

Housing Needs Assessment

Wealden District Council



Housing Needs Assessment Executive Summary

January 2010

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RESEARCH

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Executive Summary

Introduction

- S1 This study provides a detailed analysis of the extent of housing need in the parishes of Wealden, following the approach set out in the Strategic Housing Market Assessment (SHMA) Practice Guidance. The results from the study will provide evidence to support the development of affordable housing across the District.

Data collection

- S2 This report is primarily based on data collected via a postal survey obtaining responses from 8,005 households. The survey data was weighted by a wide range of economic and social household characteristics, estimated from a variety of secondary data sources, so as to be as representative as possible of all households in Wealden.

Background information

- S3 The household survey collected a significant amount of data about the resident household population. Some 82.8% of households in Wealden are owner-occupiers, with 9.7% private rented and 7.4% social rented. Some villages contained very high levels of owner-occupation (over 90%) while most rented accommodation was found in urban parishes.
- S4 Almost half of households in the study area reside in a detached property, much higher than the national average¹ of 20%. The proportion of detached properties is particularly high in smaller parishes, and lowest in Polegate. Unusually for an urban area, Crowborough contains more than 50% detached houses.
- S5 Overall 33.7% of households contain older persons only and 24.4% contain children. In some parishes in the south of the District about half of households contain only pensioners. Uckfield contains a particularly large proportion of families.

¹ Unless otherwise stated, in this report the 'average' refers to the mean. The mean is obtained by adding together the total of all values in a distribution, and then dividing by the number of values. For example the mean household income in the District would be the total income of everyone in the District, divided by the number of households.



- S6 The largest proportions of households containing at least one employed person are in Uckfield, East Hoathly with Halland and Hadlow Down parishes. These are also the parishes with, on average, the youngest household heads. Although unemployment overall was low, Hailsham has the highest level at 2.1%. More than half of the households in some parishes in the south of the District, for example East Dean and Friston, were retired.
- S7 Overcrowding in Wealden is very low, at 1.3%, compared to the regional average of 2.4%. Conversely under-occupation is higher than the regional figure (43.6% compared to 36.6%)
- S8 Some 14.2% of households in the study area have moved to their current home in the last two years, with rural addresses having lower turnover rates than urban parishes. Heathfield with Waldron showed the highest levels of turnover with property, although even here 60.8% of residents had not moved in the last five years.

Local housing market

- S9 Land Registry data indicates that average property prices in Wealden are well above the national average, and also above the county and regional averages. A survey of the properties on sale in the area revealed some geographical variation; generally prices were higher in the north of the District than in the south.
- S10 The average sale price of a dwelling in Wealden was £266,001 in the second quarter of 2009. Although prices have not yet recorded a large decrease in response to the economic downturn, the number of dwellings sold has decreased to its lowest level for many years, at just 309 in the first quarter of 2009.
- S11 It was found that entry-level prices ranged from £76,500 for a one bedroom property up to £282,100 for four bedrooms. Entry-level rents in the private sector varied from £460 (one bed) to £1,500 (four beds) per calendar month. Social rents were significantly lower than this at an average of £269 per calendar month for a one bedroom property rising to £385 for a property with three or more bedrooms.

Financial information

- S12 Median² annual gross household income (including non-housing benefits) in Wealden was found to be £26,035, rising to £35,821 when considering only households containing at least one employed person. The average conceals wide variation, with 13.3% of households having a total income of less than £10,000. Savings vary similarly, although the median level of savings in Wealden is £7,964, a third of households have more than £25,000 in savings available to them.

Housing need

- S13 Following the steps of the needs assessment model specified by the SHMA Practice, which takes into account incomes, affordability and the availability of affordable housing, the survey has identified an annual affordable housing need of 812 in Wealden.
- S14 An analysis of gross need for affordable housing by household type suggests that 4.7% of households with children are in housing need compared to 0.8% of older person households. Households with children account for over half of all households in need.
- S15 In terms of the type of affordable accommodation required, further analysis suggests that 17.3% could be intermediate (priced at the mid-point between entry-level market and social rents) and the remaining 82.7% social rented. Most of the intermediate requirement is for intermediate-rented housing rather than an equity-based product such as shared ownership.

Expected future moves

- S16 An estimated 29.4% of existing households state a need or likelihood of moving home over the next five years (17,900 households). Some 58.4% of these households would like to remain in the Wealden Council area and a similar proportion would expect to do so. Of those households expressing a preference to remain in the area, just over a third (34.6%) wished to stay in the same parish, although more expected to do so (36.5%).
- S17 The vast majority of moving households prefer owner-occupation (83.8%), with 76.1% expecting to achieve this. However, private renting was much less popular, with more than twice as many households expecting to move to such accommodation than would like to (13.5% compared to 5.2%). Detached housing was preferred by far more households than expected it.
- S18 The survey estimates that there are 4,315 households needing or likely to form from households in Wealden over the next two years. These households had a much lesser preference (35.9%) for

² The median is the middle value of a distribution; for example the median income is the level of income for which exactly 50% of the households earn more and 50% of the households earn less



remaining in Wealden than existing households, although those that did want to remain in the same parish were less likely to expect to be able to do so than existing households. Many more newly forming households than existing households wanted to move to London (17.9% compared to 1.4%).

