

# Housing



# Study

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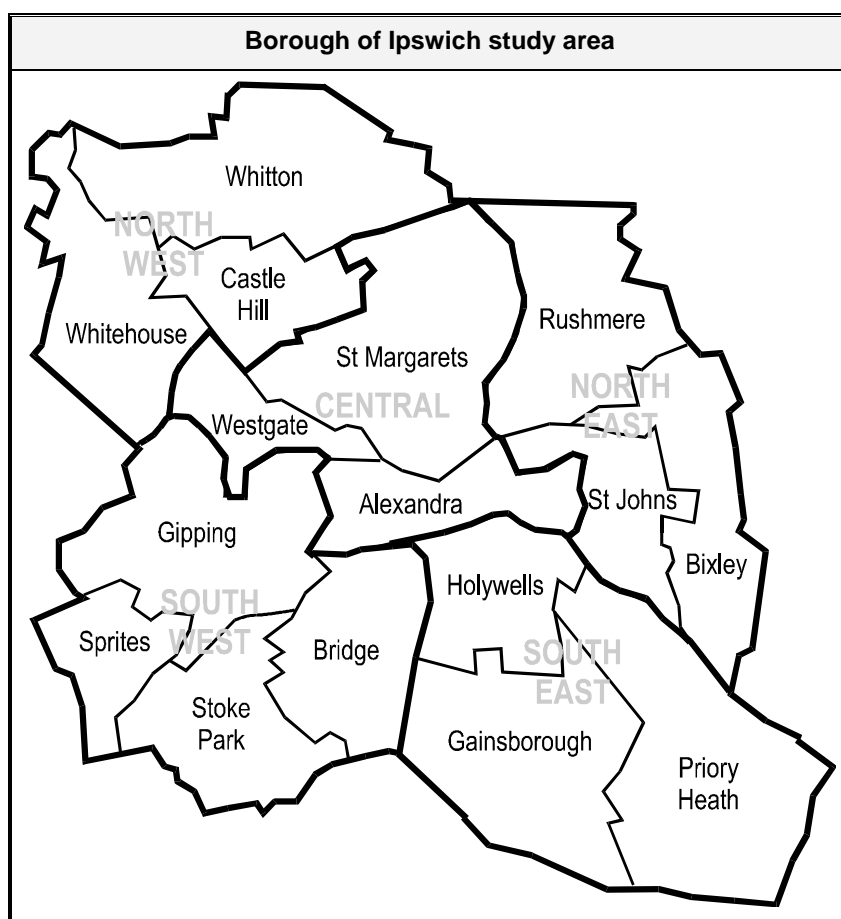


## EXECUTIVE SUMMARY

### *Context of the Study*

*Fordham Research* were commissioned to carry out a Housing Study for Ipswich. The study was designed to assess the future requirements for both affordable and market housing. To do this the study drew on a number of sources of information. These included:

- A postal survey of 1,329 local households
- A personal interviews with a further 1,237 households
- Interviews with local stakeholders
- Interviews with local estate and letting agents
- Review of secondary data (including Land Registry, Census and H.I.P. data)



Stakeholders consulted as part of the study generally agreed that there is insufficient affordable housing of all sizes, with particular concern focused on single person accommodation for those who are homeless. While good progress is being made with regard to supported housing schemes responding to a range of special needs, further appropriate supported housing is required and is a significant problem with regard to the very elderly who increasingly require very sheltered accommodation.

### ***Survey and initial data***

A major part of the study process was a postal and interview survey of local households. In total 2,566 households took part in the survey. The questionnaire covered a wide range of issues including questions about:

- Current housing circumstances
- Past moves
- Future housing intentions
- The requirements of newly forming households
- Income levels

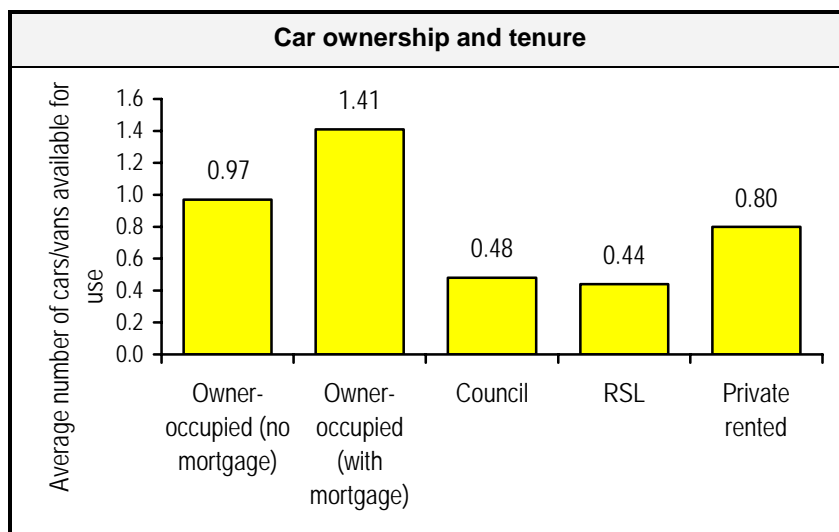
Information from the questionnaire survey was used throughout the report (along with secondary information) to make estimates about the future housing requirements in the Borough.

Overall the survey estimated that around 65% of households are currently owner-occupiers with around 23% living in the social rented sector.

<b>Number of households in each tenure group</b>				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	13,815	26.7%	765	29.8%
Owner-occupied (with mortgage)	19,880	38.5%	923	36.0%
Council	8,436	16.3%	427	16.6%
RSL	3,674	7.1%	151	5.9%
Private rented	5,876	11.4%	300	11.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

The survey reported on a number of general characteristics of households in Ipswich. The study estimated that around two-fifths of households lived in semi-detached houses and that around a quarter of all households were solely comprised of pensioners. The study also looked at car ownership (which is often used as an indication of wealth).

The figure below shows car ownership in the Borough by tenure. It is clear that there are large differences between the different tenure groups with owner-occupiers (with mortgage) having a significantly greater level of car ownership than households in the social rented sector.

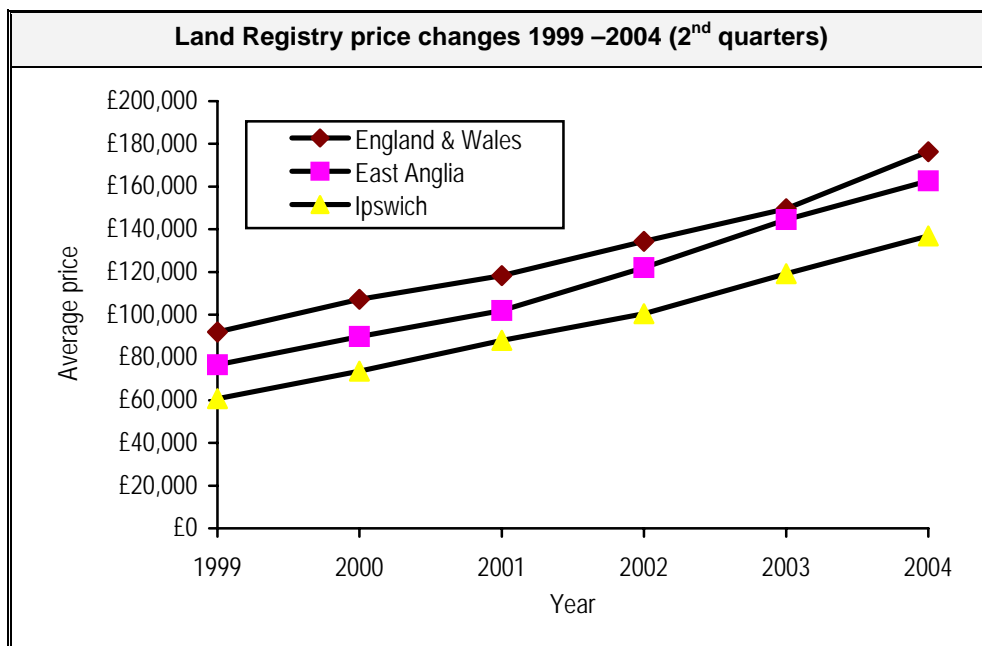


The study also looked at past trends in household movement and future expectations. The broad findings were:

- An estimated 19.8% of households have lived in their current home for less than two years, around two-thirds of previous moves having occurred within the Borough.
- In terms of future household moves the survey estimated that 8,716 existing and 2,958 potential households need or expect to move within the next two years. In both cases a higher proportion would like to move to owner-occupation than would expect to do so.

The survey indicated differences in housing costs between different tenures with the highest costs in the private rented sector and the lowest in the social rented sector. Differences were more marked when housing benefit was removed.

One of the main sources of secondary information was the Land Registry. This data source suggested that property prices in the Borough are low when compared with both national and regional figures. However, price rises in Ipswich have been significantly above national and regional equivalents over the past five years. Between the 2<sup>nd</sup> quarter of 1999 and the 2<sup>nd</sup> quarter of 2004 average property prices in England and Wales rose by 92.0%; for East Anglia the increase was 112.2% whilst for Ipswich the figure was 125.3%.

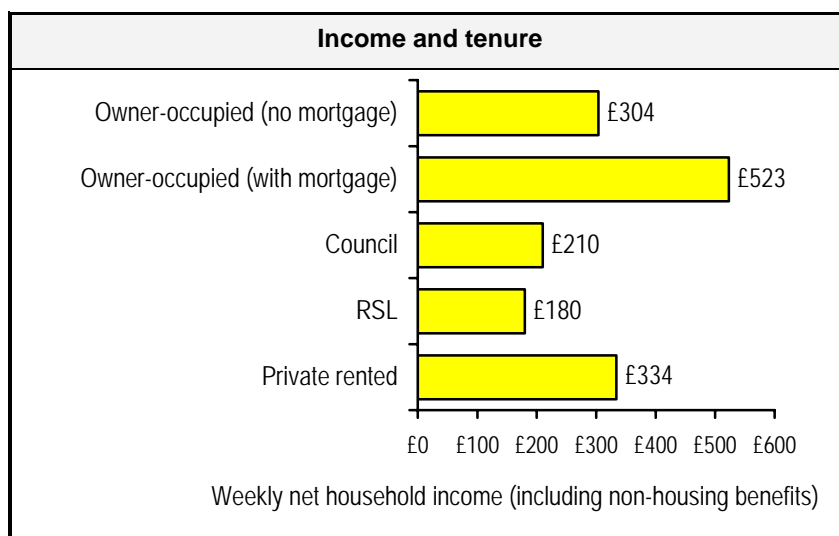


A survey of local estate and letting agents identified estimates of the minimum costs of housing to both buy and rent in the Borough. Overall, the survey suggested that prices started at around £68,000 for a one bedroom flat with private rental costs starting from around £282 per month.

Minimum property prices/rent in Ipswich		
Property size	Minimum price	Minimum rents
1 bedroom	£68,000	£282
2 bedrooms	£90,000	£425
3 bedrooms	£110,500	£460
4 bedrooms	£159,500	£650

The information about minimum prices and rents was used along with financial information collected in the survey to make estimates of households' ability to afford market housing (without the need for subsidy).

The survey estimated average net weekly household income (including non-housing benefits) to be £367. There were, however, wide variations by tenure; with households living in social rented housing having particularly low income levels.

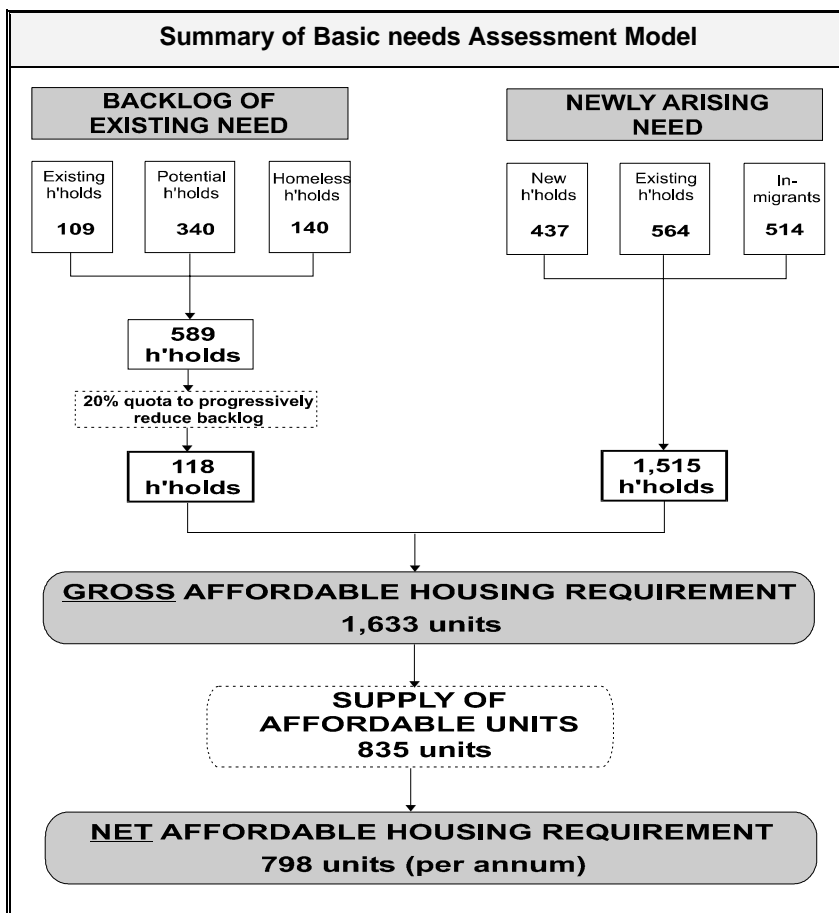


### ***The Guide model***

As part of the study, an estimate of the need for affordable housing was made based on the 'Basic Needs Assessment Model' (BNAM). The BNAM is the main method for calculating affordable housing requirements suggested in Government guidance '*Local Housing Needs Assessment: A Guide to Good Practice*' (ODPM 2000).

The BNAM sets out 18 stages of analysis to produce an estimate of the annual requirement for additional affordable housing. The model can be summarised as three main analytical stages with a fourth stage producing the final requirement figure. The stages are:

- Backlog of existing need
- Newly arising need
- Supply of affordable units
- Overall affordable housing requirement



Overall, using the BNAM it was estimated that there is currently a shortfall of affordable housing in the Borough of around 798 units per annum. The data suggested that this shortfall is most acute for smaller (one and two bedroom) properties. Additionally, data suggests shortfalls across the Borough.

The analysis suggests that any target of affordable housing would be perfectly justified (in terms of the needs) and that site size thresholds below the current Circular 6/98 level of 25 dwellings should be considered.

Further analysis suggests that up to half of this need could theoretically be met by 'intermediate' housing, available at outgoings between social rents and the minimum cost of (second hand) market housing. However, the majority of households able to afford 'intermediate' housing could only afford the cheapest 'intermediate' housing (i.e. prices close to social rents). Further analysis of affordable housing options suggests that around 20% of any affordable target should be shared ownership with the remaining 80% being social rented housing.



### ***Broader Housing Market & Future Changes***

In addition to concentrating on the need for affordable housing in isolation the study looked at housing requirements in the private sector market. The analysis began by looking at the differences between three broad housing sectors (owner-occupation, private rented and social rented). The survey data revealed large differences between the three main tenure groups in terms of stock profile (size of accommodation), turnover and receipt of housing benefit (or income support towards mortgage interest payments in the case of owner-occupiers).

<b>Profile and turnover of stock and housing benefit claims by tenure</b>			
Tenure	% of properties with less than three bedrooms	Annual turnover of stock (% of households)	% claiming housing benefit (income support for owners)
Owner-occupied	21.1%	6.6%	0.9%
Private rented	62.0%	27.6%	28.4%
Social rented	59.8%	10.7%	68.5%
ALL HOUSEHOLDS	34.9%	9.9%	19.9%

Having studied the need for affordable housing using the Basic Needs Assessment Model, the study moved on to looking at housing requirements across all tenures. A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. The notion has been brought into prominence by the work of the Audit Commission in assessing councils' performance (Comprehensive Performance Assessment (CPA) of district authorities).

Whilst one of the outputs of the BHM model is an estimate of the shortfall of affordable housing, this should not be taken as an estimate of the absolute need for such housing. As the BHM is a demand and aspiration driven model (the BNAM being mainly based on past trends) there are inevitably some households who have a demand for affordable housing but under the BNAM would not be considered as needing such housing. Additionally, as the bulk of the supply in the BHM is based on expected future household moves, it is often the case that this model shows a lower supply level than the trend data of the BNAM (typically drawn from H.I.P.).

It is therefore common to find that the BHM shows a slightly higher estimate of the affordable requirement than the BNAM but this should not be taken as the survey's base estimate of the absolute requirement for affordable housing (which is measured using the ODPM's Basic Needs Assessment Model). The BHM is however particularly useful at ascertaining what shortages exist in the private sector market and can help to guide councils in securing an appropriate mix of market housing on new housing developments.

The inherent idea behind the BHM method is that it seeks to meet the requirements of the current population first with the amount of in-migration used to ‘balance’ figures to the estimated household growth of an area.

The table below shows the overall results of the BHM analysis.

<b>Total shortfall or (surplus)</b>					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	121	328	(294)	3	158
Affordable housing	281	416	155	25	877
Private rented	(135)	(203)	(165)	(33)	(535)
<b>TOTAL</b>	<b>267</b>	<b>542</b>	<b>(303)</b>	<b>(5)</b>	<b>500</b>

A number of conclusions can be drawn from this analysis:

- i) In terms of the demand for affordable housing in the Borough it is clear that this is on-going. The BHM methodology suggests a significant shortfall of affordable housing of all sizes of accommodation, most notably two bedroom homes.
  
- ii) Overall, the data also shows a shortfall of owner-occupied housing and a large surplus in the private rented sector. In terms of size requirements, the information suggests that in the owner-occupied sector the main shortfalls are for one and two bedroom homes with a surplus of three bedroom accommodation. This finding is consistent with experience elsewhere where it is typical to find that larger newbuild properties are often bought by in-migrating households. In the BHM in-migration is constrained so as to allow the requirements of local households to be met first, in-migration is then used to ‘balance’ the figures back to the projected build rate.

Therefore both the BHM and BNAM analyses suggest that there will be a shortage of affordable housing in the future.

### ***The Needs of Particular groups***

The study moved on from a consideration of future needs for additional housing to look at the needs of particular groups. The survey concentrated on the characteristics and requirements of households with disabilities (support needs households), older person households, key workers, Black and Minority Ethnic households and overcrowded households.

## Households with support needs

Information from the survey on support needs groups can be of assistance to authorities drawing up their detailed Supporting People Strategies. Some 15.1% of all the Borough's households (7,827) contain support needs members. 'Physically disabled' is the largest category with support needs.

Support needs categories			
Category	Number of households	% of all households	% of support needs households
Frail elderly	1,833	3.5%	23.4%
Physical disability	4,447	8.6%	56.8%
Learning disability	611	1.2%	7.8%
Mental health problem	1,716	3.3%	21.9%
Vulnerable young people & children leaving care	14	0.0%	0.2%
Severe sensory disability	560	1.1%	7.1%
Other	788	1.5%	10.1%

Support needs households in Ipswich are generally smaller than average for the Borough and are disproportionately made up of older persons only. Support needs households have lower than average incomes and are more likely than households overall to be in unsuitable housing.

Support needs households in general stated a requirement for a wide range of adaptations and improvements to the home. The most commonly-sought improvements needed were:

- Shower unit (1,656 households – 21.2% of all support needs households)
- Extra handrails inside home (1,185 households – 15.1% of all support needs households)
- Downstairs WC (1,068 households – 13.6% of all support needs households)

The survey also suggested considerable scope for 'care & repair' and 'staying put' schemes. A large proportion of support needs households stated problems with maintaining their homes, a large proportion of these are currently living in the owner-occupied sector.

## Older person households

Some 25.1% of households in Ipswich contain older persons only, and a further 5.9% contain a mix of both older and non-older persons. Older person-only households are disproportionately comprised of only one person, providing implications for future caring patterns. Although the majority of older person-only households live in the private sector, it is interesting to note that a high proportion of social rented accommodation houses older people-only (37.0% of all Council accommodation is occupied by older persons only).

Older person households do not contribute significantly to the overall need for additional affordable housing, but may well have a significant impact on the future of Council housing and the future need for sheltered housing and adaptations.

### Key worker households

The term intermediate housing is often used with reference to specific groups of households such as key workers. The survey therefore analysed such households (the definition being based on categories of employment and notably including public sector workers). Analysis of survey data indicates that there are an estimated 14,288 people in key worker occupations.

Key worker categories		
Category	Number of persons	% of key workers
NHS staff	3,355	22.5%
Other health care	2,345	15.7%
Teachers	1,964	13.2%
Other education	1,695	11.4%
Local Authority staff	726	4.9%
Other Local Authority staff	1,922	12.9%
Probation staff	66	0.4%
Emergency services	553	3.7%
Voluntary sector	205	1.4%
Private sector Social Care staff	518	3.5%
Public transport	614	4.1%
Public Utilities Company	924	6.2%
<b>TOTAL</b>	<b>14,888</b>	<b>100.0%</b>

The survey also estimated that 8,721 households are headed by a key worker and were subject to additional analysis. The main findings from further analysis of this group of households can be summarised as follows:

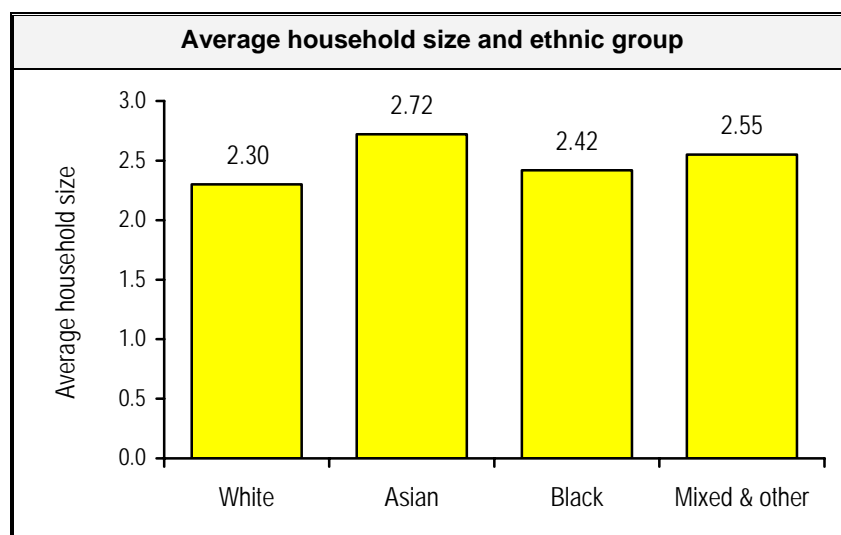
- Key worker households are more likely to be owner-occupiers and less likely to live in the social rented sector
- Key worker households are more likely to have moved in the last two years than non-key workers and are more likely to have moved from elsewhere in the Borough
- Key worker households are slightly more likely to move within the next two years and are more likely to want to move from the Borough
- Key worker households have slightly higher incomes than non-key worker households (in employment)
- The majority (90.0%) of key worker households can afford market housing in the Borough, of those that can't afford, intermediate housing options are only affordable for 64.7%. Looking only at those key worker households who need or are likely to move in the next two years we find a worse affordability situation and a higher proportion able to afford intermediate housing

- In terms of the need for affordable housing the study suggests that around 11.7% of the net affordable housing requirement comes from key worker households

### **Black and Minority Ethnic households**

The survey revealed that 94.9% of Ipswich households were White, with 1.4% Asian, 1.7% Black and 1.9% in Mixed & other ethnic groups.

Survey results show that Asian households were disproportionately living in private rented accommodation whilst Black households were particularly likely to live in the social rented sector. The survey also showed that all Black and Minority Ethnic (BME) households have a larger average household size than other households.



Finally, the survey results suggest that White households are particularly likely to be made up of only older people and that these households are also generally more likely to contain someone with a support need. The survey also showed considerable differences in both income and savings levels between the different groups.

### **Young person households**

The study also looked at housing needs, tenure aspirations and tenure expectations of younger people. Younger persons are defined for the purpose of this study as those under 30 and so households are divided up into the following categories:

- Younger persons only
- Younger persons and children under 16 only
- All other households

Younger person households		
Category	Number of households	% of all households
Younger persons only	3,426	6.6%
Younger persons and children	1,779	3.4%
All other households	46,476	89.9%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

The table above indicates that an estimated 10.1% of all households in Ipswich are young households, as defined by the absence of an adult aged 30+. An estimated 3,426 households contain only younger persons (above 15 and below the age of 30) and a further 1,779 households contain only people under 30 and also contain at least one child under the age of 16.

There are many significant differences between these two groups of young person households and also when compared with households not only containing young members:

- Younger person households as a whole occupy a disproportionate number of private rented dwellings, especially those without children
- Young person households are less likely to live in the 'North West' sub-area and those without children much more likely than average to live in the 'Central' area
- Younger person households are more likely to be non-White
- Young person households with children are likely to have below average income and are particularly likely to live in unsuitable housing and be unable to afford more suitable accommodation
- Young person households are much more likely to have moved recently and an estimated 42.1% said they would need or expect to move within the next two years, of these, 87.0% said they would either like or expect to remain within the Ipswich Borough Council area

### **Overcrowding and under-occupation**

Finally, the survey looked briefly at overcrowding and under-occupation, overcrowding having been shown as the second most important reason for households to be living in unsuitable housing. The study suggested that 1.9% of all households are overcrowded and 34.4% under-occupy their dwelling. The owner-occupied (no mortgage) sector shows the highest levels of under-occupation; the RSL and Council sectors the highest overcrowding.

Overcrowding and under-occupation					
Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	6,045	8,704	13,884	2,025	30,658
2 bedrooms	226	2,766	9,159	1,645	13,796
3 bedrooms	16	244	4,392	1,486	6,139
4+ bedrooms	25	0	357	706	1,088
TOTAL	6,313	11,715	27,792	5,861	51,681

KEY:  Overcrowded households  Under-occupied households

*Note: The bottom two cells of the 4+ bedroom column contain some households that are either overcrowded or under-occupied – for example they may require three bedrooms but live in a five bedroom property or may require five bedroom property but currently be occupying four bedroom property.*

Overcrowded households tend to have low incomes (measured per person) and are far more likely to state that they need or expect to move than other households.

### Conclusions

The housing study in Ipswich provides a detailed analysis of housing requirement issues across the whole housing market in the Borough. The study began by following the Basic Needs Assessment Model, which estimated a requirement to provide an additional 798 affordable dwellings per annum if all housing needs are to be met (for the next five years).

The study continued by looking at requirements in the housing market overall using a 'Balancing Housing Markets' methodology. This again suggested a significant requirement for additional affordable housing to be provided.

Overall, the need for additional affordable housing represents over 100% of the estimated newbuild in the Borough (500 units per annum). It would be sensible to suggest that in the light of the affordable housing requirement shown, the Council will need to maximise the availability of affordable housing from all available sources (including newbuild, acquisitions, conversions etc). Attention should also be paid to the cost (to occupants) of any additional housing to make sure that it can actually meet the needs identified in the survey.





## SECTION A: CONTEXT OF THE STUDY

This report is the result of a Housing Needs Assessment undertaken by *Fordham Research* on behalf of Ipswich Borough. It provides an overview of the housing situation in Ipswich, calculating an estimate of housing need and also looking at housing demand across all tenures and property sizes.

Data collection and analysis for the assessment has been implemented in line with ODPM guidance, which was published in 2000 in an attempt to standardise Housing Needs Assessments. These assessments are a key piece of research for Local Authorities, informing the development of Affordable Housing Policies.

The report is divided into five sections. The first sets the scene in Ipswich, pinpointing key issues within the Borough's housing sector, which are then addressed within the following chapters. The second section provides a summary of data collection techniques and outlines the range of information collection, explaining its importance for assessing housing need.

The third section works through the three stages of the model, as outlined by ODPM guidance, in order to assess whether there is a shortfall or surplus of affordable housing in Ipswich. The fourth section considers the degree to which the housing market in Ipswich is in balance and the fifth considers housing requirements of specific groups.







# 1. Introduction

## 1.1 Introduction

This report contains the second comprehensive survey of housing need carried out on behalf of the Ipswich by *Fordham Research*. The survey closely follows guidance set out by the Office of the Deputy Prime Minister in '*Local Housing Needs Assessment: A Guide to Good Practice*' (July 2000). It should be noted that throughout this report reference is made to the ODPM Guidance, although at the time of publication the Department was titled DETR. The main aspect of the ODPM guide is its Basic Needs Assessment Model (BNAM) which is discussed further in this chapter.

The study also looks at housing requirements using our 'Balancing Housing Markets' methodology (BHM). This is a demand-led method which looks at potential housing shortages (and surpluses) across the whole housing market – including affordable housing. This requirement has been brought into focus as part of the Audit Commission's Comprehensive Performance Assessment (CPA). The CPA includes the requirement for local authorities to consider 'balancing housing markets'.

In carrying out this assessment using both the BNAM and the BHM we are able to cast some considerable light on the housing situation in Ipswich. The two methods are quite complementary. The BNAM looks predominantly at trend data whilst the BHM studies households' future aspirations, expectations and affordability.

The two methods taken together provide detail on certain crucial matters, such as the types of affordable housing which can meet housing need and suggested affordable housing policy responses (such as target and threshold levels).

## 1.2 Key points from the housing needs assessment guide

The basis for carrying out housing needs assessment has been standardised by the publication of the Guide (formally: *Local Housing Needs Assessment: A Guide to Good Practice – ODPM Housing, July 2000*). Since the Guide provides the test of a good Housing Needs Survey, it is important to summarise its key features. This section is devoted to that purpose.

**(i) Introduction**

This Guide, published in July 2000, has gone a long way to filling the gap which has been apparent ever since, in Circular 7/91, the Government told councils they could seek affordable housing provided that there was evidence of housing need (without defining 'need'). There are still a number of detailed difficulties with the advice, but they are minor compared with the gaps that have been filled. The following summary focuses upon the key issues, and in particular those that affect affordable housing.

**(ii) Definition of housing need**

The definition of housing need controls which households are defined as being in need, and indirectly affects what constitutes affordable housing. Affordable housing is, in principle, designed to address the identified housing need. The Guide defines a household in housing need as one which is living in housing that is not suitable for its requirements and who cannot afford to resolve this unsuitability within the private sector housing market.

**ODPM  
Guide**

*'Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance'. [Appendix 2 (page 116)]*

**(iii) Procedure**

An 18-stage procedure is set out in the Guide. This is aimed at producing an estimate of the net need for new affordable housing. Thus the Guide is very much geared to the requirements of planning for clear indications of the affordable housing requirement. The following table reproduces the stages from the key table of the Guide.

The table includes an element of in-migrant need (Stage 12). Out-migration is accounted for in Stage 2 of the model and also by implication at Stages 8/9. Additionally where a supply of affordable housing arises due to out-migrating households this is included as part of the calculations at Stage 14.

<b>Table 1.1 Basic Needs Assessment Model: (from Table 2.1 of the Guide)</b>
<i>Element and Stage in Calculation</i>
<b>B: BACKLOG OF EXISTING NEED</b>
1. Households living in unsuitable housing 2. <i>minus</i> cases where in-situ solution most appropriate 3. <i>times</i> proportion unable to afford to buy or rent in market 4. <i>plus</i> Backlog (non-households) 5. <i>equals</i> total Backlog need 6. <i>times</i> quota to progressively reduce backlog 7. <i>equals</i> annual need to reduce Backlog
<b>N: NEWLY ARISING NEED</b>
8. New household formation (gross, p.a.) 9. <i>times</i> proportion unable to buy or rent in market 10. <i>plus</i> ex-institutional population moving into community 11. <i>plus</i> existing households falling into need 12. <i>plus</i> in-migrant households unable to afford market housing 13. <i>equals</i> Newly arising need
<b>S: SUPPLY OF AFFORDABLE UNITS</b>
14. Supply of social relets p.a. 15. <i>minus</i> increased vacancies & units taken out of management 16. <i>plus</i> committed units of new affordable supply p.a. 17. <i>equals</i> affordable supply 18. Overall shortfall/surplus

#### *(iv) Conclusions*

The Guide provides a coherent definition of housing need, and a great deal of advice on how to implement it. This report has been prepared in accordance with the Guide. Throughout this report key methodological quotes from the guide are highlighted in boxes. This is to help the reader understand and to reinforce the reasoning behind the analysis carried out.

### **1.3 Key points from Balancing Housing Markets**

As part of the Balancing the Housing Market component of the Comprehensive Performance Assessment conducted by the Audit Commission, each Council must assess the extent to which it understands its entire housing market, the extent to which it is taking appropriate actions to balance the housing market, and to demonstrate that it is adequately monitoring progress in achieving a balanced housing market.

The suggestion of 'Balancing housing Markets', indeed, appears in the ODPM guidance on Housing Needs Assessment (under the heading of 'Gross Flows').

**ODPM  
Guide**

*'A further development of the approach (the Basic Needs Assessment Model) together with demographic components is to try to build a model showing the gross annual flows of households between each of the main tenures within the district. Such a model would also show the flows of new and migrant households into the system and of dissolving and out-migrating households out of the system'. [Appendix A7.4 (page 157)]*

*Fordham Research* has developed an innovative methodology to allow the information gathered in the housing needs survey to be used as part of the diagnostic assessment the Council is required to undertake. A full chapter in the report is devoted to this analysis, which assesses the extent to which housing markets are balanced and suggests the directions the Council might take to approach a more balanced condition. This Balancing Housing Market methodology (an Adapted Gross Flows approach) shows exactly what shortages and surpluses exist and are likely to persist in the medium term according to size of dwelling and tenure in relation to the aspirations and affordability of would-be movers.

Whilst one of the outputs of the BHM model is an estimate of the shortfall of affordable housing this should not be taken as an estimate of the absolute need for such housing. As the BHM is a demand and aspiration driven model (the BNAM being mainly based on past trends) there are inevitably some households who have a demand for affordable housing but under the BNAM would not be considered as needing such housing. Additionally as the bulk of the supply in the BHM is based on expected future household moves it is often the case that this model shows a lower supply level than the trend data of the BNAM (typically drawn from H.I.P.).

It is therefore common to find that the BHM shows a slightly higher estimate of the affordable requirement than the BNAM but this should not be taken as the survey's base estimate of the absolute requirement for affordable housing (which is measured using the ODPM's Basic Needs Assessment Model). The BHM is however particularly useful at ascertaining what shortages exist in the private sector market and can help to guide councils in securing an appropriate mix of market housing on new housing developments.

The inherent idea behind the BHM method is that it seeks to meet the requirements of the current population first with the amount of in-migration used to 'balance' figures to the estimated household growth of an area.

## 1.4 Summary

Housing Needs Surveys have become, over the past decade, a standard requirement for local authorities across Britain. The publication of *Local Housing Needs Assessment: A Guide to Good Practice* by ODPM in July 2000 has now standardised the form of such assessments. They are designed to underpin housing and planning strategies by providing relevant data for them.

In addition to focussing on the need for affordable housing, this study addresses housing requirements across all housing tenures. This is with a view to producing information, which will assist policy making in relation to both housing and planning policy, as well as the Comprehensive Performance Assessment.





## **2. Ipswich**

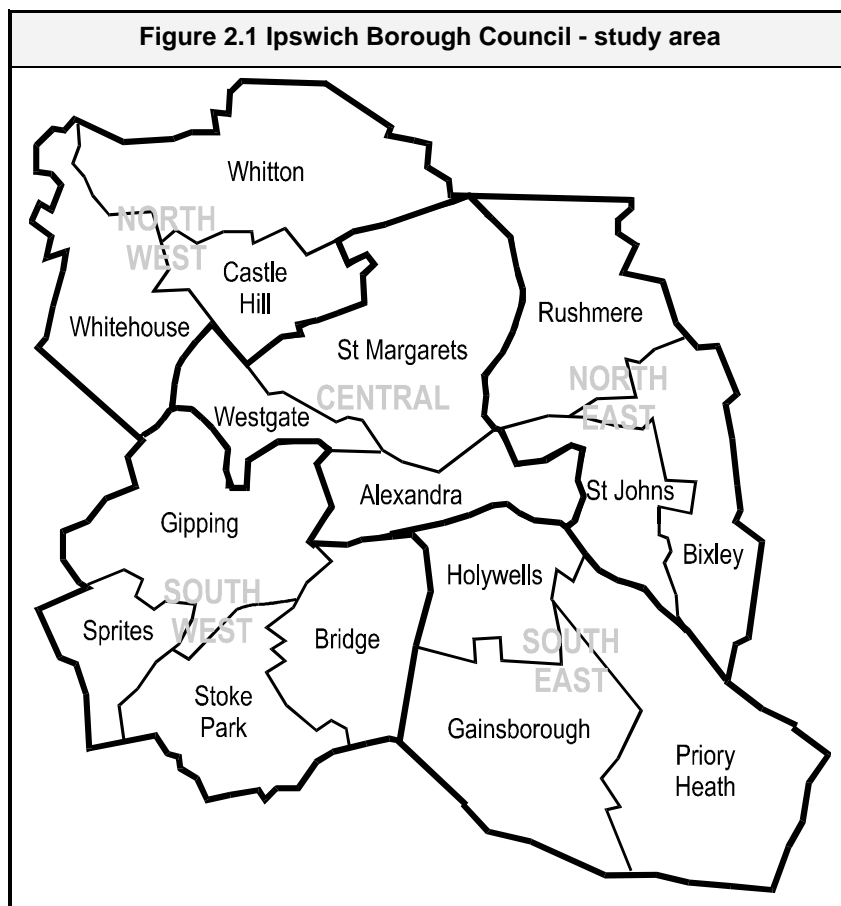
### **2.1 Introduction**

The purpose of this chapter is to establish key themes relating to housing in Ipswich. Information collected from secondary sources and also from interviews with a range of key stakeholders within the local housing sector provides background context for the survey data analysis.

### **2.2 The context of Ipswich**

Ipswich is the county town of Suffolk, with a population of 117,069 residents (2001 Census). With a population of well over 300,000 living within a 12 mile radius, the town is one of the main urban centres in East Anglia. Excellent road and rail links, combined with proximity to major coastal ports and Stansted International Airport, make the area an attractive location for inward investment. The economy is broadly based, with large numbers of jobs in the service sector. Equally, the surrounding area as far as Cambridge has become a major centre for the high technology sector.

A previous housing study was completed in Ipswich in 2001. This suggested that there were high levels of need for affordable housing in the area. In fact, an annual target of 635 additional homes was identified in order to meet the shortfall in affordable dwellings. However, this target was seen as unachievable, and so an annual target of 140 additional affordable units was set by the Council, with a further target of 200 low cost homes for sale over the period to 2006. Levels of need in the area are likely to have been exacerbated by the buoyant housing market and steep house price inflation.



### 2.3 Local stakeholder views

For the stakeholder consultation phase of this study we consulted representatives from Registered Social Landlord Suffolk Heritage, Ipswich Housing Action Group, the Citizens Advice Bureau and Women's Aid. From Ipswich Borough Council we interviewed representatives from the Housing Department and from Suffolk County Council with reference to Ipswich Borough we interviewed representatives from Social Services and Supporting People. The key points arising from this consultation were:

- The opinion was shared by the Housing Department and Supporting People that there is an oversupply of sheltered bedsit accommodation in Ipswich that is of poor quality.
- Changes in demographics were felt by Supporting People especially that there is a need for 'very sheltered' housing for elderly people in their 80s.
- There was felt to be a shortage of all size affordable properties. Of particular concern, especially amongst those dealing with homeless people, was the need for more affordable single person accommodation. The Right-to-Buy was thought to have had a significant impact on reducing available social housing.

- It was felt by the representative of Suffolk Heritage that Ipswich Borough Council has recognised the need for developing larger sized affordable homes.
- In general there was felt to be a good working relationship between the Council, other housing providers and the voluntary sector.

Appendix A4 contains a full account of the interviews carried out with each of the stakeholders consulted.

## 2.4 Migration patterns

It is also of interest to look at patterns of migration to and from the Ipswich area and data from the 2001 Census is able to provide some information about this. The table below shows the number of people moving to and from Ipswich and the other 'Haven Gateway' local authorities. The data is based on information about household moves in the twelve month period prior to the 2001 Census.

The table shows that there was a small net in-migration to Ipswich from the other Haven Gateway authorities. All local authorities with the exception of Suffolk Coastal showed net in-migration levels (i.e. more people moved to Ipswich than from Ipswich). The number of internal moves (i.e. from one address in Ipswich to another) is significantly higher than any migratory moves.

Local authority	To Ipswich	From Ipswich	Net
Braintree	39	18	21
Colchester	171	75	96
Maldon	3	0	3
Tendring	97	45	52
Babergh	541	539	2
Mid Suffolk	509	414	95
Suffolk Coastal	996	1,141	(145)
All Haven Gateway	2,356	2,232	124
Rest of East	683	664	19
Moves within Ipswich	7,548		-

## 2.5 Population projections

One further topic of interest is to consider population projections. The most up to date projections available are those provided by the Office of National Statistics (ONS). Projections are taken from a 2003 base and have been projected to 2028.

The projections are trend based with assumptions for future levels of births, deaths and migration being based on observed levels over the five year period 1999 to 2003. The projections do not take account of any local development policies.

The table below shows population estimates for five year periods up to 2021. Also included are data from the 2001 Census and also 2003 (the base date of the projections). Incremental changes are also shown for each five year period.

Date	Population	Change	% change
2001 (Census)	117,069	-	-
2003	117,400	-	-
2006	118,300	1,231	1.1%
2011	120,400	2,100	1.8%
2016	122,900	2,500	2.1%
2021	125,600	2,700	2.2%
TOTAL	-	8,531	7.3%

The table indicates an increase in population over the period, population growth is expected to accelerate in both numerical and percentage terms. Overall the population is projected to reach 125,600 by 2021 an increase of 7.3% over 20 years.

It is also worth looking briefly at projected changes in age structure. The table below shows the above figures broken down into different age bands.

Age band	2001 (Census)	2003	2006	2011	2016	2021	Change (2001- 2021)	% change from 2001
0-4	7,300	6,900	7,000	7,200	7,400	7,500	200	2.7%
5-9	7,700	7,500	7,000	6,800	6,900	7,100	-600	-7.8%
10-14	8,100	8,000	7,600	7,000	6,800	6,900	-1,200	-14.8%
15-19	7,500	7,700	7,900	7,500	7,000	6,800	-700	-9.3%
20-24	7,400	7,500	7,800	8,400	8,100	7,600	200	2.7%
25-29	8,600	8,200	8,600	9,200	9,900	9,600	1,000	11.6%
30-44	25,300	25,800	25,900	25,500	25,500	26,700	1,400	5.5%
45-59	20,400	21,000	21,500	22,300	23,500	23,700	3,300	16.2%
60-64	5,200	5,100	5,700	6,700	6,300	6,800	1,600	30.8%
65-74	9,900	9,800	9,400	9,800	11,400	11,800	1,900	19.2%
75-84	7,100	7,400	7,100	7,000	7,100	7,700	600	8.5%
85+	2,600	2,400	2,700	2,900	3,200	3,500	900	34.6%
All Ages	117,100	117,400	118,300	120,400	122,900	125,600	8,500	7.3%

The overall results can be summarised as:

1. The 0-19 age group shows a decrease to 2021 of 2,300 persons (7.5%)
2. The 20-29 age group shows an increase of 1,200 persons (7.5%). This group is of interest as many new households will come from this segment of the population (it is also notable that much of the increase in this group is due in the years to 2011)
3. The 30-44 age group shows a relatively low increase of 5.5%. This group is of interest as many of these people will be economically active. However, there is projected to be higher than average growth in the 45-59 age group which will also contain a high proportion of those economically active
4. The most significant increases are in the group of people aged 60 and over. Overall, there is a projected increase in those aged 60 and over of 20.2% in the period to 2021. This is nearly three times the figure for total population
5. The oldest retirement group (those aged 85 and over) increases by 34.6% and by 2021 is expected to reach 3,500 people who are likely to have some of the most acute care and support needs

## 2.6 Housing Investment Programme data

One further source of data that is of interest is the Housing Investment Programme (H.I.P.) return. This data source contains a significant amount of data about the local housing stock including the number of dwellings, vacancy rates, supply information and information about levels of affordable house building. For the purposes of this section we look briefly at the Housing Register (Section C) and homelessness (Section E). All data is taken from the 2004 H.I.P. return.

The table below shows the number of households on the Housing Register from 2001 to 2004 (all data is as of 1<sup>st</sup> April). The data shows that in 2004 the Housing Register reached its highest point (3,544 households), however, the variation in previous years makes it difficult to discern any meaningful trend. It is certainly the case however that the numbers on the Housing Register continue to represent a large proportion of household in the Borough.

<b>Table 2.4 Number on Housing Register 2001-2004</b>	
Year	Number of households
2001	3,103
2002	3,432
2003	2,652
2004	3,544

The table below shows the number of homeless acceptances per annum for the period 2001 to 2004. As with the Housing Register there is no discernable trend. However, with an average of around 300 acceptances per annum over the period it is clear that homelessness is a continued problem in Ipswich.

<b>Table 2.5 Number of households accepted as homeless 2001-2004</b>	
<b>Year</b>	<b>Number of households</b>
2001	228
2002	283
2003	343
2004	285

## 2.7 Summary

Ipswich is the county town of Suffolk, with a population of 117,069 residents (2001 Census). With a population of well over 300,000 living within a 12 mile radius, the town is one of the main urban centres in East Anglia.

A previous housing study was completed in Ipswich in 2001. This suggested that there were high levels of need for affordable housing in the area. In fact, an annual target of 635 additional homes was identified in order to meet the shortfall in affordable dwellings. Levels of need in the area are likely to have been exacerbated by the buoyant housing market and steep house price inflation.

Stakeholders consulted as part of the study generally agreed that there is insufficient affordable housing of all sizes, with particular concern focused on single person accommodation for those who are homeless. While good progress is being made with regard to supported housing schemes responding to a range of special needs, further appropriate supported housing is required and is a significant problem with regard to the very elderly who increasingly require very sheltered accommodation.

Population projections indicate that the population of Ipswich is set to grow considerably in the future (by 7.3% from 2001 to 2021) and that a large proportion of this growth will be of older persons (principally those aged 60 and over).

