Tattenhall & District Parish Housing Needs Report

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FINAL VERSION – DECEMBER 2023

CHESHIRE COMMUNITY ACTION

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1.0 EXECUTIVE SUMMARY

Tattenhall & District population numbers have increased over the last decade (2011-2021) by 7%. It is an ageing population with increases in over 65's (from 24% of the population in 2011 to 30% in 2021) and therefore resulting in a reducing proportion of working age people within the Parish. There is also a trend towards more single person households and a decrease in family households (couples with or without children and lone parents) from 2011-2021.

Median house prices are 74% higher than the borough and lower quartile prices are 58% higher than CWaC. This has resulted in the affordability ratio in Tattenhall reaching 10.5 for median prices to median income, with lower quartile prices to lower quartile income 10.13 i.e. house prices are 10.5 times the annual average Tattenhall salary. This is higher than the Cheshire West and Chester (CWaC) average of 6:83 - showing a significant affordability gap. However, measuring affordability of different tenures against the median income of £38k (without taking into account potential savings and equity assets that could impact affordability) showed that median market rent (£564pcm), affordable rent (80% market rent), social rent (50% market rent) and shared ownership (up to 50% share) are within affordable reach of median income households. For lower quartile income (£26k) households the same tenures are reasonably affordable, but for shared ownership - lower shares of 25% would be required.

Affordable housing shortfall / surplus

The table below shows the estimated shortfall / surplus of affordable housing in Tattenhall & District Parish. It measures the affordable need from the housing register (Dec 2023), and then deducts the estimated housing supply from pipeline developments with planning permission and re-lets of existing stock[1] to give a shortfall / surplus of affordable housing.

Property Type	Affordable housing need	Estimated supply		Shortfall (-) / Surplus (+)
	Need for affordable / social rent from the housing register (Households based in Tattenhall Ward Dec 2022)	Estimated supply of affordable /social rent from planning approvals [2]	Estimated supply from re-lets of existing affordable stock (annual average)	Housing register and survey needs minus estimated supply
1 Bed	16	4	4	**8**
2 Bed	8		5	**3**
3 Bed	5		4	**1**
4+ Bed				**0**
Total	**29**	**4**	**13**	**12**

As of December 2022, the housing register for affordable rented accommodation in the Tattenhall Ward indicates a need for 29 households, with 55% requiring 1-bedroom units, 28% needing 2-bedroom units, and 17% requiring 3-bedroom units, all from a local connection to the area. The estimated annual supply of affordable rent units from planning approvals is four 1-bedroom units. Additionally, turnover of existing stock contributes an average of thirteen units per year, comprising 31% 1-bedroom, 39% 2-bedroom, and 31% 3-bedroom units. Consequently, there is an annual shortfall of twelve units, with 67% being 1-bedroom, 25% 2-bedroom, and 8% 3-bedroom units.

[1] Source: CWaC Housing Authority – Housing Register
[2] Source: CWaC Housing Land Monitor

2.0 INTRODUCTION

Cheshire Community Action (CCA) was commissioned by Tattenhall & District Parish Council to carry out a housing needs assessment of the Parish. The assessment was carried out to collect up-to-date information on housing needs to inform a review of housing policies in the neighbourhood plan.

The data in the report will be relevant for up to 5 years (from June 2023) for the purposes of the neighbourhood plan evidence and provides an evidence base for the Parish Council to respond to, and influence future planning applications to help ensure that they meet local needs.

Cheshire Community Action is a local charity based in Cheshire that has conducted the housing needs assessment independently.

3.0 METHODOLOGY

This reports contains analysis of the key datasets that can influence housing need with a focus on affordable housing provision, but including analysis of demographic and market trends as well as a detailed affordability assessment to determine what 'affordable' looks like in the specified area.

Demographic trends – what's included:

- Population number change from 2011-2021
- Age structure change from 2011-2021 broken down into 0-15, 16-64, 65+
- Household composition change from 2011-2021 including family, singles and other households

Source: ONS

Housing market trends – what's included:

- Median house prices for the local Ward over last 5 years compared to the borough
- Lower quartile (lowest 25%) house prices for the Ward over the last 5 years compared to the borough

Source: ONS

Affordability analysis – what's included:

- Income required to afford a range of different tenures from market housing to social rent compared to actual median and lower quartile income levels.