- S19 In total an estimated 67.6% of newly forming households would like to move to owner-occupied accommodation; however, only 26.6% expect to secure this type of accommodation. Many more newly forming than existing households would prefer to live in flats (41.5% compared to 8.5%), however more newly forming expect to live in flats than would like to (66.3% compared to 41.5%).

The needs of particular groups

- S20 The study collected further information on particular sub-groups of the population:

Support needs households

- There are an estimated 8,934 households (14.7%) in Wealden where one or more members have identified themselves as having a support need
- The most common category of support need was as a result of having a medical condition, recorded by 7.4% of all households
- The most requested housing improvements were for handrails/grabrails (1,666 households), general accessibility alterations (1,597), and other bathroom alterations (1,625)
- In terms of support services, the most frequently requested services were help with maintaining the home (2,352 households) followed by help with managing the home (1,139 households) and Telecare (1,131)
- Overall this requirement indicates that the Council may have to help fund a large number of services and adaptations for support needs households
- In total, 732 households felt that their needs for either physical adaptations to their dwelling or additional support services meant that they needed to move to specialist accommodation
- A total of 6,417 support needs households received some form of care provision; the most common sources of support were from family or household members
- 31.8% of support needs households received care from an official or voluntary body, compared to 57.6% receiving help from friends or family

Key Workers

- The survey estimates that 17.2% of households in Wealden are headed by a key worker, and 24.6% contain a key worker. Key worker households have average household incomes almost the same as other employed households and only marginally lower savings levels. Key workers therefore do not require a separate housing policy as their financial circumstances are not substantially different to the remainder of the employed population in Wealden.

Older Person Households

- Overall, 33.7% of households in Wealden contain only older people³ and a further 10.1% contain both older and non-older people. They are much less likely than average to live in private rented housing; those that live in owner-occupation usually no longer have a mortgage. 40% of social rented accommodation in Wealden is occupied by older people.

BME Households

- Overall, 3.9% of households in Wealden are headed by someone White but not White British, while 2.4% are headed by someone of a different ethnicity. Ethnic minorities are more likely to live in urban areas.

Issues relating to Wealden

- S21 A total of 59.9% of the existing households and 64.3% of the newly forming households preferring or expecting to move into a property in a rural parish in Wealden had a local connection to the area. For existing households, the most common reason for having a local connection was existing residence in the parish for at least two years (34.5%), while for newly forming households, the key reason was having close relatives living in the parish for the last five years (50.4%).
- S22 Overall, 1,447 of households indicated that a member of their family had to move out of the parish to find a suitable home, which represents 5.2% of all households in the rural parishes of Wealden. There was no clear geographical pattern to this in most of the District; however it was less of an issue in the area immediately surrounding Eastbourne.

³ Older people are defined as those of pensionable age or above (60 and over for women, 65 and over for men)



Glossary

Affordability

A measure of whether households can access and sustain the cost of private sector housing. There are two main types of affordability measure: mortgage and rental. Mortgage affordability assesses whether households would be eligible for a mortgage; rental affordability measures whether a household can afford private rental. Mortgage affordability is based on standard lending multipliers (3.5 times income). Rental affordability is defined as the rent being less than a proportion of a household's gross income (in this case 25% of gross income).

Affordable housing

PPS3 defines affordable housing as follows: 'Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision'.

Annual need

The combination of the net future need plus an allowance to deal progressively with part of the net current need.

Average

The term 'average' when used in this report indicates a mean value unless otherwise stated. (See 'Mean', below).

Balanced Housing Market model

A model developed by Fordham Research which examines the supply and demand for different types and sizes of housing across different areas and for specific groups.

Bedroom standard

A measure used by the General Household Survey to indicate overcrowding and under-occupation. It is calculated as follows: a separate bedroom is allocated to each co-habiting couple, any other person aged 21 or over, each pair of young persons aged 10-20 of the same sex, and each pair of children under 10 (regardless of sex). Unpaired young persons aged 10-20 are paired with a child under 10 of the same sex or, if possible, allocated a separate bedroom. Any remaining unpaired children under 10 are also allocated a separate bedroom. The calculated standard for the household is then compared with the actual number of bedrooms available. Bedrooms include bed-sitters, box rooms and bedrooms which are identified as such by respondents even though they may not be in use as such.

