

# A DETAILED INVESTIGATION INTO THE HOUSING NEEDS OF PRINCETHORPE



**PRODUCED BY  
MIDLANDS RURAL HOUSING**

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# CONTENTS

1.	INTRODUCTION	2
2.	PURPOSE OF THE SURVEY	2
3.	RESPONDENT DETAILS	3
	i) HOUSEHOLD TYPE	3
	ii) TENURE	4
	iii) PROPERTY TYPE	5
	iv) LENGTH OF RESIDENCY IN PARISH	5
	v) ANTICIPATED NEXT HOME MOVE - TENURE	6
	vi) ANTICIPATED NEXT HOME MOVE - TIME	6
	vii) LIFE IN THE PARISH	7
	viii) MIGRATION	9
	ix) SUPPORT FOR AN OPEN MARKET SCHEME	9
	x) SUPPORT FOR AN AFFORDABLE HOUSING SCHEME	10
	xi) HOUSING MIX FULFILLING FAMILY HOUSING NEEDS	10
	xii) RESPONDENTS' COMMENTS	11
4.	HOUSING NEED ANALYSIS	12
	i) LOCAL CONNECTION	12
	ii) REASONS FOR HOUSING NEED	13
	iii) RESPONDENT ANALYSIS	13
	iv) HOUSE PRICE DATA	15
	v) LOCAL CONTEXT	15
5.	CONCLUSION	17
6.	CONTACT INFORMATION	18

## 1. Introduction

Average property prices in rural areas have increased more than urban areas in monetary terms over the past 10 years<sup>1</sup> forcing many local residents to move away from their towns and villages in order to find suitable and affordable homes. House prices in the countryside are now up to £30,000 higher than in urban areas, despite average wages being lower. The average rural house price in England is now more than twelve times the average salary of people living in rural areas (source: NHF). In order to obtain a mortgage, a person living and working in the countryside would need to earn £66,000 per year but the average rural salary is far below that at around £20,000 (source: NHF). The number of people on waiting lists for affordable homes in rural England has soared to around 750,000<sup>2</sup>. New household formation is outstripping supply by 3 to 1 (source: CLG).

Increasing house prices and the limited availability of appropriate properties has resulted in local people being unable to find a home within their community and this may be happening in Princethorpe.

Midlands Rural Housing (MRH) work with local authorities, town and parish councils, registered providers (housing associations/registered social landlords), private developers and local communities in order to investigate the need for, and provide, homes to meet local needs in towns and villages throughout the Midlands. The first step in this research is to undertake a Housing Needs Survey which will give an overview of the current housing situation in a parish and provide details of the need for local housing.

The Princethorpe Housing Needs Survey questionnaires were delivered to every household in the Parish in mid to late August. The return date for the survey was 30<sup>th</sup> September and returns were made via a postage paid envelope directly to MRH. Survey forms were distributed to all households as well as to those who contacted MRH to say that they had moved away from Princethorpe or had a strong connection to the Parish and wished to complete a form. In total 215 survey forms were distributed.

## 2. Purpose of the Survey

The survey was conducted in order to obtain clear evidence of any local housing need for a range of housing tenures for Princethorpe residents. This evidence will be made available to Rugby Borough Council and Princethorpe Parish Council; used to inform Housing Strategy; and provide clarity on what type and tenure of housing is required to meet local needs.

In addition, the information can be used positively in the planning process. It provides a foundation on which to negotiate 'planning gain' opportunities with developers. In short, it gives the planners evidence that can be used to obtain an element of 'local needs' housing in negotiations with house builders, should such possibilities arise in the village.

The information obtained from a Housing Needs Survey is also invaluable at the local level, particularly in relation to local authority and parish council activities. Such information can be acted upon locally and taken on board in the decision making process when housing issues arise.

<sup>1</sup> Halifax Rural Housing Review 2011 - "Rural property prices rose by an average of £69,170 - equivalent to £576 per month - from £127,146 in 2001 to £196,316 in 2011. In the past decade, the average price paid by first-time buyers has risen by 90%"

<sup>2</sup> National Housing Federation, Rural housing research report 2011

### 3. Respondent details

A total of 215 survey forms were distributed and 41 were received in return, giving a return rate of 19% against the number distributed. In our experience this is an average level of response for a survey of this kind and it is only those who have a housing need or are interested in a local needs development and general village life that are likely to respond.

#### i) Household type

The questionnaire asked village residents to indicate the type of household they are. This enabled the charts below (fig 1.1), to be produced:

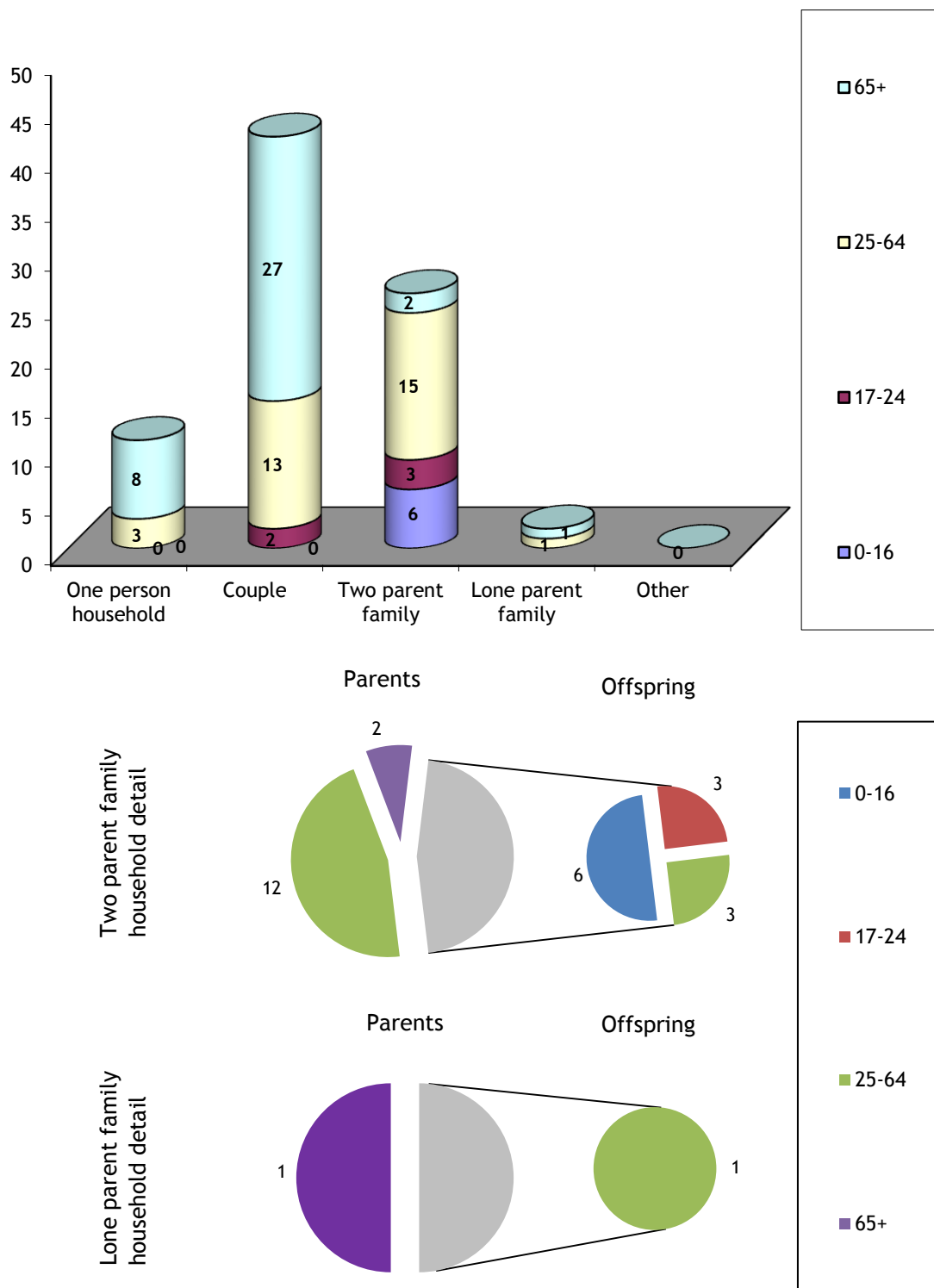


Fig 1.1 - Household type

Fig 1.1 on page 3 shows the age range breakdown of households that responded to the survey.

The largest number of responses were from those living in couple only households; a total of 21 responses were received from this type of household. 64% of people in those households were 65 years old and over, 31% were 25-64 years old and 5% were aged between 17 and 24 years old.

There were 11 responses from one person households. 73% of them were from those 65 and over and 27% were from people aged 25-64.

7 responses came from two parent family homes. The parents of these households were all aged over 25 years old. The offspring living in the two parent family households were of varying ages. 50% of the offspring were under 16 years old; 25% were 17-24 years old; and 25% were aged 25-64.

1 response was from a lone parent family household. The parent was aged 65 years and over and the offspring was aged between 25 and 64 years old.

1 response did not provide an answer to this question.

## ii) Tenure of all respondents

The current household tenure of respondents is given in the chart below (fig 1.2):

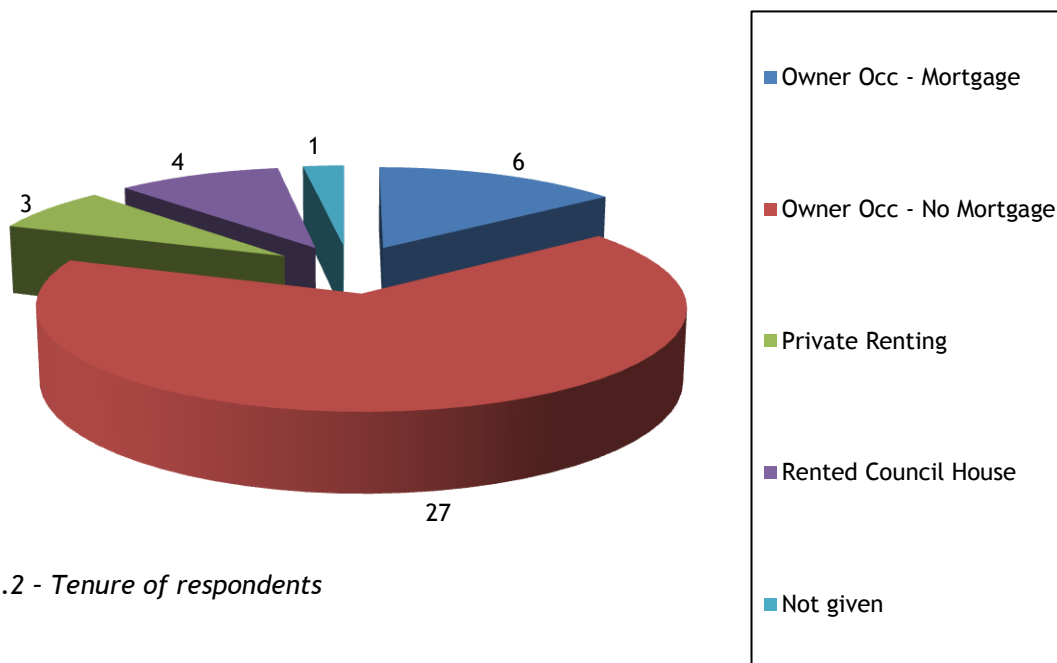


Fig 1.2 - Tenure of respondents

It shows that owner-occupiers were by far the largest tenure group accounting for 81% of replies (66% of total survey respondents have no outstanding mortgage on their property and 15% have a mortgage on their home).

17% of respondents live in rented accommodation (10% rent from the council and 7% rent privately). The remaining respondents did not provide a response.

### iii) Property Types

The following chart (fig 1.3) details the type of property that respondents currently reside in:

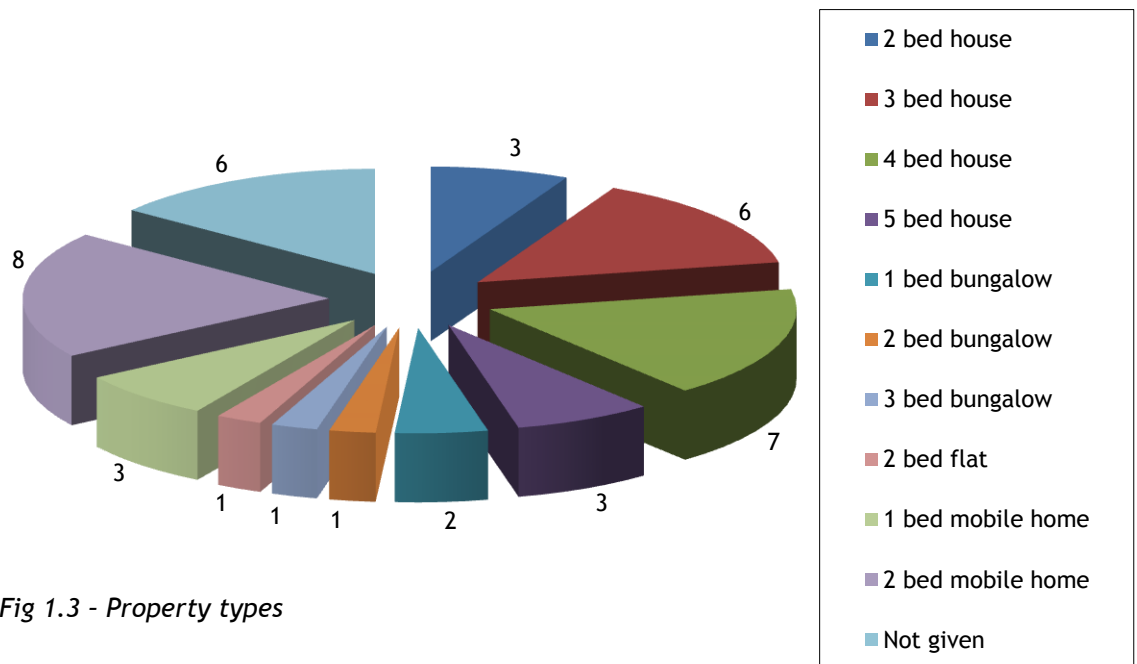


Fig 1.3 - Property types

Those living in 2 bedroom mobile homes were the largest group (20% of responses), followed by those living in 4 bedroom houses (17%) and 3 bedroom houses (15%). 10% of responses were from people living in a bungalow.

### iv) Length of residence in Parish

The length of time that respondents have lived in Princethorpe is given in the chart below (fig 1.4):

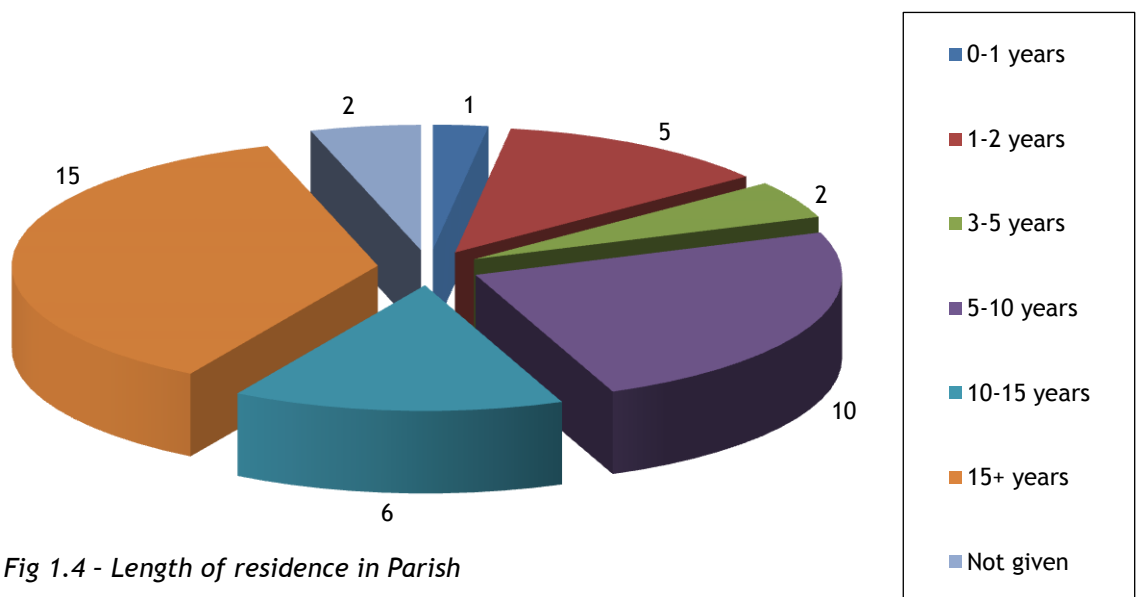


Fig 1.4 - Length of residence in Parish

It shows that 37% have lived in the Parish for in excess of 15 years.

15% of respondents have lived in Princethorpe for between 10 and 15 years, and 24% have been there for between 5 and 10 years. 19% of responses came from those who have lived in the village for less than 5 years.

v) **Anticipated next home move - tenure**

The following chart (fig 1.5) shows the tenure that respondents expect to move into in their next home move:

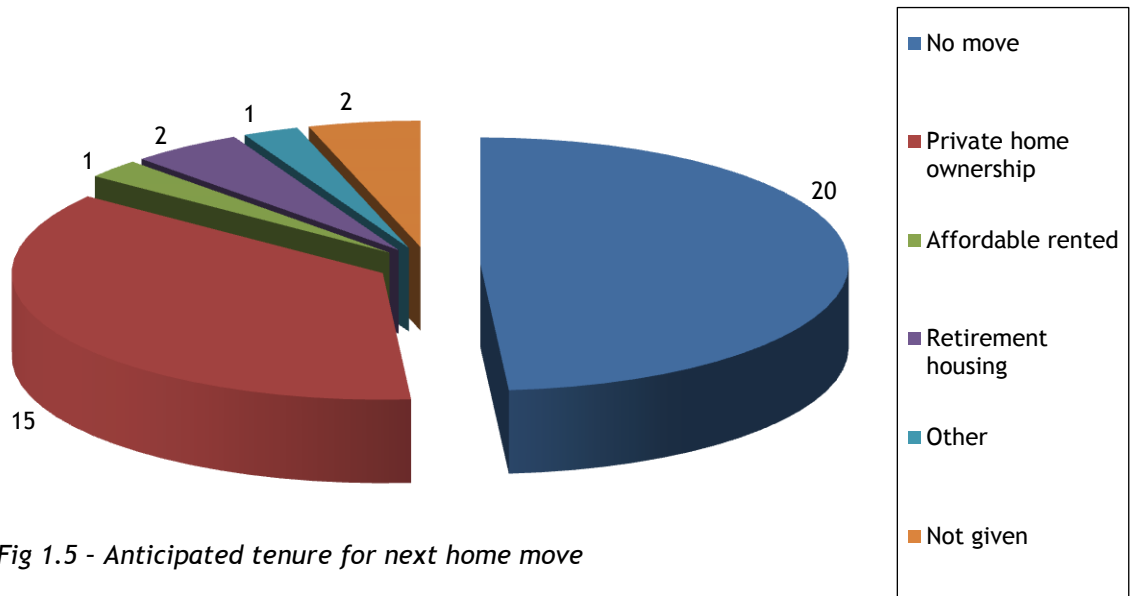


Fig 1.5 - Anticipated tenure for next home move

49% of completed questionnaires came from villagers who do not expect to move home again. 37% of people anticipate their next property being a privately owned home and 5% believe they will move into retirement housing.

