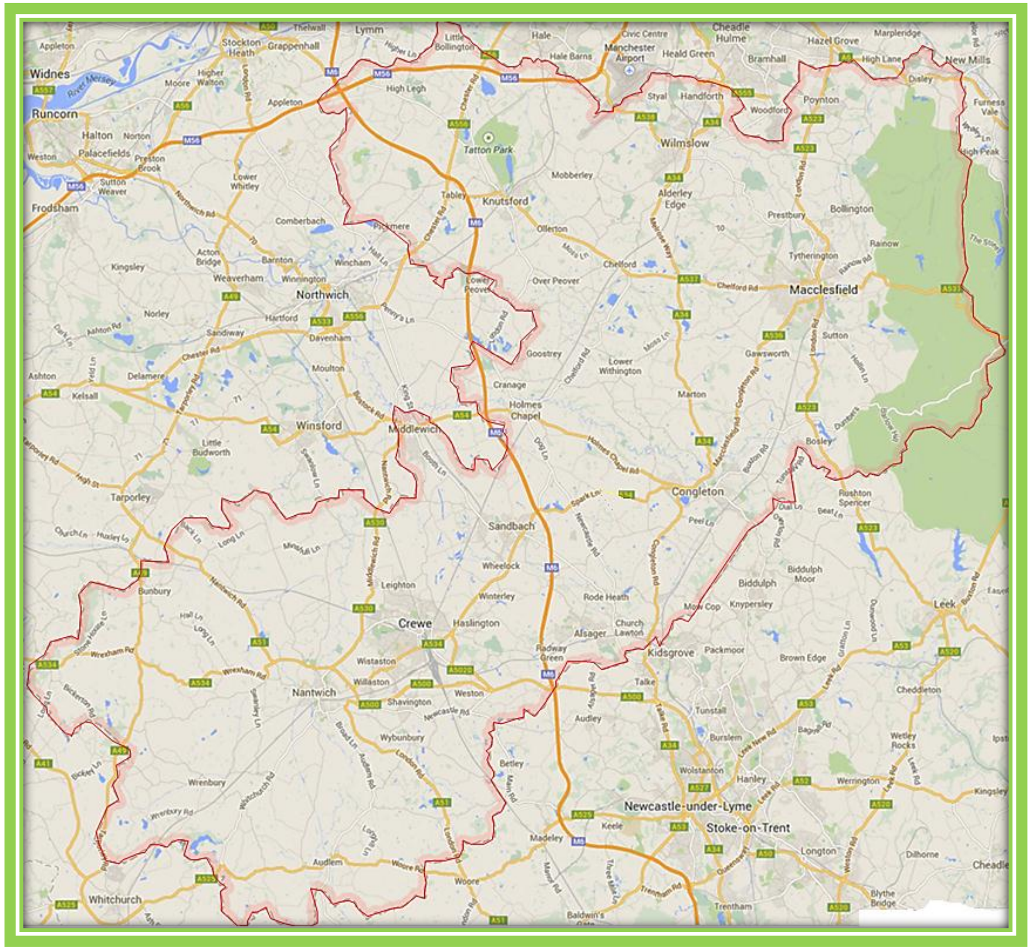
Cheshire East Council

Private Rented Sector in Cheshire East (2013) Full Report



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Introduction

The housing market in Cheshire East Borough has been particularly dynamic over the last 10/15 years. The market has seen changes in all sectors, but perhaps the biggest changes have been in relation to the increase in size of the Private Rented Sector (PRS). From the 2011 Census data we know that there are 21,755 properties in Cheshire East which are rented privately to individuals and households, that figure accounted for **13.6%** of all occupied properties in the borough. As a way of comparison, in the 2001 Census the PRS accounted for 8.4% of all households in the borough so it has witnessed an increase of 5.2 percentage points (61.9%).

The increases seen in the 2011 Census within the PRS has resulted in it replacing Affordable Housing as the 2nd largest sector in the Cheshire East Housing Market. Affordable Housing itself actually registered a decline from 14.2% in 2001 to 11.8% in 2011 (2.4 percentage point decrease). The levels of Home Ownership have also changed in the borough, largely the result of the severe economic recession. In 2001 Owner Occupier levels stood at 77.3% of the entire market in the borough, by 2011 this level had decreased to 74.4% (2.9 percentage point decrease). Although it's witnessed a decline, the owner occupied sector is still by far the most dominant.

Although the PRS has grown over the last decade there is a question as to whether the sector will continue to increase in size or whether it will stabilise given improvements in the economy over the last year.

Project Brief

Due the increase in the size of the PRS and its impacts for Cheshire East it was felt that a detailed research and analysis report needed to be created to gather more information about this sector. This report aims to identify the PRS in Cheshire East and the activity in the market in **2013**. It will identify the size and composition of the market, rental levels and affordability in the sector based on the data available, it will also seek to provide an analysis of the perceived demand for PRS accommodation across the authority by property type and size and will accomplish this by engaging with individual landlords and letting agencies operating in the borough.

Furthermore, the report will also seek to provide insight into the potential growth areas within the PRS based on the data collected.

Methodology

It was clear from the beginning that in order to compile as comprehensive a report as possible it would be essential for both primary and secondary research to be conducted amongst the individual landlords and letting agents operating in the borough which has never been attempted by Cheshire East Council before. As a result two surveys were created to collate the necessary data to ensure the report aims were met, further to that the survey's also sought to capture the professional opinions of those landlords and letting agents who responded to the survey with regards to what changes they've experienced within the sector over the last few years.

The survey amongst letting agents was conducted by provisionally contacting all the companies identified as operating within Cheshire East by e-mail and telephone to ascertain if they would be willing to take part in the survey. Once responses were received, face to face interviews were arranged and conducted to gather the required information. Those agencies who didn't respond were contacted again by telephone at a later date and the survey attempt was re-visited which secured several more responses.

In relation to the individual private landlords, over 500 landlords had been identified through past contact with the Housing Department. In order to survey the individual landlords a form was e-mailed to over 200 landlords and a further 300 were posted out as no e-mail addresses were available.

The responses from both surveys were then collated and analysed. Many agents were unable to provide detailed property breakdowns for their dealings in the market over the last year. As a result it was decided that data needed to be acquired from Arc4 (Housing consultancy firm) who are able to obtain data on market activity amongst at least 99% of the letting agencies operating across the country, it was felt they were able to provide the most accurate data on the numbers of properties coming onto the market and rental values etc. However, this data was provided in its raw form; as a result a great deal of cleaning and analysis was required to shape the data into a useful format.

The evidence and analysis was then broken down into 24 main service centres which have been identified by Cheshire East Council's Local Plan (*submission document*). Each area has been provided with a number and a colour code for the purposes of clarity. Principal Towns have been colour coded as light blue; Key Service Centres have been coloured light purple and Local Service Centres are coloured light green. The main areas have been presented in the tables below and have also been plotted on a map of the borough on the next page.

Principal Towns:

Crewe	**1**	
Macclesfield	**2**	

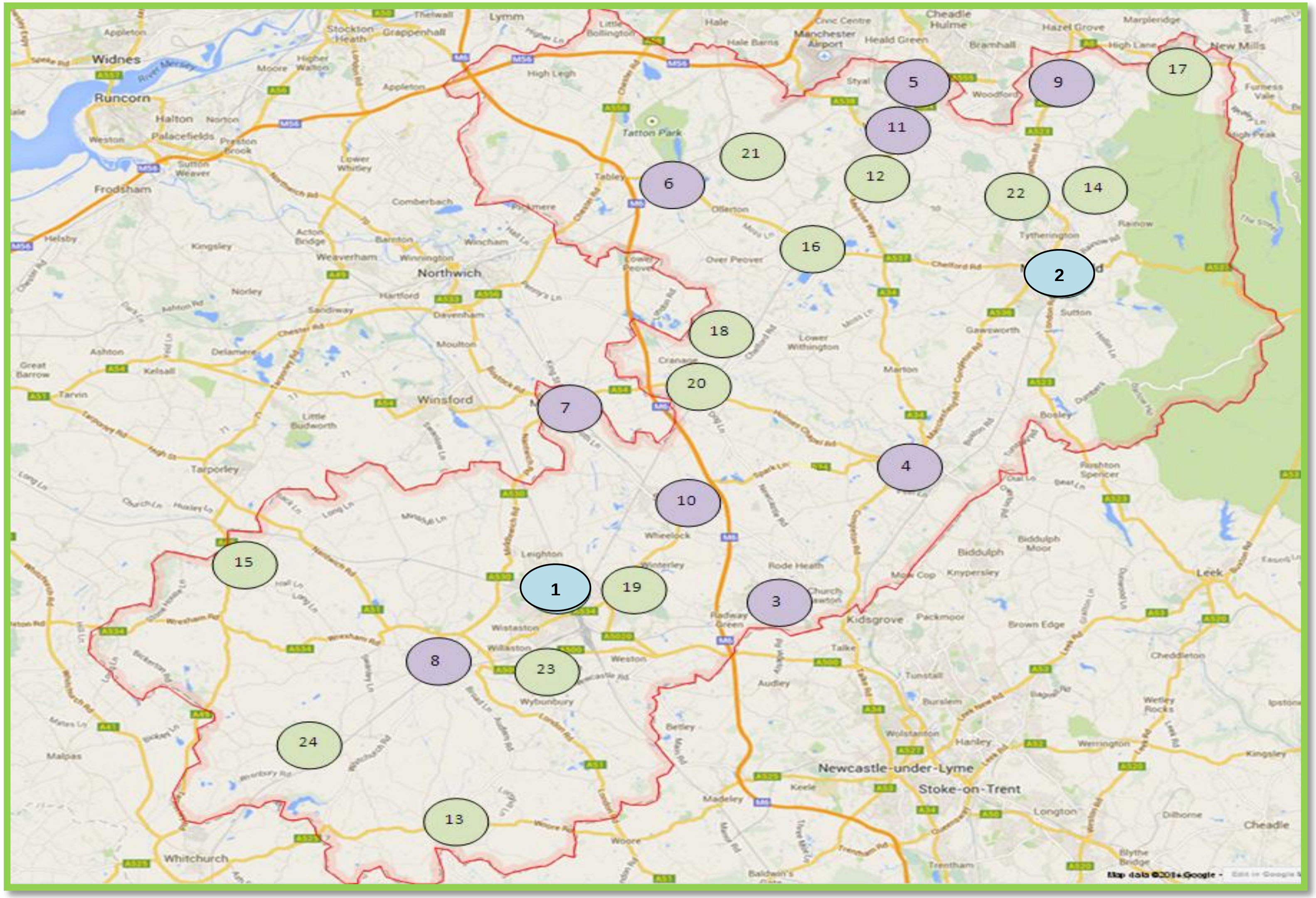
Key Service Centres

Alsager	**3**	
Congleton	**4**	
Handforth	**5**	
Knutsford	**6**	
Middlewich	**7**	
Nantwich	**8**	
Poynton	**9**	
Sandbach	**10**	
Wilmslow	**11**	

Local Service Centres:

Alderley Edge	**12**	
Audlem	**13**	
Bollington	**14**	
Bunbury	**15**	
Chelford	**16**	
Disley	**17**	
Goostrey	**18**	
Haslington	**19**	
Holmes Chapel	**20**	
Mobberley	**21**	
Prestbury	**22**	
Shavington	**23**	
Wrenbury	**24**	

Those towns were then mapped across the borough to provide the following image:



(Original Image from Google Maps which has then been updated accordingly)

A further survey was also conducted in relation to those applicants currently on the Council's Housing Waiting list (Cheshire Homechoice) again this was achieved via a telephone survey amongst 100 applicants chosen at random. Although this was a small survey in relation to the number of applicants on the waiting list at large it was designed purely to get a snapshot of how many of those applicants would be willing to seek accommodation in the PRS as opposed to Affordable Housing.

The responses from all three surveys have been analysed and then configured in order to produce a demand analysis for each property type (by size) across all principal towns, and key service centres (with the exception of Poynton). Further analysis into Poynton and the local service centres wasn't possible as no agent responded to say they covered any of these areas.

Brief History of the Private Rented Sector (PRS) in England & Wales

Many people believe that to rent privately is a relatively new concept. However, the fact is that privately renting has been a major form of tenure for over a century. The earliest available data on the sector and indeed the breakdown of tenure throughout England & Wales comes from 1918 and presents a very different picture from what we know today. At this point in time the majority of all households in England & Wales were in private rented accommodation indeed the sector accounted for 76% of all households. Home ownership in contrast accounted for 23% of households and social housing (*which was in its infancy*) only made up 1% of all households in accommodation. [1]

Although the PRS accounted for the majority of English & Welsh tenure in 1918 this was very much its "golden age" as the following years led to severe decline in the sector as a whole. There were many factors for this decline, from 1919 the "Housing, Town Planning & c Act" came into force which placed an obligation on local authorities to provide Social Housing (mainly for those returning from WW1). This meant a shift in the tenure market over the inter-war years up to 1939. By the start of WW2 the PRS had declined but still accounted for around 58% of all household tenure.

The widespread destruction caused in the aftermath of WW2 had a profound effect on the PRS. As Britain started to rebuild there was intense investment in the construction of social housing, mainly for families who had lost theirs in the conflict, whereas there was no comparable investment in the PRS. By 1961 the PRS only accounted for 34% of all household tenure which was a drop of 42 percentage points over the 43 year period. The first crossing point between the decline of the PRS and rise of Social Housing came around 1966 when both sectors accounted around 25% of all household tenure with home ownership accounting for the other 50% (*Home Ownership witnessed a major increase over the 1950's as household wages began to increase at a much faster rate than house prices which encouraged people to the sector*).

The next major milestone for the PRS was in 1991 when the sector reached its lowest point accounting for just 9% of all household tenure. This was a total decline of 67 percentage points over 73 year period. However, this was also a turning point for the PRS generally, between the census' of 1991 and 2001 the PRS increased in size for the first time since 1918 accounting for 15% of all household tenures. This increase

[1] *Source – ONS – A Century of Home Ownership & Renting in England & Wales*

was largely as a result of a new form a tenure being introduced to the sector, Assured Short hold Tenancies which, reflect the majority of PRS tenancies today. Also over the same period the other side of the rental market i.e. Social Renting was showing a process of decline, although the decline in this sector began in 1981 with the introduction of “right to buy”.

Between 2001 and 2011 the PRS continued to recover (*at the expense of Social Housing*). By the time of the census in 2011 the PRS accounted around for 18% of all household tenure in the UK. This increase was likely due to the availability of credit for buy to let investors and individual landlords. Furthermore, particularly between 2008-2011 the economic recession led to larger than average levels of mortgage repossession in the home ownership sector which forced some households into the PRS.

The Private Rented Sector (PRS) in the UK – 2013

The PRS across the UK accounted for 18.1% of all household tenure as of the census data in 2011. However, in some areas the levels of households in the PRS are much higher than the average. It is perhaps unsurprising that the highest level of PRS tenure can be found in London where the PRS accounts for 23.7% of all household tenure. Similarly there are regions such as the West Midlands which have the lowest percentage of PRS tenure levels with only an average of 12.4% of households in the sector.

Reports surrounding the make-up of the modern PRS have highlighted some very interesting trends at a national level. For example, according to the Office of National Statistics as many as 62% of all households currently in the PRS are in either a 1 or 2 bedroom property; this is in comparison to only 27% of home ownership households[2]. Further trends include the fact that 52% of those in the PRS as a whole are aged less than 34 years old which clearly suggests that the sector is weighted heavily in favour of younger individuals.[3] Furthermore, reports have suggested that over the last few years the PRS is attracting more families with young children.[4] Finally, a report conducted by Savills in 2013 has suggested that those renters who are over the age of 35 tend to want longer term tenancies than those who are younger who desire greater flexibility within their agreements. Whether these trends are true of Cheshire East Borough will be explored later in this document.

In the UK the modern PRS market is dominated by individual landlords as opposed to larger companies. Data from the Chartered Institute of Housing (CIH) suggests that ¾ of individual landlords only have 1 property and less than 10% of those would be classed as full time landlords.[5] This suggests that a vast majority of the sector is operated by landlords who run their properties as a side-line to their regular day job and this also calls into question the professionalism of the sector.

The sector generally has been growing across the UK 2001-2011 and many sources expect this growth to continue with some suggesting that the PRS could account for around 25% of all household tenure by 2025[6]. The beginnings of the expected growth over the next 10 years or so

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[2] *Source - ONS*
[3] *Source – English Housing Survey 2010-2011*
[4] *Source – ARC4 & HQN*
[5] *Source – CIH*
[6] *Source – ARC4 & HQN*

can be seen now with increases in the numbers of buy-to-let mortgages. Data from the Council of Mortgage Lenders (CML) detailed that in April 2014 the level of buy to let mortgage approvals increased 43% over the year with the value of those loans increasing by 57% over the same period[7]. This suggests that the Buy-to-Let market recovery is strong and is highly likely to continue.

The expansion in the PRS has not gone un-noticed by the government in recent years and indeed a series of initiatives have been launched and reports have been published which strongly suggest and support the idea of creating larger professional landlords and encouraging registered providers to enter the market by building private rented accommodation.

One of the largest indicators that the government is supportive of investment in the PRS came in response to the Montague Review into the barriers of institutional investment in the private rented sector (2012) when the government created the “Build to Rent” fund which is designed to stimulate new private rented housing supply and provide large scale investment opportunities. Initially a £200m fund was established but following overwhelming interest from registered providers and developers at large this fund was substantially increased to £1 Billion in 2013. The money will be allocated over 2 bidding rounds. The first has closed but the second bidding round is currently underway. The fund is essentially a loan guarantee scheme to help with the construction of new developments and is fully recoverable.

Alongside the Build to Rent fund the government has also established the “Private Rented Sector Housing Guarantee”. This is a separate fund and is designed to assist with the long term ownership of the developments once they’re completed. Under this fund the government uses its financial credibility to reduce the cost of borrowing for Housing Providers and in total around £3.5 billion will be made available. Although developers can use both the Build to Rent Fund and the PRS Housing Guarantee Fund on the same development they cannot be applied for at the same time and the Build to Rent fund loan must have been settled before an application is considered for the Housing Guarantee.

The schemes discussed above are designed to show that the government is serious about the expansion and professionalisation of the PRS and there are strong signs that the sector will need to expand to accommodate the increasing numbers of households moving into it. Failure of the market to physically expand in terms of numbers of PRS properties will likely lead to higher rental values and greater hardship for those tenants seeking to join the sector and those which are already in it.

[7] *Source – CML Data – June 2014*

The Private Rented Sector (PRS) in Cheshire East – 2013

PRS Property Breakdown

The data within this section has been acquired from Arc4, letting agents and a separate survey conducted amongst the individual landlords across the borough. Individual landlord information will be presented secondly in this section but will not just account for property movements in 2013. It will represent all the properties they have within their portfolio at this time.

Letting Agency Information

Letting Agency data shows that throughout 2013 there were **7224** properties which came onto the market across the entire borough. Working on the knowledge that there were 21,755 PRS properties in total in 2011 (*allowing for some movement in that number over the last few years*) this represents an annual turnover of **33.2%** of all PRS properties.

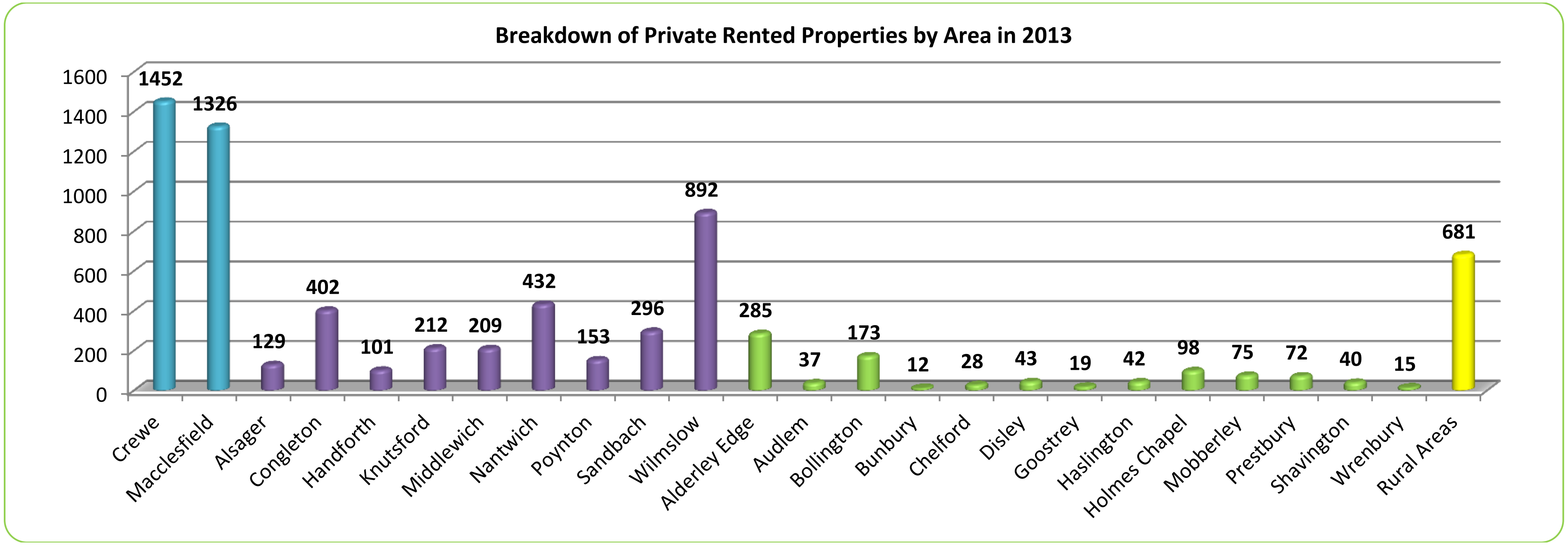
Based on letting agency information PRS properties in 2013 throughout the 24 main service areas accounted for **90.6%** of all the areas in the borough. The remaining 9.4% were properties located in over 100 rural and other settlements. Below is a table which displays the breakdown of PRS accommodation throughout the borough.

Area Reference	Area Name	Number of PRS Lets in 2013	% of all PRS Lets in 2013
1	Crewe	**1452**	20%
2	Macclesfield	**1326**	18.3%
3	Alsager	**129**	1.8%
4	Congleton	**402**	5.6%
5	Handforth	**101**	1.4%
6	Knutsford	**212**	2.9%
7	Middlewich	**209**	2.9%
8	Nantwich	**432**	6%
9	Poynton	**153**	2.1%
10	Sandbach	**296**	4.1%
11	Wilmslow	**892**	12.4%
12	Alderley Edge	**285**	4%
13	Audlem	**37**	0.5%
14	Bollington	**173**	2.4%
15	Bunbury	**12**	0.2%
16	Chelford	**28**	0.4%
17	Disley	**43**	0.6%
18	Goostrey	**19**	0.3%
19	Haslington	**42**	0.6%

20	Holmes Chapel	**98**	1.3%
21	Mobberley	**75**	1%
22	Prestbury	**72**	1%
23	Shavington	**40**	0.6%
24	Wrenbury	**15**	0.2%
N/A	All Rural Settlements	**681**	9.4%

From the previous table, as would be expected the majority of the PRS properties in 2013 were located within the Crewe and Macclesfield areas. In total **2778** of the 7224 PRS properties were located in those areas which represent **38.3%** of the total (*20% & 18.3% respectively*). The Key Service Centres accounted for **2826** of the total (39.2%) and the Local Service Centres accounted for **939** of the total (13.1%).

The following chart displays the property breakdown by town; again the areas are colour coded for clarity. The Rural area have been included within this chart and are coloured Yellow.



The following table displays a detailed breakdown of the PRS properties in each of the 24 focus towns; it does not provide any breakdown for the rural areas. The table looks at properties ranging from bedsits to 8 bedroom houses.

Area Ref	Area Name	Number of PRS Lets 2013	Numbers of Each Property Type													Area Type	Area Colour
			BS	1BF	2BF	3BF	4BF	1BH	2BH	3BH	4BH	5BH	6BH	7BH	8BH		
1	Crewe	1452	19	185	230	15		47	371	455	115	14	1			PT	
2	Macclesfield	1326	66	144	237	9	7	45	488	231	77	22				PT	
3	Alsager	129		20	17	7		6	26	38	15					KSC	
4	Congleton	402		55	76	8	1	6	125	85	36	8	2			KSC	
5	Handforth	101		11	27	2			13	31	15	2				KSC	
6	Knutsford	212		16	34	7		10	45	69	21	7	3			KSC	
7	Middlewich	209		16	14	9	1	6	65	76	18	4				KSC	
8	Nantwich	432	1	56	103	10		11	106	105	31	7	2			KSC	
9	Poynton	153		23	21	1	1		26	45	35	1				KSC	
10	Sandbach	296		27	48	4	3	11	91	73	32	6	1			KSC	
11	Wilmslow	892	13	99	230	21		21	185	132	145	36	9	1		KSC	
12	Alderley Edge	285	4	18	83	22	2	5	40	61	28	13	4	3	2	LSC	
13	Audlem	37		2	8				9	7	9	1	1			LSC	
14	Bollington	173		8	32	6		7	80	32	7	1				LSC	
15	Bunbury	12							5	6	1					LSC	
16	Chelford	28		1	10	1		2	7	2	4	1				LSC	
17	Disley	43		4	2	1		3	20	11	2					LSC	
18	Goostrey	19			1				4	8	5	1				LSC	
19	Haslington	42		1	3				14	14	9	1				LSC	
20	Holmes Chapel	98		9	7	1		1	23	37	20					LSC	
21	Mobberley	75		5	8	2		1	18	27	11	2	1			LSC	
22	Prestbury	72			6	4			8	11	15	20	7	1		LSC	
23	Shavington	40		2	1	1			15	18	3					LSC	
24	Wrenbury	15			2				4	8	1					LSC	
Total		**6543**	**103**	**702**	**1200**	**131**	**15**	**182**	**1788**	**1582**	**655**	**147**	**31**	**5**	**2**		

The table above shows the sector has been heavily weighted towards Houses, particularly 2 and 3 bedroom Houses over the last year. The Principal Towns of Crewe and Macclesfield naturally command the highest numbers of these, although Crewe has a much high number of 3 bedroom houses than Macclesfield and similarly Macclesfield had more 2 bed houses than Crewe. There is also a relatively high number of 2 bedroom flats across the borough again with high percentages of these in the principal towns.

There are a few anomalies within the data, for example in Crewe there have only been 19 Bedsits recorded for 2013. However, this is likely due to the fact that based on research from Letting Agents in that area they have explained that they don’t tend to focus very heavily on that particular type of property. Most landlords tend to manage them themselves as they don't bring in a substantial amount of revenue and if a landlord put them through an agent a portion of that revenue would be absorbed by the agent.

Another potential surprise is the size of the PRS in Wilmslow which has recorded 892 properties coming on to the market in 2013 alone. This is surprising when its size and population is taken into account. The number of PRS properties in Wilmslow equals 61.4% of the total number of PRS properties (2013) which Crewe recorded and yet Wilmslow's population (23,900) is over 3 times smaller than that of Crewe (73,400).

A potential explanation for this anomaly could be the town's proximity to the City of Manchester and Manchester Airport and higher than average house prices in the area which would make it difficult to purchase a property there. Furthermore, research from the letting agents suggests that they've had people moving to the area for work and testing the water so to speak before they decide if they want to buy or not.

A further item of note is the fact that again in relation to Wilmslow, there have been more 4 bedroom houses in that area than anywhere else in the borough including the principal towns. This may be due to the fact that relative wealth in that area is higher than average for the rest of the borough and therefore people would have been able to afford to build larger properties over the years which are consequently now being rented out.

A full visual representation of the property dispersals in each of the 24 focus towns can be found within Appendix 4 of this report

The Market in Cheshire East - Historically

The numbers of PRS properties coming onto the market has been changing over the last few years. The following table displays a breakdown of those numbers from 2010 – 2013. The following figures in this sub-section include those properties which have been let out in rural settlements.

	2010	2011	2012	2013
Number of properties coming onto the market	**6484**	**7615**	**7881**	**7224**
% Increase / Decrease on previous year	N/A	**14.85% Increase from 2010**	**3.37% Increase from 2011**	**-9.09% Decrease from 2012**
% of total PRS Stock (as defined by the Census)	29.8%	35%	36.2%	33.2%

The above table shows that in 2010 there were 6484 PRS properties which came onto the market and were let by a private letting agency. In 2011 this number increased by 1,131 properties (14.85%) to 7615. The upwards trend of properties coming onto the market continued into 2012 but it's worth mentioning the increase was substantially reduced. Then the most recent data presented in this document for 2013 shows a decrease with 657 less properties coming onto the market than in 2012 (9.09% drop). This drop, starting in 2012 is likely the result of more first time buyer mortgages being approved as well as a fall in the number of landlords generally.

Primary research conducted with letting agencies and individual landlords across the borough shows that as the recession took hold in 2009/2010 there were a substantial number of "unwilling" landlords who basically began to let out their properties because they were unable to sell on the open market. However, as the UK economy began to return to growth there have been a number of landlords who have now begun to end tenancies and started trying to, and in many cases succeeding in, selling their properties. As a result research has shown that although there is still a very healthy demand for PRS properties the supply is beginning to drop away.

The demand analysis will be explored in more detail later within this report.

The breakdown of the numbers of flats and houses over the 2010 – 2013 time period can be seen below.

	2010	**2011**	**2012**	**2013**
Number of **Flats**	**1852**	**2242**	**2331**	**2216**
% Increase / Decrease on Previous year (**Flats**)	N/A	17.4% Increase from 2010	3.8% Increase from 2011	-5.2% Decrease from 2012
Number of **Houses**	**4632**	**5373**	**5550**	**5008**
% Increase / Decrease on previous year (**Houses**)	N/A	13.8% Increase from 2010	3.2% Increase from 2011	-10.8% Decrease from 2012
Total Across Cheshire East	**6484**	**7615**	**7881**	**7224**

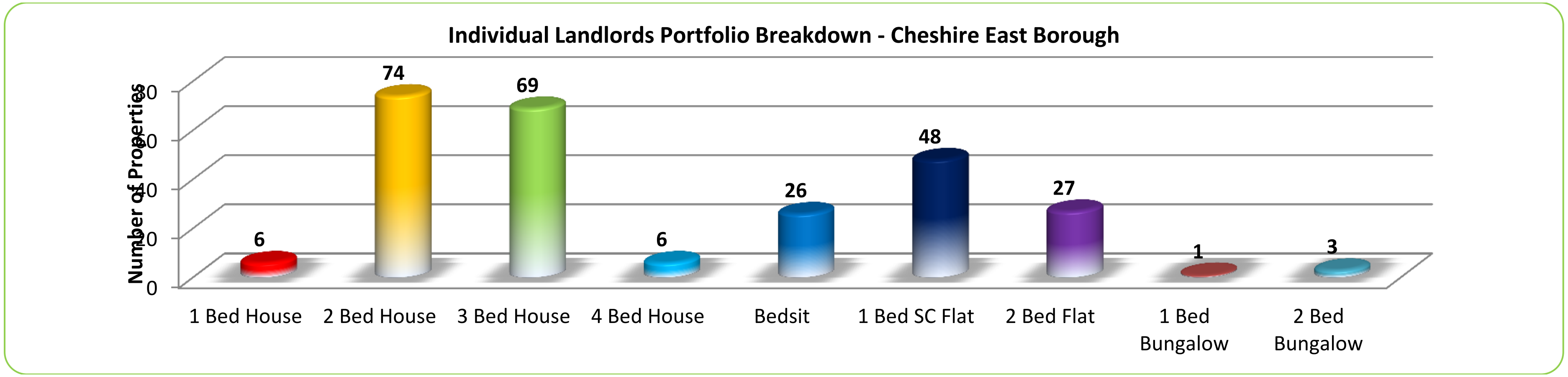
The above table is interesting because it shows that the number of flats coming onto the market increased at the fastest rate of any type of accommodation showing a 17.4% increase when comparing 2010 data to 2011. There is a similar large increase with Houses for the same period. The trend continues with another increase in both types of property when looking at 2011-2012 data but the rate of increase is substantially lower than previous years. When considering 2013 data the levels of flats and houses witness their first decrease in numbers coming onto the market with the numbers of houses falling at twice the rate of flats.

A more detailed breakdown of the property types and sizes which came onto the market across all of Cheshire East Borough (including rural areas) 2010-2013 can be found in the following table.

Property Type Flat	**2010**	**2011**	**2012**	**2013**
Bedsit	63	277	138	105
1 Bed Flat	703	817	834	727
2 Bed Flat	1014	1177	1236	1226
3 Bed Flat	92	145	158	139
4 Bed Flat	3	4	11	19
5 Bed Flat	1	1	3	0
6 Bed Flat	1	0	0	0
House	**2010**	**2011**	**2012**	**2013**
1 Bed House	183	222	206	214
2 Bed House	1832	2006	2140	1950
3 Bed House	1646	1846	1877	1802
4 Bed House	656	802	907	780
5 Bed House	236	237	277	210
6 Bed House	42	64	72	43
7 Bed House	12	13	14	7
8 Bed House	0	2	7	2
9 Bed House	0	1	0	0

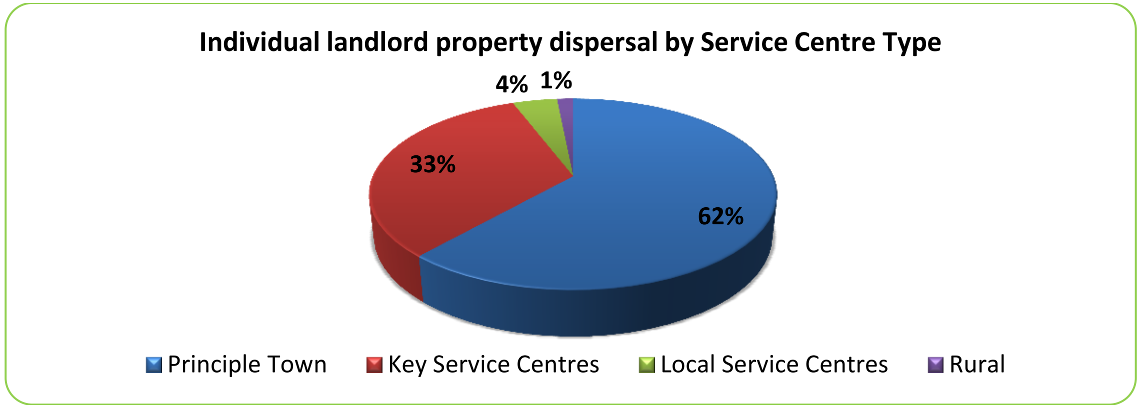
Individual Landlord – PRS Breakdown

A survey has also been conducted amongst individual landlords. During the course of that survey a total of 64 landlord's responded and 389 individual PRS properties have been identified. Within the 389 properties identified there was one landlord who specified that they owned 129 bedsits in the Macclesfield area, however these properties are let out exclusively to students and not usually on the open market as a result these have been omitted from the data leaving **260** identified properties. A chart which displays a breakdown of the types of accommodation identified can be found on the next page.



As you will see from the above chart, there is a corresponding high level of both 2 and 3 bedroom houses amongst the portfolios of the individual landlords as with those which have been let out by letting agencies. Amongst the 260 properties 2 bed houses account for 28.5% of all types and 3 bed houses account for 26.5% of all types. The next highest category of accommodation can be found within 1 bed self-contained flats which command 18.5% of all types of accommodation.

Similarities between the letting agency data and the individual landlord data continue with regards to the dispersal of accommodation across the borough. The following chart shows the breakdown of properties by service area type.



From the previous chart, over 60% of all the identified properties are located within the principal towns of Crewe and Macclesfield, this percentage is much higher than that witnessed within the letting agency data but naturally the letting agency analysis is based on much higher figures.

Cheshire East – Average Rental Value Breakdowns

The following table displays a detailed overview of the average rental values in each of the 24 focus areas across the borough. This is then broken down into the property types. Again this table has been compiled utilising the data provided from letting agents and furthermore **does not** display any information in relation to those properties which were let out in the rural areas. The below figures represent the “mean” average of all the properties let of that type in each area.

Area Ref	Area Name	Number of PRS Lets 2013	Average Rent (PCM)													Area Type	Area Colour
			BS	1BF	2BF	3BF	4BF	1BH	2BH	3BH	4BH	5BH	6BH	7BH	8BH		
1	Crewe	1452	£249	£384	£468	£559		£364	£504	£585	£743	£995	£950			PT	
2	Macclesfield	1326	£378	£474	£573	£767	£1057	£478	£573	£723	£1195	£1701				PT	
3	Alsager	129		£424	£557	£578		£436	£541	£663	£738					KSC	
4	Congleton	402		£393	£516	£583	£500	£448	£526	£683	£1026	£1357	£1200			KSC	
5	Handforth	101		£517	£617	£873			£712	£843	£1216	£5200				KSC	
6	Knutsford	212		£552	£739	£956		£559	£951	£1009	£1767	£2827	£8875			KSC	
7	Middlewich	209		£415	£474	£546	£525	£433	£551	£628	£894	£1135				KSC	
8	Nantwich	432	£247	£492	£598	£1139		£460	£591	£713	£931	£1374	£1298			KSC	
9	Poynton	153		£528	£627	£695	£1150		£772	£857	£1358	£1400				KSC	
10	Sandbach	296		£463	£536	£782	£1250	£465	£561	£702	£1027	£1374	£1250			KSC	
11	Wilmslow	892	£347	£559	£802	£1018		£580	£806	£1074	£1856	£3664	£3980	£6000		KSC	
12	Alderley Edge	285	£368	£687	£1143	£1972	£8500	£790	£1132	£1409	£3177	£7499	£8425	£11333	£15000	LSC	
13	Audlem	37		£452	£472				£581	£735	£1110	£1250	£1400			LSC	
14	Bollington	173		£521	£678	£733		£539	£628	£893	£1539	£1600				LSC	
15	Bunbury	12							£683	£875	£1195					LSC	
16	Chelford	28		£425	£637	£950		£475	£688	£1223	£1275	£2200				LSC	
17	Disley	43		£448	£670	£550		£481	£578	£751	£1300					LSC	
18	Goostrey	19			£650				£668	£1142	£1233	£1050				LSC	
19	Haslington	42		£340	£522				£565	£642	£846	£560				LSC	
20	Holmes Chapel	98		£459	£576	£895		£495	£671	£813	£1141					LSC	
21	Mobberley	75		£529	£729	£798		£695	£756	£1089	£2576	£5495	£3250			LSC	
22	Prestbury	72			£948	£1875			£971	£1435	£2776	£5300	£11242	£2450		LSC	
23	Shavington	40		£450	£575	£775			£561	£689	£775					LSC	
24	Wrenbury	15			£550				£624	£974	£1400					LSC	
Total		**6543**	**£318**	**£476**	**£637**	**£897**	**£2164**	**£513**	**£675**	**£881**	**£1379**	**£2555**	**£4187**	**£6594**	**£15000**		

From the previous table there is a vast range of rental values across the borough and naturally a substantial amount of variation between the property types. The below table details the towns with the lowest and highest average rental values by property type.

Property Type	**Highest** Average Rent	**Rental Value**
Bedsit	Macclesfield	£378
1 Bed Flat	Alderley Edge	£687
2 Bed Flat	Alderley Edge	£1,143
3 Bed Flat	Alderley Edge	£1,972
4 Bed Flat	Alderley Edge	£8,500
1 Bed House	Alderley Edge	£790
2 Bed House	Alderley Edge	£1,132
3 Bed House	Prestbury	£1,435
4 Bed House	Alderley Edge	£3,177
5 Bed House	Alderley Edge	£7,499
6 Bed House	Prestbury	£11,242
7 Bed House	Alderley Edge	£11,333
8 Bed House	Alderley Edge	£15,000

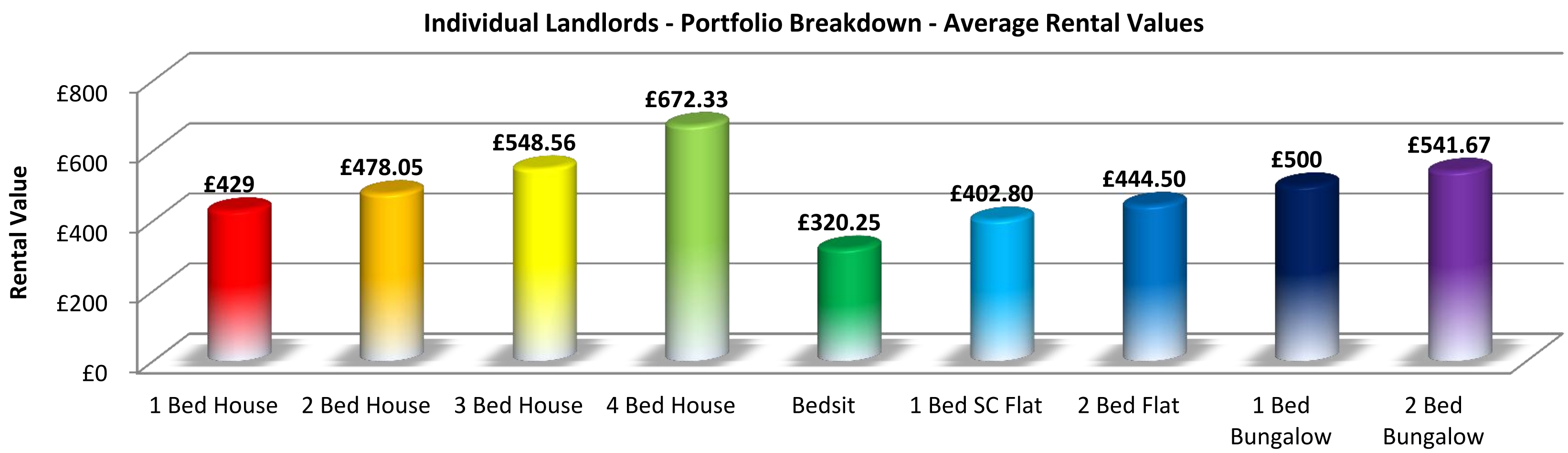
Property Type	**Lowest** Average Rent	**Rental Value**
Bedsit	Nantwich	£247
1 Bed Flat	Haslington	£340
2 Bed Flat	Crewe	£468
3 Bed Flat	Middlewich	£546
4 Bed Flat	Congleton	£500
1 Bed House	Crewe	£364
2 Bed House	Crewe	£504
3 Bed House	Crewe	£585
4 Bed House	Alsager	£738
5 Bed House	Haslington	£560
6 Bed House	Crewe	£950
7 Bed House	Prestbury	£2,450
8 Bed House	N/A	N/A

Based on the information listed in the two above tables, Crewe has the lowest average rental value for the most number of property types. When you look at the highest average rent it’s evident that Alderley Edge commands the highest rental values across the majority of the property types with the exception of Bedsits and 3 and 6 bedroom houses.

