



2006 DRAFT HOUSING NEEDS ASSESSMENT

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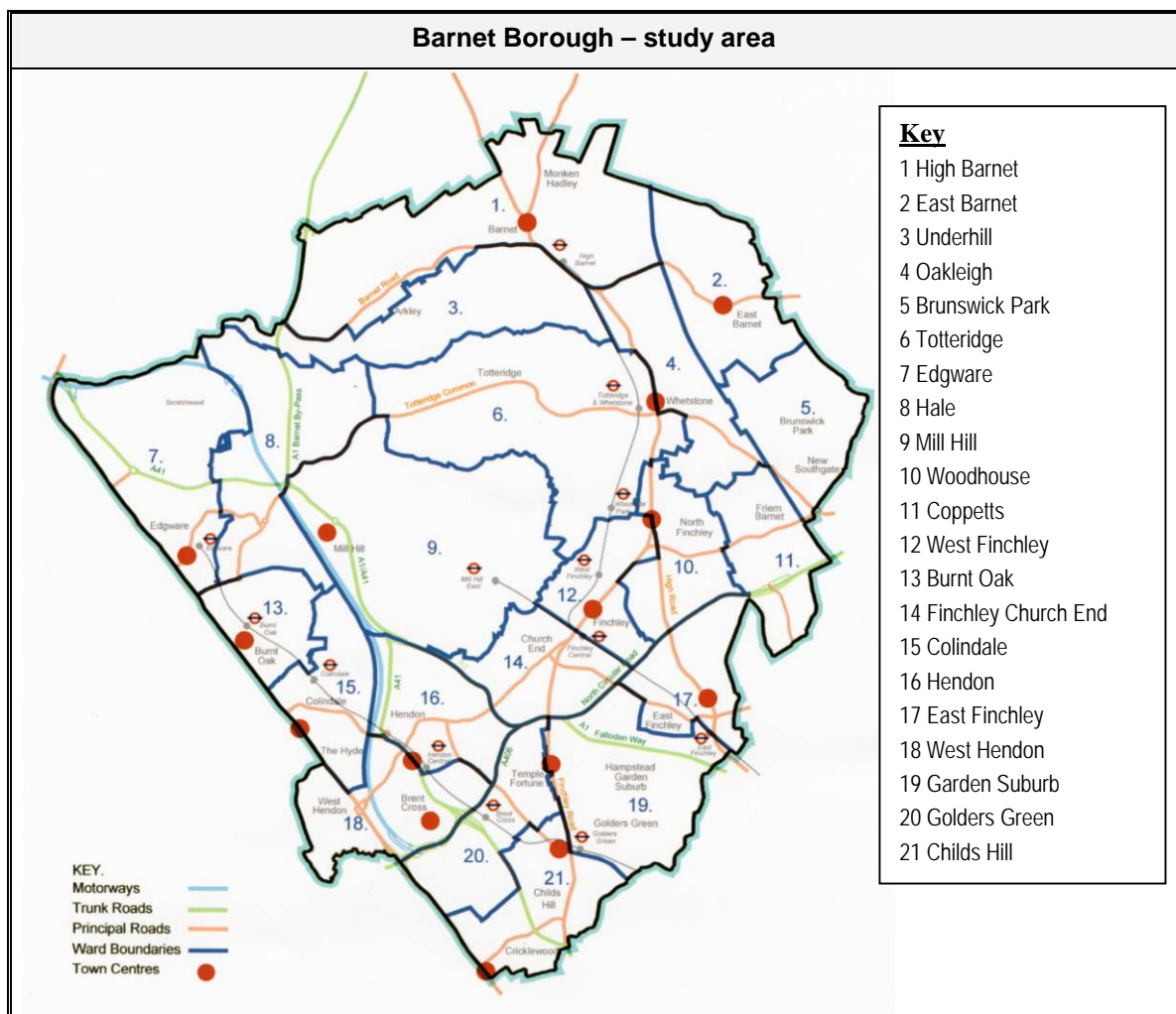
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EXECUTIVE SUMMARY

Context of the Study

Fordham Research were commissioned to carry out a Housing Needs Assessment for Barnet Borough Council. 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 personal interview survey completed with of 1,269 local households
- A additional postal survey with Council tenants that yielded a further 329 responses
- Interviews with local estate and letting agents
- Review of secondary data (including Land Registry, Census and HSSA data)



Survey and initial data

A major part of the study process was the completion of the primary data collection via a combination of personal interviews and postal questionnaires with local households. In total 1,598 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.