Concealed household

A household that currently lives within another household but would prefer to live independently and is unable to afford appropriate market housing.

Current need

Households whose current housing circumstances at a point in time fall below accepted minimum standards. This would include households living in overcrowded conditions, in unfit or seriously defective housing, families sharing, and homeless people living in temporary accommodation or sharing with others.

Demand

This refers to market demand. In principle anyone who has any financial capacity at all can 'demand' something, in other words want to acquire it and be prepared to pay for it. The question is whether they can pay enough actually to obtain it. Thus many households who are unable fully to afford market housing to buy do aspire to buy it. The word 'demand' is therefore used in two senses in this report:

'demand' when used in the general text refers to the ordinary understand of 'wanting' something that has a market price

'demand' when associated with numbers (as in the Balancing Housing Markets model) refers to expressed demand: the numbers of people who can actually afford the type of housing in question



In relation to (expressed) demand mention should be made of the private rented sector where typically there are not only households who can afford to rent at market prices, but also others who are unable to access affordable housing but who are able to access the private rented sector due to the subsidy of Housing Benefit. Such households do not have a demand in the sense used here, as they can only access the private rented sector with a subsidy.

Disaggregation

Breaking a numerical assessment of housing need and supply down, either in terms of size and/or type of housing unit, or in terms of geographical sub-areas within the District.

Financial capacity

This is defined as household income plus savings plus equity (equity is the value of the property owned by owner-occupiers, typically the family home, net of mortgage). This provides an indication of the amount which the household could afford to pay for housing. Since equity is now a substantial part of the overall financial capacity of the majority of owner-occupiers, it is essential to use this measure rather than the old price/income ratio to measure the activity of a housing market.

Forecast

Either of housing needs or requirements is a prediction of numbers which would arise in future years based on a model of the determinants of those numbers and assumptions about (a) the behaviour of households and the market and (b) how the key determinants are likely to change. It involves understanding relationships and predicting behaviour in response to preferences and economic conditions.

Grossing-up

Converting the numbers of actual responses in a social survey to an estimate of the number for the whole population. This normally involves dividing the expected number in a group by the number of responses in the survey.

Headship rates

Measures the proportion of individuals in the population, in a particular age/sex/marital status group, who head a household. Projected headship rates are applied to projected populations to produce projected numbers of households.

Household

One person living alone or a group of people who have the address as their only or main residence and who either share one meal a day or share a living room.

Household formation

The process whereby individuals in the population form separate households. 'Gross' or 'new' household formation refers to households which form over a period of time, conventionally one year. This is equal to the number of households existing at the end of the year which did not exist as separate households at the beginning of the year (not counting 'successor' households, when the former head of household dies or departs).

(A) household living within another household

Is a household living as part of another household of which they are neither the head or the partner of the head.

Households sharing

Are households (including single people) who live in non-self-contained accommodation but do not share meals or a living room (e.g. 5 adults sharing a house like this constitute 5 one-person households).

Housing demand

The quantity of housing that households are willing and able to buy or rent.

Housing Market Area

The geographical area in which a substantial majority of the employed population both live and work, and where most of those changing home without changing employment choose to stay.

Housing need

Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.



Housing Register

A database of all individuals or households who have applied to a local authority or RSL for a social tenancy or access to some other form of affordable housing. Housing Registers, often called Waiting Lists, may include not only people with general needs but people with support needs or requiring access because of special circumstances, including homelessness.

Housing size

Measured in terms of the number of bedrooms, habitable rooms or floorspace. This report uses the number of bedrooms.

Housing type

Refers to the type of dwelling, for example, flat, house, specialist accommodation.

Income

Income means gross household income unless otherwise qualified

In situ Solution

Certain causes of housing unsuitability will be able to be resolved within the household's current accommodation, rather than the household having to move to new accommodation. Such problems are deemed to have an in situ solution. Reasons of unsuitability that are not considered to have an in situ solution are: end of tenancy, accommodation too expensive, overcrowding, sharing facilities and harassment.

Intermediate Housing

PPS3 defines intermediate housing as 'housing at prices and rents above those of social rent but below market prices or rents and which meet the criteria of affordable housing as set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.'

Lending multiplier

The number of times a household's gross annual income a mortgage lender will normally be willing to lend. The most common multipliers quoted are 3.5 times income for a one-income household and 2.9 times total income for dual income households.

Lower quartile

The value below which one quarter of the cases falls. In relation to house prices, it means the price of the house that is one-quarter of the way up when properties are ordered from the cheapest to the most expensive.