Almost all of the towns with the lowest average rental values are located in the Southern end of the borough. The only exceptions to this are Congleton which has the lowest average rent for a 4 Bed Flat and Prestbury which has the lowest average rent for a 7 bedroom house. All of the towns with the highest average rental values are located in the Northern end of the Borough.

Individual Landlord – Rental Values

This sub-section displays information from the individual landlords with respects to the rental values reported amongst the different types of accommodation they have within their portfolios. The chart on the next page displays a breakdown across all of the property types.

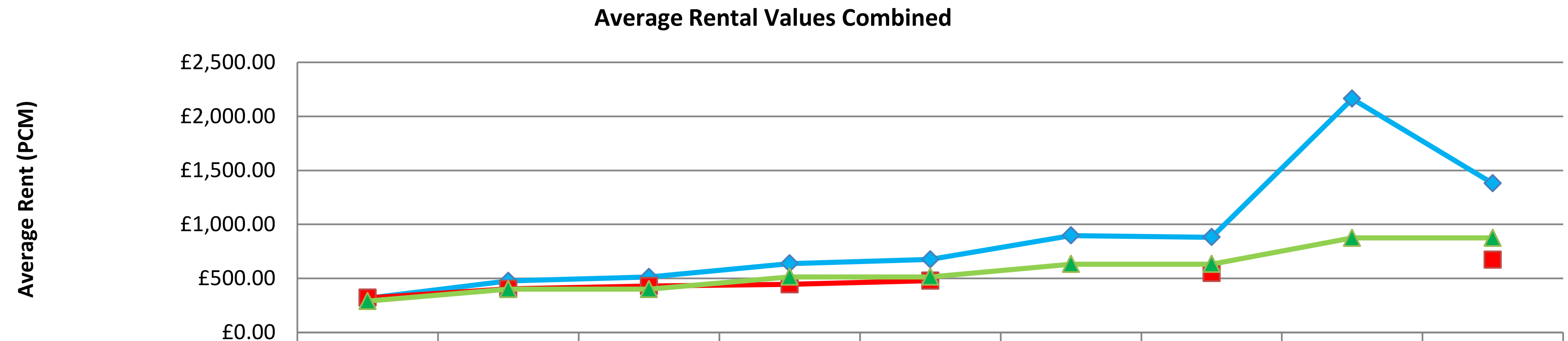


As you can see there is an incremental increase in the average values across the property types with 4 bed houses naturally commanding the highest average rental value at £672.33 PCM. Within the data the highest and lowest reported rental values for each type of property can be seen in the below table.

Property Type	Highest Average Rental Value	Town	Lowest Average Rental Value	Town
1 Bed House	£500 PCM	Bollington	£360 PCM	Rural Area
2 Bed House	£552 PCM	Macclesfield	£397 PCM	Nantwich
3 Bed House	£632 PCM	Nantwich	£468 PCM	Middlewich
4 Bed House	£800 PCM	Sandbach	£592 PCM	Crewe
Bedsit	£385 PCM	Sandbach	£264 PCM	Crewe
1 Bed SC Flat	£595 PCM	Nantwich	£280 PCM	Middlewich
2 Bed SC Flat	£600 PCM	Nantwich	£288 PCM	Middlewich
1 Bed Bungalow	£500 PCM	Congleton	N/A	N/A
2 Bed Bungalow	£600 PCM	Sandbach	£475 PCM	Congleton

In contrast to the information displayed within the letting agency data the majority of the highest average rental value properties can be found within the southern towns of Sandbach and Nantwich. However, that being said the lowest average rental value properties can also be found in the southern towns of the borough with the majority being in Crewe and Middlewich. There is no data recorded for the lowest average rent for a 1 bedroom bungalow as there was only one property reported by a landlord and that was in Congleton so as a result that property would naturally command both the highest and lowest average rental value.

The below table displays a comparison between the average rental values reported between the letting agency and individual landlord data. Some data has been omitted as there were no 5-8 bedroom houses reported in the individual landlord survey. Furthermore the local housing allowance levels have been added as a comparison between the two datasets, however as there are predominately two local housing allowance areas covering the borough these figures have been averaged between the Cheshire South Broad Market Rental Area (BMRA) and East Cheshire BMRA:



	Bedsit	1 Bed Flat	1 Bed House	2 Bed Flat	2 Bed House	3 Bed Flat	3 Bed House	4 Bed Flat	4 Bed House
Letting Agency	£318.00	£476.00	£513.00	£637.00	£675.00	£897.00	£881.00	£2,164.00	£1,379.00
Individual Landlords	£320.25	£402.80	£429.00	£444.50	£478.05		£548.56		£672.33
Local Housing Allowance	£290.33	£400.00	£400.00	£513.38	£513.38	£632.68	£632.68	£875.00	£875.00

As you can see the individual landlord and letting agency data run relatively close together in smaller properties with Bedsits being almost identical and also very close to the average local housing allowance level. However, as the properties increase in size the rental margins between the individual and letting agency data also increase. Interestingly, the average rental values reported by the individual landlords tend to mirror the local housing allowance data almost exactly throughout the analysis. This is not the case in terms of the letting agency data which shows that the average rent levels amongst comparable properties is always positioned slightly above the local housing allowance level.

There are two gaps within the individual landlord data namely in relation to 3 and 4 bedroom flats, this is because no landlords reported owning properties of this type.

Cheshire East Borough – Affordability

In this sub-section the report will focus on affordability across the borough, providing an analysis and breakdown of each property type, the average rental value for that property by town (utilising letting agency data in 2013 alone), and how much a member of the public would have to be earning in order to secure that type of accommodation. The affordability analysis is based on the premise that a person / household would spend no more than 30% of their total “Net” income on rent. Although there is no standard industry measure of this, the 30% level is utilised by a number of well respected independent consultancy firms who conduct analyses into Housing.

Property Type	Highest Avg Rent – Town	Rental Value	Monthly income required for rent to equal **30%** of Net income	Lowest Avg Rent – Town	Rental Value	Monthly income required for rent to equal **30%** of Net income
Bedsit	Macclesfield	£378	£1,260	Nantwich	£247	£823
1 Bed Flat	Alderley Edge	£687	£2,290	Haslington	£340	£1,133
2 Bed Flat	Alderley Edge	£1143	£3,810	Crewe	£468	£1,560
3 Bed Flat	Alderley Edge	£1972	£6,573	Middlewich	£546	£1,820
4 Bed Flat	Alderley Edge	£8500	£28,333	Congleton	£500	£1,667
1 Bed House	Alderley Edge	£790	£2,633	Crewe	£364	£1,213
2 Bed House	Alderley Edge	£1132	£3,773	Crewe	£504	£1,680
3 Bed House	Prestbury	£1435	£4,783	Crewe	£585	£1,950
4 Bed House	Alderley Edge	£3177	£10,590	Alsager	£738	£2,460
5 Bed House	Alderley Edge	£7499	£24,997	Haslington	£560	£1,867
6 Bed House	Prestbury	£11242	£37,473	Crewe	£950	£3,167
7 Bed House	Alderley Edge	£11333	£37,777	Prestbury	£2450	£8,166
8 Bed House	Alderley Edge	£15000	£50,000	N/A	N/A	N/A

As per the previous table it is evident that the rental values vary drastically. Taking a standard 2 bedroom self contained flat as an example, you can see that in Alderley Edge the average monthly rental value is £1,143 which means that a person would have to be earning £3,810 (Net) per month in order for them to afford that property on the basis that they use 30% of their income to pay rent. However, in comparison Crewe has the lowest average monthly rental value for the same type of property at £468, meaning that a person would have to earn £1,560 per month for rent to equal 30% of their Net income. This is a difference of £2,250 per month so essentially someone would have to be earning over twice as much (net) per month in order to afford a property in Alderley Edge instead of Crewe.

Another example of a vast difference between the figures can be seen in 4 Bedroom Houses. Again the highest average monthly rent is found in Alderley Edge where the rental value is £3,177. A person / household would have to be earning £10,590 per month (net) in order to afford that kind of property there. Whereas in Alsager which has the lowest average monthly rental value at £738 the same person / household would have to earn £2,460 per month (net), this means that the person / household in question would be required to have an income over 4 times higher to afford a 4 Bed House in Alderley Edge than in Alsager.

A full breakdown of affordability in all property types across the 24 focus towns can be found within Appendix 5 at the back of this report.

The following table displays the most up to date household income data available which is provided by CACI “Pay-Check” 2010 which will show the current average household income levels by town across the 24 main focus areas. The below data incorporates earnings and benefits to create an average. However, in order to calculate the net income levels 2013 tax year deductions have been applied to bring it in line with data in the report.

CACI Data 2010	Annual Income (Gross)	Monthly Income (Gross)	30% of Monthly Gross Income	Annual (Net) Income	Monthly (Net) Income	30% of Monthly (Net) Income
Alderley Edge	£50,200	£4,183	£1,254.90	£36,079.60	£3,006.63	£901.98
Alsager	£38,800	£3,233	£969.90	£29,202.60	£2,433.55	£730.06
Audlem	£36,700	£3,058	£917.40	£27,774.60	£2,314.55	£694.36
Bollington	£40,800	£3,400	£1,020.00	£30,562.60	£2,546.88	£764.06
Bunbury	£42,900	£3,575	£1,072.50	£31,845.60	£2,653.80	£796.14
Chelford	£43,100	£3,591	£1,077.30	£31,961.60	£2,663.46	£799.03
Congleton	£38,100	£3,175	£952.50	£28,726.60	£2,393.88	£718.16
Crewe	£32,200	£2,683	£804.90	£24,714.60	£2,059.55	£617.86
Disley	£44,200	£3,683	£1,104.90	£32,599.60	£2,716.63	£814.98
Goostrey	£47,200	£3,933	£1,179.90	£34,339.60	£2,861.63	£858.48
Handforth	£35,200	£2,933	£879.90	£26,754.60	£2,229.55	£668.86
Haslington	£40,200	£3,350	£1,005.00	£30,154.60	£2,512.88	£753.86
Holmes Chapel	£46,300	£3,858	£1,157.40	£33,817.60	£2,818.13	£845.43
Knutsford	£42,100	£3,508	£1,052.40	£31,381.60	£2,615.13	£784.53
Macclesfield	£38,200	£3,183	£954.90	£28,794.60	£2,399.55	£719.86
Middlewich	£41,100	£3,425	£1,027.50	£30,766.60	£2,563.88	£769.16
Mobberley	£45,500	£3,791	£1,137.30	£33,353.60	£2,779.46	£833.83
Nantwich	£38,000	£3,166	£949.80	£28,658.60	£2,388.21	£716.46
Poynton	£45,800	£3,816	£1,144.80	£33,527.60	£2,793.96	£838.18
Prestbury	£57,700	£4,808	£1,142.40	£40,429.60	£3,369.13	£1,010.73
Sandbach	£39,200	£3,266	£979.80	£29,747.60	£2,478.96	£743.68
Shavington	£34,500	£2,875	£862.50	£26,278.60	£2,189.88	£656.96
Wilmslow	£47,900	£3,991	£1,197.30	£34,745.60	£2,895.46	£868.63
Wrenbury	£35,700	£2,975	£892.50	£27,094.60	£2,257.88	£677.36

Based on the information displayed on the previous table you can see that 30% of the net monthly income in Crewe is £617.86 which based on the average rental value means that a household should be able to afford up to a 3 bedroom property anywhere in Crewe. Naturally there will be differences within the town down to a street level whereby some streets would be higher than the average rental value.

In places such as Alderley Edge 30% of the average household net monthly income level increases to £901.98. However, in Alderley Edge that level would only be sufficient to enable the household to afford a 1 bedroom property.

The current average income level for Cheshire East as a whole is £39,900 per year (gross). The net monthly figure drops down to £2495.88 and 30% of that total would be **£748.76**. On that knowledge the average household would only be able to afford to rent up to a 2 bedroom property in the majority of towns based on the average rental values for all types of properties across the borough.

Other data on incomes is available such as the ASHE Data which is produced by the office of national statistics. This dataset only focuses on those whom are economically active. Although that data does not focus on the individual towns within Cheshire East it does provide a “mean” average for the borough at large. That information dictates that average net annual earnings for the borough are £22,364. Again on the basis of a person or household utilising no more than 30% of their earnings to pay their rent they would have average net monthly earnings of **£559.09**. This means that those whom are economically active would generally be able to afford to rent a 1 bedroom property of any type in any town with the exceptions of Alderley Edge and Mobberley, and a 2 bedroom property of any type in a maximum of 8 out of 24 towns identified.

Perceived Demand for PRS Accommodation across Cheshire East

This section is designed to show the perceived demand for PRS accommodation across the borough. The section will be broken into 9 sub-sections each dealing with data in relation to a particular property type. The data displayed in relation to pure numbers of each type of property has been acquired from Arc4 (letting agency information) however, all further data on demand comes from primary research surveys with the letting agents, individual landlords and Cheshire Homechoice and reflects the most up to date position available. An overall summary of all 9 sub-sections will be provided at the end of the demand section.

The Letting Agents who responded to the primary research accounted for 17 companies and there was at least one respondent which covered each of the principal towns and key service centres with the exception of Poynton. However, there was only a limited response from agents covering the local service centres and as a result these have not been included in the information. The agents who responded cover more than one town and so there will appear to be more responses than companies as the agents overlapped in some areas. However, all the agents have stated that their responses would be the same for each town they cover. In each area there were a maximum of 6 agents who responded to the survey.

Naturally as some areas have more agents covering them it may appear from the charts that demand in that town is higher, however this is not necessarily the case. Within the following charts demand is judged by the colours of each bar in each of the areas on a “heat” principle, where “no” demand is coloured dark blue / cold, and “high” demand is coloured red / hot.

In relation to the individual landlord information a postal, e-mail and telephone survey was conducted amongst the landlords which gained 64 responses in total. However, in each sub-section it is important to note that this data is **not** solely based on activity in the market in just 2013 as the landlords responded in relation the general numbers of properties which they own and let out and the numbers of contacts which they receive about each property once it’s been ready to let.

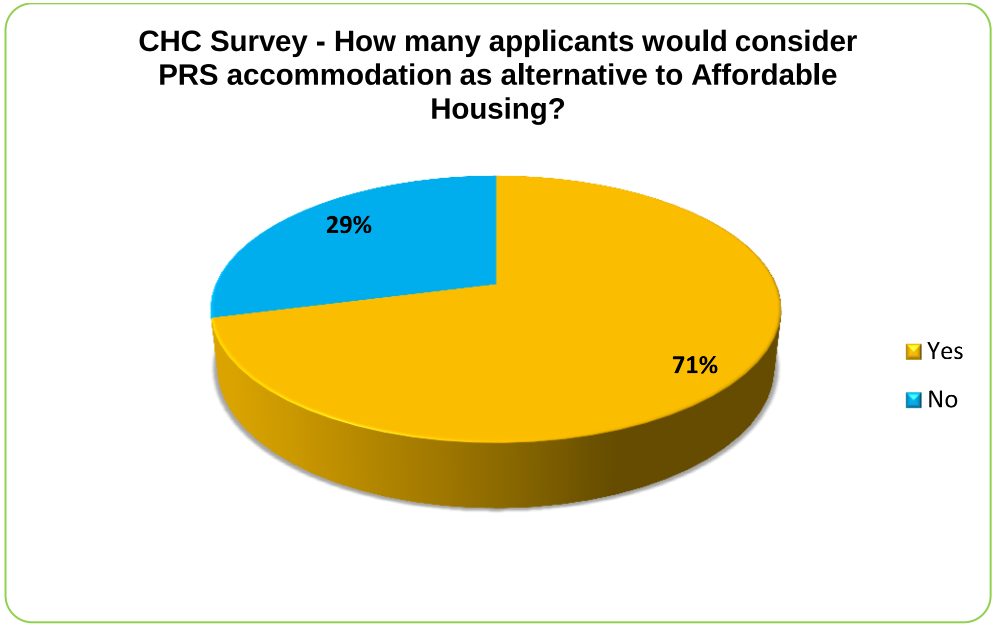
Information on the time it takes to let out individual landlord’s properties (which also came from the survey) is displayed for each property type. Of the 64 landlords who responded 41 (64%) of them only advertise their properties via one method which could mean some landlords reach is restricted and could lead to a lengthening of the time it takes them to let their properties and as a result it could appear that for some property types the turnover in the market is slower.

Amongst these 41 single method landlords, 20 of them advertised via letting agencies, 9 used local newspapers, 6 rely on word of mouth, 3 used adverts in shop windows and the remaining 3 utilised the Council’s private sector liaison officers to advertise.

Finally, the information and analysis from the Housing waiting list has been collected via a telephone survey conducted amongst 100 applicants on Cheshire Homechoice (CHC) and feeds into the demand for PRS accommodation.

All the applicants questioned are currently listed as living between friends and family on the waiting list. The respondents were from a mixture of household types, ages, genders and current locations. Applicants were asked if they would consider renting privately instead of social / affordable rented accommodation and if so which areas they would consider and what kinds of property would they be willing to rent. Furthermore, they were asked about their perceptions of the sector and whether they would consider it to be a short, medium or longer term solution to their Housing situation.

Information on the next pages considers applicant's responses in more detail with further information in each property type section.

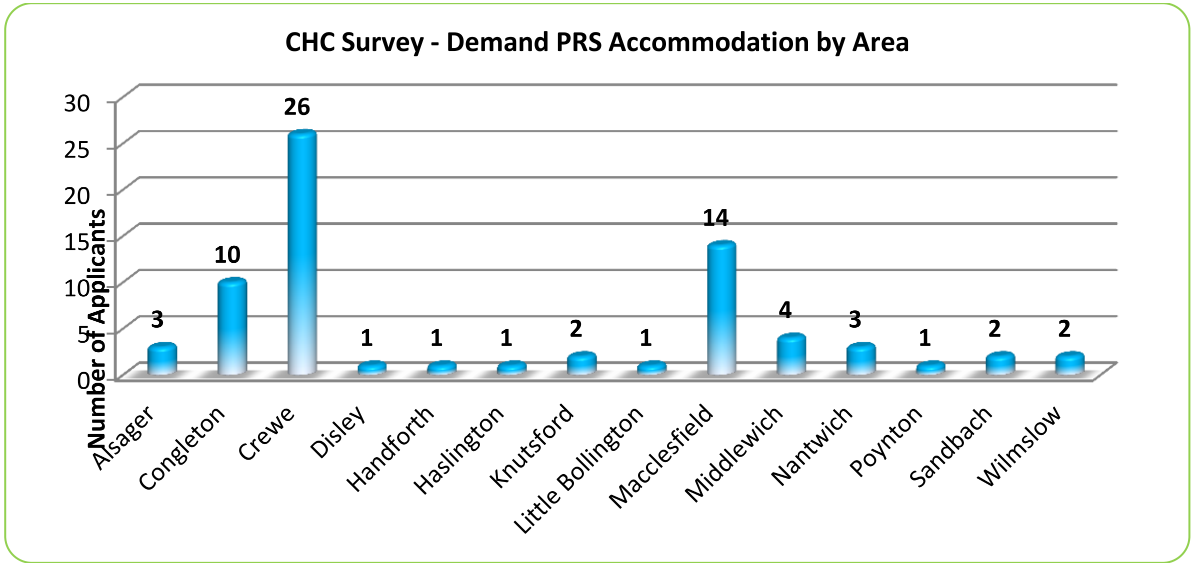


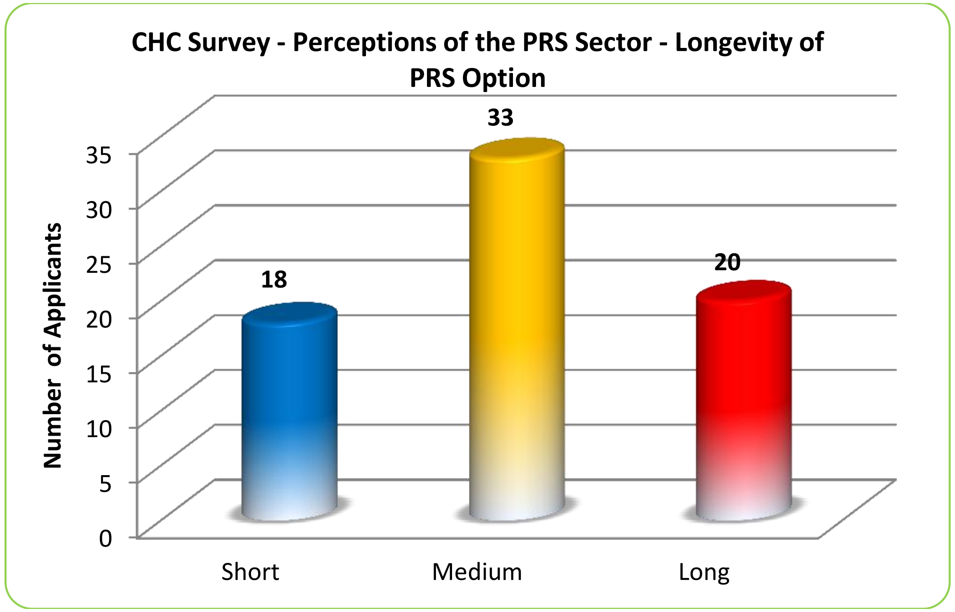
The chart (left) shows that out of the 100 applicants questioned **71%** would consider looking towards the Private Rented Sector (PRS) for a solution to their Housing circumstances as an alternative to renting from a Registered Social Landlord (RSL) under either social or affordable housing schemes. The majority of these stated that they would choose to rent privately because it would be quicker to secure PRS accommodation than affordable housing.

Although, a high percentage would consider the sector most had concerns or explained that they would experience difficulties securing accommodation in the PRS.

The chart (*right*) shows a breakdown of the demand for PRS accommodation by area across the borough as collected from CHC applicants.

As expected there are a high proportion of applicants who have expressed a desire for accommodation in Crewe with 26% of respondents requesting it. Macclesfield had the second highest number of requests which again is perhaps to be expected given it is the 2nd largest town in the borough.





The chart (left) shows a breakdown of applicant perceptions of the private rented sector and the longevity of the option as a solution to their housing circumstances.

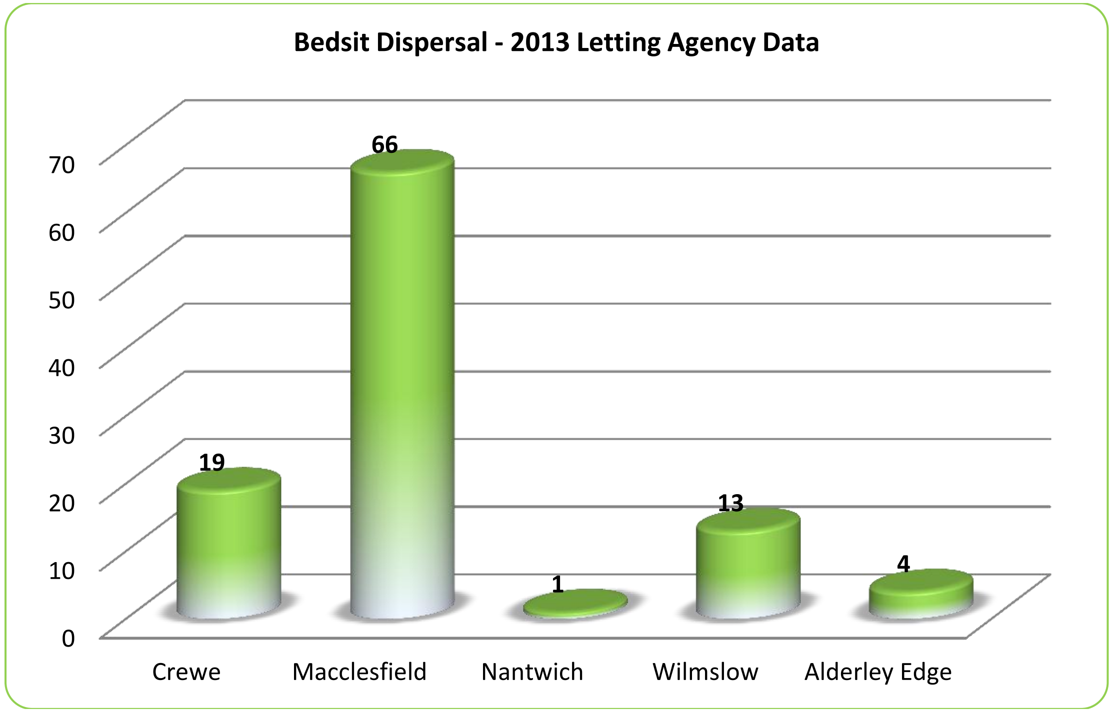
Of the 71 applicants 18 stated that they felt the PRS would only provide them with a short term (stop-gap) measure but still desiring to secure affordable housing in the future.

The highest number of applicants (33) saw the PRS as a medium term solution, perhaps suiting their accommodation needs anywhere from 1-3 years.

20 of applicants saw the PRS as a long term solution and only made an application to the waiting list as another option for them to consider but not one which they felt they would realistically achieve.

Property Type - Bedsits

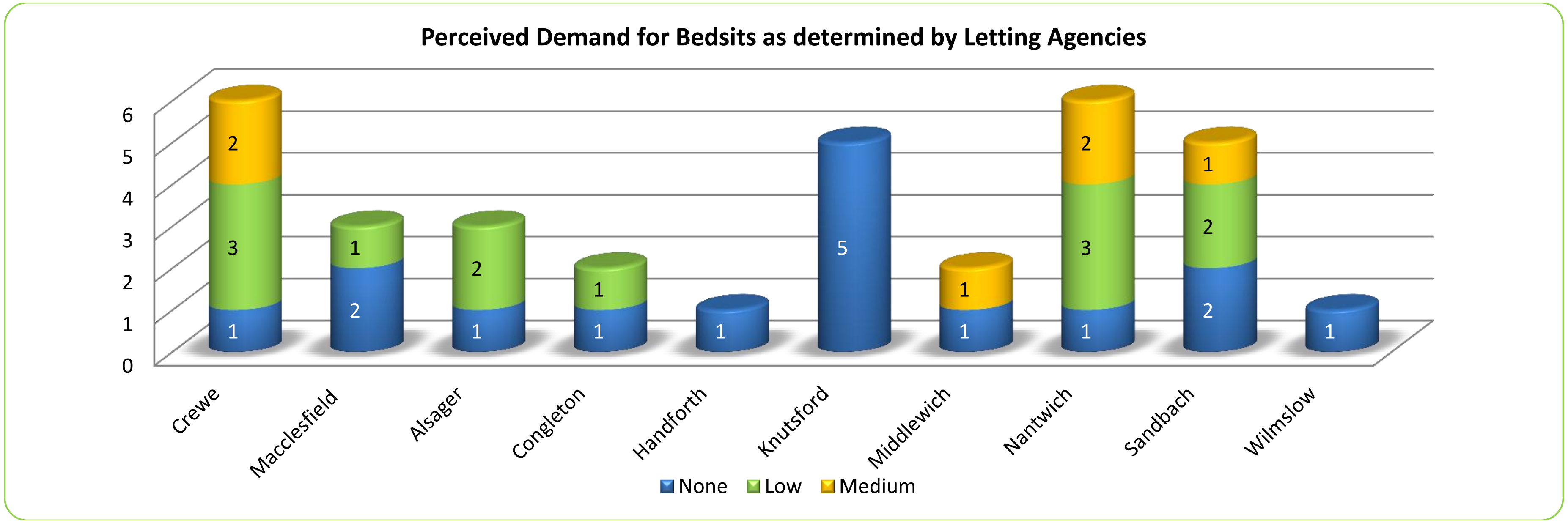
Letting Agent Information



The chart (*left*) displays the dispersal of Bedsits throughout Cheshire East Borough which were let in 2013. The chart shows that the majority of the 103 Bedsits were let in the Macclesfield area with smaller amounts in Crewe and Wilmslow.

The chart on the following page shows a breakdown of the perceived demand according to letting agents for Bedsits in each of the principal and key service centres (*with the exception of Poynton*):

**The numbers displayed within the chart represent the number of agencies who responded and their determination of the demand for Bedsit accommodation across the listed areas. **

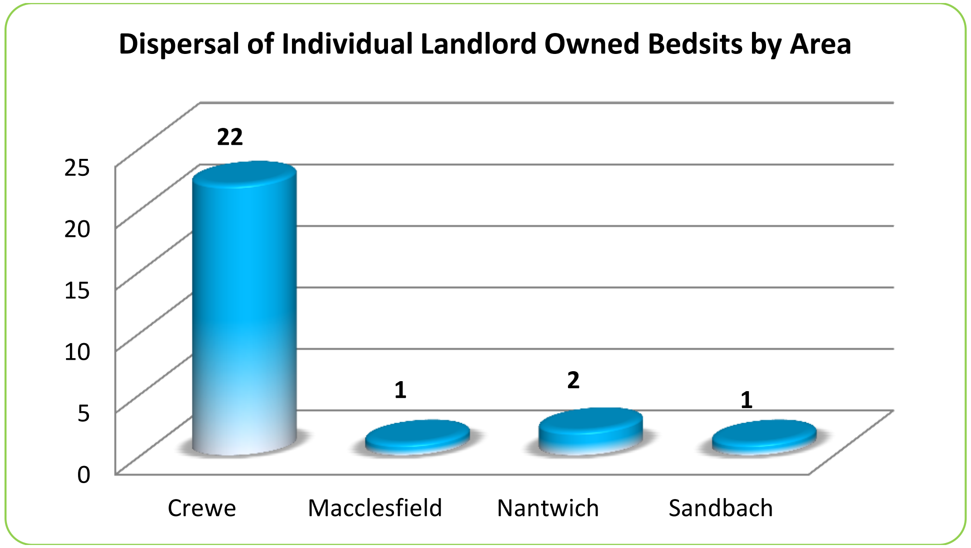


From the chart (*above*) the overall perception was that there was no to low demand for Bedsit accommodation in the areas listed. This could be because of a number of reasons, for example the agents who responded in the Knutsford area tended to focus on larger family accommodation as opposed to Bedsits as the core of their business.

Furthermore, in places such as Crewe where 6 agents responded there was a more mixed picture where 3 of the agents said there was a low demand but a further 2 said that demand was actually relatively healthy based on their experiences.

There were no areas which responded to say that demand was “high”.

Individual Landlord Information:



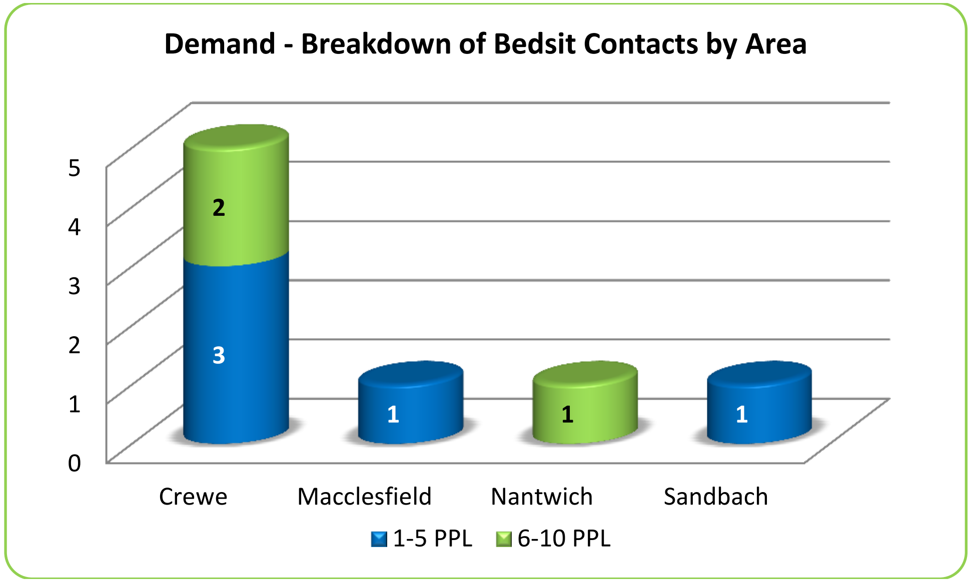
The chart (*left*) displays a breakdown of Bedsit accommodation owned by individual landlords by area, as per the responses to the survey conducted.

22 of 26 Bedsits are located within the Crewe area which accounts for 84.6% of all the Bedsits.

The data from the individual landlord survey details that **8** of the landlords currently let out 26 Bedsits across 4 areas including Crewe, Macclesfield, Nantwich and Sandbach.

Within those landlords five of them explained that for each Bedsit they have to let they get between 1 & 5 people attempting to secure it, the remaining 3 landlords stated that they get between 6 & 10 people approaching them about each of their properties.

Potentially this could mean that there was a maximum number of **175** people contacting the 8 landlords about the 26 properties they had to let.



The chart (left) shows a breakdown of the locations of Bedsit accommodation owned by individual landlords and the numbers of contacts which each one received.

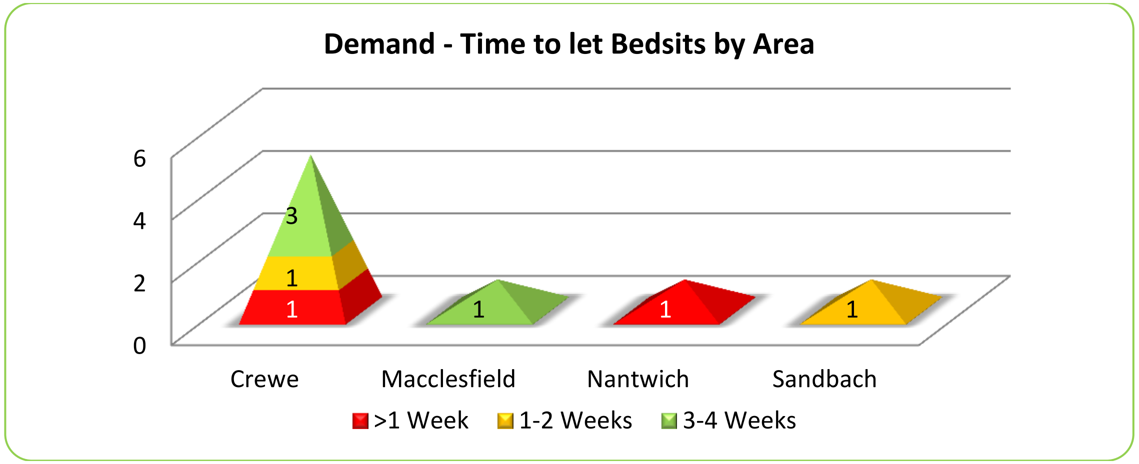
As Crewe has the largest number of Bedsits (*according to available data*) it's perhaps expected that this area would again attract the larger amount of contacts to landlords which indeed is the case with 3 landlords stating they receive between 1-5 contacts about each property and a further 2 landlords saying they receive between 6-10 contacts on average.

In both Macclesfield and Sandbach the landlords stated that they only usually receive between 1-5 enquiries about each of their Bedsits once they're ready for re-let. Whereas in Nantwich this figure increases to 6-10 contacts.

The chart below shows data on how long it takes for Bedsits owned by the individual landlords to let once they're advertised which gives us an idea about how quickly the market moves in relation to this property type.

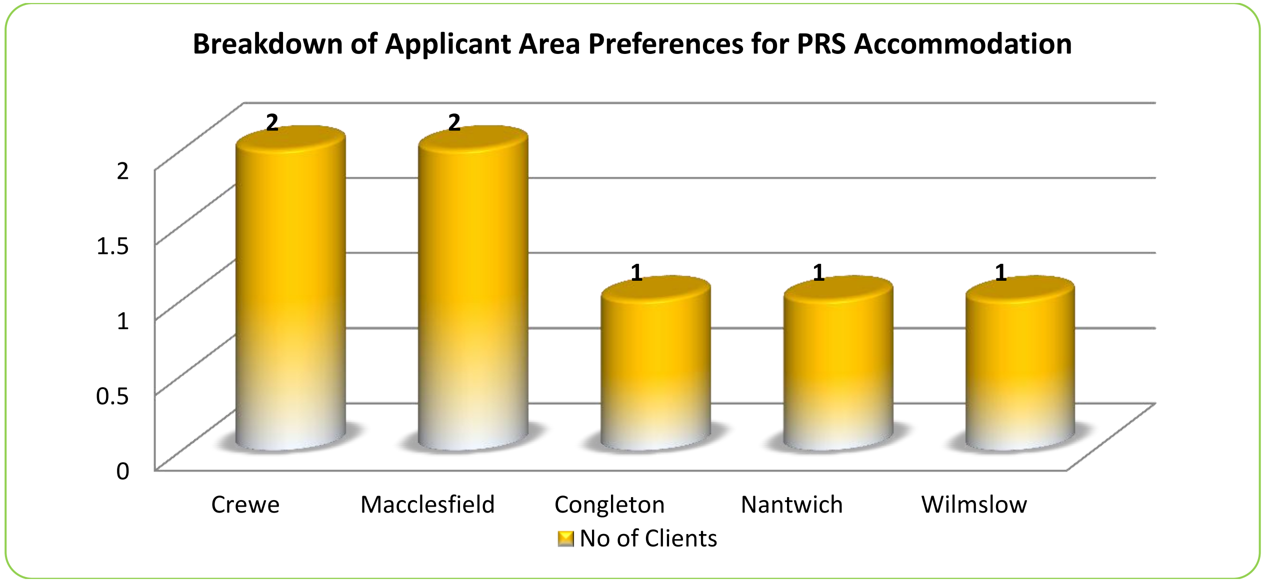
The chart (*right)* shows that (according to available data) although there are more Bedsits in the Crewe area, 3 of the 5 landlords who responded stated that it actually takes them 3-4 weeks to re-let their property despite the contacts received.

This isn't necessarily an indication that the market is moving slowly as the remaining landlords which had properties in Crewe stated that they were able to let their properties much quicker. It may simply be a question of how those landlords advertise their properties.



Cheshire Homechoice Information:

During the survey conducted amongst Cheshire Homechoice applicants, 7 of the 71 applicants who would consider renting as an alternative to affordable housing stated that they would be willing to rent a bedsit. A breakdown of the areas in which they're looking to rent can be found in the chart below.



Of the 7 applicants listed in the chart above all of them would require Housing Benefits assistance in order to afford to pay the rent on PRS properties. However, when considering the average rental information from the previous Affordability section some applicants may experience difficulties. In Crewe the letting agency data shows that the average monthly rental value for a Bedsit is £249. Based on 2013-14 levels, Housing Benefits would have only been able to pay a maximum of £229.66 per calendar month on that type of property meaning that applicants would have a shortfall of £19.34 per month to make up.

In Macclesfield the picture would be similar as the average rental value from 2013 was £378 per calendar month but again the maximum amount which Housing Benefits would have been able to contribute would be £351 per calendar month, leaving a monthly shortfall of £27.

Within the 7 applicants who have expressed an interest in PRS accommodation, two saw the PRS as a short term solution, three as a medium term solution and the remaining two believed it could provide a long term / lasting solution to their housing circumstances.