Sources: ONS and income data from CWaC

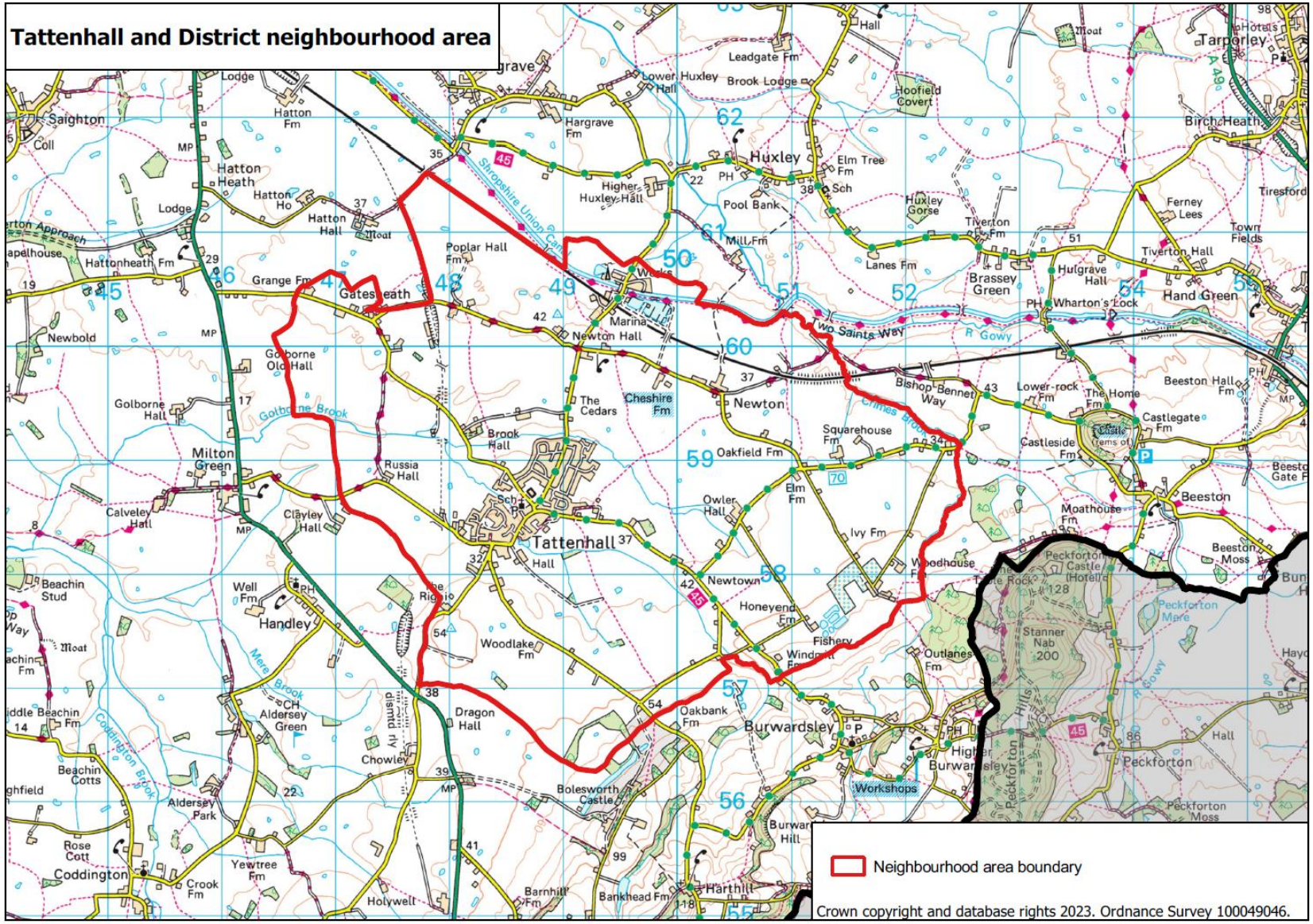
Housing need analysis – what's included:

- Housing needs identified from two sources: CWaC housing register and the household survey

- Housing supply identified from two sources: CWAC housing register (turnover of existing affordable housing) and developments yet to be built with planning permission.
- Needs are then deducted from the supply to draw conclusions on whether there is a shortfall or surplus of housing in the parish and what that looks like.

Sources: Survey, CWaC housing register, planning applications and forecasts.

