

## Bakewell Parish Housing Needs Survey Results March 2009

### Introduction

In October 2008, Derbyshire Rural Community Council, with the support of the Town Council and Derbyshire Dales District Council, posted out Housing Need Surveys to every household in the town of Bakewell. The survey was promoted through posters, an article in the local press, an event in October in Bakewell with an opportunity for residents to meet the Rural Housing Enabler and Home-Options Team from Derbyshire Dales District Council and a Design an Eco-friendly home competition with the local infant and junior schools. Electronic versions of the form were also available at [www.bakewellonline.co.uk](http://www.bakewellonline.co.uk). The returned forms were then analysed by the Rural Housing Enabler for Derbyshire Dales and High Peak and form the basis of this report. Of the 1903 forms posted out, 575 survey forms were returned, **a response rate of 30%**.

### Purpose of the survey

The survey was conducted in order to obtain clear evidence of the affordable housing need in the Parish of Bakewell. The aim of the survey was to establish the type and tenure of housing required to meet local need, and the extent to which any housing need might be met by current housing stock.

The returned forms can be categorised as follows:

Category	No. of forms
In housing need and in favour of a scheme	89
Not in housing need and in favour of a scheme	404
In housing need but no name and address provided	8
Not in housing need and not in favour of a scheme	45
Don't know/voids	29
Total number of forms returned	575

### Planning Context – outline description

The Parish of Bakewell is in the Peak District National Park Authority (P.D.N.P.A.). Please note that the following is not a complete description of the planning policies that apply locally.

In the P.D.N.P.A., new housing may exceptionally be allowed, in or on the edge of a settlement, where there is a proven need. The homes built must be 'affordable by size and type to local people on low or moderate incomes and will remain so in perpetuity' (LH1 Local Plan, Adopted 2001). Peak Park policy also defines the people that would qualify as having a local connection (LH2 Local Plan) **(see Appendix A)**

### Local Connection

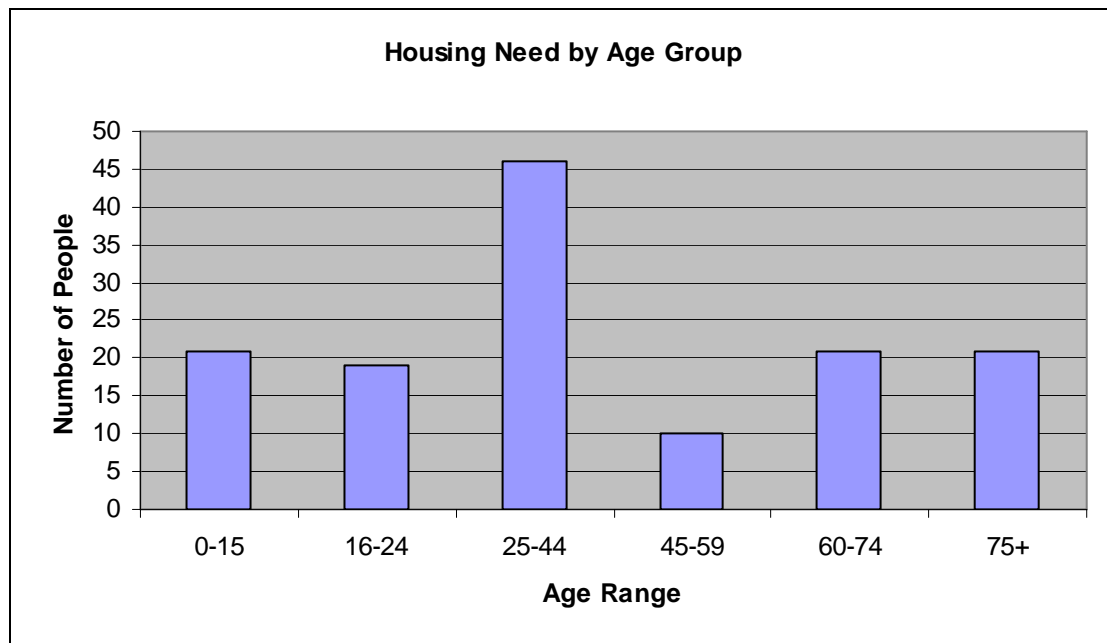
The local connection of those residents in housing need and in favour of a scheme can be summarised as follows:

Category	%	Ave Duration (years)
Currently live in the town	78	23
Currently work in the town	41	N/A
Have relatives in the town	61	N/A
Have previously lived in the town	22	N/A

NB: The total percentage is greater than 100% in many of the tables and charts as some respondents fall into more than one category.