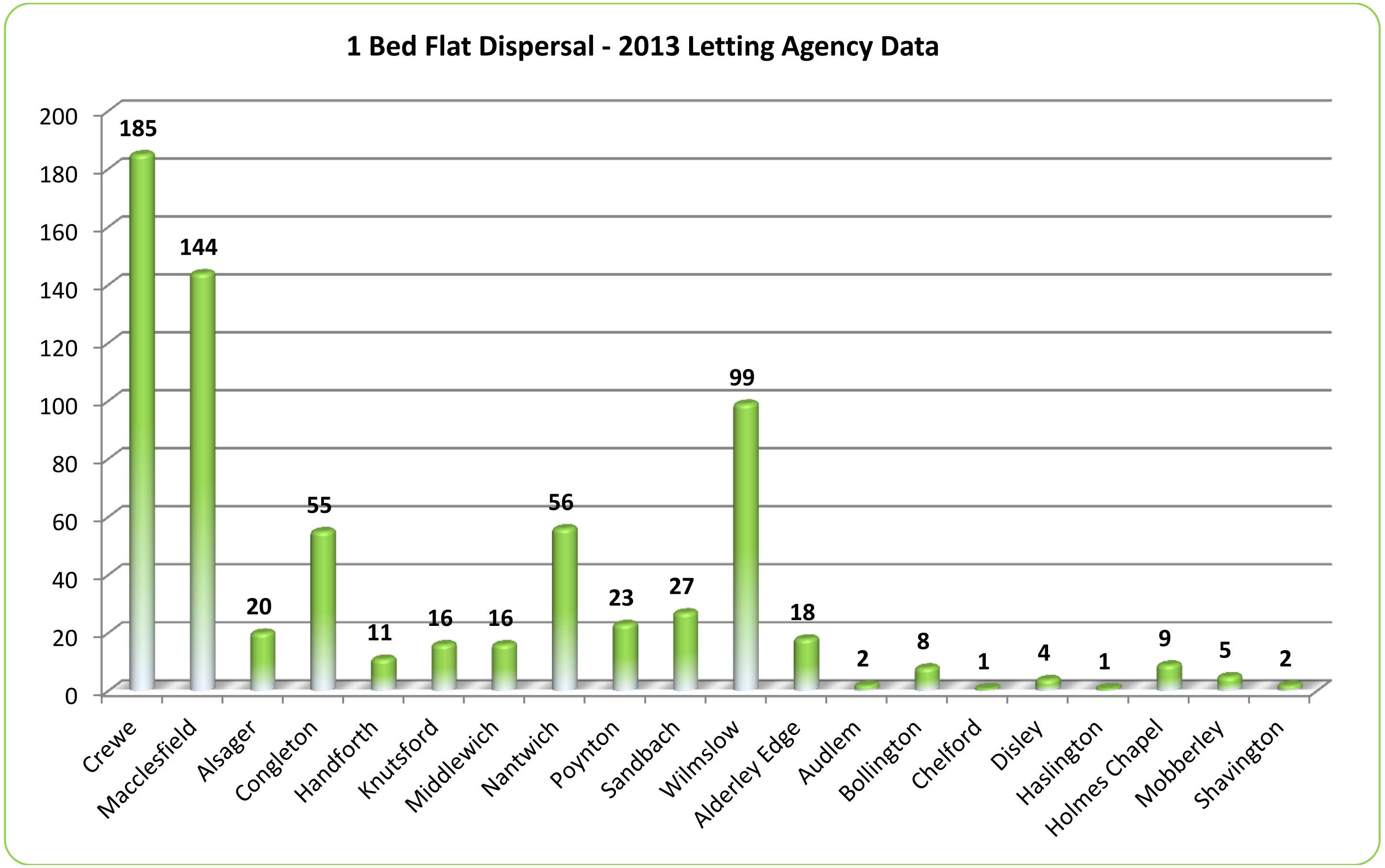
Property Type – 1 Bed (Self Contained) Flats

Letting Agency Information

The chart (right) displays a dispersal of where 1 Bed Flats were successfully let out by letting agents in 2013.

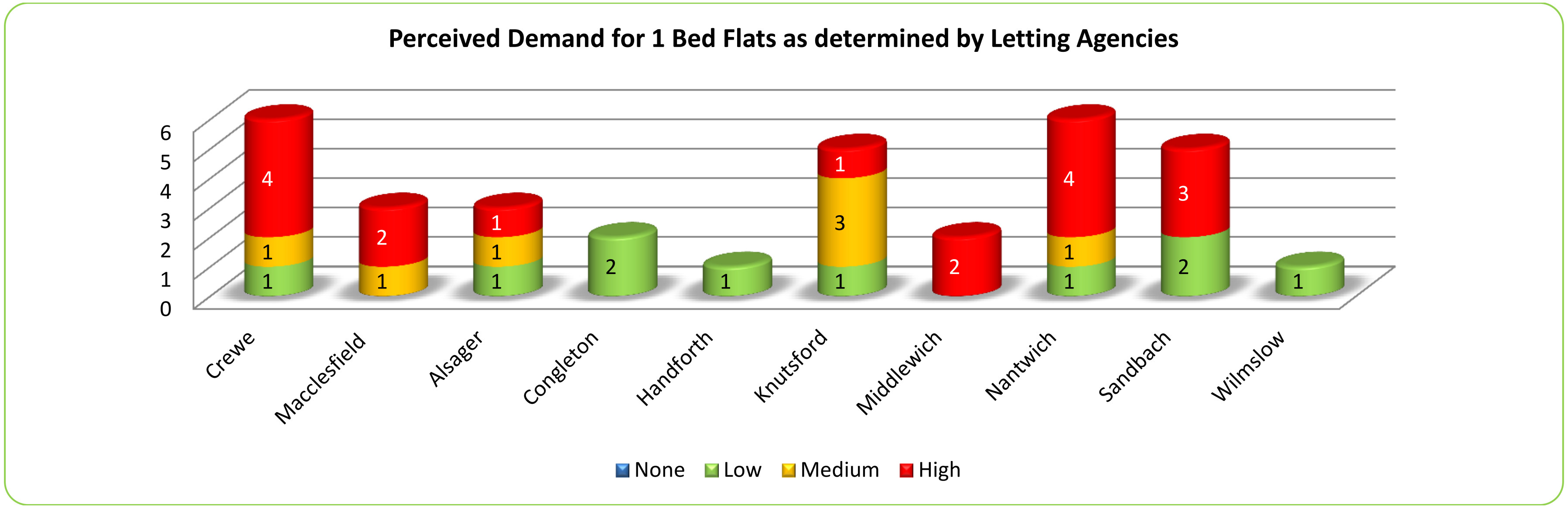
In total there were 702 one bedroom flats let in the year. As you can see from the chart as with bedsits the majority of them are located in Crewe and Macclesfield which combined represented 46.8% of all the 1 Bed Flats in the 20 towns listed.

Smaller levels of accommodation can be seen in Wilmslow which had 99 properties, Nantwich and Congleton which had 56 & 55 properties respectively.



The following chart displays a breakdown of perceived demand for this property type as determined by the letting agencies who responded to the survey and again account for all principal towns and key service centres with the exception of Poynton.

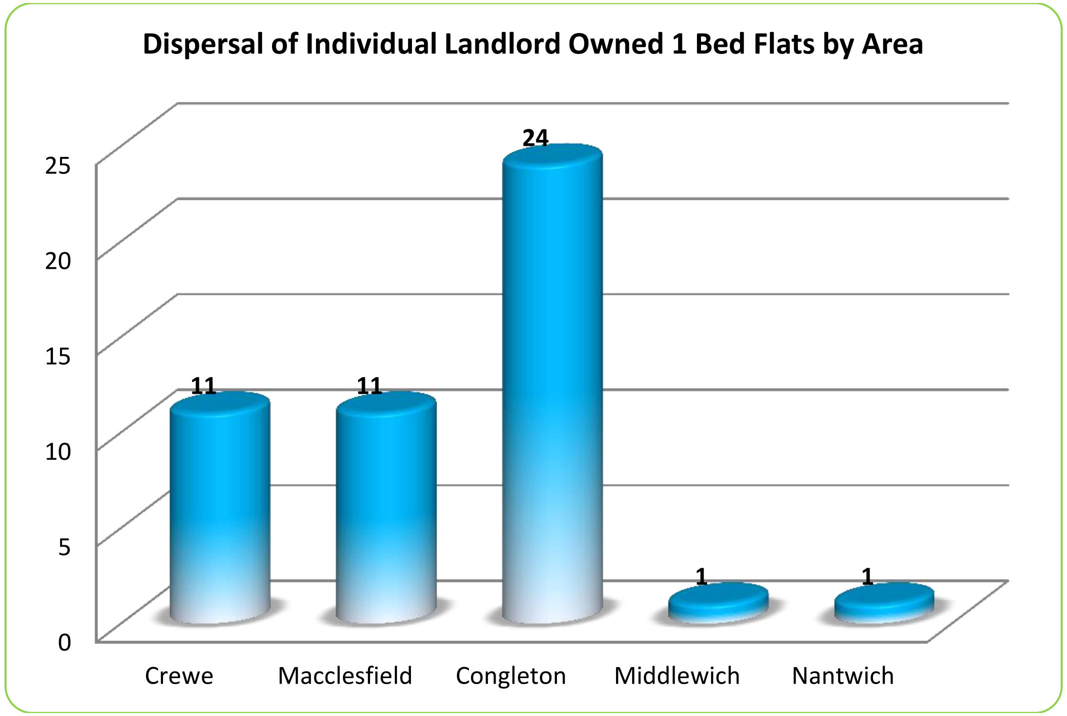
**The numbers displayed within the chart represent the number of agencies who responded. **



The chart (*above*) shows that amongst letting agents the overall perception was that there is a high demand for 1 bedroom flats in the areas listed. Specifically this demand can be seen in areas such as Crewe and Nantwich which each had 4 of the 6 agents covering those areas stating that they had a high demand. Other areas such as Macclesfield and Knutsford predominately show a medium – high demand. Sandbach which had 5 agent responses was somewhat unusual as 3 agents stated a high demand whilst 2 said they experienced a lower demand.

The fact that Crewe is experiencing a higher demand for 1 bedroom properties may be due to the size of its population, having the highest population in the Borough but this may also be coupled with lower level levels of home ownership.

Individual Landlord Information:



The chart (left) shows a breakdown of the 1 Bed Flats which are currently owned by Individual landlords and the areas in which the properties are located.

It is important to note that this information does not reflect market activity in 2013 alone it shows all 1 bed flats owned by individual landlords.

In total Landlords responded to say that they owned 48 properties in 5 different areas. The highest number of 1 bed flats can be found in the Congleton area which is marked difference when compared to the dispersal of properties from the letting agency data. In this case Congleton had one landlord in particular who owned a large number of 1 bedroom flats.

The data identified 15 individual landlords operating in the above listed areas and letting out one bedroom flats. These landlords were asked how many people approach them about each property when it's ready to be re-let to ascertain the demand for accommodation. Out of those who responded 12 landlords accounting for 39 properties stated that they had between 1 and 5 people contacting them about each property and the remaining 3 landlords, accounting for 9 properties had between 6 and 10 people enquiring.

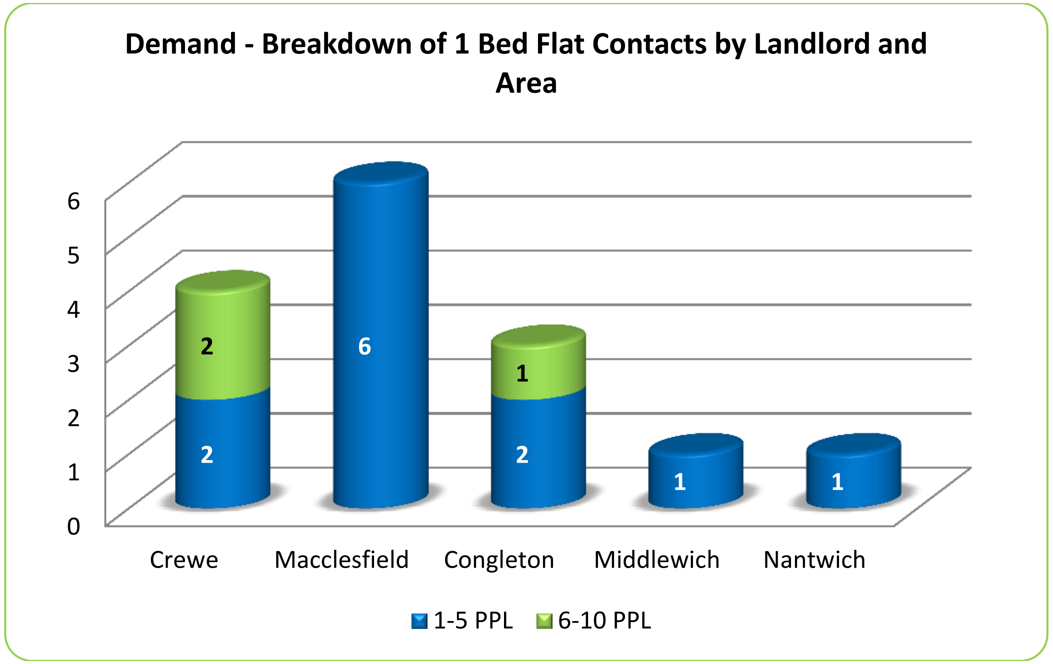
In theory these enquiries amongst the individual landlords could translate to a maximum of **285** people approaching about the 48 properties available, meaning that potentially demand is outstripping supply by almost 6 times. Even at its smallest potential levels assuming that the minimum number of people were approaching the landlords it could still mean at least 93 enquiries for the 48 properties so demand is still almost double that of the supply.

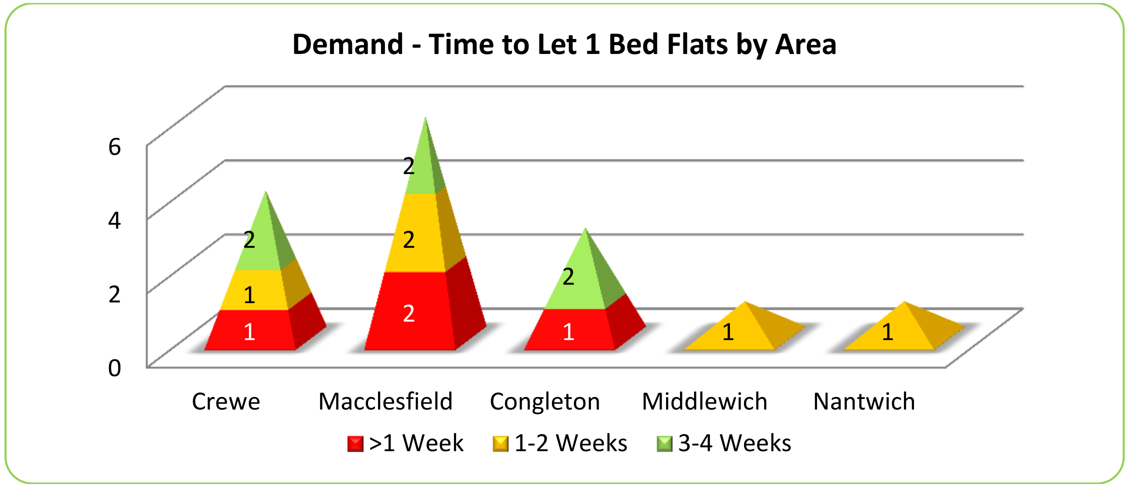
The chart (right) shows a breakdown of the locations of 1 Bed Flats owned by individual landlords and the numbers of contacts which each received.

According to the data provided on the previous page, Congleton had the largest number of 1 bedroom properties although the number of landlords is much lower than areas such as Macclesfield where 6 of the landlords have accommodation as opposed to 3 in Congleton.

It is unsurprising that Macclesfield has attracted a larger number of landlords as it's the second largest town in the borough. In Macclesfield all 6 of the landlords (totalling 11 properties) have explained that they receive between 1 and 5 people contacting them about each of their properties once they're ready to let.

Crewe had 4 landlords responding and again accounted for 11 properties in total. Two of the landlords stated they received between 1 and 5 contacts whilst the remaining two received between 6 and 10 contacts.





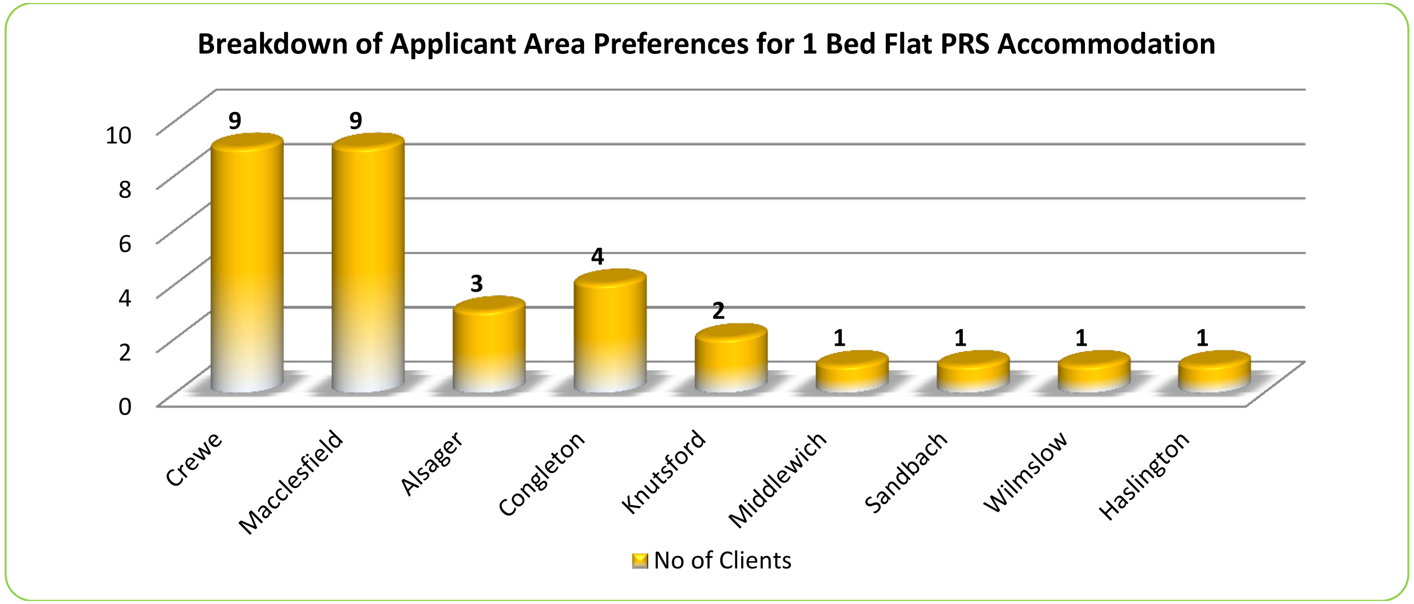
The chart (left) shows how long it takes for 1 bed flats to be re-let by the individual landlords and gives an indication of how quickly the market is moving.

The chart shows that despite Congleton having the largest number of 1 bed flats 2 of the 3 landlords in that area stated that it takes them between 3-4 weeks to let their properties.

In other areas such as Macclesfield there is a much more even distribution of timescales amongst the 6 landlords in that area.

Cheshire Homechoice information:

Of the 71 applicants currently on Cheshire Homechoice who indicated that they would consider looking towards PRS accommodation as opposed to affordable housing. 31 of them would be interested in renting 1 bedroom flats. The chart below provides a breakdown of those 31 applicants and the areas in which they are looking to live.



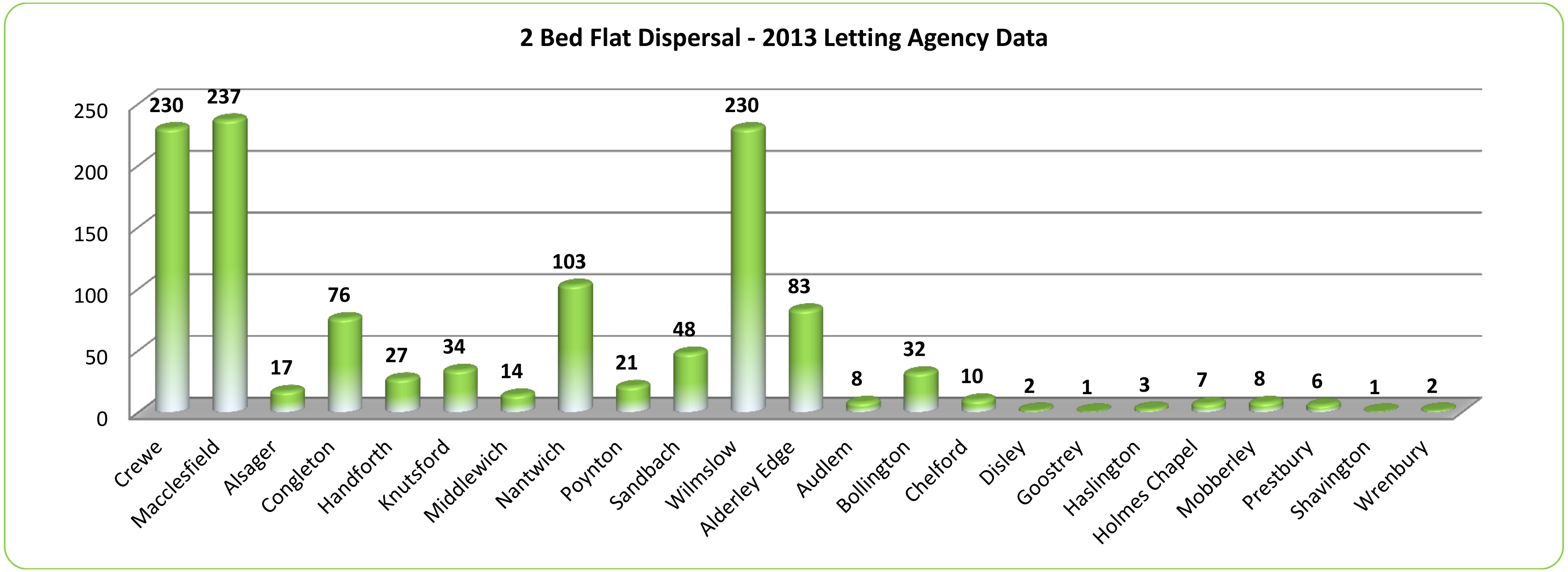
Of the 31 applicants who responded, 24 have stated that they would require Housing Benefits assistance in order to pay the rent on a private rental property of this type. Based on data from the market the current average rent in Crewe for a 1 bed flat is £384 which is £34 higher than the maximum amount which Housing Benefits is able to pay. In Macclesfield the picture is again relatively similar, the current average monthly rental value is £474 which is £24 high than the maximum Housing Benefits assistance amount.

The remaining 7 applicants who are currently working should find it slightly easier to secure the accommodation provided, in Crewe applicants would have to be earning £1,280 per month (net) and in Macclesfield they'd have to be earning £1,580 per month (net).

Finally, 9 applicants saw renting privately as a short term solution to their Housing circumstances, 13 believed PRS would provide a medium term solution and a further 9 applicants stated the PRS could provide them with a long term solution to their situation. 4 of the 9 applicants who stated the PRS could give them a long term solution are currently working full time the remaining 5 are currently on benefits.

Property Type – 2 Bed Flats

Letting Agency Information:

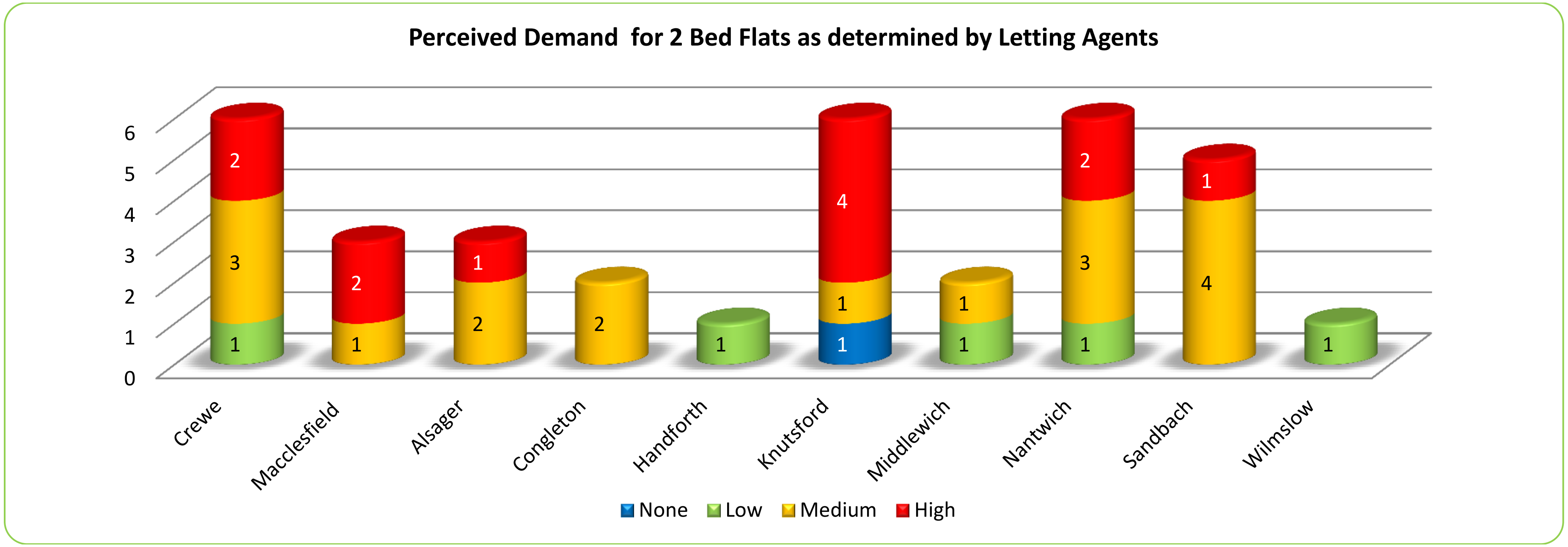


The chart (above) provides a breakdown of the locations of all 2 bedroom flats which were let out by letting agents in 2013. The chart shows that in total there were 1200 properties let out across all 24 focus areas with the exception of Bunbury. As with previous charts a large percentage (38.9%) of the properties are located within the principal towns of Crewe and Macclesfield. However, interestingly there was the same number of 2 bed flats let out in Wilmslow as there was in Crewe. Wilmslow has a total of 892 of all types and sizes so this means that 2 bed flats would make-up 25.7% of all properties in that area.

Smaller levels of 2 bed flats are again present in Nantwich and Congleton which had 103 and 76 properties respectively but also in Alderley Edge which also had 83 properties of this type.

2 Bed Flats represent the 3rd highest number of property let out by the agents in 2013 next to 2 and 3 bedroom houses.

The table (below) provides a breakdown of the perceived demand for 2 bedroom flats as detailed by those letting agencies which responded to the survey.



From the chart (above) the overall perception is that there is a medium – high demand for 2 bedroom flats across the 10 areas listed above. There is an anomaly with respects to Knutsford which had 6 respondents. 4 of the respondents reported a high demand, 1 said there was a medium demand but interesting 1 agent reported that there was no demand for 2 bedroom flats in that area. This is unusual given the trend in the town but could possibly be explained by the fact that some agents focus on a particular type of property as their core business.

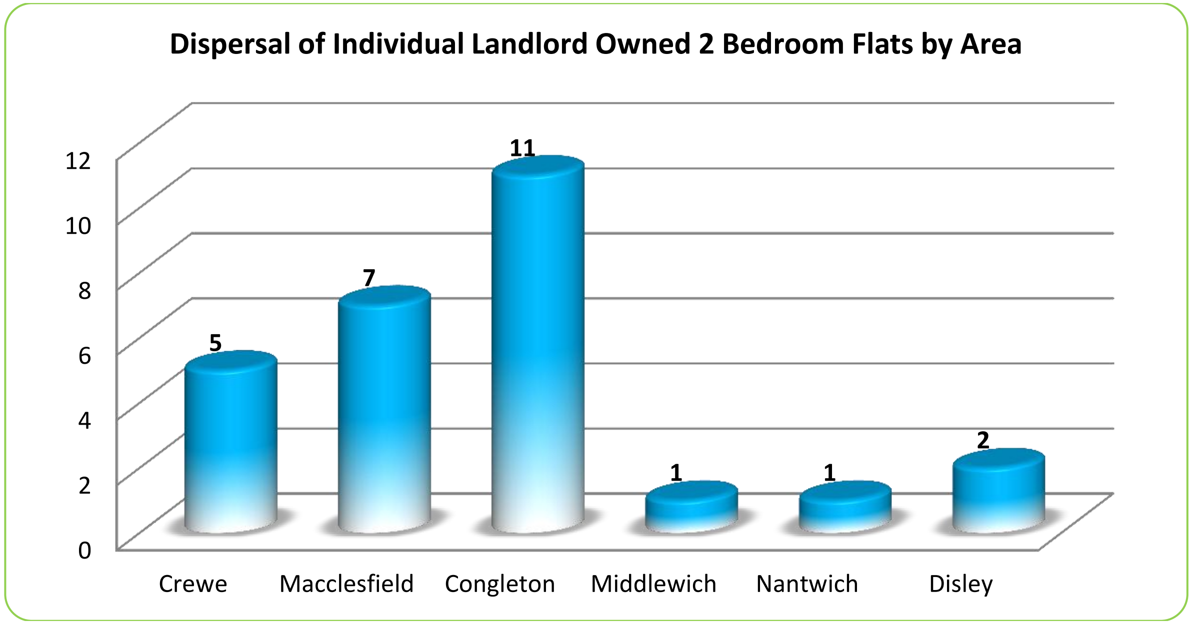
As previous charts have shown there is once again a belief that there is a very healthy demand for 2 bedroom flats in the Crewe and Nantwich areas with 5 of 6 agents reporting medium to high demand requirements.

Individual Landlord Information:

The chart (right) shows the dispersal of 2 bedroom flats which are currently owned and let out by individual private landlords.

As mentioned it must be noted that these figures are not reflective of the PRS market in 2013 amongst landlords and simply shows the properties which they own and let out.

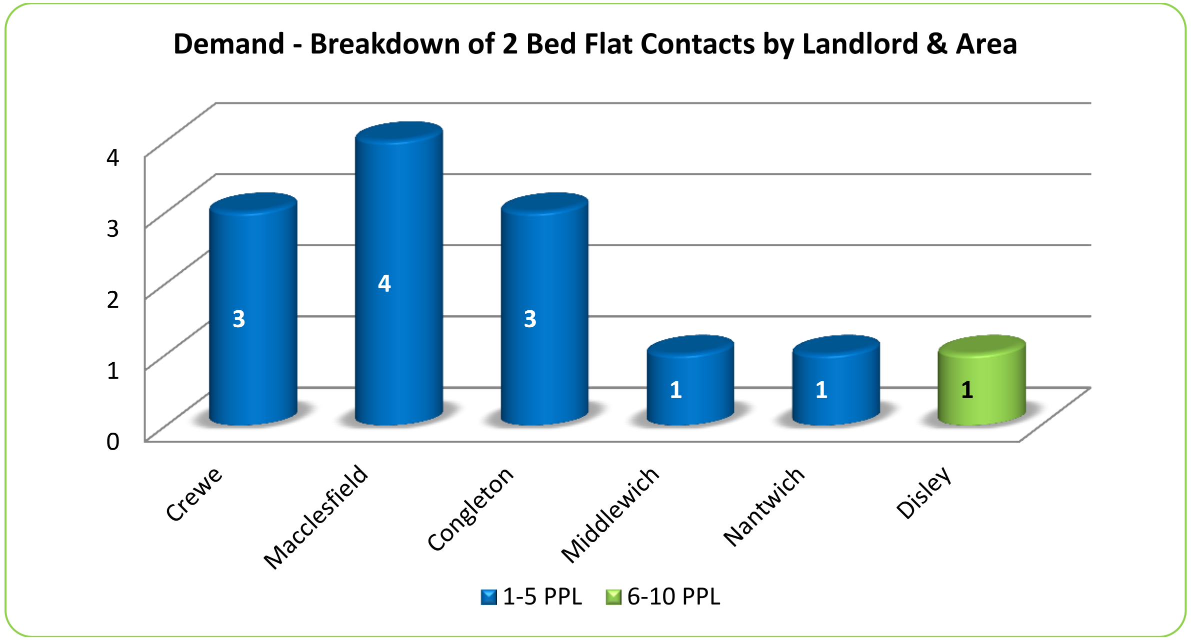
In total there were 27 properties identified across 6 areas in the borough. All the areas are regards as being principal towns or key service centres with the exception of Disley which is classed as a local service centre.



The chart (above) shows that out of the 27 properties the highest amount was located in Congleton, as with 1 bedroom properties this is the result of one landlord in that area having the majority of the 2 bed flats reported. The 27 properties are split between 13 individual landlords, each of them commented on the amount of people who contacted them about each of their properties once they're ready for re-let.

Within the thirteen landlords, 12 had 25 of the properties these in turn stated that they had between 1 and 5 people approaching about each property whilst the remaining landlord stated he had between 6 and 10 people enquiring about his two properties. Working on the assumption that the maximum number of people approached about the properties available there could have been as many as 145 people trying to secure the 25 properties on offer.

Even assuming the lowest possible number of people contacted the same landlords it could still translate to 37 people seeking 27 properties.



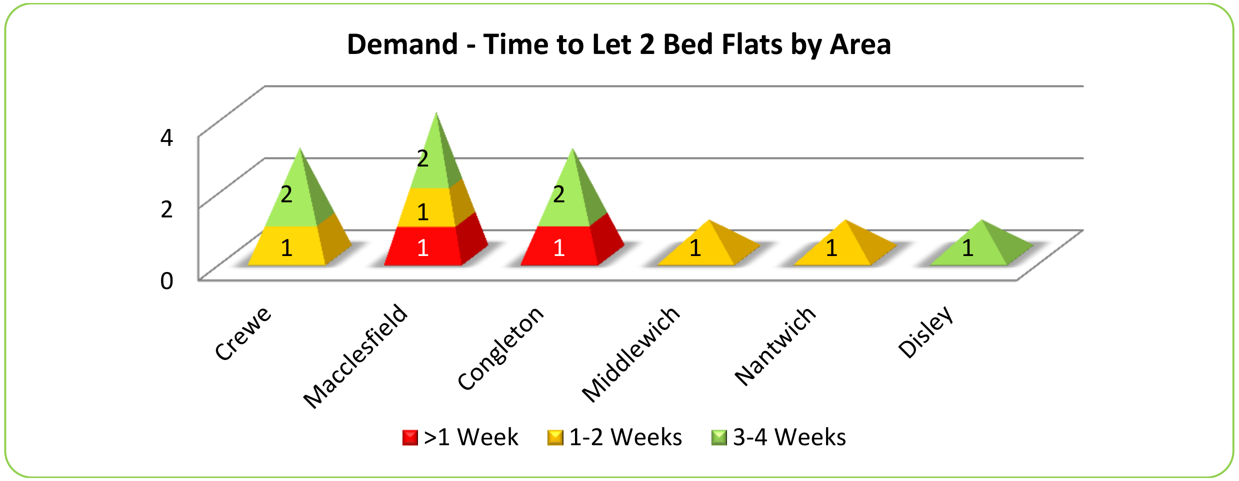
The chart (left) provides a breakdown of the locations of 2 bed flat accommodation owned by individual landlords and the location of those properties.

As has already been mentioned the vast majority of landlords have reported that they generally get between 1 and 5 people contacting them about each property once it's available to be re-let.

The exception to this can be found within Disley where the only landlord who responded who has 2 bed flat accommodation in the area has stated that he receives more contacts for his properties than other larger areas. This could potentially be because his properties are in a more desirable location.

The chart (right) shows that in Crewe, Macclesfield and Congleton 6 of the 13 landlords are reporting that their properties take 3-4 weeks to let out with smaller numbers stating that their properties let quicker. In Disley, despite that landlord having more contacts about his property he's still stated that it also takes him 3-4 weeks to let his property.

Given that the majority of the landlord's state it takes them between 3-4 weeks to let out their properties it could indicate that the market in this property type amongst individual landlords is slightly slower.



Cheshire Homechoice Information:

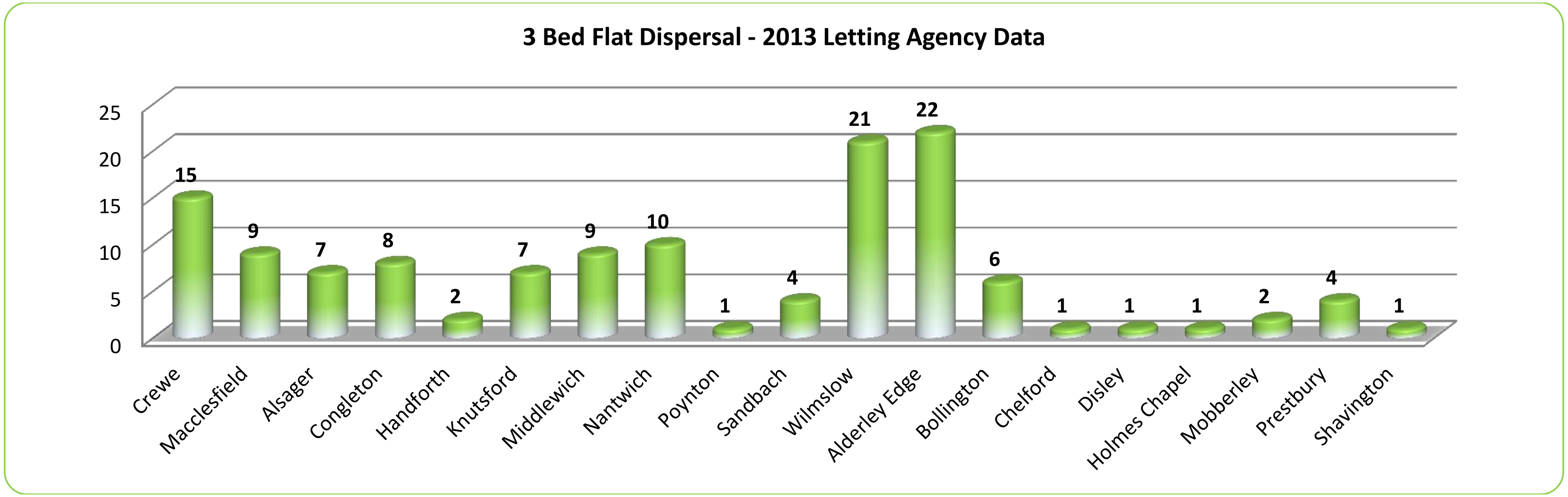
Of the 71 applicants who stated that they would consider looking towards the private rented sector for an accommodation solution as opposed to affordable housing, only 3 applicants have said that they would consider a 2 bedroom Flat. Amongst those 2 said they would consider Crewe and the remaining applicant wanted Nantwich.

2 of the 3 applicants are currently claiming benefits and all were singles which suggests that they may encounter problems when trying to secure this size and type of property. The current average rental value for a 2 bed flat (based on available information) in Crewe is £468 per month whereas the maximum number of Housing Benefits which an individual would be entitled to claim (assuming they are aged over 35) would be £350 per calendar month leaving them with a shortfall of £118 per month and it could be strongly argued that this wouldn't be an affordable solution for them.

The remaining applicant was seeking accommodation in the Nantwich area but is working. The current average monthly rental value in Nantwich is £598 which means the applicant would need to be earning at least £1,993 per month (net) in order for that rental value to be affordable.

Property Type – 3 Bed Flat

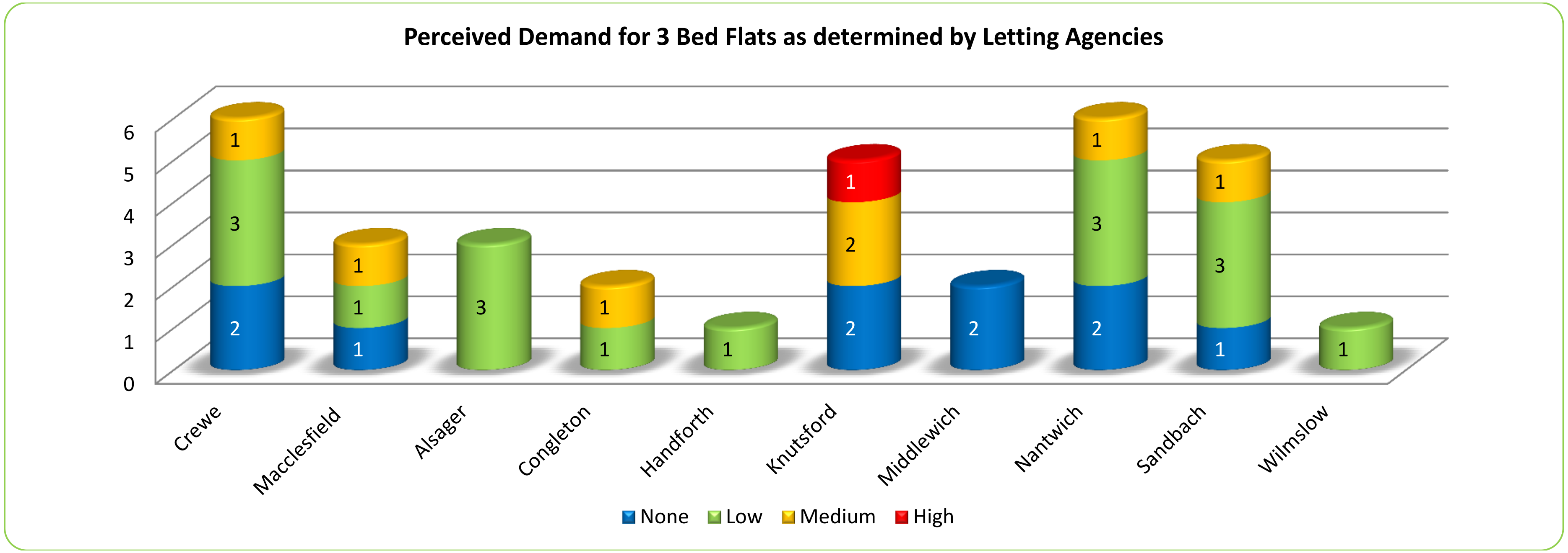
Letting Agency Information



The above chart shows the dispersal of 3 Bed Flats throughout Cheshire East Borough which were let by letting agents throughout 2013. The chart shows that in total there were 131 properties of this type let out over the period covering 19 areas. Interestingly the majority of the properties identified can be found in Wilmslow and Alderley Edge (accounting for 32.8% of all 3 bed flats) with a smaller number in Crewe.