4.0 STUDY AREA (Tattenhall & District Parish – designated neighbourhood area)[3]

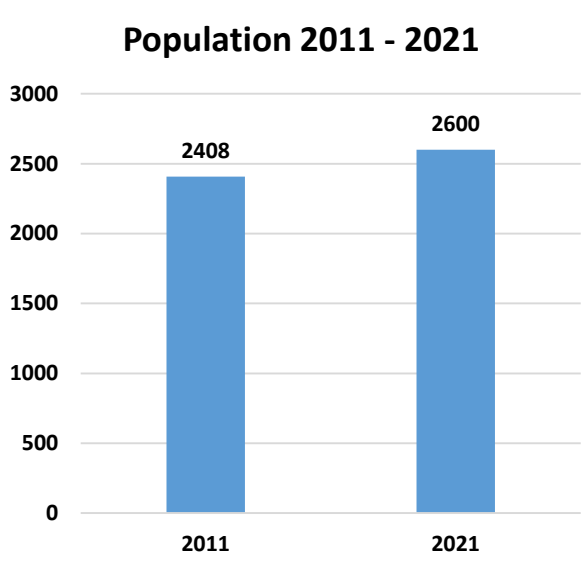


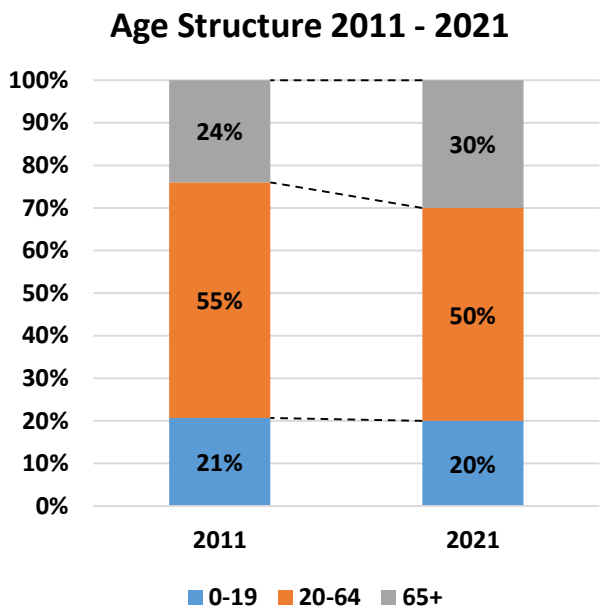
Map source: https://consult.cheshirewestandchester.gov.uk/kse/event/37401

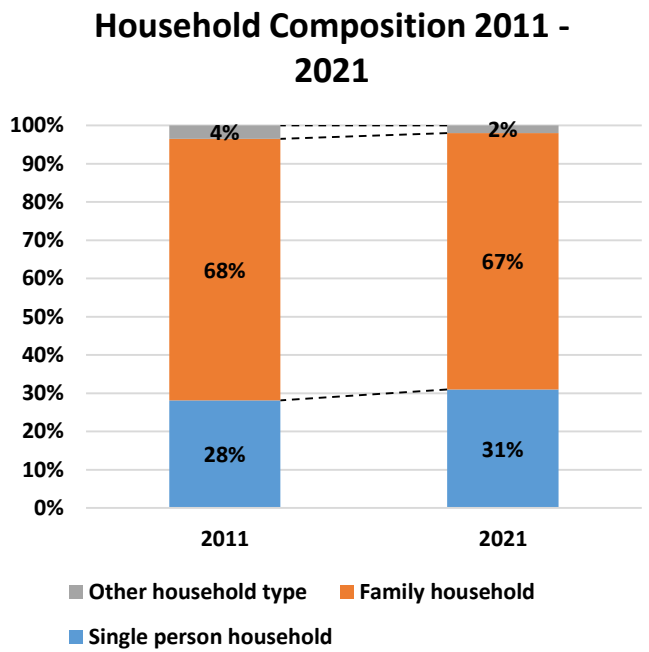
[3] Housing market data sets cover the Tattenhall Ward as Parish level data is not available.

5.0 DEMOGRAPHIC PROFILE

The chart below (left) shows the change in total population numbers from 2011 to 2021, the chart in the middle shows the age structure changes using age brackets: 0-19 (children and young people), 20-64 (working age population) and 65+ from 2011 and 2021, and the chart on the right shows the change in household composition from 2011-2021.