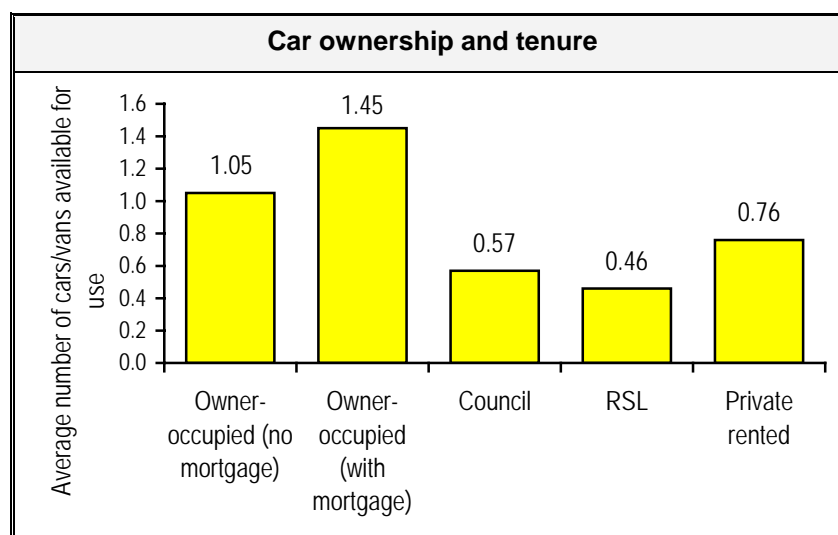
Analysis of the survey data indicated the presence of a number of student-only households living in the private rented sector. These households were excluded from the analyses as they are a special case, particularly in relation to affordable housing, due to the short-term nature of their residence.

Overall the survey estimated that around 71% of households are currently owner-occupiers with 13% living in the social rented sector and around 16% in the private rented sector..

Number of households in each tenure group		
Tenure	Total number of households	% of households
Owner-occupied (no mortgage)	40,847	32.0%
Owner-occupied (with mortgage)	49,514	38.8%
Council	11,008	8.6%
RSL	6,034	4.7%
Private rented	20,370	15.9%
TOTAL	127,773	100.0%

The survey reported on a number of general characteristics of households in Barnet. The study estimated that 61.6% of households live in houses or bungalows, whilst 38.4% live in flats. In addition the survey found that over a fifth of all households were solely comprised of pensioners.

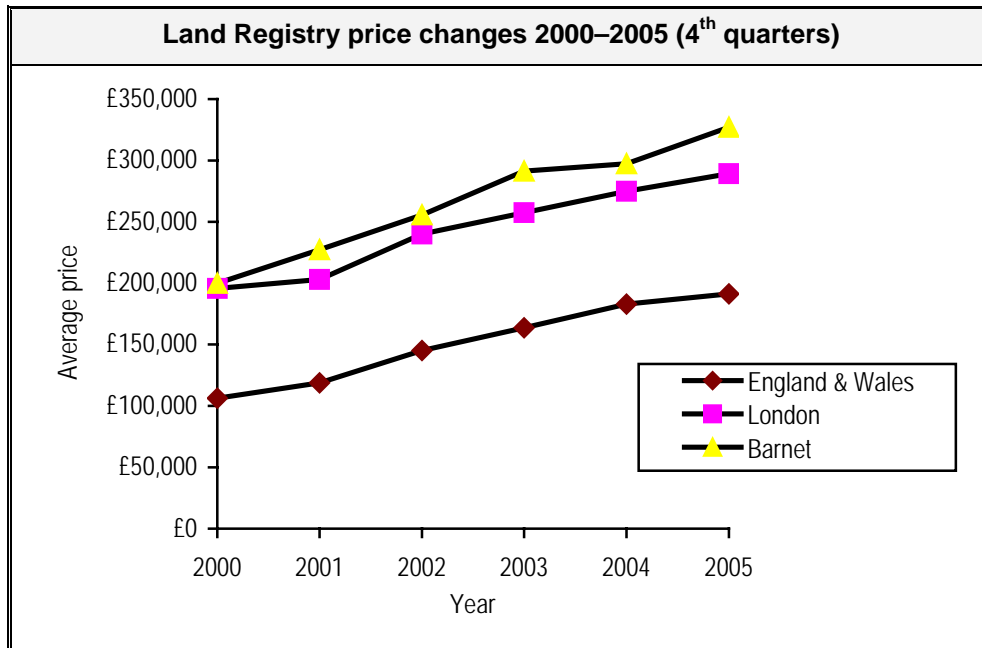
The study also looked at car ownership (which is often used as an indication of wealth). The figure below shows car ownership in the Borough by tenure. It is clear that there are large differences between the different tenure groups with owner-occupiers (with mortgage) having a significantly greater 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, with almost half of previous moves having occurred within the Borough.
- In terms of future household moves, the survey estimated that 25,987 existing and 7,030 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

One of the main sources of secondary information was the Land Registry. This data source suggested that property prices in the Borough are above both national and regional figures. The rate of increase in property prices in Barnet however is lower than national and regional equivalents, principally because the base price is notably higher. Information from Land Registry shows that nationally between the 4th Quarter of 2000 and the 4th quarter of 2005 average property prices in England and Wales rose by 79.7%. For London the increase was 47.7% whilst for the Barnet Borough the figure was 63.6%.