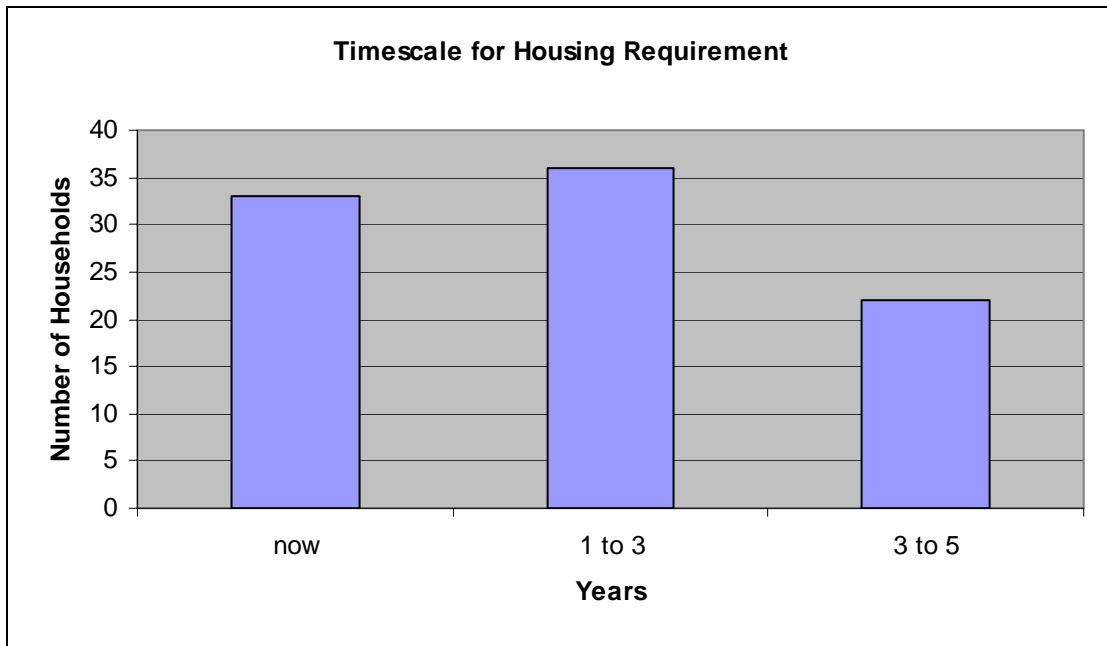
The following charts set out the key housing demand information from the survey for the 89 households identified in housing need.

### Housing Need by Age Group



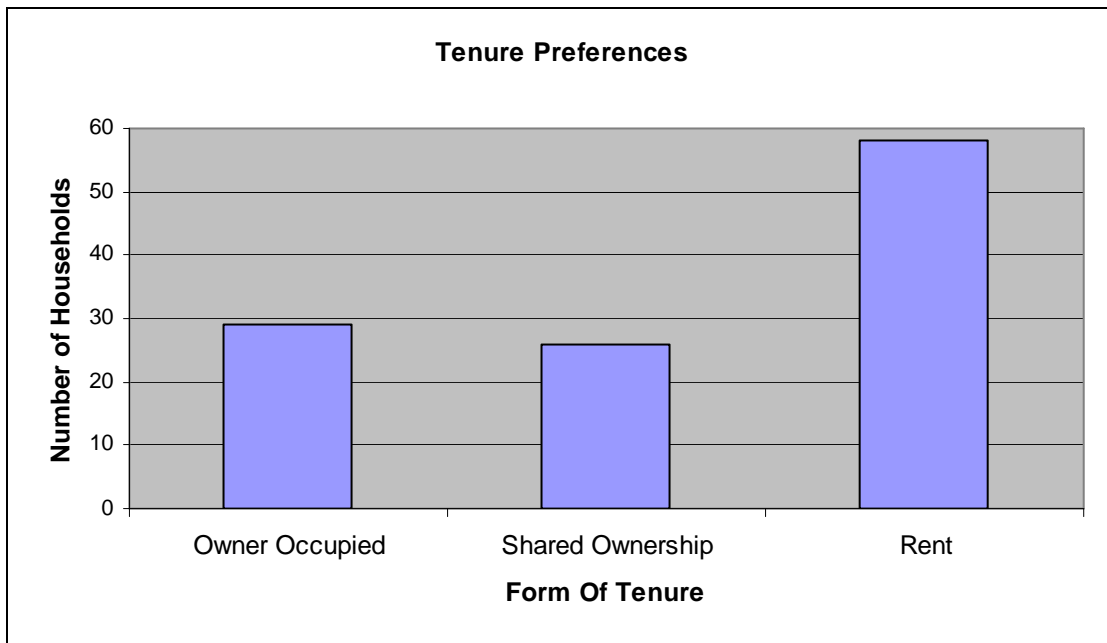
The survey has identified that the predominant need is for people in the 25 to 44 age group, with then a fairly even distribution of need in the other age groups. It is interesting to note the significant level of need in the over 60 age group which is high compared to other surveys undertaken in Derbyshire Dales. Of the 138 people that make up the 89 households in need, 30% are people in the 60+ age groups.