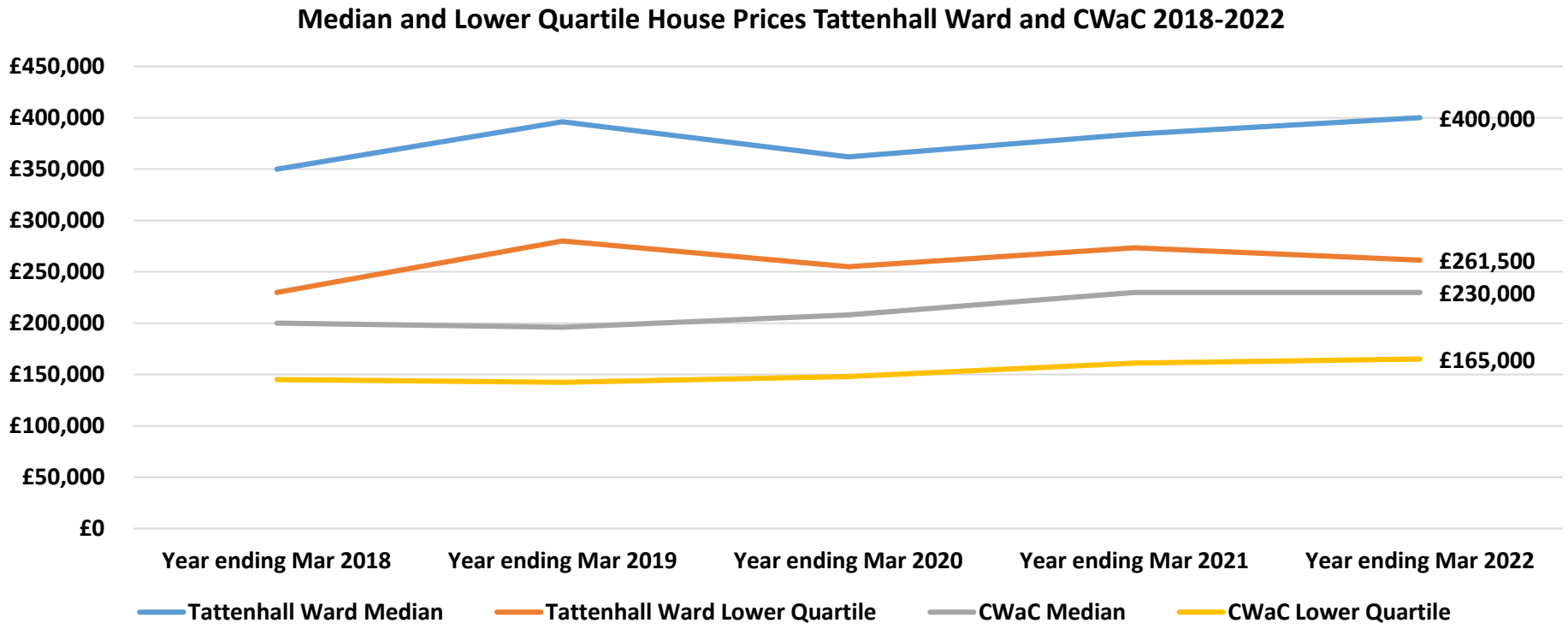
Observations:

- The population numbers in the Parish increased by 192 people (7%) from 2011-2021, according to ONS Census data from 2011 and 2021[4].
- The chart in the middle highlights how the age structure of the population changed from 2011 to 2021 showing an increase in over 65's from 24% in 2011 to 30% of the population in 2021. The working age population decreased from 55% in 2011 to 50% in 2021 and 0-19's reduced from 21% to 20%. This demonstrates that the population is ageing rapidly within the parish area.
- The chart on the right shows that there was a decrease in the proportion of families from 68% in 2011 to 67% in 2021 with an increase in the proportion of single person households from 28% in 2011 to 31% in 2021.

[4] Sources: ONS 2011 and 2021 census tables

6.0 HOUSE PRICES

The chart below shows the median and lower quartile (LQ) house prices for the Tattenhall Ward (as parish level house price data was not available) and Cheshire West (CWaC) from 2018 - 2022.



Observations:

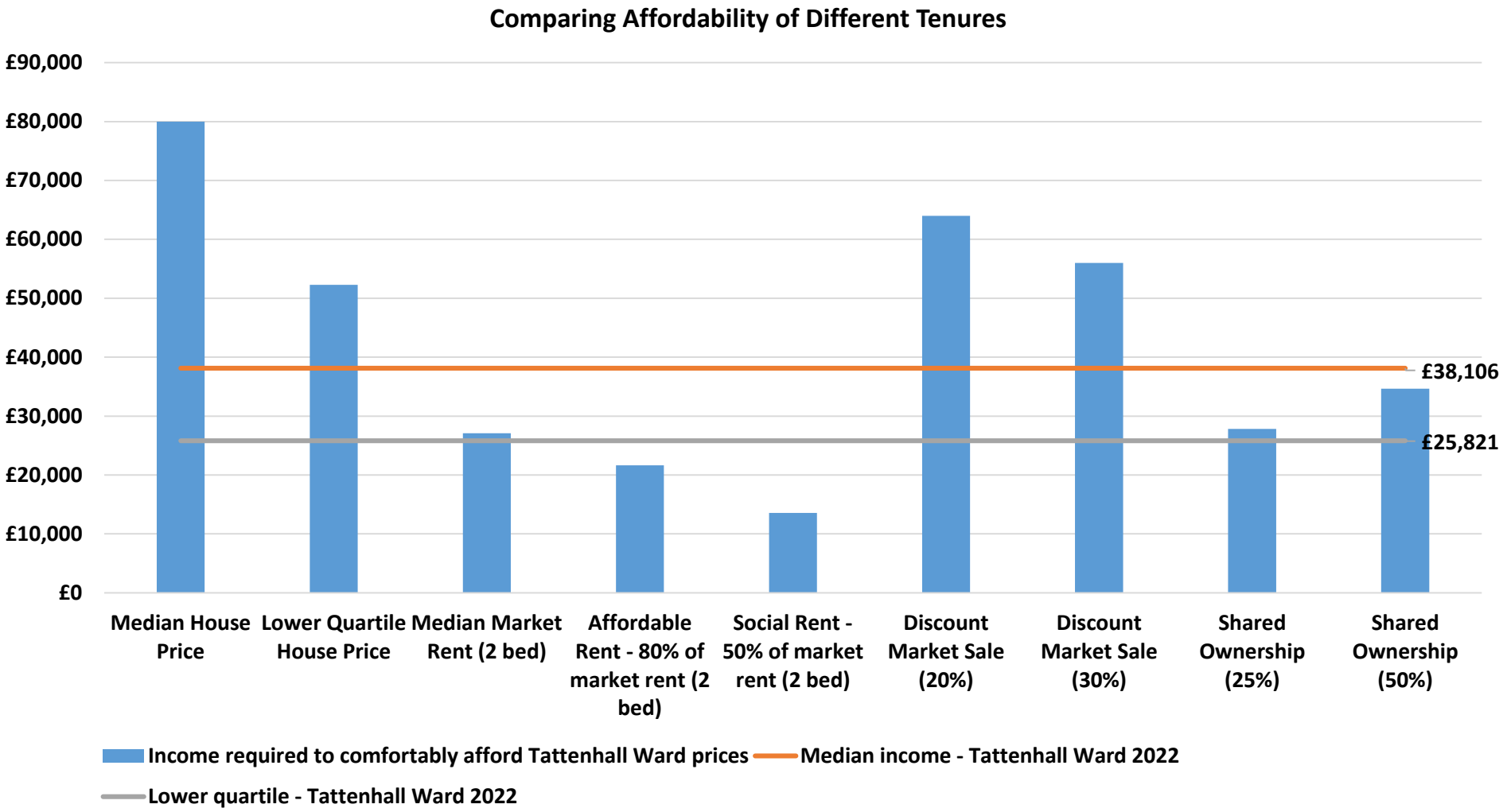
- Tattenhall Ward median property price[5] overall was £400,000, which was 74% higher than the borough median (£230,000)[6] in 2022.
- Tattenhall Ward lower quartile (lowest 25%) property prices[7] were £261,500, which was 58% higher than the lower quartile price[8] for the borough (£165,000) in 2022.
- Median property prices in Tattenhall Ward have changed broadly in line with the borough in the last five years, with a broadly consistent gap between local prices and the borough area.

[5] Source: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/medianpricepaidbywardhpssadataset37
[6] Source: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/medianhousepricefornationalandsubnationalgeographiesquarterlyrollingyearhpssadataset09
[7] Source: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/lowerquartilepricepaidbywardhpssadataset39
[8] Source: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/lowerquartilehousepricefornationalandsubnationalgeographiesquarterlyrollingyearhpssadataset15

7.0 AFFORDABILITY OF DIFFERENT TENURES

The chart below shows the income required[9] (blue bars) to afford different tenures measured against median (orange line) and lower quartile (grey line - lowest 25%) household incomes to give an indication of the affordability of different tenures. This is an indicative demonstration of affordability and does not take into account any additional savings or equity assets that could impact affordability.