Anticipated moves into affordable rented housing totalled 2%.

vi) **Anticipated next home move - time**

The timescale for the anticipated next move for respondents is detailed below (fig 1.6):

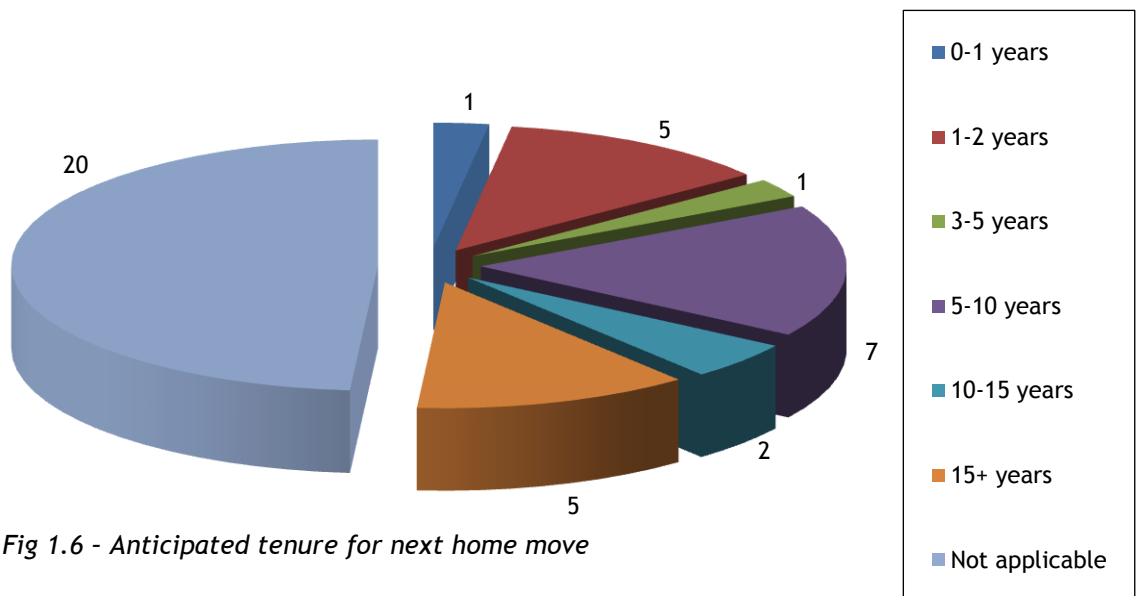


Fig 1.6 - Anticipated tenure for next home move

As with Fig 1.5, 49% of responses came from households that do not expect to move again. 17% of respondents expect their next home move to be in 5 to 10 years.

12% anticipate moving in 15 years time or more, whilst 15% of respondents expect to move within the next 2 years.

## vii) Life in the Parish

The following two charts detail respondents' answers to the 'life in the Parish' questions.

The views expressed allow a picture of life within the Parish to be built up. This information can help assess whether any homes that are subsequently provided in the village will be 'sustainable.' Ensuring that people will want to take up tenancies and live in a village both now and in the future are important factors when considerations around the provision of new homes take place.

The first question asked Parish residents how they felt about the 'positive' factors of life in the Parish.

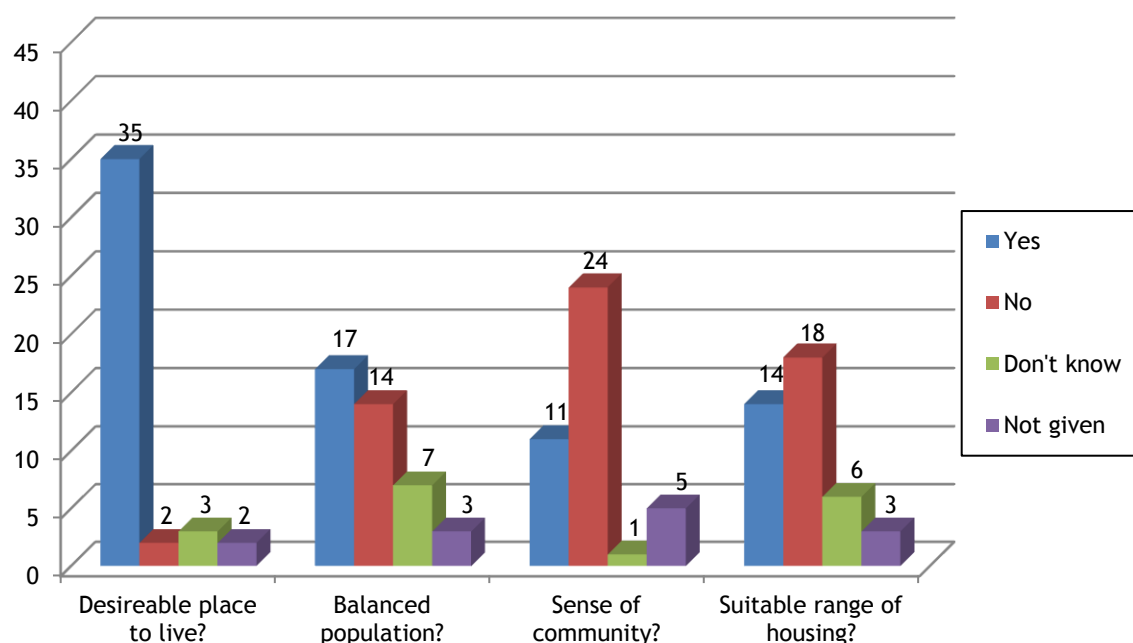


Fig 1.7 - Life in the Parish - positive factors

From fig 1.7, above, it can be seen that the majority of respondents are mixed in their opinions about life in Princethorpe.

85% believed that the Parish is a desirable place to live and 41% thought that it has a balanced population.

However, 58% of completed questionnaires came from those who believed that Princethorpe does not have a sense of community and 44% said that the Parish does not have a suitable range of housing.



The second question sought village residents' perceptions on the potentially negative aspects of life in the Parish.