### Timescale for housing requirements



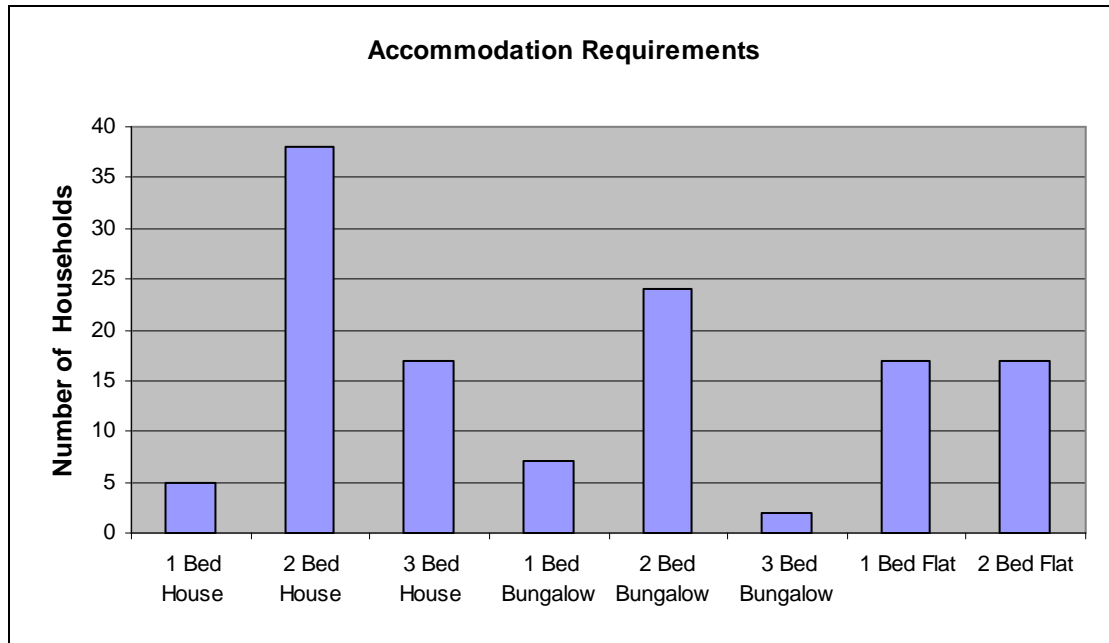
In response to the question “When is this housing going to be needed”, 37% of respondents stated “now”, 40% stated in “1 to 3 years” and 24% needed housing in “3 to 5 years time”.

### Tenure preferences



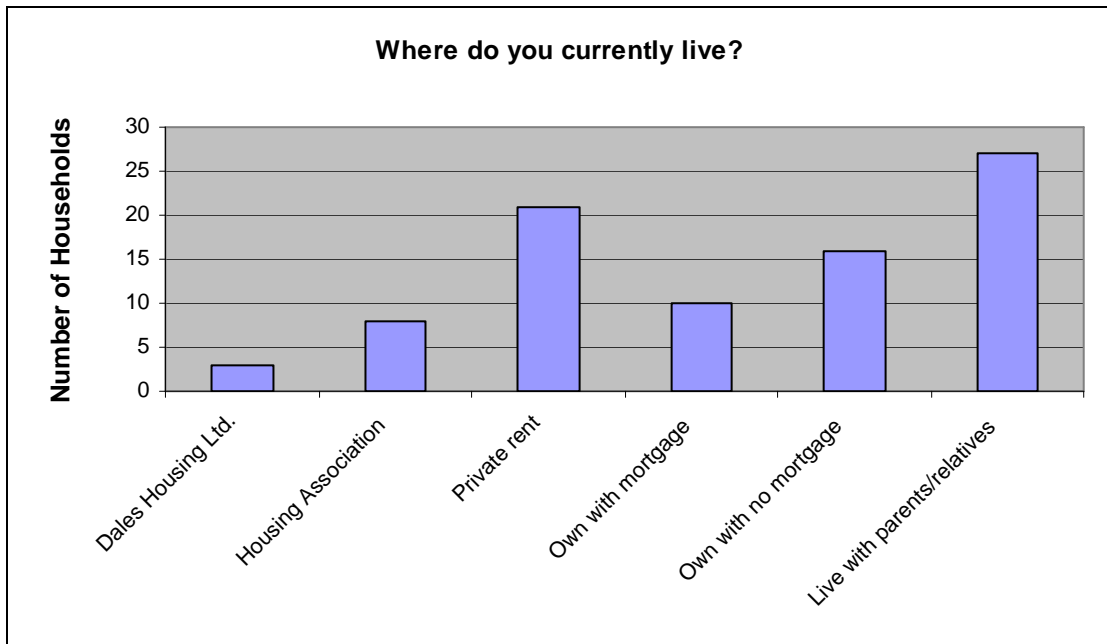
Respondents stated that their tenure preference was predominantly rented (64%), with then a fairly equal preference for owner occupation (32%) and shared ownership (29%).

### Accommodation requirements



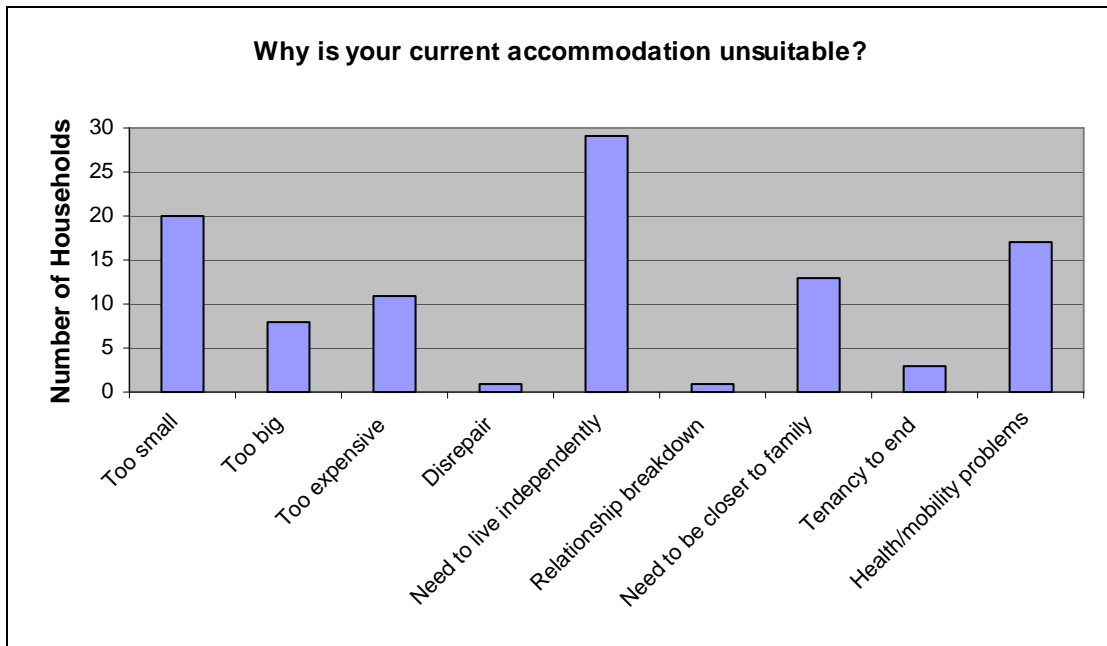
The survey indicated a predominant need for 2 bed houses, with a significant need also for 2 bed bungalows, 1 and 2 bed flats and 3 bed houses.