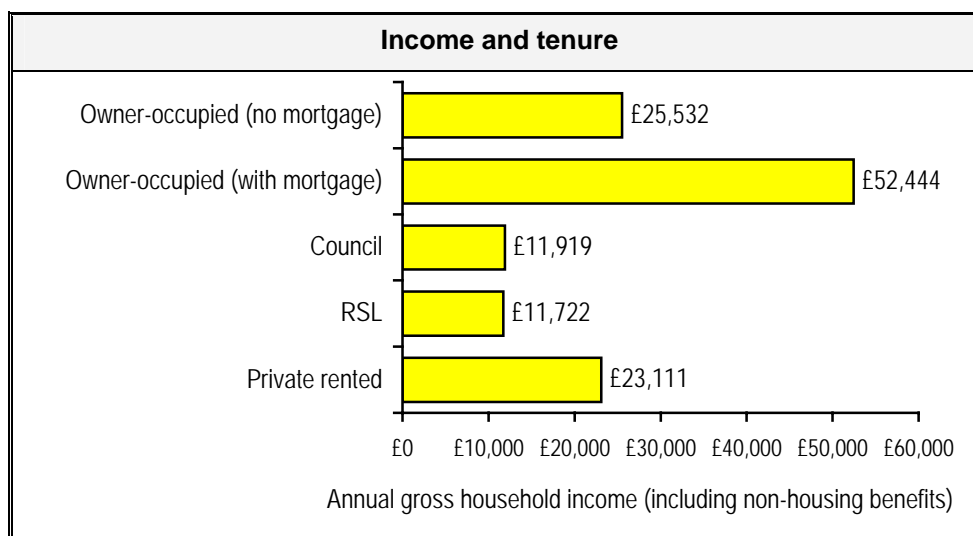


A survey of local estate and letting agents identified estimates of the minimum costs of housing to both buy and rent in the Borough. Overall, the survey suggested that prices started at around £154,500 for a one bedroom flat with private rental costs starting from around £690 per month.

Minimum property prices/rent in Barnet		
Property size	Minimum price	Minimum rents (per month)
1 bedroom	£154,500	£690
2 bedrooms	£184,500	£870
3 bedrooms	£263,500	£1,145
4 bedrooms	£330,500	£1,395

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 gross annual household income (including non-housing benefits) to be £33,752. There were, however, wide variations by tenure; with households living in social rented housing having particularly low income levels.

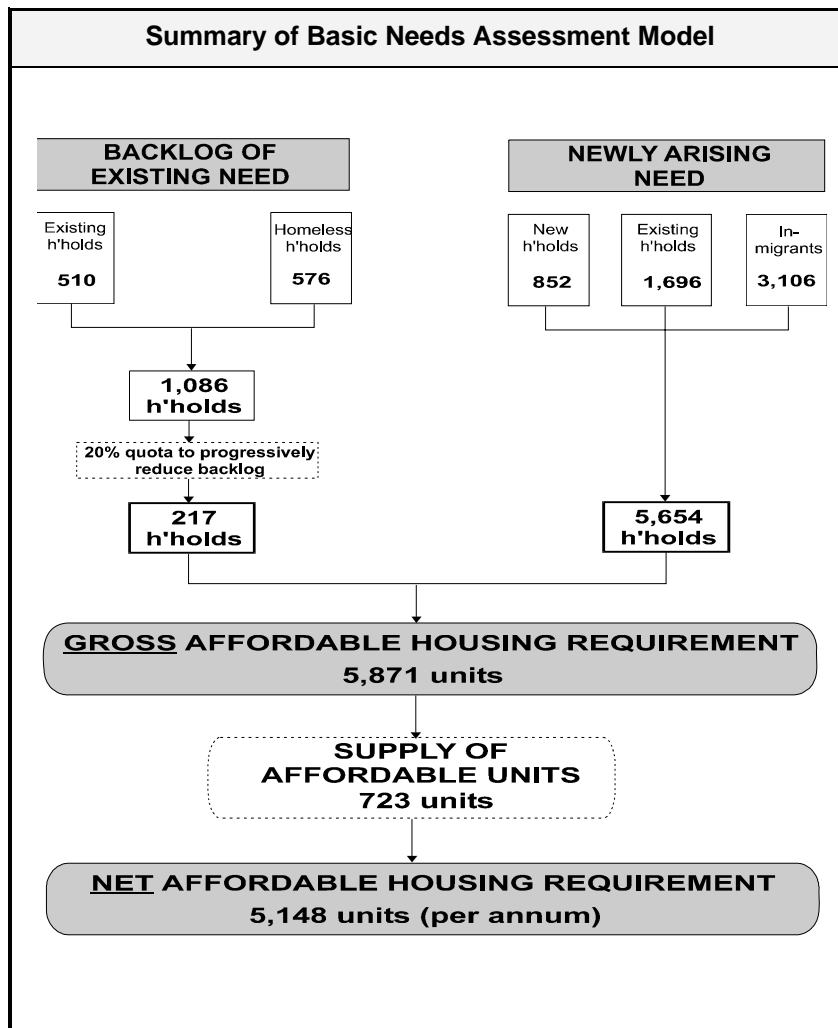


The Guide model

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:

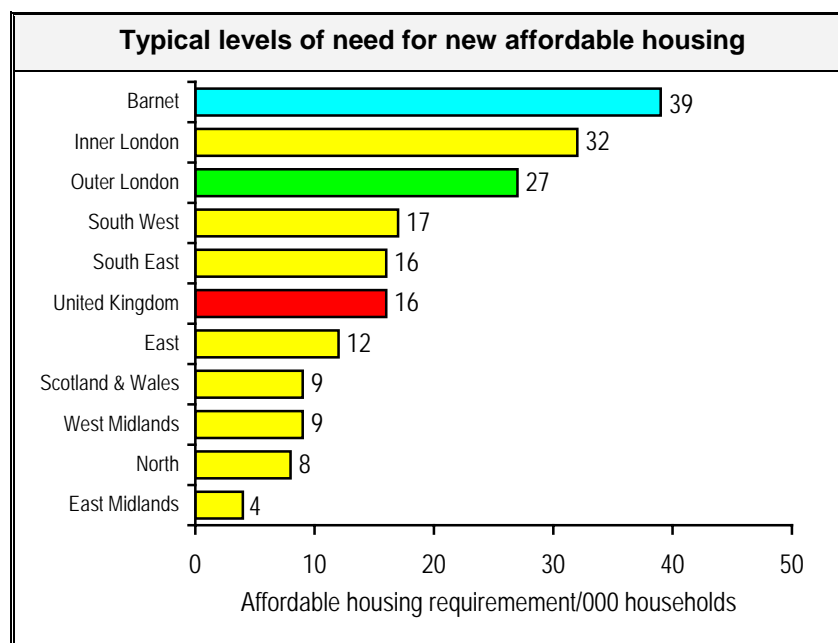
- Backlog of existing need
- Newly arising need
- Supply of affordable units
- Overall affordable housing requirement



Overall, using the BNAM it was estimated that there is currently a shortfall of affordable housing in the Borough of around 5,148 units per annum. The previous housing needs survey in Barnet, completed in 2001 by Fordham Research, recorded a shortfall of affordable housing of 4,550 units per annum, indicating a slight increase in the level of need in the last five years.

The data suggested that there is a shortfall of all sizes of accommodation with the largest shortfall being for one and two bedroom units. It is important to note however, that the shortage relative to supply is greatest for four bedroom properties. In addition the survey showed that Finchley & Golders Green and Hendon display a very large overall shortage of affordable housing whilst the shortage in Chipping Barnet is much smaller.

Putting the results in context suggests that the affordable housing requirement in Barnet is significantly above averages found in other Fordham Research assessments both nationally and regionally. The figure below shows the affordable housing requirement standardised as an annual rate per thousand households.



Affordable housing target

The analysis suggests that any target of affordable housing would be perfectly justified in terms of the need. The London Plan identifies that Barnet should pursue an affordable housing target of at least 50%. The amount of additional housing required in Barnet (5,148 units per annum), supports the Council's soon to be adopted UDP (May 2006) which sets out an affordable housing threshold of 10 dwellings or more with a target of 50%.

Further analysis suggests that much of this need (around 30%) could theoretically be met by 'intermediate' housing, available at outgoings between social rents and the minimum cost of (second hand) market housing. A profile of households in need indicates that intermediate housing is usually not affordable for larger households and is most appropriate for households requiring a one bedroom property with social rented housing required to meet the need for larger homes in the affordable sector.

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). These figures are based on information collected in the survey, and on households those wishing to move in the next 2 years, therefore the figures will vary slightly from HSSA and CORE information.

Profile and turnover of stock and housing benefit claims by tenure			
Tenure	% of properties with less than three bedrooms	Annual turnover of stock (% of households)	% claiming housing benefit (income support for owners)
Owner-occupied	28.6%	5.2%	1.1%
Private rented	70.6%	31.0%	21.6%
Social rented	75.3%	9.5%	60.0%
ALL HOUSEHOLDS	41.5%	9.9%	12.2%

Having studied the need for affordable housing using the Basic Needs Assessment Model, the study moved on to look 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 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 scale of new housing in the area. The table below shows the overall results of the BHM analysis.

Tenure	Total shortfall or (surplus)				TOTAL
	Size requirement				
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	206	(98)	(140)	270	238
Affordable housing	1,231	887	1,242	492	3,852
Private rented	(793)	(782)	(361)	(194)	(2,130)
TOTAL	644	8	741	568	1,960

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 ongoing. The BHM methodology suggests a significant shortfall of affordable housing of all sizes of accommodation, most notably one and three bedroom homes. The demand for larger units of affordable housing reflects the inability of market housing to cater for lower income larger households.
- ii) Overall, the data shows only a small shortfall in the owner-occupied sector. This finding reflects that although owner-occupation is the tenure of choice it is unaffordable for a large number of households that will move in the next five years. In terms of size requirements, the information suggests that in the owner-occupied sector the main shortage is for one and four bedroom homes and there is a surplus of two and three bedroom properties.
- iii) The model indicates that there a large surplus in the private rented sector. In this sector all dwelling sizes show a surplus, since many households view this sector as an undesirable long term solution whilst the supply of private rented housing is likely to be large due to the temporary nature of the tenure.