Based on reports from the letting agency surveys most agents have specified that particularly in places such as Crewe they don't have many 3 bed flats for the simple reason that there aren't as many of them available in the market generally. This is reinforced within an earlier section which provides a breakdown of the property types over the last 4 years, within that 3 bed flats are consistently reporting a lower numbers than other types of accommodation but no information is available on the locations of the previous year's properties.

The following table provides the perceived demand for 3 bedroom flats amongst the letting agents surveyed.



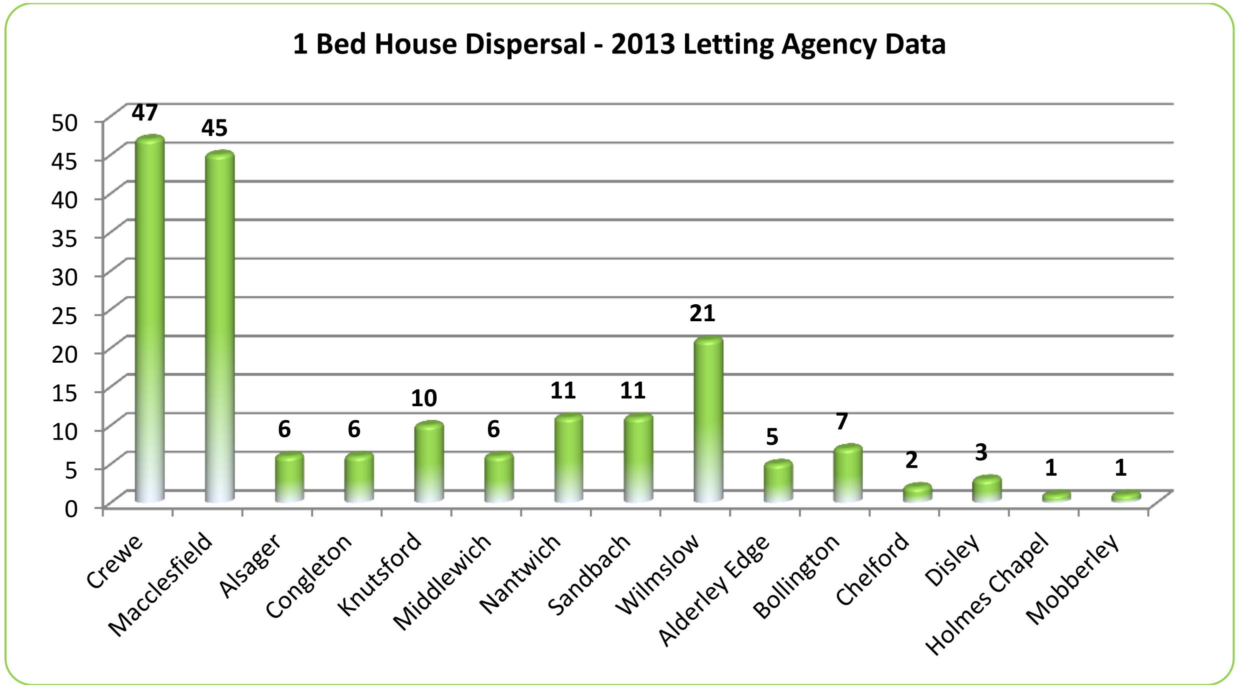
The above chart shows that the overall perception of the demand for 3 bedroom flats across the listed areas is low. With many agents also reporting that there is no demand for this kind of property in the areas they cover.

The anomaly here is Knutsford where three of the agents have specified that there is medium – high demand for this type of property. Whereas two of the agents have also stated that there is no demand for this type of accommodation in that area. As previously mentioned this could potentially be due to the types of properties which those agent focus on.

***There were no 3 bed flats reported by the individual landlords or any applicants requesting them via the Cheshire Homechoice surveys. ***

Property Type – 1 Bed Houses

Letting Agency Information

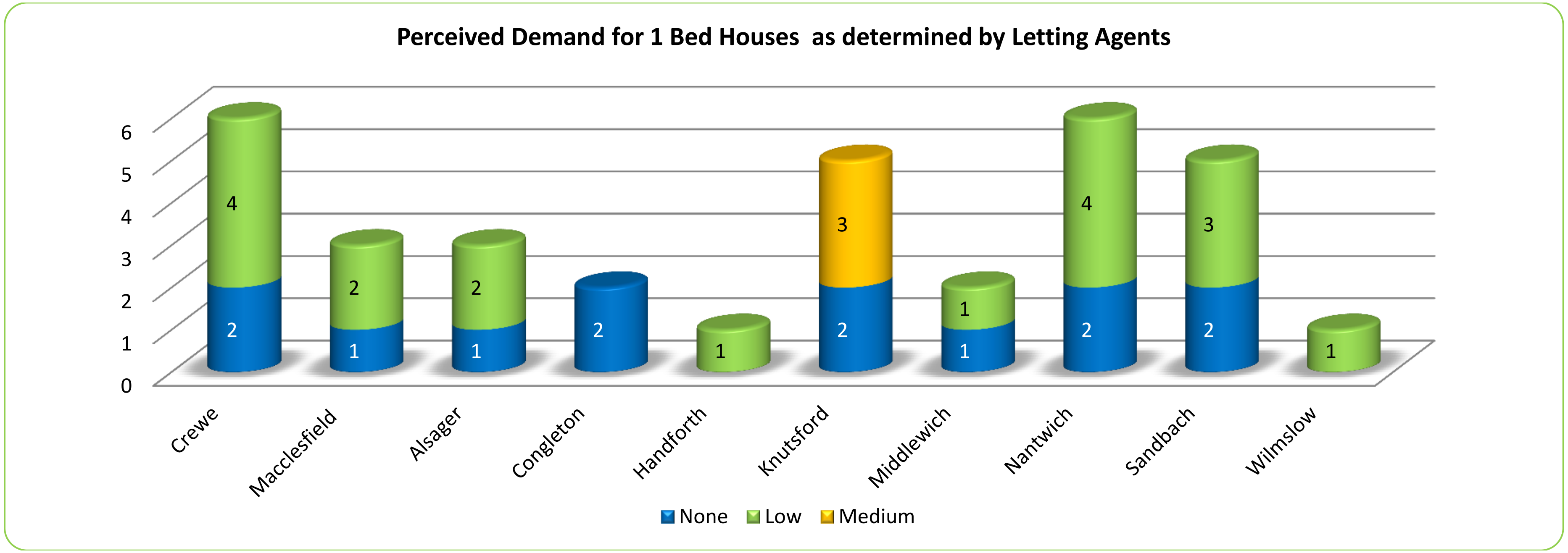


The (left) chart provides a display of the numbers and locations of all 1 bedroom houses which were let out by letting agents in 2013 throughout Cheshire East.

Properties were recorded in 15 towns and amounted to a total 182 properties. The majority of the properties identified are located within Crewe and Macclesfield which account for 92 of the 182 properties (50.5%).

There was a smaller but notable amount of properties located in Wilmslow which again reflects the larger than expected market in that area.

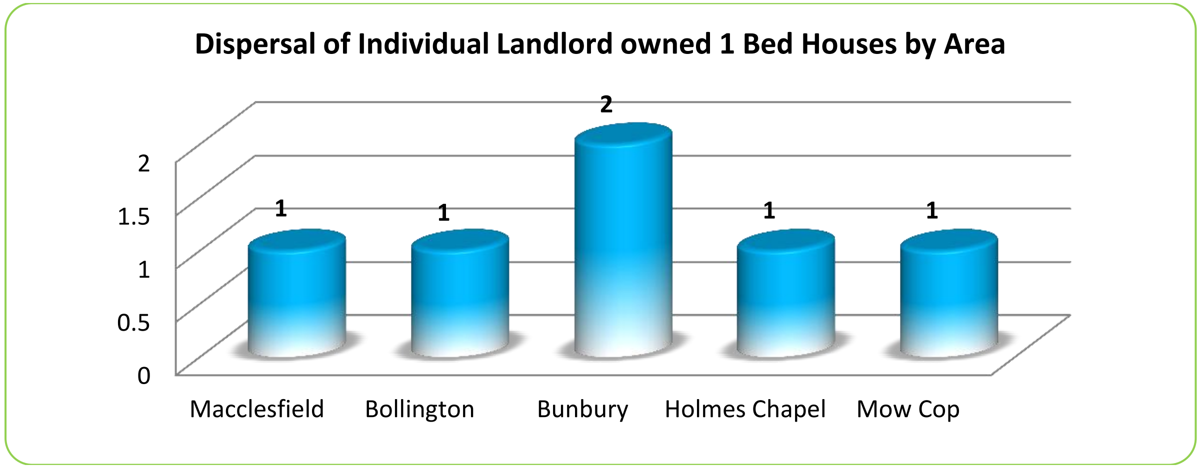
The chart on the following page provides a breakdown of the perceived demand for 1 bedroom houses across the 10 areas covered within the letting agency survey.



From the above chart overall there is a perception that there is a low demand for 1 bedroom houses amongst the letting agents in the 10 areas covered. Knutsford is the only area which is showing an anomaly whereby 3 out of the 5 agents who responded have stated that there is actually a medium demand for 1 bedroom houses.

In Congleton the two agents who responded have stated that they don't believe there is any demand for this property type and in Handforth and Wilmslow the agents have stated a low demand only.

Individual Landlord Information:



The chart (*left*) displays a breakdown of all the 1 bedroom houses which are owned by individual private landlords in the 5 areas which are listed.

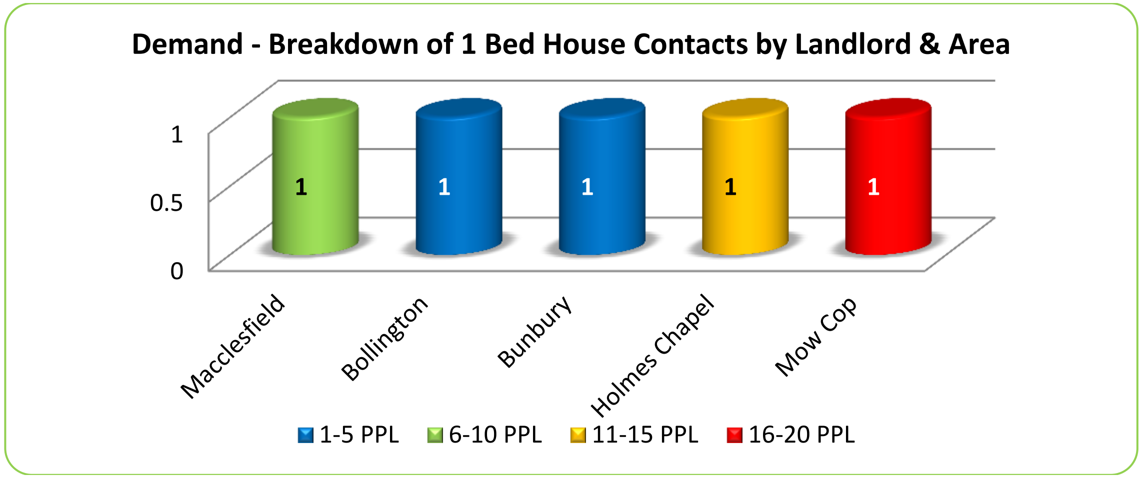
There were only 6 properties identified split between 5 landlords.

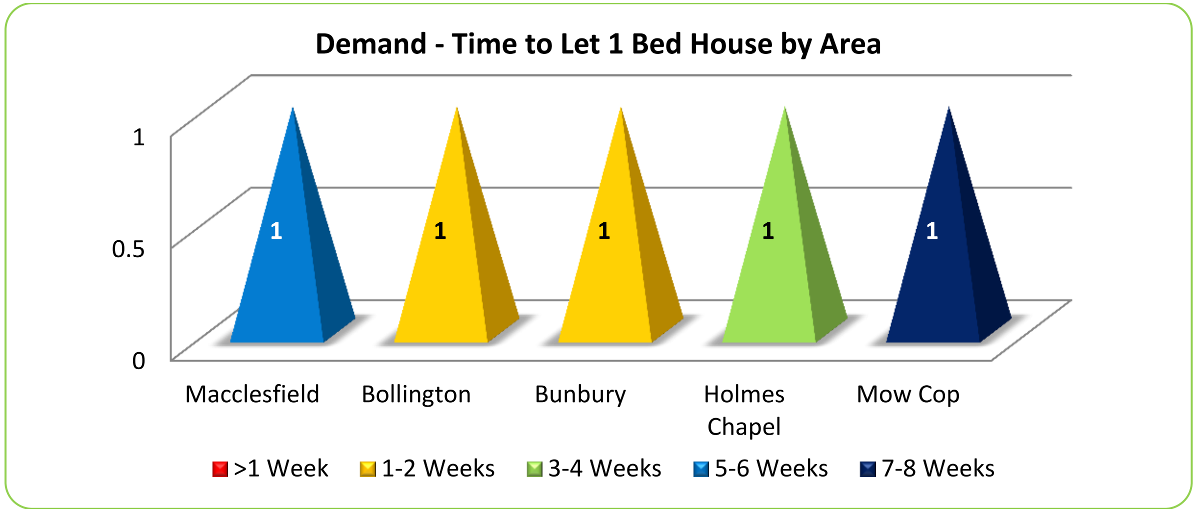
Although the number of properties isn't particularly high the level of demand for those 6 properties is worth noting. 2 of the landlords responded (these had 3 of 6 properties) to say that they receive between 1 and 5 approaches about each of their properties, 1 said they get between 6 and 10 contacts, a further landlord said they get between 11 and 15 contacts and the final landlord responded to say for his 1 bed property he receives between 16 and 20 individual contacts, that property was located in Mow Cop.

The chart (*right*) provides a breakdown of the contacts received by individual landlords by the areas in which their properties are located.

It is interesting to mention that the properties which received the higher numbers of contacts were located in Holmes Chapel and Mow Cop.

Working on the assumption that the maximum number of people approached about these properties it would translate to potentially a maximum of 60 people contacting about 6 properties on offer. As a minimum this figure could be as low as 36 people but still outstrips supply by 6 times.





This chart (left) provides a breakdown of the time it took for each of the landlords who responded to the survey to let their properties. It is again interesting to mention that although the properties in Holmes Chapel and Mow Cop had the highest numbers of contacts about each property they also take the longest period to actually secure a let.

This could have been due to the way the properties were being advertised or perhaps the condition of the properties themselves, but it still suggests that there is a higher demand for this type of property in those areas.

Cheshire Homechoice Information:

No applicants from the survey conducted amongst clients on Cheshire Homechoice specified a particular interest to secure 1 bedroom houses anywhere in the borough.

Property Type – 2 Bed Houses

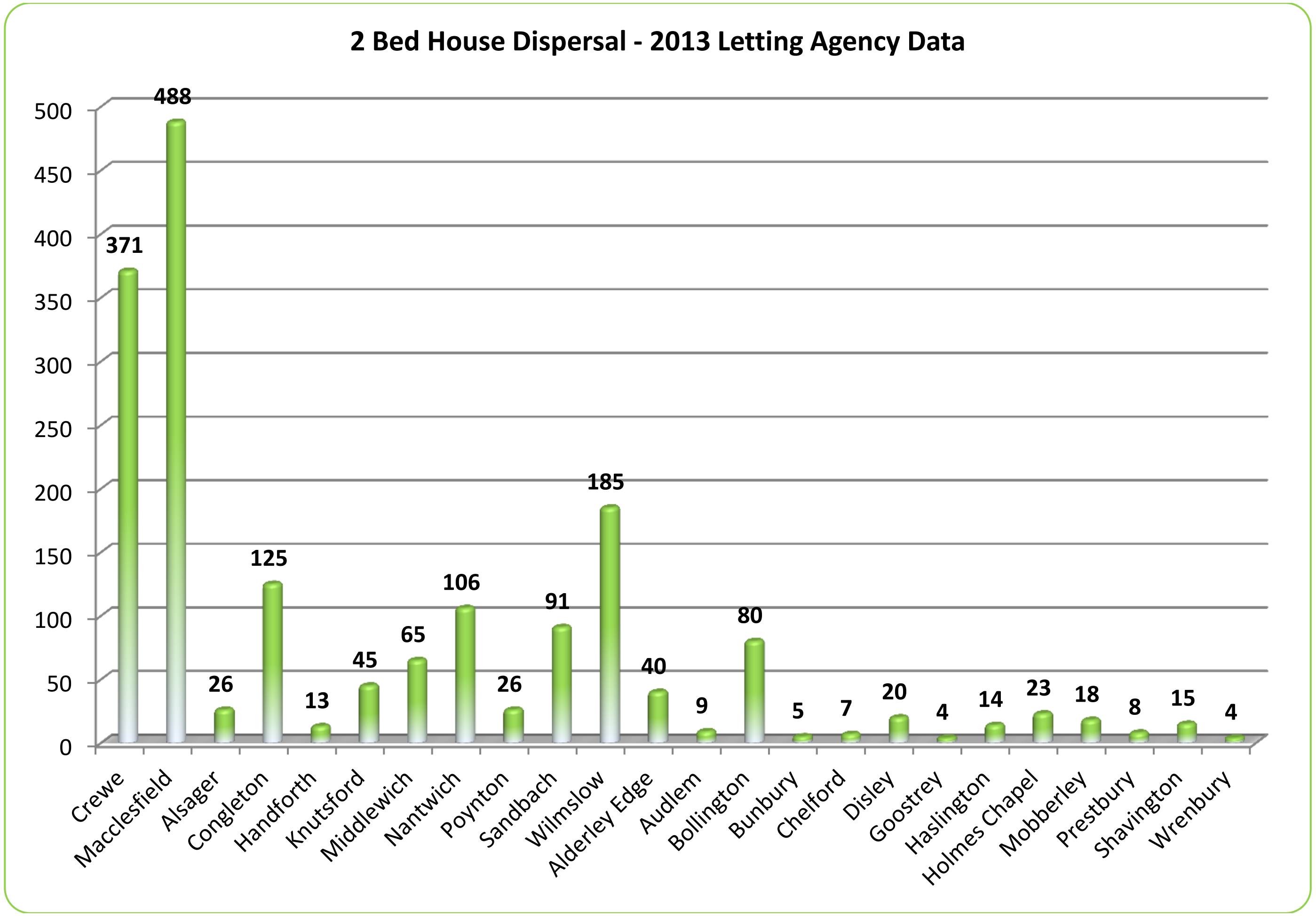
Letting Agency Information

This chart (right) provides a breakdown of the location and number of all 2 bedroom houses which were let by agencies in 2013.

In total there were **1788** properties located across all 24 of the focus towns listed. As you can see the majority of the properties are located in Crewe and Macclesfield which accounted for 859 (48%) of the 1788 total properties.

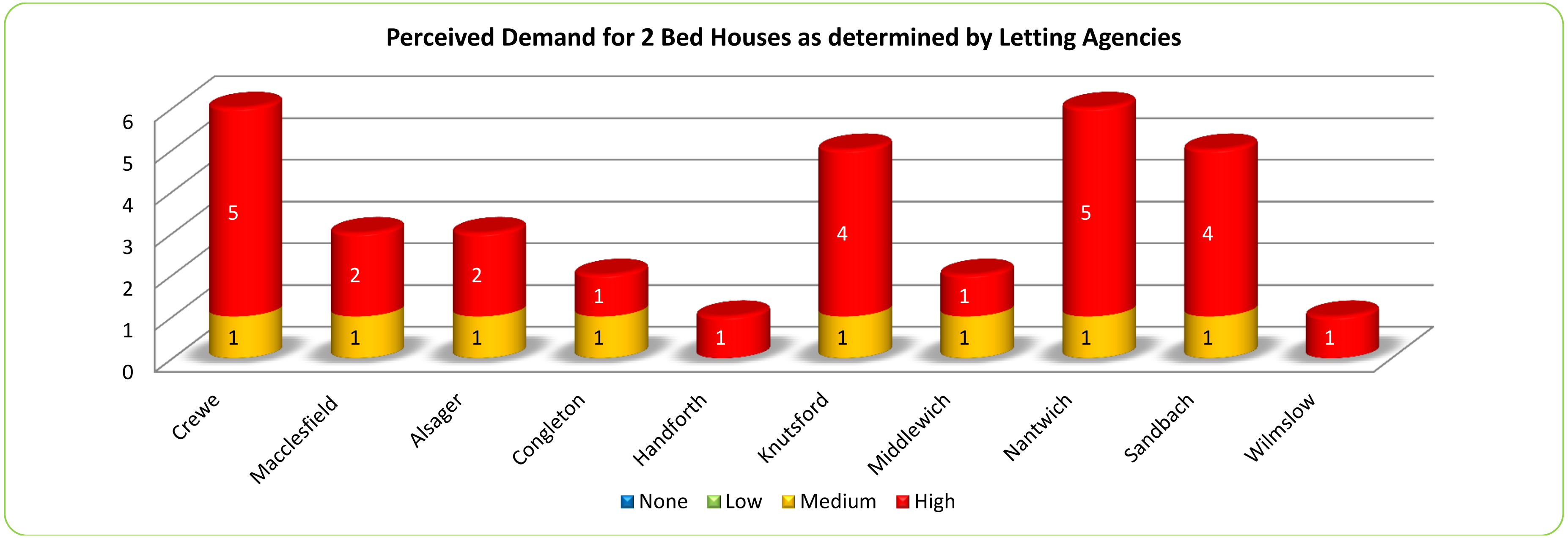
It is perhaps surprising that there are more 2 bedroom houses listed in Macclesfield than Crewe as this area has a larger population.

Smaller numbers of properties can be found in areas such as Wilmslow (185), Congleton (125) and Nantwich (106) which is consistent with results from other property types and the dispersal of those properties.



The following chart provides a breakdown of the perceived demand for 2 bedroom Houses across the 10 areas commented on by letting agencies.

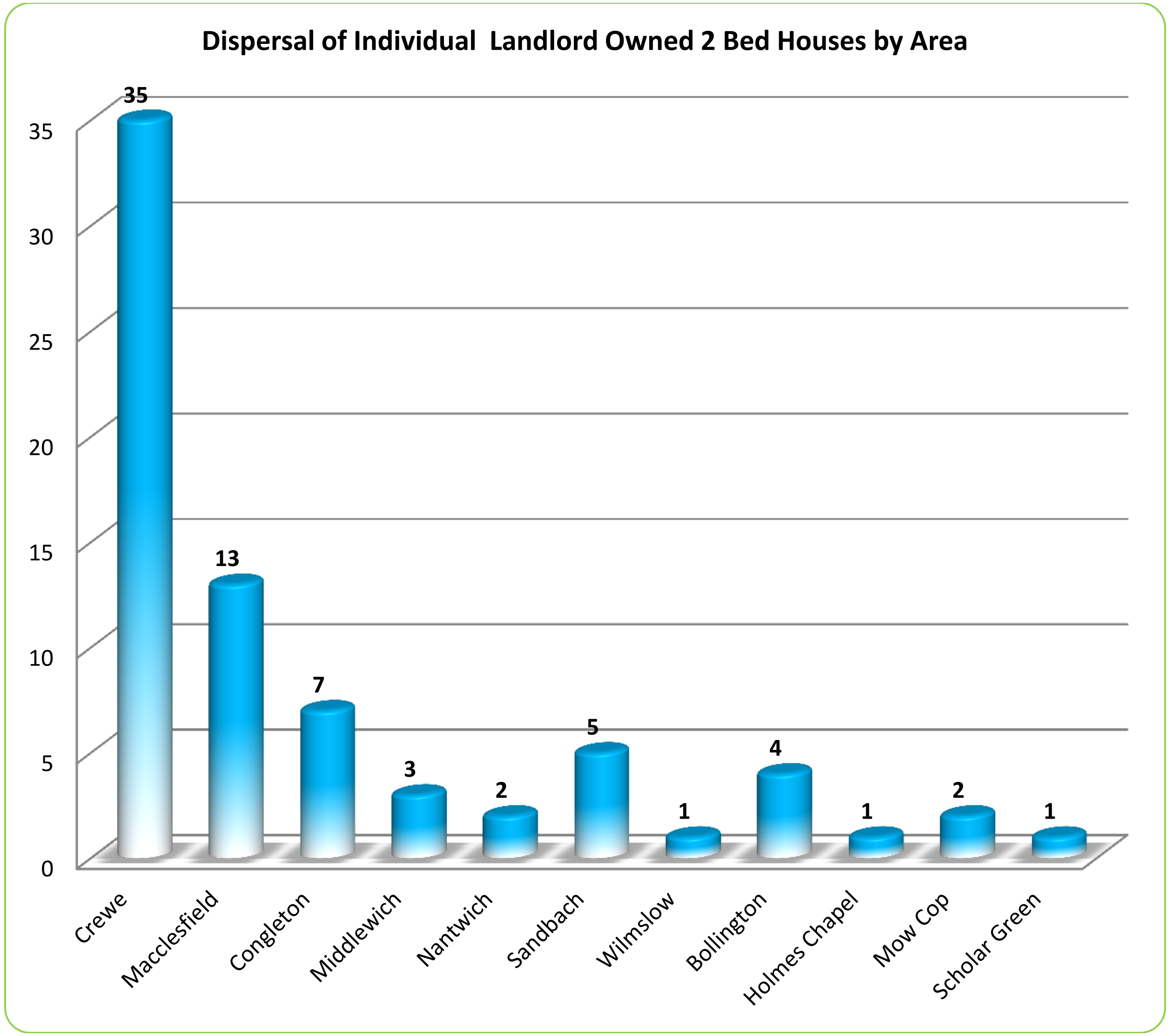
**The numbers displayed within the chart represent the number of agents who responded for each of the areas. **



From the chart above the overall opinion from those letting agents surveyed was that there was a high demand for 2 bed Houses in almost all of the listed principal towns and key service centres (*not inclusive of Poynton*). In areas such as Crewe and Nantwich 5 out of the 6 letting agents covering that area stated that there was a high demand with the remaining agent saying that demand was medium. This pattern is repeated in other areas such as Knutsford and Sandbach where again 80% of agencies reported high demand. Furthermore in both Handforth and Wilmslow the only agents covering these areas also reported high demand.

Demand for 2 bed houses is not surprising as this property type occupies the highest number of properties let in the last year however the above provides evidence that more may be required in order to meet the perceived demand.

Individual Landlord Information:



The chart (left) shows the dispersal of the 2 Bed Houses which are currently owned by Individual Landlords across the 11 areas listed. This property type also has the widest area dispersal of any of the property types reported by landlords during the survey.

In total landlords reported that they own 75 two bedroom houses which accounts for 28.8% of all the properties identified in the survey and also represents the highest number of any property type when the bedsit anomaly is removed from the figures.

The 75 properties listed are split between 29 landlords across the Borough.

The majority of the properties (35) are located in Crewe which is not surprising given its population and geographical size. Also the high number of properties in this area reflects that seen amongst the letting agency data seen on the previous pages.

A smaller number of properties can be seen in Macclesfield but despite reporting half as many properties as Crewe, Macclesfield still has the 2nd highest level of properties reported.

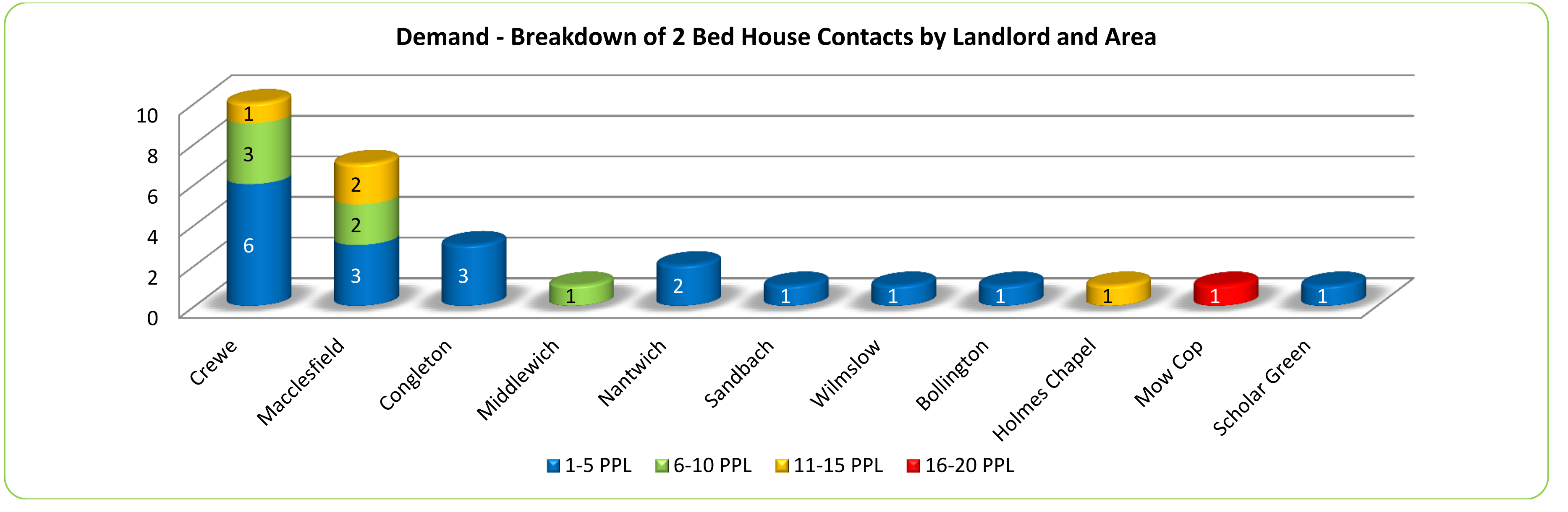
As discussed on the previous page the data has been provided by 29 individual landlords. During the survey the landlords were asked to provide information in relation to how many people would contact them about each of the properties they've currently got in order to ascertain the demand for this type of accommodation. Out of the responses, 18 landlords (which had 49 properties collectively) reported that they received between 1 and 5 people enquiring about each of their properties.

6 of the landlords (which had 16 properties between them) stated that they received between 6 and 10 approaches about each property. 4 landlords (7 properties between them) said they got between 11 and 15 people making contact and finally the remaining landlord who had 2 properties had between 16 and 20 contacts about each property.

If you assume that the maximum numbers of contacts were received for each of the properties identified amongst the landlords it could translate to a maximum of **550** people making contact about the 75 properties identified. Even if the smallest number of contacts is calculated there could still be at least **223** enquiries about 75 properties.

Taking the largest potential number of contacts into account demand would outstrip supply by over 7 times. The smallest potential number still reflects demand outstripping supply by 3 times; both shows a high demand for this property type.

A breakdown of the areas in which those contacts have been received can be found in the chart below.



The chart on the previous page shows that within Crewe, 6 landlords stated that they received between 1 and 5 contacts about each of their properties, 3 said they get between 6 and 10 contacts and 1 landlord said he got between 11 and 15 contacts about his properties. This pattern is repeated within Macclesfield on a slightly smaller scale with 3 landlords reporting between 1 and 5 contacts received, 2 having between 6 and 10 and a further 2 landlords getting between 11 and 15 people approaching.

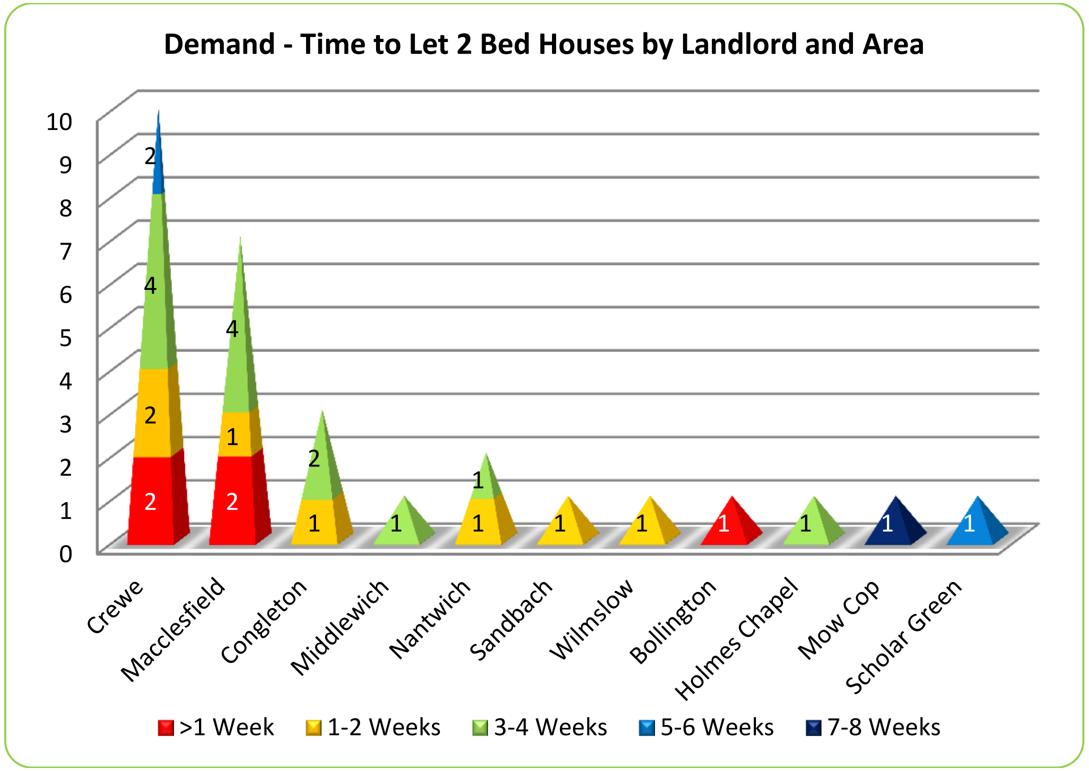
This data shows that in Crewe and Macclesfield there is support for the premise that there is a higher demand for 2 bedroom Houses. There is an anomaly in the data located around Holmes Chapel and Mow Cop which was also seen in previous property types. In Holmes Chapel the landlord specified that they received between 11 and 15 contacts about their properties and in Mow Cop the landlord specified they got between 16 and 20 contacts about their property. This potentially shows that demand for this type of property is higher in these areas.

The chart (right) shows a breakdown of the time it takes the 29 individual landlords to let their 2 bedroom houses when they're ready to let.

It is important to note that the numbers within each bar only represent the numbers of landlords who reported that particular time scale.

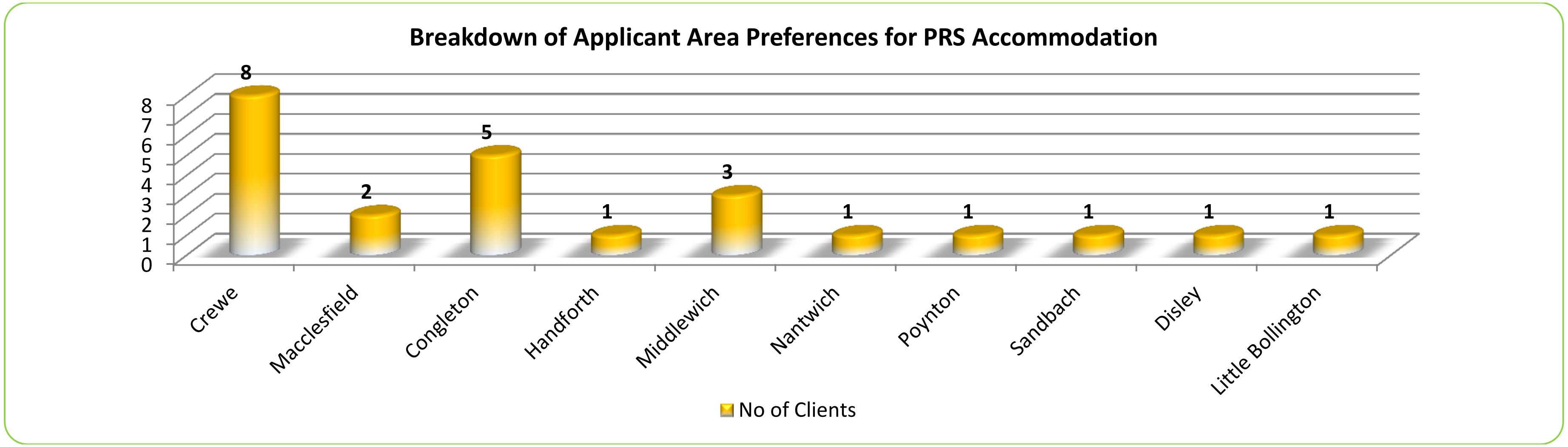
From the information in Crewe, which has the highest amount of properties (and landlords), 2 of the landlords stated that it takes them less than a week to let their properties, a further 2 landlords reported between 1 and 2 weeks and 4 landlords stated it takes them between 3 and 4 weeks on average to let with the remaining 2 stating it takes between 5 and 6 weeks.

The overall turnover of properties in the market tends to take between 3 and 4 weeks once a property is ready for let but again is dependent upon how those properties are being advertised.



Cheshire Homechoice Information:

Of the 71 Cheshire Homechoice applicants who have specified a desire to seek accommodation in the PRS as an alternative to affordable housing, **24** of them have stated that they would seek to secure a 2 bedroom house. The chart below provides a breakdown of the areas in which those applicants are seeking to live. All of the applicants who wanted this type of property were families.

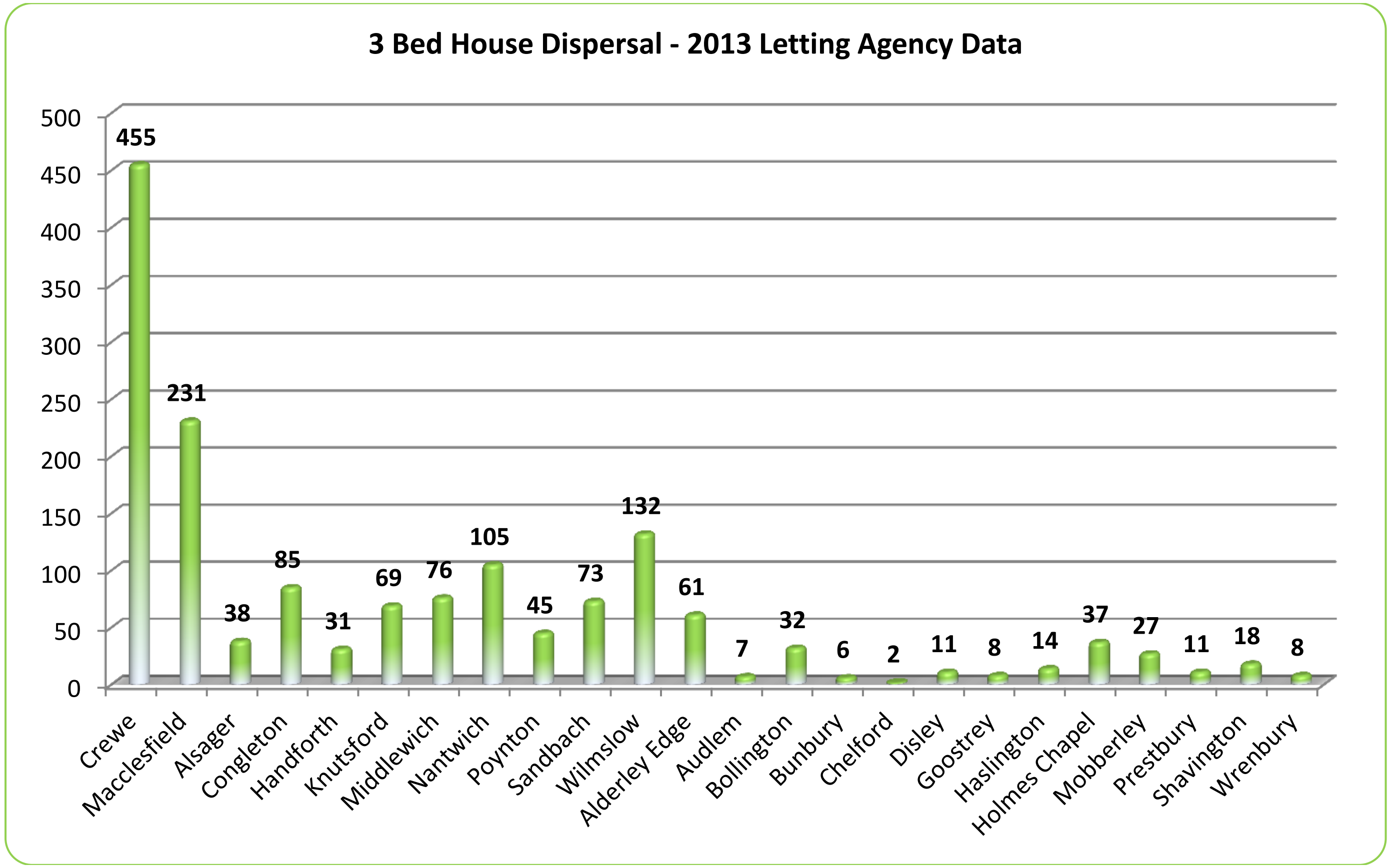


8 of the applicants who responded have expressed a desire to secure accommodation in Crewe. Amongst these the overall feeling was that PRS accommodation would provide them with a medium term solution to their housing circumstances with a further 2 applicants being happy to stay in the PRS for the long term. Within these applicants 6 specified that they would require housing benefits assistance to pay the rent on a PRS property. In the Crewe area as with many other property types they may encounter some difficulties as the current average rental value for a 2 bed House in Crewe is £504 PCM based on the information received from letting agency market activity, this is well above the 2013-14 local housing allowance levels for this type of property which was set at £464.70 PCM leaving a monthly shortfall of £39.30. However, when considering the data from individual landlords this provides some comfort as the average monthly rent amongst those renting from individual landlords was £455 PCM in Crewe which was below the LHA level.