**Current Accommodation**



The greatest need for affordable housing is from people currently living with their parents or relatives (30%) and in private rented accommodation (23%). 18% of respondents own a home with no mortgage and 11% own a home with a mortgage. Only 3 households in need are renting from Dales Housing Limited (3%).

**Why is your current accommodation unsuitable?**



The survey identified that the key reason why respondents' current housing is unsuitable is due to the "need to live independently" (32% of households). Respondents who stated a need to live independently are both young people wanting to set up home for the first time and older people wanting to remain living independently or become independent of family members who they are currently living with. Respondents also stated that their current accommodation is unsuitable because it is "too small" (22%), they or someone in their household has a health and or mobility problem (19%), need to be closer to family (14%), too expensive (12%), too big (9%), tenancy to end (3 households or 3%) and relationship breakdown (1 household or 1%).

These results link to the above chart "Where do you currently live?" which shows that the highest percentage of respondents are living with parents or relatives, in private rented accommodation or in their own home with no mortgage.

The 16 households without a mortgage are made up of people in the 60-74 (6 households) and 75+ age group (11 households). 12 of these households stated that their current accommodation is unsuitable due to health and or mobility problems. Of these, 6 indicated a need for care within the home (3) and or a preference for sheltered housing (4). A further 2 households without a mortgage stated that they needed to be closer to family.

## Home-Options information on need

Home-seekers in Derbyshire Dales need to be registered with Home-Options ([www.home-options.org](http://www.home-options.org)) to have access to the affordable homes in the District. All affordable homes are advertised on the site and on free property sheets. If a home-seeker is interested in a property, they need to bid for the property in order to be considered for that home.

There are currently 122 households registered on Home-Options in Bakewell seeking accommodation who are not in Dales Housing properties (Dales Housing tenants who are seeking to move are discussed separately below). People registered with home-options are banded according to their housing priority from A to D. The age ranges and priority banding of applicants are set out in the table below.

Age range	A Emergency/ Top priority	B Urgent need	C Identified need	D All other homeseekers	Total
<b>Under 25</b>		1	13	4	18
<b>25-39</b>		4	16	6	26
<b>40-45</b>			1	1	2
<b>45-49</b>			2	2	4
<b>50-54</b>	1		2	3	6
<b>55-59</b>			5	6	11
<b>60+</b>	2	5	19**	29*	55
<b>Totals</b>	3	10	58	51	122

**\* 23 of the 29 are owner occupiers (band D, 60+ years)**

**\*\* 16 of the 19 have an illness or disability that is made worse by their current home (band C, 60+ years)**

This home-options's data supports the findings of the survey in that the main housing need is for people in the 18-25 and 25-39 age-groups, and in the over 60 age group. There are 71 households in priority bands A to C with an identified housing need. 16 of the households (in band C and 60 years+) have at least one person who has an illness or disability that is made worse by their current home.

In addition, there are Dales' Housing Tenants who are seeking to move and they are discussed separately below.

**Table showing age profile and priority banding of Dales Housing Tenants in Bakewell seeking to move on 16 April 2009.**

Age range	A Emergency/ Top priority	B Urgent need	C Identified need	D All other homeseekers	Total
Under 25					
25-39		1	1	2	4
40-45			1		1
45-49				1	1
50-54			1		1
55-59					
60+	2	1	3	6	12
<b>Totals</b>	2	2	6	9	19

There are 10 Dales Housing tenants in priority bands A to C for the following reasons:

Underoccupation	2 households
Overcrowding	2 households
Medium social need	4 households
Multiple needs	1 household
Exceptional reason	1 household

It is worth noting that 6 of the 10 Dales Housing households in need include at least one person who is over the age of 60.

When looking at the combined totals of those on Home-Options, 81 households are in priority bands A to C with an identified housing need on Home-Options (10 are Dales's tenants seeking to move). This supports the figure of 89 identified in need in this survey. It is also worth noting that the 81 households identified on Home-Options in Bakewell, does not include those in housing need with a strong local connection to Bakewell who have moved away from the town and may wish to return.

### **Existing affordable housing stock and turnover**

In considering the housing need information it is also important to consider the level of existing provision and turnover within that stock.

At the time of the 2001 Census, there were 1,732 households in the Parish of Bakewell. This figure has increased to 1903 (council tax data). The tenure of these properties at the time of the Census was 1,273 owner occupied, 286 owned by Dales Housing Limited or a Housing Association/Registered Social Landlord and 173 owned by the private rented sector. There are currently 6 holiday lets, 44 long-term empties and 61 second homes in Bakewell.