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 support needs, older person households, key workers, Black and Minority Ethnic households, households in temporary accommodation 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 14.7% of all the Borough's households (18,734) 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	4,528	3.5%	24.2%
Physical disability	13,785	10.8%	73.6%
Learning disability	1,274	1.0%	6.8%
Mental health problem	2,504	2.0%	13.4%
Severe sensory disability	927	0.7%	4.9%
Other	854	0.7%	4.6%

Support needs households in Barnet are generally smaller than average for the Borough and are disproportionately made up of older persons only. Support needs households 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:

- Level access shower unit (3,086 households – 16.5% of all support needs households)
- Lift/stair lift (2,457 households – 13.1% of all support needs households)
- Extra handrails (2,230 households – 11.9% of all support needs households)

The survey also suggested considerable scope for ‘care & repair’ and ‘staying put’ schemes.

Older person households

Older persons are defined as those of a pensionable age i.e. men aged 65 or older and women aged 60 or over. Some 21.4% of households in Barnet contain older persons only, and a further 10.8% contain a mix of both older and non-older persons. Older person only households are largely comprised of one or two persons, 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 RSL accommodation houses households with older people only (36.7%).

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 37,891 people in key worker occupations.

Key worker categories		
Category	Number of persons	% of key workers
Health (NHS)	10,258	27.1%
Education	13,936	36.8%
Community, social services , prison and probation staff	6,218	16.4%
Emergency services	1,401	3.7%
Transport	5,974	15.8%
Local authority planners	104	0.3%
TOTAL	37,891	100.0%

The survey also estimated that 18,845 households are headed by a key worker, these households 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 have moved in the last five years than non-key workers and are more likely to have moved from private rented accommodation than non-key workers
- Key worker households are less likely to want to move within the Borough and are less likely to want to buy their own home
- Key worker households have lower incomes than non-key worker households (in employment)

Black & Minority Ethnic households

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. Due to the small sample size of some of the groups, some of the categories have been re-grouped, resulting in eight different ethnic groups. The table below shows estimates of the number of households in each of the eight ethnic groups and the number of survey responses.

Number of households in each ethnic group		
Ethnic group	Total number of households	% of households
White - British	74,588	58.4%
White - Irish	3,955	3.1%
White - Other	22,832	17.9%
Asian or Asian British - Indian	5,746	4.5%
Asian or Asian British - Other	6,576	5.1%
Black or Black British - African	4,361	3.4%
Black or Black British - Other	2,498	2.0%
Any other ethnic group	7,215	5.6%
Total	127,773	100.0%

The survey found that Asian or Asian British – Indian households have the highest average household size whilst Black and Black British - Other households have the lowest average household size. Black and Black British - Other households are also particularly likely to live in the private rented sector, whilst Black and Black British - African households are more likely than other groups to be living in social rented housing.

The data showed considerable difference in both income and savings levels between the different groups. Overall an estimated 69.3% of the net affordable housing requirement is for households headed by a White person, although there is a net need for affordable housing from each ethnic group.

Household in temporary accommodation

The survey estimates that there are 660 households in the Council rented sector that have non-secure tenancies (i.e. they live in temporary accommodation). The survey indicated that households in temporary accommodation are particularly likely to be lone parent households and are also likely to be headed by a Black person. The income and savings levels of households in temporary accommodation is lower than that of other households in Council rented stock and much lower than the Borough-wide average. These results are based on a sample of just 26 responses so they should be treated with caution.

Overcrowding and under-occupation

Finally, the survey looked briefly at overcrowding and under-occupation, overcrowding having been shown as one of the most important reason for households to be living in unsuitable housing. The study suggested that 5.4% of all households are overcrowded and 32.7% under-occupy their dwelling. The owner-occupied (no mortgage) sector shows the highest levels of under-occupation; the social rented sector the highest overcrowding.

Overcrowding and under-occupation					
Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	16,704	20,746	21,108	8,506	67,064
2 bedrooms	1,495	11,005	14,340	9,092	35,932
3 bedrooms	111	2,622	9,520	8,120	20,373
4+ bedrooms	8	339	1,505	2,553	4,405
TOTAL	18,318	34,712	46,473	28,271	127,773

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 a five bedroom property but currently be occupying a four bedroom property.

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

Conclusions

The housing needs assessment in Barnet provides a detailed analysis of housing requirement issues across the whole of the Borough. The study began by following the Basic Needs Assessment Model, which estimated a shortfall of 5,148 affordable dwellings per annum (for the next five years).

The study continued by looking at requirements in the whole housing market using a ‘Balancing Housing Markets’ methodology. This again suggested a significant requirement for additional affordable housing to be provided along with a requirement for one and four bedroom units in the owner-occupied sector.

In the light of the affordable housing requirement shown, it would be sensible to suggest that the Council will need to maximise the availability of affordable housing from all possible 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 Barnet Borough. It provides an overview of the housing situation in Barnet, calculating an estimate of affordable housing requirements 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 Barnet, 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 Barnet. The fourth section considers the degree to which the housing market in Barnet is in balance and the fifth considers housing requirements of specific groups.