## **SECTION B: SURVEY AND INITIAL DATA**

This section starts by giving a brief description of data collection and then moves on to outline the affordability assessments used in estimating the affordable housing requirement. The two crucial types of information required for these assessments are current market housing 'entry-level' prices and households' financial information.

It is important to note that the data in some of the tables in this report may not necessarily add up to the totals presented, or alternatively some of the percentage figures may not sum to 100%. This is due to the rounding of the survey data during the analysis.









## 3. Data collection

### 3.1 Introduction

This chapter describes the primary survey element of the work on this study. The primary data was collected using a hybrid approach involving a combination of personal interviews and postal questionnaires. 1,237 personal interviews were undertaken and 1,329 postal questionnaires were returned providing a total sample of 2,566 households. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the Borough and some geographical breakdown.

Prior to analysis, data must be weighted in order to take account of any measurable bias. The procedure for this is presented in the following sections.

### 3.2 Base household figures and weighting procedures

Firstly, the total number of households is estimated. This is necessary in order to gross up the data to represent the entire household population. A number of different sources were consulted, primarily the Council's Housing Investment Programme (H.I.P.) return (2004), the Council Tax Register and 2001 Census results. Using this information, the base household figure for Ipswich was estimated as follows:

Total number of households = 51,681

### 3.3 Base figures

The table below shows an estimate of the current tenure split in Ipswich. Information for this came from Council H.I.P. forms and the 2001 Census.

Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	13,815	26.7%	765	29.8%
Owner-occupied (with mortgage)	19,880	38.5%	923	36.0%
Council	8,436	16.3%	427	16.6%
RSL	3,674	7.1%	151	5.9%
Private rented	5,876	11.4%	300	11.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

Survey data was weighted to match the suggested tenure profile shown above. An important aspect of preparing data for analysis is 'weighting' it. As can be seen from the table above, social survey responses never exactly match the estimated population totals. As a result it is necessary to 'rebalance' the data to correctly represent the population being analysed.

<b>ODPM Guide</b>	<i>'If inconsistencies are found between survey results and benchmark sources, there may be a case for re-weighting the data in-line with the distribution indicated by the benchmark source'. [Section 4.2 (page 54)]</i>
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Data was also weighted to be in line with the estimated number of households in each of various groups:

- Sixteen wards (from Council Tax Register)
- Number of people in household (2001 Census)
- Household type (2001 Census)
- Accommodation type (2001 Census)
- Car ownership (2001 Census)
- Council Tax Band (from Council Tax Register)

The estimated number of households and number of responses for each of these groups is shown in Appendix A5.

### 3.4 Sub-areas

Sampling for the survey was such that results are statistically significant for each of the sixteen wards in the Borough. Geographically sensitive patterns, however, are often difficult to see across such a large number of sub-areas. Throughout the main body of the report, therefore, the sixteen wards have been grouped into five larger sub-areas. The table below shows ward groupings.

<b>Table 3.2 Sub-areas and ward groupings</b>					
Area	Wards	Total number of households	% of households	Number of returns	% of returns
South East	Gainsborough, Holywells, Priory Heath	8,955	17.3%	439	17.1%
South West	Bridge, Gipping, Sprites, Stoke	12,779	24.7%	538	21.0%
Central	Alexandra, St Margarets, West Gate	11,013	21.3%	561	21.9%
North East	Bixley, Rushmere, St Johns	9,492	18.4%	533	20.8%
North West	Castle Hill, Whitehouse, Whitton	9,442	18.3%	495	19.3%
<b>TOTAL</b>		<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

### 3.5 Updating the survey

As housing market dynamics, the socio-economic profile and the supply of affordable housing within a Local Authority changes, so the Housing Needs Assessment becomes out-dated. After a number of years, a re-assessment is needed in order to make a new evaluation of current housing requirements within the Borough. This is recognised by the Guide.

<b>ODPM Guide</b>	<i>'Surveys become out of date and have to be repeated from time to time. As a general guide, a repeat once every five to seven years would be appropriate, although this should depend on local circumstances'. [Section 3.4 (page 35)]</i>
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However, it is not usually necessary to complete an entire new survey. An existing survey can be updated through using secondary sources to adjust an existing dataset according to key variables. *Fordham Research* has carried out such updates for a number of Local Authorities in the past and continues to do so.

<b>ODPM Guide</b>	<i>'One way to avoid heavy extra expenditure is to up-date a good baseline survey by using a postal questionnaire to obtain new figures for key variables. [The] other methods of updating use secondary and local administrative data sources. ....In practice, these may be more robust than a postal survey update'. [Section 3.4 (page 35)]</i>
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### 3.6 Summary

The Housing Needs Assessment is based on a survey carried out on a random sample of households in Ipswich Borough Council. Data was collected using a hybrid approach involving a combination of personal interviews and postal questionnaires providing a total sample of 2,566 households, which is sufficient data to allow reliable analysis of housing need in accordance with ODPM guidance. The survey data was grossed up to an estimated total of households and weighted according to key characteristics so as to be representative of the Borough's household population. In total it is estimated that there were 51,681 resident households at the time of the survey.



## 4. Current Housing in Ipswich

### 4.1 Introduction

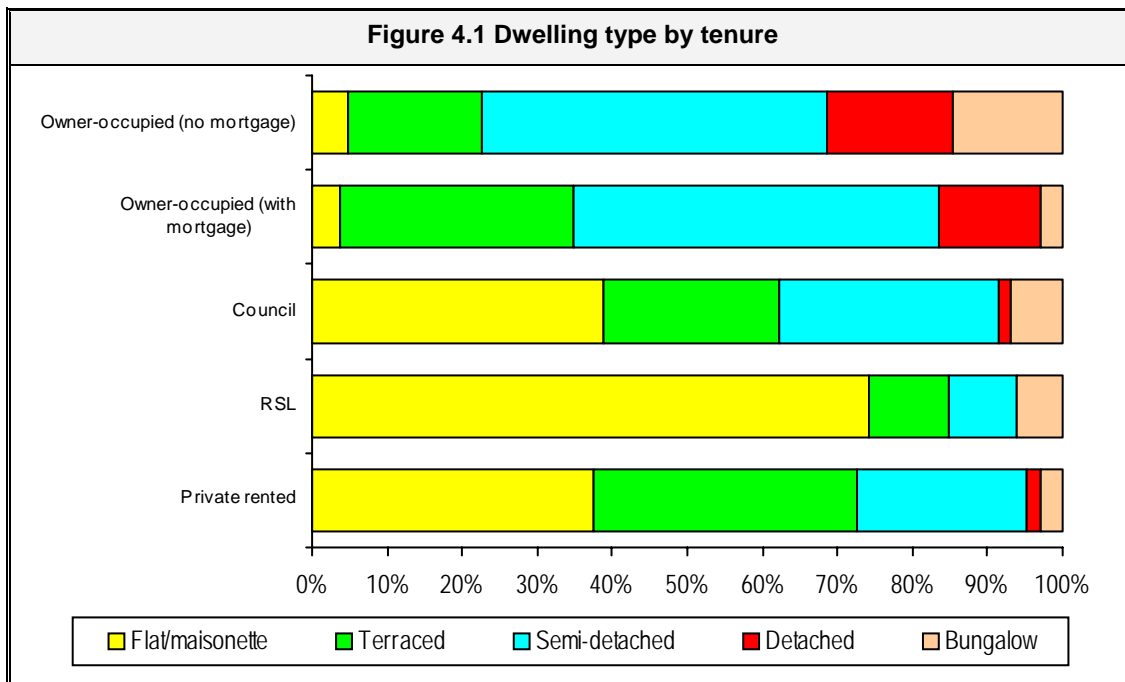
This chapter sets out some of the main findings from the survey of local households. Throughout the analysis tabulations are made along with tenure (shown in the previous chapter).

### 4.2 Type of housing

The table below shows current accommodation types in the Borough. The table shows that the majority of households live in houses or bungalows. The main house type in the Borough is semi-detached. There are relatively few households living in bedsits or mobile homes.

Dwelling type	Number of households	% of households
Bedsit	220	0.4%
Flat/maisonette	9,472	18.3%
Terraced house	13,096	25.3%
Semi-detached house	20,137	39.0%
Detached house	5,252	10.2%
Bungalow	3,451	6.7%
Mobile Home	52	0.1%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

By tenure a clear trend emerges with households living in owner occupation particularly likely to live in houses and particularly likely to be in detached houses. There are very few detached houses outside of the owner-occupied tenure group. The social and private rented sectors have a high proportion of flats/maisonettes.



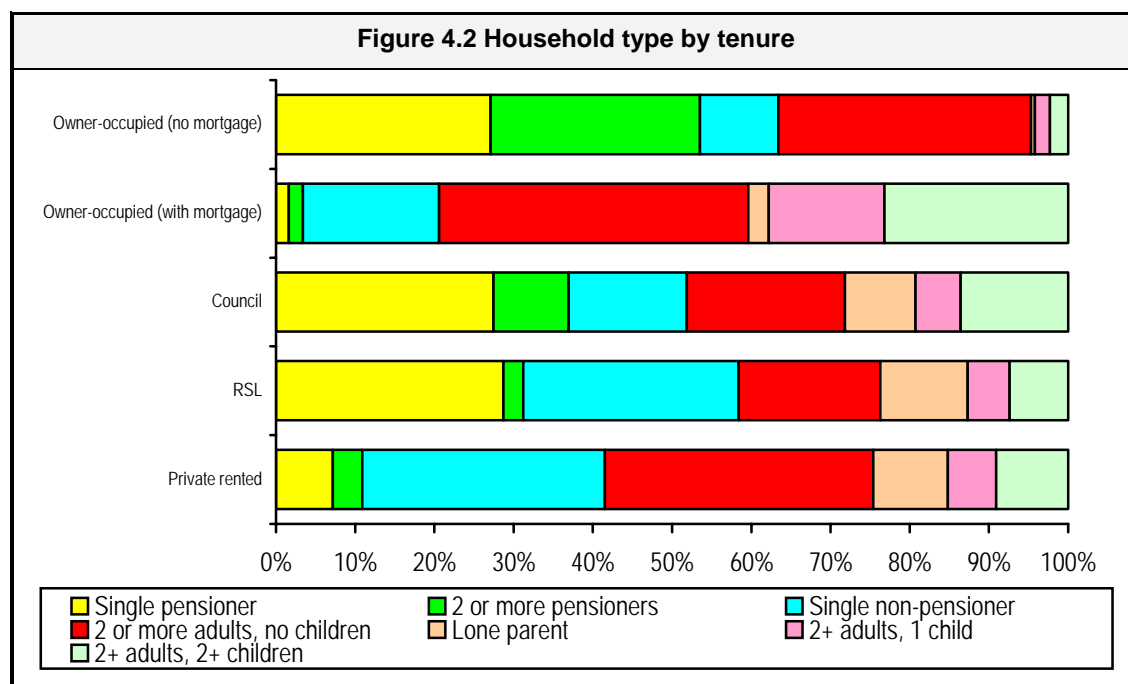
### 4.3 Household type

The table below shows the household type breakdown in the Borough. The survey estimates that around a quarter of households are pensioner only and that around a quarter of households contain children. Less than 5% of households are lone parent households.

Household type	Number of households	% of households
Single pensioner	7,853	15.2%
2 or more pensioners	5,114	9.9%
Single non-pensioner	8,849	17.1%
2 or more adults, no children	16,493	31.9%
Lone parent	2,284	4.4%
2+ adults, 1 child	4,198	8.1%
2+ adults, 2+ children	6,890	13.3%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

The figure below shows household type by tenure. As with dwelling type there are clear differences between the tenure groups. The owner-occupied (no mortgage) sector contains a large proportion of pensioner households whilst lone parent households appear to be concentrated in the social and private rented sectors. The owner-occupied (with mortgage) sector has the largest proportion of households with children.





#### 4.4 Car ownership

A further question asked in the Ipswich survey was car ownership/availability. Although not directly linked to housing, this is a useful variable as it can provide some indication of wealth. The table below shows the number of cars households have available for use by tenure.

Around two-fifths of all households in social rented housing have no access to a car or van, this compares with only 9.3% of owner-occupied (with mortgage) households. The average household has 1.00 car, this figure varies from 0.44 in the RSL sector to 1.41 for owner-occupiers with a mortgage.

Tenure	Number of cars/vans available for use				Average number of cars/vans
	0	1	2	3+	
Owner-occupied (no mortgage)	29.0%	51.1%	15.1%	4.7%	0.97
Owner-occupied (with mortgage)	9.3%	49.6%	33.7%	7.3%	1.41
Council	58.3%	35.8%	5.7%	0.1%	0.48
RSL	61.2%	35.7%	2.5%	0.5%	0.44
Private rented	35.7%	51.1%	11.2%	1.9%	0.80
Total	29.3%	47.0%	19.4%	4.4%	1.00

#### 4.5 Past moves

An important part of the survey analysis concerns past household moves. This is for both existing and newly forming households and are important in terms of estimates of projected future needs (which are largely based on past trend information).

The table below sets out the number and proportion of households who have moved home within the past two years. The data suggests that 19.8% of households in Ipswich have moved home in the last two years. Most of these moves were made by existing households.

<b>Table 4.4 Past moves in Ipswich</b>		
Type of moving household	Number of households	% of households
Newly forming households	2,693	5.2%
Existing households	7,556	14.6%
Non-movers	41,432	80.2%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

This data can further be looked at in terms of trends in migration. The table below shows the locations of previous homes for both the newly forming and existing households. The table shows a considerable amount of movers occur within the Borough. In total 67.7% of moves were made within the Borough. Newly forming households appear slightly more likely to have moved from outside the Borough than existing households.

<b>Table 4.5 Location of previous home</b>			
Location of previous home	Newly forming households	Existing household	TOTAL
Ipswich	64.3%	68.9%	67.7%
Elsewhere in Suffolk	15.8%	12.0%	13.0%
Elsewhere in the UK	14.0%	16.4%	15.8%
Abroad	5.8%	2.7%	3.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

It is also of interest to look at households past and current tenure. The table below shows this information. The table shows a relative lack of inter-tenure movement. The data suggests that around 29% of newly forming households moved to owner-occupation with 30% moving to the social rented sector and the remaining 41% moving to the private rented sector.

Tenure	Owner-occ'd	Previous tenure				TOTAL
		LA	RSL	Private rented	Newly forming	
Owner-occupied (no mortgage)	<b>687</b>	0	0	65	95	847
Owner-occupied (with mortgage)	<b>2,077</b>	0	56	761	684	3,578
Council	120	<b>462</b>	178	139	320	1,219
RSL	48	284	<b>360</b>	189	480	1,362
Private rented	460	94	84	<b>1,493</b>	1,114	3,244
<b>TOTAL</b>	<b>3,392</b>	<b>840</b>	<b>678</b>	<b>2,647</b>	<b>2,693</b>	<b>10,249</b>

Finally, we look at the reasons for households having moved home. The table below shows the reasons for households moving. The totals come to more than the total number of households moving home as each household was able to answer as many reasons as they felt were applicable. The main reason for households moving was that the previous home was too small.

Reason for moving	Number of households	% of households
Evicted/re-possessed	227	2.2%
End of tenancy agreement	636	6.2%
Relatives/friends unable/unwilling to accommodate	276	2.7%
To move to cheaper accommodation	519	5.1%
Previous home was too small	2,239	21.8%
Previous home was too big	480	4.7%
Previous home was difficult to maintain	362	3.5%
Previous home was unsuitable for a family	598	5.8%
Previous home lacked adequate facilities	264	2.6%
Access problems (e.g. steps, stairs)	656	6.4%
Previous home was in poor condition	379	3.7%
Were the victim of harassment	537	5.2%
Relationship breakdown	1,071	10.5%
Moved to live with partner	1,001	9.8%
To receive/give care or support	205	2.0%
To live closer to employment or other essential facilities	1,056	10.3%
To live independently	1,194	11.6%
To reduce journey time to work	715	7.0%
To reduce cost of journey to work	382	3.7%
To move from renting to owner-occupation	925	9.0%
To move from owner-occupation to renting	123	1.2%
To move from private rented sector to social rented sector	154	1.5%
Other	2,124	20.7%
<b>TOTAL</b>	<b>10,249</b>	<b>100.0%</b>

#### 4.6 Future moves – existing households

In addition to looking at past moves, the survey questionnaire collected information about households future needs, expectations and aspirations. This information is particularly important in the ‘Balancing Housing Markets’ exercise carried out later in this report.

The table below shows estimates of the number and proportion of households who need or expect to move home per annum over the next two years by tenure. The data shows that around 16.9% of households state a need or likelihood of moving home over the next two years. Households living in the private rented sector are particularly likely to be future movers.

Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	763	13,815	5.5%
Owner-occupied (with mortgage)	2,755	19,880	13.9%
Council	1,227	8,436	14.5%
RSL	1,087	3,674	29.6%
Private rented	2,885	5,876	49.1%
<b>TOTAL</b>	<b>8,716</b>	<b>51,681</b>	<b>16.9%</b>

Again we can look at the reasons for households moving. This is shown in the table below. Accommodation size is the main reason for households needing or expecting to move in the future. In total over a third of households state ‘home too small’ as a reason for needing/being likely to move.

Reason for moving	Number of households	% of households
Threat of eviction/re-possession	96	1.1%
End of tenancy agreement	337	3.9%
Relatives/friends unable/unwilling to accommodate	53	0.6%
To move to cheaper accommodation	1,104	12.7%
Current home is too small	3,233	37.1%
Current home is too big	636	7.3%
Current home is difficult to maintain	412	4.7%
Current home is difficult or expensive to heat	887	10.2%
Current home is unsuitable for a family	1,093	12.5%
Current home lacks adequate facilities	459	5.3%
Access problems (e.g. steps, stairs)	853	9.8%
Current home is in poor condition	375	4.3%
Victim of harassment	312	3.6%
Relationship breakdown	162	1.9%
To move to live with partner	995	11.4%
To receive/give care or support	455	5.2%
To live closer to employment or other essential facilities	724	8.3%
To live independently	330	3.8%
To reduce journey time to work	551	6.3%
To reduce cost of journey to work	483	5.5%
To move from renting to owner-occupation	1,097	12.6%
To move from owner-occupation to renting	0	0.0%
To move from private rented sector to social rented sector	485	5.6%
Other	1,852	21.2%
<b>TOTAL</b>	<b>8,716</b>	<b>100.0%</b>

The survey moved on to look at where households would both like and expect to move. The results of this analysis are shown in the table below. The table suggests that slightly less households would like to remain living in the Ipswich Borough than expect to. However, in both cases the proportion of households is around two-thirds.

Location of next home	Like	Expect
Ipswich	64.9%	68.3%
Elsewhere in Suffolk	20.2%	21.2%
Elsewhere in the UK	7.2%	7.3%
Abroad	7.7%	3.2%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Households were similarly asked about what tenure they would both like and expect to move to, the results shown below. The results suggest that just over three-fifths of all households would like to move to owner-occupation, however, only half expect to secure this type of accommodation. More households expect to rent (both social and private rented housing) than would like to.

Tenure	Like	Expect
Buy own home	61.7%	50.9%
Rent from Council	24.6%	25.5%
Rent from RSL	5.8%	11.2%
Private rented	4.5%	9.6%
Tied	0.3%	0.2%
Shared ownership	2.5%	1.6%
House/flat share	0.5%	1.1%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

The table below shows a cross-tabulation between current tenure and future tenure preference. The table shows that generally households would like to remain in the same tenure as they currently live (or remain in the social rented sector in the case of RSL households). The exception to this is the private rented sector. The majority of households in this sector want to move to either owner-occupation or the social rented sector. It should be noted that for analytical purposes figures for tied and house/flat share are included in private rented.

Tenure	Tenure preference					TOTAL
	Owner-occupied	LA	RSL	Private rented	Shared ownership	
Owner-occupied (no mortgage)	<b>666</b>	52	23	0	22	763
Owner-occupied (with mortgage)	<b>2,503</b>	66	51	44	91	2,755
Council	135	<b>975</b>	69	47	0	1,227
RSL	291	524	<b>209</b>	0	63	1,087
Private rented	1,787	527	151	<b>376</b>	<b>42</b>	2,885
<b>TOTAL</b>	<b>5,382</b>	<b>2,144</b>	<b>503</b>	<b>467</b>	<b>219</b>	<b>8,716</b>

#### 4.7 Future moves – potential households

A similar analysis can be carried out for newly forming (potential) households. The survey estimates that there are 2,958 households who need or are likely to form from households in the Borough over the next two years. The table below suggests that potential households are more likely to want to remain in the area than existing households, however the number expecting to remain in the area is below the figure for existing households, in total 69.8% of potential households would like to remain in the area. Overall, there is relatively little difference between what potential households would like and what they expect.

Location of next home	Like	Expect
Ipswich	69.8%	65.9%
Elsewhere in Suffolk	3.2%	7.9%
Elsewhere in the UK	22.1%	21.2%
Abroad	4.9%	4.9%
TOTAL	100.0%	100.0%

In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 56.7% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation. Around 21% would like social rented housing but 28% expect to secure it. In total only 13.4% want to move to private rented accommodation but 26.7% expect to do so. The gap between like and expect is widened if we also include the 'house/flat share' category (which is almost certain to be private rented).

Tenure	Like	Expect
Buy own home	56.7%	31.2%
Rent from Council	14.1%	16.2%
Rent from RSL	6.7%	12.2%
Private rented	13.4%	26.7%
Tied	0.0%	0.7%
Shared ownership	1.5%	1.1%
House/flat share	7.6%	11.8%
TOTAL	100.0%	100.0%

## 4.8 Housing costs

The survey asked a series of questions about how much households currently pay for their housing. The table below shows estimates of the amount of rent/mortgage paid by households by tenure.

The table shows that households in the private rented sector and those buying with a mortgage have the highest housing costs. The average private tenant pays £95 per week, this compares with £50 for Council tenants.

Weekly housing cost	Owner-occupied (with mortgage)	Council	RSL	Private rented	TOTAL
None	0.0%	0.0%	0.0%	6.0%	0.9%
Under £30	12.7%	0.5%	0.0%	0.0%	6.8%
£30-£59	19.3%	83.8%	35.1%	6.4%	33.2%
£60-£89	29.3%	14.4%	64.9%	27.4%	29.1%
£90-£119	22.6%	1.3%	0.0%	41.2%	18.6%
£120-£149	6.1%	0.0%	0.0%	16.9%	5.8%
£150-£179	3.5%	0.0%	0.0%	0.0%	1.8%
£180-£209	3.0%	0.0%	0.0%	0.0%	1.6%
£210-£239	1.6%	0.0%	0.0%	0.8%	1.0%
£240-£269	0.9%	0.0%	0.0%	1.1%	0.7%
£270 or more	0.9%	0.0%	0.0%	0.2%	0.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Average cost</b>	<b>£84.88</b>	<b>£49.95</b>	<b>£64.48</b>	<b>£94.72</b>	<b>£76.65</b>

It is also possible to estimate the average amount paid by households after any deductions for housing benefit (or income support payments towards mortgage interest payments). This shows an even clearer trend. The table below shows the proportion of households claiming housing benefit (income support) and the average housing cost paid after benefits are taken into account.

Tenure	% claiming housing benefit (income support)	Net housing cost (£ per week)
Owner-occupied (with mortgage)	1.5%	£84.32
Council	68.8%	£19.38
RSL	67.9%	£22.07
Private rented	28.4%	£74.30
<b>TOTAL</b>	<b>27.1%</b>	<b>£62.26</b>



## 4.9 Summary

The household survey collected a significant amount of data about households' current circumstances. Some of the main findings were:

- Around two-fifths of the Borough's dwelling stock is semi-detached houses. Households living in rented housing are particularly likely to live in flats whilst those in owner-occupation are more likely to live in detached houses.
- Around a quarter of all households are 'pensioner-only' and about a quarter contain children. Lone parent households were found to be concentrated in both the social and private rented sectors.
- Car ownership data suggests that there is an average of 1.00 car per household in the Borough. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.41 cars per household. Around three-fifths of all households in social rented housing have no use of a car or van.
- An estimated 19.8% of households have lived in their current home for less than two years, around two-thirds of previous moves having occurred within the Borough.
- In terms of future households moves the survey estimates that 8,716 existing and 2,958 potential households need or expect to move within the next two years. In both cases a higher proportion would like to move to owner-occupation than expect to do so.
- Finally the survey indicated differences in housing costs between different tenures with the highest costs in the private rented sector and the lowest in the social rented sector. Differences were more marked when housing benefit was removed.



## 5. The local housing market

### 5.1 Introduction

This chapter sets out the results of an analysis of housing market prices and rents in Ipswich. Information was collected from two sources:

- Land registry
- Survey of local estate and letting agents

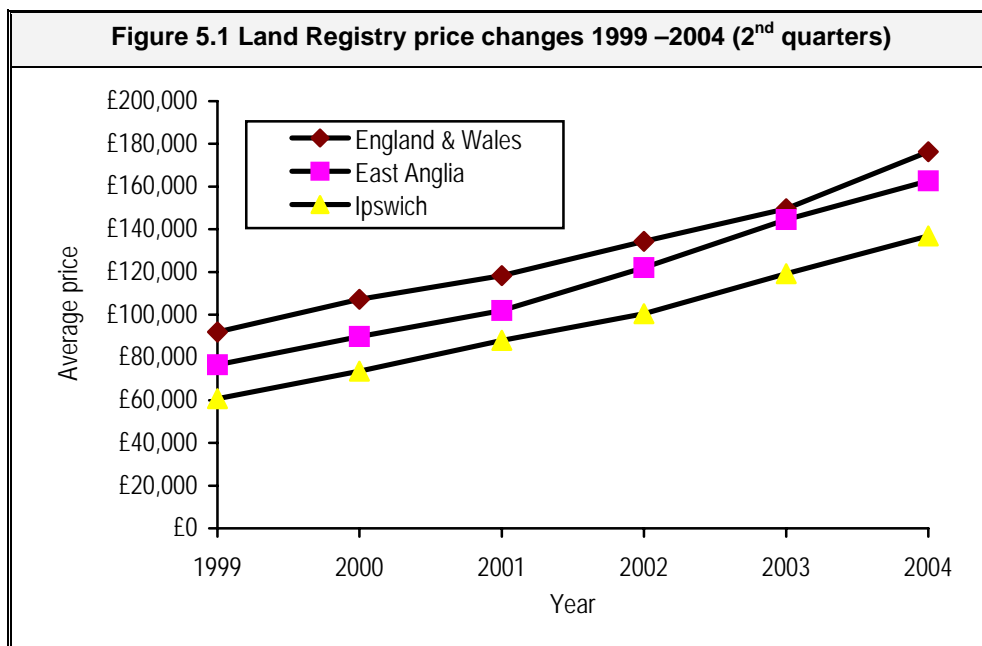
The analysis provides a context for the property price situation in Ipswich and then a sequence of analysis based on information collected from estate/letting agents. This leads to figures that show the minimum price/rent of housing for a range of dwelling sizes.

### 5.2 National, regional and local picture

Information from Land Registry shows that nationally between the 2<sup>nd</sup> quarter of 1999 and the 2<sup>nd</sup> quarter of 2004 average property prices in England and Wales rose by 92.0%. For East Anglia the increase was 112.2% whilst for Ipswich the figure was 125.3%.

The table below shows average prices in the 2<sup>nd</sup> quarter of 2004 for each of England & Wales, East Anglia and Ipswich. The table shows that average prices in Ipswich are around 20% lower than the average for England & Wales and also below the East Anglia average.

<b>Table 5.1 Land Registry average prices (2<sup>nd</sup> quarter 2004)</b>		
Area	Average price	As % of E & W
England & Wales	£176,365	100.0%
East Anglia	£162,718	92.3%
Ipswich	£136,856	77.6%



The table below shows average property prices for the Borough for each dwelling type (from Land Registry data). This data is compared with regional price information. The volume of sales by type is also included for both areas.

Dwelling type	Ipswich		East Anglia	
	Average price	% of sales	Average price	% of sales
Detached	£211,649	15.0%	£215,850	37.9%
Semi-detached	£131,008	39.4%	£144,042	27.1%
Terraced	£120,348	31.0%	£123,702	27.9%
Flat/maisonette	£111,058	14.7%	£104,536	7.2%
All dwellings	£136,855	100.0%	£162,718	100.0%

The largest volume of sales in the Borough was for semi-detached houses (39.4%) with an average price of £131,008. The three house types together accounted for 85.3% of all sales. Sales regionally show a higher proportion of detached houses and lower proportions of all other types of property.

### 5.3 Prices in adjoining and nearby areas

The table below compares property prices in Ipswich with adjoining and nearby areas. The table shows that of all local authorities studied Ipswich has the lowest average prices. The highest prices were found in Suffolk Coastal. Of the nine local authorities studied (including Colchester and Tendring which are outside Suffolk) five have an average price above the Suffolk average and four above the average price for England & Wales.

<b>Table 5.3 Price levels in Ipswich and nearby areas (2<sup>nd</sup> quarter 2004)</b>	
<b>Council area</b>	<b>% of England &amp; Wales</b>
<b>Ipswich</b>	<b>77.6%</b>
Babergh	102.1%
Forest Heath	86.7%
Mid Suffolk	103.0%
St Edmundsbury	98.7%
Suffolk Coastal	109.0%
Waveney	79.9%
<i>Suffolk</i>	93.4%
Colchester	102.4%
Tendring	87.3%

## 5.4 Estate Agents' information

### *(i) Purchase prices*

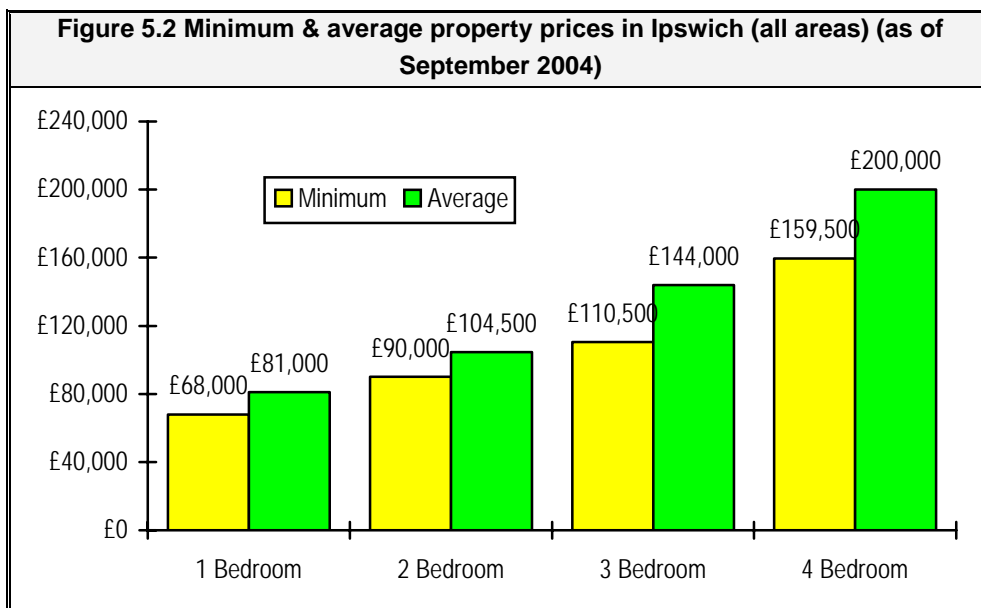
During September 2004 a total of nineteen estate and letting agencies and a number of property developers were contacted in order to obtain detailed information about the local housing market across the Ipswich area. Agents were contacted across the Borough in order to capture localised variations across the area. Primarily those contacted were located in the centre of Ipswich.

Average and minimum property prices were collected for a range of property sizes and tenures. Comments were also collected from the agents to describe the main features of the current market in Ipswich and appropriate comments are presented below.

The general consensus amongst agents was that, sale prices for housing in the Borough were beginning to stabilise after the notable rises of recent years. This was primarily attributed to a slowing of activity, with fewer people currently looking to buy although one agent suggested that there were quite a few first time buyers, so property at the lower end of the market was selling quite quickly, but higher priced properties were often taking longer to sell.

It was also reported that there were no new investors in the buy-to-let market, and this had allowed the market to cool. Generally agents suggested that there was quite a good supply of ex-Local Authority places. However, it was also suggested that these were no longer much cheaper than the rest of the private market.

If we take averages of the prices identified by individual agents for each dwelling size and price level, the property price results are as presented in the figure below. The figure shows that estimated entry-level prices ranged from £68,000 for a one bedroom property up to £159,500 for four bedrooms. Average prices were generally around 20%-25% higher than the minimums.



**(ii) Private rent levels**

Average and minimum rents were also collected from agents and the results of this analysis is shown in the table below. Minimum monthly rents varied from £282 (one bed) to £650 (four beds) with average rents being around 15%-20% more expensive than this.

Property size	Minimum rent (monthly)	Average rent (monthly)
1 bedroom	£282	£383
2 bedrooms	£425	£475
3 bedrooms	£460	£527
4 bedrooms	£650	£750

**(iii) Newbuild prices**

Newbuild property prices were obtained from estate agents as well as through developers directly. Newbuild prices were found for all sizes of property in the Borough. As can be seen from the table below, average newbuild prices are well above the Borough's average market prices.

Property size	Average price
1 bedroom	£110,000
2 bedrooms	£151,000
3 bedrooms	£165,000
4 bedrooms	£220,000

## 5.5 Appropriate price level for the affordability test

The previous sections showed the results obtained by averaging the figures from estate agents for minimum and average prices in each of the four size categories.

However, in order to decide what price level is the most appropriate to use for assessing whether or not a household is able to access the housing market, it is necessary to consider two aspects:

- The appropriate measure of price (e.g. minimum or average prices/costs)
- How to deal with a situation where significant price variations have been identified within the Council area

On the first point, we use the minimum prices collected in the estate agents survey, since these have been designed to represent the ‘entry level’ into the housing market. For consistency we will also use minimum private rental costs as part of the affordability test.

<b>ODPM Guide</b>	<p><i>‘The most commonly used affordability test involves comparing estimated incomes of unsuitably housed households against ‘entry level’ house prices.’ [Section 4.3 (page 57)]</i></p> <p><i>‘...approaches which compare maximum prices payable against average house prices are certainly questionable.’ [Section 4.3 (page 57)]</i></p>
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A key issue in deciding the appropriate price assumptions to use in assessing overall Borough-wide affordability is whether a household that could afford market priced housing by moving a reasonable distance should be assessed as being in housing need. In this case the term ‘reasonable distance’ is taken to mean ‘within the Borough boundary’ and it is recognised that some households would therefore need to move from their current locality to afford private sector housing.

However, our analysis of the minimum and average property prices in the Borough showed that there was not a great deal of variation between prices for different parts of the Borough. This is also borne out by reference to Land Registry data. Therefore, none of the prices gathered have been excluded when calculating the appropriate prices for the assessment of affordability, which are set out below in terms of comparative outgoings.

<b>Table 5.6 Typical Accommodation Costs (excluding service charges, utility bills, maintenance etc)</b>						
Property size	Cost £ per month					
	Social rent	Minimum sale	Average sale	New build sale	Minimum rent	Average rent
1 bedroom	£225	£339	£404	£549	£282	£383
2 bedrooms	£256	£449	£522	£754	£425	£475
3 bedrooms	£290	£552	£719	£824	£460	£527
4 bedrooms	£329	£796	£998	£1,098	£650	£750

*NB Based on a Nationwide Building Society base mortgage rate for an interest only mortgage at 5.99%: repayments at £4.99 per £1,000 borrowed (current at September 2004). Social rents are estimated based on rents of 'new lets' shown in the 2003/04 CORE data.*

## 5.6 Summary

An analysis of the local housing market is a crucial step in any housing study. In this report information was drawn from both the Land Registry and local estate/letting agents to provide the context for local property prices/rents. Some of the main findings of the analysis were:

- Prices in Ipswich rose by 125.3% in the period 1999 to 2004. This is well above the rate of increase observed both nationally and regionally.
- The average property price in Ipswich in the 2<sup>nd</sup> quarter 2004 was around 77.6% of the average for England & Wales.
- Sales of properties in Ipswich are predominantly houses with only 14.7% of sales in the 2<sup>nd</sup> quarter of 2004 being flats/maisonettes.
- The estate agent survey suggested that minimum prices in the Borough range from £68,000 to £159,500 depending on the size of properties.
- Minimum rents ranged from £282 to £650 per month depending on property size.



## 6. Financial information and affordability

### 6.1 Introduction

The previous chapter studied the local housing market. The results from that chapter are brought together with household financial information to make an assessment of affordability for each individual household. The issue of affordability is crucial in assessing both backlog and newly arising needs in the Council area.

Having set out the financial information collected in the survey the section continues by concentrating on the methodology behind the assessment of affordability.

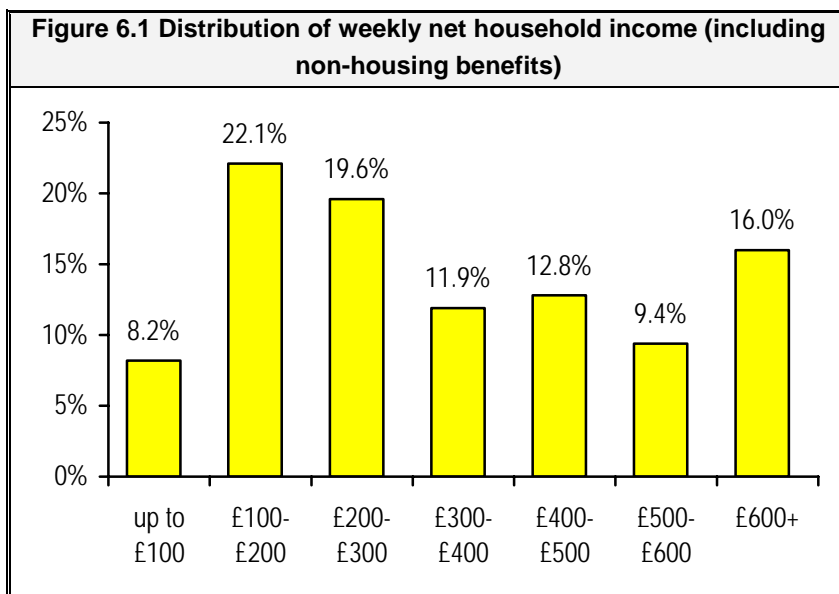
**ODPM  
Guide**

*'An accurate estimate of household income is one of the most important pieces of information that has to be obtained from a housing needs survey'. [Section 3.6 (page 39)]*

To complete an accurate assessment of affordability, the survey collected information regarding household's gross earned income, benefits, savings and equity levels.

### 6.2 Household income

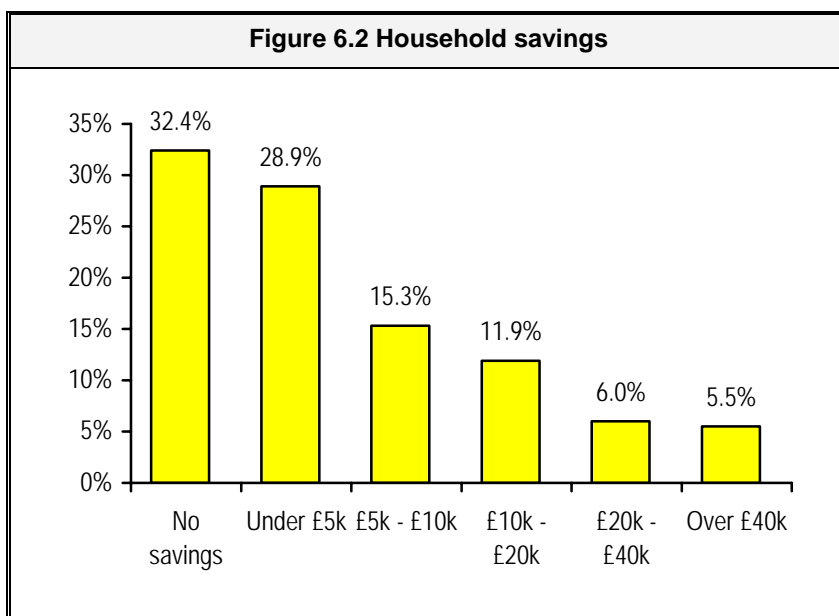
The response to the survey income question was good with 86.8% of respondents answering this question. Survey results for household income in Ipswich show that the average net income level (crucial for the assessment of affordability) has been estimated to be £367 per week. The median income is however noticeably lower than this at £300 per week. The figure below shows the distribution of income in the Borough.



### 6.3 Household Savings and Equity

The response to the survey savings question was good with 81.9% of respondents answering this question. The average household has £10,516 in savings. The figure below shows the distribution of savings in the Borough.

An estimated 61.3% of households had less than £5,000 in savings whilst 11.5% had savings of over £20,000. Households with no savings also include those in debt with negative savings.



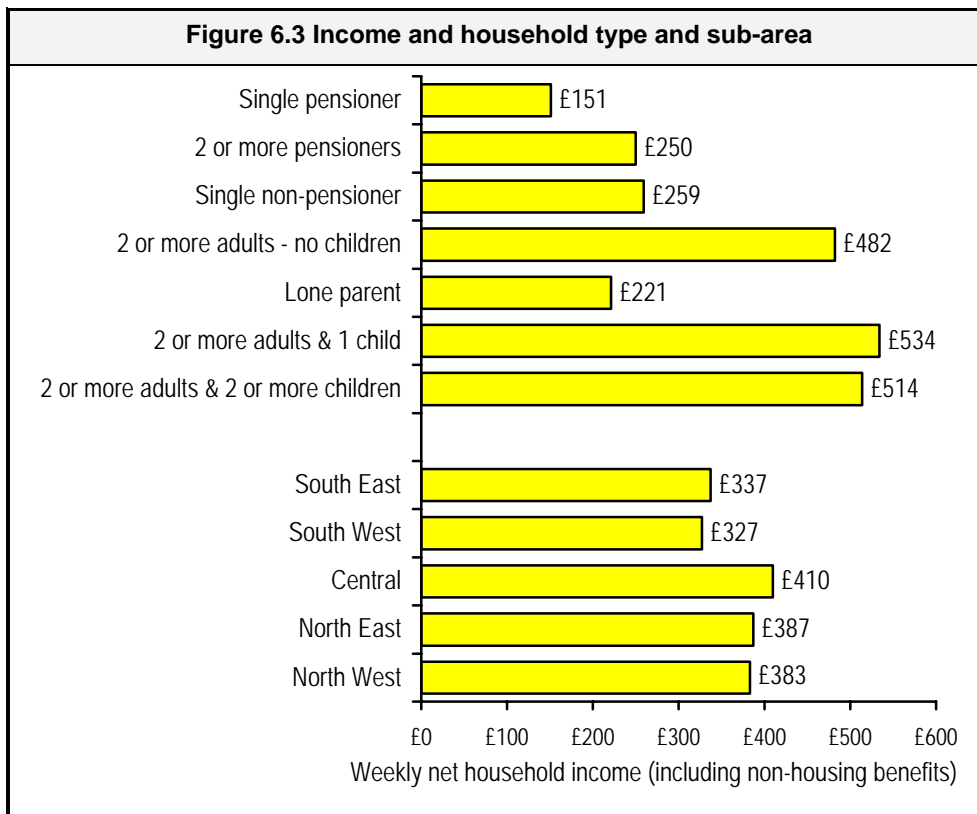
The survey also collected information about the amount of equity owner-occupiers have in their property. For both groups together (owners with and without mortgages) the average amount of equity was just under £124,000.

#### 6.4 Household characteristics and income

The table below shows average income, savings and equity by tenure. As might be expected, the households with the lowest average incomes (and savings) are those in social rented sector. Whilst owner-occupiers with no mortgage have an average household income considerably lower than those with a mortgage, this group contains many older people who are not working but have redeemed their mortgages. These households therefore have much higher levels of savings and equity.

<b>Table 6.1 Financial information by tenure</b>			
Tenure	Average weekly net household income	Average savings	Average equity
Owner-occupied (no mortgage)	£304	£25,214	£157,237
Owner-occupied (with mortgage)	£523	£6,580	£100,682
Council	£210	£2,284	-
RSL	£180	£2,021	-
Private rented	£334	£6,406	-
<b>ALL HOUSEHOLDS</b>	<b>£367</b>	<b>£10,516</b>	<b>£123,869</b>

The figure below looks at income levels by household type and sub-area. Single pensioner and lone parent households show average incomes considerably below the Borough average. All non-pensioner household groups with two or more adults show average incomes above the Borough average. By sub-area it is clear that some differences exist. The highest average income is estimated to be in the Central sub-area at £410 per week, the lowest being in the South West at £327 per week.



### 6.5 Assessing affordability – existing households

The assessment of affordability for households is carried out using a single test based on the cost of housing and the financial ability of each household to afford housing of a suitable size in the private sector housing market. Adjustments are made to the test depending on household composition such that affordability tests realistically assess the ability of each individual household to afford suitable housing in the local housing market.

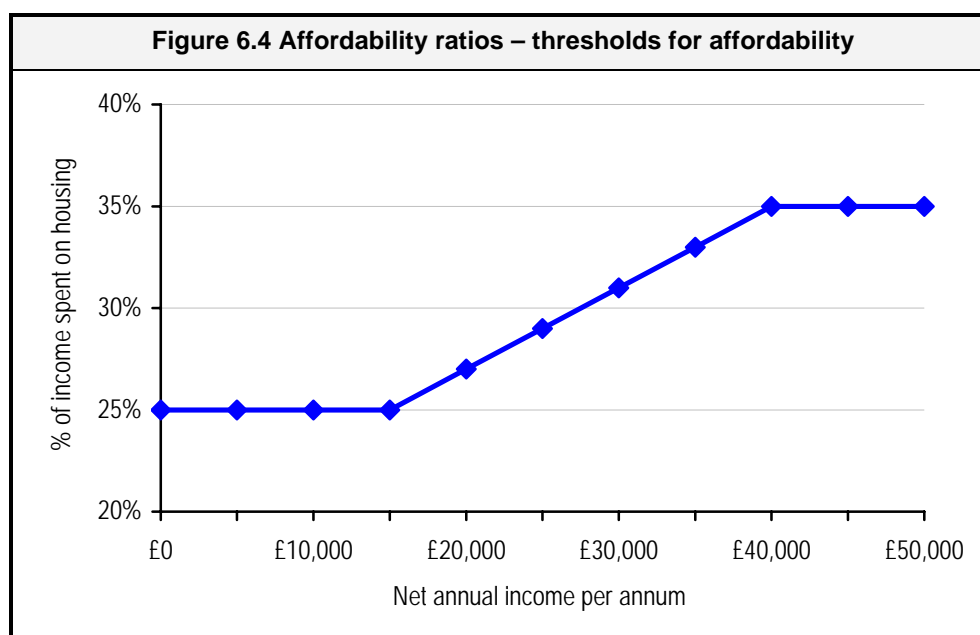
The first step in the procedure is to estimate how much housing will cost for each individual household. This is done for both owner-occupied and private rented housing and is based on the costs shown in the housing market section. The table below shows estimated outgoings for each of owner-occupation and private renting. In the case of owner-occupation the costs are based on an interest only mortgage over 25 years at an interest rate of 5.99% (the base rate of the Nationwide Building Society as of September 2004).