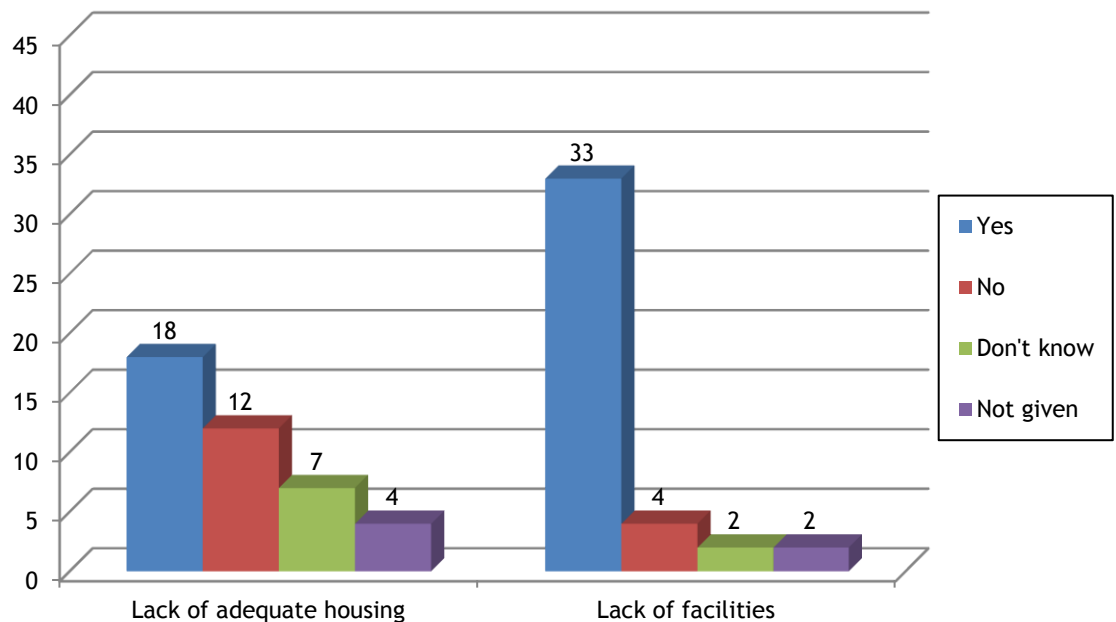


Fig 1.8 - Life in the Parish - negative factors

As can be seen from fig 1.8, above, 44% of respondents believed that there is a lack of adequate housing in Princethorpe whilst 29% of returned surveys felt that there is not.

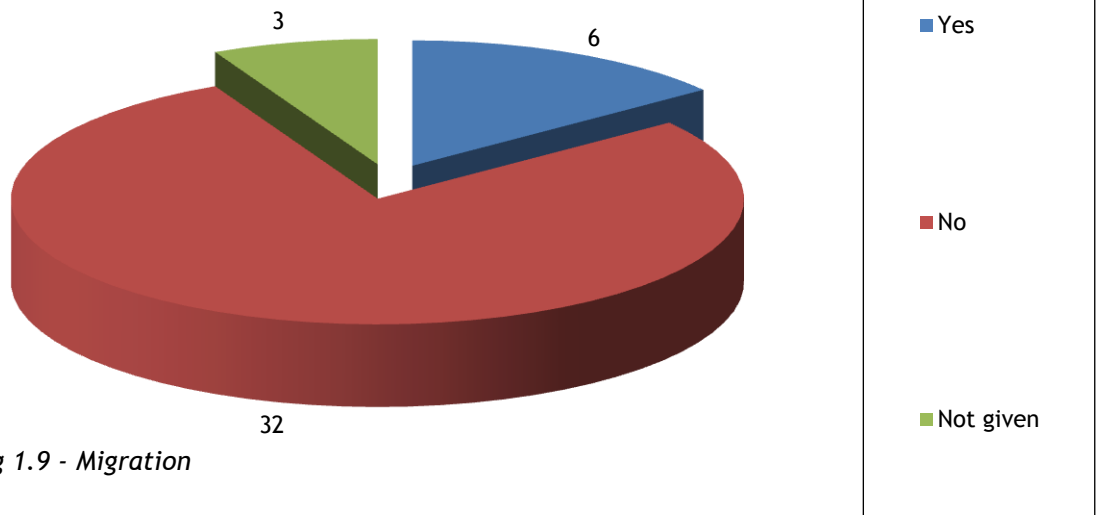
Villagers' perception on whether Princethorpe is well served by facilities saw 80% of respondents stating that there is a lack of facilities in the Parish.

Comments detailing respondents perceived problems in the Parish (besides housing) were based around the subjects of:

- No shop (18 comments)
- Poor public transport links (14 comments)
- No village hall (4 comments)
- Lack of everything (2 comments)
- Lack of footpaths (1 comment)
- No Post Office (1 comment)

**viii) Migration**

The survey also asked whether respondents knew of people who had been forced to leave the Parish because of a lack of suitable or affordable accommodation.



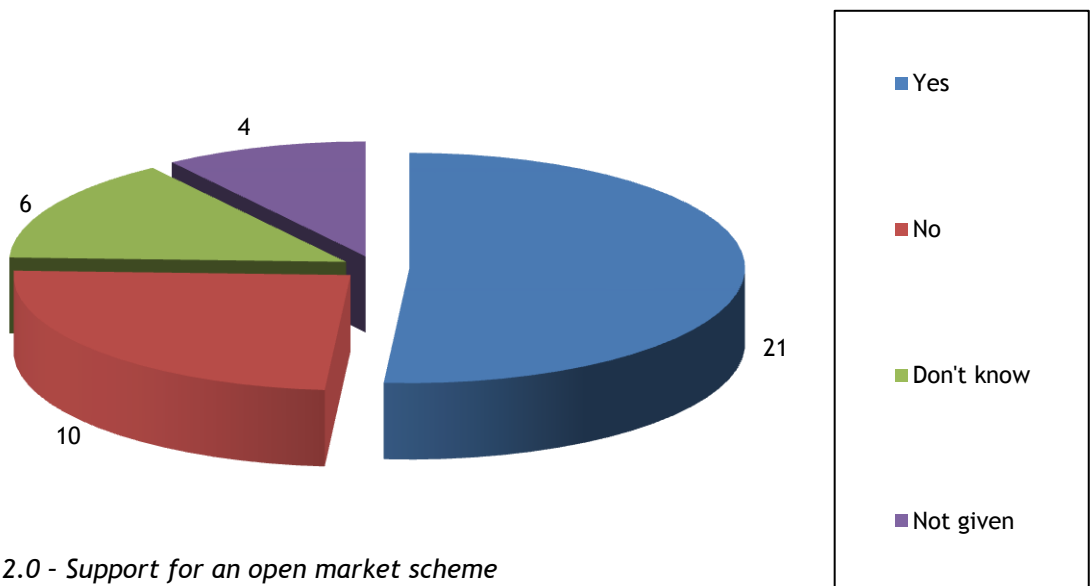
*Fig 1.9 - Migration*

Fig 1.9 shows that only 15% of Parish residents who returned questionnaires were aware of others who have had to leave the Parish in the last 5 years due to a lack of suitable housing or housing that they could afford.