1. Introduction

1.1 Introduction

This report contains a comprehensive assessment of housing need across all tenures in the Barnet Borough Council area. Three main aims and objectives were set out in the Council's brief for the project. These are summarised as:

- Analyse the housing market and assess levels of housing need across all tenures within the Borough
- Inform the Council's Local Development Framework
- Guide future investment in the provision of social and intermediate housing

1.2 Barnet

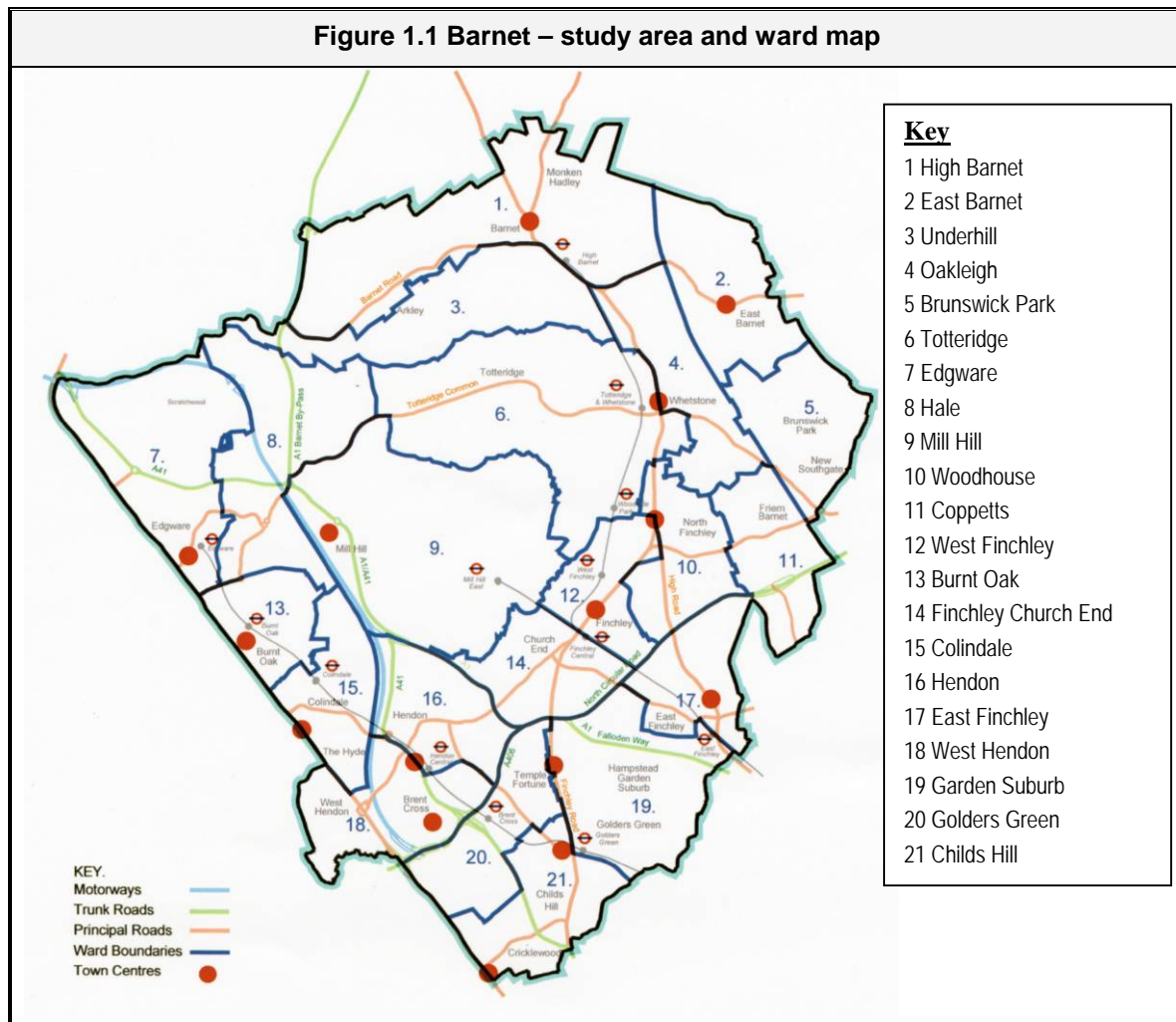
The Borough of Barnet is located on the northern edge of London and is bordered by the London Boroughs of Enfield and Haringey to the East, Harrow and Brent to the West and Camden to the South. North of Barnet is the more rural area of Hertfordshire.

Barnet has good radial transport links with one branch of the northern line running along the Eastern border of the Borough and the other branch serving the western side. The Borough contains a cross section of London extending from the northern edge of the City to almost the boundary of zone two of Transport for London's travelcard zones. It contains a number of distinct local areas including Mill Hill, Golders Green and Totteridge and a highly diverse population. The Simpson Index indicates that Barnet is the 20th most ethnically diverse local authority in England.

Barnet is a prosperous Borough, with earnings above the average for London and unemployment below the regional average. The Greater London Authority records that in February 2006 3.5% of economically active people in Barnet were unemployed compared to a figure of 4.7% for the whole of London. The 2005 Annual Survey of Hours and Earnings estimates the average gross weekly pay of full-time workers in Barnet to be £547. The equivalent figure for London is £527. Barnet also contains a well-qualified workforce. The 2001 Census found that Barnet contained a lower proportion of people aged 16 to 74 with no qualifications than the average for London as a whole.

Barnet is the tenth largest single-tier authority in England. In mid-2003 the Borough had an estimated 324,300 residents. According to the Indices of Deprivation, in 2004, Barnet ranked 212th out of 354 local authorities in England (1 being the most deprived). Amongst the thirty two other London Boroughs it ranked as the 8th least deprived.