Table 6.2 Cost of housing in Ipswich (per week)		
Property size	Owner-occupation	Private rent
1 bedroom	£78	£65
2 bedroom	£104	£98
3 bedroom	£127	£106
4 bedroom	£184	£150

It can be seen from the table that the estimated cost for private renting is lower for all sizes of accommodation. The differences are however fairly slight other than for four bedroom homes.

In the case of owner-occupation adjustments are made to take account of any savings or equity that a household may have to put towards the purchase of a different home. For example, if a household requires a property costing £100,000 then the estimated weekly outgoing is £115 per week. If the household has £50,000 in savings and/or equity then the purchase price is reduced to £50,000 and hence the outgoings are reduced to £58 per week. In such a case the household would only need to have sufficient income to cover the £58 and not the full purchase of the property. In the case of private renting no adjustments are made for savings/equity levels.

Having established weekly outgoings required a threshold for affordability is established. For this purpose the threshold for affordability has been determined on the basis of the households net income (inclusive of all non-housing benefits). The figure below indicates the scale used.



The figure above indicates that the threshold for affordability varies according to the income of the household. A household earning up to £15,000 (net) per annum is assumed to be able to afford up to 25% spent on housing costs. A household earning £40,000 per annum or more is assumed to be able to afford 35% of their net income to be spent on housing. For those on incomes between £15,000 and £40,000 the threshold for affordability increases by around 2% per £5,000. The 25% of net income starting point is consistent with government guidance.

<b>ODPM Guide</b>	<i>'These rent:income ratios are normally calculated comparing rent with net income.....A threshold level of 25-30 per cent of net income may be adopted.....Where the appropriate entry level [property] price equates to a higher proportion of a household's income, the household is deemed to be in need of subsidised housing'. [Section 4.3 (page 58)]</i>
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The 25% figure is also consistent with the definition of the National Housing Federation *'The Federation says that rents are affordable if the majority of working households taking up new tenancies are not caught in the poverty trap (because of dependency on housing benefit) or paying more than 25% of their net income in rent'* [National Housing Federation website].

In summary the measure of affordability used in the survey is defined below:

<p><b>Overall affordability:</b></p> <p>A household is unable to afford private sector housing if:</p> <p>The cost of housing (either to rent or to buy – whichever is the cheaper) exceeds 25-35% of net household income.</p>
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It is worth briefly noting the affordability of local households. The table below shows affordability by tenure. The table shows that of all households in the Borough just over a quarter are unable to afford market housing (if they were to move home). The differences by tenure are substantial. In total over 80% of social and over half of private tenants are unable to afford. These figures compare with around 1.9% of owner-occupiers.

<b>Table 6.3 Affordability and tenure</b>			
Tenure	Affordability		
	Unable to afford market housing	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	62	13,815	0.4%
Owner-occupied (with mortgage)	595	19,880	3.0%
Council	6,999	8,436	83.0%
RSL	3,339	3,674	90.9%
Private rented	3,085	5,876	52.5%
<b>TOTAL</b>	<b>14,080</b>	<b>51,681</b>	<b>27.2%</b>

## 6.6 Repayment mortgages

The analysis of affordability for owner-occupation is based on estimates of the likely costs of an interest only mortgage. This seems a reasonable approach given that such mortgages are readily available and also this approach would not overestimate the number of households unable to afford market housing. However, it is of interest to see what impact it might have on the figures to use estimated costs for repayment mortgages. We have therefore re-run the above data using estimated costs of repayment mortgages.

Following this method it was estimated that a slightly higher proportion (27.9%) of households are unable to afford market housing. This is shown by tenure below. The table shows that the main difference is found in the owner-occupied sector.

<b>Table 6.4 Affordability and tenure (based on repayment mortgages)</b>			
Tenure	Affordability		
	Unable to afford market housing	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	112	13,815	0.8%
Owner-occupied (with mortgage)	828	19,880	4.2%
Council	7,025	8,436	83.3%
RSL	3,339	3,674	90.9%
Private rented	3,122	5,876	53.1%
<b>TOTAL</b>	<b>14,427</b>	<b>51,681</b>	<b>27.9%</b>

## 6.7 Assessing affordability – potential households

The Housing Needs Survey ascertained whether or not potential households (namely persons who currently live as part of another household and commented on further in the following chapter) would be able to access the private sector housing market by asking the following question to the survey respondent:

*'In your opinion, will they be able to afford suitable private sector housing in the Ipswich Borough (this can either be rented (excluding the use of housing benefit) or bought?'*

This would appear to be broadly in line with ODPM guidance which says:

<b>ODPM Guide</b>	<p><i>'It is difficult to estimate the incomes of future newly forming households. Unless potential household members are interviewed specifically, it is not practical to collect complete income data relating to this group through a housing needs survey. Even where the fieldwork includes concealed household interviews, there are doubts as to the value and reliability of any income data which might be collected.'</i> [Section 4.4 (page 62)]</p> <p><i>'One way around this problem is to substitute a subjective judgement about future housing prospects in place of a formal affordability test.'</i> [Section 4.4 (page 60)]</p>
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It should be noted that this approach is only used on the backlog element of housing need. Future estimates of the needs from households formation are based on past trend information – an approach in line with the ODPM guide.

## 6.8 Summary

The collection of financial information is a fundamental part of any assessment of housing need. The survey estimates that average weekly net household income (including benefits) in Ipswich is £367. The average conceals wide variations among different tenure groups with households in social rented housing showing average incomes significantly below the Borough average.

Having collected detailed information on the local housing market and the financial situation of households it is important to use appropriate affordability measures to assess their ability to afford market priced housing in Ipswich. A single affordability test is used to assess whether they can afford to either buy or rent a property of a suitable size. The affordability of potential households (backlog) is assessed using the judgements of respondents; an approach in line with ODPM Guidance.



## SECTION C: THE GUIDE MODEL

This section sets out calculation of the three key elements of the model outlined in Table 2.1 of the ODPM Guide to Housing Needs Assessment and described in detail in Chapter Four of the Guide. The aim is to assess the level of housing need through estimating the net shortfall/surplus of affordable housing. The first step measures backlog of existing need, the second newly arising need and the third looks at current supply of affordable housing. The section finishes with a brief discussion of the implications for affordable housing policy and about the types of housing that might meet the affordable need.

The ODPM Guide definition of housing need is given below.

<b>ODPM Guide</b>	<i>'Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance'. [Section A2.2 (page 116)]</i>
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## **7. Backlog of existing need**

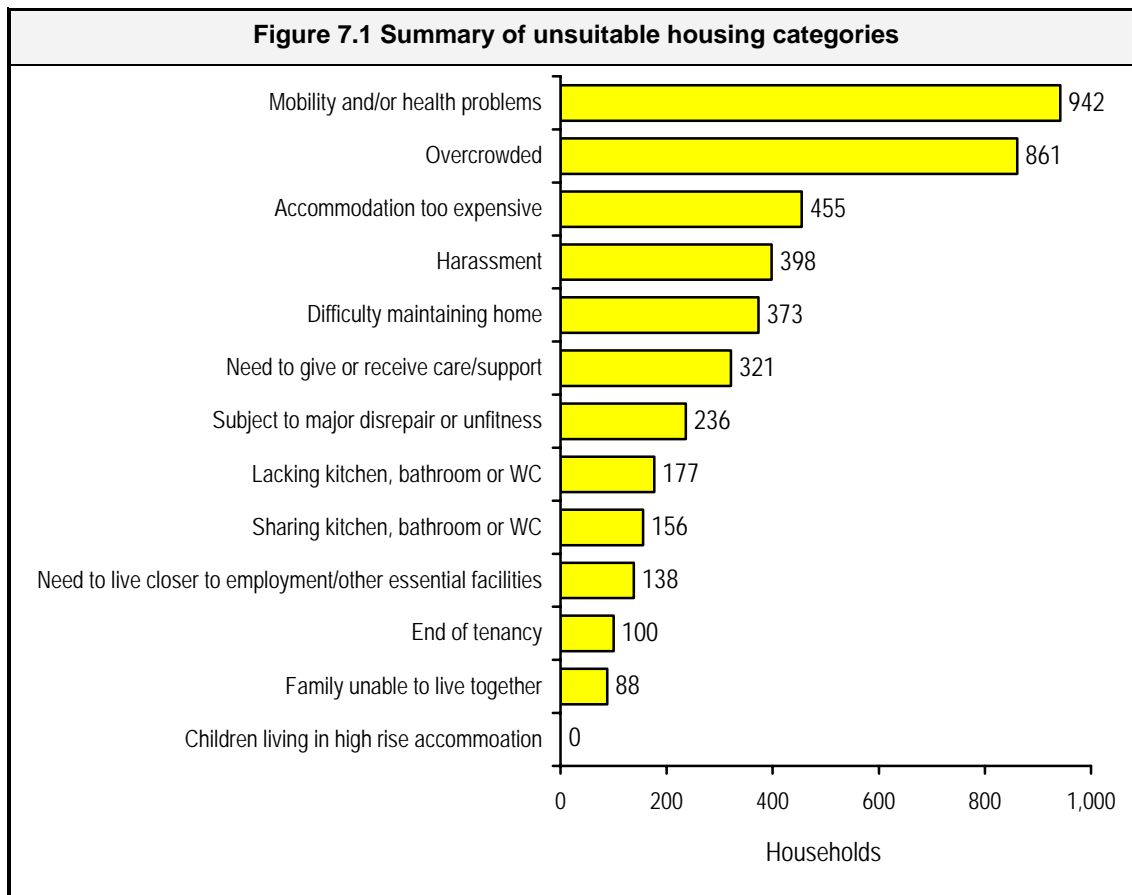
### **7.1 Introduction**

This chapter of the report assesses the first part of the 'Basic Needs Assessment Model' – Backlog of Existing Need. This begins with an assessment of housing suitability and affordability and also considers backlog non-households (potential and homeless households) before arriving at a total backlog need estimate.

### **7.2 Unsuitable housing**

This section looks at households whose current accommodation is in some way unsuitable for their requirements. It is estimated that a total of 3,317 households are living in unsuitable housing. This represents 6.4% of all households in the Borough.

The figure below shows a summary of the numbers of households living in unsuitable housing (ordered by the number of households in each category). The main reason for unsuitable housing is mobility and/or health problems relating to the condition/design of the home, this is closely followed by overcrowding.

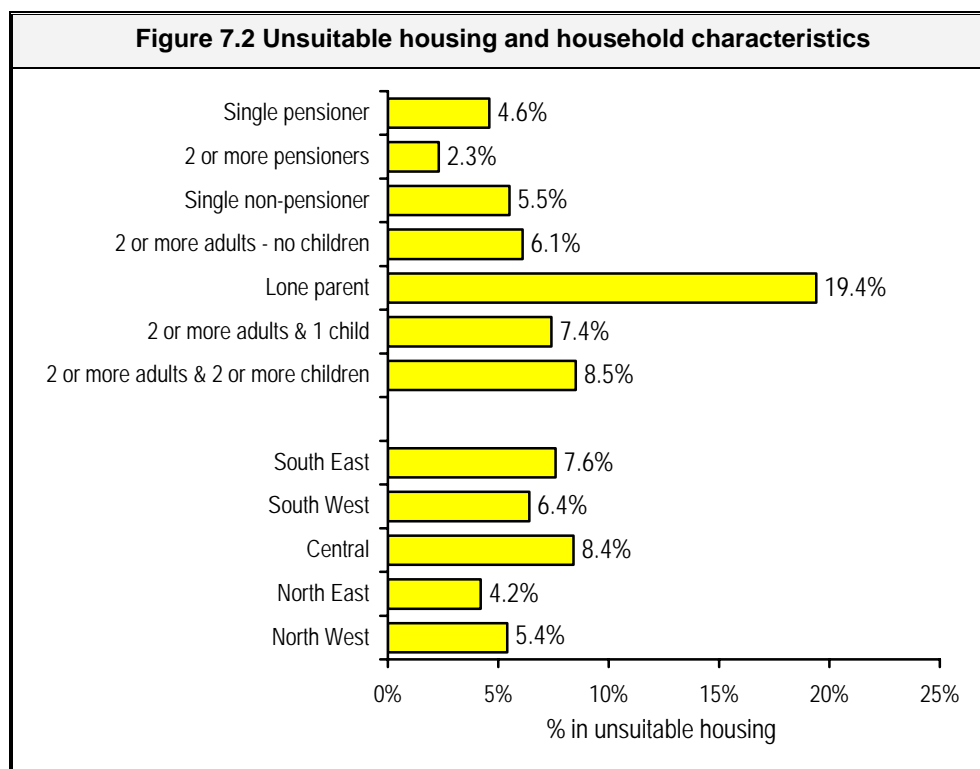


The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation are more likely to be in unsuitable housing than owner-occupiers. Some 12.2% of Council, 11.8% of RSL and 13.9% of private rented households are estimated to be living in unsuitable housing. This compares with 2.7% and 3.4% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

**Table 7.1 Unsuitable housing and tenure**

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in Borough	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	367	13,448	13,815	2.7%	11.1%
Owner-occupied (with mortgage)	669	19,211	19,880	3.4%	20.2%
Council	1,029	7,407	8,436	12.2%	31.0%
RSL	435	3,239	3,674	11.8%	13.1%
Private rented	818	5,058	5,876	13.9%	24.6%
<b>TOTAL</b>	<b>3,317</b>	<b>48,364</b>	<b>51,681</b>	<b>6.4%</b>	<b>100.0%</b>

The figure below shows the proportion of households living in unsuitable housing by household type and sub-area. The data shows that lone parent households and other households with children are particularly likely to be in unsuitable housing. Pensioner households showed the lowest levels of unsuitable housing. By sub-area there are also some significant differences. Levels of unsuitable housing vary from 8.4% in Central to 4.2% in the North East.



In addition to the above analysis it is possible to compare survey figures with the Housing Register. Survey responses indicated that there were 2,833 existing households on the Housing Register at the time of the survey (there will be additional potential households and those living outside the Borough). Of these it was estimated that just over a third (951 households) were registered with the Council. This compares with less than 5% of those who were not registered. The data did however suggest that 71.3% of those in unsuitable housing were not registered.

These results suggest that whilst those registered are far more likely to have housing problems than other households there are a significant number of household who are registered but not (under the definitions used here) in unsuitable housing and also a significant number in unsuitable housing who are not registered. This highlights the difficulties in using Housing Registers as an indicator of overall needs.

### 7.3 Migration and ‘in-situ’ solutions

The survey has highlighted that 3,317 households are in unsuitable housing. However it is most probable that some of the unsuitability can be resolved in the households’ current accommodation and also that some households would prefer to move from the Borough in order to resolve their housing problems.

The extent to which ‘in-situ’ solutions might be appropriate is assessed in the Housing Needs Survey by asking respondents whether they thought they needed to move now. Any household that replied that it did need to move now was assumed not to have an in situ solution.

**ODPM  
Guide**

*‘The extent to which in situ solutions could be feasible can be examined by a survey...[using]...a judgement on whether the unsuitably housed main household intends to move. Where this is the case, it may be taken to indicate that an in situ solution is not appropriate’. [Section 4.3 (page 56)]*

The survey data estimates that of the 3,317 households in unsuitable housing 694 (or 20.9%) would need to move now to resolve their housing problems. Of the 694 households who need to move now, those that stated that they would be likely to move out of the Borough were excluded from further analysis. These amounted to 14, leaving a total of 680 who need to move within the Borough.

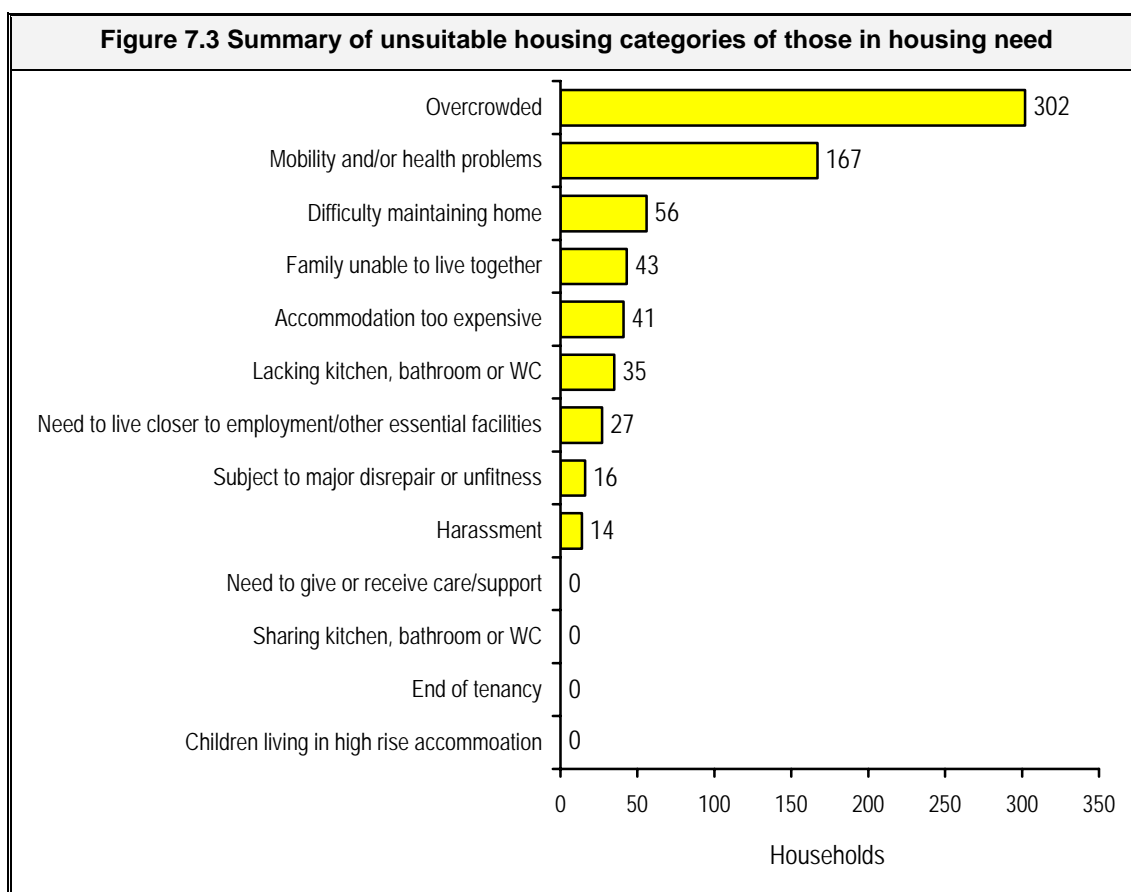
### 7.4 Affordability

Using the affordability methodology set out in Chapter Four it is estimated that there are 459 existing households that cannot afford market housing and are living in unsuitable housing (and require a move to different accommodation within the Borough). This represents around 0.9% of all existing households in the Borough. The results reveal that 67.4% of households living in unsuitable housing (and needing to move now within the Borough) cannot afford market housing (459/680).

The table below focuses on characteristics of the 459 households currently estimated to be in housing need. The results show that Council and RSL tenants are most likely to be in housing need. Of all households in need, 76.3% currently live in social rented accommodation. Basing affordability on repayment mortgages would make no difference to this result.

Tenure	Housing need				
	In need	Not in need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Owner-occupied (no mortgage)	0	13,815	13,815	0.0%	0.0%
Owner-occupied (with mortgage)	0	19,880	19,880	0.0%	0.0%
Council	187	8,249	8,436	2.2%	40.7%
RSL	163	3,511	3,674	4.4%	35.6%
Private rented	109	5,767	5,876	1.9%	23.7%
<b>TOTAL</b>	<b>459</b>	<b>51,222</b>	<b>51,681</b>	<b>0.9%</b>	<b>100.0%</b>

The figure below shows the reasons for unsuitable housing of those in housing need. It is clear from this figure that the reasons are somewhat different to those for the overall group in unsuitable housing. Notably, around two-thirds of those in need are overcrowded, this compares with only 26% of the overall unsuitable group.



## 7.5 Housing need and the need for affordable housing

There is a further issue relating to existing households in need. For households in social rented accommodation it is likely that a move will release a social rented home for re-letting and therefore there will be no requirement for additional affordable housing to be provided. It has been decided to remove all households in need currently living in social rented accommodation from the estimates of additional requirement. This reduces the backlog figure by 350 households to 109.

## 7.6 Potential and homeless households (backlog (non-households))

The final elements of backlog need are potential and homeless households. Potential households in need are persons who currently live as part of another household (typically with parents) but state that they need to move to independent accommodation and are unable to afford to do so. The homeless households in need are those that would not have already been accounted for in the main sample survey or the methodology so far employed.

### (i) Potential households

In this chapter we define the backlog as potential households who need to move now and are unable to afford suitable market housing. Such households will also need to have stated that they would be looking to remain living in the Borough. The fact that some of these households will join up with other person(s) when setting up home independently has been accounted for.

The table below summarises the number of potential households within the Borough and those that are considered within the backlog element of the needs assessment. Also shown is the estimate of the number unable to afford market housing (using the methodology shown in the previous chapter).

Aspect of calculation	Number	Sub-total
Number of potential households in the Borough (two years)		3,755
Minus those not needing to move now	-3,031	724
Minus those joining up with other persons	-180	544
Minus those moving out of the Borough	-9	535
<b>TOTAL POTENTIAL HOUSEHOLDS</b>		<b>535</b>
Times proportion unable to afford		63.6%
<b>POTENTIAL HOUSEHOLDS IN NEED</b>		<b>340</b>



The survey estimates that there are 3,755 potential households in the Borough, of which 724 need to move now. When taking account of those joining up with other persons this figure is reduced to 544, of which 535 want to remain in the Borough. Not all of these potential households will necessarily be in need. Some may be able to afford suitable private sector accommodation. The potential households were then asked whether or not they could afford to access the private sector housing market without resorting to housing benefit. It is estimated that of the 535 potential households who need to move now (within the Borough), 63.6% cannot afford local private sector housing (340 households).

It should be remembered that the backlog of potential households is only a small subset of the larger group of potential households who have mainly stated a need or expectation of moving sometime in the future. As a result some of the findings can be quite different; for example, around 30% of all potential households stated that they would like or expect to move from the Borough but this figure is much lower when looking at the particular group who have stated a need to/likelihood of moving now (as used in the above figures).

***(ii) Additional homeless households in need***

The Housing Needs Survey is a ‘snapshot’ survey that assesses housing need at a particular point in time. There will, in addition to the existing and potential households in need, be some homeless households who were in need at the time of the survey and should also be included within any assessment of backlog need. To assess these numbers we have used information contained in the Councils P1 (E) Homeless returns.

The main source of information used is Section E6: Homeless households accommodated by your authority at the end of the quarter. The important point about this information is the note underneath. “*This should be a ‘snapshot’ of the numbers in accommodation on the last day of the quarter, not the numbers taking up accommodation during the quarter.*” This is important given the snapshot nature of the survey. Data compiled from the March 2004 P1(E) form is shown in the table below.

<b>Table 7.4 Homeless households accommodated by authority at March 2004 (Section E6, P1(E) form)</b>	
Category	Quarter ending 31/3/04
<u>Bed and breakfast</u>	<u>52</u>
<u>Other nightly paid</u>	<u>1</u>
<u>Hostel</u>	<u>87</u>
Private sector accommodation leased by authority	0
Private sector accommodation leased by RSLs	74
Directly with a private sector landlord	9
Within Council’s own stock	7
RSL stock on assured shorthold tenancies	0
Other	0
<b>TOTAL</b>	<b>230</b>

Not all of the categories in the above table are added to our assessment of existing and potential households in need. This is because, in theory, they will be part of our sample for the Housing Needs Survey. For example, households housed in private sector accommodation should already be included as part of the housing need – such household addresses should appear on the Council Tax file from which the sample was drawn.

After considering the various categories, we have decided there are three which should be included as part of the homeless element. These have been underlined in the table above. Therefore, of the 230 homeless households in temporary accommodation, 140 will be counted as homeless for the purpose of the Housing Needs Assessment.

### 7.7 Total backlog need

Having been through a number of detailed stages in order to assess the backlog of need in Ipswich we shall now bring together all pieces of data to complete the ‘B: BACKLOG OF EXISTING NEED’ element of the Basic Needs Assessment model encouraged by the ODPM. This is shown in the following section.

The table below summarises the first stage of the overall assessment of housing need as set out by the ODPM. The data shows that there is an estimated backlog of 589 households in need (see stage 5). The final stage is to include a quota to progressively reduce this backlog. A reduction in the backlog of need of 20% per year has been assumed in Ipswich. The table therefore shows that the annual need to reduce backlog is 118 dwellings per annum.

<b>ODPM Guide</b>	<i>‘It is also unrealistic to expect to meet all of any backlog in the planning period. It is recommended that all authorities apply a standard factor of 20% here for comparability (this implies eliminating the backlog over a 5 year strategy period). LA’s may then make policy judgements to determine the practical rate at which this backlog can be reduced’.</i> [Section 2.4 (page 25)]
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Table 7.5 Basic Needs Assessment Model – Stages 1 to 7		
<i>B: BACKLOG OF EXISTING NEED</i>		
<i>Element</i>	<i>Notes</i>	<i>Final number</i>
1. Backlog need existing households	Number of households currently living in unsuitable housing	3,317
2. <i>minus</i> cases where in-situ solution most appropriate	In situ (or outside the Borough) solution most appropriate for 2,637 households	Leaves 680
3. <i>times</i> proportion unable to afford to buy or rent in market	67.4% = 459 – also remove 350 social renting tenants	109
4. <i>plus</i> Backlog (non-households)	Potential = 340 Homeless = 140	480
5. <i>equals</i> total Backlog need		589
6. <i>times</i> quota to progressively reduce backlog	Suggest 20% as in ODPM report	20%
7. <i>equals</i> annual need to reduce Backlog		118

*NB Elimination of the backlog over a five-year period is recommended in the Guide. However, the Council can make a policy decision to do so over a longer period.*

## 7.8 Summary

This chapter reported on the components contributing to the backlog need element of the needs assessment model. In total it is estimated that 459 existing households are in housing need. When looking further forward to the additional affordable housing requirements of these households we remove households currently living in social rented housing to produce a final figure of 109.

The final element of backlog need considered the needs arising from potential and homeless households. These two elements together make for 480 additional households in need.

Bringing together all the factors of the backlog of housing need (as defined by the ODPM and followed by *Fordham Research*) it is estimated that there is an overall backlog of need of 589 affordable homes. Annualised, assuming a 20% reduction per year suggests an annual need to reduce the backlog of 118 dwellings.



## 8. Newly arising need

### 8.1 Introduction

In addition to the Backlog of existing needs discussed so far in this report there will be newly arising need. This is split, as per ODPM guidance, into four categories. These are as follows:

1. New households formation (× proportion unable to buy or rent in market)
2. Ex-institutional population moving into the community
3. Existing households falling into need
4. In-migrant households unable to afford market housing

The guidance also suggests that each of these should be calculated on an annual basis. The following sections deal with each of these points in detail.

### 8.2 New household formation

This is based on information about households who have formed over the past two years (within the Borough) and affordability. This is consistent with the Guide approach:

<b>ODPM Guide</b>	<p><i>'A... reliable approach to this issue is to base the profile of new households on the characteristics of identified newly forming households in the recent past'.</i></p> <p><i>'Stage 9 in the basic needs assessment model... involves estimating the proportion of newly forming households who will be unable to afford to access housing in the private market'.</i></p> <p><i>'It is recommended that the primary basis for assessing the income and household type profile of new households is the profile of actual new households formed over the period preceding the survey'. [Section 4.4 (pages 61 &amp; 62)]</i></p>
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The table below shows details of the derivation of new household formation and their affordability.

<b>Table 8.1 Derivation of newly arising need from new household formation</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	10,249	
Minus moves from outside Borough	-3,309	6,940
Minus households NOT forming in previous move	-5,258	1,682
<b>TOTAL APPLICABLE MOVES</b>	<b>1,682</b>	
<b>TOTAL APPLICABLE MOVES (per annum)</b>	<b>841</b>	
Times proportion unable to afford	49.0%	
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>	<b>412</b>	

The table above shows that an estimated 1,682 households are newly formed within the Borough over the past two years (841 per annum). Of these it is estimated that 49.0% are unable to afford market housing without some form of subsidy. The annual estimate of the number of newly forming households falling into need is therefore 412 per annum.

### 8.3 Ex-institutional population moving into the community

The analysis of the ex-institutional population moving into the community is based on a similar analysis to that used for newly forming households except that it concentrates on households moving from ‘institutional’ accommodation. In the case of Ipswich, the majority of such households identified had moved from temporary accommodation (having previously been homeless). Again these households are tested for their ability to afford market housing. The table below shows the results of this analysis.

<b>Table 8.2 Derivation of newly arising need from ‘ex-institutional’ population</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	10,249	
Minus moves from outside Borough	-3,309	6,940
Minus households NOT moving from an ‘institution’	-6,890	50
<b>TOTAL APPLICABLE MOVES</b>		<b>50</b>
Times proportion unable to afford		100.0%
<b>TOTAL IN NEED (2 years)</b>		<b>50</b>
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>		<b>25</b>

In total it is estimated that 25 households fall into the category of ‘ex-institutional population moving into the community’ per annum.

### 8.4 Existing households falling into need

This is an estimate of the number of existing households currently living in Ipswich who will fall into housing need over the next two years (and then annualised). The basic information for this is households who have moved home within the Borough in the last two years and affordability. A household will fall into need if it has to move home and is unable to afford to do this within the private sector (examples of such a move will be because of the end of a tenancy agreement). A household unable to afford market rent prices but moving to private rented accommodation may have to either claim housing benefit or spend more of their income on housing than is considered affordable (or indeed a combination of both).

<b>ODPM Guide</b>	<i>‘The basic needs model also identifies two other ways [the second is the next section] in which new needs may arise in a locality. The first of these refers to existing households, previously satisfactorily housed, who fall into need during the period (per year, conventionally)’. [Section 4.4 (page 63)]</i>
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Households previously living with parents, relatives or friends are excluded as these will double-count with the potential households already studied. The data also excludes moves between social rented properties. Households falling into need in the social rented sector have their needs met through transfer to another social rented property, hence releasing a social rented property for someone else in need. The number of households falling into need in the social rented sector should therefore, over a period of time, roughly equal the supply of ‘transfers’ and so the additional needs arising from within the social rented stock will be net zero.

<b>Table 8.3 Derivation of Newly Arising Need from households currently living in the Borough</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	10,249	
Minus moves from outside Borough	-3,309	6,940
Minus households forming/ex-institutional	-1,732	5,208
Minus households transferring within affordable housing	-1,127	4,081
<b>TOTAL APPLICABLE MOVES</b>	<b>4,081</b>	
Times proportion unable to afford	27.6%	
<b>TOTAL IN NEED (2 years)</b>	<b>1,127</b>	
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>	<b>564</b>	

The table above shows that a total of 4,081 household moves are considered as potentially in need. Using the standard affordability test for existing households it is estimated that 27.6% of these households cannot afford market housing (as with the main analysis of existing households in need the affordability test is based on the size requirements and financial situation of those households having made a ‘potentially in need’ move over the past two years). Therefore our estimate of the number of households falling into need within the Borough excluding transfers is 1,127 households ( $4,081 \times 0.276$ ) over the two-year period. Annualised this is 564 households per annum.

### 8.5 In-migrant households unable to afford market housing

This is the final element of newly arising need. Households falling into need in this group are households currently living outside the Borough who are expected to move into the Borough but cannot afford suitable private sector housing. The basic information for this is similar to the above section except that it deals with households who are expected to move into the Borough in the next two years (based on past move information) and these households’ affordability.

This data does not exclude transfers as none of these households could have transferred within Ipswich’s stock at the time of the move. Household formation is not an issue as none of these households could be double-counted because they do not currently live within the Borough.

<b>ODPM Guide</b>	<i>‘Households moving into the district and requiring affordable housing can be identified by HN surveys, again using data on recent movers’. [Section 4.4 (page 63)]</i>
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The table below shows the derivation of the in-migrant element of newly arising need.

<b>Table 8.4 Derivation of Newly Arising Need from households currently living outside the Borough</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	10,249	
Minus moves from within Borough	-6,940	3,309
<b>TOTAL APPLICABLE MOVES</b>	<b>3,309</b>	
Times proportion unable to afford	31.0%	
<b>TOTAL IN NEED (2 years)</b>	<b>1,027</b>	
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>	<b>514</b>	

In total the table above shows that 3,309 'potentially in need' moves took place in the past two years from outside the Borough. The survey data also shows us that 31.0% of these households cannot afford market housing (as with the main analysis of existing households in need the affordability test is based on the size requirements and financial situation of those households having made a 'potentially in need' move over the past two years). Therefore our estimate of the number of households falling into need from outside the Borough is 1,027 households ( $3,309 \times 0.310$ ) over the two-year period. Annualised this is 514 households per annum.

## 8.6 Character of projected need

Having estimated the number of households likely to fall into need per annum it is of interest to look briefly at the characteristics of these groups. This has been done in terms of household type, income and working status. In addition, each of these groups has been compared with the total number in each group to show which groups are more likely to have a need in the future.

The table below shows the household type of those expected to fall into need compared with the total number in the group. Overall the projected need comes to 1,515 households per annum. Lone parents are particularly likely to be part of this need followed by single non-pensioner households. Pensioner households are least likely to be part of the estimated future needs for affordable housing.



Household type	Future need				
	Future need	Not future need	Number of h'holds in group	% of total h'holds in need	% of those in need
Single pensioner	54	7,799	7,853	0.7%	3.6%
2 or more pensioners	32	5,082	5,114	0.6%	2.1%
Single non-pensioner	581	8,269	8,849	6.6%	38.3%
2 or more adults, no children	340	16,153	16,493	2.1%	22.4%
Lone parent	263	2,020	2,284	11.5%	17.4%
2+ adults, 1 child	119	4,079	4,198	2.8%	7.9%
2+ adults, 2+ children	125	6,765	6,890	1.8%	8.3%
<b>TOTAL</b>	<b>1,515</b>	<b>50,166</b>	<b>51,681</b>	<b>2.9%</b>	<b>100.0%</b>

The table below shows projected need by income level. The income figures have been banded and are based on figures for weekly net income (including all non-housing benefits). The table shows that lower income households are far more likely to have a need in the future than other households. Although over half of all households have an income of over £300 per week, this group is expected to make up only 11.0% of the future need. It is important to remember that this information refers to households in newly arising need per annum and does not consist of all households in housing need.

Income band	Future need				
	Future need	Not future need	Number of h'holds in group	% of total h'holds in need	% of those in need
up to £100	300	3,932	4,232	7.1%	19.8%
£100-£150	278	5,276	5,553	5.0%	18.3%
£150-£200	417	5,439	5,856	7.1%	27.5%
£200-£250	213	4,916	5,129	4.2%	14.1%
£250-£300	141	4,877	5,018	2.8%	9.3%
£300+	166	25,727	25,894	0.6%	11.0%
<b>TOTAL</b>	<b>1,515</b>	<b>50,166</b>	<b>51,681</b>	<b>2.9%</b>	<b>100.0%</b>

The table below shows projected need and working status. For the purposes of this table households have been assigned to a category based on the overall make up of the household. For example, if anyone in the household is in full-time employment then that is the category assumed. The table shows that households where there is someone in full-time employment and retired households are least likely to have a need in the future. Unemployed households show the highest need.

<b>Table 8.7 Future housing need and working status</b>					
Working status	Future need				
	Future need	Not future need	Number of h'holds in group	% of total h'holds in need	% of those in need
Full-time employment	469	28,601	29,070	1.6%	30.9%
Part-time employment	158	3,415	3,573	4.4%	10.4%
Retired	158	13,619	13,777	1.1%	10.5%
Unemployed	352	1,825	2,176	16.2%	23.2%
Long-term sick or disabled	196	1,654	1,851	10.6%	13.0%
Other not working	182	1,052	1,234	14.8%	12.0%
<b>TOTAL</b>	<b>1,515</b>	<b>50,166</b>	<b>51,681</b>	<b>2.9%</b>	<b>100.0%</b>

As in all cases of projected need the information is based on past trends, we can look at the reasons why households moved home. This will give some indication of the difficulties experienced by households prior to moving. It should be remembered that the total comes to more than 100% as each household was able to answer as many reasons as they felt were applicable. For comparison the results for households moving and not in need are also included in the table.

The table shows a wide range of reasons for moving, many of which show very different results to the 'not in need' category. Of note are the big differences between figures for the first two groups in the table (evicted/re-posessed and end of tenancy agreement).

Table 8.8 Reasons for moving home		
Reason for moving	Households in need	Not in need
Evicted/re-possessed	5.2%	0.9%
End of tenancy agreement	13.0%	3.3%
Relatives/friends unable/unwilling to accommodate	5.9%	1.3%
To move to cheaper accommodation	3.8%	5.6%
Previous home was too small	11.2%	26.3%
Previous home was too big	3.9%	5.0%
Previous home was difficult to maintain	4.0%	3.3%
Previous home was unsuitable for a family	4.0%	6.6%
Previous home lacked adequate facilities	2.5%	2.6%
Access problems (e.g. steps, stairs)	10.2%	4.8%
Previous home was in poor condition	5.0%	3.2%
Were the victim of harassment	8.4%	3.9%
Relationship breakdown	14.0%	9.0%
Moved to live with partner	8.6%	10.3%
To receive/give care or support	3.0%	1.6%
To live closer to employment or other essential facilities	5.9%	12.1%
To live independently	19.2%	8.5%
To reduce journey time to work	3.8%	8.3%
To reduce cost of journey to work	1.4%	4.7%
To move from renting to owner-occupation	1.2%	12.3%
To move from owner-occupation to renting	2.4%	0.7%
To move from private rented sector to social rented sector	5.1%	0.0%
Other	14.0%	23.5%

## 8.7 Summary

The data from each of the above sources can now be put into the Basic Needs Assessment Model as is shown in the table below. It indicates that additional need will arise from a total of 1,515 households per annum. Had the affordability calculations been based on a repayment mortgage rather than interest only then the figure would rise to 1,572 per annum.

<b>Table 8.9 Basic Needs Assessment Model – Stages 8 to 13</b>		
<i>N: NEWLY ARISING NEED</i>		
<i>Element</i>	<i>Notes</i>	<i>Final number</i>
8. New household formation (gross, p.a.)		841
9. <i>Times</i> proportion unable to buy or rent in market	49.0% cannot afford market housing	Leaves 412
10. <i>plus</i> ex-institutional population moving into community		25
11. <i>plus</i> existing households falling into need		564
12. <i>plus</i> in-migrant households unable to afford market housing		514
13. <i>equals</i> Newly arising need	9+10+11+12	1,515

## 9. Supply of affordable housing

### 9.1 Introduction

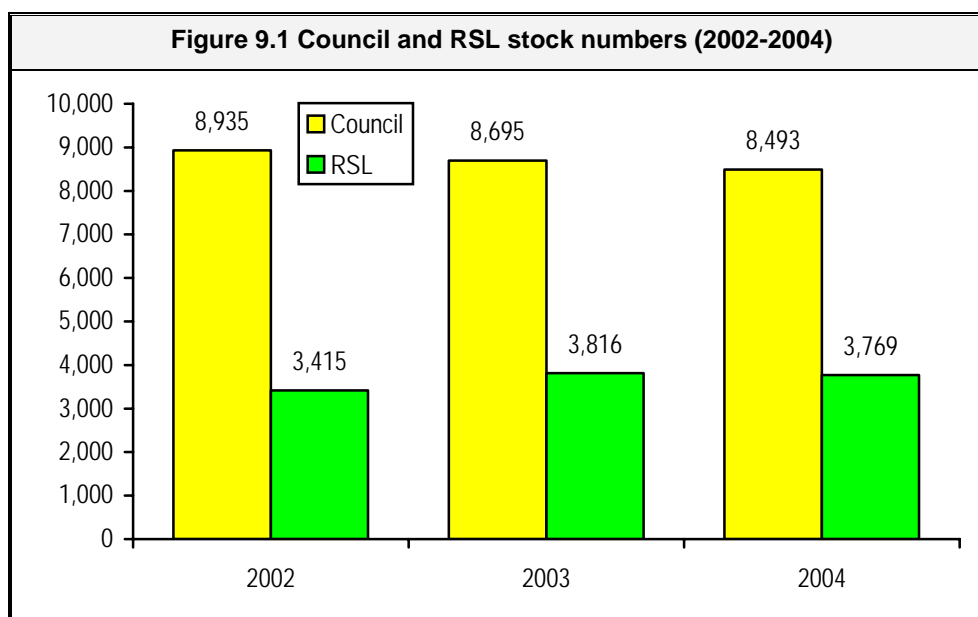
This chapter looks at current supply of affordable housing from both the Council and RSLs in the Borough. We shall begin by highlighting the general patterns of supply in the social rented stock over the past three years before making a judgement about which supply figures should feature as part of the needs assessment model.

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*'The most important source of supply is typically relets of existing social housing. A basic projection should assume continuance of the same rate of net relets as in the last year or an average over the last 3 years'. [Section 2.4 (page 26)]*

### 9.2 The Social Rented stock

We have studied information from the Council's Housing Investment Programme (HIP) for three years (from 2002 to 2004 inclusive). The figure below shows the changing levels of stock for both the Council and RSLs within the Borough.



The figure above shows that the Council stock has shrunk since 2002, by 442 dwellings. This is likely to be mainly due to right-to-buy sales. The RSL stock shows an increase over the same period (of 354 dwellings). Overall, there has been a net loss of 88 properties from the Ipswich Borough's social housing stock (44 per annum).

### 9.3 The supply of affordable housing

#### (i) Council stock

The table below shows an estimate of the supply of lettings from Council-owned stock over the past three years. The data shows that the number of lettings has been decreasing over time. In 2001/02 there were 1,148 lettings to new tenants, by 2003/04 this had declined to 893. The average number of lettings over the three-year period was 1,077 per annum.

Source of supply	2001/02	2002/03	2003/04	Average
LA lettings through mobility arrangements	10	13	4	9
LA lettings to new secure tenants	424	437	367	409
LA lettings to new tenants on an introductory tenancy	0	0	0	0
LA lettings to new tenants on other tenancies	1	0	0	0
(Exclude transfers from RSL)*	(28)	(28)	(28)	(28)
<b>LA TOTAL EXCLUDING TRANSFERS</b>	<b>407</b>	<b>422</b>	<b>343</b>	<b>391</b>

(\*) In 2001/02 and 2003/04 this information was not included on the HIP form. The same number of transfers as in 2002/03 has been assumed for the missing years.

#### (ii) RSL stock

For the RSL stock we can again look at H.I.P. information. Additionally, CORE data provides an indication of the number of lettings in the RSL sector. The table below shows the number of lettings from each of these sources over the past three years.

	2001/02	2002/03	2003/04	Average
H.I.P. data	692	774	857	774
CORE data	443*	414	390	416
<b>AVERAGE</b>	<b>568</b>	<b>594</b>	<b>624</b>	<b>595</b>

(\*) Figure for 2001/02 not available. Figure for 2000/01 has been used.

The data in this table also suggests that there has generally been an increase in the supply of RSL lettings over the past three years, from 568 in 2001/02 to 624 in 2003/04. The average for the three-year period is 595 per annum.

It should be noted that for the period 2002 to 2004 H.I.P. data shows that an average of 51 households transferred from Council to RSL dwellings within the Borough per annum.

**(iii) Estimate of lettings**

The figures for both Council and RSL lettings show some variation over time. This makes it difficult to estimate future supply with any certainty. For the purposes of estimating future supply we have therefore used the average number of lettings over the three year period studied (the use of data for a three year period is consistent with Government guidance).

Therefore our estimated future supply of lettings from both the Council and RSL will be 935 (391+595-51).

**9.4 New dwellings**

From the estimated supply of affordable housing we also need to deduct lettings made to new dwellings. As one of the main purposes of the survey is to estimate any surplus or shortfall of affordable housing, it is important to avoid double-counting by not including likely future supply through additions to the stock from RSLs (although these new properties will themselves in time produce some relets). This is also a view taken in ODPM guidance.

<b>ODPM Guide</b>	<i>'...it may be more helpful to combine committed and shortfall figures [shortfall including committed new provision] to obtain an overall affordable need estimate, which can then be related to overall planned housing requirements and provision'. [Section 2.4 (page 26)]</i>
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<b>Table 9.3 Analysis of past provision of new affordable housing – Average for three years</b>				
New affordable housing	2001/02	2002/03	2003/04	Average
Additional LA dwellings (H.I.P.)	0	0	0	0
Additional RSL dwellings (H.I.P.)	95	137	94	109
Additional RSL dwellings (CORE)	125*	99	75	100

(\*) Figure for 2001/02 not available. Figure for 2000/01 has been used.

The table above summarises information contained in the H.I.P. return for 2004 (Section N) and CORE data for the same period. The data indicates that there have been an annual average of 105 new affordable housing completions between 2001-02 and 2003-04. These are taken away from our estimate of lettings to provide a relet figure of 830 dwellings per annum (935-105). The figure of 830 represents a turnover of around 6.8% (based on the number of relets and the estimated number of social rented dwellings (i.e. 830/12,262).

