purchase in Potton**

The biggest barrier to entry to the property market for first-time buyers has been the high deposit needed for a good mortgage rate. The average loan to value for first time buyers nationally in July 2014 was 84%<sup>9</sup>, although for the last 3 years it has generally been around 80%, which remains the benchmark for most mortgages.

Smaller deposit mortgages have all but disappeared since the onset of the financial crisis, and where they are offered have tended to come with interest rates of almost double those charged to borrowers with larger deposits<sup>10</sup>. However, Phase 2 of the government's Help to Buy scheme is now encouraging lenders to offer up to 95% mortgages at lower rates of interest by providing a seven-year taxpayer guarantee covering 15% of the loan value. Early signs are that these mortgages are more competitive, but still at higher rates of interest than for buyers with larger deposits.

Under Help to Buy, a first-time buyer household might be able to purchase the 1 bedroom flat highlighted above with a deposit of £4,500. Otherwise a deposit of £18,000 would be required.

It should be pointed out that there are around 20 shared ownership properties in Potton, which would be accessible to eligible first-time buyers with smaller deposits, although none were currently or recently on the market.

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<sup>5</sup> Strategic Housing Market Assessments: Practice Guidance Version 2 (DCLG 2007)

<sup>6</sup> Council of Mortgage Lenders, September 2014

<sup>7</sup> Institute of Fiscal Studies, June 2012

<sup>8</sup> Council of Mortgage Lenders, September 2014

<sup>9</sup> Council of Mortgage Lenders, September 2014

<sup>10</sup> From story on [www.thisismoney.co.uk](http://www.thisismoney.co.uk) website, 21 November 2011

### **3.2 Home rental**

In September 2014, an online search revealed 8 properties in Pottton available for private rent<sup>11</sup>, ranging from a 1 bedroom flat at £450 per month to a 5 bedroom house at £1,200 per month. The cheapest 2 bedroom property available (a flat) was at £525 per month.

According to the above DCLG 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 1 bedroom flat mentioned above, a household's gross annual income would therefore need to be around £21,600.

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<sup>11</sup> Data sourced from [www.rightmove.co.uk](http://www.rightmove.co.uk)



## **4. Survey process and response**

To study the housing need in Pottton, a survey form put together by BRCC and the Neighbourhood Plan steering group (Appendix A) was hand-delivered across the parish. 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. A FREEPOST envelope was provided to enable residents to return their survey to BRCC.

The survey form was in two parts. Section 1 was for completion by all respondents and aimed to gain their views on overall housing needs in Pottton (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 3 years. The findings from this section are analysed in chapters 6 and 7.

We received 394 responses from around 2000 distributed, a return rate of around 20%. This is a reasonable response rate for a housing needs survey (typical return rate is 20-25%), particularly for a larger settlement where lower response rates are common.

## 5. Views on housing needs in Potton

82% of respondents thought that there was a need for one or more types of new affordable housing in the parish (Q1). The % of respondents in favour of each specific type of housing was as follows:

Housing type	% of respondents
Flats	19
Smaller houses (1-2 bedrooms)	57
Larger houses (3+ bedrooms)	20
Bungalows	41
Extra care housing	51

There was a clear preference for smaller houses, bungalows and extra care housing.

The % of respondents in favour of each type of tenure (Q2) was as follows:

Housing type	% of respondents
Purchase on the open market	54
Shared ownership (part owned, part rent)	49
Private rent / buy to let	16
Affordable rent, with local people given priority	69

There was an unusually high proportion of people in favour of affordable rent, with local people given priority. There was little support for more private renting.

The provision of a small development of affordable housing (up to 10 units) based on identified local need (Q3) was supported by 87% of respondents, with only 13% not supporting the idea. 156 respondents chose to provide additional comments (Q5), attached as Appendix B. Many of these comments related to concerns about over-development in and around Potton and the impact on already stretched services and infrastructure, particularly the GP surgery, schools, parking and roads/traffic. There were also a number of comments about the need for more housing suitable for older and/or disabled people, and affordable housing for younger people.

44 respondents indicated having family or friends who have moved away from the parish within the last 5 years who would like to return (Q4). However, no further forms were requested from BRCC.

## 6. Analysis of need – rented or shared ownership housing

115 respondents in total completed Section 2, indicating that either they or somebody in their household (or both) was currently intending to move to different accommodation in Pottton over the next 5 years. These households are therefore regarded in principle as being in some form of housing need.

Out of these, 54 were looking to buy on the open market; 50 of these were existing owner occupiers and a further 2 were in shared ownership. These 55 respondents will be considered in Chapter 7.

The remaining 61 respondents were either considering affordable rent or shared ownership, or had insufficient financial means to purchase or rent on the open market; they will be considered in this section.