There were 2 applicants who are currently working full time, based on the average rent amongst letting agency data those households would need to be earning at least £1,680 per month (net) in order for the average rent to be at an affordable level.

Property Type – 3 Bed House

Letting Agency Information:



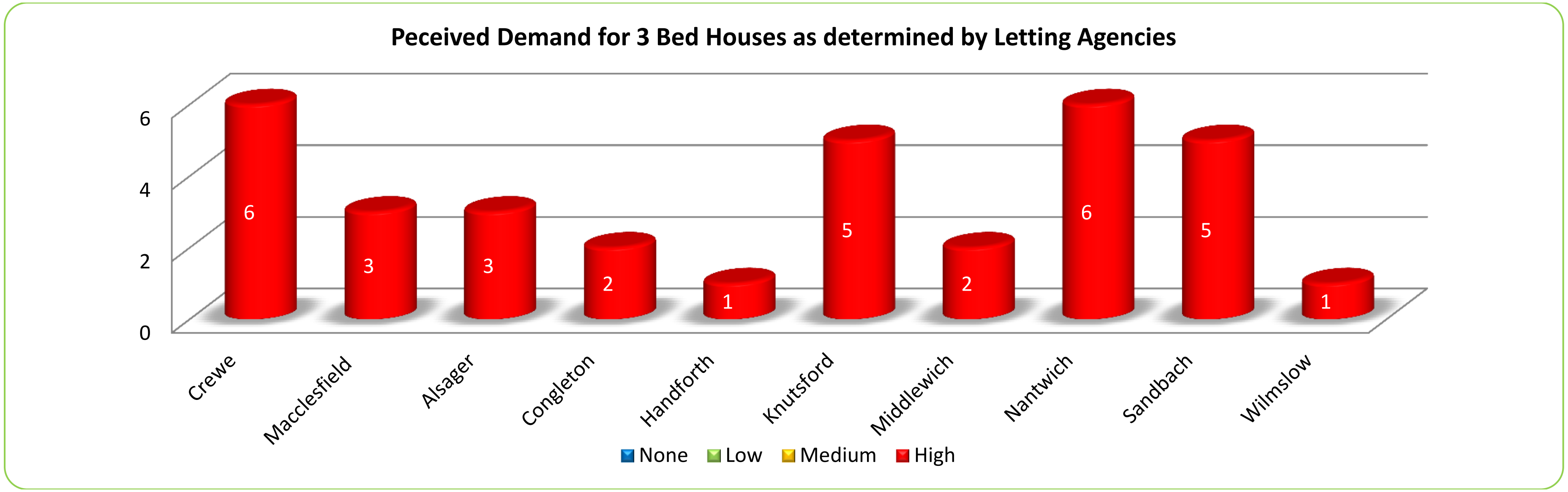
The chart (left) provides a representation of the dispersal of all 3 bed houses which were let out by letting agencies throughout 2013.

In total there were 1582 properties which represent the 2nd largest amount of properties after 2 bed Houses. 3 Bed Houses accounted for 24.1% of all PRS properties let out within the 24 focus areas listed.

This chart is interesting because it shows that in contrast to the information within the 2 bed House sub-section Crewe has the majority of 3 bedroom houses as opposed to Macclesfield which has almost half the amount. The number of 3 Bed PRS house properties in Crewe accounts for 28.7% of all 3 Bed Houses across the area.

Smaller numbers can be seen in areas such as Wilmslow (132), Nantwich (105) and Congleton (85) after that. 3 Bed Houses in the principal town's account for 43.3% of all areas listed.

The chart on the following page provides a breakdown of the perceived demand for 3 bed house PRS accommodation amongst the letting agents who responded to the surveys conducted.



The chart above shows that the perception amongst all the letting agencies surveyed was that there was a high demand for 3 bed Houses across all areas listed. This property type is without a doubt seen as that which commands the highest general demand across the areas and amongst all other property types as there were no agents who reported anything to the contrary.

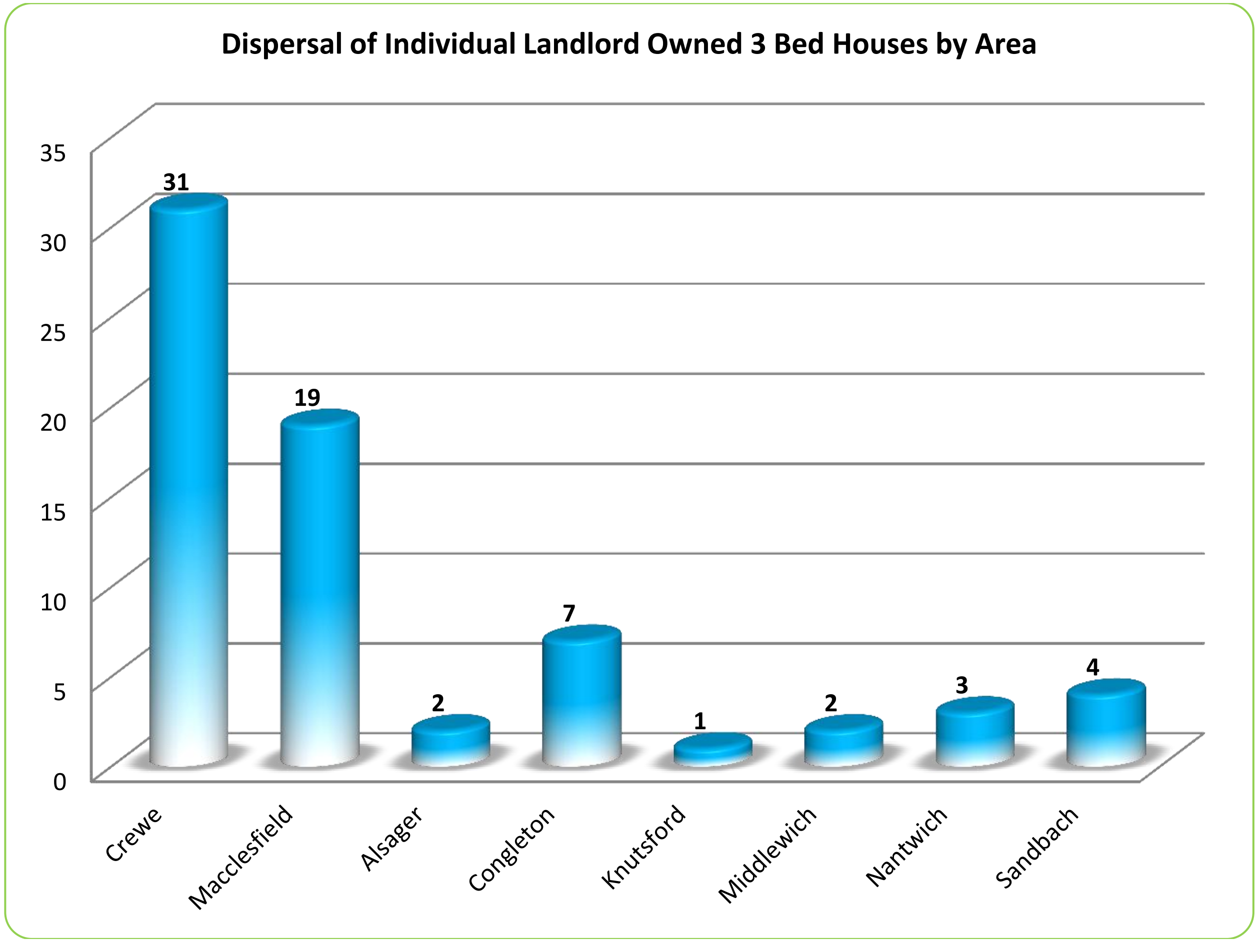
Individual Landlord Information:

The chart (right) shows a breakdown of the 3 bed houses which are currently owned and let out by individual landlords across the 8 areas listed.

In total the landlords who responded stated that they own 69 three Bed Houses. Those properties are split between 34 landlords.

The majority of the properties are located in Crewe compared to Macclesfield when looking at the principal towns. Crewe has 31 of the 69 properties which accounts for 44.9% of the total whereas Macclesfield has 19 of the total or 27.5%. Once again the principal towns unsurprisingly have the highest numbers of properties.

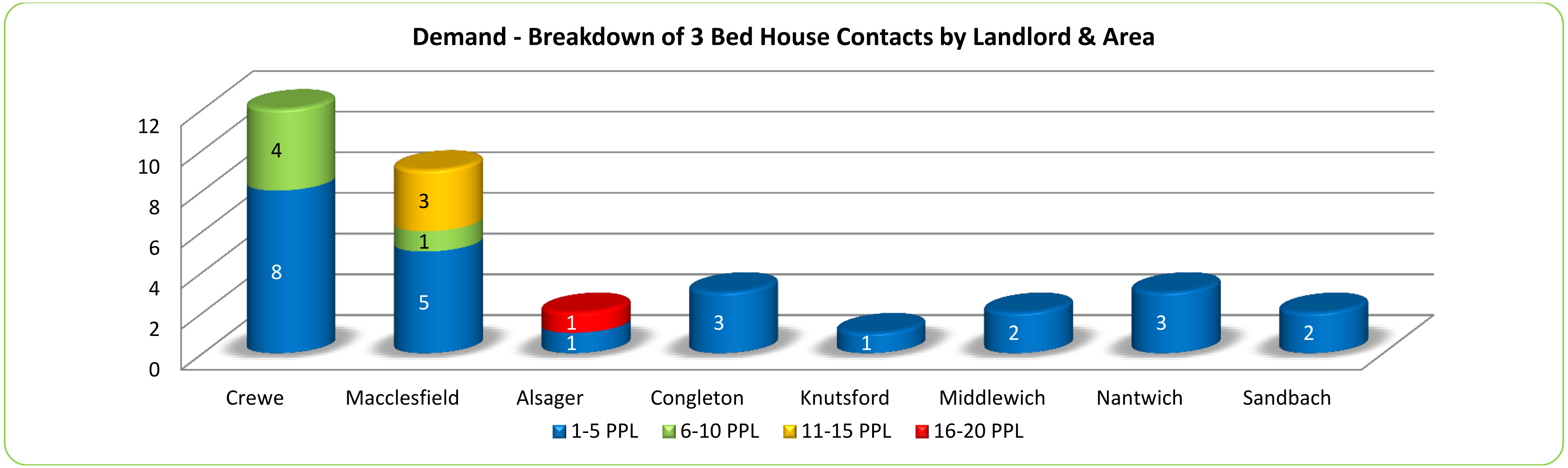
The data provided by the individual landlords in terms of the property dispersal mirrors that which has previously been seen amongst the letting agency data although it's important to again note that the individual landlord data doesn't reflect market activity in 2013.



As mentioned the data provided in the chart above comes from 34 landlords. Those landlords were also asked as part of the survey to state the levels of people that would contact them about their accommodation when it's ready to let. The result of that question was that 25 of the landlords who collectively owned 44 properties stated that when their property is ready to let they receive between 1 and 5 contacts. 5 of the landlords (*which had 19 properties between them*) had between 6 and 10 contacts, 3 landlords (5 properties) reported to getting between 11 and 15 enquiries and the remaining landlord who had 1 property stated that he got between 16 and 20 approaches about his property.

As with previous property types, if you work on the assumption that landlords are receiving the maximum number they are quoting for each property it could translate to a total of **505** people approaching about the properties listed. Even considering the lowest possible number of contacts about the same number of properties it could still mean that at least **229** enquiries would be made. On the highest numbers it could mean that demand is outstripping supply by over **7** times and with the smallest levels the same demand would be over **3** times the supply level.

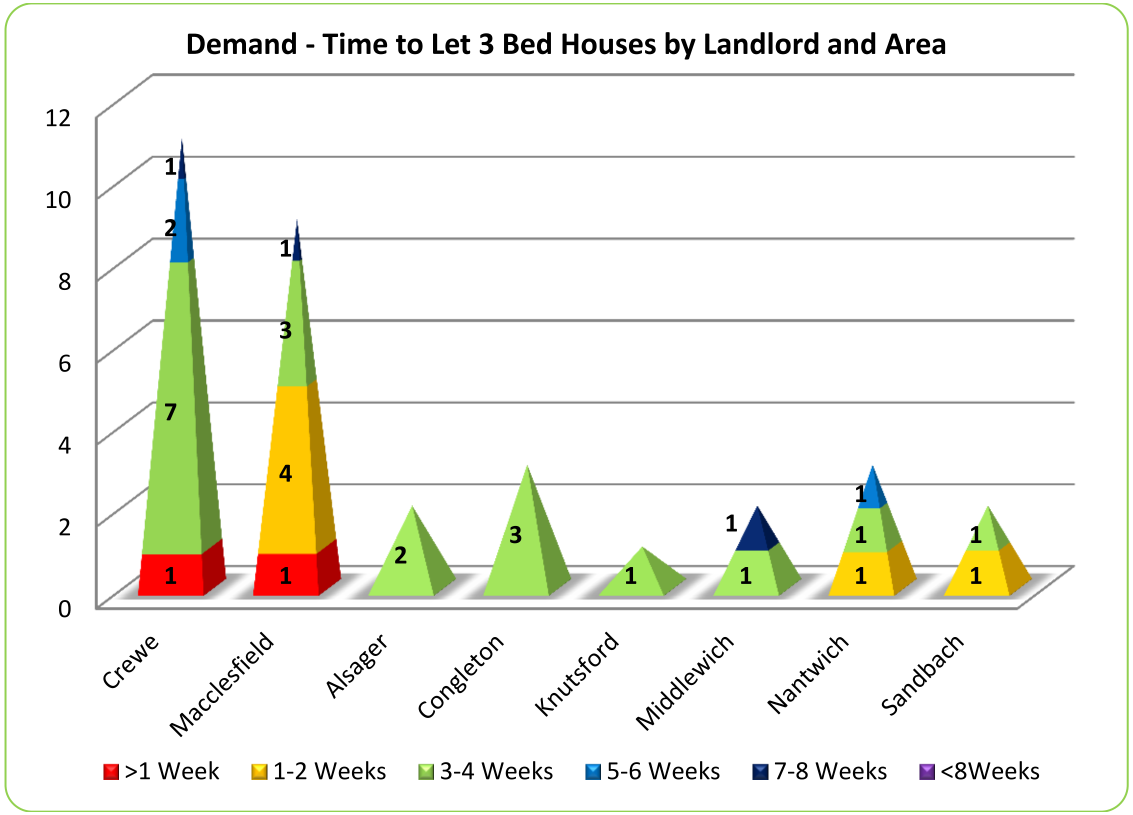
The following chart provides a breakdown of the locations in which the contacts for properties have been received.



The chart above shows that in Crewe where the majority of the properties and landlords are located 8 of the landlords stated they received between 1 and 5 contacts about each of their properties, and a further 4 stated they received between 6 and 10 contacts. In Macclesfield this picture is somewhat different with 3 of the 8 landlords who responded in that area stating that they actually received between 11 and 15 contacts about each of their properties possibly suggesting a higher demand for this type of property in this area when compared to Crewe.

There is an anomaly in Alsager where 1 landlord has specified he receives between 1 and 5 contacts about his property whereas the other has reported they receive between 16 and 20 enquiries about their properties. Looking into this in more detail this landlord who also has other properties in the area advertises his properties utilising more than one method which potentially increases his audience whereas his counterpart only advertises using one method.

The chart (below) provides a breakdown of the time it generally takes for the 34 individual landlords to let their properties across the areas listed.



The chart shows that when looking at areas such as Crewe the overall perception is that it takes landlords between 3 and 4 weeks to let out their properties however, as you can see this is not uniform across the area as 1 landlord has stated it takes them less than 1 week to let their properties whereas in contrast 2 landlords have reported it takes them between 5 and 6 weeks to do the same and the remaining landlord has reported it takes him between 7 and 8 weeks to let. However, it's also worth noting that the landlord who reported this only advertised utilising one method.

In Macclesfield the picture is even more interesting where 1 landlord has stated it only takes them less than a week to let out their properties and this landlord uses multiple methods to advertise their properties. 4 landlords have specified that it takes them between 1 and 2 weeks to let their properties and 3 have said it takes those 3-4 weeks to do the same, but again there is one landlord who's said it takes him between 7 and 8 weeks to let his property.

Based on the information in the chart above it seems to again suggest that the market in Macclesfield may be moving quicker than that in Crewe. However, that must be looked at with some caution as these results could also be affected by other factors such as the quality of the properties on offer.

In Middlewich, Nantwich and Sandbach the market may appear to be somewhat confused as there are some landlords which state they can let their properties in 1 or 2 weeks whereas others are suggesting it takes much longer. Again this could be due to the quality of the properties on offer or the methods which those landlords are using to advertise the accommodation.

In areas such as Alsager, Congleton and Knutsford the market would be appear to be more stable with all the landlords who responded stating that it takes them between 3 and 4 weeks to successfully let a 3 bed house.

Cheshire Homechoice Information:

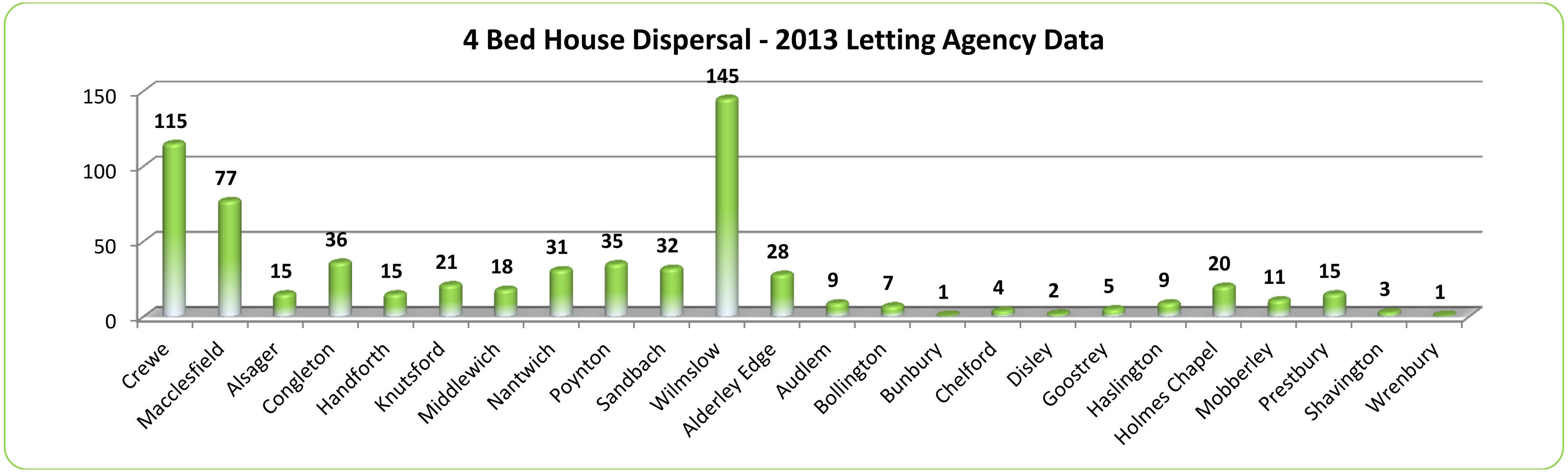
Amongst the 71 applicants on Cheshire Homechoice who would be interested in seeking accommodation in the PRS sector as opposed to affordable housing only 4 of them have stated that they would seek to secure a 3 bedroom house. All of those applicants have stated they would require accommodation in Crewe only. All the applicants represented families, 2 of the families believed that PRS accommodation could provide them with a medium term solution to their housing and the remaining 2 said they felt it could give them a long term solution.

2 of the families would require housing benefits to assist them to secure a private rental property. In the Crewe area according to the data acquired from letting agency market activity the average rent for a 3 bedroom house in 2013 was £585 PCM. Whereas based on the individual landlord information the average rent in that area was £519.48 PCM. The average letting agency figure would have been £35.02 per month higher than the maximum amount Housing Benefits would have been able to pay. However, based on individual landlord information the rent would actually be lower than the average rent. This would not result in a surplus in Housing Benefits as they no longer pay any excesses to the tenant.

For those families who are working, they would need to be earning at least £1,950 PCM (net) or £23,400 per annum in order for the rent to be affordable using the premise that 30% of their income is spent on rental payments. Based on the data provided by CACI “Pay-Check” the average household income in Crewe (based on the most up to date relevant data) is the equivalent of £2,059.55 per month (net) which means that accommodation in that area should be affordable for those families.

Property Type – 4 Bed House

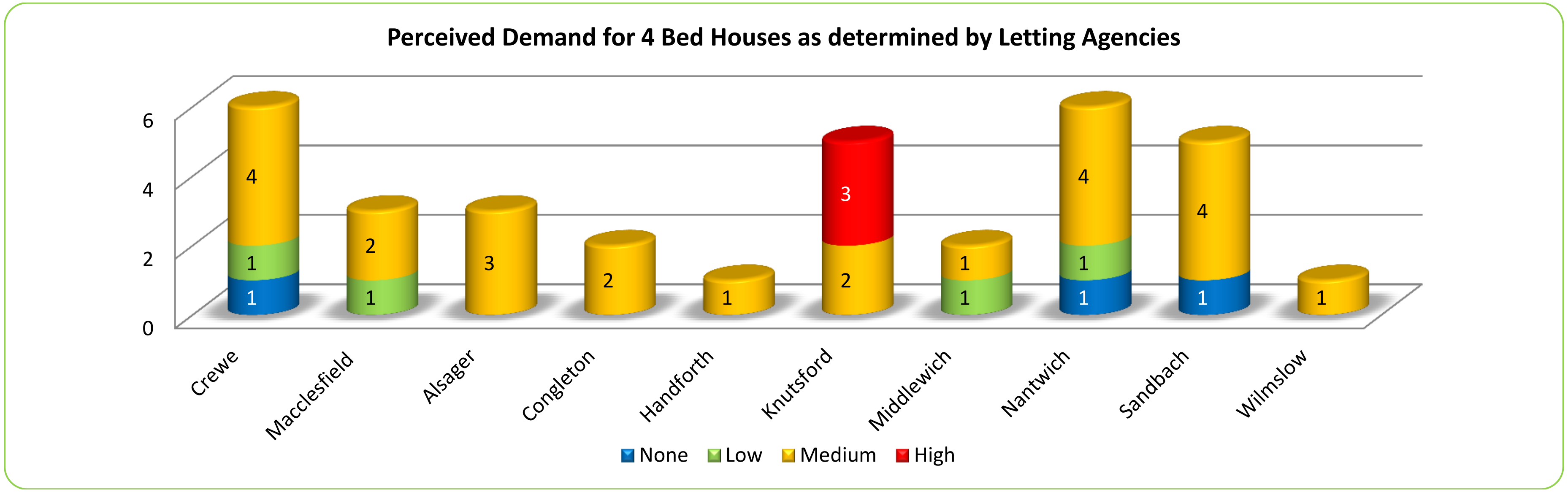
Letting Agency Information



The chart (above) displays the dispersal of all 4 bed Houses which were let out by letting agents throughout 2013. In total 655 of them were recorded as successfully let again split across all the 24 focus areas. Although the principal towns account for 192 (29.3%) of all the 4 bed houses the largest concentration of this type of property can be found in Wilmslow which has 145 properties on its own. Smaller numbers of this type of property can be seen in areas such as Congleton (36), Poynton (35), Sandbach (32) and Nantwich (31).

It is interesting that Wilmslow has the largest number of 4 bedroom accommodation although this likely reflects the general affluence of the area and its proximity to Manchester City and the international airport.

The chart (below) provides a breakdown of the perceived demand for 4 bed houses across the 10 areas which the letting agents have commented on.



The data provided in the chart shows that the overall perception amongst the letting agents is that there is a medium demand for 4 bedroom houses across the 10 areas listed. In areas such as Crewe and Nantwich 4 of the 6 agents who responded have stated that there is a medium demand which is perhaps reflective of the numbers portrayed in the property dispersal chart on the previous page and that Crewe doesn't have the highest number. Although, in Wilmslow the agents have also specified a medium demand despite already having the highest number of PRS properties of this type let out in 2013.

As with previous property types the anomaly is again in Knutsford whereby 3 of the 5 letting agents have actually reported a high demand for 4 bed houses although again it is likely this is a reflection of the town's general affluence levels and location to major transport links and Manchester.

Individual landlord Information:

During the survey conducted amongst the individual landlords only 6 properties have been identified split across 3 areas and broken between 5 individual landlords. The properties were located in Crewe which had 3 properties, Alsager which had 2 properties and Sandbach which had 1.

As before, these landlords were asked how many people approach them about each of their properties once they're ready to be let. 2 landlords stated that they have between 1 and 5 people contacting them about each property; a further 2 said they get between 6 and 10 enquiries and the final landlord specified that they have between 16 and 20 people approaching about each property.

Working on the assumption that the maximum numbers of people approached about each of the properties which the landlords own there could potentially be a maximum of 70 contacts for the 6 properties. Considering the minimum numbers of people this figure would decrease to a potential maximum of 30 people.

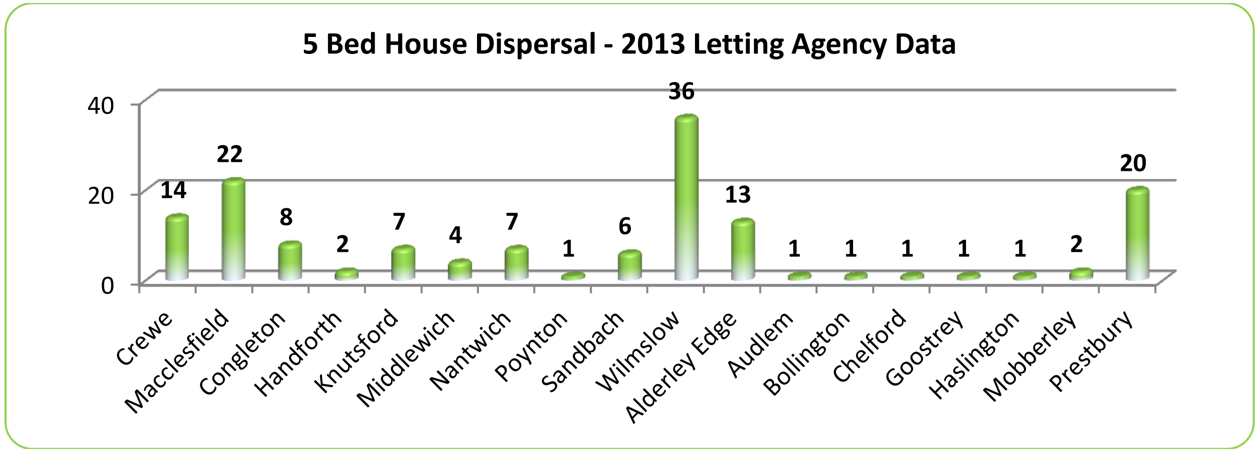
With regards to the pace of the market 4 out of 5 landlords reported that it takes them between 3 and 4 weeks to let their properties, the only exception was with 1 landlord who stated that he is able to let his property in less than one week and again he utilises a number of different advertising methods to secure a let.

Cheshire Homechoice Information:

Of the 71 applicants who specified a desire to seek PRS accommodation, none of them were seeking 4 bedroom houses as an option.

Property Type – 5 Bed Houses

Letting Agency Information



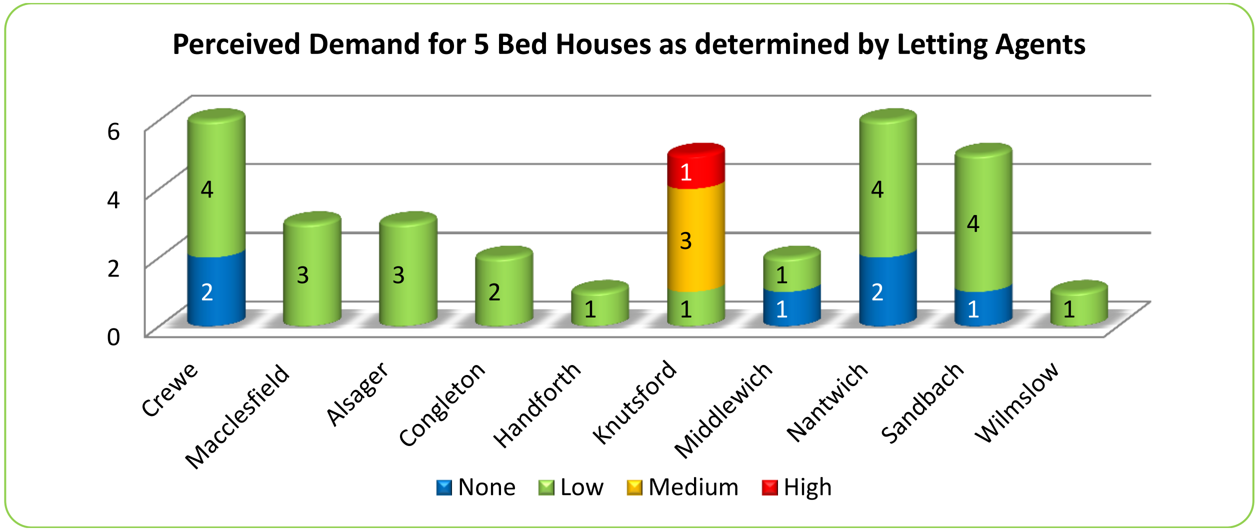
The chart (left) shows a breakdown of the 5 Bed Houses which were successfully let out by letting agencies in 2013.

In total there were 147 properties of this type. As with 4 bed houses the majority of them were located in Wilmslow which supports the idea that the area has a greater economic affluence base.

All of the significant numbers of this property type were located in the northern end of the borough.

The chart (right) provides a breakdown of the perceived demand for 5 bed houses across the 10 areas which letting agents commented on.

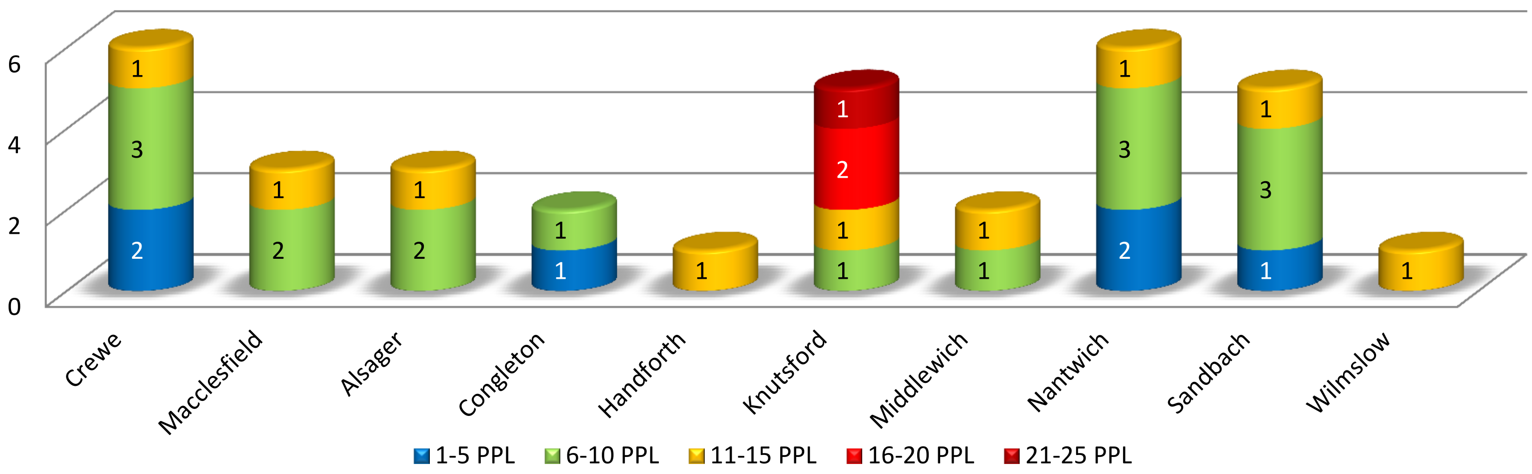
The overall opinion amongst the agents was that there was a low demand for this property type but again as with other areas Knutsford appears to be an anomaly whereby 3 of the 5 letting agents in that area have indicated there's a medium demand for this property type and a further agent stating the demand was high. As has been mentioned previously this appears to be an area which is experiencing growth.



Letting Agent Analysis – Houses (Generally)

The following charts provide a breakdown of the numbers of contacts which letting agents receive about Houses and the time it takes them to let generally. Unfortunately the agents did not comment on each individual property size during this part of the survey.

Demand - Number of Contacts received by Letting Agents in response to Houses - 2013

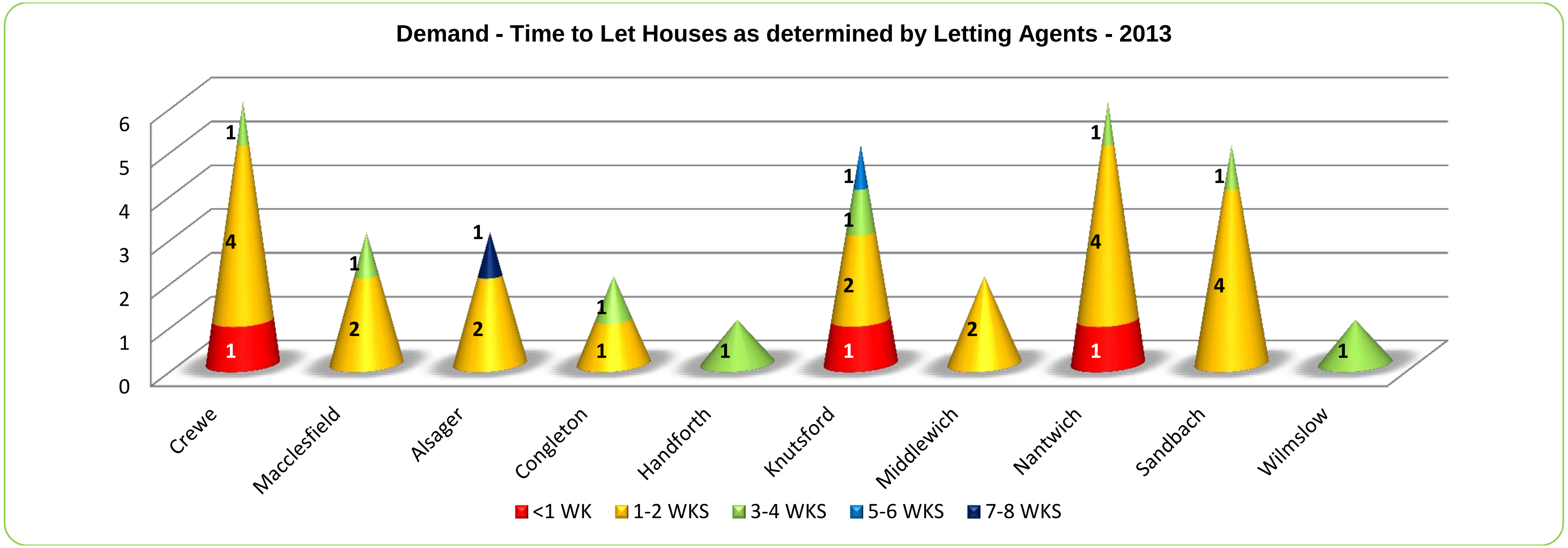


The overall opinion amongst the agents who responded was that they receive between 6-10 contacts about each of the houses they have let out in 2013. The agents generally speaking have more contacts about properties when compared to the individual landlords which is not surprising given the sheer numbers of properties they each let out over the course of a year.

In areas such as Handforth and Wilmslow the only agent to respond has stated that they receive between 11 and 15 contacts per house which is slightly above the average of the other areas. This could indicate that demand for properties in these areas are higher but this must be viewed with caution as only one agent replied.

Knutsford has consistently displayed anomalies amongst the property types generally and this appears to be the case here as well. This is the only area where agents have specified very high numbers of contacts about each of the properties they've let out in 2013. This does tend to suggest that demand for Houses in that area is relatively high as the number of agents who responded is high as well so the data is representative.

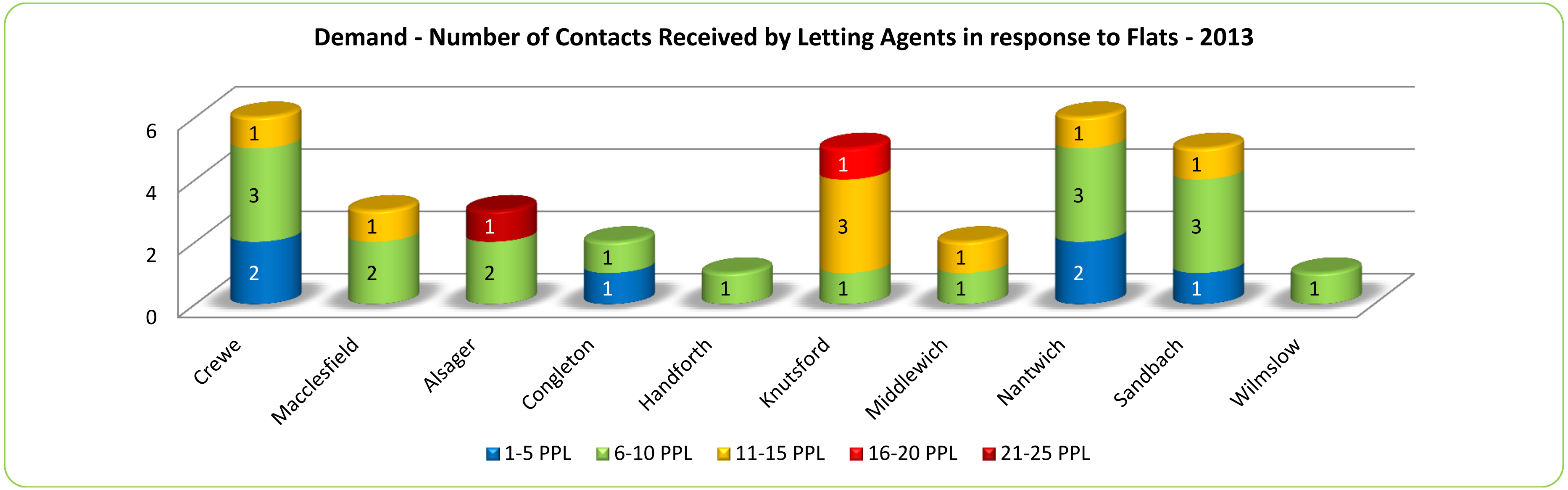
In terms of the speed of the market, the following chart provides a breakdown of the time it generally takes the agents to let a house in any of the 10 areas listed.



The chart (above) shows that across all the areas listed the general perception is that it takes between 1 and 2 weeks to let a house (of any size) amongst the letting agents this is substantially lower than previous research has stated. In some areas such as Crewe, Knutsford and Nantwich one of the agents (in each area) has specified that it takes them less than 1 week to let a House. Some agents have specified that it can take them much longer to let out properties. One agent in Alsager for example has stated that generally speaking it takes them between 7 and 8 weeks to let Houses.