### 9.5 Shared ownership supply

In most local authorities the amount of shared ownership available in the stock is fairly limited (as is the case in Ipswich). However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing. In many parts of the country, shared ownership housing is as expensive as the cheapest housing available on the open market. Hence in this sense it cannot be deemed as affordable housing. Unfortunately we do not have any information about the exact affordability of the current stock of shared ownership housing in the Borough and hence for the purposes of analysis we have assumed that such housing (second-hand) will be available at prices below those for entry-level market housing.

Therefore we include an estimate of the number of shared ownership units that become available each year. Information from the Housing Corporation suggests that there are around 127 shared ownership units in the Borough, the Census estimated the figure to be 163, whilst the housing needs survey data estimates 73. The average of these three figures is 121. For the purposes of this analysis it is assumed that the turnover of shared ownership accommodation is roughly the same as found in the social rented sector. This is estimated at 6.8%. Hence we estimate that each year an average of 8 units of shared ownership tenure will become available to meet housing needs (6.8% × 121). Therefore, the estimate of supply becomes 838 per annum (830+8).

### 9.6 Vacant dwellings

As of April 2004, there were 152 vacant dwellings in the social rented stock, representing around 1.2% of all social rented stock in the Borough. This is considered to be an average vacancy rate and hence no adjustment needs to be made to the figures to take account of this.

<b>ODPM Guide</b>	<i>'The change in vacancies is a key factor in the net stock approach. The general principle is that there should be a target vacancy rate to allow normal movement in the housing stock. Typical recommended allowances would be 4 per cent for the private sector with 2 per cent being more appropriate for the social sector'. [Section 2.5 (page 28)]</i>
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### 9.7 Changes in the supply of affordable housing

This covers stages 15 and 16 of the *'Basic Needs Assessment Model'*. Stage 15 is *'minus increased vacancies & units taken out of management'*; Stage 16 is *'plus committed units of new affordable supply'*.

In the case of Stage 15, it would not be sensible to remove from the supply equation the number of properties taken out of management. It is much more sensible to estimate the likely reduction in relets as a result of such losses.



In the case of Stage 16 it seems more logical to exclude committed units as the purpose of the analysis is to show a surplus or shortfall of affordable housing. Including committed units might in some cases show a surplus of affordable housing where in fact the new housing is required to prevent a shortfall. However, we must remember that new affordable housing will in time produce additional relets (in the same way as relet opportunities are lost when dwellings are ‘taken out of management’).

Data contained in H.I.P. returns suggests that from April 2002 to April 2004 there was a net loss of 88 dwellings in the social rented stock (44 per annum). Given an average turnover of around 6.8% this would equate to a loss of around 3 letting opportunities per annum. Hence, on the basis of this information it is estimated that average future supply of affordable housing will be 835 units per annum (838-3).

## 9.8 Summary

The table below details the stages in arriving at an estimate of the 835 relets from the current stock of affordable housing per annum. Analysis of H.I.P. and CORE data (excluding transfers within the social rented stock) for the last two years indicates an average supply of lettings of 935 per year. Taking account of lettings made to new dwellings the supply estimate is reduced by 105 units per annum. It is assumed that there would be no additional lettings in the vacant stock, whilst units taken out of management and committed units of new affordable supply will lead to a net loss of 3 dwellings per annum. Finally, we have included 8 ‘relets’ from shared ownership dwellings, which increases supply to a total of 835. The second table shows how this fits into the Basic Needs Assessment model.

<b>Table 9.4 Estimated future supply of affordable housing (per annum)</b>	
Element of supply	Number of units
Average lettings per annum (excluding transfers)	935
Lettings in new housing	-105
‘Relets’ of shared ownership	+8
Additional lettings in vacant stock	+0
Letting opportunities lost through units taken out of management (Stage 15)	-3
Letting opportunities gained through additional stock (Stage 16)	-3
<b>ESTIMATED SUPPLY OF AFFORDABLE HOUSING (PER ANNUM)</b>	<b>835</b>

<b>Table 9.5 Basic Needs Assessment Model – Stages 14 to 17</b>		
<i>S: SUPPLY OF AFFORDABLE UNITS</i>		
<i>Element</i>	<i>Notes</i>	<i>Final number</i>
14. Supply of social relets p.a.	Excludes transfers within social rented stock and includes 'relets' of shared ownership	838
15. <i>minus</i> increased vacancies & units taken out of management	Letting opportunities lost	-3
16. <i>plus</i> committed units of new affordable supply p.a.	Letting opportunities gained	
17. <i>equals</i> affordable supply	14-15+16	835

## **10. Basic needs assessment model**

### **10.1 Introduction**

The table on the following page shows the final figures in the '*Basic Needs Assessment Model*'. This brings together the three key elements that have been calculated in the preceding chapters, namely; the Backlog of Existing Need, Newly Arising Need and the Supply of Affordable Units. The overall output from these three analytical stages represents the estimated net affordable housing requirement across the Borough.

### **10.2 Total housing need**

The backlog of existing need suggests a requirement for 118 units per year and the newly arising need a requirement for 1,515 units per annum. These two figures together total 1,633 units per annum. The total estimated supply to meet this need is 835 units per year. This therefore leaves a shortfall of 798 units per year.

<b>Table 10.1 Basic Needs Assessment Model</b>		
<b>B: BACKLOG OF EXISTING NEED</b>		
<i>Element</i>	<i>Notes</i>	<i>Final number</i>
1. Backlog need existing households	Number of households currently living in unsuitable housing	3,317
2. <i>minus</i> cases where in-situ solution most appropriate	In situ (or outside the Borough) solution most appropriate for 2,637 households	Leaves 680
3. <i>times</i> proportion unable to afford to buy or rent in market	67.4% = 459 – also remove 350 social renting tenants	109
4. <i>plus</i> Backlog (non-households)	Potential = 340 Homeless = 140	480
5. <i>equals</i> total Backlog need		589
6. <i>times</i> quota to progressively reduce backlog	Suggest 20% as in ODPM report	20%
7. <i>equals</i> annual need to reduce Backlog		118
<b>N: NEWLY ARISING NEED</b>		
8. New household formation (gross, p.a.)		841
9. <i>times</i> proportion unable to buy or rent in market	49.0% cannot afford market housing	Leaves 412
10. <i>plus</i> ex-institutional population moving into community		25
11. <i>plus</i> existing households falling into need		564
12. <i>plus</i> in-migrant households unable to afford market housing		514
13. <i>equals</i> Newly arising need	9+10+11+12	1,515
<b>S: SUPPLY OF AFFORDABLE UNITS</b>		
14. Supply of social relets p.a.	Excludes transfers within social rented stock and includes 'relets' of shared ownership	838
15. <i>minus</i> increased vacancies & units taken out of management	Letting opportunities lost	-3
16. <i>plus</i> committed units of new affordable supply p.a.	Letting opportunities gained	
17. <i>equals</i> affordable supply	14-15+16	835
<b>18. Overall shortfall/surplus</b>	<b>7+13-17 (per annum)</b>	<b>798</b>

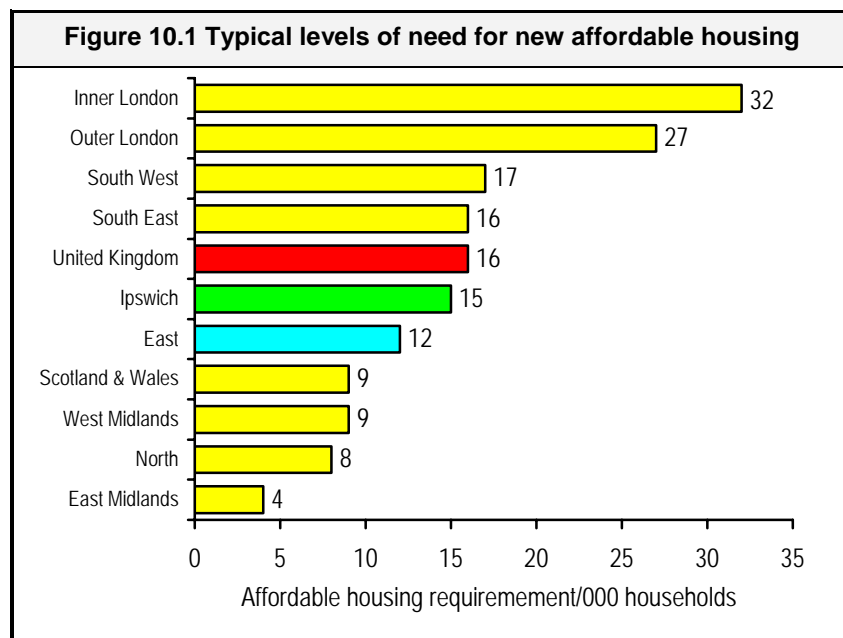
NB Elimination of the backlog over a five-year period is recommended in the Guide. However, the Council can make a policy decision to do so over a longer period.

### 10.3 The Ipswich situation in context

As *Fordham Research* has carried about a hundred district-wide housing needs assessments since the ODPM Guide was published in 2000, it is possible to provide reasonable indicative levels for the typical levels of affordable housing or shortage found across Britain.

In order to ‘standardise’ the levels of need/shortage for local authorities of widely varying scale, the shortfall/surplus of affordable housing has been divided by the numbers of thousands of households in the Council area.

The value for Ipswich is 15 per 1,000 (calculated as  $(798/51,681) \times 1,000$ ). As can be seen, this figure is roughly the same as our national average (16) and slightly above the average for the East of England (12).



Additionally, comparisons can be made between the results for Ipswich and other local authorities in the Eastern region. The table below shows ‘needs’ levels for a range of different authorities where *Fordham Research* have carried out housing needs assessments since publication of the Guide.

Table 10.2 Levels of need in other Eastern region local authorities	
Local authority	Level of need (per 1,000 hhs)
Uttlesford	11
Kings Lynn	8
South Norfolk	11
Broadland	11
Breckland	12
Cambridge City	18
South Cambridgeshire	17
East Cambridgeshire	17
Fenland	5

### 10.4 Size requirements and sub-areas

Overall the survey suggests a shortage of affordable housing in the Borough. However, it is also important to look at what type of shortfalls exist within the current stock of affordable housing. This is recognised in the ODPM guidance.

<b>ODPM Guide</b>	<p><i>'Housing needs estimates and projections expressed as global figures for an entire local authority area are important, but they are far from being the whole story... it is important that local authorities consider the extent to which such outputs should be disaggregated by property size/type and also by sub-area.</i></p> <p><i>If this is not done, there is a danger that global figures will mask the true situation – for example, a surplus of smaller properties could act to offset a shortage of larger homes. In reality, of course, this offsetting could not occur, since the availability of smaller homes would be of no value to those needing family-size accommodation'. [Section 4.7 (pages 66-67)]</i></p>
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Hence this section looks at any mismatches between the need for affordable housing and the supply for different sizes of accommodation and at a sub-area level.

#### *(i) Size requirement*

Having estimated the net need for affordable housing in the Borough, it is useful to make suggestions about required property sizes. This is done through looking at past patterns. The number of bedrooms required by households in need is balanced against the number of bedrooms secured by those who have recently moved into affordable accommodation. The number of bedrooms required is based on the number of people in a household, taking account of co-habiting couples and children who could reasonably share.

This is shown in the table below and as can be seen, there are shortages of all sizes of accommodation other than three bedroom which shows a small surplus. The main shortages are for smaller one and two bedroom homes, however, the shortage relative to supply is greatest for four bedroom properties where it is estimated that only 30.3% of the need can be met.

<b>Table 10.3 Net need for affordable housing by size () indicates a surplus</b>			
Size required	Need	Supply	TOTAL
1 bedroom	852	370	483
2 bedroom	539	239	300
3 bedroom	166	203	(37)
4+ bedroom	76	23	52
<b>TOTAL</b>	<b>1,633</b>	<b>835</b>	<b>798</b>

The above results are based on a strict bedroom standard shown in the Glossary. This standard is however different to that currently used by the Council when allocating housing. It is therefore worth repeating this analysis based on the Council's allocation policy. In broad terms the Council's policy allows for one bedroom per person (less for large families with 5 or more children). So for example a childless couple can be considered for two bedroom accommodation whereas this survey would place such households in one bedroom accommodation. The table below shows the results of following the Council's allocations policy.

<b>Table 10.4 Net need for affordable housing by size () indicates a surplus – based on Council's allocation policy</b>			
Size required	Need	Supply	TOTAL
1 bedroom	675	370	305
2 bedroom	440	239	201
3 bedroom	290	203	87
4+ bedroom	228	23	205
<b>TOTAL</b>	<b>1,633</b>	<b>835</b>	<b>798</b>

The table still shows that much of the requirement is for smaller (one and two bedroom) properties. However there is now a shortage of three bedroom homes and a significant shortage of homes with four or more bedrooms.

### **(ii) Sub-area analysis**

The table below provides the same style of analysis as above (by sub-area). The table again shows the need, supply and overall requirement for affordable housing. The table indicates that each area has an overall shortage of affordable housing. The shortfall figures range from 360 in Central to 18 in the North West.

<b>Table 10.5 Net need for affordable housing by sub-area</b>			
<b>( ) indicates a surplus</b>			
Sub-area	Need	Supply	TOTAL
South East	255	181	74
South West	487	256	231
Central	575	215	360
North East	158	43	116
North West	158	140	18
TOTAL	1,633	835	798

## 10.5 Implications for affordable housing policy

Appendix A1 details the key features of current ODPM Affordable Housing policy. This is likely to be changed only slightly if the draft affordable housing sections of PPG3 (published in July 2003) are adopted.

The first implications for affordable housing policy are the choice of an appropriate percentage target and of the site size threshold at which the eventual affordable housing policy will apply.

### *(i) Percentage target*

The Guide to Housing Needs Surveys has its own proposals on how targets should be calculated (contained within Table 8.1 of the Guide). It is therefore worth pursuing the suggested ODPM method to show the expected result. The table below shows an estimate of the likely suggested percentage target from following the ODPM method.

<b>Table 10.6 Calculation of affordable housing target: following ODPM methodology</b>	
Element	Dwellings (per annum)
Affordable housing requirement	798
Minus affordable supply from non S106 sites (estd)	-0
EQUALS	798
Projected building rate (estimated)	500
Minus sites below threshold (assumed)	-0
Minus affordable supply from non S106 sites (estd)*	-0
EQUALS	500
Therefore Target is	798/500
EQUALS	160%

Given the results of this table it is clear that at the general level, any target would be justified. In our view there is no real point in varying the target from site to site or from locality to locality; the target is only likely to be varied downwards as a result of this practice.



Custom and practice is in fact the only guide to choosing a target, assuming that there is a substantial housing need. Clearly that is the case in Ipswich. The typical range of targets in areas with high levels of need is between about 30% and 50%. Such targets have been used by a number of local planning authorities.

We would advise the use of a Borough-wide percentage target. This is the most easily understood form of target. It applies to allocated and windfall sites where viability permits. It is almost impossible to justify any variation of targets, since the Council's housing needs problem is one for the Local Planning Authority and the Local Housing Authority as a whole. The question of how and where to meet the housing needs problem is a strategic one for the Council. On the evidence, any target can be justified, although the Council is free to take a view on the particular level it wishes to set.

#### *(ii) Threshold site size*

There is more certain guidance on the issue of site thresholds. The Government advice contained in Circular 6/98 and PPG3 (2000) provides a threshold standard of 25 dwellings/ha. However, it recognises that, in special circumstances, lower thresholds of 15+ dwellings/0.5 ha may be proposed on allocated and windfall sites.

Given the amount of additional housing required, it would seem reasonable to assume that the Council would want to secure affordable housing on all sites regardless of size. Therefore, the lower government guidance thresholds would certainly be reasonable. Given the large need for affordable housing, a lower site threshold could be seriously considered.

### **10.6 Implications of the findings**

When figures from various parts of the Basic Needs Assessment model are put together it is clear that there is a significant need for affordable housing in the Borough. The level of need (at 798 per annum) is particularly stark given likely rates of newbuild in the Borough in the future and it is clear that not all housing needs will be met.

It is therefore most probable that the private rented sector will be used as a sink to make up for the shortfall of affordable housing (or continue to be used as a sink). Additionally, it is likely that a number of potential households will not form or will out-migrate to form. Hence, it is possible that the affordable needs of all households in the Borough cannot be met within any reasonable time period.

The figure of need (at 798 per annum) does not mean that this number of homes need to be built. It is the number of affordable homes that need to be provided. Although newbuild is one way (and probably the most major way) of increasing the supply of affordable housing it would in theory be possible to meet some of the need though better utilisation of the existing stock (e.g. empty homes). It should however be noted that vacancy rates in the social rented stock are currently quite low and so the scope for such initiatives may be rather limited. We do not however think that providing housing benefit in the private rented sector represents a suitable long-term solution to households housing problems although in the short term such a solution seems unavoidable. This is also the view taken by ODPM.

<b>ODPM Guide</b>	<i>'...the private rented sector is highly stratified in many areas, and the part of it occupied by tenants dependent on benefits may be atypical and/or inappropriate in terms of households requiring long term accommodation of a reasonable standard.'</i> [Section 7.3 (page 96)]
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### 10.7 A longer term view of the housing requirement

The main assessment of the requirement for additional affordable housing has been based on a five year time period (as required by ODPM guidance, Section 2.4 (page 25)). It is however possible to extend this period further into the future. We have considered below what the requirement for additional affordable housing would be to 2014 following the same approach as set out in the preceding chapters.

The annual estimates of newly arising need and supply are unchanged but the backlog of need has been divided by ten (rather than five as suggested in the Guide) to spread it over the ten year period. The table below summarises the results up to 2014 and indicates a shortfall of around 739 affordable homes per year. Assuming the level of supply remains the same over this period, the total requirement to 2014 would be around 7,390 additional affordable homes (i.e. 739 per year for the 10 years to 2014).

<b>Table 10.7 Summary of Basic Needs Assessment Model (annual requirement to 2014)</b>	
Element	Number of households
<b>B. BACKLOG OF EXISTING NEED</b>	
Annual need to reduce backlog	59
<b>N. NEWLY ARISING NEED</b>	
Newly Arising Need	1,515
<b>S. SUPPLY OF AFFORDABLE UNITS</b>	
Affordable supply	835
Overall shortfall/Surplus	739

## 10.8 Summary

The Housing Needs Survey in Ipswich followed closely guidance from The ODPM in *'Local Housing Needs Assessment: A Guide to Good Practice'*. This involved estimates of the 'Backlog of existing need', 'Newly arising need' and future supply to estimate the current surplus or shortfall of affordable housing in Ipswich. Using this model it is estimated that for the next five years there will be a shortage of 798 affordable housing units per annum in the Borough.

The immediate implications for affordable housing are that any target would be justified on all suitable sites, and that thresholds below the current minimum could be seriously considered.



## 11. Nature of affordable housing requirement

### 11.1 Introduction

Having considered the level of housing need in the Borough this chapter studies what types of affordable housing might be most appropriate to meet this need. In principle there are two main types of housing which can be considered (intermediate housing and social rented). Intermediate housing could include a series of different housing options such as low-cost market, shared ownership or discount market rent. The two main types of affordable housing are considered in relation to the size requirement for additional affordable housing.

### 11.2 Defining intermediate housing

‘Intermediate housing’ is a term which has come to be used to describe a housing demand for which the supply is neither conventional social rented housing, nor market housing. The term was originally given currency in the ‘Homes for a World City’ report and continues through the London Plan. The term ‘intermediate’ housing is now seen as relevant across the Country. It has not been very closely defined hitherto and therefore it is important to begin this chapter by doing so, since such a definition is a necessary starting point. There are two broad reasons for doing this:

- (i) Intermediate housing should be clearly distinguished from social rented housing
- (ii) It should also be distinguished from general market housing, and with that the various unclearly labelled variants of (newbuild) ‘low cost market’ housing which have confused the debate about housing affordability since the publication of Circular 13/96 (the Circular which suggested that low cost market would be one form of affordable housing)

A clear definition of the term is required because, without that, there is little prospect of this particular need being adequately addressed.

It is difficult to provide an absolute set of boundaries for the zone of intermediate housing. Nevertheless, reasonably clear distinctions can be made:

<b>Table 11.1 Definition of intermediate housing</b>	
Lower limit of Intermediate housing	Upper limit of intermediate housing
<p>There are several issues:</p> <p>(i) Housing need is defined by ODPM to refer to households who are in unsuitable housing and cannot afford to buy or rent in the market. Affordability is defined by ODPM as excluding housing benefit.</p> <p>(ii) Of those in housing need, so defined, a large proportion can only afford social rented housing. The upper boundary of the cost of such housing is marked by the cost (rent) of new social rented housing.</p>	<p>Again there are several issues:</p> <p>(i) There is a clear upper threshold to intermediate housing, formed by the minimum entry level price of housing to buy or to rent in the market.</p> <p>(ii) The situation is confused by the fact that Government guidance does not recognise the fact that second-hand housing is always cheaper than newbuild housing. By referring to 'low cost market housing' (which is newbuild) Government guidance gives the impression that such low cost market housing is actually cheaper than entry level, second hand housing. This is never the case. In fact low cost market housing is normally at least 130% of the cost of entry level housing. The same is normally true of newbuild market rental housing.</p> <p>(iii) Although the objective situation is quite clear, that second hand housing forms the upper bound of the intermediate housing category, the situation is confused by claims by developers that some form of newbuild market housing should be allowed as 'affordable' given the wording of government advice. This unfortunate situation will continue until Government guidance is clarified.</p>

The lower boundary of intermediate housing is, therefore, formed by new social rent levels for different dwelling sizes. Some households in housing need will be able to afford somewhat more than social rents. For affordability purposes, these households fall into the intermediate housing category.

The table above serves to define the term intermediate housing in terms of the households which are covered by it. The definition does not address the question of what type of housing, either second-hand or newbuild, that might meet it. The typical expectation would be various forms of shared ownership, where the incoming household rents part of the equity value from (typically) a Registered Social Landlord, and buys the rest. Shared ownership costs somewhere between 90% and 110% of entry level housing, depending on area. Thus it is only marginally cheaper than outright purchase, and can only be classed as intermediate housing, in those cases between 90% and 100% of entry level housing. Other housing variants exist or are being developed, which may more directly meet intermediate housing demand.

### 11.3 Background

The survey estimates the costs of housing for each type of affordable housing and in each size group (by number of bedrooms) - in terms of estimated outgoings per week. The starting point is the cost of minimum priced market housing. It is obvious that any housing which costs more than the minimum cost of market housing cannot be considered as affordable in the local context, any housing available at a cost below this level will be affordable to some households in need although it is important to estimate the proportions able to afford at any particular level of outgoings.

The table below shows our estimates of the minimum cost of market housing in the Borough and estimated new social rent levels. The outgoings for owner-occupied housing have been used for all sizes of minimum price of market housing as these are cheaper than those for private rented accommodation.

<b>Table 11.2 Basic information required for assessment of types of affordable housing required</b>		
Size requirement	Minimum priced second-hand market housing (£/week)	Social rent (£/week)
1 bedroom	£65	£52
2 bedrooms	£98	£59
3 bedrooms	£106	£67
4+ bedrooms	£150	£76

It can be seen from the table above that for all dwelling sizes, the cost of social rented housing is significantly below that of market housing. Therefore it is clear that intermediate housing will be able to meet some housing need.

The table below shows the estimated breakdown of additional affordable housing requirements by size and type of housing per annum. The figures are for gross need.

<b>Table 11.3 Amount of annual requirement for each type of affordable housing (all tenures)</b>			
Dwelling size	Type of housing		
	Social rented	Intermediate housing	TOTAL
1 bedroom	713	139	852
2 bedrooms	369	170	539
3 bedrooms	105	60	166
4+ bedrooms	49	27	76
<b>TOTAL</b>	<b>1,237</b>	<b>396</b>	<b>1,633</b>

The table shows that in total 75.8% of the gross requirement could be intermediate housing, the remainder should be social rented housing. However, from these figures it is important to deduct the supply of affordable housing. As with the previous analysis this has been split by social rented and intermediate housing.

<b>Table 11.4 Annual supply for each type of affordable housing</b>			
Dwelling size	Type of housing		
	Social rented	Intermediate housing	TOTAL
1 bedroom	370	0	370
2 bedrooms	231	8	239
3 bedrooms	203	0	203
4+ bedrooms	23	0	23
<b>TOTAL</b>	<b>827</b>	<b>8</b>	<b>835</b>

The following table therefore estimates the net requirements for each type of affordable housing by size. It is interesting to note that the need for intermediate housing covers all sizes of accommodation with the main requirements (as for all affordable housing) being for smaller (one and two bedroom) homes. Although the table shows that 48.6% of the net requirement is for intermediate housing, in reality this figure is much lower because of the affordability of such housing. This is discussed in the following section.

<b>Table 11.5 Net annual need for affordable housing for each type of affordable housing</b>			
Dwelling size	Type of housing		
	Social rented	Intermediate housing	TOTAL
1 bedroom	343	139	482
2 bedrooms	138	162	301
3 bedrooms	(98)	60	(37)
4+ bedrooms	26	27	53
<b>TOTAL</b>	<b>410</b>	<b>388</b>	<b>798</b>

#### **11.4 Affordability within the intermediate category**

Although the survey suggests that up to a quarter of all additional affordable housing could be categorised as ‘intermediate’ this does not imply any particular type of housing. We have therefore sought to provide some more information by looking at four categories of ‘intermediate’ housing based on price. The table below shows the bands of intermediate housing used for analysis.



Size requirement	Approximate outgoings (£/week)			
	Cheapest intermediate housing	2 <sup>nd</sup>	3 <sup>rd</sup>	Most expensive
1 bedroom	£52-£55	£56-£58	£59-£62	£63-£65
2 bedrooms	£59-£68	£69-£78	£79-£88	£89-£98
3 bedrooms	£67-£76	£77-£86	£87-£96	£97-£106
4+ bedrooms	£76-£94	£95-£112	£113-£131	£132-£150

As per the previous analysis we can estimate the number of households in need who fall into each of these categories. This is shown in the table below, and includes all tenures. It is clear that the vast majority of those in the ‘intermediate’ category have income/affordability levels at the bottom of the scale. For example, the data suggests that 69.4% of those who could theoretically afford intermediate housing could afford nothing costing more than half of the difference between market and social rented prices. There are few households with income levels close to the market (17.9% of the intermediate group fall into the ‘most expensive’ category).

Size requirement	Approximate outgoings (£/week)					TOTAL
	Social rented housing	Cheapest intermediate housing	2 <sup>nd</sup>	3 <sup>rd</sup>	Most expensive	
1 bedroom	713	11	75	0	53	852
2 bedrooms	369	48	75	42	6	540
3 bedrooms	105	8	40	0	13	166
4+ bedrooms	49	12	7	8	0	76
<b>TOTAL</b>	<b>1,237</b>	<b>78</b>	<b>197</b>	<b>50</b>	<b>71</b>	<b>1,633</b>

Although the owner-occupied re-sale price covenant and recycling RSL grants for shared ownership schemes can ensure the intermediate status of this housing continues for future tenants, it is unlikely that prices of intermediate housing will be low enough to meet need in the first instance. Shared ownership schemes tend to be at the most expensive level of the intermediate housing range, just below market level prices, and therefore there is no solution to meet the housing need in the cheaper intermediate housing ranges. As previously stated, it is these lower prices of intermediate housing that would meet the most need.

### 11.5 The implications for targets

Clearly, a number of issues will arise in considering the implications of the above findings for any kind of policy target. Those particularly relevant to our analysis are discussed below.

The amount of affordable housing that can be provided in Ipswich is likely to fall a long way short of the requirement identified using the Basic Needs Assessment Model. As a result, there is an issue of priority.

When housing supply is as limited as it is in this case, it does not follow that the profile of affordable housing supplied should reflect the profile of all households who require it. Some groups will receive much higher priority than others; other groups will in practice rarely if ever reach the top of any waiting list and be offered a home. Experience suggests that the high-priority groups may not be representative of all need. This report provides the evidence for the degree of **need** for affordable housing, split between 'social rented' and 'intermediate'. It is clearly a policy issue, beyond the remit of this evaluation, as to how to allocate scarce **resources** between these two categories of affordable housing.

### **11.6 Affordability within the intermediate affordability category**

The results set out above make it clear that there is a considerable potential 'market' for intermediate housing, as it has been defined for the purpose of this study, among households in need in Ipswich. On average around a third of households in need could afford it.

Whether such households' need could be addressed in practice will depend upon the characteristics of the housing that is provided; in particular, the outgoings at which it is made available, and how attractive it is as a housing/tenure 'package' to prospective occupiers.

The implication is that in order to maximise the accessibility of an intermediate housing product, either it must be pitched at costs only a little higher than social rents, or else a series of separate products is needed covering the fullest possible range of affordability.

### **11.7 Summary**

Using information calculated from the survey, we have carried out further analysis to show how much of this need could be met by 'intermediate' housing, available at outgoings between social rents and the minimum cost of (second hand) market housing. The analysis shows that nearly a half (48.6%) of the additional affordable housing requirement could meet needs by such housing.

These findings cannot be translated directly into operational targets in practice. To begin with, the 48.6% figure is a maximum, and could only be reached if all the 'intermediate' housing was priced at social rents, which would be pointless, or if an extremely wide range of homes was available to cover the full spectrum of affordability from social rent to market. The data suggests that there are relatively few households in need whose financial situation place them close to being able to afford market housing.

There is also the issue of priority. Fundamentally, our analysis has focussed on the totality of need facing Ipswich. It does not differentiate between needs with different degrees of urgency or priority. If the supply of both social rented and intermediate housing continues to be severely constrained, and it is only made available to those with the greatest need, the proportion who could afford 'intermediate' housing might well be significantly different.



## 12. What types of affordable housing?

### 12.1 Introduction

The previous chapter looked at the number of households in need who could theoretically afford some form of 'intermediate' housing. This analysis however did not directly translate into any particular type of affordable housing. This chapter therefore considers the results regarding types of affordable housing in more detail. In principle there are four main types of housing which can be considered. These are:

1. Low-cost market
2. Shared ownership
3. Sub-market rented
4. Social rented

This chapter therefore concludes by making suggestions about the amount of affordable housing that should be of each of these types.

### 12.2 Defining 'affordable' housing options

The broad definitions of each of the four types of affordable housing are shown below.

#### (i) *Low-cost market housing*

Low-cost market housing is usually newbuild housing sold at a discount. This may be the result of one or a combination of reduction in the price of a home or a lower specification home (possibly with a smaller plot). Levels of discount vary, and there are relatively few examples where the discount is substantial. Based on our experience we would not expect the level of discount from newbuild prices to be more than about 20% of the full price of a property of a given size. Hence for affordability analysis we assume that low-cost market housing could be provided at newbuild prices minus 20%. The table below sets out our estimated costs for low-cost market housing.

Property size	Average newbuild	Average newbuild – 20%	Minimum cost second hand
1 bedroom	£110,000	£88,000	£68,000
2 bedrooms	£151,000	£120,800	£90,000
3 bedrooms	£165,000	£132,000	£110,500
4+ bedrooms	£220,000	£176,000	£159,500

It can be seen from the table above that for all dwelling sizes, the cost of low-cost market housing is more expensive than the minimum market (second-hand) prices. Therefore it is clear that this type of housing will not meet any housing need.

However, if we look at the likely outgoings at these prices we see that even if greater discounts were available, the level of outgoings would be well above those required to access private sector housing. For example, even if we were to reduce the level of discount to 30%, the outgoings would still be above the minimum cost of the cheapest form of private sector housing.

Property size	Average newbuild - 20%	Average newbuild - 30%	Minimum second hand	Minimum rent
1 bedroom	£101	£89	£78	£65
2 bedrooms	£139	£122	£104	£98
3 bedrooms	£152	£133	£127	£106
4+ bedrooms	£203	£177	£184	£150

### **(ii) Shared ownership**

For the purposes of the analysis, it is assumed that shared ownership costs are based on the same market valuation as low-cost market housing (at 20% discount) with either a 25% or 50% equity share. It is assumed that 3% rent would be paid on the unsold equity. The use of 3% rent on unsold equity for shared ownership costs is consistent with suggestions in the *Evaluation of the Low Cost Home Ownership Programme* produced for the Welsh Assembly and the Office of the Deputy Prime Minister (September 2002) and is in line with current practice.

ODPM Evaluation of the Low Cost Home Ownership Programme [Section 6.5 (page 81)]

*'Under a scenario of lower interest rates, lower inflation and house price growth, it would be prudently feasible to lower shared ownership rents from 4% of retained equity to about 3.3%.'*

The tables below show how the costs for shared ownership affordability have been calculated for each of the 50% and 25% scenarios.

Property size	Full market price	Equity bought	Mortgage paid on equity (per week)	Rent paid on retained equity (per week)	Total weekly cost
1 bedroom	£88,000	£44,000	£51	£25	£76
2 bedrooms	£120,800	£60,400	£70	£35	£104
3 bedrooms	£132,000	£66,000	£76	£38	£114
4+ bedrooms	£176,000	£88,000	£101	£51	£152

Property size	Full market price	Equity bought	Mortgage paid on equity (per week)	Rent paid on retained equity (per week)	Total weekly cost
1 bedroom	£88,000	£22,000	£25	£38	£63
2 bedrooms	£120,800	£30,200	£35	£52	£87
3 bedrooms	£132,000	£33,000	£38	£57	£95
4+ bedrooms	£176,000	£44,000	£51	£76	£127

The table below now compares these housing costs with those available on the open market. The table clearly shows that at current prices it is possible that shared ownership could be made available at a cost below the current cost of market housing. This is however only the case at equity levels below 50%.

Property size	Shared ownership (50%)	Shared ownership (25%)	Minimum second-hand	Minimum rent
1 bedroom	£76	£63	£78	£65
2 bedrooms	£104	£87	£104	£98
3 bedrooms	£114	£95	£127	£106
4+ bedrooms	£152	£127	£184	£150

However, when the overall level of weekly cost is considered, it can be seen, that it is only the topmost band of those in housing need (those with higher incomes) who can be assisted by shared ownership. Thus shared ownership, even on favourable terms, is likely to only be affordable to a narrow band of those in housing need.

**(iii) Discount market rent**

Typically discount market rented housing would be private rented housing which is made available at a rent below that which could be charged on the open market. One problem is that there are very few examples of such housing. Another is to what extent the levels of discount actually get below the weekly cost of second hand purchase or rent. The figures are dominated by second hand rental (and second hand purchase). There is no ready source of newbuild rental costs, although 'buy to let' is increasingly common, so that data may become more available.

Full market rents in newbuild properties would be more expensive than for second hand homes. Our experience has been that even where discount market rent is offered it does not achieve rent levels which are below minimum market rents. There is not yet enough evidence to plan for such housing as genuinely 'affordable', which is to say significantly below market rental levels.

**(iv) Social rented housing**

Any household unable to afford any of the above options would be considered to only be able to afford social rented housing. Hence the residual will be placed in this type of accommodation.

**12.3 Results**

The table below shows an estimate of the number of households in need who can afford the 25% equity shared ownership option (it was considered that neither low-cost market nor discounted market rents are likely to be affordable in the local context). The figures are based on gross need which is estimated to be 1,633 households per annum.

The table shows that an estimated 9.2% of those in need could afford shared ownership (at 25% equity). For the remainder only social rented housing would be affordable. The table also shows that it is only households in the one, two and three bedroom categories who are able to afford shared ownership housing.

<b>Table 12.6 Households' ability to afford different affordable housing options</b>			
Property size	Type of affordable housing		
	Shared ownership (25%)	Social rented	TOTAL
1 bedroom	77	775	852
2 bedrooms	42	497	539
3 bedrooms	31	135	166
4+ bedrooms	0	76	76
<b>TOTAL</b>	<b>150</b>	<b>1,483</b>	<b>1,633</b>



## 12.4 Supply

Having studied the gross need for affordable housing it is important to consider the supply of different types of housing. It will be remembered that currently the survey estimates a future supply of 835 affordable units (from current affordable housing) of which 8 are expected to be shared ownership.

The table below shows our estimated supply of different types of affordable housing by size. The survey did not contain much information about shared ownership properties, however the data does suggest some turnover of two bedroom properties in this sector. The remainder of the supply is social rented accommodation.

Size	Shared ownership	Social rent	TOTAL
1 bedroom	0	370	370
2 bedroom	8	231	239
3 bedroom	0	203	203
4+ bedrooms	0	23	23
<b>TOTAL</b>	<b>8</b>	<b>827</b>	<b>835</b>

## 12.5 Net need

The tables in the previous two subsections can now be brought together to provide an estimate of the net need for affordable housing in Ipswich. The table below shows the results of this analysis. The results show that of the net need for 798 affordable units around 17.8% could be shared ownership.

Size required	Shared ownership	Social rent	TOTAL
1 bedroom	77	405	482
2 bedroom	34	266	300
3 bedroom	31	(68)	(37)
4+ bedrooms	0	53	53
<b>TOTAL</b>	<b>142</b>	<b>656</b>	<b>798</b>

## 12.6 An alternative view of affordable housing costs

The above analysis uses estimates of current market costs (newbuild accommodation) to inform the likely cost of different forms of affordable housing. An alternative way of looking at this issue is to work out what schemes were to cost if they were to meet a specified amount of housing need. To do this we link to information provided in the previous chapter. For example it was estimated that the midpoint cost of one bedroom accommodation (i.e. the midpoint between social rents and the private sector market) has an outgoing of £58 per week. It is possible to use this information along with information about interest rates and proportions of rent paid on retained equity to calculate exactly what low-cost market or shared ownership scheme would actually achieve this level of outgoings.

The analysis in this section concentrates on both the upper end of the 'intermediate' spectrum (i.e. the minimum costs of market housing) and also the midpoint between social rents and the market. The table below sets out these two figures by size.

<b>Table 12.9 Cost of housing</b>		
Size required	Midpoint	Minimum market
1 bedroom	£58	£65
2 bedroom	£78	£98
3 bedroom	£86	£106
4+ bedrooms	£112	£150

### *(i) low-cost market housing*

To calculate the cost of low-cost market housing we simply work out what the open market cost would be that equates to the level of outgoings shown in the table above. For example, at current interest rates and interest only mortgage costing £58 per week roughly equates to a mortgage of £50,000. Hence for low-cost market housing to be affordable at the midpoint between social rents and the market dwellings would have to be sold for £50,000. This principle can be applied to the other outgoings shown in the above table.

<b>Table 12.10 Estimated price of low-cost market housing</b>		
Size required	Midpoint	Minimum market
1 bedroom	£50,000	£56,000
2 bedroom	£68,000	£85,000
3 bedroom	£75,000	£92,000
4+ bedrooms	£97,000	£130,000

The table therefore shows that for low-cost market housing to be considered as affordable it would have to be priced at no more than £56,000 (for a one bedroom home). However, even at this level it would not meet any housing need and significant further reductions would be required to make such housing affordable for a significant number of households.

### **(ii) Shared ownership**

As with the above analysis it is possible to look at the likely costs of shared ownership to meet the outgoings shown above. For the purposes of this analysis we have looked at a 50% equity share with 3% rent on the retained equity. The tables below shows the results of this calculation for both minimum market prices and the midpoint between social rents and the market.

<b>Table 12.11 Indicative cost of shared ownership housing (50% equity) – to meet minimum market prices</b>					
Property size	Full market price	Equity bought	Mortgage paid on equity (per week)	Rent paid on retained equity (per week)	Total weekly cost
1 bedroom	£75,000	£37,500	£43	£22	£65
2 bedrooms	£113,000	£56,500	£65	£33	£98
3 bedrooms	£123,000	£61,500	£71	£35	£106
4+ bedrooms	£174,000	£87,000	£100	£50	£150

<b>Table 12.12 Indicative cost of shared ownership housing (50% equity) – to meet midpoint between social rents and minimum market prices</b>					
Property size	Full market price	Equity bought	Mortgage paid on equity (per week)	Rent paid on retained equity (per week)	Total weekly cost
1 bedroom	£67,000	£33,500	£39	£19	£58
2 bedrooms	£90,000	£45,000	£52	£26	£78
3 bedrooms	£100,000	£50,000	£58	£29	£86
4+ bedrooms	£130,000	£65,000	£75	£38	£112

The tables clearly indicate that on shared ownership terms the full market price of a property can be significantly higher than the equivalent low-cost market housing value and still be affordable. It is however also interesting to note that the full market cost which exactly matches the minimum cost of market housing is still below our equivalent figures using actual current market prices. This illustrates how difficult it will be to make forms of affordable housing other than social rented genuinely affordable.

## **12.7 Summary**

Using property price information collected as part of the study, we have carried out further analysis to look at how particular types of affordable housing can meet housing need. This continued on from the overall analysis of 'intermediate' housing to try and specify particular targets for different types of housing.

The analysis shows that around a fifth (17.8%) of the housing need could theoretically be met through shared ownership. It is not considered that low-cost market or discounted market rent are likely to be able to play any role in meeting needs.

Issues for policy decision arise in terms of what breakdown of types of affordable housing should be aimed at overall, and upon particular sites. Clearly the more expensive types of affordable housing are more attractive to developers, but the balance of need is towards the social rented end of the tenure spectrum.

## SECTION D: BROADER HOUSING MARKET & FUTURE CHANGES

The previous section focused exclusively on *housing need* and the requirement for affordable housing. However, in order to fully develop informed housing policies, Local Authorities are also interested in *housing demand* across all tenures. This section thus considers the broader housing market in Ipswich. First household characteristics are examined across all tenures; following on from that we consider the question of how far the housing market is 'balanced'.

The ODPM Guide definition of housing demand is given below.

<b>ODPM Guide</b>	<i>'Housing demand refers to the quantity and type/quality of housing which households wish to buy or rent and are able to afford. In other words, it takes account of both preferences and ability to pay. [Section A2.2 (page 116)]</i>
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## 13. Market housing

### 13.1 Introduction

Emphasis on analysis of the whole market as part of an HNS has been a theme of Government policy at least since the publication of PPG3 (2000).

PPG3 (2000) para 13

*'Assessments of housing need which underpin local housing strategies and local plan policies are matters for local authorities to undertake in the light of their local circumstances. Local planning authorities should work jointly with housing departments to assess the range of needs for different types and sizes of housing across all tenures in their area.'*

This chapter considers some general issues surrounding supply and household characteristics within private sector tenures in Ipswich.

### 13.2 Owner-occupied sector

It is useful for the Council to have information concerning supply and turnover of market housing in order to inform planning control. In particular, councils will want to ensure that new developments meet demand with regard to dwelling size and type. In general, housebuilders will want to build larger dwellings for in-migrants but often the local net demand is for smaller units.

Data suggests that 65% of households in the Borough are owner-occupiers and that around three-fifths of these have a mortgage. As was shown in Chapter five, households in owner-occupied accommodation without a mortgage have lower average incomes than those with a mortgage, although it should be remembered that the former group contains many older people who are likely to be retired.

The table below shows the size profile of the owner-occupied stock in Ipswich. The data suggests that the majority of households have three bedrooms. Only 2.1% have one bedroom and 15.2% four or more bedrooms.

<b>Table 13.1 Size of dwellings (number of bedrooms) in the owner-occupied stock</b>		
Number of bedrooms	Households	% of households
1 bedroom	722	2.1%
2 bedrooms	6,411	19.0%
3 bedrooms	21,453	63.7%
4+ bedrooms	5,109	15.2%
<b>TOTAL</b>	<b>33,695</b>	<b>100.0%</b>



The table below builds on this by looking at the turnover of owner-occupied stock within each size category over the last two years.

Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	211	722	14.6%
2 bedrooms	1,137	6,411	8.9%
3 bedrooms	2,614	21,453	6.1%
4+ bedrooms	463	5,109	4.5%
<b>TOTAL</b>	<b>4,425</b>	<b>33,695</b>	<b>6.6%</b>

The recent mover data points to an overall turnover rate of 6.6%, although this will be a slight underestimation of total turnover for the dwellings concerned (given that there may have been multiple moves in the two-year period). Turnover of one and two bedroom dwellings is greater than for the larger property size categories.

Finally, we can consider households claiming financial assistance with their housing costs (for mortgage interest payments). The data suggests that around 1.5% of households with a mortgage receive income support towards their mortgage payments (301 households). This figure represents 0.9% of all owners.

### 13.3 The private rented sector

The private rented sector is an important part of the housing spectrum in an area. In British conditions it is not often a long-term choice but is an important transitional tenure. In many cases the private rented sector is a stage in the progress of a household moving into owner-occupation, but can also be a stage in the move of a household into social rented housing. The latter is not such a satisfactory stage, since the shortage of social rented housing may mean that households remain in it for much longer than is desirable which can create a disincentive for landlords to improve the property and result in these households living in housing that is not of high quality.

In more detail, and as a market sector, the private rented sector plays an important role. It meets the needs of:

- i) Business people who have short term reasons for staying in a place (e.g. for six months or a year, when it would not be worth the time and transactional cost of buying property)
- ii) Those planning entry to the owner occupied market but who have not had time either to find suitable property or accumulated a sufficient deposit to do so

At a different level, and due to the great expansion of Housing Benefit payments after the end of Council house-building programmes in the late 1980's, there have arisen in many parts of Britain a class of 'benefit landlords' who provide usually rather poor quality housing but in units which are available at below the ceiling set for HB. There is therefore a separate source of private tenants:

- iii) The needs of those who cannot obtain suitable affordable housing, and cannot afford market prices to rent or buy. With the aid of HB they may obtain short term housing in the private rented sector.

It is possible to find many parts of the country where the advertisements of flats to let are accompanied by stern warnings: 'No DSS' which means 'no tenants on HB'. As a result, and where the HB driven demand is large enough, a market response has arisen. As the Guide implies, though, the quality of what is offered is unlikely to provide adequate long-term housing.

<b>ODPM Guide</b>	<i>'... the private rented sector is highly stratified in many areas, and the part of it occupied by tenants dependent on benefits may be atypical and/or inappropriate in terms of households requiring long term accommodation of a reasonable standard.'</i> [Section 7.3 (page 96)]
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The 2001 Census has revealed a considerable growth in the private rented sector over the past decade or so. This has been particularly driven by 'buy to let' mortgages, which allow purchasers a cheaper mortgage on account of the rental stream which will follow purchase.

Data suggests that Ipswich has a slightly larger than average private rented sector (11.4% of total stock). The two tables below show the size of dwellings in the private rented sector and the relative turnover of stock. It is clear that the number of one bedroom properties is proportionately much larger in the private rented sector – 25.8% of all private rented stock is one bedroom properties, which compares with only 2.1% of the owner-occupied stock.