### 6.1 Timescale of housing need

The timescale in which these respondents would be looking for different accommodation (Q6) was as follows:

Timescale	Number
Within 2 years	36
Next 2-5 years	25

### 6.2 Housing tenure of households in need

The current housing tenure of the 61 households (Q7) breaks down as follows:

Housing tenure	Number
Live with parent(s) in their home	20
Owner occupier - owned outright	7
Owner occupier – owned with a mortgage	5
Private rented	23
Rented from a Housing Association	6
Shared ownership	0
Other	0

Most respondents were either living with their parents or in the private rented sector. Owner occupiers would not normally be considered for affordable rented or shared ownership housing, however these households all had specific needs such as medical reasons or disability.

### 6.3 Central Bedfordshire Housing Register

7 respondents indicated that they were already on a local authority housing register (Q8), only a small proportion of the 52 Pottton households currently on the register in Central Bedfordshire. As noted in 2.7, this does not mean that the other respondents are not in housing need.

## 6.4 Type and size of housing sought

The tenure sought by these 61 households (Q9) was as follows (respondents could tick more than one):

Tenure sought	Number
Rent	46
Buy on the open market	19
Buy on a shared ownership basis (part own & part rent)	29

There is a clear demand for rented and shared ownership properties. 2 respondents only wanted to buy on the open market, however neither was likely to be able to do so in the foreseeable future due to their financial circumstances (see 6.7 and 6.8), making affordable rent or shared ownership more realistic options. All other respondents were at least considering rent or shared ownership.

The preferred future housing type of the 61 respondents (Q10) breaks down as follows (respondents could tick more than one):

Housing type	Number
Flat	15
House	37
Bungalow / retirement housing	21
Extra care housing	2

There was a clear demand amongst these households for houses in particular, followed by bungalows / retirement housing and flats. There was little demand for extra care housing despite a perception that this is needed in Potton.

The preferred future house size of the 61 respondents in terms of number of bedrooms (Q11) breaks down as follows (respondents could tick more than one):

Number of bedrooms	Number
1 bedroom	20
2 bedrooms	36
3 bedrooms	16
More than 3 bedrooms	4

There was a clear demand amongst this group of respondents for smaller properties.

## 6.5 Nature of local connection

If a rural exception site (see 1.2) was to be brought forward within Potton, there would have to be evidence of housing need from people with a strong local connection. The local connections identified by the 61 respondents being considered in this chapter (Q12) were as follows (respondents could tick more than one):

Nature of local connection	Number
Currently resident in the parish	42
Previously resident in the parish (for 10 years or more)	10
At least 1 immediate family member (parent/child/sibling) is	29

resident of the parish	
Permanently employed in the parish	7

Under Central Bedfordshire Council's agreed Local Lettings Policy for rural exception sites, current residents of Potton in need of affordable housing would be given top priority; followed by those people with an immediate family member resident in the parish. Most respondents were current residents; many of those that did not indicate this still gave a Potton address, and so may not have ticked the box in error.

## 6.6 Reason for housing need

Applicants for affordable rented housing through an exception site must demonstrate a clear housing need. The needs identified by the 61 respondents (Q13) can be summarised as follows (respondents were able to identify more than one need):

Need	Number
Present home too large / wish to downsize	5
Present home too small	13
Want to move out of the family home	19
First time buyer	11
Medical reasons / disability	16
Currently have insecure tenure	6
Need property more suited to older people	12
Need to live closer to family	6
Present home too expensive	10
Relationship breakdown	3
Other (want a garden)	3

The fact that 11 respondents wanted to buy (but did not necessarily have the financial means to do so on the open market) reflects the high level of interest in shared ownership (6.4).

In addition (Q17), 15 respondents indicated that a member of their household had a long term illness or disability that limits their activities; 8 provided unpaid care or support for other household members; and 4 had specific housing needs, e.g. layout & design adapted for access, mobility or sight.

## 6.5 Composition of households in need

The composition of the 61 households (Q14/5) **at the planned time of moving** breaks down as follows:

Household composition	No. of households
Single adult (1-2 bedroom need)	35
Couple without children (1-2 bedroom need)	10
Family (2 bedroom need)	8
Family (3 bedroom need)	13

'Household' here refers just to the people requiring new accommodation (thereby forming a new household) rather than the entire existing household, which may be

larger (e.g. single adults currently living with their parents). 5 respondents had more than 1 individual seeking to form their own household in Potton in the future, so the total is more than 28.

Bedroom needs have been assessed against Choice Based Lettings criteria under the Central Bedfordshire Housing Allocations policy, based on data provided by respondents – so this would apply to affordable rented property only. Bedroom needs can change over time due to e.g. different sex children growing older or new children joining the family.