Market housing/low cost market housing

Market housing is defined by CLG as anything that is not affordable housing. CLG has not defined 'low cost market' other than that it falls within the market range. Since this is very wide, it is not very helpful. The most useful kind of low cost market would be that which falls between rental and entry level purchase. Shared ownership would provide a partial equity solution for those unable to afford second hand entry level purchase, for example.

Mean

The mean is the most common form of average used. It is calculated by dividing the sum of a distribution by the number of incidents in the distribution.

Median

The median is an alternative way of calculating the average. It is the middle value of the distribution when the distribution is sorted in ascending or descending order.

Migration

The movement of people between geographical areas, primarily defined in this context a Local Authority Districts. The rate of migration is usually measured as an annual number of households, living in the District at a point in time, who are not resident in that District one year earlier.

Net need

The difference between need and the expected supply of available affordable housing units (e.g. from the reletting of existing social rented dwellings).

Newly arising need

New households which are expected to form over a period of time and are likely to require some form of assistance to gain suitable housing together with other existing households whose circumstances change over the period so as to place them in a situation of need (e.g. households losing accommodation because of loss of income, relationship breakdown, eviction, or some other emergency).



Non-self-contained accommodation

Where households share a kitchen, bathroom or toilet with another household, or they share a hall or staircase that is needed to get from one part of their accommodation to another.

Overcrowding

An overcrowded dwelling is one which is below the bedroom standard. (See 'Bedroom Standard' above).

Primary data

Information that is collected from a bespoke data collection exercise (e.g. surveys, focus groups or interviews) and analysed to produce a new set of findings.

Potential households

Adult individuals, couples or lone parent families living as part of other households of which they are neither the head nor the partner of the head and who need to live in their own separate accommodation, and/or are intending to move to separate accommodation rather than continuing to live with their 'host' household.

Projection

Either of housing needs or requirements is a calculation of numbers expected in some future year or years based on the extrapolation of existing conditions and assumptions. For example, household projections calculate the number and composition of households expected at some future date(s) given the projected number of residents, broken down by age, sex and marital status, and an extrapolation of recent trends in the propensity of different groups to form separate households.

Random sample

A sample in which each member of the population has an equal chance of selection.

Relets

Social rented housing units which are vacated during a period and become potentially available for letting to new tenants.

Rounding error

Totals in tables may differ by small amounts (typically one) due to the fact that fractions have been added together differently. Thus a table total may say 1011, and if the individual cell figures are added the total may come to 1012.

Sample survey

Collects information from a known proportion of a population, normally selected at random, in order to estimate the characteristics of the population as a whole.

Sampling frame

The complete list of addresses (or other population units) within the survey area which are the subject of the survey.

Secondary data

Existing information that someone else has collected. Data from administrative systems and some research projects are made available for others to summarise and analyse for their own purposes (e.g. Census, national surveys).

Shared equity schemes

Provide housing that is available part to buy (usually at market value) and part to rent.

SHMA (Strategic Housing Market Assessment)

SHMAs derive from government guidance suggesting that the 'evidence base' required for the good planning of an area should be the product of a process rather than a technical exercise.

Social rented housing

PPS3 defines social rented housing as 'rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime...It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant'

Stratified sample

A sample where the population or area is divided into a number of separate sub-sectors ('strata') according to known characteristics based, for example, on sub-areas.

Specialised housing

Refers to specially designed housing (such as mobility or wheelchair accommodation, hostels or group homes) or housing specifically designated for particular groups (such as retirement housing).

Support Needs

Relating to people who have specific needs: such as those associated with a disability.



Under-occupation

An under-occupied dwelling is one which exceeds the bedroom standard by two or more bedrooms. (See 'Bedroom standard' above.)

Unsuitably housed households

All circumstances where households are living in housing which is in some way unsuitable, whether because of its size, type, design, location, condition or cost. Households can have more than one reason for being in unsuitable housing, and so care should be taken in looking at the figures. A total figure is presented for households with one or more unsuitability reason, and also totals for the numbers with each reason.

Abbreviations

ABI - Annual Business Inquiry

BME - Black and Minority Ethnic

CBL - Choice Based Lettings

CLG – (Department for) Communities and Local Government

CORE - The COntinuous REcording System (Housing association and local authority lettings/new tenants)

DETR – Department of the Environment, Transport and the Regions (former)

GIS - Geographical Information Systems

HMO - Households in Multiple Occupation

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

LCHO - Low Cost Home Ownership

LDF - Local Development Framework

NeSS - Neighbourhood Statistics Service

NHSCR - National Health Service Central Register

NOMIS - National On-line Manpower Information System

NROSH - National Register of Social Housing

ONS - Office for National Statistics

PPS - Planning Policy Statement

RSL - Registered Social Landlord

RSR - Regulatory and Statistical Return (Housing Corporation)

RTB - Right to Buy

SEH - Survey of English Housing

TTWA - Travel to Work Area