Overall, the data shows that turnover of stock is much higher in the private rented sector, which would be expected given the transitory nature of the tenure. The estimated annual turnover rate in the private rented sector is 27.6% compared to 6.6% in the owner-occupied sector.

<b>Table 13.3 Size of dwellings (number of bedrooms) in the private rented stock</b>		
Number of bedrooms	Households	% of households
1 bedroom	1,518	25.8%
2 bedrooms	2,127	36.2%
3 bedrooms	1,886	32.1%
4+ bedrooms	345	5.9%
<b>TOTAL</b>	<b>5,876</b>	<b>100.0%</b>

<b>Table 13.4 Turnover of dwellings in the private rented stock by size of dwelling (number of bedrooms)</b>			
Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	928	1,518	30.6%
2 bedrooms	1,163	2,127	27.3%
3 bedrooms	931	1,886	24.7%
4+ bedrooms	223	345	32.3%
<b>TOTAL</b>	<b>3,244</b>	<b>5,876</b>	<b>27.6%</b>

Additionally, survey data suggests that 28.4% of households (1,667 households) in the private rented sector are in receipt of housing benefit, this compares with 0.9% of all owners.

### 13.4 The social rented sector

It is of interest to briefly provide the same information as above for the social rented sector. The tables below show stock profile and turnover rates for all social rented housing in the Borough (i.e. both Council and RSLs together). The data shows that the social rented sector has relatively few four or more bedroom properties whilst over a quarter are one bedroom.

The turnover rate in the social rented stock is around 10.7% per annum, with the highest turnover for smaller (one and two bedroom) properties.

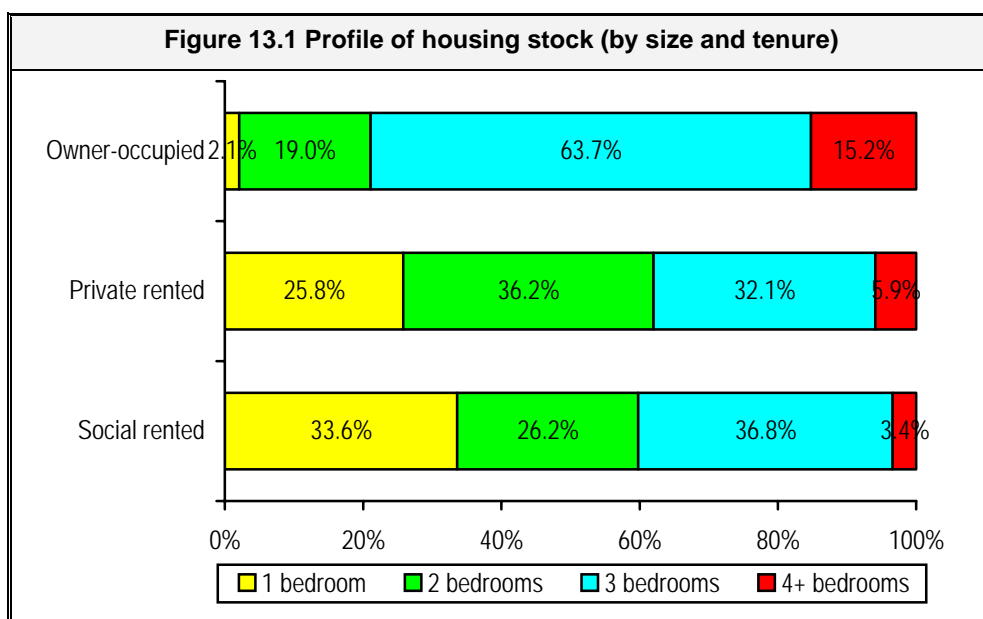
<b>Table 13.5 Size of dwellings (number of bedrooms) in the social rented stock</b>		
Number of bedrooms	Households	% of households
1 bedroom	4,072	33.6%
2 bedrooms	3,177	26.2%
3 bedrooms	4,453	36.8%
4+ bedrooms	408	3.4%
<b>TOTAL</b>	<b>12,110</b>	<b>100.0%</b>

<b>Table 13.6 Turnover of dwellings in the social rented stock by size of dwelling (number of bedrooms)</b>			
Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	968	4,072	11.9%
2 bedrooms	876	3,177	13.8%
3 bedrooms	639	4,453	7.2%
4+ bedrooms	96	408	11.8%
<b>TOTAL</b>	<b>2,580</b>	<b>12,110</b>	<b>10.7%</b>

Survey data also suggests that 68.5% of households in the social rented sector are in receipt of housing benefit.

### 13.5 Data comparisons

For ease of comparison it is useful to bring together the information from the above analysis. The figure below compares the profile of stock (by size) in each of the three main sectors. The figure makes it clear that there are large differences between the stock profiles in the different sectors. The social and private rented sectors are heavily biased towards smaller properties whilst the opposite is true in the owner-occupied sector.



The table below summaries the position with regard to turnover of stock and the proportion of households claiming housing benefit (income support) towards housing costs. The table again clearly demonstrates the differences between the different tenures. The turnover of private rented stock is around four times that in the owner-occupied sector whilst households in the social rented sector are more than seventy times more likely to claim assistance with their housing costs than owners.

Tenure	Annual turnover of stock (% of households)	% claiming housing benefit (income support for owners)
Owner-occupied	6.6%	0.9%
Private rented	27.6%	28.4%
Social rented	10.7%	68.5%
<b>TOTAL</b>	<b>9.9%</b>	<b>19.9%</b>

### **13.6 Summary**

Emphasis on examination of the whole market as part of developing local Housing Strategies has been a theme of Government policy since the publication of PPG3 (2000). This suggests that the planning and housing departments should work together to understand local housing requirements across all tenures and size requirements.

Analysis of survey data suggests that the owner-occupied sector accounts for around 65% of the total housing stock and is dominated by three bedroom properties. Private rented properties make up 11.4% and is characterised by a larger proportion of one bedroom dwellings. The estimated annual turnover rate in the owner-occupied sector is around 6.6% which compares to 27.6% in the private rented sector.

## 14. Balancing housing markets

### 14.1 Introduction

A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. The notion has been brought into prominence by the work of the Audit Commission in assessing councils' performance (Comprehensive Performance Assessment (CPA) of district authorities).

The Audit Commission specification for assessing the balancing of housing markets (Audit Commission March 2003) sets out three broad questions for the assessment:

- i) How well does the Council understand its housing market and from its understanding has the council developed the right proposals to help balance the housing market?
- ii) What are the Council's actions and what outcomes has it achieved in helping to balance housing markets?
- iii) How well does the Council monitor its progress and impact in helping to balance housing markets and how effectively does this feed into future strategy and plans?

This chapter outlines and applies a BHM analysis, which can assist the Council in fulfilling the above objectives. Data concerning supply and demand within different tenures allows a consideration of the extent to which the local housing market in Ipswich is balanced.

Whilst one of the outputs of the BHM model is an estimate of the shortfall of affordable housing, this should not be taken as an estimate of the absolute need for such housing. As the BHM is a demand and aspiration driven model (the BNAM being mainly based on past trends) there are inevitably some households who have a demand for affordable housing but under the BNAM would not be considered as needing such housing. Additionally as the bulk of the supply in the BHM is based on expected future household moves it is often the case that this model shows a lower supply level than the trend data of the BNAM (typically drawn from H.I.P.).

It is therefore common to find that the BHM shows a slightly higher estimate of the affordable requirement than the BNAM but this should not be taken as the survey's base estimate of the absolute requirement for affordable housing (which is measured using the ODPM's Basic Needs Assessment Model). The BHM is however particularly useful at ascertaining what shortages exist in the private sector market and can help to guide councils in securing an appropriate mix of market housing on new housing developments.

The inherent idea behind the BHM method is that it seeks to meet the requirements of the current population first with the amount of in-migration used to 'balance' figures to the estimated household growth of an area.

Unlike the specific model followed in Section C, however there is only very general guidance provided for a BHM analysis. The next subsection summarises our approach.

## **14.2 Procedure in outline**

In overview, a BHM analysis assesses the aspirations of would-be movers in relation to total dwellings, broken down by property size and tenure. Growth is constrained by the projected newbuild as shown on the Council H.I.P. form.

The steps involved are listed below:

- i) Total allocation of new dwellings to Borough
- ii) Numbers of households wishing/planning to move (both existing and newly forming)
- iii) Distinguish those who can afford their proposed moves from those who cannot
- iv) Those who cannot afford their moves are allocated to affordable housing (in principle) as they cannot afford to rent or buy at market prices
- v) The total of market and non-market moves is assessed in relation to the net extra number of dwellings required
- vi) This is assessed against the allowed total of new dwellings for the Borough. Where the net demand is greater than the total, this is noted, by tenure group
- vii) Where the total net demand is less than the allowed total newbuild, then the difference is assumed to be net in-migration, often of market purchasers
- viii) All figures are calculated on an annual basis from figures over a five year period

## **14.3 Why gross flows cannot predict tenure**

The ODPM Guide suggests a Gross Flow approach, which bases forecasts on past patterns, in order to carry out a BHM. However, given that market dynamics and socio-economic factors are always changing, past patterns are actually fairly limited as a predictor. Past (or even projected future) changes in the proportions of dwelling types and tenure groups are not indicative of what should happen in order to best meet housing requirements in the future. In the jargon, such data has no 'normative' value: it contains no element of judgement. This was noted by *Fordham Research* as long ago as 1993:

*'future variation in proportions of owner-occupiers, private renters etc should be considered as variables on which policy is to operate in seeking to meet housing need. In this sense it is not appropriate to use them as fixed variables'* (Wycombe HNS, Fordham Research 1993)

Examples of why unadjusted gross flows are not a satisfactory predictor are easy to cite:

- i) If in a local authority area over a period of time (say a year) nothing but four bedroom owner-occupied dwellings are built then the gross flows methodology would show that nothing but four bedroom owner-occupied homes are required in the future (even if there is a significant need for additional affordable housing).
- ii) On the other hand another local authority may have needed (and been able) to build a significant number of additional affordable units, the gross flows approach would indicate that the LA still required large numbers of affordable housing units (which might not be the case).

#### **14.4 Adapted Gross Flows (AGF)**

The *Fordham* approach, therefore, adapts the notion of balance inherent in Gross Flows to take account of future housing aspirations and affordability as well as past trends. This revised approach has the advantage of not simply mirroring the past and also helps to avoid any 'unbalancing' actions which may have been at work.

At the most general level:

- Demands minus the supply should give a net change (increase usually) in number of dwellings/households

For the purpose of this test we have set the overall net increase in dwellings to 500. This is based on information provided by the Council.

Full details of the analysis are presented in Appendix A6. Set out below is a summary of the results.



## 14.5 Summary of data

The results of the analysis can be summarised as follows, prior to inputting into the final table:

**Growth** – 500 per annum

### Demand

New households forming within the Borough – 958

In-migration – 842

Households moving within the Borough – 2,091

**Total demand** = 3,891

### Supply

Household dissolution (through death) – 497

Out-migrant – 803

Households moving within the Borough – 2,091

**Total supply** = 3,391

The results of the calculations detailed in Appendix A6 are shown in the following table:

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	121	328	(294)	3	158
Affordable housing	281	416	155	25	877
Private rented	(135)	(203)	(165)	(33)	(535)
<b>TOTAL</b>	<b>267</b>	<b>542</b>	<b>(303)</b>	<b>(5)</b>	<b>500</b>

A number of conclusions can be drawn from this analysis:

- i) In terms of the demand for affordable housing in the Borough it is clear that this is on-going. The BHM methodology suggests a significant shortfall of affordable housing of all sizes of accommodation, most notably two bedroom homes.

- ii) Overall, the data also shows a shortfall of owner-occupied housing and a large surplus in the private rented sector. In terms of size requirements, the information suggests that in the owner-occupied sector the main shortfalls are for one and two bedroom homes with a surplus of three bedroom accommodation. This finding is consistent with experience elsewhere where it is typical to find that larger newbuild properties are often bought by in-migrating households. In the BHM in-migration is constrained so as to allow the requirements of local households to be met first, in-migration is then used to 'balance' the figures back to the projected build rate.

#### **14.6 Implications of analysis**

Analysis using the ODPM 'Basic Needs Assessment model' found that there is a shortage of affordable housing in Ipswich. The BHM assessment, which constrains growth according to planned development and then balances demand across all tenures, also produces this conclusion.

The Guide Model and the BHM analysis both find that an affordable housing target is justified in Ipswich. The more robust methodology of the Guide Model means that this provides a more accurate estimate of the total shortfall.

The finding of a surplus of private rented accommodation does not mean that these properties will become (or remain) vacant. It is most probable that these properties will be used to house households requiring affordable housing but are unable to access affordable housing due to the lack of availability. This may also be true to some degree for households requiring owner-occupied accommodation.

#### **14.7 Summary**

In addition to looking at the needs of households by closely following the ODPM's 'Basic Needs Assessment Model' the survey used a 'demand' based methodology to estimate the future demand for housing across all tenures.

Like the HNS, the 'demand' based methodology suggested that there is a requirement for additional affordable housing in the Borough and also for smaller sized properties in the owner-occupied sector.



## SECTION E: THE NEEDS OF PARTICULAR GROUPS

This section addresses particular client groups that may have very specific housing requirements. Although such groups do not necessarily represent households in need as defined by the ODPM Guide, it is important for the Council to have detailed information on them in order to inform specific policies and service provision.

For example, the frail elderly may not be in housing need in the sense of not being able to afford market housing, but many of them are liable to require extra care in the future, whether directly, or via aids and adaptations in the home.

This section covers the following groups:

- Households with support needs
- Older person households
- Key worker households
- Black and minority ethnic households (BME)
- Young person households

The section finishes with a short chapter looking at the incidence of overcrowding and under-occupation amongst different groups of households in the Borough.







## **15. Households with support needs**

### **15.1 Introduction**

Supporting People is a national policy initiative designed to secure a more co-ordinated approach to the provision of services to certain groups. There are groups that may, because of their condition or vulnerability, have requirements for specialised forms of housing provision, or else require support services in order to continue living an independent life in their existing home. The initiative seeks to co-ordinate the provision of individual services by housing, social services and health providers, and to produce a more unified basis for the allocation of the available funding.

Information collected through the survey enables us to identify the principal client groups who have special requirements of this kind. It is therefore possible to provide some guidance on their needs and requirements. The results will assist the Council to contribute towards ongoing work to develop and refine the Suffolk-wide Supporting People Strategy.

Given the range of groups and services needing to be covered, the work involved in producing a comprehensive Strategy is considerable, and in England a phased sequence of work is being followed. Shadow Strategy documents have now been prepared for most areas. Attention to date has focussed on building a clearer picture on the supply side, with the assessment of provision compared to a 'supply profile' derived from national provision data and adjusted to take local demographic and other factors into account.

Some support needs are very uncommon, while others are very numerous. The accuracy of each figure will of course vary according to the size of the group involved.

### **15.2 Supporting People: data coverage**

Supporting People Strategies are being developed to cover every Council area in England, and parallel processes are under way in Wales and Scotland. The survey looked at whether household members fell into one or more of a range of primary client groups. Whilst these represent the larger client groups covered in Supporting People Strategy, they are not exhaustive, and meaningful data on some other, smaller groups could not be delivered with the sample size used in the survey.

The groups covered were:

- Frail elderly
- Persons with a physical disability
- A learning disability
- A mental health problem
- Vulnerable young people and children leaving care
- Those with a severe sensory disability
- Others

Each person with a support need could respond to as many of the above categories as is applicable. This means that we can differentiate between households that have more than one person with a support need and those that have people with multiple support needs.

### 15.3 Supporting people groups: overview

Overall there are an estimated 7,827 households in Ipswich with one or more members in an identified support needs group. This represents 15.1% of all households, which is above the average *Fordham Research* have found nationally (11-13%). The table below shows the numbers of households with different types of support needs. The numbers of households in each category exceed the total number of support needs households because people can have more than one category of support need.

'*Physically disabled*' is the predominant group. There are 4,447 households with a *physically disabled* household member. The next largest group is '*frail elderly*', with 1,833 households having a member in this category. These two categories represent 56.8% and 23.4% of all support needs households respectively.

Category	Number of households	% of all households	% of support needs households
Frail elderly	1,833	3.5%	23.4%
Physical disability	4,447	8.6%	56.8%
Learning disability	611	1.2%	7.8%
Mental health problem	1,716	3.3%	21.9%
Vulnerable young people & children leaving care	14	0.0%	0.2%
Severe sensory disability	560	1.1%	7.1%
Other	788	1.5%	10.1%



In addition to the above information we are able to look at the number of people in each household with a support need and also households containing persons with multiple support needs. The results for these are shown below.

<b>Table 15.2 Number of people with support needs</b>		
	Households	% of households
No people with support needs	43,854	84.9%
One person with support needs	7,077	13.7%
Two persons with support needs	728	1.4%
Three or more persons with support needs	22	0.0%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

<b>Table 15.3 Households with support needs</b>		
	Households	% of households
No people with support needs	43,854	84.9%
Single support need only	6,263	12.1%
Multiple support needs	1,565	3.0%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

The two tables above show that the majority of support needs households (90.4%) only contain one person with a support need and that the majority of households with a support needs member do not have multiple support needs (80.0%). However some 750 households in Ipswich are estimated to have two or more people with a support need whilst an estimated 1,565 households contain someone with multiple needs.

#### 15.4 Characteristics of support needs households

The tables below show the characteristics of support needs households in terms of household size, age, tenure, sub-area and unsuitable housing.

<b>Table 15.4 Size of support needs households</b>					
Number of persons in household	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
One	3,259	13,444	16,702	19.5%	41.6%
Two	2,641	14,636	17,277	15.3%	33.7%
Three	751	6,576	7,327	10.2%	9.6%
Four	665	6,266	6,931	9.6%	8.5%
Five	250	2,155	2,406	10.4%	3.2%
Six or more	262	776	1,038	25.2%	3.3%
<b>TOTAL</b>	<b>7,827</b>	<b>43,854</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

The table above shows that those households with support needs members are likely to be in small households comprised of one or two persons. Support needs households are also more likely to contain older persons.

<b>Table 15.5 Support needs households with and without older people</b>					
Age group	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
No older people	3,787	31,863	35,650	10.6%	48.4%
Both older & non older people	756	2,308	3,064	24.7%	9.7%
Older people only	3,284	9,683	12,967	25.3%	42.0%
<b>TOTAL</b>	<b>7,827</b>	<b>43,854</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

As the table below shows, support needs households are also more likely to be living in social rented housing. Some 28.1% of Council and 29.9% of RSL tenants contain a member with support needs. Additionally, 17.3% of owner-occupiers (no mortgage) contain someone with a support need.

<b>Table 15.6 Support needs households and tenure</b>					
Tenure	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
Owner-occupied (no mortgage)	2,394	11,421	13,815	17.3%	30.6%
Owner-occupied (with mortgage)	1,269	18,611	19,880	6.4%	16.2%
Council	2,375	6,061	8,436	28.1%	30.3%
RSL	1,098	2,576	3,674	29.9%	14.0%
Private rented	692	5,184	5,876	11.8%	8.8%
<b>TOTAL</b>	<b>7,827</b>	<b>43,854</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

The table below shows the geographical distribution of support needs households. The data shows that households in the South East are most likely to have a support need whilst the lowest level is shown in the North East.

<b>Table 15.7 Support needs households and sub-area</b>					
Sub-area	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
South East	1,607	7,348	8,955	17.9%	20.5%
South West	2,155	10,624	12,779	16.9%	27.5%
Central	1,658	573	11,013	15.1%	21.2%
North East	1,125	6,235	9,492	11.9%	14.4%
North West	1,282	1,909	9,442	13.6%	16.4%
<b>TOTAL</b>	<b>7,827</b>	<b>8,716</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

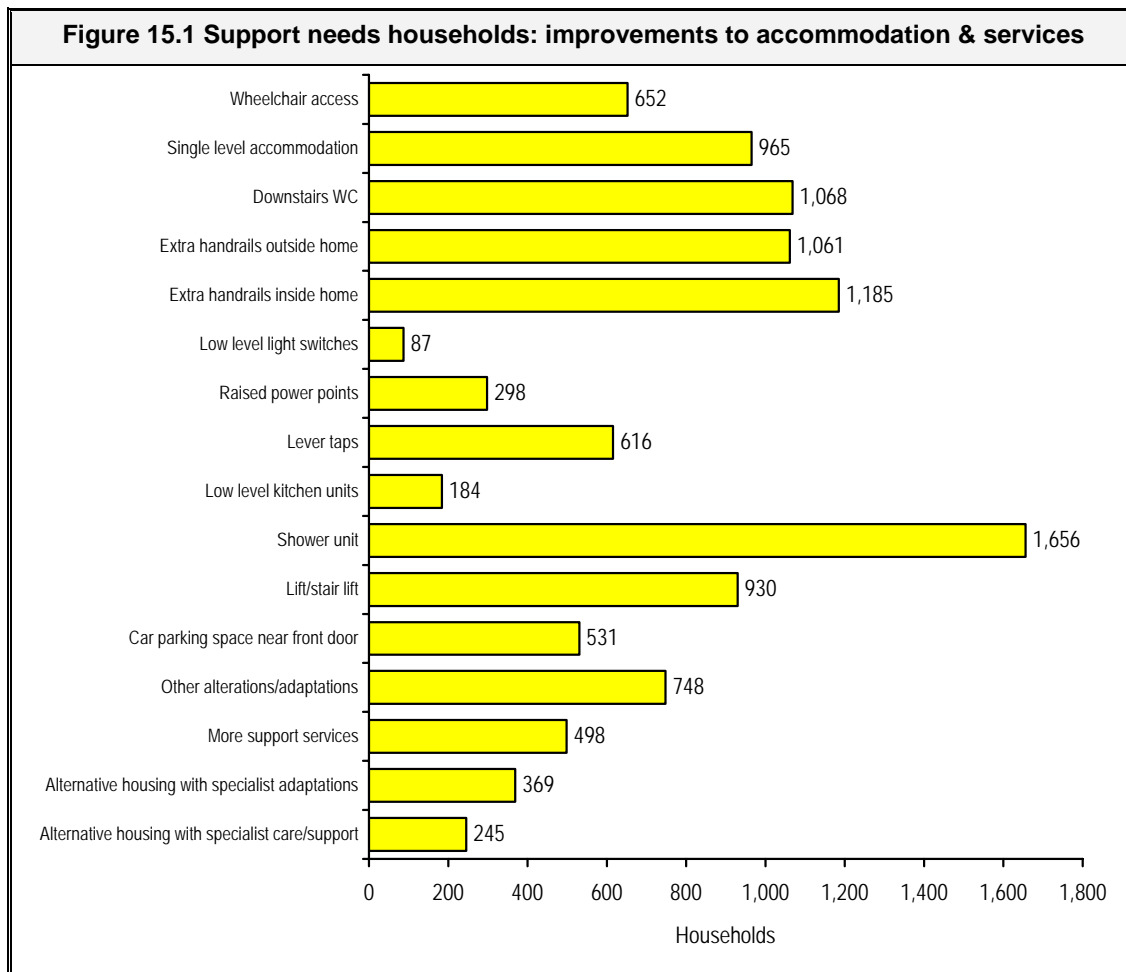
The table below indicates that support needs households are more than four times as likely to be living in unsuitable housing than non-support needs households. Some 18.8% of all support needs households are living in unsuitable housing, which compares with 6.4% of all households and 4.2% of all non-support needs households.

<b>Table 15.8 Support needs households and unsuitable housing</b>					
Support needs	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Support needs	1,471	6,356	7,827	18.8%	44.3%
No support needs	1,847	42,007	43,854	4.2%	55.7%
<b>TOTAL</b>	<b>3,317</b>	<b>48,364</b>	<b>51,681</b>	<b>6.4%</b>	<b>100.0%</b>

In addition, the basic needs assessment model suggests that there is an annual need to provide accommodation for 361 households with support needs, further data suggests a supply to such households in the region of 282 units per annum. Therefore the BNAM suggests a shortage of housing for support needs households of 79 units per annum.

### 15.5 Requirements of support needs households

Those households with a member with support needs were asked to indicate if there was a need for improvements to their current accommodation and/or services. The responses are detailed in the figure below.



The results show requirements for a wide range of adaptations and improvements across the support need households. The most commonly-sought improvements needed were:

- Shower unit (1,656 households – 21.2% of all support needs households)
- Extra handrails inside home (1,185 households – 15.1% of all support needs households)
- Downstairs WC (1,068 households – 13.6% of all support needs households)

### 15.6 Analysis of specific groups

The analysis that follows below concentrates on differences between different groups of households with support needs. As the figures for ‘vulnerable young people & children leaving care’ were based on only one case in the sample these have been excluded from this analysis (the figures for this group have however been included in the relevant totals).

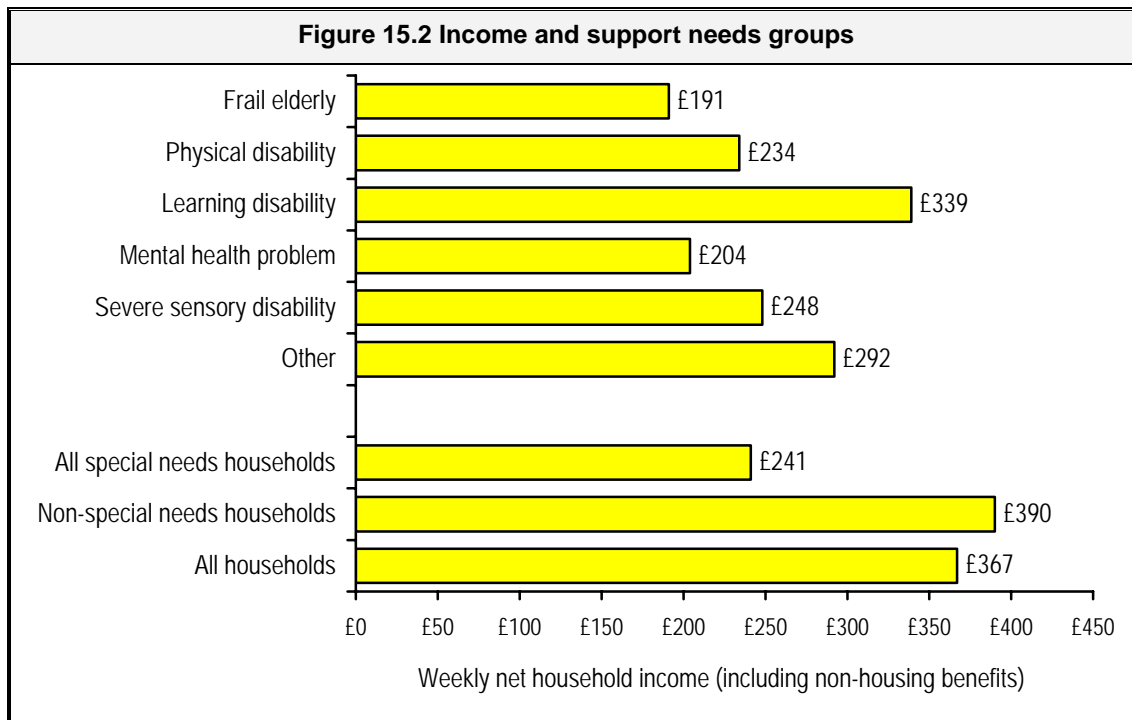
The table below shows some characteristics by support needs group. The table shows a number of interesting findings. The data shows that 62.4% of frail elderly households are also single person households. On the other hand 50.7% of households containing someone with a learning disability contain four or more people. Relatively few of the learning disability households contain older persons; this is also true of households with someone with a mental health problem.

By tenure the results show that most support needs groups are less likely than non-support needs households to live in owner-occupied accommodation and most groups are more likely than average to live in social rented housing. Notable findings from the tenure analysis are the high proportions of households containing someone with a learning disability or mental health problem that are in the private rented sector. Additionally, 58.5% of those with a mental health problem live in the social rented sector.

By sub-area, no discernable trends emerge although there are differences shown between the various different groups in different parts of the Borough.

	Frail elderly	Physical disability	Learning disability	Mental Health problem	Severe sensory disability	Other	All support needs hhs	All non-support needs hhs	All hhs
<b>Household size</b>									
One	62.4%	38.5%	16.1%	43.1%	42.0%	28.5%	41.6%	30.7%	32.3%
Two	31.4%	39.1%	19.0%	26.6%	43.1%	36.6%	33.7%	33.4%	33.4%
Three	4.4%	9.9%	14.3%	3.2%	11.8%	14.1%	9.6%	15.0%	14.2%
Four	0.7%	7.4%	26.9%	14.2%	3.0%	5.7%	8.5%	14.3%	13.4%
Five	1.1%	3.9%	7.2%	3.7%	0.0%	9.4%	3.2%	4.9%	4.7%
Six or more	0.0%	1.1%	16.6%	9.1%	0.0%	5.7%	3.3%	1.8%	2.0%
<b>Age of household members</b>									
No older people	3.9%	44.2%	82.0%	81.4%	31.7%	59.4%	48.4%	72.7%	69.0%
Both older & non older people	14.1%	10.9%	12.0%	2.9%	7.0%	8.9%	9.7%	5.3%	5.9%
Older people only	82.0%	44.9%	6.1%	15.8%	61.4%	31.7%	42.0%	22.1%	25.1%
<b>Tenure</b>									
Owner-occupied (no mortgage)	55.6%	28.4%	11.4%	11.8%	58.2%	29.6%	30.6%	26.0%	26.7%
Owner-occupied (with mortgage)	7.5%	14.2%	42.2%	13.7%	12.9%	30.1%	16.2%	42.4%	38.5%
Council	19.5%	37.1%	24.3%	37.7%	9.5%	22.3%	30.3%	13.8%	16.3%
RSL	12.5%	12.8%	7.7%	20.8%	8.4%	15.7%	14.0%	5.9%	7.1%
Private rented	4.9%	7.5%	14.4%	16.0%	11.1%	2.3%	8.8%	11.8%	11.4%
<b>Sub-area</b>									
South East	18.1%	22.9%	18.0%	20.4%	29.8%	4.7%	20.5%	16.8%	17.3%
South West	17.0%	28.7%	30.0%	28.5%	23.2%	35.5%	27.5%	24.2%	24.7%
Central	23.2%	20.6%	26.6%	20.4%	17.7%	20.3%	21.2%	21.3%	21.3%
North East	21.3%	10.9%	8.4%	15.9%	16.6%	5.3%	14.4%	19.1%	18.4%
North West	20.5%	16.9%	17.0%	14.8%	12.7%	34.2%	16.4%	18.6%	18.3%

The figure below shows income levels for each category of support needs household. Also shown is the figure for non-support needs households. The average income of all households in the Borough was estimated at £367 per week (net income including non-housing benefits). The figure shows that all support needs groups have average income levels noticeably below both the Borough average and the average for non-support needs households.



Finally we can look at levels of unsuitable housing by support needs group. The table below shows the proportion of each group estimated to be living in unsuitable housing. For each category of support need the proportion in unsuitable housing is estimated to be over 10%. This compares with a Borough-wide average of only 6.4%. Nearly a third of all households containing someone with a learning disability are living in unsuitable housing.

Support needs group	% of households
Frail elderly	10.5%
Physical disability	22.8%
Learning disability	30.0%
Mental Health problem	26.0%
Severe sensory disability	12.5%
Other	24.1%
All support needs households	18.8%
All non-support needs households	4.2%
All households	6.4%

### 15.7 Care & repair and staying put schemes

This analysis studies support needs households who have stated experiencing difficulty in maintaining their home. The results are shown in the table below and are split between owner-occupiers and tenants. The table clearly shows that support needs households are more likely than other households in the Borough to have problems with maintaining their homes. Of all households with a problem or serious problem a total of 41.8% have support needs and over 49.2% of these are owner-occupiers.

Household group	No problem		A problem/ serious problem		TOTAL	
	Number	%	Number	%	Number	%
Support needs – owner-occupied	2,849	77.8%	813	22.2%	3,662	100.0%
Support needs – tenants	3,327	79.9%	838	20.1%	4,165	100.0%
All support needs households	6,176	78.9%	1,651	21.1%	7,827	100.0%
All households	47,732	92.4%	3,948	7.6%	51,681	100.0%

The evidence of the tables above is that there is certainly some scope for ‘staying put’ or ‘care and repair’ schemes in the Borough. A total of 3,948 households state a problem with maintaining their homes – of these 1,651 are support needs households with an estimated 813 living in the owner-occupied sector. The results from the Private Sector Stock Condition Survey confirm that elderly households tend to have worse dwellings conditions and are more likely to live in accommodation with lower energy efficiency; this is particularly true of single pensioner households.

### 15.8 Need for wheelchair adapted and single-level accommodation

As part of the survey questions were asked about households requirements for wheelchair adapted housing and single-level accommodation. To make estimates of future requirements for this type of accommodation we have looked at the survey data in terms of past moves where either of these features was required but not secured. This exercise is done in both the affordable and private sector.

The data overall suggests relatively low requirements for wheelchair adapted or single-level accommodation. However there does appear to be an unmet need for 29 wheelchair adapted and 15 single-level accommodation per annum in the affordable sector with equivalent figures of 27 and 18 in the private sector.

## 15.9 Summary

Information from the survey on support needs groups can be of assistance to authorities when contributing to detailed Supporting People Strategies. Some 15.1% of all the Borough's households (7,827) contain support needs members. 'Physically disabled' is the largest category with support needs. There are 4,447 households containing a 'physically disabled' person and a further 1,833 with household members who are 'frail elderly'.

Support needs households in Ipswich are generally smaller than average for the Borough and are disproportionately made up of older persons only. Support needs households have lower than average incomes and are more likely than households overall to be in unsuitable housing. Support needs households in general stated a requirement for a wide range of adaptations and improvements to the home. A shower unit, extra handrails and a downstairs WC are the most commonly required.

Finally, the survey suggested considerable scope for 'care & repair' and 'staying put' schemes. A large proportion of support needs households stated problems with maintaining their homes, a large proportion of these are currently living in the owner-occupied sector.



## 16. Older person households

### 16.1 Introduction

Data was collected in the survey with regard to the characteristics of households with older persons. This chapter looks at the general characteristics of older person households and details some additional survey findings about such households.

Older people are defined as those over the state pension eligibility age (65 for men, 60 for women). For the purpose of this chapter, households have been divided into three categories:

- Households without older persons
- Households with both older and non-older persons
- Households with only older persons

No adjustment is made to the “both older and non-older person” category based on the gender of the respondent as is sometimes the case in the data published by the Department of Work and Pensions.

### 16.2 The older person population

Just over a quarter of all households in Ipswich contain only older people (25.1%) and a further 5.9% contain both older and non-older people. The table below shows the number and percentage of households in each group.

Categories	Number of households	% of all households
Households without older persons	35,650	69.0%
Households with both older and non-older persons	3,064	5.9%
Households with older persons only	12,967	25.1%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>

### 16.3 Characteristics of older person households

The number of occupants in older person households is shown in the table below. The data suggests that all households containing older persons only are comprised of one or two persons only. Nearly half of all single person households are older person households.

Number of persons in household	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of total h'holds with older persons	% of those with older persons
One	7,853	8,849	16,702	47.0%	60.6%
Two	5,114	12,163	17,277	29.6%	39.4%
Three	0	7,327	7,327	0.0%	0.0%
Four	0	6,931	6,931	0.0%	0.0%
Five	0	2,406	2,406	0.0%	0.0%
Six or more	0	1,038	1,038	0.0%	0.0%
<b>TOTAL</b>	<b>12,967</b>	<b>38,714</b>	<b>51,681</b>	<b>25.1%</b>	<b>100.0%</b>

The table below shows the housing tenures of households with older persons. More than three-fifths (62.2%) of older person only households are owner-occupiers. The overwhelming majority of these do not have a mortgage. This finding suggests that the potential for equity release schemes in Ipswich is quite high.

Another significant finding is the high proportion of social rented accommodation containing older people only (37.0% of Council tenants are older person households). This may have implications for future supply of specialised social rented accommodation.

Tenure	Age group				
	Older persons only	Other households	Total hhs	% with older persons	% of older person hhs
Owner-occupied (no mortgage)	7,398	6,417	13,815	53.6%	57.1%
Owner-occupied (with mortgage)	661	19,219	19,880	3.3%	5.1%
Council	3,122	5,314	8,436	37.0%	24.1%
RSL	1,145	2,529	3,674	31.2%	8.8%
Private rented	641	5,235	5,876	10.9%	4.9%
<b>TOTAL</b>	<b>12,967</b>	<b>38,714</b>	<b>51,681</b>	<b>25.1%</b>	<b>100.0%</b>

The table below shows the geographical distribution of older person only households. The main finding emerging is the low proportion of pensioner only households living in the Central sub-area. Only 18.4% of households in this sub-area are pensioner only, all other sub-areas show proportions above the Borough average of 25.1%.

Sub-area	Age group				
	Older persons only	Other households	Total hhs	% with older persons	% of older person hhs
South East	2,326	6,629	8,955	26.0%	17.9%
South West	3,217	9,562	12,779	25.2%	24.8%
Central	2,032	573	11,013	18.4%	15.7%
North East	2,786	6,235	9,492	29.3%	21.5%
North West	2,606	1,909	9,442	27.6%	20.1%
<b>TOTAL</b>	<b>12,967</b>	<b>8,716</b>	<b>51,681</b>	<b>25.1%</b>	<b>100.0%</b>

## 16.4 Property size

The table below shows that older person only households are more likely than all households in Ipswich to be living in one and two bedroom properties. However, the results do suggest that over half of all older person households are in three or four bedroom dwellings. Given that previous information has shown that all older person only households are comprised of only one or two persons, this finding suggests that there could be potential scope to free up larger units for younger families if the older households chose to move into suitable smaller units.

Number of bedrooms	% of older person households	% of all households in Borough
1 bedroom	20.4%	12.2%
2 bedrooms	23.6%	22.7%
3 bedrooms	49.0%	53.8%
4+ bedrooms	7.1%	11.3%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

This information can be further broken down by tenure (for older person households) and this is shown in the table below. The table indicates that whilst the majority of large (3+ bedroom) properties are in the owner-occupied sector there are also a significant number in Council ownership and may therefore present some opportunity to reduce under-occupation. The same is not true in the RSL stock where the survey estimated that no older person households lived in 3 or more bedroom dwellings (the majority living in one bedroom homes).

Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	282	1,715	4,733	668	7,398
Owner-occupied (with mortgage)	20	153	352	135	661
Council	1,267	744	1,038	73	3,122
RSL	868	277	0	0	1,145
Private rented	207	170	226	38	641
<b>TOTAL</b>	<b>2,643</b>	<b>3,060</b>	<b>6,350</b>	<b>914</b>	<b>12,967</b>

## 16.5 Working older people

The data collected in the Housing Needs Survey enables us to distinguish between retired older person households and those where at least one person in the household is in full or part time employment. In Ipswich, 5.8% of households comprised solely of older persons contain at least one person who is not retired. In contrast, for households that contain a mix of older (i.e. someone who has reached the age of eligibility for a state pension) and non-older people, 2,225 of the 3,064 households (or 72.6%) in this category contain at least one person who in full or part time employment.

## 16.6 Older person households and the basic needs assessment model

Some 3.7% of all older person only households (481 households) in Ipswich live in unsuitable housing, as defined by the HNS. This figure is noticeably below the figure of 6.4% for all households. In addition we can look at older persons needs using the basic needs assessment model. Following this method suggests that there is an annual need to provide accommodation for 105 older person households, further data suggests a supply to such households in the region of 94 units per annum. Therefore the BNAM suggests a small shortage of housing for older persons of 11 units per annum.

These findings do not necessarily mean there is reason for complacency with regard to the future housing needs of older persons. As the population ages, demand for adaptations and other forms of support, including sheltered housing, will most likely increase and will need to be considered by the Council. The issue of sheltered housing is returned to below whilst population projection figures suggest a significant rise in the older person population in the future.

## 16.7 Sheltered housing

All households who expected or who stated a need to move home in the future were asked a series of questions about specialist housing, and in particular sheltered housing. This section looks briefly at the responses given by older person households who stated they had a need, or likely need, to move within two years, to these questions.

In total 16.9% of households in the Borough indicated that they needed or were likely to move within the next two years (8,716 households). Of these, 618 were older person only households, and they are the subject of the analysis in this section. People were first of all asked about the type of accommodation they wanted to move into, before some more specific questions about sheltered housing were raised.

The first question households were asked related to whether or not they would prefer to mainly live around people of their own age or not. The table below presents these results and shows that around half of older person households who stated they expected or would need to move within 2 years, would prefer to be around people of their own age, while another quarter said that they didn't mind.

Response	Number of households	% of households
People of your own age	303	49.0%
People of different ages	165	26.8%
Don't mind	150	24.2%
<b>TOTAL</b>	<b>618</b>	<b>100.0%</b>

Respondents were then asked about the type of accommodation they would like to live in. The table below shows just over two-thirds of older people would like to live in ordinary residential accommodation.

	Number of households	% of households
Sheltered accommodation for older people	136	22.1%
Very sheltered accommodation for older people	68	11.0%
Ordinary residential accommodation	413	66.9%
<b>TOTAL</b>	<b>618</b>	<b>100.0%</b>

Next people were asked about the type of accommodation they would expect to live in, which is shown in the table below. The results broadly mirror the responses given in the previous table. People who stated they would like to live in sheltered accommodation expect to be able to do this and the same is true people looking to move into ordinary residential accommodation. It is interesting to note of the respondents who would like to move to very sheltered accommodation, a small percentage expected to move into residential care, which is perhaps a realistic reflection of the level of their care needs and how they can be best managed.

<b>Table 16.9 Accommodation you would expect to live in</b>		
	Number of households	% of households
Residential care home for older people	11	1.8%
Sheltered accommodation for older people	135	21.9%
Very sheltered accommodation for older people	57	9.3%
Ordinary residential accommodation	414	67.0%
<b>TOTAL</b>	<b>618</b>	<b>100.0%</b>

Respondents who stated that they would like or expect to move into sheltered accommodation were then asked to answer some specific questions about this. They were first asked at what age they would consider moving into sheltered accommodation. The table below shows that nearly 63% of respondents would not want to make the move until they were over the age of 80 and possibly reflects the common desire to independent for as long as possible.

<b>Table 16.10 Age you would consider moving into sheltered accommodation</b>		
Age	Number of households	% of households
70-74	30	13.5%
75-79	53	23.8%
80+	139	62.7%
<b>TOTAL</b>	<b>222</b>	<b>100.0%</b>

Respondents were then asked about the type of sheltered accommodation they sought. The results are presented in the table below and show that there is a clear preference for self contained one or two bedroom accommodation with their own facilities.

<b>Table 16.11 What type of sheltered housing would you want?</b>		
Type of sheltered accommodation	Number of households	% of households
A bedroom/living room with its own kitchen but shared bathroom	12	5.2%
A bedroom/living room with its own kitchen bathroom and WC	11	5.1%
A self contained 1 bedroom flat with separate bedroom and living room	125	56.5%
A self contained 2 bedroom home	74	33.2%
<b>TOTAL</b>	<b>222</b>	<b>100.0%</b>

However, though the above table indicates there is a preference for individual living spaces, there is still demand for communal facilities. Nearly 60% of respondents stating they would use a communal lounge if one were provided. It is worth linking this back to the findings presented earlier, which indicated around half of people would prefer to be around people of their own age, as this would have possible implications regarding who might use such a facility.

<b>Table 16.12 Would you use a communal lounge?</b>		
	Number of households	% of households
Yes	61	59.6%
No	41	40.4%
<b>TOTAL</b>	<b>102</b>	<b>100.0%</b>

People were then asked about the type of support they would want in sheltered accommodation. A majority stated they only wanted emergency support although nearly 36% of respondents said they wanted a mix of emergency support with on-site assistance. There is clearly scope for finding a balance between these demands.

<b>Table 16.13 What type of support would you want?</b>		
Type of support	Number of households	% of households
Someone on call in an emergency	100	44.9%
Someone available on site for a few hours a day	15	6.7%
Someone available on site during normal working hours	17	7.6%
A mix of the above when you need it	80	35.9%
More support than any of these options	11	4.9%
<b>TOTAL</b>	<b>222</b>	<b>100.0%</b>

Finally people who stated they wanted to move into sheltered accommodation were asked about how important it was to have certain facilities located near their home and this is shown in the table below. The majority of respondents stated that it was either important or very important to have all of the facilities near their home. It is interesting to note though that while around a fifth of people felt having shopping a post office and bank nearby was not very important; nobody gave this as an answer for health facilities or public transport.

A couple of points can be given to explain this. Firstly, the respondents are elderly and their desire to move into sheltered accommodation indicates they will have a degree of care need. It is understandable then to want to have health facilities nearby. Secondly, it is also worth remembering that residents in sheltered accommodation remain largely independent so having transport facilities nearby is important as it enables someone to travel to facilities that are not in the local area.

<b>Table 16.14 How important is it to have the following type of facilities near your home...</b>		
	Number of households	% of households
<b>Shopping</b>		
Very important	35	34.7%
Important	44	43.0%
Not very important	23	22.0%
<b>Post Office / Bank</b>		
Very important	17	16.6%
Important	62	61.2%
Not very important	23	22.2%
<b>Health facilities</b>		
Very important	17	16.6%
Important	85	83.4%
Not very important	0	0.0%
<b>Public transport</b>		
Very important	17	16.6%
Important	85	83.4%
Not very important	0	0.0%
<b>TOTAL</b>	<b>102</b>	<b>100.0%</b>

## 16.8 Summary

Some 25.1% of households in Ipswich contain older persons only, and a further 5.9% contain a mix of both older and non-older persons. Older person only households are disproportionately comprised of only one person providing implications for future caring patterns. Although the majority of older person only households live in the private sector, it is interesting to note that a high proportion of social rented accommodation houses older people only (37.0% of all Council accommodation).

Older person households do not contribute significantly to the overall need for additional affordable housing, but may well have a significant impact on the future of Council housing and the future need for sheltered housing and adaptations. Indeed, the survey did indicate some demand for sheltered accommodation. This was mainly for self-contained flats with limited support.