## 6.6 Gross income of households in need

We saw in Chapter 3 that, in order to purchase the cheapest property currently available in Potton, a single earner household would need an annual gross income of over £25,000, and a dual-income household would need a gross income of over £31,000. We also saw that, to rent the cheapest rental property recently available, a household’s annual gross income would need to be around £21,600.

The current gross annual income of anyone responsible for paying the rent/mortgage for the 61 households under analysis (Q16a) breaks down as follows:

<b>Current gross annual income</b>	<b>No. of households</b>
Less than £20,000	35
£20,000 to £30,000	11
£30,000 to £40,000	5
More than £40,000	4
Not specified	6

Based on the data provided, at least 35 respondents could not currently afford to purchase on the open market within Potton. A further 11 would be unable to afford anything other than the cheapest properties, of which there is limited availability. At least 35 respondents could not afford to rent privately.

## 6.7 Savings or equity of households in need

As we saw in Chapter 3, the minimum deposit required for a first-time buyer to purchase the cheapest property currently available in Potton is £18,000 (or £4,500 under Help to Buy).

The savings or other equity that these 61 households could use to contribute towards a mortgage (Q16b) breaks down as follows:

<b>Savings/equity</b>	<b>No. of households</b>
Less than £10,000	45
£10,000 - £20,000	5
£20,000 to £30,000	0
£30,000 to £40,000	1
£40,000 to £50,000	0
Above £50,000	3
Not specified	7

Based on the data provided, at least 45 respondents could not currently afford to raise a deposit outside of the Help to Buy scheme. However, it appears that a few of the owner occupier respondents are likely to have underestimated the equity in their homes.

## 7. Analysis of need – market housing

### 7.1 Level / timescale of housing need

Chapter 7 will consider the 54 households (mentioned in chapter 6) looking to purchase housing on the open market within Potton over the next 5 years.

The timescale in which these 54 respondents indicated that they would be looking for different accommodation (Q6) was as follows:

<b>Timescale</b>	<b>Number</b>
Within 2 years	19
Next 2-5 years	34
Not specified	1

### 7.2 Sizes and types of house required

The preferred future housing type of the 54 respondents (Q10) breaks down as follows (respondents could tick more than one):

<b>Housing type</b>	<b>Number</b>
Flat	1
House	29
Bungalow	25
Extra care housing	4

Based on these figures, there appears to be a significant demand for more bungalows / retirement housing.

The preferred future house size of the 54 respondents in terms of number of bedrooms (Q11) breaks down as follows (respondents could tick more than one):

<b>Number of bedrooms</b>	<b>Number</b>
1 bedroom	4
2 bedrooms	28
3 bedrooms	15
More than 3 bedrooms	13

### 7.3 Reason for housing need

The needs identified by the 54 respondents (Q13) can be summarised as follows (respondents were able to identify more than one need):

<b>Need</b>	<b>Number</b>
Present home too large / wish to downsize	27
Present home too small	14
Want to move out of the family home	1
First time buyer	0
Medical reasons / disability	8
Currently have insecure tenure	0



Need property more suited to older people	15
Need to live closer to family	2
Present home too expensive	5
Relationship breakdown	2
Other (want a garden)	1

There is a particular demand for smaller homes, and for property more suited to older people.

In addition (Q17), 9 respondents indicated that a member of their household had a long term illness or disability that limits their activities; 2 provided unpaid care or support for other household members; and 3 had specific housing needs, e.g. layout & design adapted for access, mobility or sight.

#### **7.4 Gross income and savings/equity of households looking for housing**

The current gross annual income of anyone responsible for paying the rent/mortgage for the 54 households under analysis (Q16a) breaks down as follows:

<b>Current gross annual income</b>	<b>No. of households</b>
Less than £20,000	11
£20,000 to £30,000	9
£30,000 to £40,000	4
More than £40,000	13
Not specified	17

The savings or other equity that these 54 households could use to contribute towards a mortgage (Q16b) breaks down as follows:

<b>Savings/equity</b>	<b>No. of households</b>
Less than £10,000	6
£10,000 - £20,000	2
£20,000 to £30,000	7
£30,000 to £40,000	0
£40,000 to £50,000	4
Above £50,000	17
Not specified	18

It is difficult to tell how many respondents would be able to afford to purchase on the open market, given how many did not give financial details. Again, it appears likely that a few of the owner occupier respondents have underestimated the equity in their homes. It is possible that some respondents could not afford to buy the size or type of housing they are looking for based on their financial information.