The figure below shows a map of the study area.



1.3 Population projections

One further topic of interest is to consider population projections. The most accurate projections available are those provided by the Greater London Authority (GLA). Projections are taken from a 2001 base and have been projected to 2031.

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

Table 1.1 Population change in the Borough 2001-2021			
Date	Population	Change	% change
2001	319,481	-	-
2006	323,129	3,648	1.1%
2011	344,273	21,144	6.5%
2016	359,831	15,558	4.5%
2021	365,703	5,872	1.6%
TOTAL	-	46,222	14.5%

The table indicates a substantial increase in population over the period. Overall the population is projected to reach 365,703 by 2021 an increase of 14.5% 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.

Table 1.2 Populations projections by age							
Age band	2001	2006	2011	2016	2021	Change (2001- 2021)	% change from 2001
0-19	78,204	79,088	82,591	85,326	86,547	8,343	10.7%
20-29	50,992	46,068	47,338	47,924	46,321	-4,671	-9.2%
30-44	77,449	82,642	89,739	92,344	90,440	12,991	16.8%
45-49	19,444	21,737	25,143	26,810	28,107	8,663	44.6%
50-54	19,642	18,494	21,138	24,068	25,049	5,407	27.5%
55-59	15,529	18,005	17,542	19,782	21,994	6,465	41.6%
60-64	12,739	13,757	16,328	15,830	17,490	4,751	37.3%
65-69	11,734	11,127	12,319	14,432	13,792	2,058	17.5%
70-74	11,085	10,104	9,909	10,879	12,524	1,439	13.0%
75-79	9,162	9,077	8,582	8,485	9,234	72	0.8%
80-84	6,460	6,678	6,921	6,675	6,655	195	3.0%
85+	7,041	6,351	6,723	7,276	7,550	509	7.2%
ALL AGES	319,481	323,129	344,273	359,831	365,703	46,222	14.5%

The overall results can be summarised as:

1. The 0-19 age group shows an increase to 2021 of 8,343 persons (10.7%)
2. The 20-29 age group shows an decrease of 4,671 persons (9.2%). 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 decrease in this group is due in the years to 2006). This group is also likely to be economically active but not affluent

3. The 45-49 age group shows the highest increase of 44.6%. The age groups of 50-54, 55-59 and 60-64 also show above average increases. These groups are of interest as many of these people will be economically active and more affluent
4. With the exception of the 65-70 age group all of the retired age groups display below average increases. It is worth noting however that the oldest retirement group (those aged 85 and over) is projected to increase by 7.2% and by 2021 is expected to reach 7,550 people who are likely to have some of the most acute care and support needs

1.4 Housing Strategy Statistical Appendix data

One further source of data that is of interest is the Housing Strategy Statistical Appendix (HSSA) data. 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 2005 HSSA return.

The table below shows the number of households on the Housing Register from 2002 to 2005 (all data is as of 1st April). The data shows that in 2005 the Housing Register reached its highest point (13,627 households) and there is a clear upward trend since 2002. It should be noted that the housing register is due to be reviewed shortly. It is certainly the case however that the numbers on the Housing Register continue to represent a large proportion of households in the Borough, although the register does not form part of the Basic Needs Assessment Model

Table 1.3 Number on Housing Register 2002-2005	
Year	Number of households
2002	7,030
2003	8,738
2004	10,732
2005	13,627

The table below shows the number of homeless acceptances per annum for the period 2002 to 2005. This displays a variable trend with higher numbers recorded in 2002 and 2004 than 2003 and 2005. However with an average of 948 acceptances per annum over the period it is clear that homelessness is a continued problem in Barnet.

Table 1.4 Number of households accepted as homeless 2002-2005	
Year	Number of households
2002	1,112
2003	838
2004	1,084
2005	758

1.5 Property prices and income levels

Land Registry data for the fourth quarter of 2005 demonstrates that house prices in Barnet have increased by 63.6% over the five year period from 2000: a greater than observed regionally but a smaller rate than was recorded nationally, though the average house price at £326,939 is higher than the average for England and Wales, and slightly higher than the average for London.

Data from the 2005 Annual Survey of Hours and Earnings suggests that the average full-time wage of employed residents in the Borough is £33,380. Average prices are therefore almost ten times average incomes. On the basis of this data alone it is clear that there is likely to be an issue of access to affordable housing for many households.

1.6 Summary

The Borough of Barnet is located on the northern edge of London and is ranked as one of the least deprived Boroughs in London according to the 2004 Index of Multiple Deprivation.

Secondary data shows that the number of households on the Housing Register has been steadily rising. The number of cases of homelessness acceptances has been fluctuating in recent years, but the average over the 2002 to 2005 period is 948 per annum. Population projections indicate that the population of Barnet is set to grow at a fast rate in the future (14.5% from 2001 to 2021) and that a large proportion of this growth will be of older economically active persons that are more likely to be affluent (principally those aged between 45 and 64).

2. Housing Needs Assessment - background

2.1 Introduction

The assessment 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.