## 17. Key worker households

### 17.1 Introduction

The term intermediate housing is often used with reference to specific groups of households such as key workers. The survey therefore analysed such households. For the purposes of analysis key workers were defined as people working in any one of 12 categories. These were:

- NHS staff
- Other health care
- Teachers
- Other education
- Local Authority staff (planners, occupational therapists, educational psychologists, social workers)
- Other Local Authority staff
- Probation staff
- Emergency services
- Voluntary sector
- Private sector Social Care staff
- Public transport
- Public Utilities Company

The nature of this study means that the key workers identified within the survey are those that are resident in the Borough. The data, therefore, includes key workers resident in the Borough who work outside its' boundaries and excludes key workers who work in Ipswich but live outside. The analysis of key workers concentrates on their current housing situation, future demands for housing and affordability (particularly in regard to 'intermediate' housing options).

Fordham Research carried out further research regarding key workers to examine whether there is a link between recruitment and retention problems and housing costs in major employers in Ipswich. Full details of this research can be found in a separate key worker report, however the main results are summarised in Appendix A7 of this report.

### 17.2 Number of key workers

In total it is estimated that there are 14,888 key workers living in Ipswich. The table below shows the categories of key workers within the Borough. The main categories of key worker are NHS staff, other health care workers and teachers.

<b>Table 17.1 Key worker categories</b>		
Category	Number of persons	% of key workers
NHS staff	3,355	22.5%
Other health care	2,345	15.7%
Teachers	1,964	13.2%
Other education	1,695	11.4%
Local Authority staff	726	4.9%
Other Local Authority staff	1,922	12.9%
Probation staff	66	0.4%
Emergency services	553	3.7%
Voluntary sector	205	1.4%
Private sector Social Care staff	518	3.5%
Public transport	614	4.1%
Public Utilities Company	924	6.2%
<b>TOTAL</b>	<b>14,888</b>	<b>100.0%</b>

In total it is estimated that 8,721 households are headed by a key worker (head of household taken as survey respondent). These households are subject to further analysis in the sections below.

### **17.3 Housing characteristics of key worker households**

The table below shows various household and housing characteristics of key worker households. The results indicate that the majority of key worker households (77.6%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (62.7%). Of key worker households living in rented accommodation, a higher proportion are living in the private rented sector compared with non-key worker households who are more likely to live in the social rented sector.

In terms of household composition key worker households are more likely, than non-key workers, to live in households with two or more adults with children and are less likely to be pensioner households. As a result key worker households have a significantly greater requirement for larger three bedroom property than non-key worker households.

In terms of the geographical location of key worker households the data reveals that such households are more likely to be living in the Central area than other households.

<b>Table 17.2 Key worker households and housing/household characteristics</b>				
Characteristic	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
<b>Tenure</b>				
Owner-occupied (no mortgage)	1,169	13.4%	12,646	29.4%
Owner-occupied (with mortgage)	5,595	64.2%	14,285	33.3%
Council	506	5.8%	7,930	18.5%
RSL	246	2.8%	3,428	8.0%
Private rented	1,206	13.8%	4,670	10.9%
<b>Household composition</b>				
Single pensioners	110	1.3%	7,743	18.0%
2 or more pensioners	21	0.2%	5,093	11.9%
Single non-pensioners	1,969	22.6%	6,880	16.0%
2 or more adults – no children	3,631	41.6%	12,862	29.9%
Lone parent	376	4.3%	1,908	4.4%
2+ adults 1 child	882	10.1%	3,316	7.7%
2+ adults 2+ children	1,732	19.9%	5,158	12.0%
<b>Sub-area</b>				
South East	1,316	15.1%	7,639	17.8%
South West	1,814	20.8%	10,965	25.5%
Central	2,508	28.8%	8,505	19.8%
North East	1,678	19.2%	7,814	18.2%
North West	1,405	16.1%	8,037	18.7%
<b>Size requirement</b>				
1 bedroom	4,017	46.1%	26,641	62.0%
2 bedrooms	2,950	33.8%	10,846	25.2%
3 bedrooms	1,572	18.0%	4,566	10.6%
4+ bedrooms	182	2.1%	907	2.1%
<b>TOTAL</b>	<b>8,721</b>	<b>100.0%</b>	<b>42,960</b>	<b>100.0%</b>

#### 17.4 Previous household moves of key worker households

The table below indicates when key worker and non-key worker households moved to their current accommodation. The results indicate that key worker households were more likely than non-key worker households to have moved to their current accommodation within the last two years (23.8% of all key worker households compared with 19.0% of non-key workers).

When moved to present home	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Within the last year	1,321	15.2%	4,264	9.9%
1 to 2 years ago	753	8.6%	3,911	9.1%
2 to 5 years ago	1,843	21.1%	7,398	17.2%
5 to 10 years ago	1,516	17.4%	6,118	14.2%
Over 10 years ago	3,102	35.6%	19,827	46.2%
Always lived here	186	2.1%	1,441	3.4%
<b>TOTAL</b>	<b>8,721</b>	<b>100.0%</b>	<b>42,960</b>	<b>100.0%</b>

Previous tenure and location information for households moving in the last two years is presented in the table below. The results show that over a third of key worker households moving in the last two years moved from private rented accommodation and a further 38.8% moved from owner-occupied accommodation. This compares with 23.8% and 31.6% respectively for non-key worker households. In terms of location, the data suggests that key worker households are less likely to have been in-migrant households.

Characteristic	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
<b>Tenure of previous home</b>				
Owner-occupied	805	38.8%	2,587	31.6%
Council	71	3.4%	768	9.4%
RSL	112	5.4%	566	6.9%
Private rented	705	34.0%	1,942	23.8%
Newly forming household	381	18.4%	2,312	28.3%
<b>Location of previous home</b>				
Ipswich	1,489	71.8%	5,451	66.7%
Elsewhere in Suffolk	259	12.5%	1,077	13.2%
Elsewhere in the UK	310	15.0%	1,304	16.0%
Abroad	16	0.8%	342	4.2%
<b>TOTAL</b>	<b>2,074</b>	<b>100.0%</b>	<b>8,175</b>	<b>100.0%</b>

### 17.5 Housing aspirations of key worker households

The survey also collected information on the future aspirations of households seeking to move within the next five years. The table below indicates that of the 8,721 key worker households a total of 21.7% need or are likely to move over the next two years. This figure is slightly lower, around 15.9%, for non-key worker households.

When need/likely to move	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Now	293	3.4%	1,678	3.9%
Within a year	840	9.6%	2,391	5.6%
1 to 2 years	755	8.7%	2,760	6.4%
2 to 5 years	1,368	15.7%	4,389	10.2%
No need/not likely to move	5,465	62.7%	31,742	73.9%
<b>TOTAL</b>	<b>8,721</b>	<b>100.0%</b>	<b>42,960</b>	<b>100.0%</b>

The table indicates that 1,888 key worker households stated they were likely/needed to move within the next two years. Their housing preferences (in terms of tenure, location and size) are presented in the table below and are compared with results for all non-key worker households wanting to move within the next two years.

Housing preferences	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
<b>Tenure</b>				
Buy own home	1,468	77.8%	3,914	57.3%
Rent from Council	183	9.7%	1,961	28.7%
Rent from RSL	44	2.3%	460	6.7%
Private rented	91	4.8%	304	4.4%
Tied	25	1.3%	0	0.0%
Shared ownership	76	4.0%	142	2.1%
House/flat share	0	0.0%	47	0.7%
<b>Location</b>				
Ipswich	1,144	60.6%	4,513	66.1%
Elsewhere in Suffolk	456	24.1%	1,301	19.1%
Elsewhere in the UK	112	5.9%	517	7.6%
Abroad	176	9.3%	497	7.3%
<b>Stated size requirement</b>				
1 bedroom	92	4.9%	1,257	18.4%
2 bedrooms	785	41.6%	2,426	35.5%
3 bedrooms	812	43.0%	2,564	37.5%
4+ bedrooms	198	10.5%	582	8.5%
<b>TOTAL</b>	<b>1,888</b>	<b>100.0%</b>	<b>6,829</b>	<b>100.0%</b>

The table indicates that key worker households are far more likely to have a preference for owner-occupation than other households. A total of 77.8% of key worker households stated that they would like to move to (or remain in) owner-occupation, this compares with 57.3% of non-key worker households. In terms of location it appears as if key worker households are more likely to want to move from the Borough but also more likely to want to remain in Suffolk. Finally, in terms of stated size preferences, key worker households are more likely to seek larger, three and four bedroom properties, and less likely to seek one bedroom homes.

### 17.6 Income and affordability of key worker households

The table below shows a comparison of income and savings levels for key worker and non-key worker households. The figures have also been split into four broad key worker categories.

The figure for non-key worker households has been split between depending on whether or not the head of household is in employment or not. Figures shown are for weekly net income (including non-housing benefits). The table suggests that generally key worker households have higher income levels than non-key worker households (those in employment). Key worker households have a similar level of savings to non-key worker households in employment. In comparison with all households, income levels for both key worker and non-key worker households are above the borough average although savings levels are below. This reflects the fact that the Borough-wide figures include retired households who have no earned income but much higher levels of savings.

<b>Table 17.7 Income and savings levels of key worker households</b>		
Category	Weekly net household income (including non-housing benefits)	Average household savings
Health care	£502	£9,114
Education	£563	£11,803
Local government	£527	£7,581
Other	£488	£4,737
All key worker household	£520	£8,753
All non-key worker (in employment)	£465	£8,734
All other households (no-one working)	£175	£13,563
All households	£367	£10,516

It is possible to consider the ability of key worker households to afford both minimum market prices and intermediate forms of housing and this is presented in the table below for all key worker households and those key worker households that need/are likely to move in the next two years.

Category	All key worker households		Key workers moving in next two years	
	Number of households	% of households	Number of households	% of households
Social rent only	307	3.5%	46	2.4%
Afford cheapest intermediate housing	151	1.7%	44	2.3%
3 <sup>rd</sup>	215	2.5%	79	4.2%
2 <sup>nd</sup>	68	0.8%	35	1.9%
Afford most expensive intermediate housing	129	1.5%	59	3.1%
Afford market housing	7,852	90.0%	1,624	86.0%
<b>TOTAL</b>	<b>8,721</b>	<b>100.0%</b>	<b>1,888</b>	<b>100.0%</b>

The table indicates that 90.0% of all key worker households are able to afford entry-level prices in the market. This is not surprising given the high proportion of these households that are already owner-occupiers. It is also interesting to note that of the 869 households unable to afford minimum market prices, 35.3% can only afford social rented housing and a further 42.1% can only afford the cheapest two forms of intermediate housing.

The profile of those key worker households who need/are likely to move in the next two years is slightly different. A lower proportion of these households (86.0%) are able to afford entry-level prices and a higher proportion of those unable to afford can afford the most expensive types of intermediate housing.

### 17.7 Key workers and the basic needs assessment model

In addition to the above it is possible to study how key worker households fit into the Basic Needs Assessment model and their ability to afford intermediate housing. The table below gives an estimate of how much of the housing need will be from key workers and also an estimate of the likely supply to these households. The data is also split down by size requirements. The table shows there is an estimated net need for 93 dwellings per annum for key worker households. This figure represents 11.7% of the total affordable requirement in the Borough.

Size required	Need	Supply	TOTAL
1 bedroom	43	0	43
2 bedroom	72	0	72
3 bedroom	7	29	(21)
4+ bedroom	0	0	0
<b>TOTAL</b>	<b>122</b>	<b>29</b>	<b>93</b>

Finally, the affordability of those households found to be in need is considered. This is shown in the table below. The results of this analysis show that 80.9% of key worker households in need of affordable housing can afford more than social rents. In total however only around a third of all key worker households in need fall into the most expensive two brackets of intermediate housing. It is also clear from the table that there are not large numbers of key worker households with incomes close to the margins of affordability.

<b>Table 17.10 Key worker ability to afford housing (those in housing need) (per annum)</b>		
Affordability	Number of households	% of households
Social rent only	23	19.1%
Afford cheapest intermediate housing	6	4.7%
3 <sup>rd</sup> most expensive	51	42.2%
2 <sup>nd</sup> most expensive	29	23.9%
Afford most expensive intermediate housing	12	10.2%
<b>TOTAL</b>	<b>122</b>	<b>100.0%</b>

### 17.8 The 'Key worker living' programme

Certain categories of key worker qualify for financial help with housing under the Government's Key Worker Initiative, in which £690m is being made available to key workers in London and the South East. In Norfolk and Suffolk, the categories of key workers that qualify for this assistance are:

- Teachers – Full-time, permanent, Qualified Teachers in schools, Further Education or 6th Form Colleges
- NHS Staff – Nurses, radiographers, mental health, midwives, GPs, physiotherapists, other clinical posts e.g. scientists and paramedics
- Local Authority Staff – Planners, occupational therapists, educational psychologists, social workers
- Probation Staff

Of the 14,888 key workers in Ipswich, 6,111 (41.0%) work in one of the four categories stated above. Of the 8,721 Ipswich households headed by a key worker, 3,530 (40.5%) fall within these 'Key Worker Living' (KWL) categories. This section compares the housing needs and preferences of KWL key workers compared to key workers in general.

The main difference in tenure between the two categories of key worker is that KWL key workers are more likely to live in owner-occupied (with mortgage) accommodation: 71.2% of such households have a mortgage, compared to 59.3% of non-KWL key workers. They are also much less likely to be in Council accommodation (0.9% compared with 9.1%).



In terms of household type, 27.5% of KWL key workers are single non-pensioner households, whereas only 19.2% of other key-workers are. However, only 39.6% of KWL households are made up of two or more adults with no children, compared with 43.1% of non-KWL households. Non-KWL households are also slightly more likely to contain children – 35.8% of such households do, compared with 32.0% of KWL households.

The geographical location of the different types of key worker households can also be studied and is shown in the table below. KWL households are more likely to live in the Central and North East sub-areas but significantly less likely to be in the South West and North West areas.

Sub-area	% of KWL households	% of non-KWL households
South East	15.1%	15.1%
South West	14.7%	25.0%
Central	33.0%	25.9%
North East	23.7%	16.2%
North West	13.6%	17.8%
TOTAL	100.0%	100.0%

KWL households are more likely to have moved house in the last five years. Of those having moved within the past two years, KWL households are more likely to have been newly-formed households and less likely to have moved from elsewhere in Suffolk. However, 18.9% of KWL households that have moved within two years came from elsewhere in the UK, compared with 12.3% of non-KWL households.

KWL households are more likely to need or expect to move within the next five years: 42.0% compared to only 34.2% of non-KWL households. The housing preferences of the 890 KWL households (and 1,016 non-KWL households) that need/expect to move within two years can be studied in more detail and are shown in the table below.

<b>Table 17.12 Housing preferences of households seeking to move in the next two years</b>		
Housing preferences	% of KWL households	% of non-KWL households
<b>Tenure</b>		
Buy own home	80.4%	75.4%
Rent from Council	8.0%	11.2%
Rent from RSL	0.0%	4.4%
Private rented	8.1%	2.0%
Tied	0.0%	2.5%
Shared ownership	3.5%	4.5%
<b>Location</b>		
Ipswich	58.8%	62.2%
Elsewhere in Suffolk	23.2%	25.0%
Elsewhere in the UK	8.4%	3.7%
Abroad	9.6%	9.1%
<b>Stated size requirement</b>		
1 bedroom	4.7%	3.1%
2 bedrooms	56.0%	27.8%
3 bedrooms	33.7%	56.8%
4+ bedrooms	5.5%	12.3%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

KWL households are more likely to want to move to owner-occupation or private rented accommodation and less likely to want to move to social rented housing. KWL households are also less likely to want to remain in Ipswich or Suffolk and more likely to wish to move elsewhere in the UK. In terms of size requirements, KWL households are much more likely to want smaller one or two bedroom accommodation and less likely to want three-plus bedroom housing.

The income of KWL households is shown in the table below. It is clear that KWL households have above average net income when compared to non-KWL households and to all households. However, the trend in savings is different, with KWL households having the lowest level.

<b>Table 17.13 Income and savings levels of key worker households</b>		
Category	Weekly net household income (including non-housing benefits)	Average household savings
KWL households	£559	£7,413
Non-KWL households	£493	£9,663
All key worker household	£520	£8,753
All households	£367	£10,516

The ability of the two groups of key workers to afford market-priced housing is compared in the table below. It is clear that the vast majority of both groups can afford market housing. However, non-KWL households show a worse affordability situation overall.

Category	% of KWL households	% of non-KWL households
Social rent only	0.0%	5.9%
Afford cheapest intermediate housing	1.5%	1.9%
3 <sup>rd</sup>	0.5%	3.8%
2 <sup>nd</sup>	0.3%	1.1%
Afford most expensive intermediate housing	2.1%	1.1%
Afford market housing	95.6%	86.2%
TOTAL	100.0%	100.0%

## 17.9 Summary

The term intermediate housing is often used with reference to specific groups of households such as key workers. The survey therefore analysed such households (the definition being based on categories of employment and notably including public sector workers). Analysis of survey data indicates that there are an estimated 14,888 people in key worker occupations and 8,721 households are headed by a key worker. These households are more likely to be owner-occupiers and less likely to live in the social rented sector.

The main findings from further analysis of these groups of households can be summarised as follows:

- Key worker households are more likely to have moved in the last two years than non-key workers and are more likely to have moved from elsewhere in the Borough
- Key worker households are slightly more likely to move within the next two years and are more likely to want to move from the Borough
- Key worker households have slightly higher incomes than non-key worker households (in employment)
- The majority (90.0%) of key worker households can afford market housing in the Borough, of those that can't afford, intermediate housing options are only affordable for 64.7%. Looking only at those key worker households who need or are likely to move in the next two years we find a worse affordability situation and a higher proportion able to afford intermediate housing
- In terms of the need for affordable housing the study suggests that around 11.7% of the net affordable housing requirement comes from key worker households

KWL key worker households can be seen to show significant differences in housing circumstances and need to non-KWL households. In general, KWL households have higher incomes, better affordability and seem more mobile than non-KWL households. They are likely to require smaller homes and are less likely to contain children. They are also more likely to live in the 'Central' and 'North East' sub-areas.

## 18. Black and Minority Ethnic households

### 18.1 Introduction

Information was gathered in the survey to find out the ethnic origin of the head of household (and partner if applicable) for each sample household in the survey. The categories used on the survey forms were consistent with those used in the 2001 Census. These categories have been re-grouped into four different ethnic groups.

The table below shows estimates of the number of households in each of the four ethnic groups and the number of survey responses (the groups used have been re-grouped from 17 different ethnic groups used on the survey form). For the analysis in this chapter, the ethnic group of the survey respondent is taken to represent the head of household. It should be noted that estimates in this chapter should be treated with caution as for all groups (other than White) they are based on small sample sizes.

Ethnic group	Total number of households	% of households	Number of returns	% of returns
White	49,064	94.9%	2,465	96.1%
Asian	735	1.4%	31	1.2%
Black	901	1.7%	40	1.6%
Mixed & other	982	1.9%	30	1.2%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

The survey estimates that the majority of households in the Borough are headed by a White person. In total only 5.1% of households are headed by someone who describes themselves as non-white. Of the non-White households, 901 are Black, 735 Asian and 982 describe themselves as Mixed or from an other ethnic background.

### 18.2 Household size

The number of persons in each household disaggregated by ethnic origin is shown in the table below. Also shown is the average number of bedrooms available to each group and hence a person per bedroom measure.

<b>Table 18.2 Household size and ethnicity</b>					
Number of persons in household	Ethnic group				TOTAL
	White	Asian	Black	Mixed & other	
One	16,029	137	345	191	16,702
Two	16,476	261	217	323	17,277
Three	6,855	132	137	203	7,327
Four	6,474	99	93	265	6,931
Five	2,235	85	86	0	2,406
Six or more	995	20	23	0	1,038
<b>TOTAL</b>	<b>49,064</b>	<b>735</b>	<b>901</b>	<b>982</b>	<b>51,681</b>
Average household size	2.30	2.72	2.42	2.55	2.32
Average number of bedrooms	2.68	2.41	2.33	2.50	2.67
Persons per bedroom	0.86	1.13	1.04	1.02	0.87

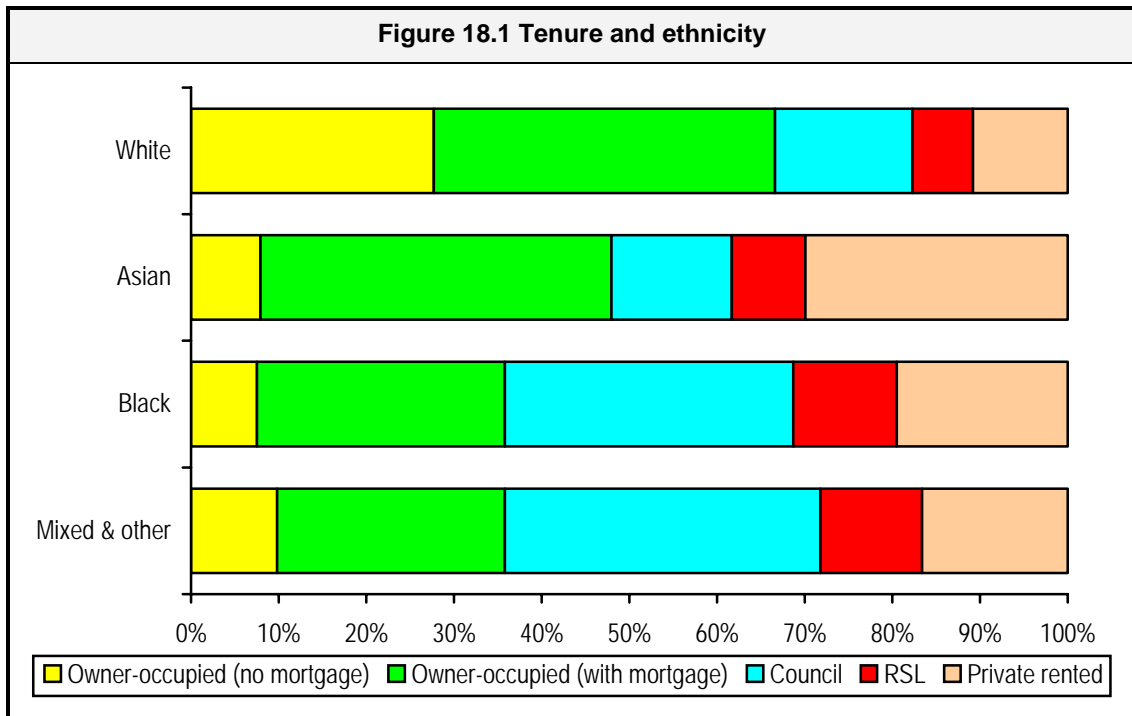
It can be observed that Asian households have the highest average household size with an estimated 2.72 persons per household. In contrast White households have the lowest average household size (at 2.30 persons per household). These figures compare with a Borough average of 2.32 persons per household.

The data also shows some difference when looking at the numbers of persons per bedroom. This ranges from 0.86 for White households to 1.13 in the Asian group.

### 18.3 Tenure

The table and figure below shows ethnic group and tenure. The data shows that Black and Mixed & other households are more likely than other groups to be living in social rented housing, there are relatively few Black and Mixed & other households in the owner-occupied sector. Asian households are particularly likely to live in the private rented sector, approaching a third of Asian households privately rent. All three of the BME groups show higher levels of private renting and lower levels of owner-occupation than White households.

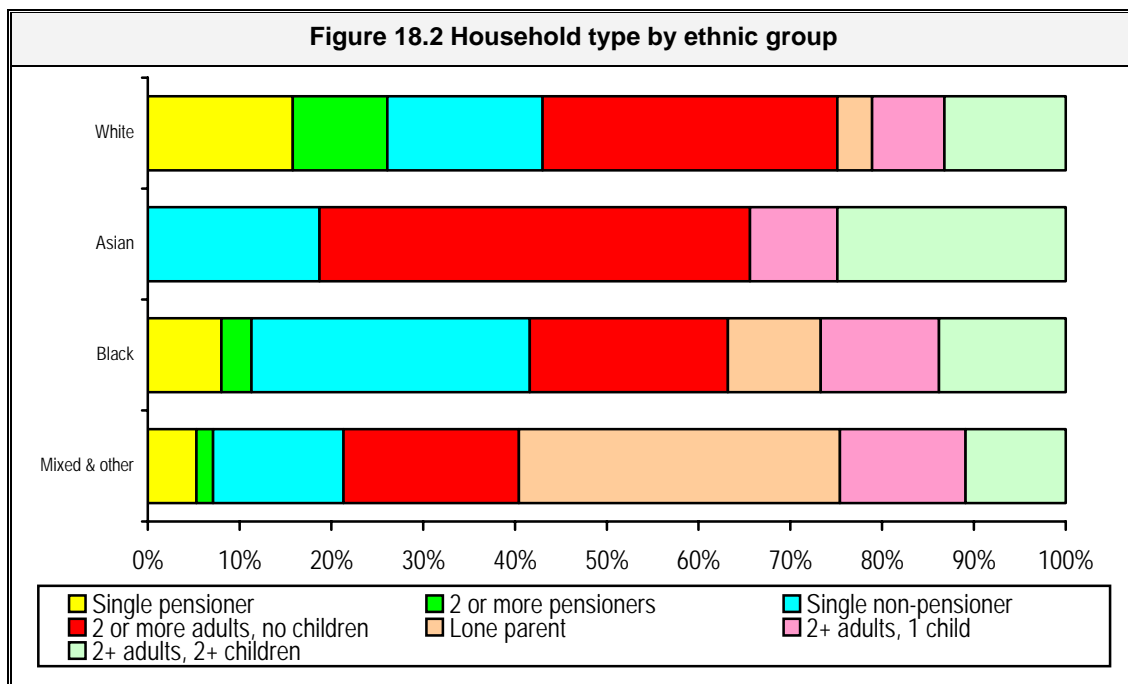
Table 18.3 Tenure and ethnicity (row percentages)					
Tenure	Ethnic group				
	White	Asian	Black	Mixed & other	TOTAL
Owner-occupied (no mortgage)	13,593 (98.4%)	58 (0.4%)	68 (0.5%)	96 (0.7%)	13,815 (100.0%)
Owner-occupied (with mortgage)	19,076 (96.0%)	294 (1.5%)	255 (1.3%)	255 (1.3%)	19,880 (100.0%)
Council	7,685 (91.1%)	101 (1.2%)	296 (3.5%)	354 (4.2%)	8,436 (100.0%)
RSL	3,393 (92.4%)	62 (1.7%)	106 (2.9%)	114 (3.1%)	3,674 (100.0%)
Private rented	5,317 (90.5%)	220 (3.7%)	176 (3.0%)	163 (2.8%)	5,876 (100.0%)
TOTAL	49,064 (94.9%)	735 (1.4%)	901 (1.7%)	982 (1.9%)	51,681 (100.0%)



### 18.4 Household type and support needs

The table below shows ethnic group and household type. The results clearly show that Black and Mixed & other households are far more likely to be lone parents, whereas White households are more likely to be pensioner households than any of the BME groups.

Table 18.4 Household type and ethnicity (row percentages)					
Household type	Ethnic group				
	White	Asian	Black	Mixed & other	TOTAL
Single pensioner	7,729 (98.4%)	0 (0.0%)	72 (0.9%)	52 (0.7%)	7,853 (100.0%)
2 or more pensioners	5,066 (99.1%)	0 (0.0%)	30 (0.6%)	18 (0.4%)	5,114 (100.0%)
Single non-pensioner	8,299 (93.8%)	137 (1.5%)	273 (3.1%)	140 (1.6%)	8,849 (100.0%)
2 or more adults, no children	15,766 (95.6%)	344 (2.1%)	195 (1.2%)	188 (1.1%)	16,493 (100.0%)
Lone parent	1,850 (81.0%)	0 (0.0%)	91 (4.0%)	343 (15.0%)	2,284 (100.0%)
2+ adults, 1 child	3,878 (92.4%)	70 (1.7%)	116 (2.8%)	135 (3.2%)	4,198 (100.0%)
2+ adults, 2+ children	6,476 (94.0%)	183 (2.7%)	124 (1.8%)	107 (1.6%)	6,890 (100.0%)
TOTAL	49,064 (94.9%)	735 (1.4%)	901 (1.7%)	982 (1.9%)	51,681 (100.0%)





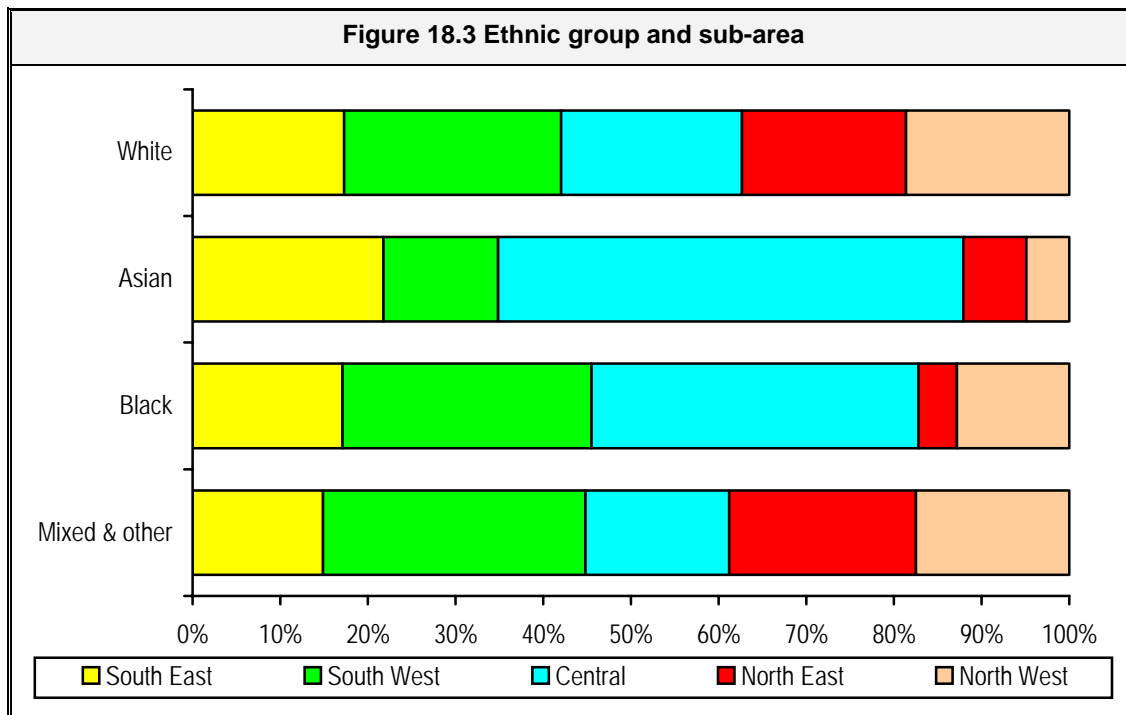
The table below shows ethnic group by support needs. The results show that the vast majority of support needs households are White. Notably, Asian households show a proportion of support needs households well below the equivalent figure for White households.

Ethnic group	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
White	7,476	41,588	49,064	15.2%	95.5%
Asian	65	670	735	8.8%	0.8%
Black	123	778	901	13.6%	1.6%
Mixed & other	164	818	982	16.7%	2.1%
<b>TOTAL</b>	<b>7,827</b>	<b>43,854</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

### 18.5 Geographical location

The table and figure below shows the geographical distribution of BME households. It is clear from the data that certain groups are heavily concentrated in certain areas. Notably, both Black and Asian households are particularly likely to live in the Central area. Over half of all Asian and over a third of Black households were found to be living in the Central area. This compares with only just over a fifth of all households. The North East sub-area (and for Asian households the North West) has relatively few Asian or Black households.

Sub-area	Ethnic group				
	White	Asian	Black	Mixed & other	TOTAL
South East	8,494 (94.9%)	160 (1.8%)	154 (1.7%)	146 (1.6%)	8,955 (100.0%)
South West	12,132 (94.9%)	96 (0.8%)	256 (2.0%)	294 (2.3%)	12,779 (100.0%)
Central	10,127 (92.0%)	390 (3.5%)	336 (3.1%)	161 (1.5%)	11,013 (100.0%)
North East	9,191 (96.8%)	53 (0.6%)	40 (0.4%)	209 (2.2%)	9,492 (100.0%)
North West	9,119 (96.6%)	36 (0.4%)	115 (1.2%)	172 (1.8%)	9,442 (100.0%)
<b>TOTAL</b>	<b>49,064 (94.9%)</b>	<b>735 (1.4%)</b>	<b>901 (1.7%)</b>	<b>982 (1.9%)</b>	<b>51,681 (100.0%)</b>



### 18.6 Income levels

The table below shows income levels for each category of BME household. The average income of all households in the Borough was estimated at £367 per week (net income including non-housing benefits). The table shows that there is noticeable difference between income levels of different ethnic groups with the Mixed & other groups showing an average income of only £251 per week and Asian households £419 per week. Savings levels differ even more noticeably with White households having an average level of more than double the next highest (Black) group.

Ethnic group	Weekly net household income (including non-housing benefits)	Average household savings
White	£370	£10,875
Asian	£419	£2,692
Black	£329	£5,248
Other	£251	£3,279
All households	£367	£10,516

## 18.7 Unsuitable housing

Finally we can look at levels of unsuitable housing by ethnic group. The table below shows the proportion of each group estimated to be living in unsuitable housing. For each BME group the proportion of households in unsuitable housing is significantly above the Borough average. All three BME groups show levels of unsuitable housing in excess of 15%, this compares with only 6.0% for White households.

Ethnic group	% of households
White	6.0%
Asian	15.1%
Black	15.1%
Mixed & other	15.4%
All households	6.4%

## 18.8 BME households and the basic needs assessment model

In addition to the above it is possible to study how BME households fit into the Basic Needs Assessment model. The table below gives an estimate of how much of the housing need will be from BME households and also an estimate of the likely supply to these households. The data suggests that there is some unmet need for BME groups, most notably in the Asian and Mixed & other groups. However, the needs do not appear to be notably different to those arising from White households. There may be some specific mismatches in the stock for different groups but the survey samples are not sufficiently large to permit such a detailed analysis.

Size required	Need	Supply	TOTAL
White	1,456	722	734
Asian	58	31	27
Black	57	50	7
Mixed & other	63	31	32
TOTAL	1,633	835	798

## **18.9 Summary**

The survey revealed that 94.9% of Ipswich households were White, with 1.4% Asian, 1.7% Black and 1.9% in Mixed & other ethnic groups. The survey showed that Asian households have a larger average household size than other households. Additionally, results show that Asian households were disproportionately living in private rented accommodation and Black households in the social rented sector. Finally, the survey results suggest that White households are particularly likely to be made up of only older people and that these households are generally more likely to contain someone with a support need. The survey also showed considerable difference in both income and savings levels between the different groups.

## 19. Young person households

### 19.1 Introduction

This chapter looks at housing needs, tenure aspirations and tenure expectations of younger people. House price rises in many parts of the country have made owner-occupation difficult to realise for many younger people, who are likely to have a relative lack of equity. A large number of the potential households identified by the survey are also likely to be young people who have remained with their parents or another relative longer than expected because they cannot afford market priced housing.

Younger persons are defined for the purpose of this chapter as those under 30 and so households are divided up into the following categories:

- Younger persons only
- Younger persons and children under 16 only
- All other households

Table 19.1 Younger person households		
Category	Number of households	% of all households
Younger persons only	3,426	6.6%
Younger persons and children	1,779	3.4%
All other households	46,476	89.9%
TOTAL	51,681	100.0%

The table above indicates that an estimated 10.1% of all households in Ipswich are young households, as defined by the absence of an adult aged 30+. An estimated 3,426 households contain only younger persons (above 15 and below the age of 30) and a further 1,779 households contain only people under 30 and also contain at least one child under the age of 16. The following analysis considers further the characteristics of these 5,205 younger person households.

## 19.2 Tenure, ethnicity, household size and location

The table below shows the distribution of younger person households by tenure and household size. The data indicates that younger person households occupy a disproportionate number of private rented dwellings, especially those without children. Overall, younger person households only account for 10.1 % of all households, but this rises to an estimated 31.8% within the private rented sector.

Young person only households (with no children) are only a quarter as likely as households that are not only composed of young people to live in Council accommodation. However, young person households containing children are much more likely to occupy Council property: 27.4% of such households live in Council accommodation, compared to 16.8% of non-young-person households. Young people only are particularly unlikely to live in owner-occupation with no mortgage but young person households with no children are the most likely type of household to be in owner-occupied (with mortgage) accommodation.

Tenure	% of younger persons only households	% of younger persons with children households	% of all other households
Owner-occupied (no mortgage)	4.3%	0.9%	29.4%
Owner-occupied (with mortgage)	41.4%	30.4%	38.6%
Council	4.1%	27.4%	16.8%
RSL	11.2%	11.1%	6.7%
Private rented	39.0%	30.1%	8.6%
TOTAL	100.0%	100.0%	100.0%

The table below shows that, as would be expected, younger person households containing children have the highest average household size at 3.13, and younger person only households the lowest at 1.66.

Category	Average household size
Younger persons only	1.66
Younger persons and children	3.13
All other households	2.32
TOTAL	2.31

The location of young person households is shown in the table below. Some areas are clearly much more popular with younger people than others. While 19.6% of households not containing only young people live in the 'North West' sub-area, only 4.8% of young person only and 10.0% of young person with children households live in this area. In contrast, both types of young household are more likely to live in the 'South East' sub-area. Those young people with no children are particularly likely to live in the 'Central' area and those with children are more likely than other households to be living in the 'South West' sub-area.

Sub-area	% of younger persons only households	% of younger persons with children households	% of all other households
South East	20.9%	23.5%	16.8%
South West	24.7%	34.1%	24.4%
Central	39.4%	13.5%	20.3%
North East	10.2%	18.9%	19.0%
North West	4.8%	10.0%	19.6%
TOTAL	100.0%	100.0%	100.0%

The ethnicity of young person households can be studied. The table below shows the ethnicity of the head of household in all young person households (both groups) and in households not containing only young people. It is clear that younger person households are more likely to be non-white and over three times more likely to be in the 'Mixed & Other' group. Those 'mixed and other' young person households appear particularly likely to contain children.

Ethnic group	% of younger person households	% of younger persons with children households	% of all other households
White	89.4%	81.9%	95.6%
Asian	2.7%	3.4%	1.3%
Black	2.2%	0.7%	1.7%
Mixed & Other	5.6%	14.0%	1.5%
TOTAL	100.0%	100.0%	100.0%

### 19.3 Income and unsuitable housing

It is informative to look at the estimated mean average annual gross income (excluding benefits) for younger person households in Ipswich. Interestingly, those households with children show a markedly lower income level (£14,189) than the other two household categories. Young person only households have the highest average gross annual income at £23,920. When benefits are taken into account, the gaps between the three groups narrow but the trend remains the same, with the average net weekly income for younger person households with children at £313 compared to £380 for those without children and £369 for those households not containing only young people.

<b>Table 19.6 Average household size of younger person households</b>		
Category	Average annual gross income (excluding benefits)	Average weekly net household income (including benefits)
Younger persons only	£23,920	£380
Younger persons and children	£14,189	£313
All other households	£20,040	£369
<b>TOTAL</b>	<b>£20,096</b>	<b>£367</b>

The table below shows the number of younger person households in unsuitable housing and indicates that these households are more likely than all households in the Borough to be living in unsuitable housing. An estimated 19.9% of younger person households with children are living in unsuitable housing compared to 5.7% of all Ipswich households with not only younger people and 6.4% of all households in Ipswich. Younger person only households are also slightly more likely than average to be in unsuitable housing.

<b>Table 19.7 Younger person households in unsuitable housing</b>			
Unsuitable housing	% of younger persons only households	% of younger persons with children households	% of all other households
In unsuitable housing	8.8%	19.9%	5.7%
Not in unsuitable housing	91.2%	80.1%	94.3%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Using the income information that was collected, the ability of young person households currently living in unsuitable housing to afford suitable housing can be calculated. The results are shown in the table below. Those households with children show a much worse affordability level.



Affordability	% of younger persons only households	% of younger persons with children households	% of all other households
Can afford suitable housing	31.2%	10.9%	47.9%
Cannot afford suitable housing	68.8%	89.1%	52.1%
TOTAL	100.0%	100.0%	100.0%

#### 19.4 Past moves of young person households

The survey also asked questions regarding the previous moves of households. The table below clearly shows that young person households are much more likely to have moved recently. Young person households without children are most likely to have moved within the past year

When did you move to your present home?	% of younger persons only households	% of younger persons with children households	% of all other households
Less than a year ago	40.7%	19.0%	8.3%
1-2 years ago	28.7%	35.4%	6.6%
2-5 years ago	24.8%	31.7%	16.8%
Over 5 years ago	5.8%	13.9%	68.3%
TOTAL	100.0%	100.0%	100.0%

The table below shows that younger person households with children are the most likely group to have moved within Ipswich or from abroad whereas young person households without children are most likely of the three groups to have moved from elsewhere in Suffolk.

Where was your last home?	% of younger persons only households	% of younger persons with children households	% of all other households
Ipswich Borough Council area	68.4%	73.4%	66.7%
Elsewhere in Suffolk	14.1%	6.8%	13.5%
Elsewhere in UK	15.6%	11.1%	16.4%
Abroad	1.8%	8.6%	3.3%
TOTAL	100.0%	100.0%	100.0%

## 19.5 Future moving intentions and expectations

Of all the younger person households, an estimated 42.1% said they would need or expect to move within the next two years. Of these, 87.0% said they would either like or expect to remain within the Ipswich Borough Council area. The table below illustrates the tenure aspiration and expectations of those 1,906 younger households looking to move within the Borough in the next two years. This data suggests that the difference between tenure aspirations and expectations amongst younger households in Ipswich is not huge. Many more would like to owner-occupy than expect to do so and more young people households expect to rent from a private landlord or an RSL than would like to.

<b>Table 19.11 Younger persons and tenure aspirations</b>		
Tenure	Like	Expect
	% of younger households	% of younger households
Buy own home	57.2%	41.2%
Rent from council	23.3%	24.8%
Rent from a housing association	7.6%	14.4%
Rent from a private landlord	8.9%	16.7%
Shared ownership	1.4%	1.4%
House/flat share	1.5%	1.5%
TOTAL	100.0%	100.0%

## 19.6 Summary

The data estimates that 10.1% of households in Ipswich are comprised entirely of people under the age of 30; 3.4% of these households contain younger persons and children and the remaining households are composed only of young people. There are many significant differences between these two groups of young person households and also when compared with households not only containing young members.

Younger person households as a whole occupy a disproportionate number of private rented dwellings, especially those without children. Young people only are particularly unlikely to live in owner-occupation with no mortgage but young person households with no children are the most likely type of household to be in owner-occupied (with mortgage) accommodation. Trends in location can also be seen, with all young person households less likely to live in the 'North West' sub-area and those without children much more likely than average to live in the 'Central' area. Younger person households are also more likely to be non-White.

Those young person households with children are likely to have below average income and are particularly likely to live in unsuitable housing and be unable to afford more suitable accommodation. Young person households are much more likely to have moved recently and an estimated 42.1% said they would need or expect to move within the next two years. Of these, 87.0% said they would either like or expect to remain within the Ipswich Borough Council area.



## 20. Overcrowding and under-occupation

### 20.1 Introduction

This chapter briefly studies the extent of overcrowding and under-occupation of households living in each individual tenure group. The standards used to check for overcrowding/under-occupation were as follows:

- **Overcrowding:** each household was assessed as to the number of bedrooms required. Any household without enough bedrooms was deemed to be over-crowded.
- **Under-occupation:** households with more than one spare bedroom are deemed to be under-occupied.

### 20.2 Overcrowding and under-occupation

The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households.

Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	6,045	8,704	13,884	2,025	30,658
2 bedrooms	226	2,766	9,159	1,645	13,796
3 bedrooms	16	244	4,392	1,486	6,139
4+ bedrooms	25	0	357	706	1,088
TOTAL	6,313	11,715	27,792	5,861	51,681

KEY:  Overcrowded households  Under-occupied households

*Note:* The bottom two cells of the 4+ bedroom column contain some households that are either overcrowded or under-occupied – for example they may require three bedrooms but live in a five bedroom property or may require five bedroom property but currently be occupying four bedroom property.

The estimated number of overcrowded and under-occupied households is as follows:

- **Overcrowded:** 1.9% of households = 968 households
- **Under-occupied:** 34.4% of households = 17,779 households

### 20.3 Household characteristics

The figure below shows levels of overcrowding and under-occupation by various household characteristics. The figure shows some clear differences between different household groups.

In terms of tenure, the figure shows that owner-occupiers are most likely to be under-occupying dwellings and less likely to be overcrowded; this is particularly true for those with no mortgage. Households in each of RSL and Council rented accommodation show similar level of overcrowding whilst very few RSL households were shown to be under-occupying. In all of the rented tenures the level of overcrowding is above the Borough average and the level of under-occupancy significantly below.