[9] Income required figures for sales are based on borrowing 90% of the property price at 4.5 times income. Mortgage lenders will typically offer around four and a half times their income as a total mortgage amount, although this can vary with different circumstances. Levels of debt, numbers of dependent children, the nature of employment, and whether they have purchased property before and economic conditions can all influence the amount lenders will offer.



2022	Tattenhall Ward	CWaC
Median Price	£400,000	£230,000
Median Income	£38,106	£33,661
Affordability ratio	**10.50**	**6.83**
LQ House Price	£261,500	£165,000
LQ income	£25,821	£24,468
Affordability ratio	**10.13**	**6.74**

Observations:

- **Households on a median income in Tattenhall Ward (£38,106[10]) could comfortably afford the following:**
  - Median market rent 2 bed (£564pcm[11])
  - Affordable rent (80% median market rent)
  - Social rent (50% median market rent)
  - Shared ownership at 25% or 50% share[12] of Tattenhall Ward lower quartile house prices

  Median income households could not comfortably afford:
  - Median house price for Tattenhall Ward (£400,000)
  - Lower quartile house price for Tattenhall Ward (£261,500)
  - Market sales discounted at 20% or 30% of the median house price
- **Households on a lower quartile income in Tattenhall Ward (£25,821[13]) could comfortably afford the following:**

  - Median market rent 2 bed (£564pcm)

  - Affordable rent (80% median market rent)

  - Social rent (50% median market rent)

  - Shared ownership at 25% share of Tattenhall Ward lower quartile house prices
  - The local area has a significantly larger gap between earnings and house prices than the borough: **lower quartile house prices are over 10x incomes compared to almost 7x incomes across Cheshire West.**

[10] Source: CWaC Ward Profiles 2022 (Paycheck © 1996 - 2023 CACI Ltd.)
[11] Source: CWaC Compendium of local house prices Feb 2022. Affordability of rent is based on spending 25% of income on rent.
[12] Based on 90% mortgage of 25% and 50% share of lower quartile price at 5% interest rate paid over 25 years to give indicative monthly costs of mortgage repayments and rent portion. This excludes service charges. Calculated using the following shared ownership cost calculator: https://landgah.com/help-and-advice/shared-ownership-affordability-calculator/
[13] Source: CWaC Research Team - Equivalised Paycheck 2022 © 1996-2022 CACI Limited.

8.0 AFFORDABLE HOUSING SHORTFALL / SURPLUS

The table below shows the estimated shortfall / surplus of affordable housing in Tattenhall & District Parish. It measures the affordable need from the housing register (Dec 2023), and then deducts the estimated housing supply from pipeline developments with planning permission and re-lets of existing stock[14] to give a shortfall / surplus of affordable housing. The data on re-lets is an annual average taken from 2016 to 2022 and is therefore indicative of what may become available going forward for a similar period.

Property Type	Affordable housing need	Estimated supply		Shortfall (-) / Surplus (+)
	Need for affordable / social rent from the housing register (Households based in Tattenhall Ward Dec 2022)	Estimated supply of affordable /social rent from planning approvals [15]	Estimated supply from re-lets of existing affordable stock (annual average)	Housing register and survey needs minus estimated supply
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2 Bed	8		5	**3**
3 Bed	5		4	**1**
4+ Bed				**0**
Total	**29**	**4**	**13**	**12**

Observations:

- The housing register need for affordable rented accommodation (based on data from Dec 2022) for people with a local connection to the Tattenhall Ward (therefore eligible for affordable housing in the neighbourhood area) is: 29 households – made up of 55% 1 bed need, 28% 2 bed need, and 17% 3 bed need.
- The estimated annual supply of affordable rent from planning approvals (based on CWaC housing supply forecasts 2021-22) is four x 1 bed units.
- The estimated annual supply of affordable rent units from turnover of existing stock is thirteen units per year on average, with 31% 1 bed, 39% 2 bed and 31% 3 bed becoming available.
- The estimated annual shortfall of affordable rented housing is therefore twelve units per year – 67% 1 bed, 25% 2 bed and 8% 3 bed.

[14] Source: CWaC Housing Authority – Housing Register
[15] Source: CWaC Housing Land Monitor

9.0 THANKS

Cheshire Community Action would like to thank Tattenhall & District Parish Council for commissioning the assessment. We would like to thank CWaC for providing data on housing need, existing housing stock turnover from the housing register and planning data on pipeline developments.

This report was produced by Cheshire Community Action, the leading community support organisation in Cheshire.
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