However, these 6 respondents knew of some 30 people in total who have had to leave Princethorpe for this reason. Obviously some/many of these 'leaving' people/families will have been 'double counted' within this figure, but the number is still noteworthy considering the size of the village and the timescale involved.

**ix) Support for a small open market scheme**

Parishioners were asked if they would be in favour of a small scheme (approximately 3-8 homes) of new open market homes in the Parish.

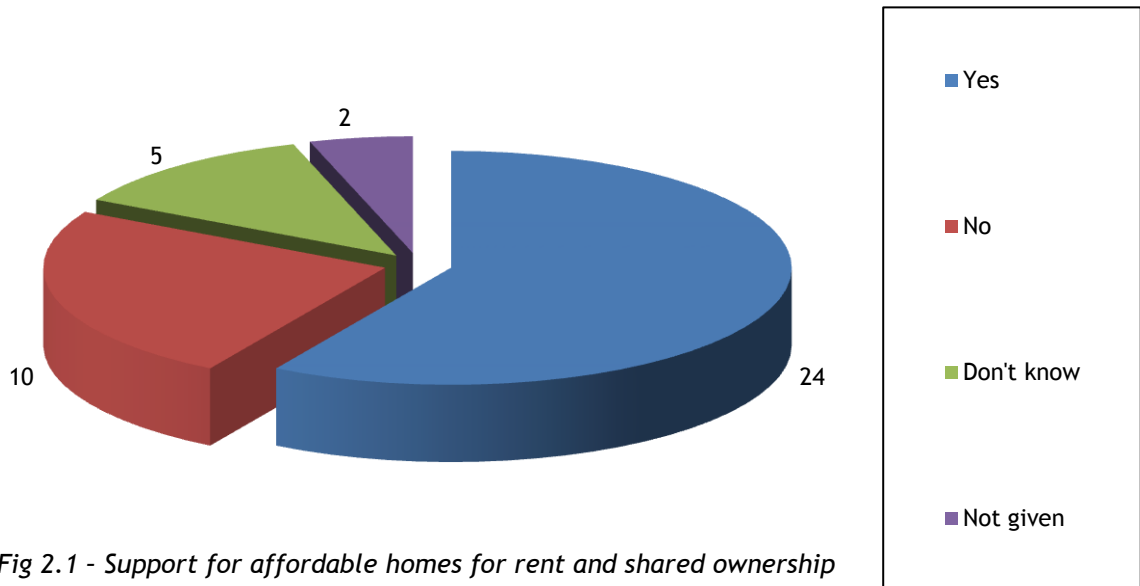


*Fig 2.0 - Support for an open market scheme*

Fig 2.0, on the previous page, shows that just over half of respondents (51%) are in favour of an open market scheme whilst just less than a quarter (24%) said that they are not in favour. A quarter of respondents (25%) did not know or did not respond.

**x) Support for a small scheme of affordable and shared ownership homes**

The questionnaire asked if respondents would be in favour of a small scheme (approximately 3-8 homes) of affordable homes for rent/shard ownership in the Parish.

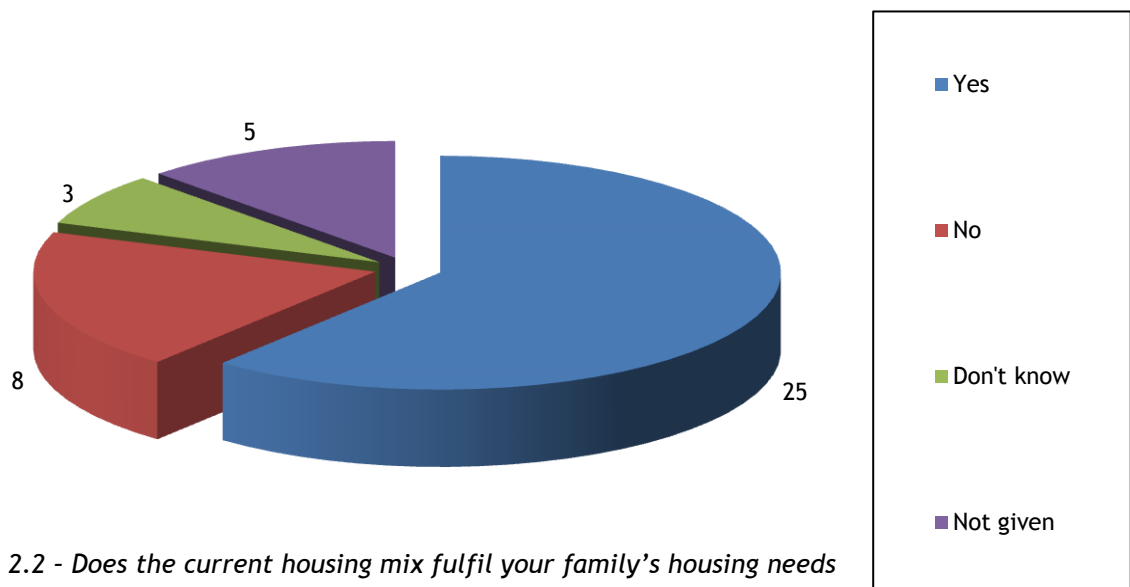


*Fig 2.1 - Support for affordable homes for rent and shared ownership*

Fig 2.1, above, shows that 59% of respondents are in favour of an affordable housing scheme whilst 24% said that they are not in favour. 17% of responses came from those who did not know or did not answer.

**xi) Does the current mix of housing in the village fulfil your family's housing needs**

Respondents were asked whether the current mix of housing in Princethorpe fulfils their family's housing needs.



*Fig 2.2 - Does the current housing mix fulfil your family's housing needs*

Fig 2.2, on the previous page, shows that 61% of respondents felt that the current housing mix did meet their family's housing needs. 20% said that it did not whilst 19% did not know or did not answer.

**xii) Respondents' comments**

Many respondents made additional comments on their returned form. They are summarised below:

(It is not appropriate to include certain comments which make specific reference to particular areas of the village or to identifiable elements of the community)

*There were 13 general comments highlighting a lack of affordable / low cost / rented / shared ownership / 'council housing'; for the young / elderly / families / disabled / first-time buyers and those on low and average incomes.*

**Other comments regarding housing, development and life in Princethorpe**

*"Totally opposed to further encroachment of green belt."*

## 4. Housing Need Analysis

Of the 41 returns, 36 were from people who felt that they were adequately housed at present. These respondents completed a form primarily to offer their support, objection or thoughts towards 'local needs' housing as well as to give their comments regarding life in the Parish. These were, therefore, discounted from the rest of the analysis.