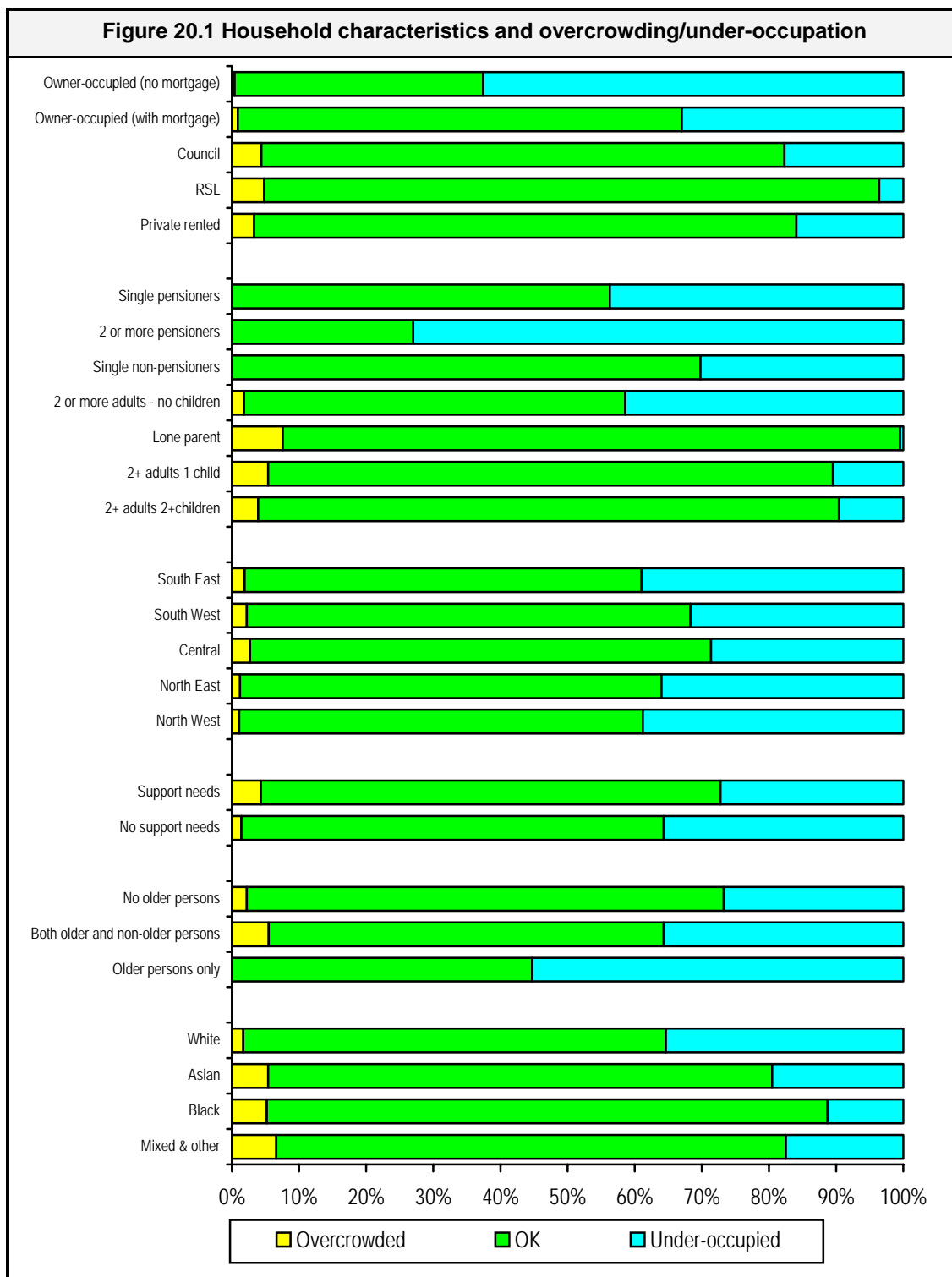
Household type analysis suggests that lone parent and other households with children are most likely to be overcrowded (and least likely to under-occupy). Households containing only older persons are most likely to be under-occupying.

By sub-area there are no dramatic differences. It is however worth noting that the Central area has the highest proportion of overcrowding and the lowest proportion of under-occupied dwellings.

The data also shows that support needs households are more likely to be overcrowded and less likely to under-occupy.

The age distribution confirms the household type analysis above (i.e. low overcrowding and high under-occupancy amongst pensioner households). However, it is interesting to note that the highest level of overcrowding is in the group of households containing both older and non-older persons.

Finally, the data also shows that all BME groups are particularly likely to be overcrowded. These groups also have a low level of under-occupation.



In addition to the above figure it is of use to consider the household types and tenure of those households under-occupying. This will give some indication of the scope for measures to reduce under-occupancy (particularly in the social rented sector). The table below shows this analysis.

**Table 20.2 Under-occupation by household type and tenure**

Household type	Tenure					TOTAL
	Owner-occupied (no mortgage)	Owner-occupied (with mortgage)	Council	RSL	Private rented	
Single pensioner	2,445	167	682	0	140	3,433
2 or more pensioners	2,870	321	416	0	125	3,732
Single non-pensioner	723	1,425	201	21	301	2,671
2 or more adults, no children	2,542	3,687	185	81	336	6,830
Lone parent	0	0	12	0	0	12
2+ adults, 1 child	37	392	0	0	11	440
2+ adults, 2+ children	31	577	0	30	23	660
<b>TOTAL</b>	<b>8,649</b>	<b>6,568</b>	<b>1,495</b>	<b>131</b>	<b>935</b>	<b>17,779</b>

The table shows that there are a significant number of pensioner households under-occupying in the Council rented sector. Of all under-occupying households in the Council rented sector nearly three-quarters contain pensioners only.

## 20.4 Income levels

The figure below shows the income levels of households who are overcrowded or under-occupied. The data shows that overcrowded households have the highest average household income (at £402 per week). However, if these figures are adjusted depending on the number of persons in the households this trend reverses. Overcrowded households have an average income per person of only £85 per week, this figure rises to £205 for households who are under-occupying.

**Table 20.3 Overcrowding/under-occupancy and income**

Overcrowded/under-occupied	Average net weekly income	Average number of person in households	Average income per person
Overcrowded	£402	4.75	£85
Neither overcrowded nor under-occupied	£364	2.51	£145
Under-occupied	£371	1.82	£205
<b>TOTAL</b>	<b>£367</b>	<b>2.32</b>	<b>£159</b>

## 20.5 Moving intentions of under-occupying households

Finally this section looks at any moving intentions of overcrowded and under-occupied households. The table below shows the number and proportion of households in each group who need or expect to move home within the next two years.



The analysis suggests that overcrowded households are most likely to need/expect to move. In total an estimated 59.2% of overcrowded households need or expect to move within the next two years, this compares with only 10.7% of households who currently under-occupy their dwelling.

<b>Table 20.4 Moving intentions of overcrowded and under-occupying households</b>			
Overcrowded/under-occupied	Number need/expect to move	Total h'holds	% needing/ expecting to move
Overcrowded	573	968	59.2%
Neither overcrowded nor under-occupied	6,235	32,934	18.9%
Under-occupied	1,909	17,779	10.7%
<b>TOTAL</b>	<b>8,716</b>	<b>51,681</b>	<b>16.9%</b>

## 20.6 Summary

This brief chapter looked at overcrowding and under-occupation. The results suggest that 1.9% of all households are overcrowded and 34.4% under-occupy their dwelling. The owner-occupied (no mortgage) sector shows the highest levels of under-occupation; the RSL and Council rented sectors the highest overcrowding.

Overcrowded households tend to have very low incomes (per person) and are far more likely to state that they need or expect to move than other households.



## GLOSSARY

### **Affordability**

A measure of whether households can access and sustain the costs of private sector housing. In this survey a single measure of affordability has been used based on the cost of suitably sized housing for each individual household (whether to buy or rent privately). Each household was assessed on the basis of their current financial situation (taking income, savings and equity levels into account) as well as household composition (i.e. to determine the size of property required). Households were assumed to not reasonably be expected to spend more than 25% to 35% of their income on housing depending on their current income level.

### **Affordable housing**

Housing of an adequate standard which is cheaper than that which is generally available in the local housing market. In theory this can comprise a combination of subsidised rented housing, subsidised low-cost home ownership (LCHO) including shared ownership, and in some market situations cheap housing for sale.

### **Annual need**

The combination of new needs arising per year plus an allowance to deal progressively with part of the backlog of need.

### **Average**

The term 'average' when used in this report is taken to be a mean value unless otherwise stated.

### **Backlog of need**

Those actual and potential 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.

### **Bedroom standard**

The bedroom standard is that used by the General Household Survey, and 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 for its sole use to indicate deficiencies or excesses. Bedrooms include bed-sitters, boxrooms and bedrooms which are identified as such by respondents even though they may not be in use as such.

### **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 Borough.

### **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.

### **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).

### **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**

The situation in which households lack their own housing or are living in housing which is inadequate or unsuitable and who are unlikely to be able to meet their needs in the housing market without some assistance.

**Housing Register**

A database of all individuals or households who have applied to a LA 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.

**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 three times a first income and one times a second income.

**Migration**

The movement of people between geographical areas, primarily defined in this context as 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 annual need**

The difference between annual need and the expected annual supply of available affordable housing units (e.g. from the re-letting 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).

**Overcrowding**

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

### **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.

### **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.

### **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.

### **Social rented housing**

Housing of an adequate standard which is provided to rent at below market cost for households in need by Local Authorities or Registered Social Landlords (RSLs).

### **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 and applying a different sampling fraction to each sub-sector.

### **Targeted key worker households**

Key worker-headed households with annual incomes below the amount required to purchase the minimum entry priced market dwelling unit.

### **Under-occupation**

An under-occupied dwelling is one which exceeds the bedroom standard by two or more bedrooms.

**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.





## Appendix A1 Affordable housing policy

### A1.1 Introduction

This appendix addresses a topic which has grown rapidly in importance over the past decade, namely affordable housing. The appendix sets out the key statements in Government guidance, used as the basis for the analysis in the report.

The term is a construct of Government advice although even in its most recent form (PPG3 (2000)) it provides no coherent definition of what affordable housing is. As affordable housing, negotiated under the relevant planning guidance, has become in most parts of the country the main source of new housing to address housing need, this is a serious omission. It means that an analysis showing how affordable housing can meet housing need is a prerequisite to obtaining it.

### A1.2 Surveys as basis for policy

Circular 6/98 makes it clear that affordable housing policies:

*'should be based on a good understanding of the needs of the area over the period'* (para 5) and that *'Assessments will need to be rigorous, making clear the assumptions and definitions used, so that they can withstand detailed scrutiny'* (para 6)

The Guidance also stresses that HNS should be up to date, and defines what that normally means:

*'Surveys become out of date and have to be repeated from time to time. As a general guide, a repeat once every five to seven years would be appropriate, although this should depend on local circumstances.'* (Guide to Housing Needs Assessment p 36)

### A1.3 Basis for defining affordable housing

In the introduction the broad definition of affordable housing was quoted. The difficulty with it is that, using the definition of housing need in the Guide:

*'Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance.'* [Glossary: A2.2]

This definition is consistent with the quotation from paragraph 4 of Circular 6/98 in the preceding section: that affordable housing should be below market entry level (discussed in the previous appendix). The general approach of Circular 6/98 is 'evidential': that what is affordable depends on local evidence:

*'The [affordable housing] policy should defined what the authority regards as affordable....'*  
(para 9(a))

This makes sense, but the following text is more difficult:

*'...but this should include both low-cost market and subsidised housing, as both **will** have some role to play in providing for local needs'* (para 9(a)) (our emphasis)

This statement is odd for two reasons:

- i) It is grammatically incorrect: it states the results of an investigation, without there having been one ('will')
- ii) Low cost market housing does not pass the test set out in para 4 of Circular 6/98: that it should be cheaper than market entry. It is normally at least 130% of that price.

This has led to difficulties at Local Plan (or UDP) inquiries. The Inspector is bound to follow Government Guidance, and yet the official support for low-cost market housing is contradicted by its failure to be 'affordable'. In some 150 district wide HNS since the concept was introduced in 1996, none has shown low cost market housing to be affordable in the Circular sense. Very little has been accepted by councils as a result. It is popular with developers as it is much more profitable than other types of affordable housing.

Affordable housing is defined in the ODPM Guide in a subtly different way from Circular 6/98. The ODPM guide definition was described by the Poole Local Plan Inspector (March 2003) as conflicting with the circular. The Guide definition is similar to the Circular on social rented and shared ownership but different as regards low cost market. On this point it says that affordable housing will include:

*'in some market situations cheap housing for sale'* (page 117)

This is a far more reserved judgement on the role of low cost market. It is also one which makes more sense of the Circular 6/98 one. In most market situations low cost market housing is much more expensive than market entry level, and is therefore not affordable in the Circular sense. The ODPM Guide version is therefore a more realistic one, in implying that low cost market housing will only in a minority of cases be affordable.

In most cases, therefore, the housing that will be affordable in the sense of Circular 6/98 and the ODPM Guide will be social rented and various forms of low cost home ownership (LCHO), mainly shared ownership.

#### **A1.4 Linking survey evidence to policy**

The Government has recently emphasised the link between local evidence (from HNS mainly) and affordable housing policy. The ODPM publication *'Delivering Affordable Housing Through Planning Policy'* (2002) criticised councils for 'slavishly' following the wording of Circular Guidance in a broad definition of affordable housing (para 2.4.6) rather than using the local evidence to define affordable housing. The ODPM calls for a tightening of the link between the HNS and the Affordable Housing policy:

*'.....It is very evident that this tightening or better practice process must begin with a much more robust procedure for translating the findings of housing needs assessments into local plan definitions of housing need. The research shows, surprisingly, that housing needs assessments are not a stated first port of call when it comes to defining affordable housing.....'*

(para 2.4.7)

Thus the definition of affordable housing in an area should draw upon the results of the HNS for that area.

#### **A1.5 What level of subsidy is involved?**

Government advice has been reticent on this point. It refers, as quoted from para 9(a) of Circular 13/96, to 'subsidised' housing, but does not explain what subsidy should be provided by the housebuilders/landowners who provide affordable housing via this circular's requirements. The Circular prefers an indirect route:

*'...where there is evidence of need for affordable housing, local plans should include a policy for seeking an element of such housing, on suitable sites. Such policies will be a material consideration in determining an application for planning permission' (para 1 of Circular 6/98)*

The response of local authorities, since such policies were brought in (in 1991) has been quite variable. The level of subsidy has increased over the period, as the public subsidy (Social Housing Grant) has declined.

The subsidy is normally at least land at nil price, and sometimes also includes a subsidy on the build price, where this cannot be afforded by the local authority and Registered Social Landlord concerned. The issue is discussed in detail in *'Delivering affordable housing.....'* referred to in the above subsection.

### **A1.6 What target(s)**

Circular 6/98 allows for numerical targets at district level, and for percentage or numerical targets at site level (para 9(b)). The logical target is a percentage target at district level, since a numerical one can quickly be rendered obsolete if large windfall sites emerge. As the Inspector at the Merton UDP Inquiry said:

*'The use of percentages is therefore not discouraged and, as most housing within the Borough comes from windfall sites, I accept that its use in the policy is an appropriate way forward. It would also provide a consistent yield and give a level of certainty to developers'* (LB Merton Inspector's report, 2001, para 3.29.11)

Such district wide percentages are, therefore, widespread, and constitute the most common means of setting what is a target for negotiation on particular sites, based on their particular characteristics.

In terms of the levels of percentage, the figure has risen considerably over the period of more than a decade of such policies. Originally figures of 5% and 10% were common. By the mid 1990's adopted plans contained policies with 25-30% as their affordable housing target. However the outturn percentages from these policies have normally been much lower than the headline percentage. A recent report suggested that 10% had been achieved in the 1990's. As a consequence, targets have continued to rise. The current custom and practice percentage target is 40%. This has been accepted by many Inspectors as a reasonable rate, and by many developers as practicable on given sites. However the trend is rising: the London Plan (not yet adopted) is seeking 50%.

### **A1.7 What site threshold?**

Circular 6/98 sets a target of 15 dwellings as the site threshold for Inner London, and a site threshold of 25 for all other areas, except rural areas with settlements below 3,000 population, when the council can set its own threshold.

However the Circular allows that where there are 'exceptional constraints' the target can be lowered from 25 towards or to 15, in areas outside Inner London:

*The Secretary of State considers that it may be appropriate for local planning authorities in those areas where the higher threshold (at (a) above [25]) would apply, and who are able to demonstrate exceptional local circumstances, to seek to adopt a lower threshold (between the levels at (a) [25] and (b) [15]) above. Such constraints must be demonstrated, and proposals to adopt a lower threshold must be justified through the local plan process. [to this may be added, also through Supplementary Planning Guidance: I was involved in justifying 15 rather than 25 in LB Croydon via SPG in a S78 appeal in August 2001] Circular 6/98 para 10 (c)*

Footnote 9 of the Circular then applies, and it says, in terms of justifying exceptional circumstances, that the justification

*‘should include factors such as: the number and types of households who are in need of affordable housing and the different types of affordable housing best suited to meeting their needs; the size and amount of suitable sites that are likely to be available for affordable housing (including an assessment of the densities of development likely to be achieved, and how these related to levels of need for affordable housing’ .....(more minor points related to supply which are already factored into the ODPM Guide calculation)*

Thus the key test is that the need for affordable housing should exceed (or considerably exceed) the likely yield of affordable housing. It should be noted that the test does not involve comparing the council in question with its neighbours or with Inner London etc. It is a common mistake to assume that exceptional circumstances does mean ‘exceptional’ in relation to other districts. This is not the case.

Given the general shortage of sites for affordable housing in relation to the overall need as shown by a Guide analysis, ‘exceptional constraints’ apply to most districts in the Southern half of England, and to many in the north also.

This review has covered the key features of affordable housing policies. There are several other features, such as ‘commuting off’ where the developer seeks to avoid providing the affordable housing onsite by a payment or by providing an alternative site elsewhere, where the affordable housing can be put.

### **A1.8 Recent Government advice**

In July 2003 the government published ‘Influencing the size, type and affordability of housing’. This document sets out a proposed change to PPG3 and the cancellation of Circular 6/98. A new PPG3 can therefore be expected sometime in 2004.

The draft does not appear to substantially change guidance contained within PPG3 and Circular 6/98 although there are a few pointers about the direction in which policy is going which are of importance.

These include:

- i) A standard threshold of 15 dwellings for all local authorities plus the possibility of going below this threshold level where justified (para 10, Annex A).
- ii) The ability to define specific tenures to meet affordable housing need (para 6, Annex A).
- iii) Dropping of the presumption that low cost market housing 'will' be affordable housing
- iv) Acceptance of the fact that the need for affordable housing can outstrip overall provision (para 3, Annex B)

Additionally, it is worth noting that although the draft PPG3 is still only in consultation stage a Planning Statement by Keith Hill (Minister of State for Housing and Planning, ODPM) states that the draft guidance can be used as a material planning consideration stating '*Local planning authorities are reminded that the policy is as stated in PPG3 but that emerging Government policy, in the form of draft policy guidance, can be regarded as a material consideration, depending on the context.*'

## **Appendix A2 Further property price information**

### **A2.1 Introduction**

This Chapter provides further detail in support of the housing market analysis set out in Chapter 5. It contains information on prices obtained from the analysis of Land Registry property price data, and explains the methodology and approach used in our survey of local estate agents.

The estate agent survey is a key step in assessing minimum and average property prices in Ipswich but only provides limited information concerning price difference within the Borough, and doesn't shed light on the prices relative to other Local Authorities in the region.

We can look at the wider context of prices in the surrounding areas, and also the differences between areas within Ipswich, using information available from the Land Registry. This data is valuable in giving further background to the local housing market, although it does not displace the need for the estate agent information.

### **A2.2 Reasons for housing market study**

The level of market prices and rents is a key factor in this study for two main reasons:

- (i) Market prices and rents indicate the cost of market housing in Ipswich. A major reason for government interest in prices is to address the needs of households that cannot afford this cost. Hence the existence of social rented housing and low-cost home ownership options, which represent partial ownership. Thus it is important to establish the entry levels to both home ownership and private renting.
- (ii) The price/rent information indicates the contours of the housing market in Ipswich. This is important for the Council when considering not only the level of subsidy required to produce new social rented and other non-market priced housing, but also the degree to which it should attempt to manage the new-build market in accordance with government guidance.

This chapter is devoted to identifying the first of the above elements: the cost of housing.

### **A2.3 Background to housing market analysis**

As a preliminary to the present phase of the work it is desirable to draw attention to some key features of housing markets:

- (i) **Housing markets are quite complex.** Housing markets can be defined, at the larger scale, by such features as journey to work areas. In the case of free-standing market towns these may appear as fairly neat circular areas. In most of Britain, however, the high density of population means that housing market areas overlap.

In the extreme case of London, its market area extends for some purposes as far away as York, Milton Keynes, Bristol and the South Coast. At the same time there are well defined market areas within London (east v west; north v south of the river).

- (ii) **Property prices vary within market areas.** Depending on the attractiveness of the area, property prices may vary considerably within a few miles or even, in large cities, within a few hundred yards. This is due to the history of the area and the nature of the housing stock. These variations are important from the point of view of housing cost analysis, which underpins the study of subsidised forms of housing. It is important to know what the entry level costs of housing are. These can only be established by close study of detailed local price variations.
- (iii) **Newbuild is only a small fraction of the market.** In almost all parts of Britain, newbuild is a small fraction of the total housing market. The majority of all sales and lettings are second-hand. The important point to note in this is that second-hand housing is normally much cheaper than newbuild. Only at the luxury end of the market is this not true. Thus entry level housing will normally be second-hand.

Although Government guidance refers to some forms of newbuild as 'affordable' very little newbuild is anything like as affordable as existing second-hand housing.

These features of the housing market are worth bearing in mind when considering the detailed evidence produced in the following subsections of this chapter.

#### **A2.4 Government guidance on the study of housing markets**

The Guide makes several references to market studies:



<b>ODPM Guide</b>	<p><i>'The relevance of data on private sector housing costs stems primarily from the role of such data in facilitating analyses of affordability, which are central to most local housing needs assessment models. The essential feature of such models is that they measure the extent to which a given group of households can afford to meet their housing needs through the private market. Generally, most attention is focused on the price of properties for sale. However, some models also take account of private sector rent levels'. [Section 7.3 (page 94)]</i></p> <p><i>'Typically, local authorities can draw on two or three sources of house price information. These include; direct contacts with local estate agents; county-wide monitoring by county councils; local or regional data available in published or unpublished form from the major national mortgage lenders (particularly Halifax and Nationwide); and data from the Land Registry'. [Section 7.3 (page 95)]</i></p> <p><i>'An alternative approach to defining current threshold prices is to derive appropriate figures in consultation with local estate agents. Although it appears more subjective, this latter approach has a number of advantages. Firstly, it enables properties in poor condition to be screened out. Secondly, it is better able to reflect the whole market rather than being limited to the market share of the mortgage lender concerned. Lastly and most importantly, the properties can be specified in terms of size and type, matched to particular household types'. [Section 4.3 (page 58)]</i></p>
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These extracts say, in summary:

- (i) Housing market information is essential to the assessment of affordability.
- (ii) There are various secondary and primary sources for such information.
- (iii) There are some advantages to the primary data route: obtaining information directly from estate agents, since that reflects the true entry cost of housing, and is not particular to one mortgage source.

The best route to meeting these requirements is a combination of secondary data (the Land Registry, which covers all transactions) and estate agents survey.

In keeping with comments above, we concentrate upon price variations rather than the study of the whole market. This is because in terms of affordability of local housing, the important factor is its price, not its location relative to wider housing markets.

## **A2.5 The need for primary data**

There are four main reasons why Land Registry data cannot be used to calculate prices for use in the affordability model. These are:

- i) The information can only usefully give a guide to average prices. For a Housing Needs Survey we take the view that it is necessary to estimate the minimum price for which dwellings in satisfactory condition are available.

- ii) No information is available about the condition of the dwellings whose price is being obtained. Clearly a property which needs major repairs is unlikely to be suitable for a first-time buyer with a limited budget, even if the initial price is relatively low.
- iii) A more serious limitation of this source is that records are kept by property type (i.e. detached, semi-detached, terraced, flat) and not in terms of the numbers of bedrooms. This information is, in our view, essential to provide an accurate assessment of need.
- iv) The Land Registry data cannot produce information about rental levels, which again ought really to be considered in carrying out a satisfactory analysis of affordability. There may be a small, but significant, number of households who cannot afford to buy market housing but who could afford suitable private rented housing. The affordability of such households cannot be adequately considered using only sale price information.

Despite these drawbacks the information available is certainly of interest to give some feel to the local context of property prices, and more specifically to provide comparison between prices in different areas.

#### **A2.6 Estate agents survey: Methodology**

The methodology employed to find purchase and rental prices takes the following steps:

- i) We establish the names and telephone numbers of local estate agents. This includes well known national estate agents as well as those operating specifically in the local area (allowing for good comparative measures of smaller and larger agencies). The estate agents selected are intended to be those dealing primarily with housing at the lower end of the market (e.g. not specialist agencies dealing with up-market properties)
- ii) These are then contacted by telephone and asked to give a brief overview of the housing market in the Borough - including highlighting areas of more and less expensive housing
- iii) The questioning takes a very simple form (this tends to improve efficiency without jeopardising results - people often lose interest when asked a series of detailed questions and quality of response is diminished). All agents are asked 'in their opinion'

*'What is the minimum and average price for a one bedroom dwelling in good condition (i.e. not needing any major repair) and with a reasonable supply (not one off properties occasionally coming onto the market)?'*

- iv) This process is repeated for 2,3 & 4 bedroom dwellings

- v) The same questions are then asked about private rented accommodation
- vi) Once several estate and letting agencies have been contacted, the results are tabulated and averages calculated to give an accurate estimation of minimum and average purchase and rental prices in the Borough. Any outlying values are removed from calculations.
- vii) The estimated purchase and rental prices are then inserted into the analysis to estimate the numbers able to afford a dwelling depending on the minimum number of bedrooms that the household requires.

### **A2.7 Land Registry data**

The Land Registry compiles information on all residential land transactions. Analysis of this data is made available for recent quarterly periods, for geographical areas including Council areas, and more highly disaggregated data postcode areas, and by four main dwelling types.

This data is thus very versatile, and can potentially provide a valuable picture of housing market behaviour in quite specific detail. However, an eye needs to be kept on the size of sample when using disaggregated data for smaller areas and/or periods.

We used the data to provide several useful views of the housing market in and around Ipswich. These are considered below.

### **A2.8 Comparing prices in neighbouring and nearby areas**

The Land Registry data can be used to show how prices in Ipswich Borough compared to those in nearby and adjoining local authority areas. The table below shows average sale prices for the Local Authorities adjoining Ipswich (from the most recent quarter available from the Land Registry).

<b>Table A2.1 Average property prices by Local Authority (2<sup>nd</sup> quarter 2004)</b>											
<b>(number of sales in brackets)</b>											
Property type	Ips- wich	Bab- ergh	Forest Heath	Mid Suffolk	St Edmun- dsbury	Suffolk Coastal	Wave- ney	Suffolk	Colch- ester	Tend- ring	Eng & Wales
Detached	£211,649 (105)	£233,850 (177)	£198,954 (130)	£228,364 (242)	£238,089 (220)	£254,807 (328)	£183,306 (274)	£224,204 (1,476)	£262,171 (315)	£195,234 (357)	£261,941 (66,865)
Semi-detached	£131,008 (276)	£159,446 (149)	£141,308 (88)	£151,079 (144)	£152,504 (148)	£153,300 (201)	£131,512 (224)	£143,861 (1,230)	£166,054 (338)	£145,060 (289)	£158,730 (84,707)
Terraced	£120,348 (217)	£137,486 (112)	£123,844 (136)	£114,416 (95)	£139,731 (210)	£143,737 (178)	£103,885 (237)	£125,549 (1,185)	£144,552 (286)	£116,521 (131)	£134,990 (98,086)
Flat/maisonette	£111,058 (103)	£100,390 (21)	£122,459 (33)	£80,300 (5)	£110,196 (57)	£104,778 (47)	£106,117 (21)	£109,492 (287)	£114,598 (158)	£98,191 (130)	£167,167 (50,328)
Overall average	£136,855 (701)	£180,077 (459)	£152,927 (387)	£181,667 (486)	£174,133 (635)	£192,174 (754)	£140,917 (756)	£164,689 (4,178)	£180,636 (1,097)	£153,969 (907)	£175,388 (299,986)

The data shows that of all the areas we have compared Ipswich with (including Ipswich) the lowest priced area is Ipswich itself. The highest priced are is Suffolk Coastal. Of the nine local authorities studied (including Colchester and Tendring which are outside Suffolk) five have an average price above the Suffolk average and four above the average price for England & Wales.

Although Ipswich was shown to be the lowest priced area caution needs to be exercised when looking at these figures due to the different mix of property types sold. For example, Ipswich shows a higher sale price for all types of property (other than semi-detached) than in Waveney. However, because Waveney has a higher proportion of sales of detached houses/bungalows and a lower proportion of flats/maisonettes the average price is above that for Ipswich.

## A2.9 Historical results for Ipswich

We will now examine in more detail information from the Land Registry for Ipswich. The table below shows data for sales over the last five years. The data for each case is the 2<sup>nd</sup> quarter of the year.

<b>Table A2.2 Average property prices in Ipswich – 1999 to 2004 (2<sup>nd</sup> quarters)</b>						
(Number of sales in brackets)						
Property type	1999	2000	2001	2002	2003	2004
Detached	£109,498 (127)	£120,502 (107)	£144,548 (150)	£152,037 (149)	£198,955 (123)	£211,649 (105)
Semi-detached	£58,240 (310)	£72,441 (296)	£83,018 (327)	£99,865 (307)	£113,529 (262)	£131,008 (276)
Terraced	£44,763 (275)	£58,070 (229)	£67,404 (273)	£81,062 (315)	£94,931 (266)	£120,348 (217)
Flat/maisonette	£42,550 (56)	£58,525 (75)	£73,295 (81)	£84,383 (87)	£107,206 (154)	£111,058 (103)
OVERALL	£60,746 (768)	£73,583 (707)	£88,047 (831)	£100,452 (858)	£119,226 (805)	£136,855 (701)

The overall average sale price was roughly £17,500 higher in the 2<sup>nd</sup> quarter of 2004 than the 2<sup>nd</sup> quarter of 2003. Over the five year period prices have risen by an average of £76,109 or 125%. The number of sales has also varied over the period from a low of 701 in 2004 to a high of 858 in 2002.

## A2.10 Differences within Ipswich

### (i) General methodology

The general methodology is quite straightforward. We have drawn up a list of the main postcode sectors within the Borough, and mapped where these postcodes are. The table below gives a brief description of which postcodes apply to which areas of Ipswich.

It should be noted that the local authority boundaries are not always coterminous with postcodes. Therefore some properties in a postcode may be outside the area; in addition it is possible that some parts of the Borough are in a postcode zone that is predominantly located outside the Local Authority area, and are therefore excluded from analysis.

This means that the data by sub-area is only a guide to actual variations within Ipswich.

<b>Table A2.3 Approximate sub-areas and postcodes</b>	
Area description	Postcode(s)
South East	IP3 0, IP3 9
South West	IP2 0, IP2 8, IP2 9
Central	IP1 1, IP1 2, IP1 3, IP1 4, IP4 1, IP4 2
North East	IP3 8, IP4 3, IP4 4, IP4 5
North West	IP1 5, IP1 6

The table above shows 17 different postcode sectors in five different sub-areas. This gives us the opportunity to compare prices across the Ipswich area.

**(ii) Results by sub-area**

In the table below, average property prices are shown for each type of property for each sub-area. It is necessary to bear in mind that the number of sales in some cells of the table are quite small and the average price shown may be less reliable as a consequence.

<b>Table A2.4 Average property prices by sub-area (2<sup>nd</sup> quarter 2004) (Number of sales in brackets)</b>					
Property type	South East	South West	Central	North East	North West
Detached	£172,675 (23)	£230,902 (18)	£286,777 (18)	£204,897 (53)	£182,363 (11)
Semi-detached	£125,995 (59)	£124,317 (48)	£146,576 (56)	£137,008 (76)	£117,809 (47)
Terraced	£153,372 (22)	£102,653 (37)	£120,446 (83)	£129,227 (67)	£99,046 (15)
Flat/maisonette	£99,312 (16)	£95,730 (13)	£109,718 (44)	£138,390 (20)	- (0)
Average	£136,402 (120)	£130,742 (116)	£140,273 (201)	£151,380 (216)	£123,681 (73)

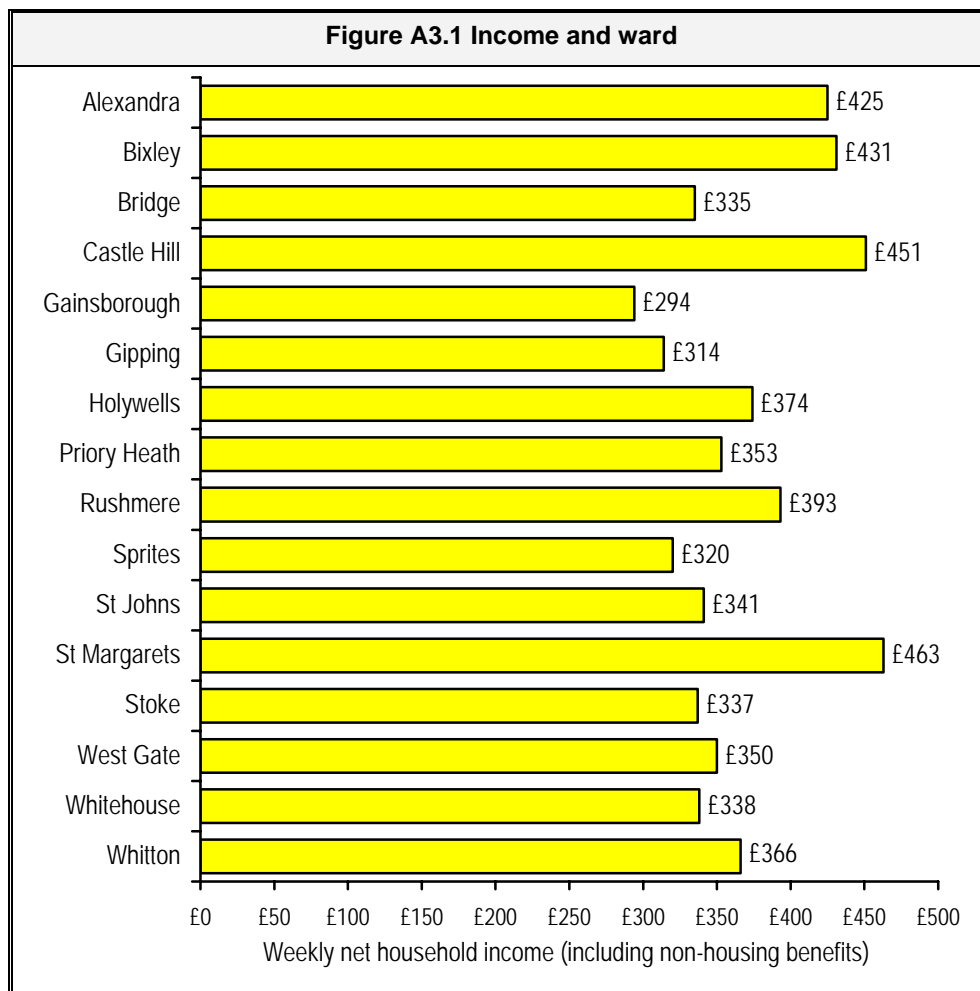
The table demonstrates that prices are highest in the North East (although this is to some degree influenced by the high proportion of detached house/bungalow sales) and lowest in the North West. Overall however, the variations between areas are relatively slight. This is consistent with primary data obtained from local agents presented in Chapter 5 of the report.

## Appendix A3 Additional sub-area information

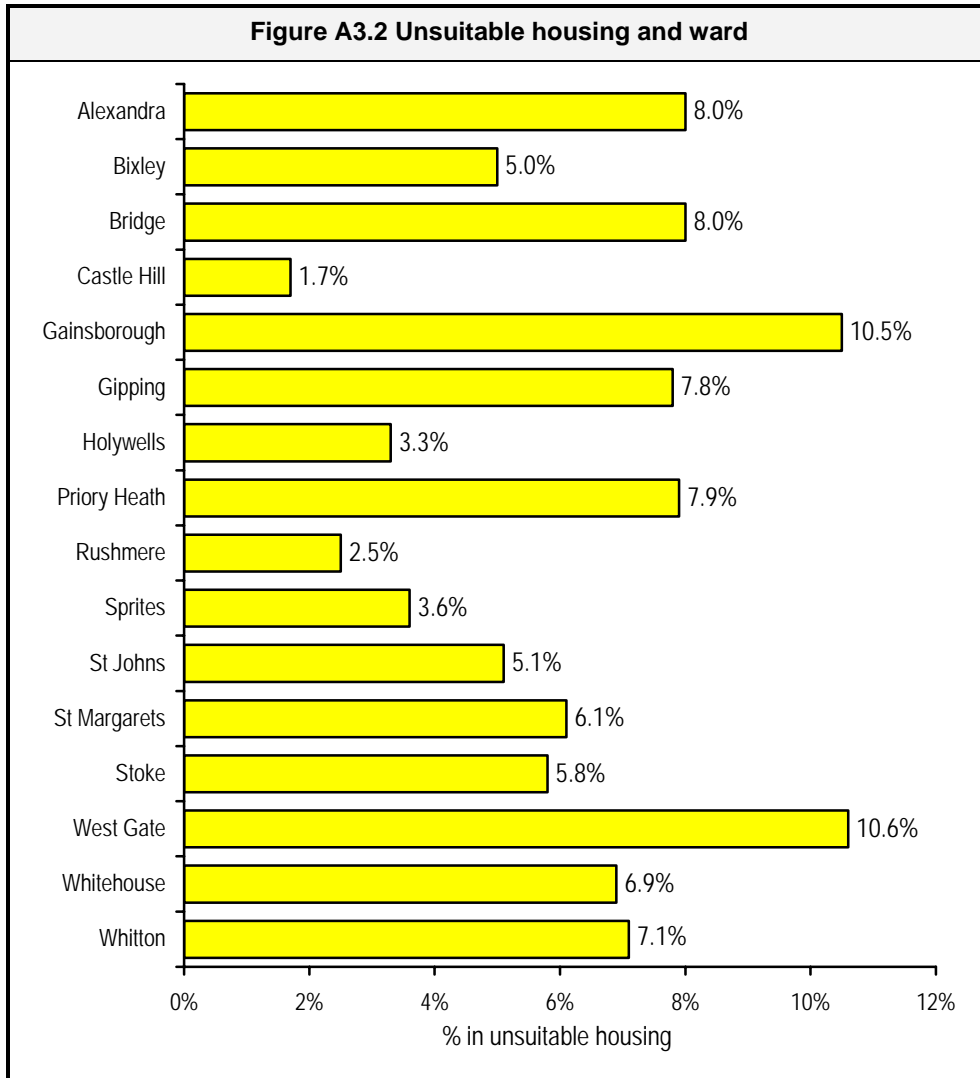
### A3.1 Ward level analysis

The following figures and tables highlight some of the main findings from the housing study at a ward level.

The figure below shows average income by ward. The figures quoted are for net weekly income including non-housing benefits. The average for the whole Borough was estimated to be £367 per week. The figure below shows that there is some variation between different wards with the highest incomes being in St Margarets (at £463 per week) and the lowest in Gainsborough (at £294 per week).



The figure below shows unsuitable housing and ward. There are again significant differences between different wards in the Borough. Levels of unsuitable housing range from 1.7% in Castle Hill to 10.6% in West Gate.





The table below shows the need, supply and overall requirement for affordable housing by sub-area for each of the sixteen wards in the Borough. The table indicates a shortage of affordable housing in all except two of the sixteen sub-areas.

<b>Table A3.1 Net need for affordable housing by sub-area () indicates a surplus</b>			
Ward	Need	Supply	TOTAL
Alexandra	167	94	73
Bixley	55	0	55
Bridge	188	51	137
Castle Hill	48	21	28
Gainsborough	112	85	26
Gipping	82	45	37
Holywells	61	0	61
Priory Heath	82	95	(13)
Rushmere	33	23	10
Sprites	96	53	43
St Johns	70	19	50
St Margarets	135	42	93
Stoke	121	108	14
West Gate	273	79	193
Whitehouse	100	74	26
Whitton	10	45	(36)
<b>TOTAL</b>	<b>1,633</b>	<b>835</b>	<b>798</b>

The table below shows the geographical distribution of support needs households. The data shows that households in Priory Heath are most likely to have a support need whilst the lowest level is shown in Rushmere.

<b>Table A3.2 Support needs households and ward</b>					
Ward	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
Alexandra	506	3,353	3,859	13.1%	6.5%
Bixley	419	2,526	2,945	14.2%	5.4%
Bridge	495	2,745	3,240	15.3%	6.3%
Castle Hill	368	2,607	2,974	12.4%	4.7%
Gainsborough	561	2,856	3,416	16.4%	7.2%
Gipping	654	2,667	3,321	19.7%	8.4%
Holywells	367	2,180	2,548	14.4%	4.7%
Priory Heath	679	2,312	2,991	22.7%	8.7%
Rushmere	238	3,021	3,259	7.3%	3.0%
Sprites	489	2,461	2,950	16.6%	6.2%
St Johns	468	2,821	3,289	14.2%	6.0%
St Margarets	516	2,740	3,256	15.9%	6.6%
Stoke	516	2,751	3,267	15.8%	6.6%
West Gate	636	3,262	3,898	16.3%	8.1%
Whitehouse	434	2,811	3,244	13.4%	5.5%
Whitton	480	2,743	3,223	14.9%	6.1%
<b>TOTAL</b>	<b>7,827</b>	<b>43,854</b>	<b>51,681</b>	<b>15.1%</b>	<b>100.0%</b>

The table below shows the geographical distribution of older person only households. The main finding emerging is the low proportion of pensioner only households living in the Alexandra ward. Only 13.7% of households in this ward are pensioner only, the ward with the highest proportion of pensioner households was Sprites (at 34.2%).

<b>Table A3.3 Older person only households and ward</b>					
Ward	Age group			% with older persons	% of older person hhs
	Older persons only	Other house-holds	Total hhs		
Alexandra	530	3,330	3,859	13.7%	4.1%
Bixley	928	2,017	2,945	31.5%	7.2%
Bridge	602	2,638	3,240	18.6%	4.6%
Castle Hill	852	2,122	2,974	28.7%	6.6%
Gainsborough	813	2,603	3,416	23.8%	6.3%
Gipping	740	2,581	3,321	22.3%	5.7%
Holywells	697	1,851	2,548	27.4%	5.4%
Priory Heath	815	2,175	2,991	27.3%	6.3%
Rushmere	842	2,417	3,259	25.8%	6.5%
Sprites	1,009	1,941	2,950	34.2%	7.8%
St Johns	1,016	2,272	3,289	30.9%	7.8%
St Margarets	818	2,438	3,256	25.1%	6.3%
Stoke	866	2,402	3,267	26.5%	6.7%
West Gate	684	3,214	3,898	17.5%	5.3%
Whitehouse	811	2,433	3,244	25.0%	6.3%
Whitton	943	2,280	3,223	29.3%	7.3%
<b>TOTAL</b>	<b>12,967</b>	<b>38,714</b>	<b>51,681</b>	<b>25.1%</b>	<b>100.0%</b>

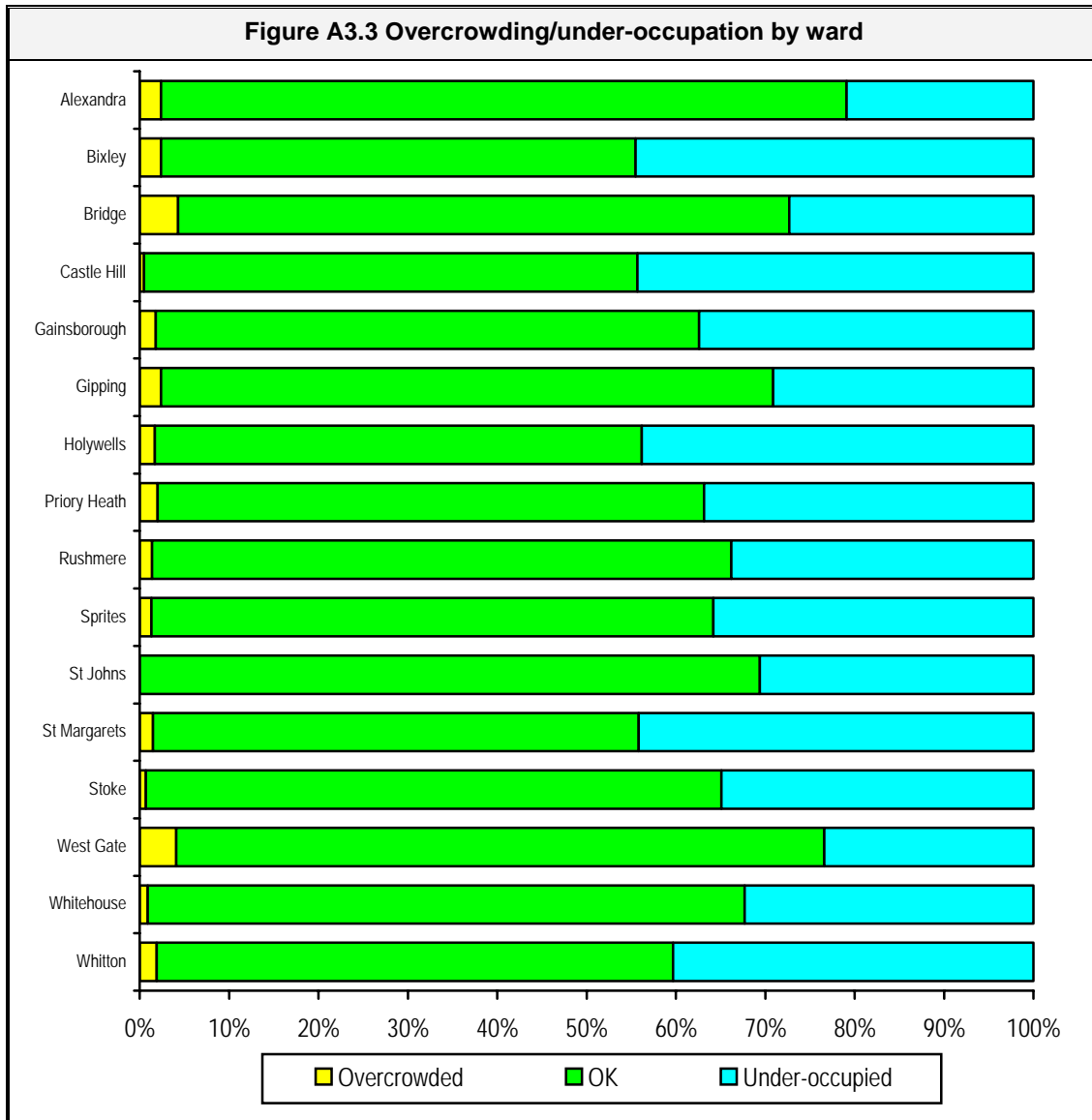
The table below shows the geographical location of key worker households. The table shows that households headed by a key worker are particularly likely to live in Alexandra ward (27.0% of households in this area are headed by a key worker). The ward with the lowest proportion of key worker households was Gainsborough (11.2%).