## **8. Conclusions and recommendations**

### **8.1 Need for affordable rented or shared ownership housing**

Analysis of the data considered in Chapter 6 has identified a need for affordable housing within Potton from households resident in (or with strong links to) the parish, that is unlikely to be met by normal market provision. This need generally comes from young adults living with their parents who want to move out (or young people who will be in this position in the future); older people wanting housing more suitable for their changing needs; and families needing larger properties.

Based on data supplied by respondents, up to 61 households with a local connection would be suitable for housing within a rural exception site development, whether for rent or shared ownership (remembering that some respondents had more than one case of need). 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 Potton, our recommendation is to meet just under 50% of the need identified, which would be **30 units**. This need is supported by the 52 Potton households currently on the waiting list for affordable rented housing in Central Bedfordshire, as well as the fact that there is currently a slight shortage of social rented properties in Potton compared to the Central Bedfordshire average.

30 units would be too large for a single rural exception site, and it is worth considering that there are a number of concerns locally about over-development. One way forward might be to build around 50% of the units first, and then reassess the need in a few years' time. It is also recommended that an assessment of existing social or affordable housing supply in Potton be carried out, in order to ascertain whether any of the need could reliably be met through existing stock.

Our assessment from the data is that the 30 units could be broken down as follows:

10 x 1-2 bed bungalow (8 rent, 2 shared ownership)  
11 x 1-2 bed house (9 rent, 2 shared ownership)  
4 x 2 bed house (3 rent, 1 shared ownership)  
5 x 3-bed house (2 rent, 3 shared ownership)

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:

#### **10 x 1-2 bed bungalow (8 rent, 2 shared ownership)**

12 households were older single adults, and 8 were older couples, all of whom were looking for bungalows / retirement housing or flats with 1 or 2 bedrooms, due to requiring housing more suitable for older people or medical/disability reasons. 16 were looking to rent only, while 4 were existing owner occupiers for whom shared ownership was a realistic option.

#### **11 x 1-2 bed house (9 rent, 2 shared ownership)**

22 respondents were single adults, all but 2 of whom were currently living with their parents and wanted to move out at some point; 7 wanted to buy for the first time. 4 of these wanted shared ownership and had the financial means for this. These 22 respondents would require a 1 bedroom property based on need; however, it should be noted that, in order to help to ensure sustainability in rural areas, it is generally accepted that young people/couples should be allowed to under-occupy 2-bed properties in the first instance, as this enables them to remain in the parish if and when they decide to start a family. On the other hand, government welfare reforms may make it unaffordable for some people to under-occupy properties.

#### **4 x 2 bed house (3 rent, 1 shared ownership)**

8 households had a 2 bedroom need, and 2 of these had sufficient financial means for shared ownership.

#### **5 x 3-bed house (2 rent, 3 shared ownership)**

10 households had a 3 bedroom need, 6 of which had sufficient financial means for shared ownership.

The final number, size and type of housing, and mix of tenures (i.e. rented v shared ownership), would be agreed between the appointed Registered Social Landlord, Potton Town Council and the local authority.

## **8.2 Need for market housing**

Analysis of the responses considered in Chapter 7, and other evidence considered in chapters 2 to 5, suggests that there is a particular need for bungalows and retirement properties for purchase, if Potton is to meet the current and future needs of its existing residents (particularly older people) wishing to stay in the village. The evidence for this is as follows:

- The significant increase in the population aged 45+ between 2001 and 2011
- The relative lack of properties targeted at older people (particularly bungalows and retirement flats) in the parish
- 35 out of 55 respondents in Chapter 7 needed to move at some point over the next 5 years in order to downsize or find a property more suited to older people, all of whom were in older age groups where specified
- 25 respondents examined in chapter 7 were looking for bungalows or retirement housing
- 4 respondents were considering extra care accommodation, 8 respondents cited medical reasons/disability as a reason for moving, and 9 respondents indicated that a member of their household had a long term illness or disability that limits their activities

If suitable properties were more widely available, this would be likely to free up larger houses for growing families to purchase as they work their way up the housing ladder (around 14 respondents fell into this category). The fact that only around 1% of the private housing stock was on the market in September 2014 suggests a potential problem with housing availability at present. Clearly, market housing would not be restricted to people with a local connection, and this should be considered in responding to this report.

There does not appear to be a need from respondents for smaller 'starter homes'

targeted at first time buyers; possibly there is already enough cheaper housing to offer progression opportunities for households taking up affordable rented or shared ownership properties in the first instance (see 8.1).

Consideration should be given to combining market and affordable housing within rural exception site developments (see 8.1), which would increase the feasibility while ensuring that local people would be prioritised for the affordable element. However, this might also reduce the funding available for infrastructure spending through the Community Infrastructure Levy.

The housing needs of local residents (both affordable and market) will change over time. It is recommended that a further housing needs survey be carried out in 5 years' time (in 2019).