In the 8 years since the Census, the affordable housing stock in Bakewell has increased to 329. This is because, although some Dales Housing stock has been lost through the Right to Buy, new affordable housing has been

developed by Nottingham Community Housing Association and Peak District Rural Housing Association. Dales Housing Limited currently owns and manages 275 houses, flats and bungalows in Bakewell. In addition to the Dales Housing Limited homes, Peak District Rural Housing Association (PDRHA) owns and manages 18 flats and a bungalow and Nottingham Community Housing Association (NCHA) 36 x 2 and 3 bed houses, which are a mix of rent and shared ownership.

In the Parish of Bakewell, a large proportion of the affordable housing (43%) is older person's accommodation, which is a mix of non-sheltered and sheltered accommodation offering varying levels of support. Although there are 329 affordable homes in the town, only 5 have become available in the past 2 years as shown in the table below. The very limited turnover in the current affordable housing makes it unlikely that current stock can meet the need identified in this survey.

The dwelling types and turnover rates of this affordable housing stock are summarised in the table below.

**Table showing the affordable housing stock in Bakewell by dwelling type, turnover rates and Registered Social Landlord (Housing Association)**

Dwelling Type	Current Affordable Housing Stock	Additional information	Turnover since March 2007	Housing Association
1 bed flat	17			Dales Housing
2 bed flat	36		1	Dales Housing
2 bed house	21		1	Dales Housing
3 bed house	63		2	Dales Housing
4 bed house	1			Dales Housing
1 bed bungalow	12	Older Person's non sheltered		Dales Housing
2 bed bungalows	3	Older Person's non sheltered	1	Dales Housing
1 bed flat	42	Older Person's non sheltered		Dales Housing
2 bed flats	15	Older Person's sheltered		Dales Housing
1 bed bungalows	22	Category 1 Sheltered		Dales Housing
1 bed flats	8	Category 1 sheltered		Dales Housing
1 bed bungalows	3	Category 2 sheltered		Dales Housing
2 bed bungalows	8	Category 2 sheltered		Dales Housing
1 bed studio flats	18	Category 2 sheltered		Dales Housing
1 bed flats	6	Category 2 sheltered		Dales Housing
2 bed flats (Miracle Court)	6	Older people		PDRHA
2 bed flats (New St)	2	Wheelchair users		PDRHA
1 bed flats (New St)	9			PDRHA
1 bed bungalow (New Street)	1			PDRHA
2 bed houses	23	Mix of rent and shared ownership		NCHA
3 bed houses	13	Mix of rent and shared ownership		NCHA
<b>Total</b>	<b>329</b>		<b>5</b>	

### **Bakewell's Housing Market and affordability**

The table below lists the cheapest properties available in Bakewell on one particular day. These house prices are beyond the means of local people unless they have substantial equity or savings. The house price to household disposable income ratio in Bakewell is 10.6 (in Derbyshire Dales as a whole it's 7.4 to 1), yet the maximum amount a person would be able to borrow for a mortgage would be 3/3.5 times a household's income.

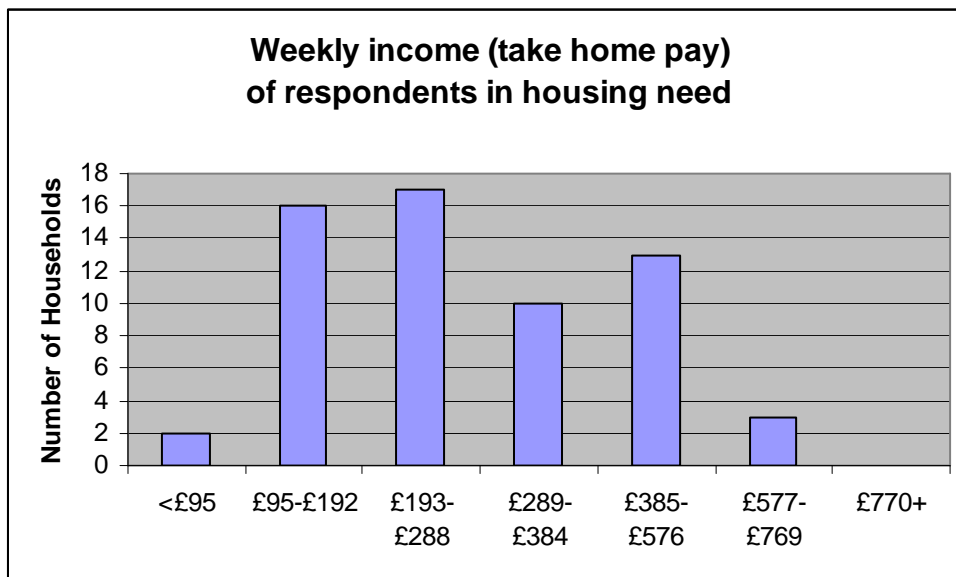
In order for a couple setting up home for the first time to be able to afford a 2 bed terrace of £160,000 (table below), they would need a 15% deposit (£24,000) and a weekly mortgage repayment of £198.00 per week on the remaining £136,000 (or £860 per calendar month) (based on repayment period of 25 years and an interest rate of 5.68%).