<b>Table A3.4 Location of key worker households</b>					
Ward	Key worker				
	Key worker house- holds	Other house- holds	Total hhs	% with key workers	% of key worker hhs
Alexandra	1,042	2,817	3,859	27.0%	11.9%
Bixley	641	2,304	2,945	21.8%	7.4%
Bridge	498	2,742	3,240	15.4%	5.7%
Castle Hill	601	2,373	2,974	20.2%	6.9%
Gainsborough	382	3,035	3,416	11.2%	4.4%
Gipping	417	2,904	3,321	12.6%	4.8%
Holywells	494	2,054	2,548	19.4%	5.7%
Priory Heath	440	2,550	2,991	14.7%	5.1%
Rushmere	457	2,802	3,259	14.0%	5.2%
Sprites	448	2,502	2,950	15.2%	5.1%
St Johns	580	2,708	3,289	17.7%	6.7%
St Margarets	814	2,441	3,256	25.0%	9.3%
Stoke	450	2,817	3,267	13.8%	5.2%
West Gate	652	3,246	3,898	16.7%	7.5%
Whitehouse	389	2,855	3,244	12.0%	4.5%
Whitton	415	2,808	3,223	12.9%	4.8%
<b>TOTAL</b>	<b>8,721</b>	<b>42,960</b>	<b>51,681</b>	<b>16.9%</b>	<b>100.0%</b>

The table below shows the geographical distribution of BME households. It is clear from the data that certain groups are concentrated in certain areas. The data suggests that the West Gate ward has the highest proportion of both Asian and Black households. The highest proportion of Mixed and other households was found in the Bridge ward. The lowest proportion of BME households was found in the Rushmere ward where only 1.4% of households were estimated to come from a BME group. In all cases this data should be treated with some caution due to the small sample sizes involved.

Table A3.5 Ethnic group and sub-area					
Ward	Ethnic group				TOTAL
	White	Asian	Black	Mixed & other	
Alexandra	3,579 (92.7%)	151 (3.9%)	85 (2.2%)	45 (1.2%)	3,859 (100.0%)
Bixley	2,864 (97.2%)	0 (0.0%)	40 (1.4%)	42 (1.4%)	2,945 (100.0%)
Bridge	3,011 (92.9%)	51 (1.6%)	0 (0.0%)	178 (5.5%)	3,240 (100.0%)
Castle Hill	2,918 (98.1%)	36 (1.2%)	0 (0.0%)	20 (0.7%)	2,974 (100.0%)
Gainsborough	3,284 (96.1%)	53 (1.6%)	57 (1.7%)	22 (0.6%)	3,416 (100.0%)
Gipping	3,128 (94.2%)	45 (1.4%)	59 (1.8%)	90 (2.7%)	3,321 (100.0%)
Holywells	2,431 (95.4%)	0 (0.0%)	12 (0.5%)	104 (4.1%)	2,548 (100.0%)
Priory Heath	2,779 (92.9%)	107 (3.6%)	85 (2.8%)	20 (0.7%)	2,991 (100.0%)
Rushmere	3,213 (98.6%)	19 (0.6%)	0 (0.0%)	26 (0.8%)	3,259 (100.0%)
Sprites	2,796 (94.8%)	0 (0.0%)	128 (4.3%)	26 (0.9%)	2,950 (100.0%)
St Johns	3,114 (94.7%)	33 (1.0%)	0 (0.0%)	141 (4.3%)	3,289 (100.0%)
St Margarets	3,128 (96.1%)	69 (2.1%)	40 (1.2%)	18 (0.6%)	3,256 (100.0%)
Stoke	3,198 (97.9%)	0 (0.0%)	70 (2.1%)	0 (0.0%)	3,267 (100.0%)
West Gate	3,420 (87.7%)	170 (4.4%)	210 (5.4%)	98 (2.5%)	3,898 (100.0%)
Whitehouse	3,185 (98.2%)	0 (0.0%)	0 (0.0%)	60 (1.8%)	3,244 (100.0%)
Whitton	3,016 (93.6%)	0 (0.0%)	115 (3.6%)	92 (2.9%)	3,223 (100.0%)
<b>TOTAL</b>	<b>49,064 (94.9%)</b>	<b>735 (1.4%)</b>	<b>901 (1.7%)</b>	<b>982 (1.9%)</b>	<b>51,681 (100.0%)</b>

The figure below shows levels of overcrowding and under-occupation by ward. Two wards (Bridge and West Gate) show levels of overcrowding above 4% although again this should be treated with some caution due to the sample sizes involved. It is however interesting to note that these two areas also have low levels of under-occupancy.



### A3.2 Additional geographical analysis

The main report sets out estimates of the size requirement for affordable housing (both in terms of a strict bedroom standard and the Council's allocations policy). Geographical breakdowns of the need are also shown as are estimates of the proportion of the need that can be met through shared ownership options. This section brings together the results of this analysis in one place to show differences in requirements between different area. When going down to this level of detail some caution should be exercised due to the sample sizes involved. That said, the broad patterns of need should give a good indication of specific sub-area requirements.

The table below looks at the affordable requirements for each of the five sub-areas by size and type. The table is based on the results when following the main bedroom standard.

<b>Table A3.6 Gross affordable housing requirement by sub-area, type and size</b>						
Dwelling type	Sub-area					TOTAL
	South East	South West	Central	North East	North West	
1 bedroom – social rent	84	238	353	66	34	775
1 bedroom – shared ownership	8	0	49	14	7	77
2 bedroom – social rent	106	195	82	53	61	497
2 bedroom – shared ownership	0	25	11	0	6	42
3 bedroom – social rent	57	20	12	9	37	135
3 bedroom – shared ownership	0	0	26	0	5	31
4 bedroom – social rent	0	9	42	16	8	76
4 bedroom – shared ownership	0	0	0	0	0	0
<b>TOTAL – social rent</b>	<b>247</b>	<b>462</b>	<b>489</b>	<b>144</b>	<b>140</b>	<b>1,483</b>
<b>TOTAL – shared ownership</b>	<b>8</b>	<b>25</b>	<b>86</b>	<b>14</b>	<b>18</b>	<b>150</b>
<b>TOTAL NEED</b>	<b>255</b>	<b>487</b>	<b>575</b>	<b>158</b>	<b>158</b>	<b>1,633</b>

The table shows some differences by different sub-areas. Overall, for example it is estimated that around 15% of the gross need in Central could be met through shared ownership, this figure drops to only 3% in the South East.

It is however important to consider the supply of affordable housing in each of the above groups. This is shown in the table below. This again suggests some differences by sub-area. For example, there is no estimated supply of one bedroom units in the North West, whilst in Central these units make up 68% of all estimated future supply.

<b>Table A3.7 Supply of affordable housing by sub-area, type and size</b>						
Dwelling type	Sub-area					TOTAL
	South East	South West	Central	North East	North West	
1 bedroom – social rent	78	136	147	9	0	370
1 bedroom – shared ownership	0	0	0	0	0	0
2 bedroom – social rent	55	65	29	24	58	231
2 bedroom – shared ownership	0	0	0	0	8	8
3 bedroom – social rent	48	45	26	11	74	203
3 bedroom – shared ownership	0	0	0	0	0	0
4 bedroom – social rent	0	10	13	0	0	23
4 bedroom – shared ownership	0	0	0	0	0	0
TOTAL – social rent	181	256	215	43	132	827
TOTAL – shared ownership	0	0	0	0	8	8
<b>TOTAL SUPPLY</b>	<b>181</b>	<b>256</b>	<b>215</b>	<b>43</b>	<b>140</b>	<b>835</b>

The results of these two tables can now be brought together to make an estimate of the net need for affordable housing. This is shown in the table below. The table shows a range of results – one of the most notable findings is that around 61% of the shared ownership requirement is in the Central sub-area.

<b>Table A3.8 Net need for affordable housing by sub-area, type and size () shows surplus</b>						
Dwelling type	Sub-area					TOTAL
	South East	South West	Central	North East	North West	
1 bedroom – social rent	6	102	206	57	34	405
1 bedroom – shared ownership	8	0	49	14	7	77
2 bedroom – social rent	51	130	53	29	3	266
2 bedroom – shared ownership	0	25	11	0	(2)	34
3 bedroom – social rent	9	(25)	(14)	(2)	(37)	(68)
3 bedroom – shared ownership	0	0	26	0	5	31
4 bedroom – social rent	0	(1)	29	16	8	53
4 bedroom – shared ownership	0	0	0	0	0	0
TOTAL – social rent	66	206	274	101	8	656
TOTAL – shared ownership	8	25	86	14	10	142
<b>TOTAL SUPPLY</b>	<b>74</b>	<b>231</b>	<b>360</b>	<b>115</b>	<b>18</b>	<b>798</b>



## Appendix A4 Local stakeholder interviews

### A4.1 Introduction

This Appendix details the results of a set of telephone interviews and written consultations with key stakeholders in Ipswich Borough, who were representatives from a range of public bodies with an involvement in the area. Structured sets of questions were asked to each type of stakeholder. Where written consultations have been obtained, for the purpose of clarity responses are given following the original question.

### A4.2 The Housing Register

*Ipswich Borough Council (Written consultation)*

#### **Allocation policy – social rented**

*By what mechanism are houses allocated?*

Our allocations policy sets targets for different groups of people:

Group 1 – reasonable preference – statutorily homeless.

Current target 35%, proposed target for 04/05 43%

Group 2 – reasonable preference - waiting

Current target 20%, proposed target 04/05 25%

Group 3 – no reasonable preference – waiting

Target 2% (no change proposed)

Special applicants – waiting

Current target 18%, proposed target 04/05 12%

Group 1 Transfers – urgent needs transfer

Current target 5% - no change proposed

Group 2 transfers – reasonable preference transfers

Current target 10% proposed target 04/05 11%

Group 3 transfers – no reasonable preference transfers

Current target 5% proposed target 04/05 2%

Special applicants – transfers

Current target 5% proposal to combine these with urgent needs transfers in 04/05

*In your opinion, how successful is the allocations policy in meeting local needs?*

The policy can only balance demand against supply as far as possible. We are revising targets for next year in line with demand, but no policy can overcome the problem with supply.

*What are the main target groups you are trying to house?*

See above

*What decides the balance between new and existing households?*

Transfer applicants are integrated into the allocations policy as above

### **Trends in need situation**

*Do you think the figures on the Housing Register are an accurate reflection of the trend in need?*

The register is an indication of need, but not all those in need are on the register. We review the register regularly and lose 'dead wood' with each review. Nevertheless the long-term trend is up.

*Have there been major changes in eligibility? If so what is their impact?*

The big change was the Homelessness Act 2002, which brought in open register. Now about 10% of the people on the register are from outside Ipswich.

*Do you think the figures for homeless acceptances are an accurate reflection of trend?*

Again they are evidence of need and the trend is up. They do not, however, reflect the needs of non-statutorily homeless people or people who do not approach the council.

*Have there been major changes in eligibility? If so what is their impact?*

The council accepted homeless 16/17 year olds as being in priority need prior to the Homelessness Act 2002, so the impact was not as great as in some districts.

Restrictions on eligibility for recently arrived people from the EU may have dampened acceptance figures for this group, although this is hard to quantify. We are aware of growing numbers of Portuguese and Polish people in the town who are not, as yet, showing up in our figures.

### **Nature of need**

*Which sizes and types of dwellings are in the shortest supply, and which are most plentiful?*

We have an over supply of sheltered bedsits. One, two, three and three plus bed roomed properties are all in short supply.

*Are there unpopular areas of the District where demand is much lower relative to the supply? What more could be done to tackle them?*

No

*Which groups are over and under-represented on the register and why?*

BME groups are over represented on the housing register and homelessness acceptances compared with their proportion in the Ipswich's population as a whole. We interpret this as evidence of housing need. Young people are under represented on the register, which may reflect aspirations.

### **Other tenures**

*Does the Council have experience of shared ownership?*

Yes

*How is it done, is there a separate waiting list? If so, how many people are on the list*

We use the existing register. We may have to advertise beyond the housing register when pipeline shared ownership and shared equity schemes complete.

*Have any other tenures/initiatives been produced in your area? How successful were they?*

We have tried to encourage a range of low cost home ownership initiatives including shared ownership, shared equity and starter homes. Our target has been 200 over 5 years, and demand has been sufficient for this scale.

There is a range of supported housing in the district developed and managed in partnership with RSLs, voluntary agencies, supporting people, health and social services.

We are aware that key worker initiatives are being accessed locally via zone agents but we do not have numbers for this.

We also have a rent deposit guarantee scheme run by a local charity, which is oversubscribed.

### **Losses from stock**

*What is the impact of RTB? What is the size profile of RTB sales?*

In 2003-2004 194 council homes were sold through RTB and only 106 new affordable homes completed. Altogether around 4500 homes have been sold through RTB, and completions have never kept pace. But we expect the trend in RTB to be down as it becomes less and less affordable with a maximum discount of £34K and rising valuations. We expect around 100 RTB sales this year.

*Are there any plans for significant numbers of demolitions over the next five years? What are the likely numbers and locations for demolitions.*

No

### **Housing Register figures**

*1. What are the numbers on the Register at the moment? (according to Priority Need, General Need, Older Persons Transfer List etc.)*

Our figures are not broken down in this way. Hopefully the breakdown below will be useful:

Group 1 – reasonable preference – statutorily homeless	68
Group 2 – reasonable preference – waiting	2012
Group 3 – no reasonable preference waiting	641
Special applicants - waiting	58
Group 1 transfers – urgent needs transfers	3
Group 2 transfers – reasonable preference transfers	453
Group 3 no reasonable preference transfers	516
Special applicants transfers	9
Total	3760

*2. Have the numbers been rising or falling over recent years (per list)?*

Whenever we review the register there is a temporary fall in numbers but the long term trend is up

*3. Is any particular group on the Register showing more or less presented need?*

Young single homeless people often have multiple needs and have difficulty maintaining tenancies without support.

*4. Are there any issues, which you consider that the HNS should particularly address?*

Those issues outlined in our brief and in particular the unpopularity of some types of sheltered housing in the face of apparent need/demand.

### **A4.3 Social Services**

*Social Services - Housing development (Telephone Interview)*

The main client groups identified as receiving social services are: Children with disabilities, care leavers, people with mental health problems, learning disabilities, substance misuse problems, physical/sensory disabilities, and older people including those with mental health problems. The main problem facing these groups in terms of social service provision is the need for supported housing. This requires a “collaborative approach” from the District and County Councils, health authorities and RSLs. Locally there is a planning agreement across all of these partners, which through hard work provides a way of working that leads to all participants agreeing priorities and funding.

Where Social Services can adapt a property rather than move a tenant/resident to more suitable accommodation they make every effort to do so, although it was noted that changing arrangements around Housing Corporation funding to the adaptations budget had compromised their ability to do this. While they do not want to “bounce people around if we can avoid it”, there are significant numbers of people who require high levels of care and support which would not be affordable if they stayed in their home, or whose physical need requires wheelchair standard accommodation or access to services such as assisted bathing that cannot be delivered in their own home. “We will work with an individual and work out the best deal for them, some stay at home and access services and others can’t”.

In response to the questions of whether there are thought to be any additional barriers to accessing social services for Black and Minority Ethnic groups or those with sensory deprivation and how they might be addressed, it was reported that people have been identified to specifically target Black and minority ethnic groups. A very sheltered scheme in Ipswich was also highlighted since that in particular meets the physical needs of people from the Bangladeshi community because people from this community live in the area. It was thought that elder people in this community and location were aware of the scheme.

Ipswich also has a specialist sensory team and two specialist schemes for deaf people whose first language is British Sign Language (BSL). It was perceived that “If you integrate deaf people into a hearing community then in effect you disable them. But if they live in a deaf community then they can speak to each other”. Staff at the schemes also communicate using BSL. As a result of this deaf people are “gaining skills and confidence and moving onto less supported schemes”. Although this is a county wide 3 year programme, it is a local Ipswich initiative as the majority of the deaf community and related services in Suffolk are located in Ipswich.

### **Supporting People and Strategy Issues**

Supporting People has facilitated new services such as floating support for people who would not have been eligible for social care funding living in the private sector. Social services have also been able to develop a greater number of teams as they are “not having to rely 100% on social care funding”. However, a downside to this was the “planning blight” because of the rolling Supporting People programme coming to an end. It was hoped that this problem for vulnerable people would only be temporary.

Long term funding from Supporting People has been secured for a 48 unit very sheltered scheme for older people, as have schemes for people with learning disabilities and people with mental health problems. Schemes for vulnerable people, those with physical disabilities and younger people are in the development stage. It was acknowledged that Ipswich does not have enough older people with mental health problems services and is “short of a significant number of wheelchair standard accommodations”. However, it was felt that social services know what is needed, planning is in place, but need the funding for it. Curtailment of the local authority social housing grant and Supporting People development funding “compromises delivery”.

A new Supporting People shadow strategy across Suffolk County is currently being written which is expected to be “sharper” as there has been a greater amount of time to write it compared to the existing strategy. This will encompass an overall strategy for all 7 districts, 5 Primary Care Trusts and County Council. The social services representative commented that Ipswich Borough “works very hard to make things happen, there’s good partnership working going on”.

Criticism of policy was aimed more at central than local government. It was considered that whilst locally the collaborative approach to planning and strategy is “quite sophisticated”, it has not been mirrored by comparative expertise and sophistication in central government, resulting in people’s needs not being met as much as they should be and there is a lack of choice which was perceived to “disenable them”. Nor was it felt that central government had provided a sufficient understanding of how different departmental policy initiatives affect each other, in particular social housing grants and Supporting People grants, which significantly effect local council and primary care trusts’ abilities to deliver services. The Social Services representative advocated a more coherent and complimentary development between the ODPM and Department of Health around supported housing.

#### **A4.4 Supporting People**

##### *Suffolk County Council (Telephone Interview)*

The representative of Supporting People at Suffolk County Council that we spoke to emphasised an effective joint planning process and partnership working between all districts in Suffolk, RSLs, and the voluntary sector. There was concern that if Local Authority grants are reduced to the extent of making 7% savings that they will not be able to develop new services nor meet targets. Particularly with developing supported housing schemes, it was acknowledged that this was also dependent on external factors such as whether land and capital are available for building.

## **Long term funding allocation**

**Frail elderly** – proactive “very sheltered” housing services have been developed in the last few years prior to Supporting People and have received pipeline funding for this. These services tend to be built to a certain specification, usually 32 units. The tenants have moved out of residential care homes to a “more enabling environment”. Within the housing units themselves the services try to be innovative, offering yoga and aerobics for older people. Staff also “get them in touch with a GP who comes in, they try to make it a living community”.

**Mental health problems** – Ipswich and Bury St Edmunds have high level support schemes each housing 6 or 8 households jointly funded by social services for people with enduring mental health problems such as schizophrenia, requiring 24 hour support.

**Learning disabilities** – there are a number of supported housing services which are client focused, for example buying a property where 3 or 4 people live with full time support staff. Large schemes are being replaced by smaller numbers of inhabitants living in a “normal house in the community”, but there still needs to be at least small groupings to “justify the cost of support staff”. It was also mentioned that Supporting People are paying a grant for an individual who then chooses their support service, through the Community Care budget, but normally Supporting People pay for a block service, so this direct payment is fairly unique.

**Homeless families and homeless single people** – there is short term hostel type supported accommodation, for example, with 12 units.

**Young people at risk** – providing supported housing usually 8 units in a scheme for 16-25 year olds who are not the responsibility of Social Care Services. Sometimes they have a chaotic lifestyle, or drug/alcohol misuse.

Frail elderly and tenants with learning disabilities would be expected to have a full tenancy as their property “is a home for life”. People who are homeless, have mental health problems and young people would be given a short assured tenancy for six months, which is renewable, but they are expected to be moved on to more permanent housing by the end of 2 years.

In response to the question of which groups have not been targeted for long term funding and why, “hard to reach” groups such as offenders, women escaping domestic violence, travellers, refugees and those involved in substance misuse were identified. The increased access to funding that Supporting People has brought about has raised awareness of the issues concerning these groups and it was proposed that they be targeted in the 5 year strategy that is currently being written. Services to groups that had not been funded previously, because the service had to be linked to tenancy and the client have a connection with social services, Supporting People “can now grant aid an organisation to deliver support”, they can now “break this mould” and offer more support to people living in their own homes.

### **Main client groups and key issues**

The main client groups receiving Supporting People services were older people, including frail elderly, those in or requiring sheltered accommodation and those with mental health problems. People with physical and sensory disabilities receiving services also include people living with HIV/AIDS, but this aspect of their needs has not been recognised in the provision of a separate service. Innovative schemes for deaf people were also highlighted. A third main client group are those considered “hard to reach”. This includes those suffering from domestic violence, people with learning disabilities, mental health problems, drug and alcohol problems, Travellers and refugees, the latter in particular requiring more support, and single and homeless families. Young people recognised as at risk, leaving care and teenage parents receive services under this category as well as offenders in the community and mentally disordered offenders. Finally, there is the “Complex/Generic” client group which includes people with multiple problems, for example, a person with a chaotic lifestyle, possibly drug and alcohol misuse as well as mental health problems.

A key issue affecting older people was highlighted as “demography – there’s a question mark about the viability of sheltered housing as people are living longer and are not in a state of frailty until aged 80-85”. It was considered that the traditional Local Authority stock of sheltered housing is of a poor standard, especially in the form of bed sits. Change in need and living situations was explained that in the 1970s when people were allocated sheltered housing, “60 was quite old”, whereas now people in local authority housing stay there until they can no longer manage, but they are older at this stage, “when they are beyond sheltered housing” and need more support. As a result, a lot of older people are now “bypassing” sheltered housing, “going from their own home to ‘very sheltered’ housing”. Longer term under-occupation by older people is also increasing the local authority demand for their 3 bed houses.



There is also a need for extra care at units so that if an older person begins to suffer from dementia they can live in their home and receive extra care in familiar surroundings do not have to move. It was commented that for people who want to live in their own homes, especially in the private sector, the problem is the condition of their home. However, the “repairs problem” is high on the Supporting People agenda as it is their policy that people should be able to live in their homes for as long as possible. They are going to employ a Home Improvement Coordinator to work with all the local authorities and plan to “bolt on a handy person services, gardening services, falls prevention etc.”

A significant housing issue for people with learning disabilities is the closure of hospital wards to them. It was reported that Suffolk is in need of 131 supported housing units with learning disabilities, which is a substantial proportion of the Supporting People grant. It was reported that it will cost £1.7 million “just to get those people into the community out of their previous institutions”. An ongoing programme or special housing is required to meet these needs. In addition to those identified above, there is a further problem of those living with parents and planning the transition of people with learning disabilities who want to live in their own homes. To achieve this Supporting People will have to address the issue of 24 hour support and the cost to the “public purse” that this will entail.

It was felt that a general issue affecting the main client groups receiving services was a lack of “move on” accommodation. It was considered that the drive for this should be to look at increased provision of affordable housing where even people who are working can not afford to buy. If these people find it difficult then people moving out from hostels are even more limited in where they can move to.

It is also necessary to assess “floating support” services. Supporting People have received approval for a research project to assess the floating support that is already in existence and where else it is needed. An important part of this research will also explore its definition for application, such as resettlement, outreach work and community support.

Supporting People were not aware of any barriers to accessing their services by Black or Minority Ethnic groups. The representative suggested that it was not necessarily about bringing in new services, but trying to ensure that all contracted organisations have policies in place to make access to services equal, and that those on offer “are not just white middle class services”.

## A4.5 RSL

### *Suffolk Heritage (RSL) (Telephone Interview)*

Suffolk Heritage work in 17 Local Authorities and in Ipswich aim to meet a range of housing needs through building a mixture of different property types in their development. While their new build properties predominantly cater for general housing needs, they have also developed some supported housing for the elderly and people with mental health problems. They also have plans for a future supported housing development whose client group has yet to be decided.

They tend to develop 100% of sites, although there have been a couple of sites where other properties are also being built. An example of affordable housing development is at Ravenswood. To the representative's knowledge, who was not a development specialist, there were no particular problems with developing 100% sites. Suffolk Heritage expected to continue developing the same range of accommodation, but did hope to expand their development if land were available. They felt that they were already "doing quite a lot around Ipswich" and that land did currently seem to be available, though this tended to be in the form of brown sites.

Compared to the other areas nearby in which Suffolk Heritage works, the problems of need and affordability in Ipswich were considered to be "about the same", and that waiting lists for affordable housing provided in the Borough were "not overly high". It was noted that Ipswich Borough Council has recognised the need especially for the development of affordable larger homes, which is encouraged in planning developments for both the Council and Suffolk Heritage, who are both developing some larger properties.

Suffolk Heritage include 5 and 6 bedroom properties, which tend to be 1 or 2 in each phase, so there are a "good handful at each site". There had been a "growing need for this type of accommodation but it was thought that there had not been much development previously to meet this need in the area. There has also been development of flats for single people in areas such as Ravenswood, Norwich Road and Whitehouse. The representative considered that Suffolk heritage sites were an "even balance of general housing needs, larger houses, single person flats and specialist or supported housing. We have some wheelchair accessible bungalows too".

There seemed to be a good partnership working relationship with the Council who are "keen to keep involved" in developments and the activities of Suffolk Heritage, meeting regularly with them. In particular, they reported a good relationship with the Council lettings section. Although Suffolk Heritage run the housing register for Suffolk and Coastal District area, they include Ipswich as an area where tenants may choose to live, they advise tenants and prospective tenants to apply both to themselves and the Council waiting list as most of the social housing is let by the Council.

Suffolk Heritage were not aware of particular localities or estates which experienced difficulty in finding tenants to let properties in Ipswich. However, this perception was qualified with the comment that the RSL dealt mostly through nominations at the point where it was certain that people were going to let the property.

#### **A4.6 Voluntary sector temporary/supported housing provider**

*Ipswich Housing Action Group (Telephone Interview)*

##### **Problems**

Ipswich Housing Action Group (IHAG) works with single homeless people exclusively. It was considered that the biggest housing problem they face is insufficient “move on” accommodation. Although some people are being moved on from temporary accommodation there are not enough units to meet the need. This suggested to the organisation that there “must be a shortage in available single person accommodation”.

This is having an impact on the lack of temporary accommodation which is demonstrated by long waiting lists for hostels and “clogged up” direct access lists. The representative from IHAG reported that it was difficult to tell where homeless people were staying in the mean time whilst awaiting temporary accommodation, but suggested that people were “hanging around sleeping rough or on people’s floors” and that “all the B&B’s are full”.

A second problem which is also increasing is that people in hostels are being prepared by support staff to move on and then there is no where for them to go, sometimes staying in a hostel for two months. It was perceived that this was “making hostels more volatile places” as these people become more frustrated and end up leaving or being evicted.

The representative had recently attended a conference with frontline practitioners in the Borough working with vulnerable people. This highlighted the need for further specialist housing. Although there is one safe house for people with substance misuse problems who have become drug free but are “not safe enough yet to go into the community”, further such housing was felt to be required. The lack of “move on” accommodation was a common theme, as was the call for more floating support, which was thought to be considered in a Supporting People brief currently being written.

## **Suggestions for change**

We asked what sorts of things the Council and housing providers could do to address these problems, first of which was to “Build some more homes”. The representative had many positive comments to make about the Council who were “good at liaison meetings” and was on the whole happy with their work. With regards to housing allocation, their “policy works pretty well but there is a limited pool of accommodation”. The representative did not feel that housing was as high on the Council agenda as it had been in the past.

There were, however, two major suggestions for change. Firstly, the merging of the Council’s homelessness and housing advice sections in recent years had not been seen to have a positive effect. Instead the IHAG representative considered that two separate organisations would be more appropriate, with housing advice located outside of the Council. This would enable housing advisors to act as advocates for the homeless and would remove a difficulty for council officers have to in effect combine the two positions and who as a result might have to “give into themselves or their colleagues because they’ll be doing the job next week”.

Secondly, it was considered that effective consultation of service providers does not take place and that one meeting held at short notice to contribute to or review an allocations policy was insufficient. An example of effective consultation and subsequent action which has had a positive impact was the process of developing the Homelessness Strategy. This was considered to be “really good”, because “it asked people why they were homeless”. The strategy itself was “easy to use” and clearly allocated responsibility for who should take what action and when. Future consultation and strategies “should be modelled on this action plan”.

It was suggested that if the Council involved themselves in a “real” consultation process, especially with “support advisors in the borough who understand the problems”, these experts could assist the Council to avoid making unnecessary mistakes. By asking these people beforehand, the Council would save time and effort, whilst preventing complaints from service providers who feel that policies do not meet the needs of their clients. It was thought that this change would need to originate at the management level of the Borough.

### **A4.7 Citizens Advice Bureau as an external housing advice provider**

*Citizens Advice Bureau (Telephone Interview)*

## **Problems**

The Citizens Advice Bureau (CAB) work with the general public and in particular the housing needs of people who are homeless and in immediate need rather than those who are already established on housing waiting lists or registers. They have found that there is a “limited supply in the social housing area for single people”, though the provision of family housing outside of the temporary accommodation period was considered to be adequate. It was reported that even those who are “accepted as priority homeless” are having difficulties, experiencing “reasonably long waits” in temporary accommodation, which could be up to six months or longer in individual cases. The CAB representative considered that the Right-To-Buy “has depleted the social housing stock and continues to do so” across the board in terms of the number of rooms in properties.

One of the most significant issues facing the people with mental health problems that CAB work with when they come to need housing in a homelessness situation is the assessment as to whether they are in priority need or not. It was considered that the Council housing advice service, perhaps under pressure and unable to prioritise gaining sufficient information from the assessment, do not give clear guidance to medical professionals in the mental health field about what information they are seeking. As a result the CAB have been involved in a number of recent requests for reviews and have found this to be the case. CAB on behalf of clients have gone back to the doctor or other mental health workers to obtain “much more specific information about our client’s needs”, to establish “why they are more vulnerable than another person in similar standing without mental health problems, it’s a vulnerability test”.

## **Suggestions for change**

It was not felt that individual questions that the Council housing department should be asking medical practitioners as such should change, but that it was not clearly stated as to what medical practitioners “have to look at in relation to deciding whether someone is vulnerable or not”. It was suggested that clarification should be included in the letter sent to medical practitioners requesting the opinion of the practitioner as to whether they feel that “homelessness would make the client more vulnerable, or less able to cope in the normal commercial housing market”. The current method was seen to be unfair to the people who are in this vulnerable position and some of whom should be seen as in priority need who are being, perhaps wrongly, excluded from this category.

Another suggestion concerned the state of the West Villa homelessness hostel in Ipswich that was not felt to be ideal. It was felt that perhaps the government should encourage local authorities to develop homelessness units “that allow some slightly better degree of comfort”. Where units do exist they were felt to be inappropriate, tending to be the “equivalent of a slightly seedy B&B room”, which does not encourage positive motivation or a sense of well being.

## A4.8 Voluntary sector

### *Women's Aid (Telephone Interview)*

Women's Aid undertakes work with women and their families who have become homeless as a result of domestic violence. Where domestic violence may be a woman's primary problem but she has a secondary mental health or drug and alcohol problem at a high level, Women's Aid may not be able to house them. The organisation can offer low level support to women with these needs, however, they are unable to offer accommodation to women with a higher level of need as there are child residents, a communal living system and the staff do not have the relevant training.

Representatives of Women's Aid highlighted a good working relationship with Ipswich Borough Council and were unable to raise any housing issues of particular concern. They were generally happy with the relationship and felt that it was beneficial that a Council housing officer regularly comes to meet with women who need to be re-housed.

Given this satisfactory working relationship, *Fordham Research* asked the representative whether there were any changes that the Council could make to help them improve their service. In the context of understanding that improvements would be dependent on the availability of funding, measures on their "wish list" would focus on the resettlement period.

These would include extra security measures for vulnerable women when they are being re-housed, such as "flimsy doors" being replaced "sooner rather than later" and extra locks. Women's Aid understand that these are currently addressed by a 5 year repair plan for Council properties and expressed an interest in being able to send letters to the Council, limited to specific cases, to support these small changes for particularly vulnerable women which can have a huge impact on their lives.

Again, if extra funding were somehow made available, it was considered that assistance with the interior work of the property in which a client has been re-housed would be of great benefit. It was reported that a lot of women are single parents with several children under the age of 8 years old, so painting and decorating by themselves can be a difficult task, especially ceilings and hallways, given the safety issue of young children and ladders and being able to sufficiently look after children at the same time. It is also believed that the Council are not required to install back gates to properties if they had not had a back gate previously, which raised concerns particularly where toddlers form part of the household.

Although IWA were unable to accommodate 98 women due to lack of space last year, Women's Aid clarified that approx two thirds were not calling from Ipswich and as such could be re-housed by other local authorities or voluntary organisations.

## Appendix A5 Supporting information

### A5.1 Non-response and missing data

Missing data is a feature of all housing surveys: mainly due to a respondent's refusal to answer a particular question (e.g. income). For all missing data in the survey imputation procedures were applied. In general, throughout the survey the level of missing data was minimal. The main exception to this was in relation to financial information, where there was an appreciable (although typical) level of non-response.

Non-response can cause a number of problems:

- The sample size is effectively reduced so that applying the calculated weight will not give estimates for the whole population
- Variables which are derived from the combination of a number of responses each of which may be affected by item non-response (e.g. collecting both respondent and their partners income separately) may exhibit high levels of non-response
- If the amount of non-response substantially varies across sub-groups of the population this may lead to a bias of the results

To overcome these problems missing data was 'imputed'. Imputation involves substituting for the missing value, a value given by a suitably defined 'similar' household, where the definition of similar varies depending on the actual item being imputed.

The specific method used was to divide the sample into sub-groups based on relevant characteristics and then 'Probability Match' where a value selected from those with a similar predicted value was imputed. The main sub-groups used were tenure, household size and age of respondent.

### A5.2 Weighting data

The survey data was weighted to estimated profiles of households based on various secondary sources of information. The tables below show the final estimates of the number of households in each group (for 5 different variables) along with the number of actual survey responses (data for tenure can be found in Chapter 3). Although in some cases it is clear that the proportion of survey responses is close to the 'expected' situation there are others where it is clear that the weighting of data was necessary to ensure that the results as presented are reflective of the household population of Ipswich.

<b>Table A5.1 Ward profile</b>				
Wards	Estimated hhs	% of hhs	Number of returns	% of returns
Alexandra	3,859	7.5%	168	6.5%
Bixley	2,945	5.7%	185	7.2%
Bridge	3,240	6.3%	142	5.5%
Castle Hill	2,974	5.8%	215	8.4%
Gainsborough	3,416	6.6%	139	5.4%
Gipping	3,321	6.4%	134	5.2%
Holywells	2,548	4.9%	170	6.6%
Priory Heath	2,991	5.8%	130	5.1%
Rushmere	3,259	6.3%	170	6.6%
Sprites	2,950	5.7%	125	4.9%
St Johns	3,289	6.4%	178	6.9%
St Margarets	3,256	6.3%	199	7.8%
Stoke	3,267	6.3%	137	5.3%
West Gate	3,898	7.5%	194	7.6%
Whitehouse	3,244	6.3%	144	5.6%
Whitton	3,223	6.2%	136	5.3%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

<b>Table A5.2 Accommodation type profile</b>				
Accommodation type	Estimated households	% of households	Number of returns	% of returns
Flat/maisonette	9,693	18.8%	443	17.3%
House/bungalow	41,988	81.2%	2,123	82.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

<b>Table A5.3 Household type profile</b>				
Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioners	7,853	15.2%	393	15.3%
Two or more pensioners	5,114	9.9%	329	12.8%
Single non-pensioners	8,849	17.1%	355	13.8%
Other households	29,865	57.8%	1,489	58.0%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>



<b>Table A5.4 Council Tax Band</b>				
Council Tax Band	Estimated households	% of households	Number of returns	% of returns
A	15,969	30.9%	733	28.6%
B	19,435	37.6%	937	36.5%
C	9,660	18.7%	524	20.4%
D	3,561	6.9%	201	7.8%
E to H	3,057	5.9%	171	6.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

<b>Table A5.5 Car ownership</b>				
Cars owned	Estimated households	% of households	Number of returns	% of returns
None	15,140	29.3%	740	28.8%
One	24,271	47.0%	1,156	45.1%
Two	10,014	19.4%	550	21.4%
Three or more	2,255	4.4%	120	4.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

<b>Table A5.6 Household size</b>				
Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	16,702	32.3%	748	29.2%
Two	17,277	33.4%	967	37.7%
Three	7,327	14.2%	371	14.5%
Four	6,931	13.4%	331	12.9%
Five	2,406	4.7%	106	4.1%
Six or more	1,038	2.0%	43	1.7%
<b>TOTAL</b>	<b>51,681</b>	<b>100.0%</b>	<b>2,566</b>	<b>100.0%</b>

### A5.3 Margins of error

Although the estimate produced from a sample survey will rarely be identical to the population value, statistical theory allows us to measure the accuracy of any survey result. The standard error can be estimated from the values obtained for the sample and this allows calculation of confidence intervals which give an indication of the range in which the true population value is likely to fall.

This section gives the 95% confidence intervals for a range of different sample sizes. The survey included 2,566 completed returns against a target of 2,800, it is therefore important to see if the lower than expected sample has any significant impact on the results. That is, if it were possible to repeat the survey under the same conditions many times, 95% of these confidence intervals would contain the population value. This does not guarantee that the intervals calculated for any particular sample will contain the population values but, when assessing the results of a single survey, it is usual to assume that there is only a 5% chance that the true population value will fall outside the 95% confidence interval calculated for the survey estimate.

The table below shows the margin of error associated with various different groups. As well as the overall Borough-wide samples we have looked at sub-area samples; the survey aimed to achieve an average of around 175 returns per sub-area, in fact an average of 160 was achieved and so it is also important to look at different accuracy levels at the smaller area level. In all cases the error margins are based on 20% of the household population being in a particular category.

<b>Table A5.7 Error margins associated with different sample sizes</b>		
Description of group	Number of returns	Margin of error (±%)
Target response Borough-wide	2,800	1.48%
Achieved response Borough-wide	2,566	1.55%
Target response per sub-area (average)	175	5.93%
Achieved response per sub-area (average)	160	6.20%

The table clearly shows that whilst the margin of error is greater on the achieved rather than the target sample the differences in accuracy are fairly minor. The smaller than expected sample size therefore has only a small impact on survey accuracy.

## Appendix A6 Balancing housing market analysis

### A6.1 Introduction

The following tables show the detailed analysis for the six components contributing to the Balancing Housing Market Analysis presented in Chapter 14 of this report.

### A6.2 Analysis of Ipswich data

The first table shows an estimate of the housing requirements of potential households. The table is based on the number of potential households who need or expect to form over the next five years within the Borough along with estimates about affordability and stated size requirement. Any potential household who would both like and expect to move from the Borough is excluded from this analysis. Figures are annualised.

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	105	136	14	4	259
Affordable housing	333	316	19	0	669
Private rented	23	3	5	0	31
<b>TOTAL</b>	<b>461</b>	<b>456</b>	<b>37</b>	<b>4</b>	<b>958</b>

The table below shows the estimated demand from in-migrant households. This is based on the profile of households who have moved into the Borough over the past five years (in terms of affordability and size/type of accommodation secured). The data is constrained so as to provide the 'balance' in the model (i.e. to keep the estimated household growth to 500 dwellings/households per annum). Figures are again annualised.

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	24	127	285	70	506
Affordable housing	64	59	60	18	201
Private rented	27	63	35	10	135
<b>TOTAL</b>	<b>115</b>	<b>248</b>	<b>381</b>	<b>98</b>	<b>842</b>

The table below show estimated future demand from existing households. The figures are based on what tenure and size of accommodation households would like or expect to move to in the future (next five years) along with considerations of affordability. Figures are again annualised.

<b>Table A6.3 Demand III: Demand from existing households by tenure and size required</b>					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	59	497	485	133	1,174
Affordable housing	225	286	261	31	804
Private rented	42	28	34	9	113
<b>TOTAL</b>	<b>327</b>	<b>812</b>	<b>780</b>	<b>173</b>	<b>2,091</b>

The table below is an overall summary of the demand situation and is calculated as the sum of the three previous tables.

<b>Table A6.4 Demand IV: Total demand by tenure and size required</b>					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	188	760	784	207	1,939
Affordable housing	623	662	340	49	1,673
Private rented	92	94	74	19	278
<b>TOTAL</b>	<b>903</b>	<b>1,516</b>	<b>1,197</b>	<b>274</b>	<b>3,891</b>

The table below provides an estimate of the likely future supply of accommodation (by tenure and size) from household dissolutions (i.e. death). The table is based on applying age specific national mortality statistics (2001) to the local population to estimate the proportion of households who are likely to wholly dissolve each year.

<b>Table A6.5 Supply I: Supply from household dissolution</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	12	76	144	15	247
Affordable housing	138	41	40	2	221
Private rented	9	9	9	1	28
<b>TOTAL</b>	<b>159</b>	<b>126</b>	<b>193</b>	<b>18</b>	<b>497</b>

The table below shows an estimate of the supply of housing that would be released when households who would like and expect to move from the Borough do so. For example a household out-migrating from a four bedroom owner-occupied dwelling is assumed to free-up a four bedroom owner-occupied dwelling for use by another household. The data is annualised and based on moves over the next five years.

<b>Table A6.6 Supply II: Supply from out-migrant households</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	10	161	322	96	590
Affordable housing	41	20	25	3	88
Private rented	44	41	37	2	125
<b>TOTAL</b>	<b>95</b>	<b>223</b>	<b>384</b>	<b>101</b>	<b>803</b>

The table below show estimated future supply from existing households. As with the above data the figures are based on the type and size of accommodation that would become available if a household moved to alternative accommodation. Figures are annualised from data for five years.

<b>Table A6.7 Supply III: Supply from existing households</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	46	195	612	92	944
Affordable housing	163	184	120	20	487
Private rented	174	246	192	48	660
<b>TOTAL</b>	<b>382</b>	<b>625</b>	<b>923</b>	<b>160</b>	<b>2,091</b>

The table below is the sum of the three previous tables and shows the overall estimated annual supply for each tenure and size group.

<b>Table A6.8 Supply IV: Total supply</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	68	432	1,078	203	1,781
Affordable housing	342	245	185	24	797
Private rented	227	297	238	52	813
<b>TOTAL</b>	<b>637</b>	<b>974</b>	<b>1,501</b>	<b>279</b>	<b>3,391</b>



## Appendix A7 Ipswich Employer Perspectives

### A7.1 Introduction

Fordham Research was commissioned to examine whether there is a link between recruitment and retention problems and housing costs in major employers in Ipswich. Full details of this research can be found in a separate key worker report. This appendix summarises the main findings from the research.

The research was composed of ten in-depth interviews with public and private sector organisations and the Chamber of Commerce. Short interviews were initially conducted by telephone and, where recruitment or retention problems were identified, a face-to-face depth interview took place. All interviews were conducted in confidence.

### A7.2 Main Findings

#### *Recruitment and retention*

Recruitment problems were identified in public sector organisations in line with national shortages, particularly for nurses, junior social workers, and teachers for some subjects.

Respondents however reported that local problems were not as severe as for other parts of the country. Suffolk and especially Ipswich were seen as particularly attractive places to live for certain groups of people due to the perceived relaxed pace of life, good quality schools and low crime. The area was seen as a major selling point when attracting recruits.

Few problems were reported in the private sector. For some senior management positions, proximity to London was seen as a problem due to the inability to compete with wages. One private sector company conducted exit interviews with all staff and the cost of housing had never been mentioned; the main reason was staff leaving for a better paid job within the Suffolk area.

No major problems were identified among unskilled, lower-paid workers. These were recruited locally and so were already based in Ipswich. They either qualified for social housing, or were in a household able to access market priced housing.

With the notable exception of junior social care workers, housing not seen as a major factor: house prices are still low in comparison to London, the Home Counties and Essex. While all respondents acknowledged house prices were rising quickly, the situation was seen as better than other nearby areas. However it was also pointed out that it is a struggle for key workers moving to the area to buy and, in some cases, to rent. This was seen as a problem likely to get worse and which could soon start to impact on Ipswich's ability to attract recruits.

In the case of social care, housing was seen as a problem as wages for junior social workers were lower than for other key worker positions and national shortages were more drastic. There was a strong sense that the Social Care department was competing with other councils for a small pool of suitably qualified workers. While Ipswich's quality of life was seen as a selling point, here too, there was difficulty attracting staff from outside southern and eastern parts of England due to the cost of renting and buying in Ipswich.

### *Retention*

Where retention problems were identified it was linked to career development, higher wages in the private sector, or internal deficits in training or staff care. Housing was not seen as an issue, largely because respondents felt once key workers decided to live in Ipswich it tended to be a long-term decision. The higher quality of life deterred people from leaving the area for a new job: people become 'Suffolkated' and wanted to settle in Ipswich.

Some respondents had noticed price rises were greatest in Ipswich town itself. Concerns were raised about poor public transport links to cheaper, outlying towns in Suffolk, particularly for jobs where shift patterns could mean starting and finishing work at unsociable times.

### *Strategies*

To help resolve shortages, foreign nationals had been recruited for positions in health and social care. This was seen as a vital source of trained labour; however the relatively high cost of housing in Ipswich was seen as a factor which put off some recruits. Even rental prices were seen as too high for some applicants when they first moved to Ipswich.

The Local Education Authority had started a recruitment and training strategies among people already based in Suffolk. This had the advantages of helping retention as recruits tended to be settled in the area and less likely to move away.

### *Housing Assistance*

The Key Worker Living scheme was regarded positively, although take-up had been low, partly because it was a new scheme and there was poor information about it.

Respondents felt the location of any key worker housing should be carefully considered. While some workers would want to live close to where they work in the heart of the community, others wanted distance from their workplace. Given that public sector employers felt they were competing with other areas for a limited number of suitable applicants, key worker housing should be of a sufficient quality to succeed.



Key worker housing would be required across a range of tenures. There was a need for 1 or 2 bed rental accommodation to help applicants (including foreign nationals) when they first move to Ipswich. There was also a need for larger, shared-ownership properties suitable for more established workers who wanted to settle in Ipswich.

The professions where recruitment problems were identified were skilled, junior positions. Given that there were few problems for higher paid management positions, some respondents felt there should be an upper household income eligibility limit. This would be supported by findings in the Housing Needs Survey that key worker households have a higher than average income, were more likely to be owner-occupiers and that 90% could afford market housing. This would enable key worker homes to be targeted at those most in need.



## **Appendix A8 Survey questionnaires**