Letting Agent Analysis – Flats (Generally)

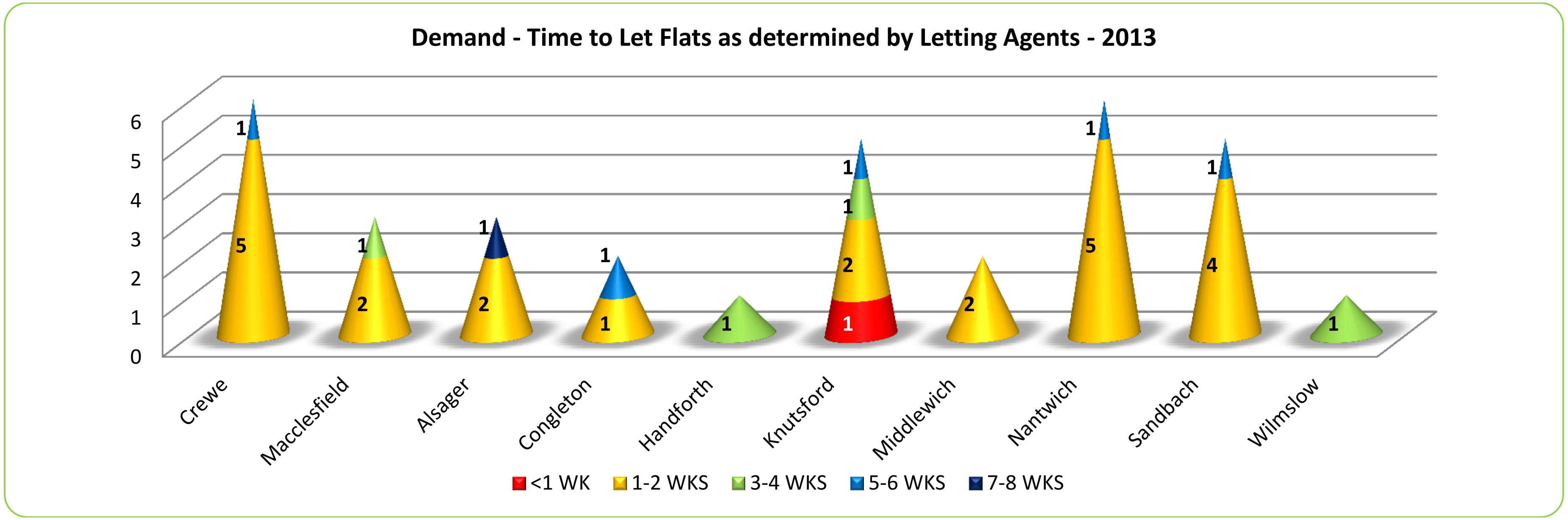
The following charts provide a breakdown of the numbers of contacts each of the responding agents received for Flats in all of the 10 areas listed.



From the above chart the overall perception in relation to the numbers of contacts for Flats is relatively similar to that witnessed amongst Houses in the area with the majority of agents stating that they receive between 6 and 10 contacts about each Flat once it's ready for let. In Crewe, Macclesfield, Knutsford, Middlewich, Nantwich and Sandbach one agent (3 in Knutsford) stated that they receive higher than the average number of contacts at between 11 and 15 people per flat.

There were anomalies as with previous charts, in this chart there are two anomalies, the first can be found in Knutsford once more, where one agent has specified that they receive between 16 and 20 enquiries about each of the flats they've had to let possibly due to the way they advertise or because their business focuses on this property type. Furthermore, in Alsager one agent has stated the highest number of contacts with 21-25 enquiries about each flat.

The chart (below) provides information on the time it takes to let a Flat according to the agents covering the 10 areas listed.



The chart (above) shows that amongst the agents who responded the overall perception was that it takes between 1 and 2 weeks to successfully let out a flat; this again is largely in-keeping with the time periods witnessed within the House charts on previous pages however, there are some differences. Most notable of which is that several of the agents have specified that it takes them between 5 and 6 weeks to let a flat when compared to houses where only one agent stated this.

Knutsford is the only area where an agent has specified that it takes them less than 1 week to successful let out a flat which is in-keeping with the data seen within the House information.

It is important to note that amongst all the agents surveyed, with regards to the time it takes to let information, this is based on the assumption that the properties they had were of a decent standard.

Demand & Growth Summary

The overriding perception amongst the letting agents is that every type of property listed in the sub-sections on previous pages has a form of demand. However, the level of that demand and potential growth varies amongst property types. Unfortunately we cannot make generalisations for demand across the entire borough as not all the agents responded to the survey attempts.

The following table provides a ranking breakdown of perceived demand as determined by the agents and shows which property type is has the highest and lowest demands.

Property Type	Ranking	
3 Bed Houses	1	Highest
2 Bed Houses	2	
1 Bed Flats	3	
2 Bed Flats	4	
4 Bed Houses	5	
3 Bed Flats	6	
5 Bed Houses	7	
1 Bed Houses	8	
Bedsits	9	Lowest

From the table above 3 bedroom houses command the highest demand ranking amongst the responding agents. 2 Bed Houses very closely follow this demand.

When asked what changes they had witnessed within the market over the last few years several agents reported that they've seen increased demands for longer term family accommodation in the areas they cover which more often than not would be Houses as opposed to Flats. Indeed these two property types (2 & 3 Bed Houses) account for 51.5% of all properties let out by the agents throughout 2013 in the 24 focus areas (*not including rural figures*).

When considering the data sourced from the individual landlord's surveys we can see that again 2/3 Bed Houses seem to have the dominance. This is true both in terms of the numbers of properties which the landlords own the numbers of people approaching about each property. Again working on the maximum potential number of people approaching in both cases it suggests that demand may be outstripping supply by several times.

Utilising the data from the survey conducted via Cheshire Homechoice 2 bed houses were actually desired more than 3 beds with 24 out of 71 applicants who would consider renting privately stating that they would require a 2 bed House.

Taking all these factors into account & given that demand is very high, we would expect 2 & 3 Bed Houses to show continued growth over 2014 amongst all 10 areas listed by the lettings agents particularly the 3 beds.

1 Bed Flats are ranked 3rd in terms of the demand results, above 2 bed Flats, which is possibly explained by the fact that in 2013 there were 498 less 1 bed flats let out by agents compared to 2 beds hence why demand may now appear to be higher. Furthermore, several agents said that they've begun to see more single individuals and young professionals seeking accommodation in the PRS and looking for 1 bed flats. In terms of the young professionals this is apparently more evident in the northern end of the borough in places such as Knutsford. This is likely due to Knutsford's reputation as a nice place to live and the excellent transport links to Manchester City Centre, Manchester International Airport, and motorways such as the M6 and by extension the M56.

Larger properties such as 4 and 5 bed houses also have a healthy demand but are lower down in the ranking with 3 bedroom flats in between. The agents have overall stated that there is a medium demand for 4 bedroom houses in particular across all the areas listed but that demand is judged to be particularly high in Knutsford this also goes for 5 bedroom houses as well as 3 bedroom flats. That demand as previously mentioned is likely at least partially due to Knutsford's connection links but also perhaps due to a lack of general availability in that area which would consequently push demand higher. One agent who covers Knutsford exclusively stated that they see a number of affluent families coming to the area working nearby but on fixed term contracts and therefore not necessarily looking to purchase accommodation.

Again, growth would be expects amongst the 4 and 5 bed house types but perhaps at a slower rate in most areas with the exception of Knutsford whereby demand is seen at its highest and therefore this area would / should display greater growth than most areas.

Finally, Bedsits have come out lowest in the demand rankings with the majority of letting agents stating that there is no or low demand for this particular property type. In fact agents in areas such as Handforth, Knutsford and Wilmslow are showing no demand at all for Bedsits whereas the other areas have somewhat of a mixture but still leaning towards the lower ends of demand. Crewe, Middlewich, Nantwich and Sandbach were the only areas which specified the was a medium demand for this property type but these agents were in the minority.

With respects to Bedsits, one reason why their demand may appear to be lower than other property types is because only a few of the letting agents surveyed actually had landlords on their books who actively let out bedsits, one explanation for this is because landlords who operate in that sector tend to manage the bedsits themselves as the rental returns aren't very high and they'd naturally have to pay a fee to the agents to manage their properties for them which makes it a less viable financial option for most landlords.

Amongst the individual landlords the bedsit picture would appear to be much healthier as majority of the landlords who responded stated that get a maximum of 5 people approaching about each property and those properties generally take between around 1-2 weeks to let out on average which suggests the market it relatively fast paced.

When considering growth in relation to Bedsits this is much harder to predict as the data to actively monitor them isn't available. Given that most agents are showing a low / no demand for bedsits it's likely that their numbers won't increase substantially amongst the agents. Only in the towns where demand is at a medium level such as Crewe and Nantwich could higher numbers potentially be seen. Perhaps the biggest driver of increased numbers of this property type would come from the individual landlords instead of the agents given the returns.

It is suspected that numbers of this property type will need to increase generally given the changes to the Local Housing Allowance rules and the implementation of the Welfare Reform Act may mean more individuals seeking PRS accommodation may be forced into this type of property (if they're under the age of 35 and requiring Housing Benefits assistance) in order to seek a resolution to their Housing situation.

Welfare Reform

This section will provide a summary of Welfare Reform and the impacts it may have on all aspects of the private rented sector.

What is Welfare Reform? :

The Welfare Reform Act received Royal Assent on 8th March 2012. This Act was created as part of the government's long-term economic plan for the UK. The basic aim of the Act was to address problems with the current welfare benefits system so that they could be fair and affordable. The Act allowed for the creation and implementation of the Universal Credit system. This was a way to simplify benefits by replacing the six main state benefits for working age people. The benefits which will be affected are:

- Income-based Job Seekers Allowance
- Income-related Employment & Support Allowance
- Income Support
- Working Tax Credits
- Child Tax Credits
- Housing Benefits

The government believe that Universal Credit will:

- Encourage people on benefits to start paid work or increase their working hours by making sure work pays
- Provide a smooth transition into and out of work,
- Simplify the system, making it easier for people to understand, and easier and cheaper to administer,
- Reduce the numbers of people who are in work but still living in poverty,
- Reduce fraud and errors.

Universal Credit began to be rolled out in October 2013 and will reach parts of Cheshire East Borough on 28/07/2014. To begin with only single and couples (without children) looking for work at 4 job centres in the borough will be affected. Those job centres will be Crewe, Congleton, Nantwich and Wilmslow. Macclesfield claimants will go onto the new system later in 2014 and the full system should be operational by 2017.

Universal Credit will impose a new cap on the level of benefits which any single person or couple (with or without children) can receive. The caps will be:

- £500 per week for couples (with or without children)
- £500 per week for single parents

- £350 per week for single adults with no children.

Impact of Welfare Reform on the PRS:

As of January 2014, Housing Benefits pays or contributes towards the rent for **5,448** claimants in Cheshire East who are in private rented accommodation. Eventually all of these claimants will be affected by Universal Credit and they will receive their Housing Benefits (which will then be called the Housing Cost Element) within the one monthly payment they receive from the DWP. It will then be up to those claimants in the majority of cases to budget their money effectively to ensure that their rent and other bills are paid for.

This has the potential to have a major impact on the PRS and indeed there are landlords and letting agents who have expressed concern at the impending changes during the course of the research surveys. Some landlords have responded to say that they're considering selling all of their properties before Universal Credit is fully implemented, others have stated that they simply won't accept anyone who has to claim Universal Credit to pay the rent on their properties.

However, when questioned the majority of the letting agents who had those concerns stated that they didn't understand the new system enough and felt that there needed to be more communication from the government and local authorities in this regard to support landlords and agents through the changes. This is response has also been seen in research conducted by the British Property Federation (BPF) which conducted a survey in April 2014 in which 39% of landlords who owned more than 10 properties each stated that they were "*confused about how the Universal Credit Policy will impact rent arrears and intended to rent to fewer welfare claimants".*[8]

The government has already sought to address some of the concerns raised by landlords and agents at a national level, specifically in relation to rent arrears. They have stated that there will be greater support for landlords in this regard. Landlords will have the ability to contact Universal Credit and inform them if a tenant is falling into rent arrears. When those arrears reach 1 month equivalent rent Universal Credit will offer support to the claimant with regards to budgeting advice and can decided if they're going to pay the Housing Cost Element directly to the landlord.

If the arrears reach 2 months equivalent rent owed Universal Credit will pay directly to the landlord via an Alternative Payment Arrangement (APA). APA's are also available from the start of a claim if it's determined that a claimant will require such support (this will be determined by the interviewing officer at the Job Centre).

Universal Credit is expected to impact on larger families more, in particular those currently in PRS accommodation as the rents tend to be higher than Affordable Rented Housing. It is possible that despite the budgeting assistance offered by Universal Credit some families may not have the money to pay for the rent on larger properties and will have to seek cheaper accommodation alternatives.

[8] BPF Press Release 09/04/2014

At the other end of scale single individuals are already being impacted by changes to the benefits system as those who are under the age of 35 (with exceptions) are now only entitled to a shared room rate from Housing Benefits, this will continue to be the case under Universal Credit. This is likely to lead to a greater demand for Bedsit and smaller accommodation types and we could potentially expect a corresponding increase in the number of landlords and letting agents moving into this property type over the next few years as the full impacts of the Welfare Reform programme are realised.

Trends & Changes in Cheshire East's PRS over the last 5 Years

The majority of agents have reported various trends and changes in the market over the last few years. Agents have stated changes such as increasing numbers of families, particularly younger families entering the sector and seeing it as a viable alternative to home ownership.

Agents have also specified that they've generally seen families seeking accommodation in the PRS requesting longer tenancies as a way of providing the security they require. Generally agents have stated that demand for property types across the board is higher than it was before the economic recession in 2008. This is perhaps to be expected as levels of mortgage lending on properties have been substantially reduced from 2008.

Another interesting change in the market over the last 5 years has been that some agents have begun to report more over 60's entering the PRS after selling or losing their home. Agents covering areas such as Sandbach, Alsager, Congleton, Crewe and Macclesfield have reported these changes. This demographic has been requesting longer term tenancies in these areas which are expected as they seem to desire stability, security and affordability.

Other changes have included more Eastern European individuals and families entering the PRS in areas with Crewe particularly highlighted. Given its rail and road connections to nearby towns and cities it's positioned well so that people would be able to commute to work easier.

Some agents have stated that much more recently (within the last 12 months) they've started to see the numbers of landlords on their books reducing slowly this could be due to a multitude of factors but the most common response from agents has been that these landlords were "unwilling" landlords I.E. they inherited a property and were unable to sell it on the open market so it was rented out as a result. With improvements in the Housing market generally over the last 12 months these landlords are now beginning to end tenancies and are attempting to sell their properties with varying degrees of success. In contrast to one or two agents have commented that although some landlords are dropping out of the market they've seen others entering it that they see as "professional landlords" or investment landlords but these numbers are lower than those dropping out.

The figures presented earlier within the document would seem to support this analysis as in 2013 there were 657 fewer properties let by agents than in 2012. Whether this is an anomaly or the beginning of a general decreasing of the PRS needs further examination and research. What is clear is that despite the decreases last year agents are still seeing demand for all types of properties whether that demand is high or low it is still evident.

Appendix 1 – Central Government Initiatives

Background:

In 2011 the Government published their Housing Strategy (Laying the Foundations) which set out how they were planning to boost Housing supply. The strategy recognised the importance of the private rented sector both in terms of meeting people's needs and in supporting economic growth.

In early 2012 the government commissioned Sir Adrian Montague to conduct a review of the Private Rented Sector and to ascertain the barriers to investment in the sector. The report findings were published in September 2012 and made recommendations for the implementation of a series of financial initiatives designed to address identified barriers.

Initiatives:

1) **Build to Rent Fund**

The government introduced a £200 million fund to provide equity finance to house builders and developers. This fund was then increased to £1 billion in the 2013 budget. The build to rent fund supports the construction of purpose built privately rented homes. It would essentially provide off the shelf investment opportunities and simultaneously take the risk out of building homes with the intention to let.

Developers would then have to repay or pass on the loan when new investors are found. The fund was also designed to build innovative demonstration projects to show what a more professional, larger scale private rented sector might look like. The budget for this fund was increased to £1 billion because of a large demand and desire to build thousands of additional private rented homes and large scale investment opportunities.

With the Build to Rent fund the government wanted to ensure that the sector continued to provide the flexibility which many tenants have come to value especially those with mobile working patterns. However, it is equally important that is provides a stable environment for those tenants who may wish to remain in the sector for longer periods of time and put down roots in the community they have moved into. Furthermore, the Government wanted to remove some of the risks of investment from new build purpose built PRS accommodation by ensuring a developer took the initial risk which would be backed by the Government.

All units constructed utilising this funding have to ensure site completion by 31st March 2016

2) Private Rented Sector Housing Guarantee Scheme

This scheme is also designed to facilitate the construction of new homes for the private rented sector. It would accomplish this by offering Registered Providers (RP's) a direct government guarantee on debt they raise to invest in new privately rented homes. This would therefore help to reduce the borrowing costs for the providers whilst at the same time increasing the number of homes that they would be able to afford to build.

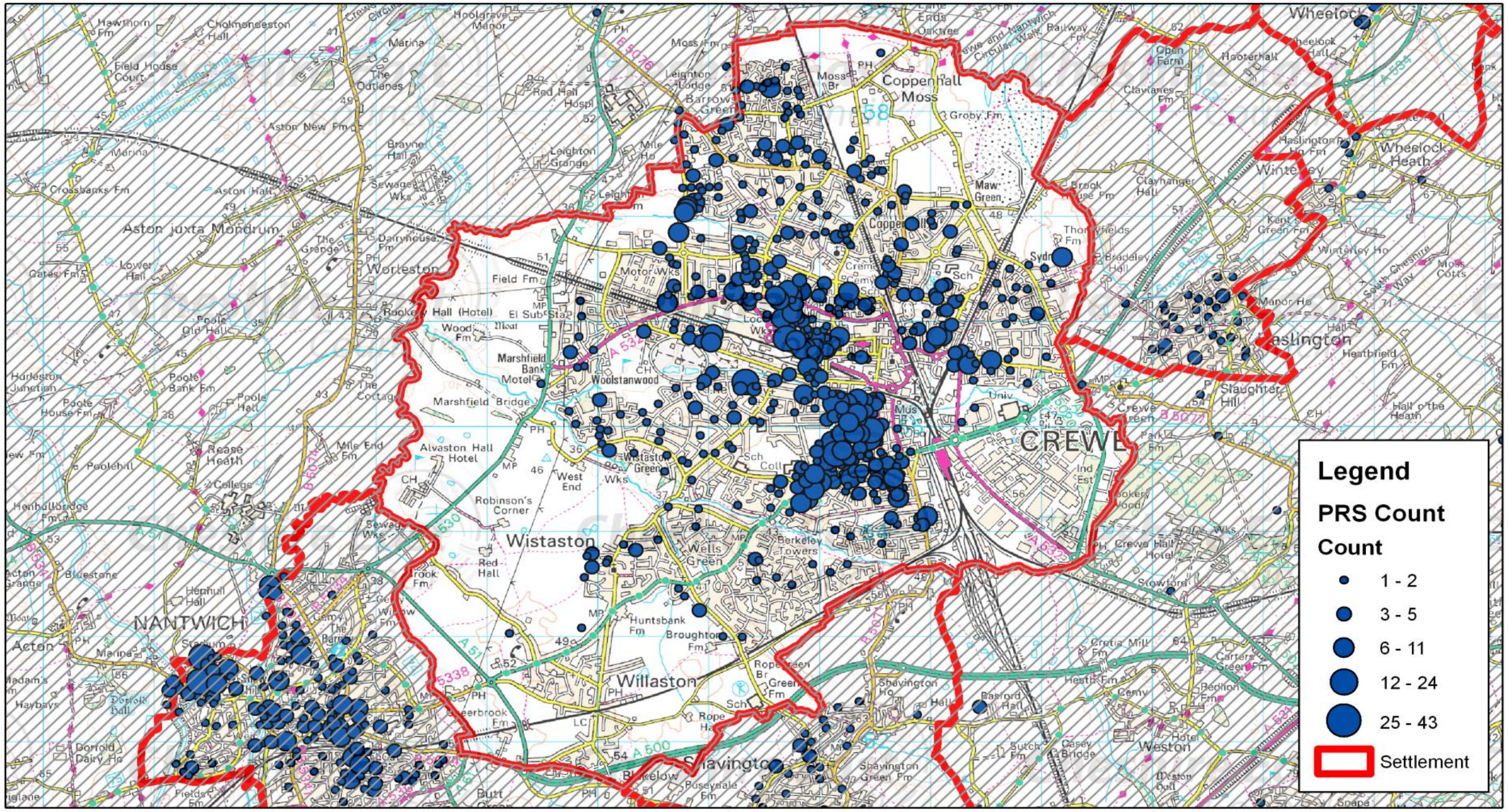
The guarantee scheme is specifically designed to attract investment into the private rented sector from fixed income investors who wanted a stable, longer term return on their investment without any exposure to the residential property risk.

RP's have been entering the PRS in increasing numbers over the last few years with many either already building and managing PRS units or considering options on how to enter the sector. Some have bought established private letting and management companies to facilitate this venture. **Regenda Housings** purchase of **McDonald Property Rentals** is an example of this model where the RP maintains its own company's branding. Other RP's are considering the benefits of establishing arm's length organisations to achieve a similar outcome. **Your Housing Group** has recently set-up a separate company (*under its own branding*) to own and manage PRS accommodation in Manchester, Liverpool and in **Cheshire East**. **Symphony Housing** is also reportedly considering a move into the sector.

It's important to note that all RP's listed above already operate in Cheshire East Borough and therefore there is the opportunity to tap into their investment plans to further expand the PRS in the borough.

Appendix 4 – Visual Representation of PRS Property Dispersal

Crewe



Cheshire East Council

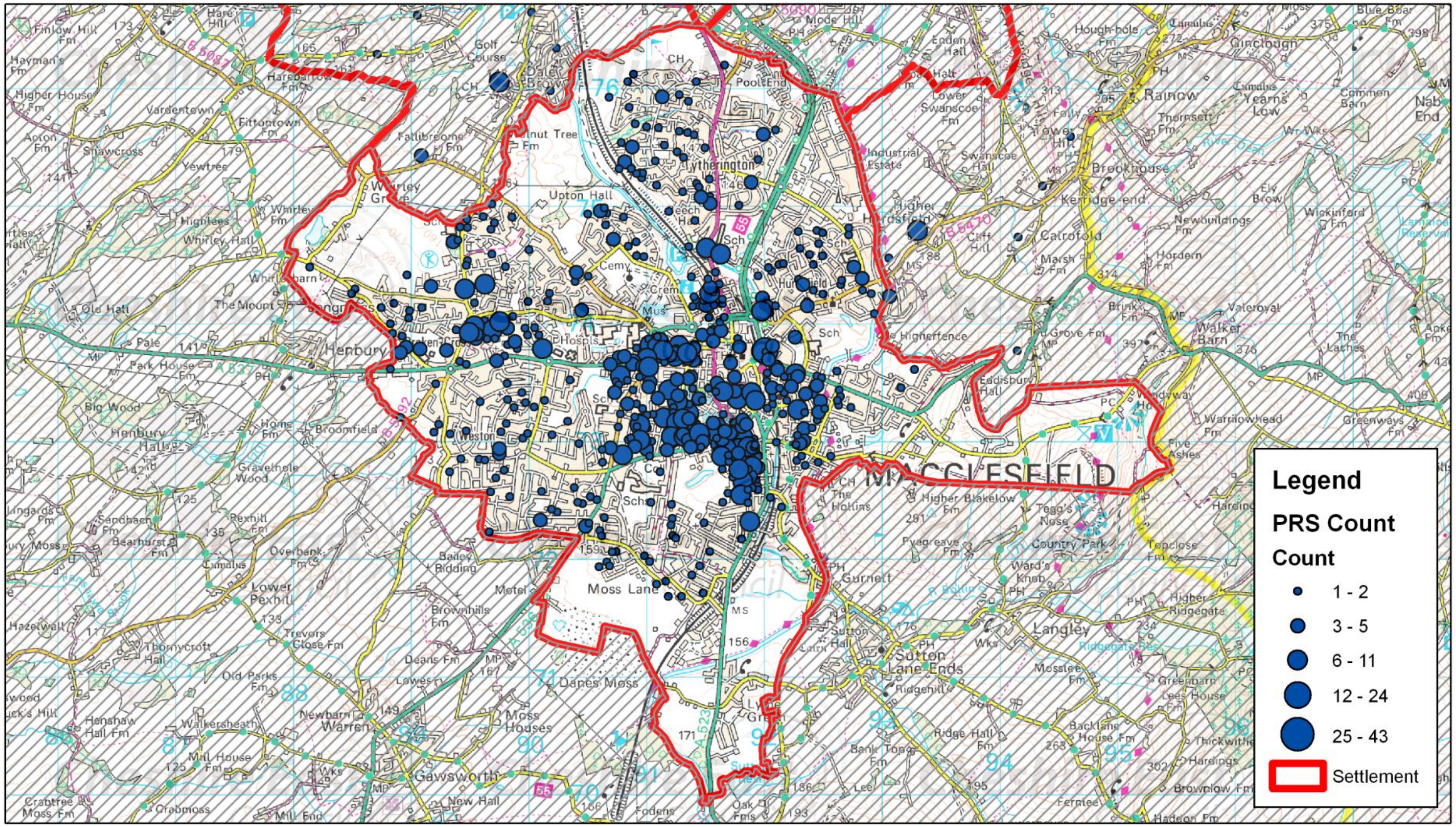
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:48,065

Macclesfield



Private Rented Properties - count by postcode, 2013, Vizzihomes

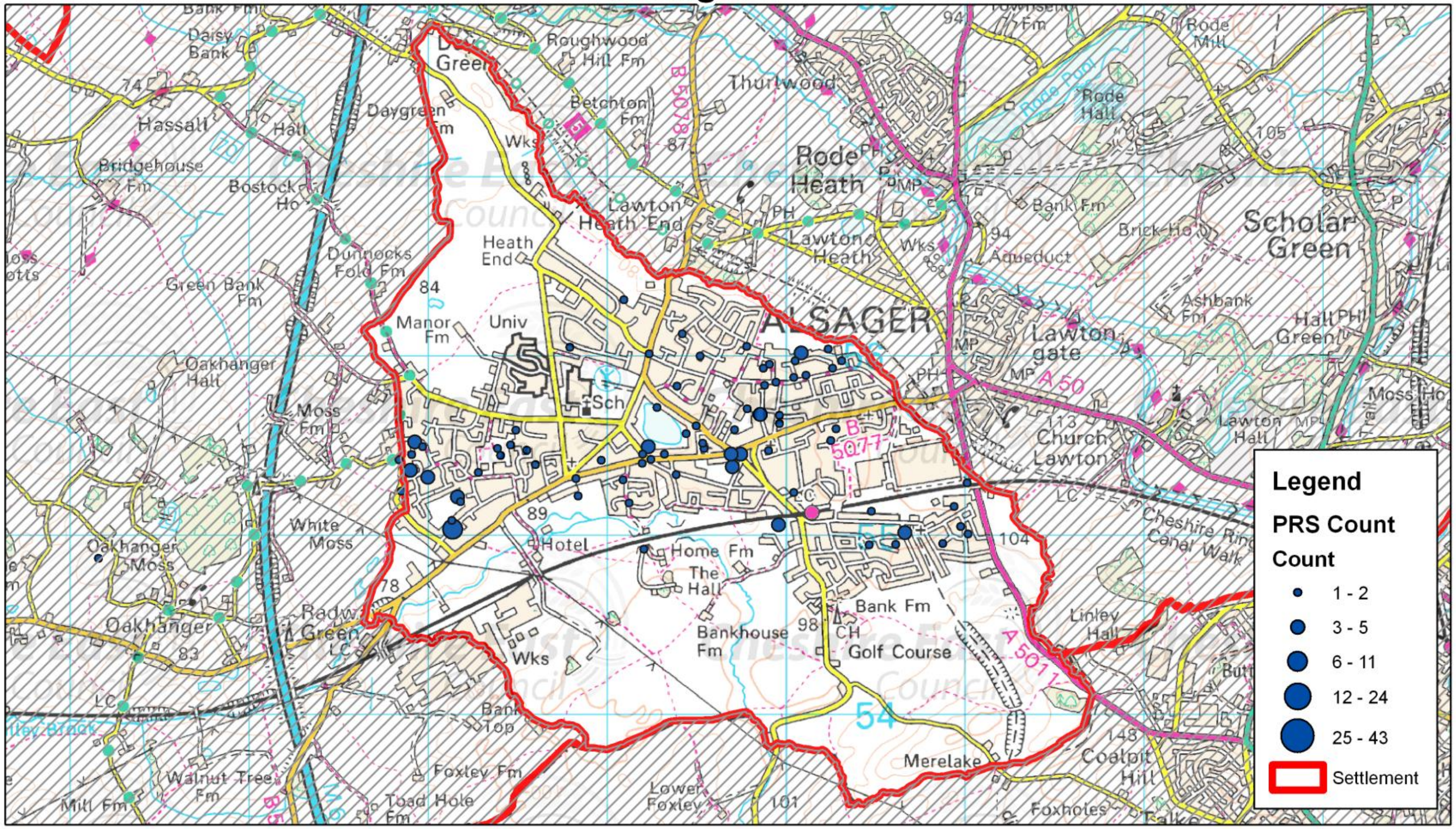
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:43,719

Key Service Centres

Alsager



Private Rented Properties - count by postcode, 2013, Vizzihomes

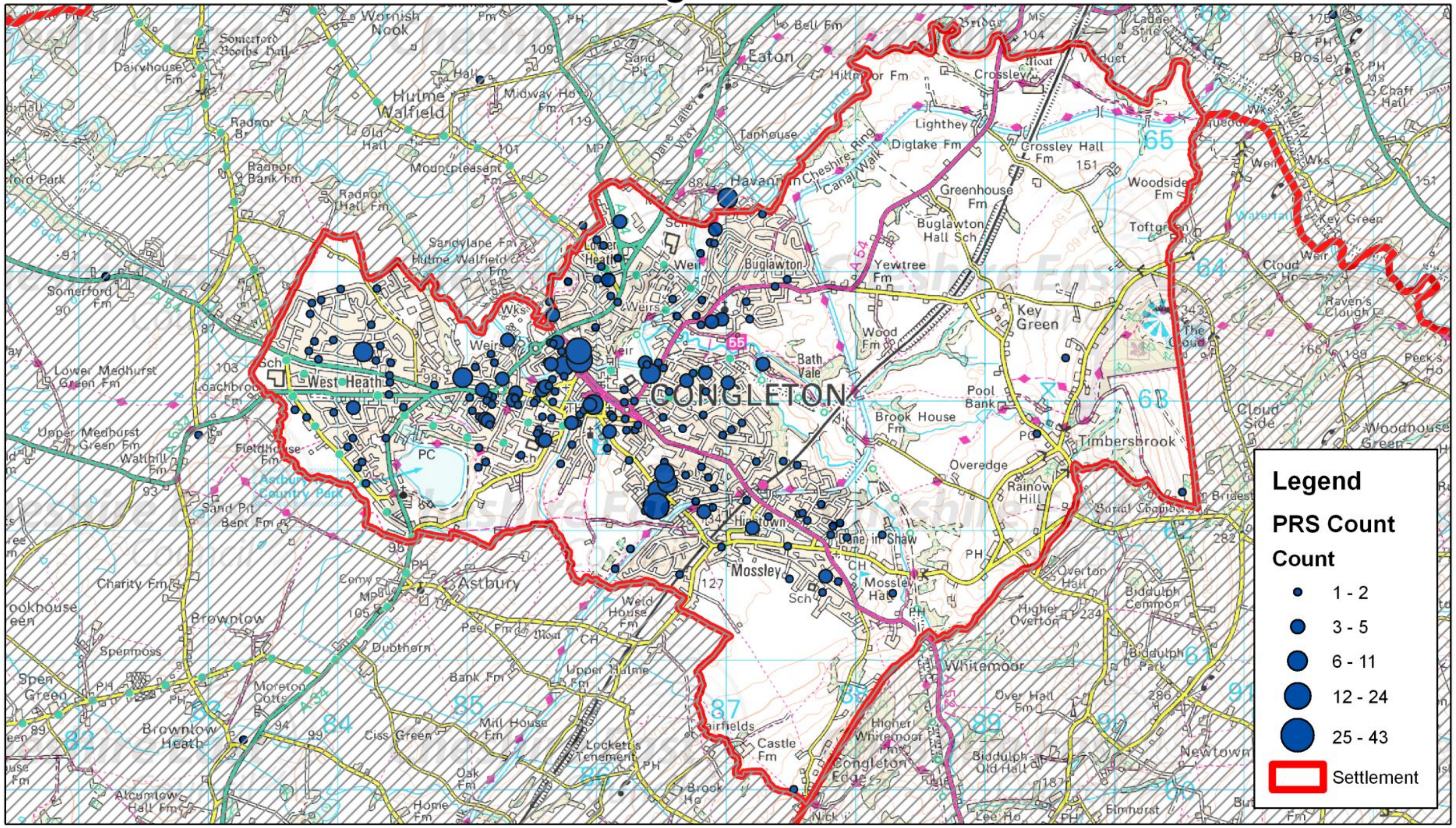
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:28,759

Key Service Centres

Congleton



Cheshire East Council

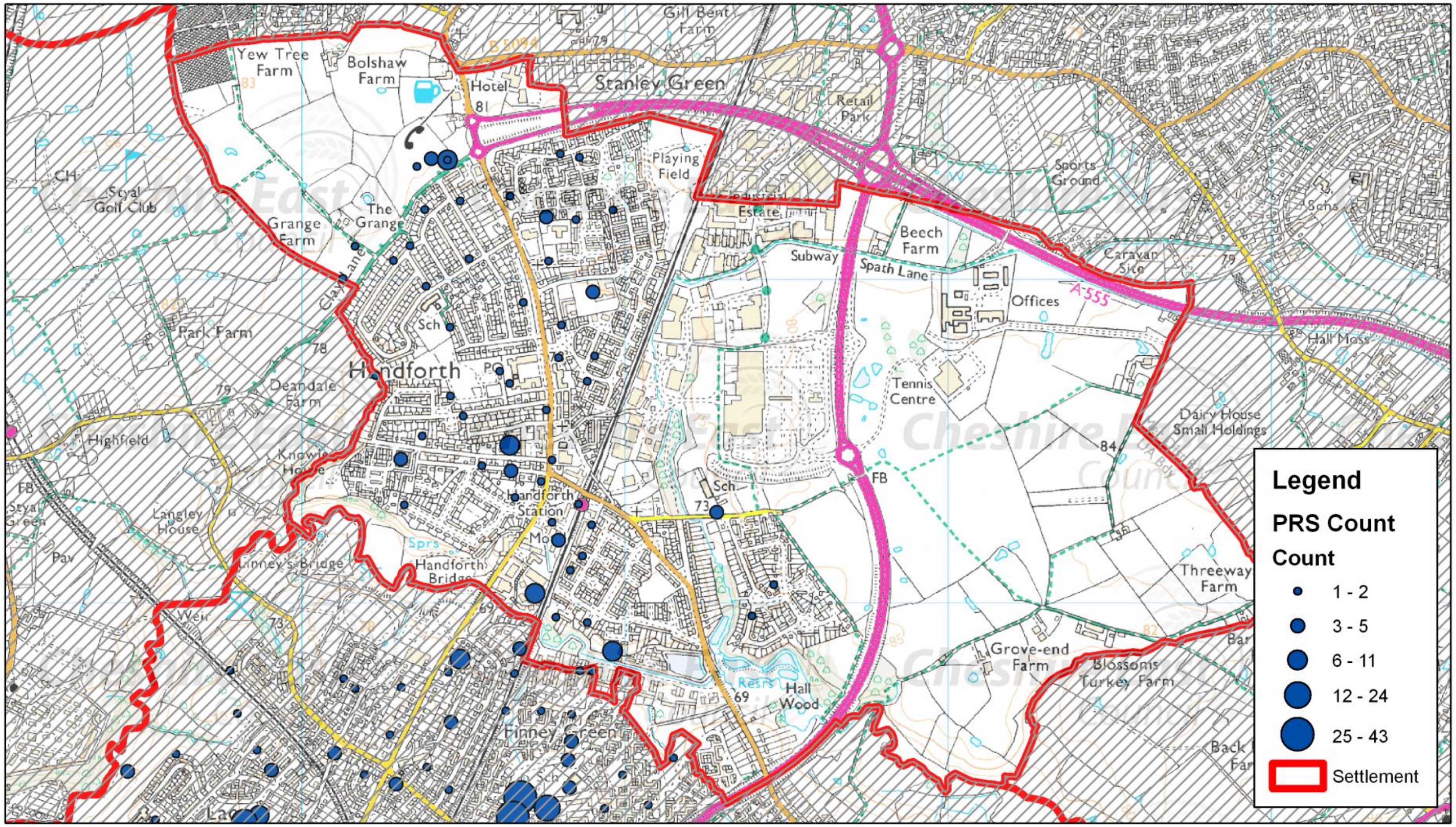
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:39,758

Handforth



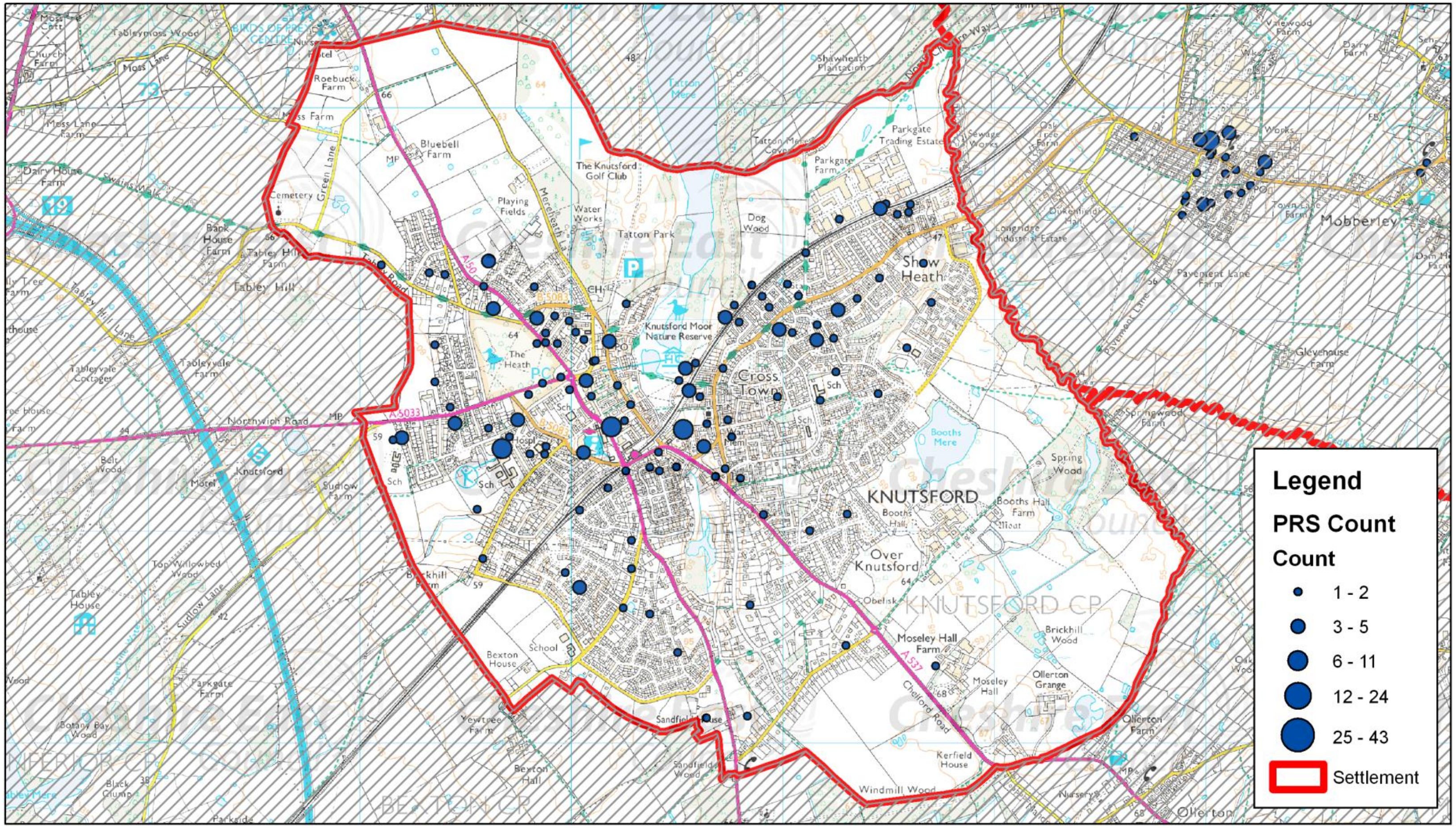
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:15,929