#### **Cheapest properties available for sale on rightmove.co.uk at 13.03.09**

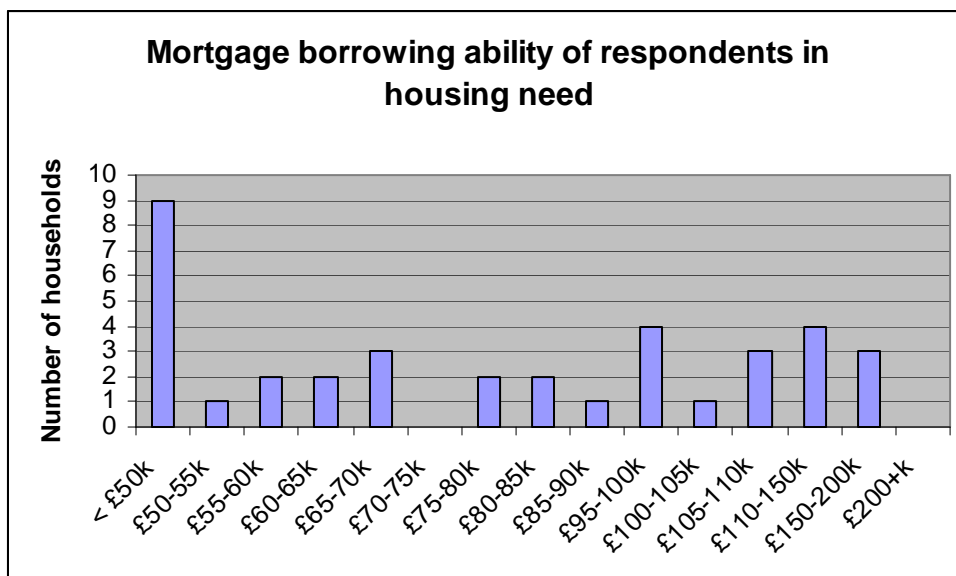
<i>To buy</i>	<i>Cost</i>
1 bed flat	£114,950
1 bed flat	£124,950
2 bed flat	£225,000
2 bed flat	£239,950
1 bed terrace	£149,950
1 bed house	£220,000
2 bed terrace	£159,950
2 bed semi	£185,000
2 bed terrace	£192,950
3 bed semi	£199,950
3 bed cottage	£249,950
2 bed bungalow	£275,000
2 bed bungalow	£295,000
3 bed bungalow	£315,000

The survey asked respondents for financial information, including the level of mortgage and rent that they could afford. 64% of respondents indicated a preference for rented, and the survey showed that the majority of the 89 households who stated that they were in housing need would not be able to purchase a property on the open market or would struggle to meet their need in the market due to health and mobility issues.

A general test for whether a household is able to afford their housing is if it costs less than 30% of their income. If we take the example given above of a 2 bed house for a first time buyer, having found a deposit of £24,000, they would then need a minimum net income of about £600 per week to afford the weekly mortgage payment of £198.00 on £136,000. The chart below shows that only respondents at the very top end of the weekly income scale would be able to afford this, unless they had substantial equity or savings. It is also worth noting that the survey has identified a significant level of need in the over 60+ age groups and the cheapest bungalow available for sale is £275,000 (£100,000 more than a house).



The chart below shows that only respondent at the very top end of the mortgage borrowing ability scale may be able to meet their housing need in the market (taking £160,000 as the entry level price for a 2 bed house).



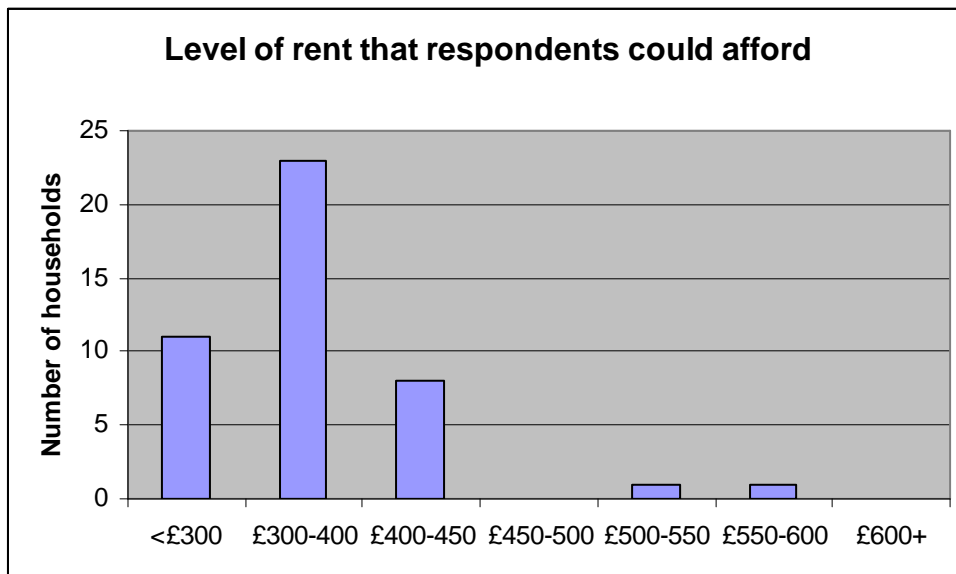
In addition to the problem of affordability, local people's ability to purchase in the market is further restricted by the very limited supply. The chart on **Appendix B** of this report shows the profile of all housing sales by value for the financial period 2008/9 in the Bakewell Ward and the chart in **Appendix C** shows house sales since 2005 for all property types in the Bakewell Ward.