As far as the requirement for housing, 5 returns indicated a need for housing either within the next two years or in two to five years time.

### i) Local Connection

The survey form is made available to those who currently live in the Parish and those who have a previous residency or a strong local connection to the Parish, such as a job or close family in the Parish. Of the 5 respondents who indicated a housing need, all of them currently satisfy Rugby Borough Council's local connection criteria (5 year permanent residency in the Parish; 5 out of the past 20 years permanent residency in the Parish; requirement to live close to another person who satisfies the previous criteria and is in essential need of frequent attention and/or care due to age, ill health and/or infirmity; essential functional need to live close to work in the Parish).

The local connection links are shown in the chart below (fig 2.3):

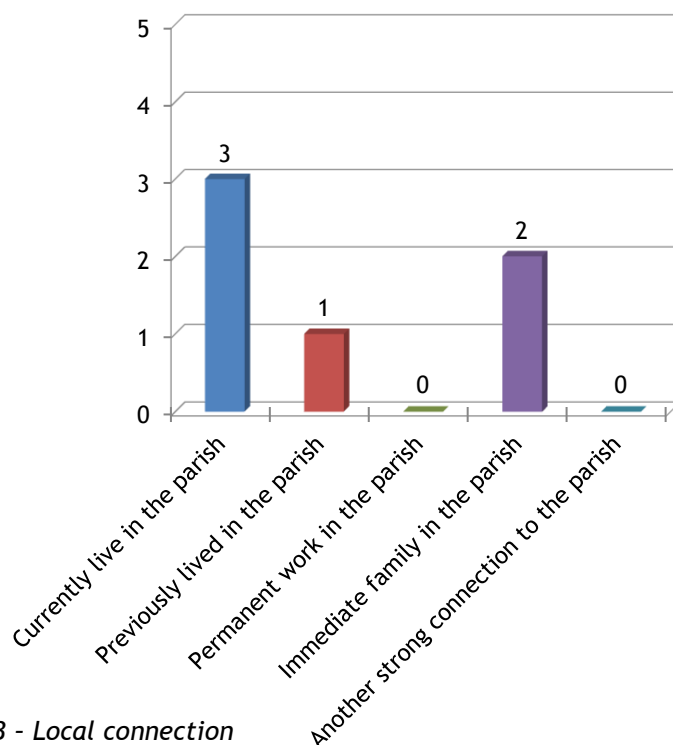


Fig 2.3 - Local connection

3 returns were from people who currently live in Princethorpe. 1 respondent has previously lived in the Parish and 2 respondents have immediate family in the Parish.

In total, there were 6 local connections given by the 5 respondents. This is more than the total number of responses in housing need as households can have more than one connection to Princethorpe.

## ii) Reasons for housing need

Respondents were asked to state why they felt they were in need of alternative accommodation. The chart below (fig 2.4), shows the reasons that were given:

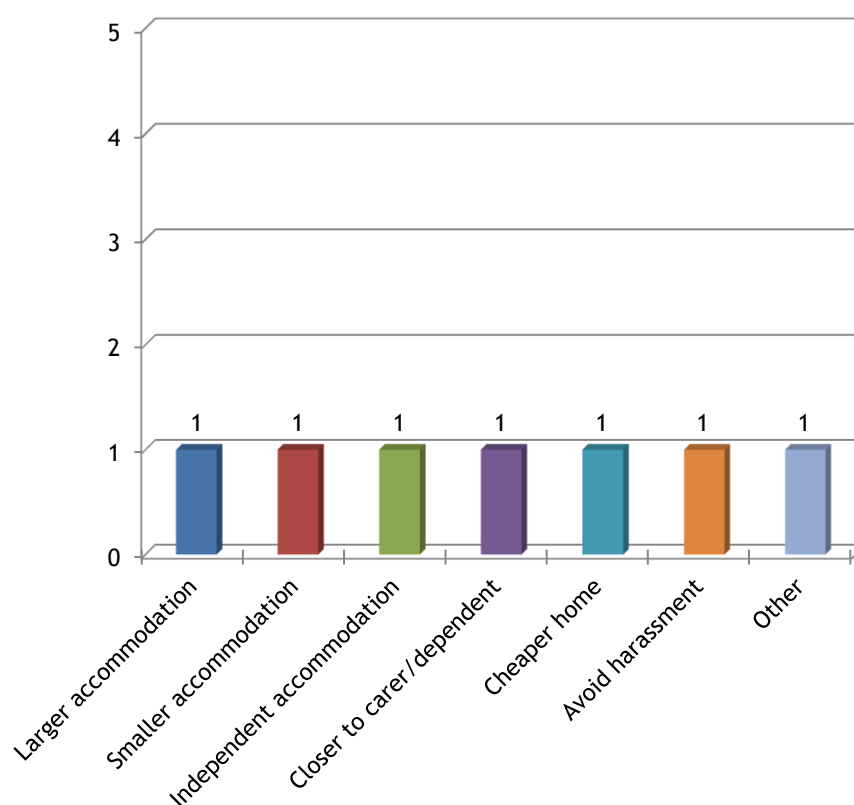


Fig 2.4 - Reasons for housing need

It can be seen that the reasons for seeking alternative accommodation are varied.

## iii) Respondent analysis

The table overleaf lists details of those respondents who stated that they are in housing need. Respondents were asked to identify what they felt is needed in terms of property type and size together with a preferred tenure type. In reality it may not be possible to meet the aspirations of each respondent. Incomes and likely property prices are considered in order to ensure that any proposed scheme would indeed meet the needs of those to be housed. Therefore a 'reality tenure' is suggested to outline realistic provision.

Those marked with a \* indicate that the respondent is currently housed in Housing Association/Council accommodation which would be available to other people in need on waiting lists if the current residents were able to be re-housed in a more suitable property.