Knutsford



Private Rented Properties - count by postcode, 2013, Vizzihomes

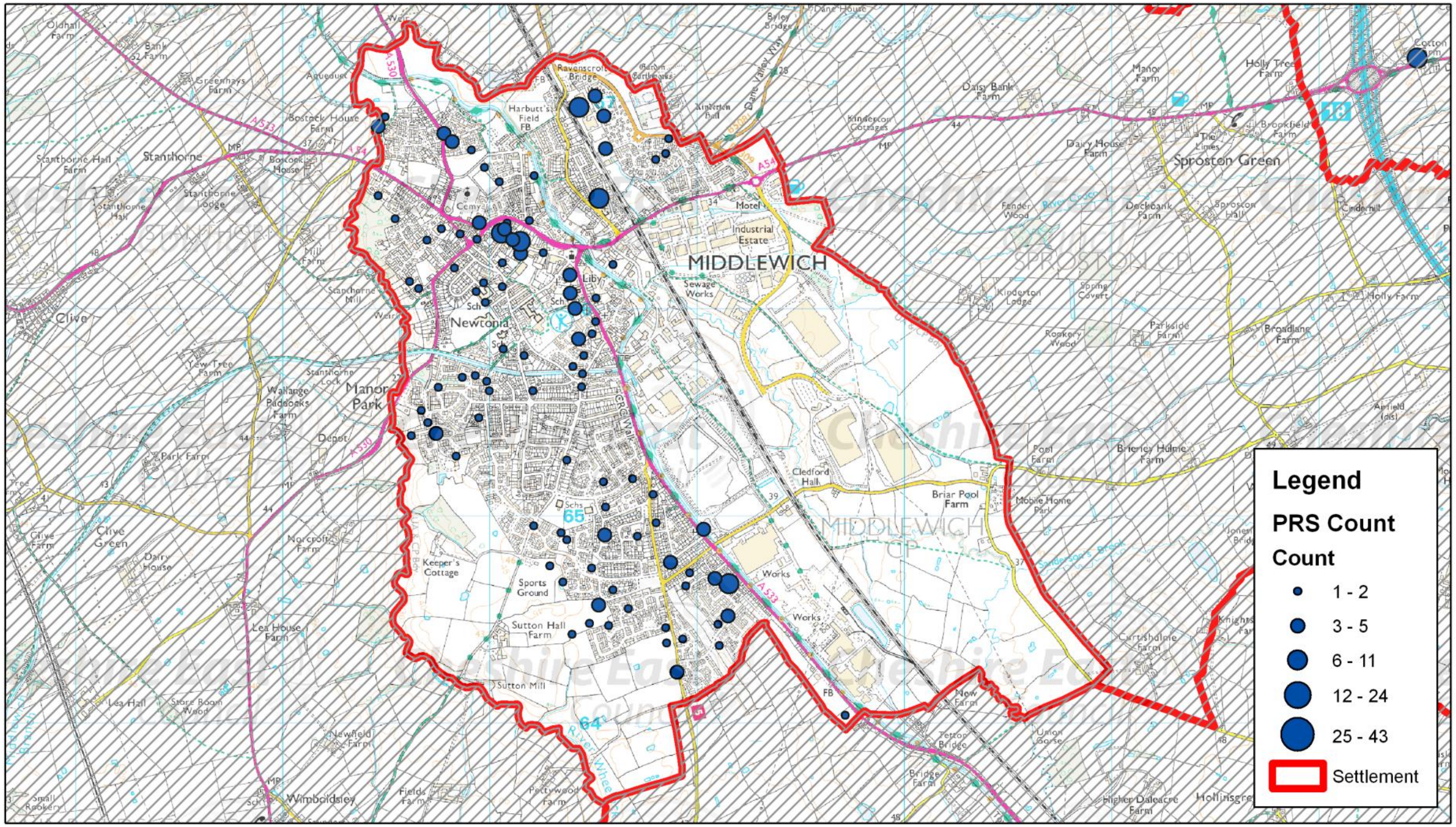
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:24,345

Key Service Centres

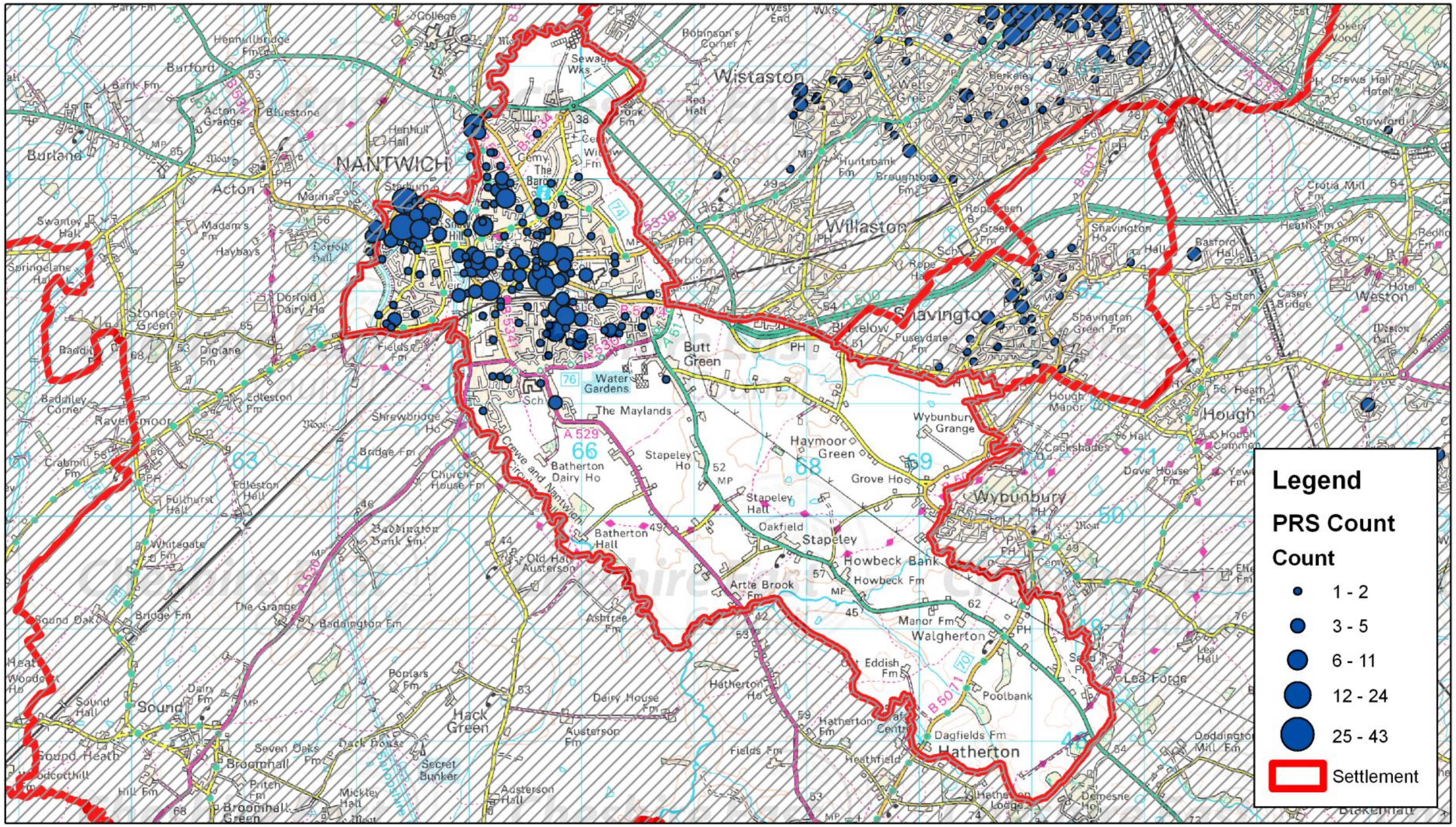
Middlewich



Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

Nantwich



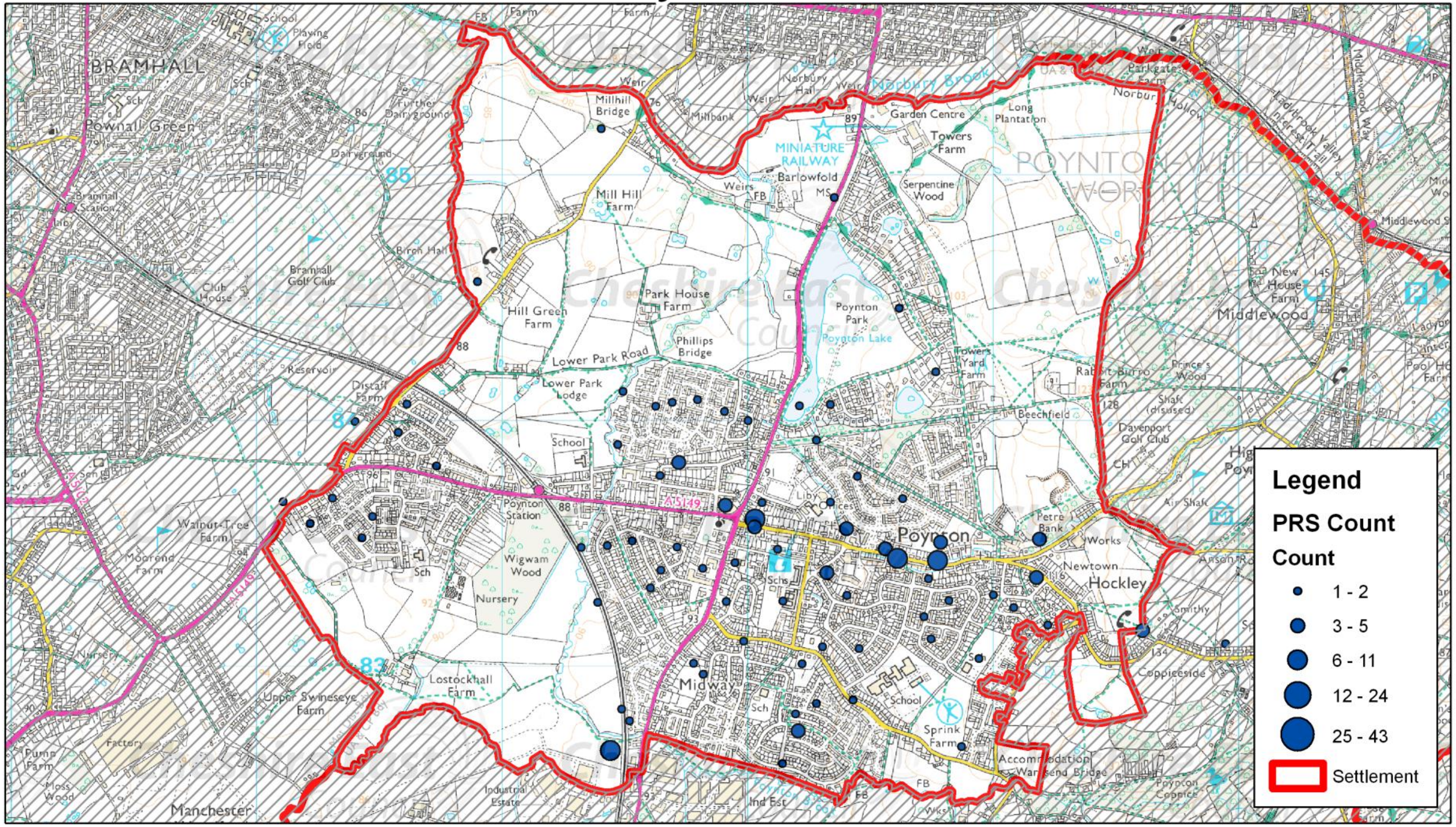
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:45,739

Poynton



Cheshire East Council

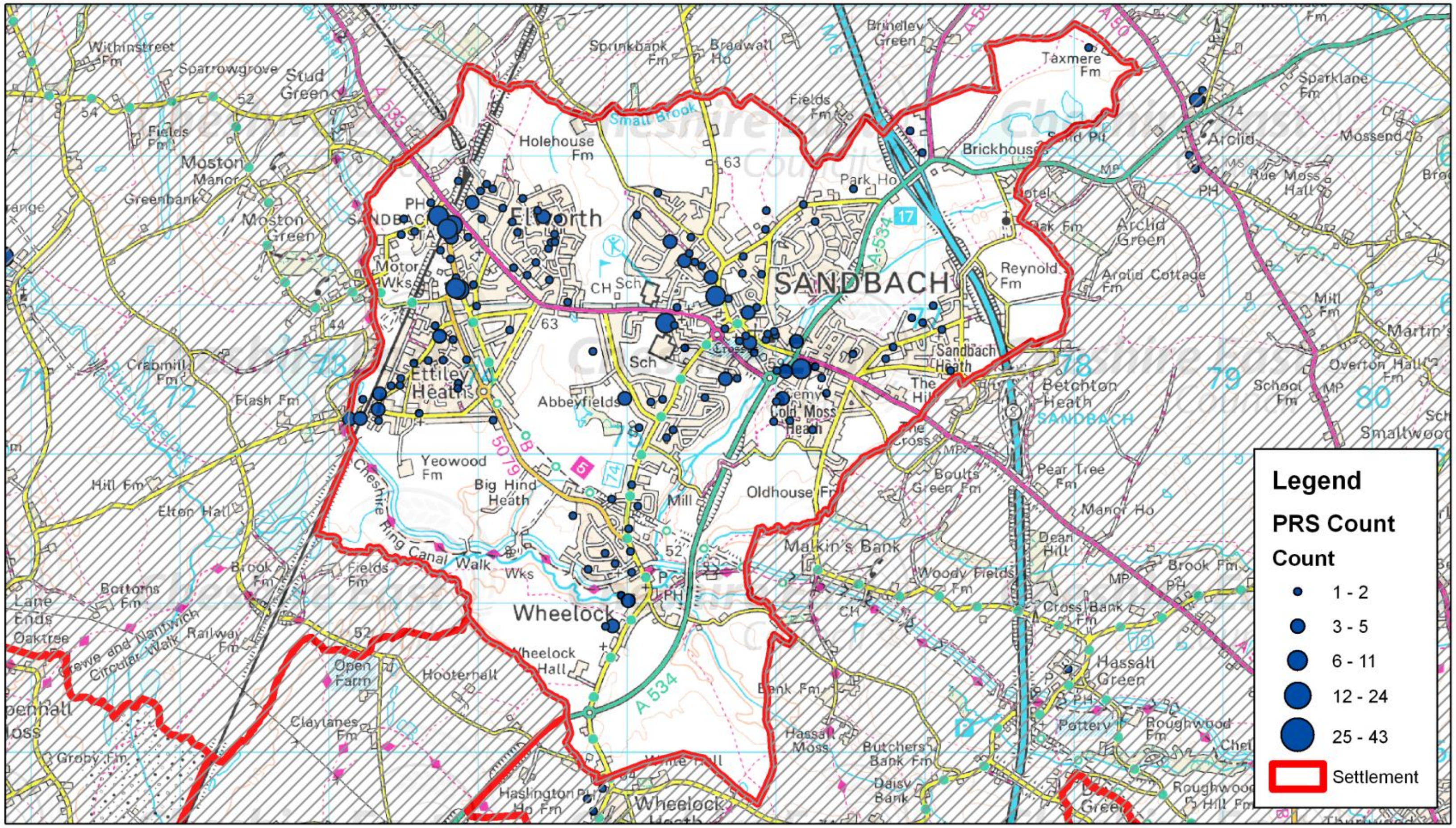
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:20,969

Sandbach



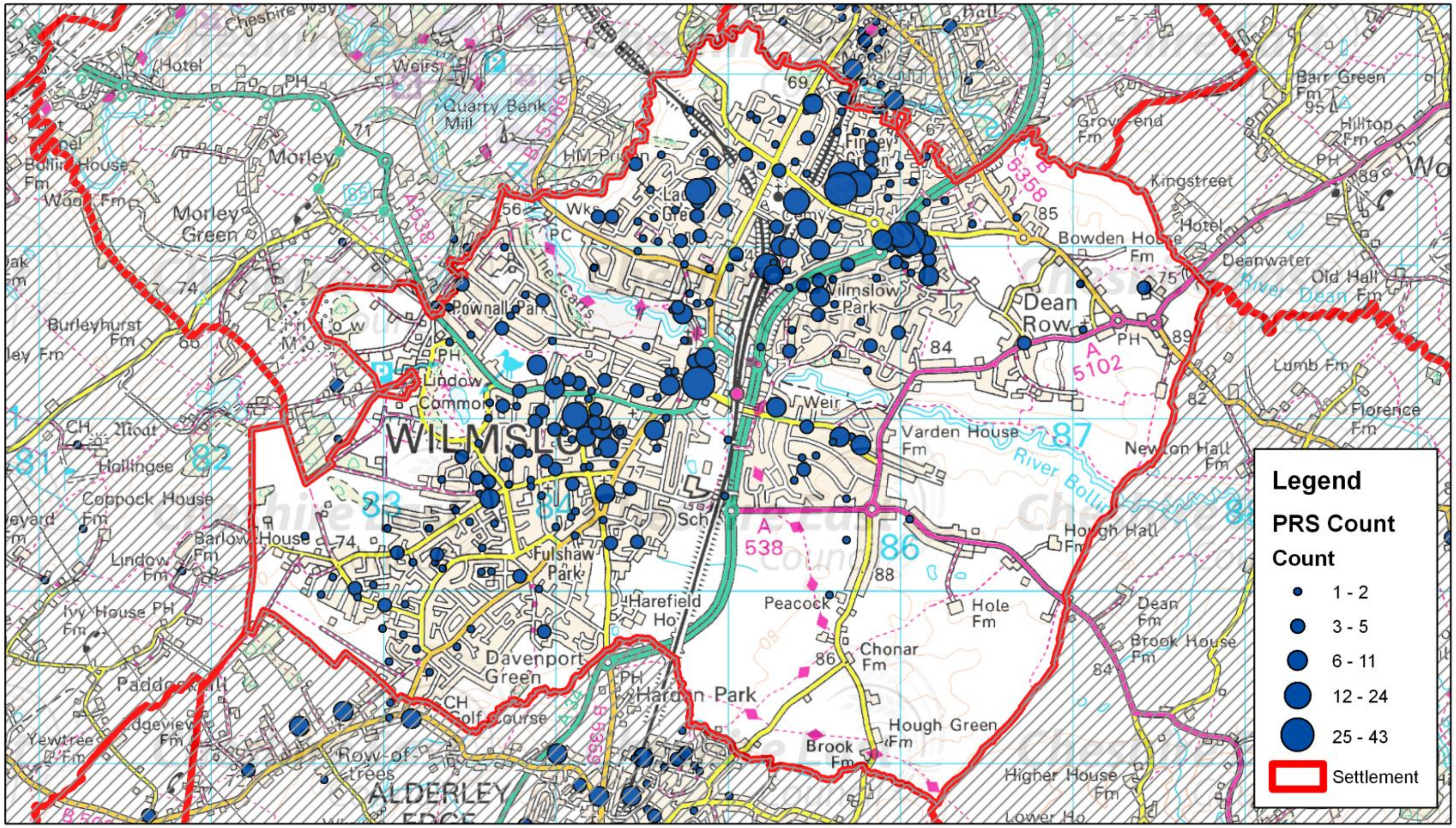
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:34,543

Wilmslow



Cheshire East Council

Private Rented Properties - count by postcode, 2013, Vizzihomes

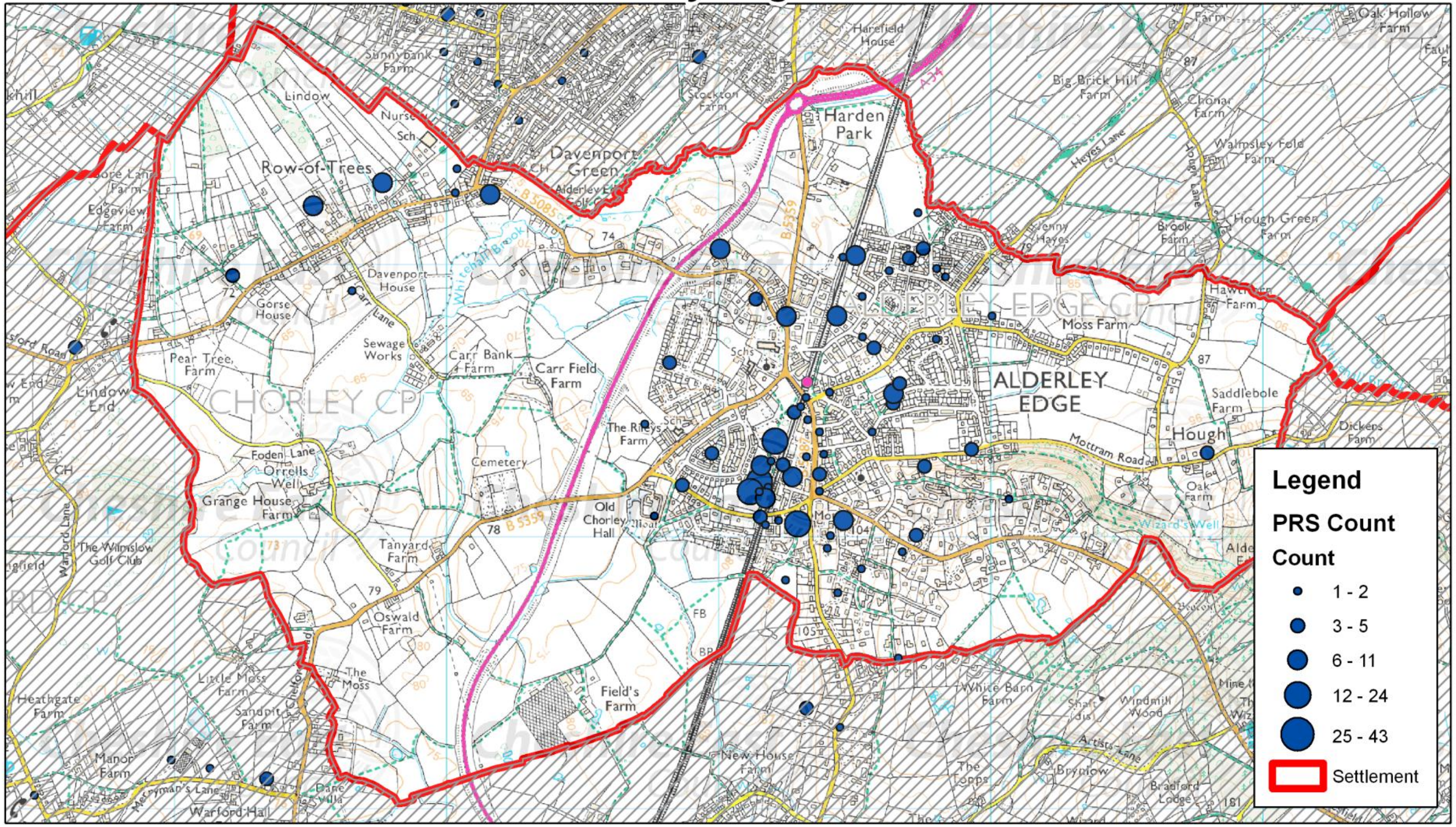
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:29,871

Local Service Centres

Alderley Edge



Cheshire East Council

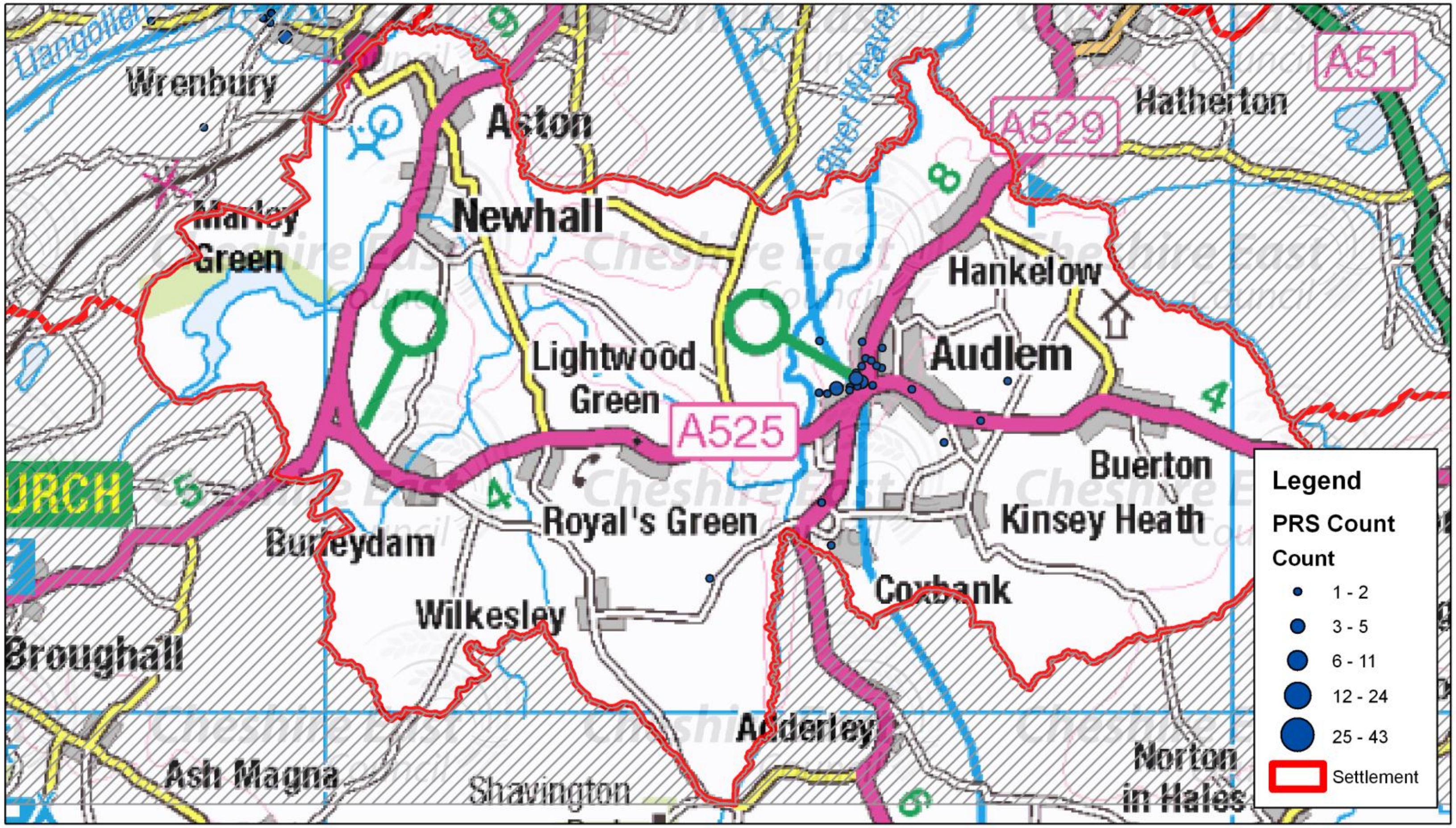
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:18,915

Audlem



Cheshire East Council

Private Rented Properties - count by postcode, 2013, Vizzihomes

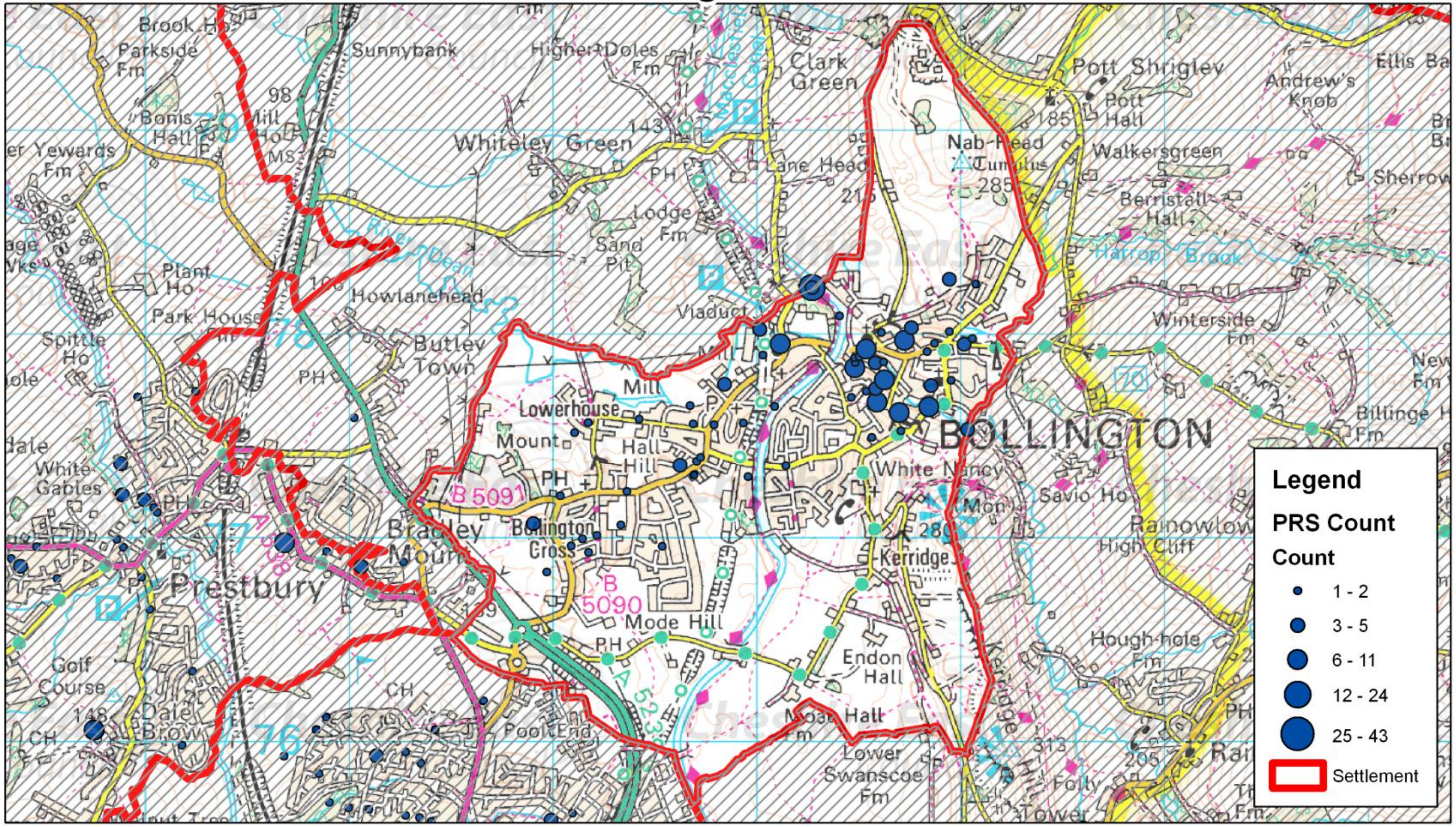
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:56,767

Local Service Centres

Bollington



Private Rented Properties - count by postcode, 2013, Vizzihomes

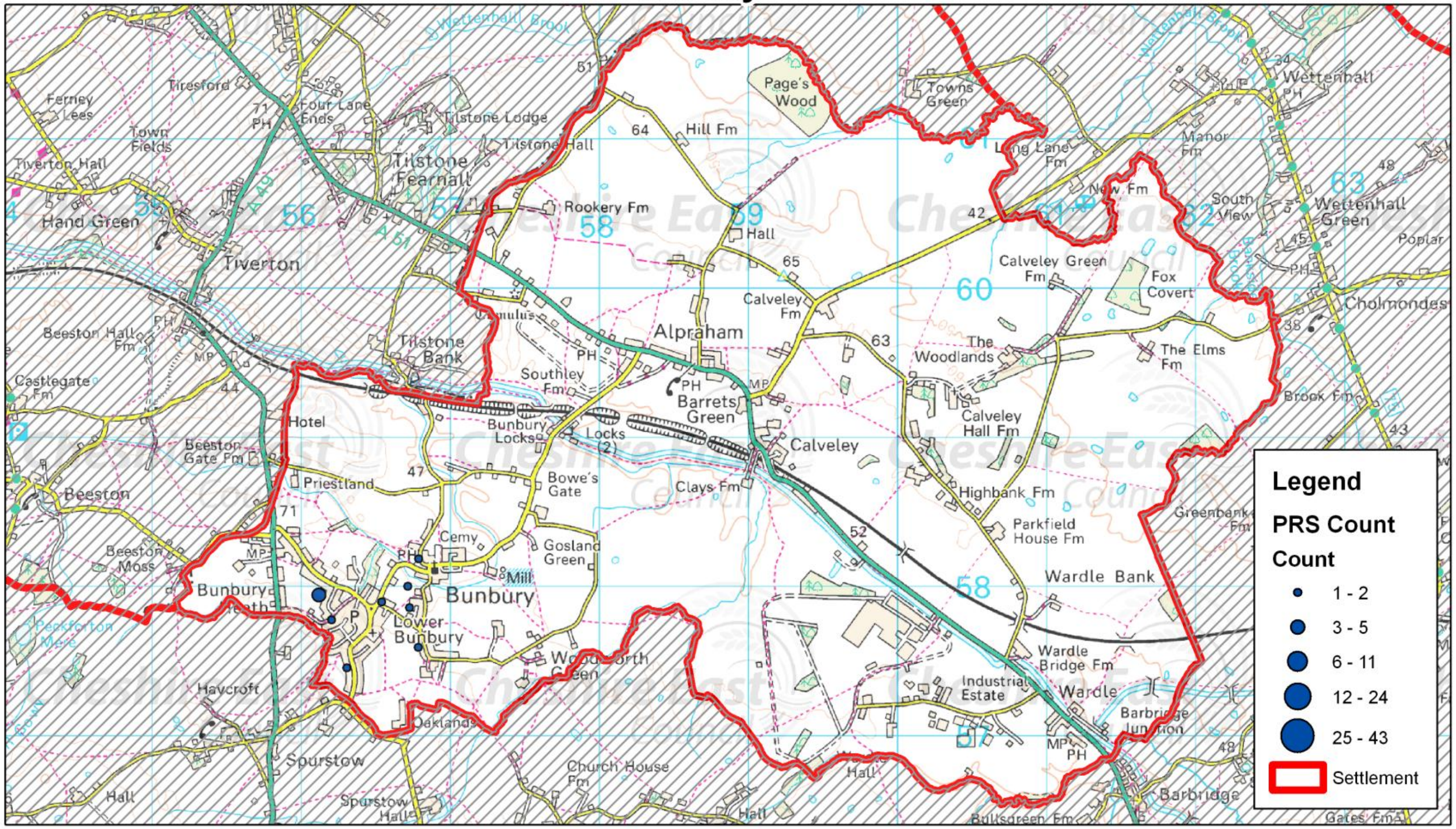
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:25,251

Cheshire East Council

Bunbury



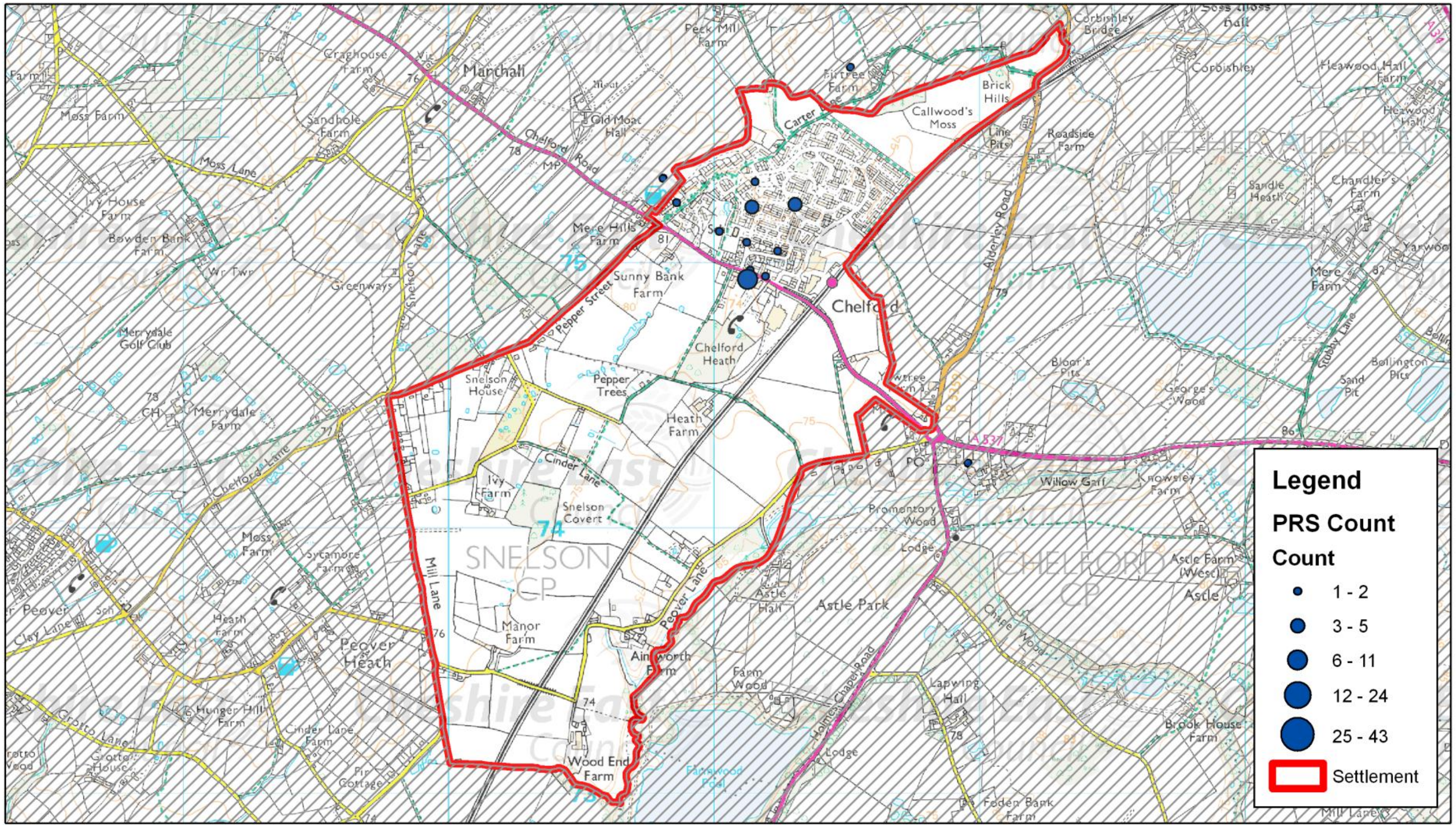
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:34,528