**Private rented properties in Bakewell**

The table below lists all the properties available in Bakewell on rightmove.co.uk for private rent on one particular day. Only 2 respondents out of 42 indicated that they could afford a monthly rental of between £500-600 per calendar month. 95% stated they could afford a monthly rent of less than £450 pcm. Only one property (a 1 bed flat) was available to rent at £450pcm, the other 11 properties cost between £550-950 pcm. Therefore, even the price of private rented properties is higher than local people can afford.

**Private rented properties advertised on rightmove.co.uk on 9 April 2009 (only 12 properties available)**

To rent	Cost – per calendar month
1 bed flat	£450
2 bed flat	£550-£625 (£800 Riverside Crescent)
2 bed house	£625-£950
3 bed house/terrace	£595-£650
4 bed house	£650



## Tenure of affordable housing

The tenure options with affordable housing are rented or forms of ownership involving equity share, mainly shared ownership. 64% of respondents in the survey expressed a preference for affordable rent.

In terms of shared ownership, the financial information in the survey indicates that the majority of the respondents would struggle to afford shared ownership based on purchasing a 50% share. The table below gives a recent financial cost estimate of a shared ownership property in a comparable settlement based on the purchase of a 50% share. Respondents's weekly net income figures and mortgage borrowing ability (charts pg.12) show that, only a small number of respondents at the top end of the scale would be able to afford this.

The following financial figures are based on a mortgage rate of 6.25%, 25% repayment mortgage and 100% mortgage\*.

\*no 100% mortgages are available on the market at the moment (15-17% deposits are required for first time buyers), but this table gives an indicative guide.

Unit Type	Market value	Initial share	Weekly mortgage	Weekly rent	Sub-total	Weekly service charge	Total housing costs/week
2 bed	£165,000	50%	£126.63	£43.48	£170.11	8	£178.11

There is, however, a need for some bungalows for older people in the 60+ age groups, who predominantly have health and mobility issues and are currently in unsuitable accommodation. The financial information provided in the surveys indicates that this group would have the equity in their current accommodation to purchase a part-share.

If shared ownership or rent to buy\* is considered it should be noted that a recent District wide survey, which analysed affordable housing need on a much larger scale, recommended a 80% rented to 20% shared ownership split on new affordable housing schemes because of the large disparity between incomes and house prices.

### \*Rent to buy

In this difficult financial climate, alternative models are being devised that may assist people into part ownership in the medium term. Some housing associations are considering 'rent to buy' schemes. The scheme allows people to rent a property for a period with the aim of them buying a share in the property at a later date. 'Rent to buy' is a useful interim solution to the current difficulties in obtaining mortgages, which are affecting shared ownership.

## Conclusion

The survey shows that 89 households are in need of affordable housing in Bakewell. It is normally assumed that a proportion of this need will satisfy its housing requirement over time and some will move away from the area. Therefore, if a third of this figure is taken as a guideline of actual need, then 30 households are in need of affordable housing.

There is very limited opportunity for local people to meet their housing need in Bakewell by buying or renting a home on the open market, or through some form of shared equity such as shared ownership. The turnover of current affordable housing in Bakewell will not be able to meet the identified need for affordable housing. In comparison to other areas previously surveyed, Bakewell has the most extreme need of any settlement in the District. The Peak District National Park Authority, Derbyshire Dales District Council, Bakewell Town Council and the community need to work together to meet the affordable housing need identified in this survey.

Of the 138 people that make up the 89 households in need, 30% are people in the 60+ age groups. The survey identified a need for a range of accommodation types to meet the needs of young people, families and older people. The predominant need is for 2 bed houses, with a significant need also for 2 bed bungalows, 2 bed flats and 3 bed houses.

In terms of tenure, the main requirement is for affordable rented accommodation provided by a Housing Association. This is the tenure preference expressed by 64% of respondents. The financial information provided suggests that shared ownership may not be a viable option, except perhaps for bungalows for older people with equity.

The majority of people in housing need in Bakewell are currently living with parents or other relatives (30%) or in private rented accommodation (23%). 19% of respondents stated that their current accommodation is unsuitable because of a health and mobility issue.

Even though house prices have shown a recent decrease, there is still a large gap between incomes and house prices, which will continue to have a significant impact on affordability. The current credit crunch is also making it more difficult for people to get on to the housing ladder, with fewer mortgages available, larger deposits and a good credit rating being required, and a movement away from 100% mortgages and lending above 3 to 3.5 times a household's gross annual income.

This survey has been undertaken with the support of Bakewell Town Council and Derbyshire Dales District Council. These conclusions are based on information provided by residents of the town of Bakewell as part of a paper-based survey. The views of the Town Council and the community on the outcomes of this report are very much welcomed.