In the next 2 years

Ref	RESPONDENT	WHAT REQUIRED	REALITY TENURE
<b>RESPONDENTS BELOW HAVE A NEED IN THE NEXT 2 YEARS</b>			
26	One person household (1 adult, 25-64 years old), currently living in rented council house in the Parish (has lived in the Parish for 10-15 years). Needs cheaper home.	2 bed house / bungalow - Social rented home	Adequately housed at present (stated need for 2 bed home so new home cannot be justified as same as current)
28	One person household (1 adult, 65+ years old), currently living in house with no mortgage in the Parish (has lived in the Parish for 15+ years). Needs smaller home.	2 / 3 bed bungalow - Open market home	2 bed bungalow - Open market home
37	One person household (1 adult, 65+ years old), currently living in flat with no mortgage away from the Parish (has previously lived in the Parish for 15+ years). Needs to be closer to carer/dependant.	2 bed house - Open market home	2 bed house - Open market home
39	One person household (1 adult), currently living with parents in the Parish (has lived in the Parish for 15+ years). Will need first home.	2 bed house / bungalow - Open market home	2 bed house - Open market home
41	One person household (1 adult, 25-64 years old), currently living with parents in the Parish (has lived in the Parish for 5-10 years and has immediate family in the Parish). Needs independent accommodation.	2 bed house - Open market home	2 bed house - Open market home

#### iv) House price data

The table, below (fig 2.5), details the house prices and household type breakdown for the Princethorpe area. They are taken from [www.zoopla.co.uk](http://www.zoopla.co.uk). Further local context is given on page 15 with regard to properties that are/have been for sale and rent in Princethorpe itself.

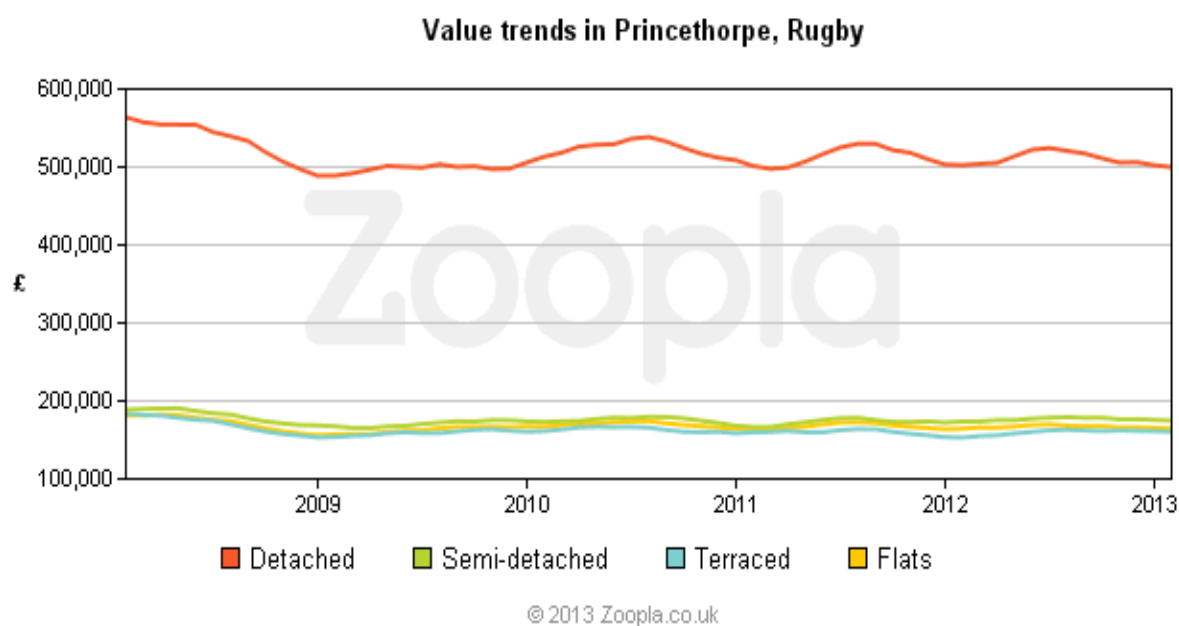


Fig 2.5 - Average property prices for Princethorpe 2008-2013

The chart above (fig 2.5) shows that property prices in Princethorpe have, overall, decreased slightly over the past 4 to 5 years.

#### v) Local context

By way of local context, the table, below, shows prices of properties that were for sale or rent in Princethorpe in February 2013 (sources: [www.rightmove.co.uk](http://www.rightmove.co.uk) and [www.zoopla.co.uk](http://www.zoopla.co.uk)). The table shows all properties that were offered for sale in Princethorpe and includes all properties that were available to rent under £1,000pcm.

Property	Price (£)	Property	Price (£)
4 bed detached house	749,950	4 bed detached house	2,300 pcm
4 bed detached house	685,000	Studio flat	525 pcm
4 bed detached house	599,995		
3 bed park home	155,000		
2 bed park home	152,500		
2 bed park home	120,000		

It can be seen that the cheapest available property is a 2 bed park home which is on the market with a guide price of £120,000. The 'cheapest' house is a 4 bed detached which is on the market at £599,950.



**Affordability is calculated using a mortgage multiplier of 3.5 times household income with a 25% deposit.**

Based on this affordability criteria it would require a deposit of £30,000 and an income of almost £25,500 per annum to afford the cheapest available park home property currently available in Princethorpe. There are only two other properties available under £500,000, both of which are park homes and would require deposits in excess of £38,000 and incomes in excess of £32,500.

The private rental market is currently only offering two properties. One is £2,300 per calendar month and the other is a studio flat priced at £525 per calendar month.

With regard to actual sales, the table below shows properties that have been sold in Princethorpe over the past 2 years:

Year	Property	Price (£)
2012	3 bed terraced	163,000
2011	2 bed terraced	185,000
2011	4 bed detached	425,000
2011	6 bed detached	585,000
2010	4 bed detached	525,000
2010	3 bed detached	490,000

The lower quartile property price for actual sales since February 2010 is £179,500. Based on the affordability criteria explained earlier this would require a deposit of £44,500 and an income in excess of £38,000 per annum.

It should be noted that there were only two properties sold for less than £425,000 during the last two years.

## 5. Conclusion

MRH has conducted a detailed study of the housing needs of Princethorpe. This study has investigated the needs for affordable housing, market rent level housing and open market housing. In addition, the survey ascertained residents' views with regard to living in the Parish and support for housing development in the village.

The survey has identified a need for properties to meet the immediate (i.e. those with a need within 2 years) housing needs of those with a local connection. (It should be noted that many more households will be on housing registers and estate agent lists wanting a property, affordable or open market, in Princethorpe but this survey ascertained those in need who have a local connection to the Parish).

Of the 5 respondents who indicated a housing need within the next two years:

- **4 were assessed as being in need of open market housing to purchase**
  - 3 x 2 Bed house - open market
  - 1 x 2 Bed bungalow - open market
- **1 was assessed as being suitably housed despite expressing a desire for affordable housing**


**THEREFORE, THERE IS AN IMMEDIATE IDENTIFIED**  
**NEED FOR 4 OPEN MARKET HOMES IN PRINCETHORPE**  
**FOR THOSE WITH A LOCAL CONNECTION**

## 6. Contact information

### Midlands Rural Housing

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