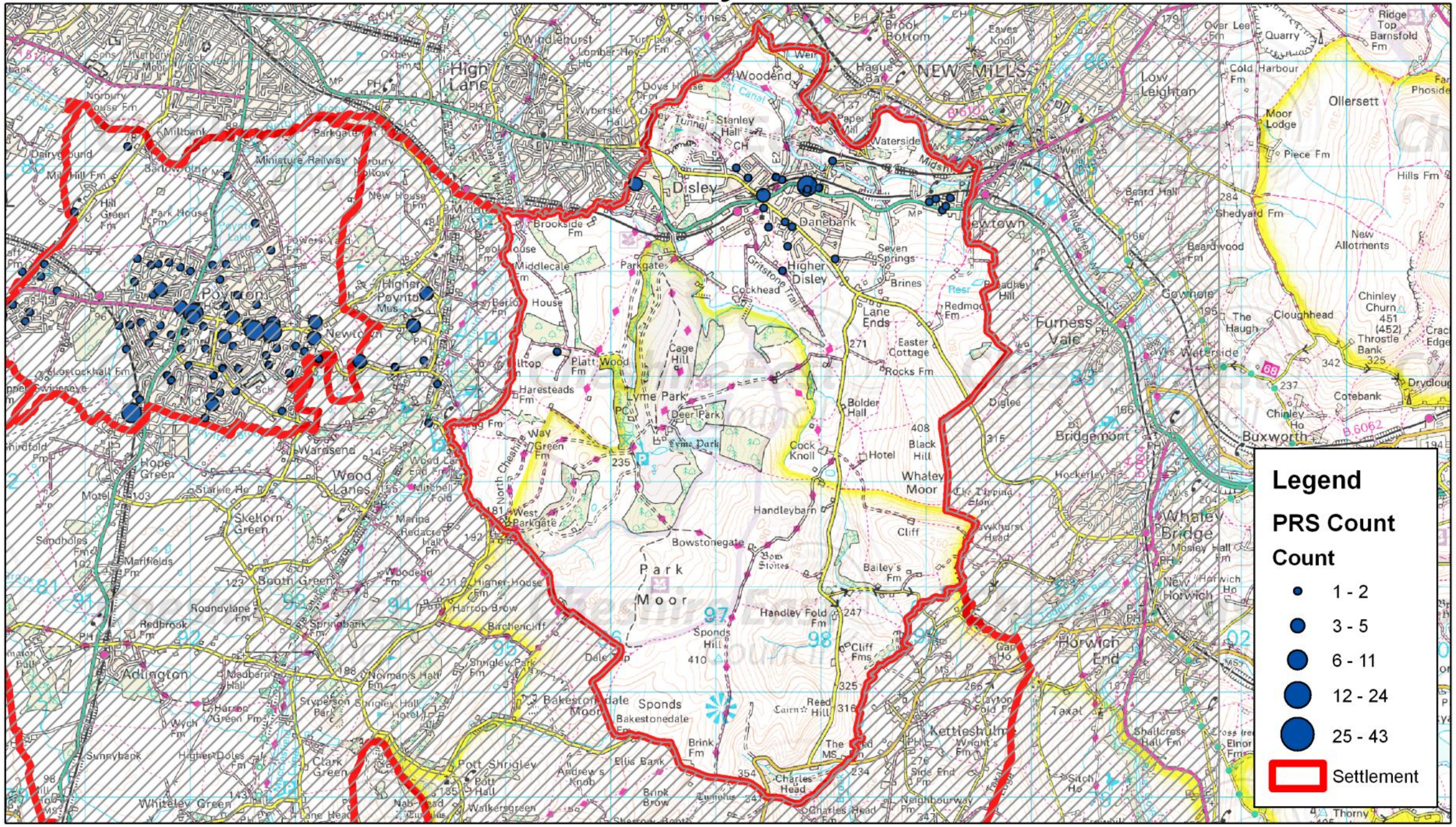
Chelford



Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

Disley



Cheshire East Council

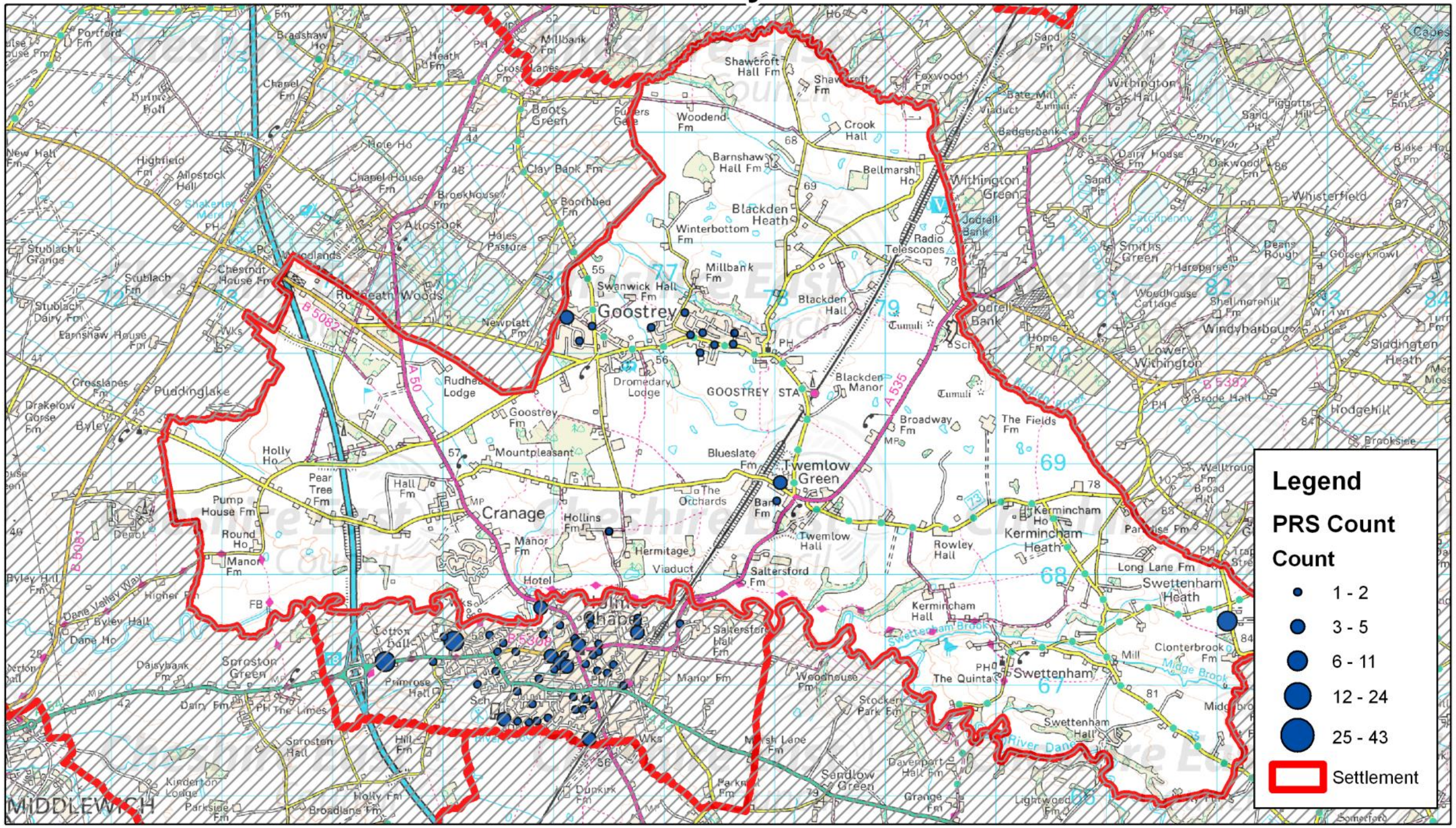
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:48,961

Goostrey



Private Rented Properties - count by postcode, 2013, Vizzihomes

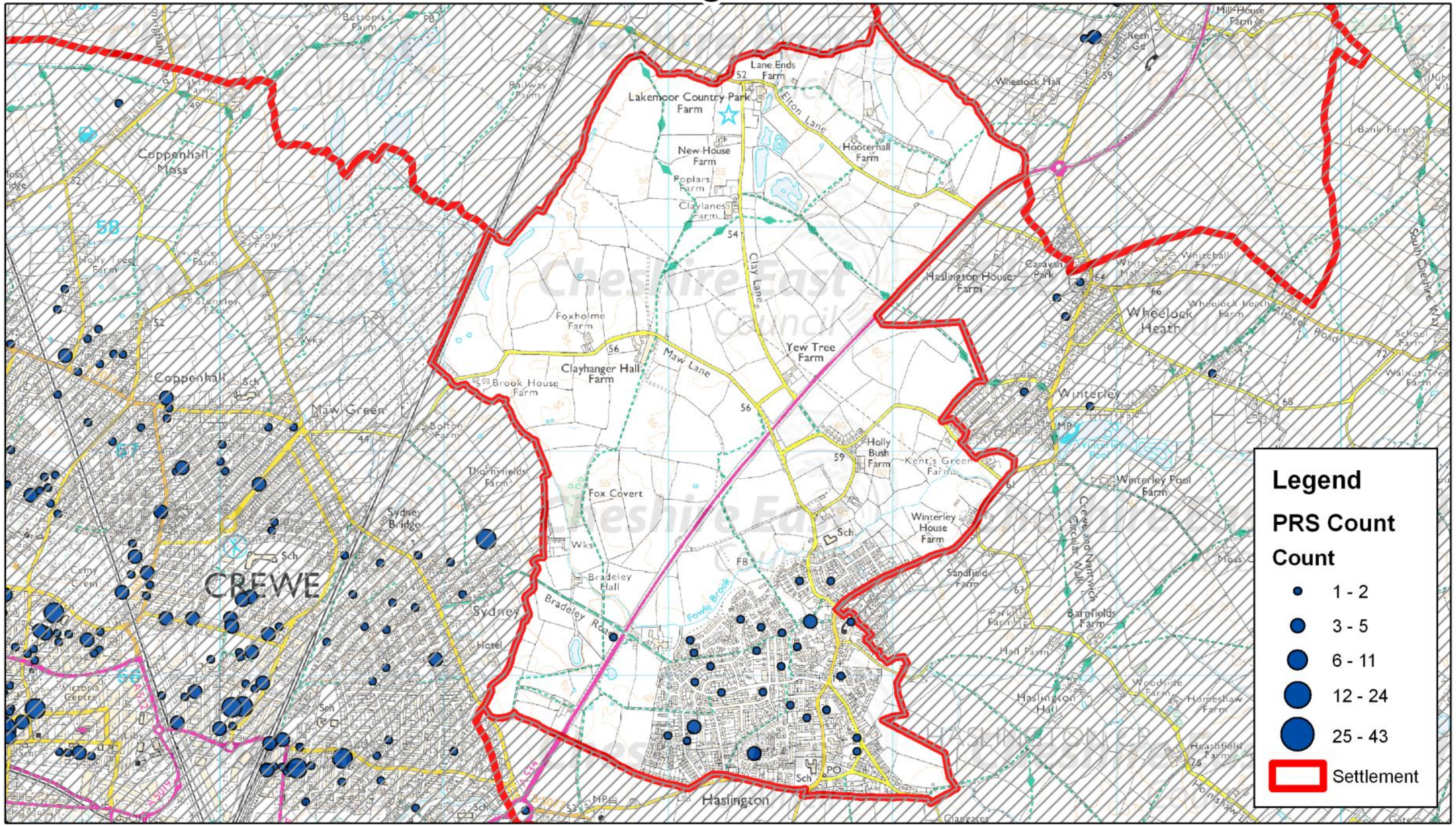
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:46,556

Local
Service
Centres

Haslington



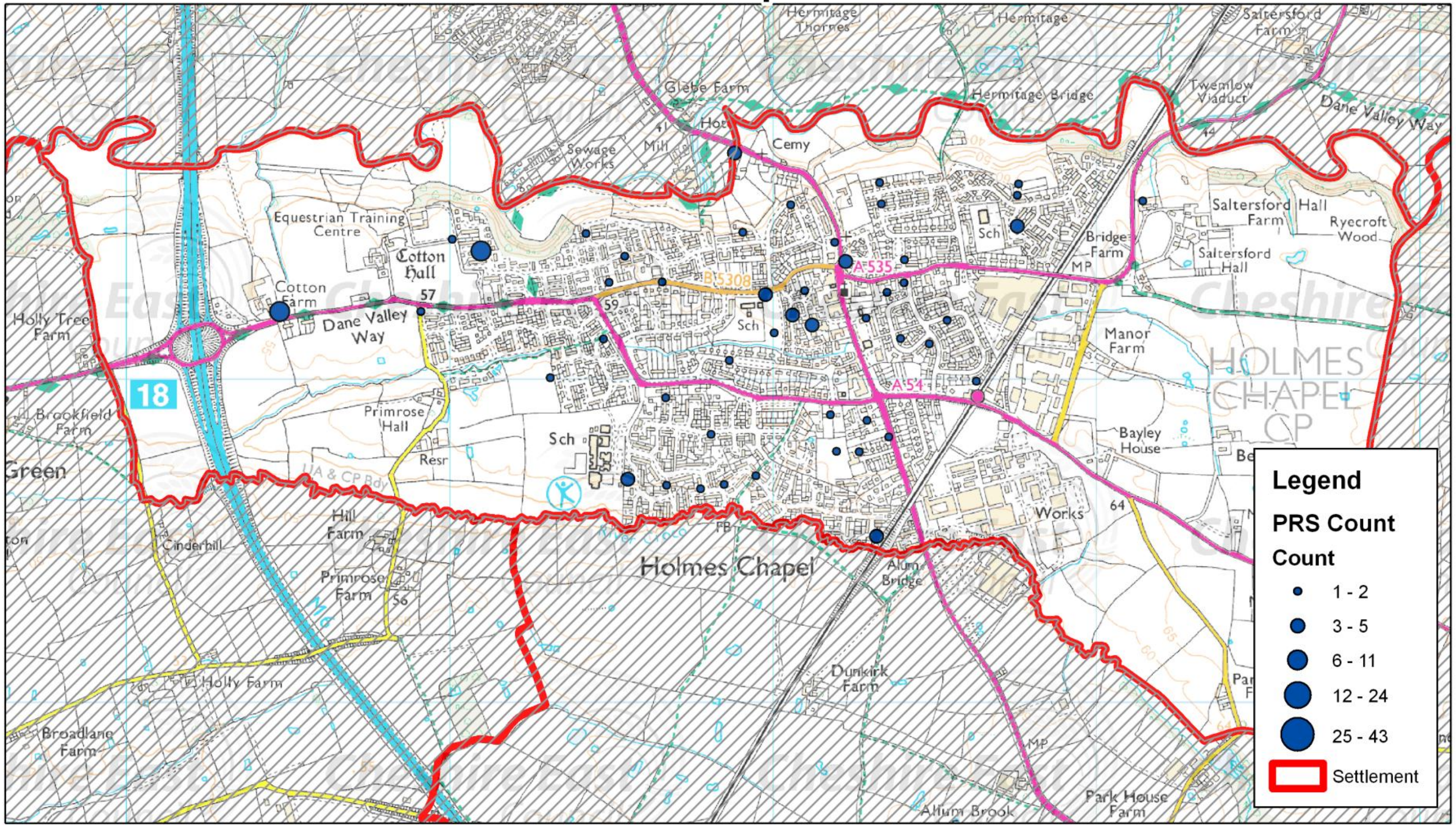
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:22,959

Homes Chapel



Cheshire East Council

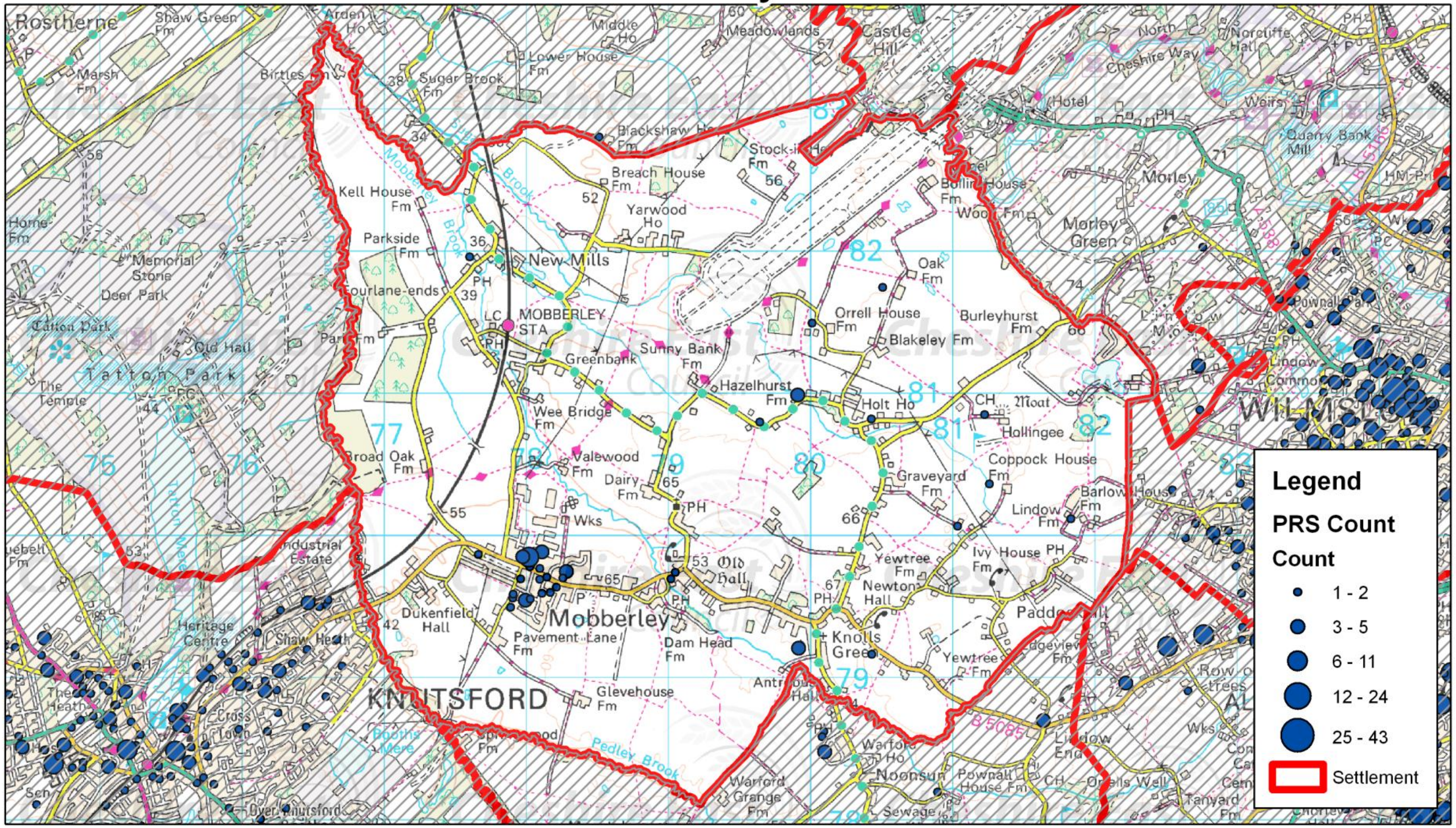
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:15,919

Mobberley



Private Rented Properties - count by postcode, 2013, Vizzihomes

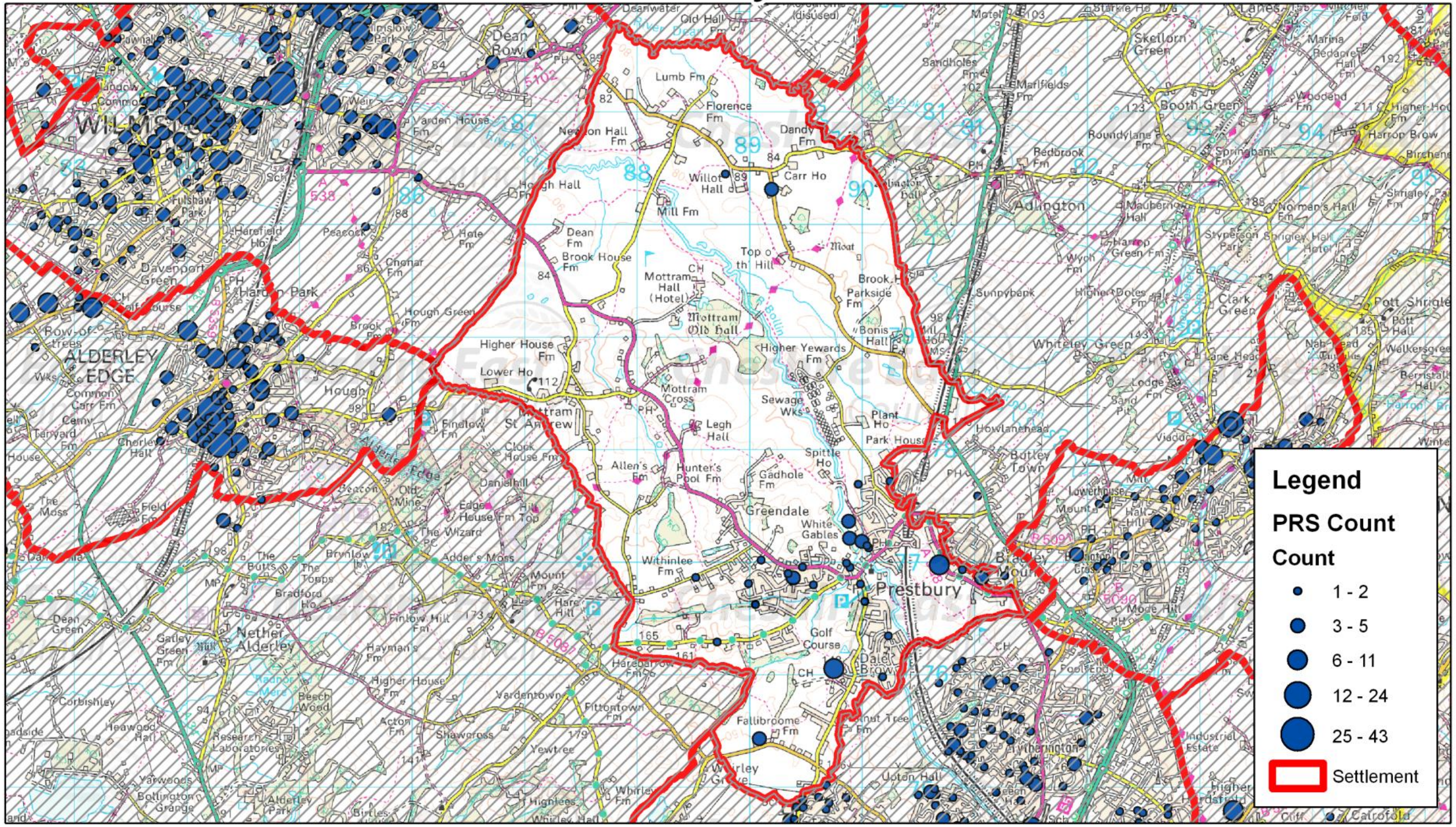
Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:36,210

Local Service Centres

Prestbury



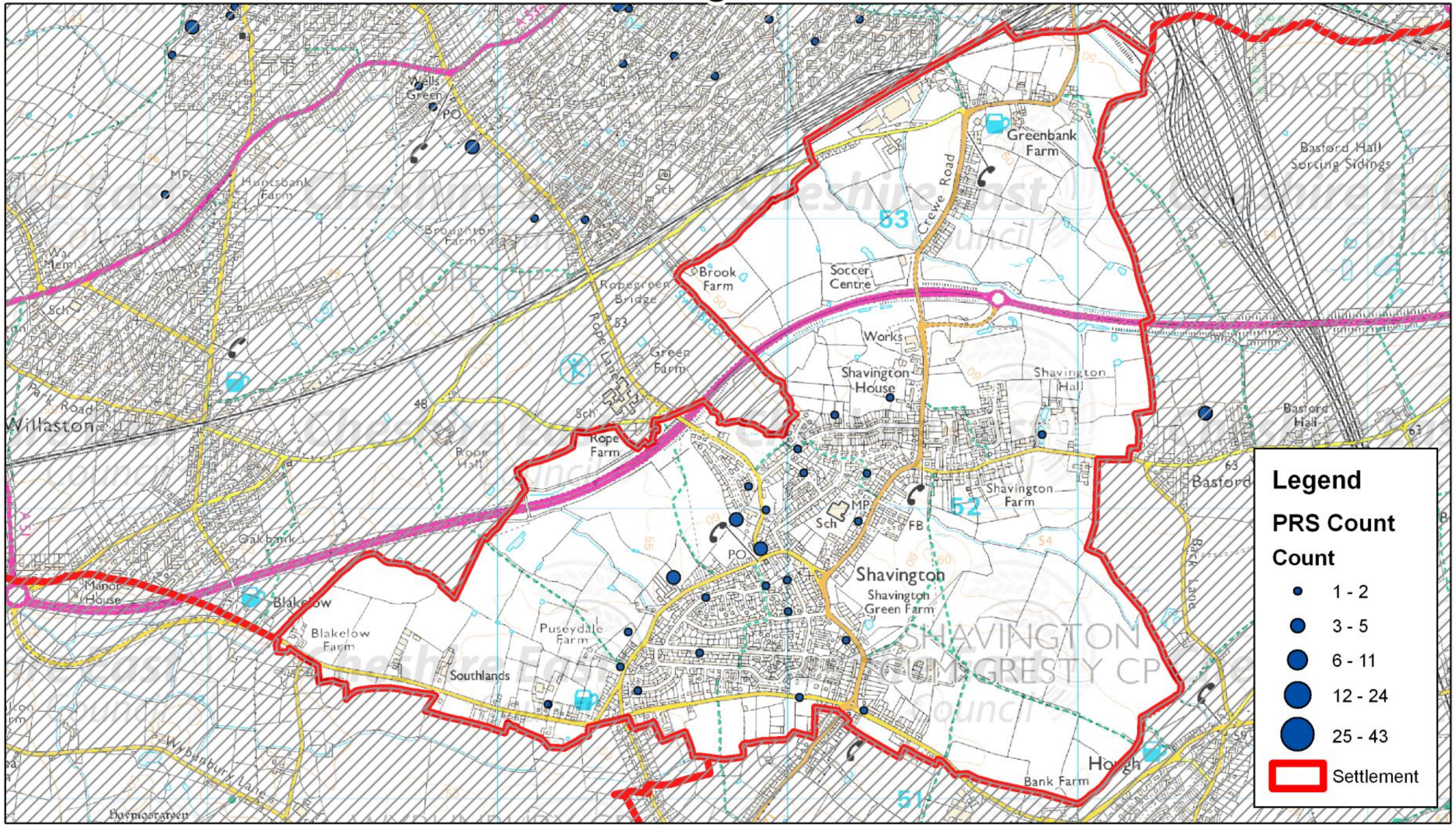
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:45,726

Shavington



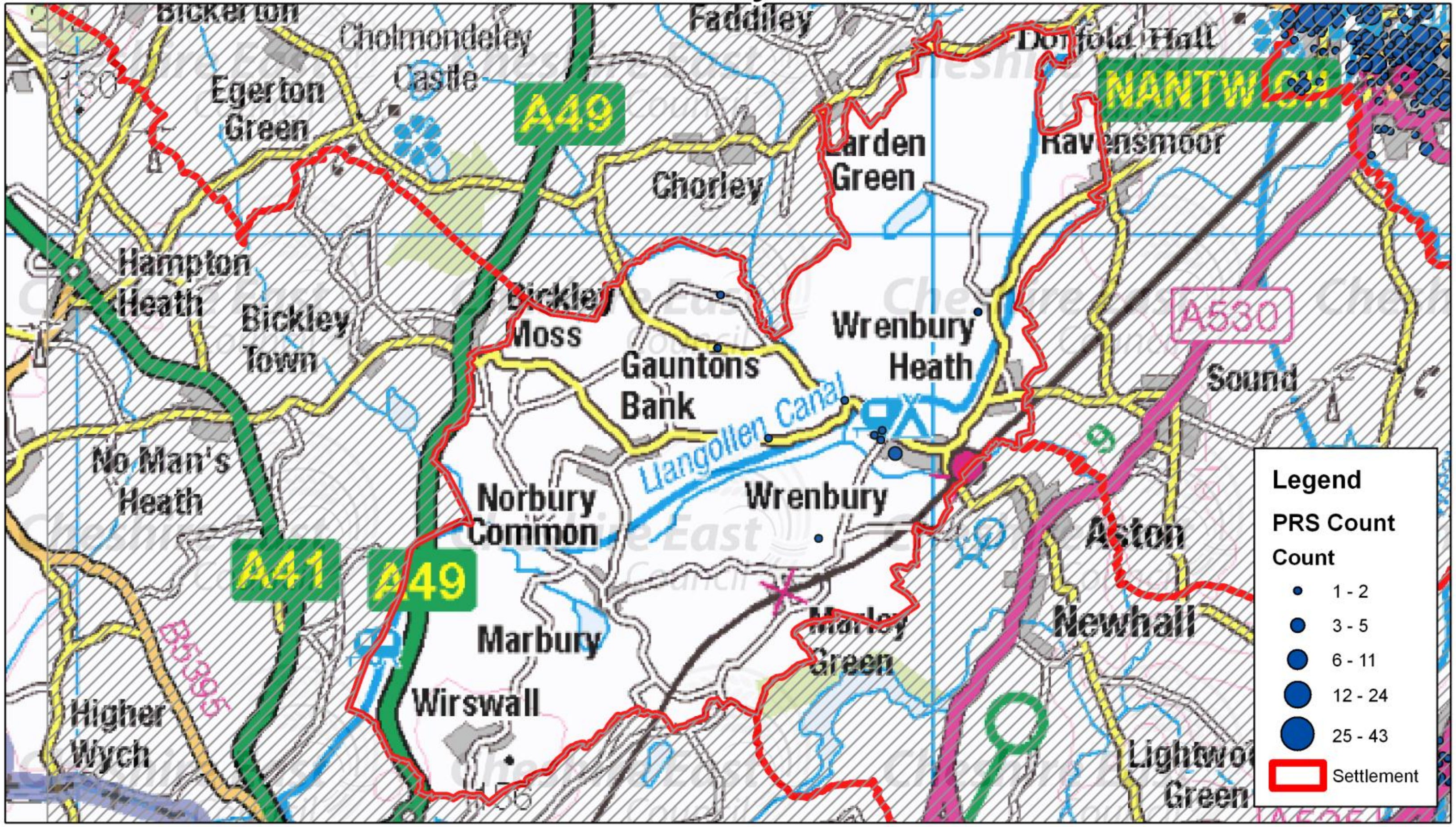
Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:17,744

Wrenbury



Cheshire East Council

Private Rented Properties - count by postcode, 2013, Vizzihomes

Ref:O:\RandC\Requests\James\2014\20140514_Mike-Smith(Housing)_PRS_mapping

N

1:60,185

Appendix 5 – Affordability Breakdown

Area Name	Number of PRS Lets 2013	Averag e Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required	Area Name	No of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	Bedsit	**Bedsit**	**Bedsit**	**Bedsit**		**1 BF**	**1BF**	**1BF**	**1BF**
Crewe	19	£249	£830	£9,960	Crewe	185	£384	£1,280	£15,360
Macclesfield	66	£378	£1,260	£15,120	Macclesfield	144	£474	£1,580	£18,960
Alsager					Alsager	20	£424	£1,413	£16,960
Congleton					Congleton	55	£393	£1,310	£15,720
Handforth					Handforth	11	£517	£1,723	£20,680
Knutsford					Knutsford	16	£552	£1,840	£22,080
Middlewich					Middlewich	16	£415	£1,383	£16,600
Nantwich	1	£247	£823	£9,880	Nantwich	56	£492	£1,640	£19,680
Poynton					Poynton	23	£528	£1,760	£21,120
Sandbach					Sandbach	27	£463	£1,543	£18,520
Wilmslow	13	£347	£1,157	£13,880	Wilmslow	99	£559	£1,863	£22,360
Alderley Edge	4	£368	£1,227	£14,720	Alderley Edge	18	£687	£2,290	£27,480
Audlem					Audlem	2	£452	£1,507	£18,080
Bollington					Bollington	8	£521	£1,737	£20,840
Bunbury					Bunbury				
Chelford					Chelford	1	£425	£1,417	£17,000
Disley					Disley	4	£448	£1,493	£17,920
Goostrey					Goostrey				
Haslington					Haslington	1	£340	£1,133	£13,600
Holmes Chapel					Holmes Chapel	9	£459	£1,530	£18,360
Mobberley					Mobberley	5	£529	£1,763	£21,160
Prestbury					Prestbury				
Shavington					Shavington	2	£450	£1,500	£18,000
Wrenbury					Wrenbury				
Totals	**103**	**£318**	**Average £1,059**	**£12,712**	**Totals**	**702**	**£476**	**Average £1,585**	**£19,024**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required	Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	2BF	2BF				3BF	3BF	3BF	3BF
Crewe	230	£468	£1,560	£18,720	Crewe	15	£559	£1,863	£22,360
Macclesfield	237	£573	£1,910	£22,920	Macclesfield	9	£767	£2,557	£30,680
Alsager	17	£557	£1,857	£22,280	Alsager	7	£578	£1,927	£23,120
Congleton	76	£516	£1,720	£20,640	Congleton	8	£583	£1,943	£23,320
Handforth	27	£617	£2,057	£24,680	Handforth	2	£873	£2,910	£34,920
Knutsford	34	£739	£2,463	£29,560	Knutsford	7	£956	£3,187	£38,240
Middlewich	14	£474	£1,580	£18,960	Middlewich	9	£546	£1,820	£21,840
Nantwich	103	£598	£1,993	£23,920	Nantwich	10	£1,139	£3,797	£45,560
Poynton	21	£627	£2,090	£25,080	Poynton	1	£695	£2,317	£27,800
Sandbach	48	£536	£1,787	£21,440	Sandbach	4	£782	£2,607	£31,280
Wilmslow	230	£802	£2,673	£32,080	Wilmslow	21	£1,018	£3,393	£40,720
Alderley Edge	83	£1,143	£3,810	£45,720	Alderley Edge	22	£1,972	£6,573	£78,880
Audlem	8	£472	£1,573	£18,880	Audlem				
Bollington	32	£678	£2,260	£27,120	Bollington	6	£733	£2,443	£29,320
Bunbury					Bunbury				
Chelford	10	£637	£2,243	£26,920	Chelford	1	£950	£3,167	£38,000
Disley	2	£670	£2,233	£26,800	Disley	1	£550	£1,833	£22,000
Goostrey	1	£650	£2,167	£26,000	Goostrey				
Haslington	3	£522	£1,740	£20,880	Haslington				
Holmes Chapel	7	£576	£1,920	£23,040	Holmes Chapel	1	£895	£2,983	£35,800
Mobberley	8	£729	£2,430	£29,160	Mobberley	2	£798	£2,660	£31,920
Prestbury	6	£948	£3,160	£37,920	Prestbury	4	£1,875	£6,250	£75,000
Shavington	1	£575	£1,917	£23,000	Shavington	1	£775	£2,583	£31,000
Wrenbury	2	£550	£1,833	£22,000	Wrenbury				
Totals	**1200**	**£637**	**Average £2,129**	**£25,553**	**Totals**	**131**	**£897**	**Average £2,990**	**£35,882**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	4BF	4BF	4BF	4BF
Crewe				
Macclesfield	7	£1,057	£3,523	£42,280
Alsager				
Congleton	1	£500	£1,667	£20,000
Handforth				
Knutsford				
Middlewich	1	£525	£1,750	£21,000
Nantwich				
Poynton	1	£1,150	£3,833	£46,000
Sandbach	3	£1,250	£4,167	£50,000
Wilmslow				
Alderley Edge	2	£8,500	£28,333	£339,999
Audlem				
Bollington				
Bunbury				
Chelford				
Disley				
Goostrey				
Haslington				
Holmes Chapel				
Mobberley				
Prestbury				
Shavington				
Wrenbury				
Totals	**15**	**£2,164**	**Average £7,212**	**£86,547**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	1BH	1BH	1BH	1BH
Crewe	47	£364	£1,213	£14,560
Macclesfield	45	£478	£1,593	£19,120
Alsager	6	£436	£1,453	£17,440
Congleton	6	£448	£1,493	£17,920
Handforth				
Knutsford	10	£559	£1,863	£22,360
Middlewich	6	£433	£1,443	£17,320
Nantwich	11	£460	£1,533	£18,400
Poynton				
Sandbach	11	£465	£1,550	£18,600
Wilmslow	21	£580	£1,933	£23,200
Alderley Edge	5	£790	£2,633	£31,600
Audlem				
Bollington	7	£539	£1,797	£21,560
Bunbury				
Chelford	2	£475	£1,583	£19,000
Disley	3	£481	£1,603	£19,240
Goostrey				
Haslington				
Holmes Chapel	1	£495	£1,650	£19,800
Mobberley	1	£695	£2,317	£27,800
Prestbury				
Shavington				
Wrenbury				
Totals	**182**	**£513**	**Average £1,711**	**£20,528**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required	Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	2BH	2BH	2BH	2BH		3BH	3BH	3BH	3BH
Crewe	371	£504	£1,680	£20,160	Crewe	455	£585	£1,950	£23,400
Macclesfield	488	£573	£1,910	£22,920	Macclesfield	231	£723	£2,410	£28,920
Alsager	26	£541	£1,803	£21,640	Alsager	38	£663	£2,210	£26,520
Congleton	125	£526	£1,753	£21,040	Congleton	85	£683	£2,277	£27,320
Handforth	13	£712	£2,373	£28,480	Handforth	31	£843	£2,810	£33,720
Knutsford	45	£951	£3,170	£38,040	Knutsford	69	£1,009	£3,363	£40,360
Middlewich	65	£551	£1,837	£22,040	Middlewich	76	£628	£2,093	£25,120
Nantwich	106	£591	£1,970	£23,640	Nantwich	105	£713	£2,377	£28,520
Poynton	26	£772	£2,573	£30,880	Poynton	45	£857	£2,857	£34,280
Sandbach	91	£561	£1,870	£22,440	Sandbach	73	£702	£2,340	£28,080
Wilmslow	185	£806	£2,687	£32,240	Wilmslow	132	£1,074	£3,580	£42,960
Alderley Edge	40	£1,132	£3,773	£45,280	Alderley Edge	61	£1,409	£4,697	£56,360
Audlem	9	£581	£1,937	£23,240	Audlem	7	£735	£2,450	£29,400
Bollington	80	£628	£2,093	£25,120	Bollington	32	£893	£2,977	£35,720
Bunbury	5	£683	£2,277	£27,320	Bunbury	6	£875	£2,917	£35,000
Chelford	7	£688	£2,293	£27,520	Chelford	2	£1,223	£4,077	£48,920
Disley	20	£578	£1,927	£23,120	Disley	11	£751	£2,503	£30,040
Goostrey	4	£668	£2,227	£26,720	Goostrey	8	£1,142	£3,807	£45,680
Haslington	14	£565	£1,883	£22,600	Haslington	14	£642	£2,140	£25,680
Holmes Chapel	23	£671	£2,237	£26,840	Holmes Chapel	37	£813	£2,710	£32,520
Mobberley	18	£756	£2,520	£30,240	Mobberley	27	£1,089	£3,630	£43,560
Prestbury	8	£971	£3,237	£38,840	Prestbury	11	£1,435	£4,783	£57,400
Shavington	15	£561	£1,870	£22,440	Shavington	18	£689	£2,297	£27,560
Wrenbury	4	£624	£2,080	£24,960	Wrenbury	8	£974	£3,247	£38,960
Totals	**1788**	**£675**	**Average £2,249**	**£26,990**	**Totals**	**1582**	**£881**	**Average £2,937**	**£35,250**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required	Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	4BH	4BH	4BH	4BH		5BH	5BH	5BH	5BH
Crewe	115	£743	£2,477	£29,720	Crewe	14	£995	£3,317	£39,800
Macclesfield	77	£1,195	£3,983	£47,800	Macclesfield	22	£1,701	£5,670	£68,040
Alsager	15	£738	£2,460	£29,520	Alsager				
Congleton	36	£1,026	£3,420	£41,040	Congleton	8	£1,357	£4,523	£54,280
Handforth	15	£1,216	£4,053	£48,640	Handforth	2	£5,200	£17,333	£208,000
Knutsford	21	£1,767	£5,890	£70,680	Knutsford	7	£2,827	£9,423	£113,080
Middlewich	18	£894	£2,980	£35,760	Middlewich	4	£1,135	£3,783	£45,400
Nantwich	31	£931	£3,103	£37,240	Nantwich	7	£1,374	£4,580	£54,960
Poynton	35	£1,358	£4,527	£54,320	Poynton	1	£1,400	£4,667	£56,000
Sandbach	32	£1,027	£3,423	£41,080	Sandbach	6	£1,374	£4,580	£54,960
Wilmslow	145	£1,856	£6,187	£74,240	Wilmslow	36	£3,664	£12,213	£146,560
Alderley Edge	28	£3,177	£10,590	£127,080	Alderley Edge	13	£7,499	£24,997	£299,960
Audlem	9	£1,110	£3,700	£44,400	Audlem	1	£1,250	£4,167	£50,000
Bollington	7	£1,539	£5,130	£61,650	Bollington	1	£1,600	£5,333	£64,000
Bunbury	1	£1,195	£3,983	£47,800	Bunbury				
Chelford	4	£1,275	£4,250	£51,000	Chelford	1	£2,200	£7,333	£88,000
Disley	2	£1,300	£4,333	£52,000	Disley				
Goostrey	5	£1,233	£4,110	£49,320	Goostrey	1	£1,050	£3,500	£42,000
Haslington	9	£846	£2,820	£33,840	Haslington	1	£560	£1,867	£22,400
Holmes Chapel	20	£1,141	£3,803	£45,640	Holmes Chapel				
Mobberley	11	£2,576	£8,587	£103,040	Mobberley	2	£5,495	£18,316	£219,800
Prestbury	15	£2,776	£9,253	£111,040	Prestbury	20	£5,300	£17,666	£212,000
Shavington	3	£775	£2,583	£31,000	Shavington				
Wrenbury	1	£1,400	£4,667	£56,000	Wrenbury				
Totals	**655**	**£1,379**	**Average £4,596**	**£55,160**	**Totals**	**147**	**£2,555**	**Average £8,515**	**£102,180**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required	Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	6BH	6BH	6BH	6BH		7BH	7BH	7BH	7BH
Crewe	1	£950	£3,167	£38,000	Crewe				
Macclesfield					Macclesfield				
Alsager					Alsager				
Congleton	2	£1,200	£4,000	£48,000	Congleton				
Handforth					Handforth				
Knutsford	3	£8,875	£29,583	£354,999	Knutsford				
Middlewich					Middlewich				
Nantwich	2	£1,298	£4,327	£51,920	Nantwich				
Poynton					Poynton				
Sandbach	1	£1,250	£4,167	£50,000	Sandbach				
Wilmslow	9	£3,980	£13,266	£159,200	Wilmslow	1	£6,000	£20,000	£240,000
Alderley Edge	4	£8,425	£28,083	£336,999	Alderley Edge	3	£11,333	£37,777	£453,320
Audlem	1	£1,400	£4,667	£56,000	Audlem				
Bollington					Bollington				
Bunbury					Bunbury				
Chelford					Chelford				
Disley					Disley				
Goostrey					Goostrey				
Haslington					Haslington				
Holmes Chapel					Holmes Chapel				
Mobberley	1	£3,250	£10,833	£130,000	Mobberley				
Prestbury	7	£11,242	£37,473	£449,680	Prestbury	1	£2,450	£8,166	£98,000
Shavington					Shavington				
Wrenbury					Wrenbury				
Totals	**31**	**£4,187**	**Average £13,957**	**£167,480**	**Totals**	**5**	**£6,594**	**Average £21,981**	**£263,773**

Area Name	Number of PRS Lets 2013	Average Rent (PCM)	Monthly Income Required for rent to be 30% of Net Income	Annual Net Income Required
	8BH	8BH	8BH	8BH
Crewe				
Macclesfield				
Alsager				
Congleton				
Handforth				
Knutsford				
Middlewich				
Nantwich				
Poynton				
Sandbach				
Wilmslow				
Alderley Edge	2	£15,000	£50,000	£600,000
Audlem				
Bollington				
Bunbury				
Chelford				
Disley				
Goostrey				
Haslington				
Holmes Chapel				
Mobberley				
Prestbury				
Shavington				
Wrenbury				
Totals	**2**	**£15,000**	**Average £50,000**	**£600,000**