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## Appendix A

### Affordable Housing for Local People in the Peak Park – WHO IS LOCAL?

Exceptionally, planning permission is given for new homes for local people where there is a proven need. The Peak District National Park Authority defines people with a local qualification as:

1. A person (and his or her dependants) who have a minimum period of 10 years' permanent residence in the parish or an adjoining parish and is currently living in accommodation which is overcrowded or otherwise unsuitable

or

2. A person (and his or her dependants) who have a minimum period of 10 years permanent residence in the parish or an adjoining parish and is forming a household for the first time

or

3. A person not now resident in the parish but with a proven need and a strong local connection with the parish, including a period of residence of 10 years or more within the last 20 years.

or

4. A person who has an essential need to live close to another person who has a minimum of 10 years' residence in the parish, the essential need arising from age or infirmity.

or

5. A person who has an essential functional need to live close to his or her work in the parish, or an adjoining parish within the National Park

**Source:**

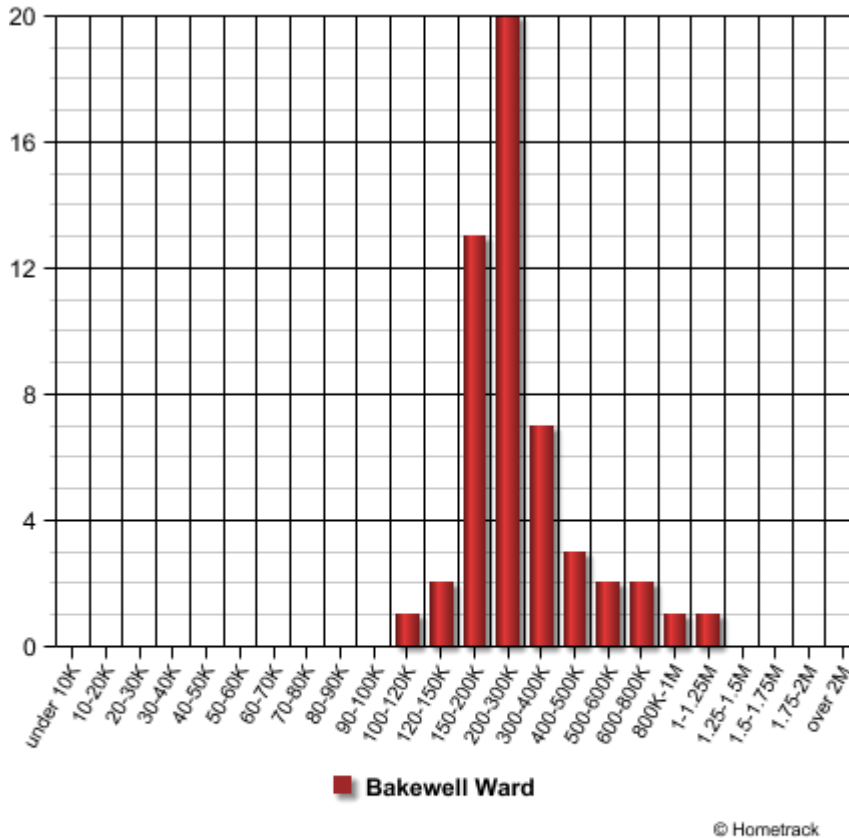
**Policy LH2 Definition of people with a local qualification, page 62, Peak District National Park Authority 'Local Plan' Adopted March 2001**

## Appendix B

### Bakewell Ward – Profile of all housing sale by value

The chart below shows that in the financial period 2008/2009, only 3 properties sold in the less than £150,000 bracket.

Turnover in 2008



#### Note

The chart shows the number of residential sales in the area by price band using data from HM Land Registry

This item includes information provided by Land Registry.

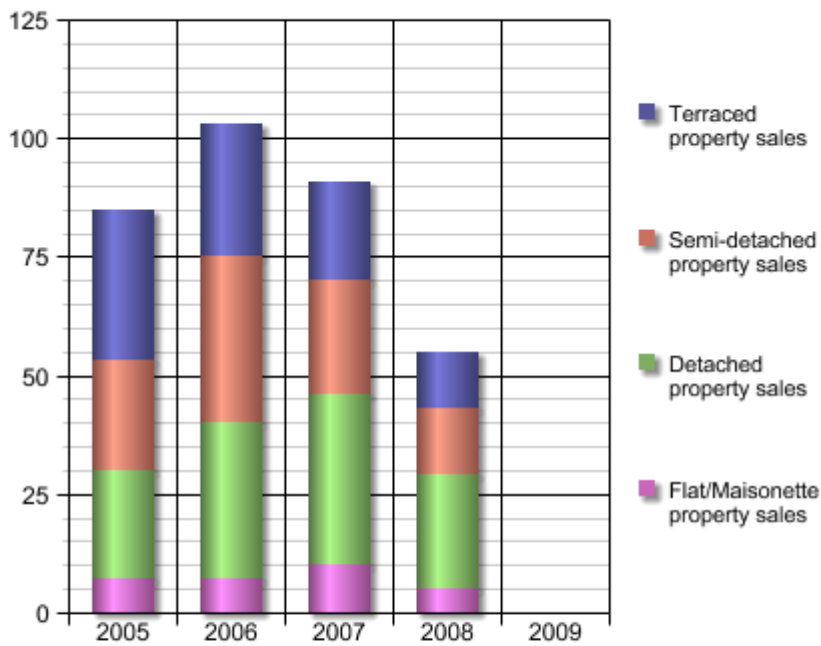
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## Appendix C

### Bakewell Ward

The chart below shows the reduction in sales in the financial period 2008/9 of all property types. In addition to the problem of affordability, local people's ability to purchase in the market is further restricted by the very limited supply. Of the entry level properties, only 12 terrace properties and 5 flats were sold in 2008/9. Figures for 2009 are not yet available as only a few weeks into the new financial year.

#### Annual turnover by property type



Source: Land Registry

#### Note

The chart shows the count of housing turnover each year split between property type using data from the Land Registry