In March 2005 a 'discussion draft' of a revision to the above guidance was published. In addition the Housing Markets Assessments Draft practice guidance published by the ODPM in December 2005 provides advice on how housing need should be assessed. This report has taken account of some of the main changes proposed in the new guidance and several elements of the methodology, such as the affordability test and unsuitable housing categories, have been adjusted accordingly. It is unlikely that these will change when the new guidance is finalised.

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 Barnet. 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).

2.2 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 Assessment, 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.

It should be noted that the ODPM published, in December 2005, a Housing Markets Assessments Draft practice guidance published which provided advice on how housing need should be assessed. The questionnaires for this survey were agreed before this guidance was published and so follow the current Guide. However, this report has taken account of some of the main changes proposed in the new guidance and several elements of the methodology. All future references in this report to the 'ODPM Guide' refer to the current guidance, since the subsequent version published in March 2005 and the advice contained within the Housing Market Assessment Draft practice guidance December 2005 were both very much drafts.

(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 current 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	<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'. [Appendix 2 (page 116)]</i>
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(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.

Table 2.1 Basic Needs Assessment Model: (from Table 2.1 of the Guide)
<i>Element and Stage in Calculation</i>
B: BACKLOG OF EXISTING NEED
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
N: NEWLY ARISING NEED
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
S: SUPPLY OF AFFORDABLE UNITS
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.

2.3 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	<i>‘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 Borough. 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’.</i> [Appendix A7.4 (page 157)]
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Fordham Research has developed an innovative methodology to allow the information gathered in the housing needs assessment 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. Aspirations of households are determined by direct questions in the survey and are different from their assessed needs, as calculated during analysis with reference to the household size and composition.

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 (unlike the BNAM, which is mainly based on past trends and based on need as calculated with reference to a strict bedroom standard) 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 HSSA).

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.

2.4 Summary

Housing Needs Assessments 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.

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

The primary data was collected using a hybrid approach involving a combination of personal interviews and postal questionnaires. In total 1,269 personal interviews were undertaken and 329 postal questionnaires were returned providing a total sample of 1,598 households. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the Borough and geographical breakdowns for three broad sub-areas.

The survey covered all areas and tenures in the borough, however the postal questionnaire was only sent to households resident in the Council rented sector in order to boost the sample in this tenure and allow for more detailed analysis of the circumstances of these households.

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 Strategy Statistical Appendix (HSSA) (2005), the Council Tax Register and 2001 Census results. Using this information, the base household figure for Barnet was estimated as follows:

Total number of households = 130,300

Analysis of the survey data indicated the presence of a number of student-only households living in the private rented sector. Student households are a special case, particularly in relation to affordable housing. Most have low incomes but do not generally qualify for affordable housing due to the short-term nature of their residence. Although student-only households raise their own housing issues, as these do not directly impact on the need for affordable housing, they are not addressed in this study. Analysis of the data shows an estimated 2,527 student-only households in Barnet.

It should however be noted that student households can form part of the projection of housing need. Such households will appear as part of the projection where information based on past trends suggests that such households have moved into 'ordinary' residential accommodation.

3.3 Base figures

The table below shows an estimate of the current tenure split in Barnet along with the sample achieved in each group. The data shows that around 71% of households were owner occupiers with 13% in the social rented sector and around 16% in the private rented sector. The private rented sector includes those living in tied accommodation and those living in accommodation owned by relatives or friends.

Table 3.1 Number of households in each tenure group				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	40,847	32.0%	409	26.0%
Owner-occupied (with mortgage)	49,514	38.8%	382	24.3%
Council	11,008	8.6%	492	31.3%
RSL	6,034	4.7%	67	4.3%
Private rented	20,370	15.9%	221	14.1%
TOTAL	127,773	100.0%	1,571	100.0%

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.

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‘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)]

Data was also weighted to be in line with the estimated number of households in each of various groups:

- Twenty one wards (from Council Tax Register)
- Council Tax Band (from Council Tax Register)
- Number of people in household (2001 Census)
- Household type (2001 Census)
- Accommodation type (2001 Census)
- Car ownership (2001 Census)
- Ethnicity of the household head (2001 Census)

The estimated number of households and number of responses for each of these groups is shown in Appendix A3.

3.4 Sub-areas

Sampling for the survey was such that results are statistically significant for each of three sub-areas in the Borough. The table below shows the wards appearing in each sub area with the following map showing the spatial distribution of the sub-areas.

Table 3.2 Sub-areas and ward groupings	
Area	Ward names
Chipping Barnet	Underhill, Totteridge, High Barnet, East Barnet, Oakleigh, Brunswick Park
Finchley & Golders Green	Woodhouse, West Finchley, East Finchley, Finchley Church End, Childs Hill, Garden Suburb, Golders Green, Coppetts
Hendon	West Hendon, Hendon, Colindale, Burnt Oak, Hale, Mill Hill, Edgware



3.5 Summary

The Housing Needs Assessment included a survey carried out on a random sample of households in the Barnet Borough Council area. Data was collected using a hybrid approach involving a combination of personal interviews and postal questionnaires providing a total sample of 1,598 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 127,773 applicable resident households at the time of the survey.

4. Current Housing in Barnet

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

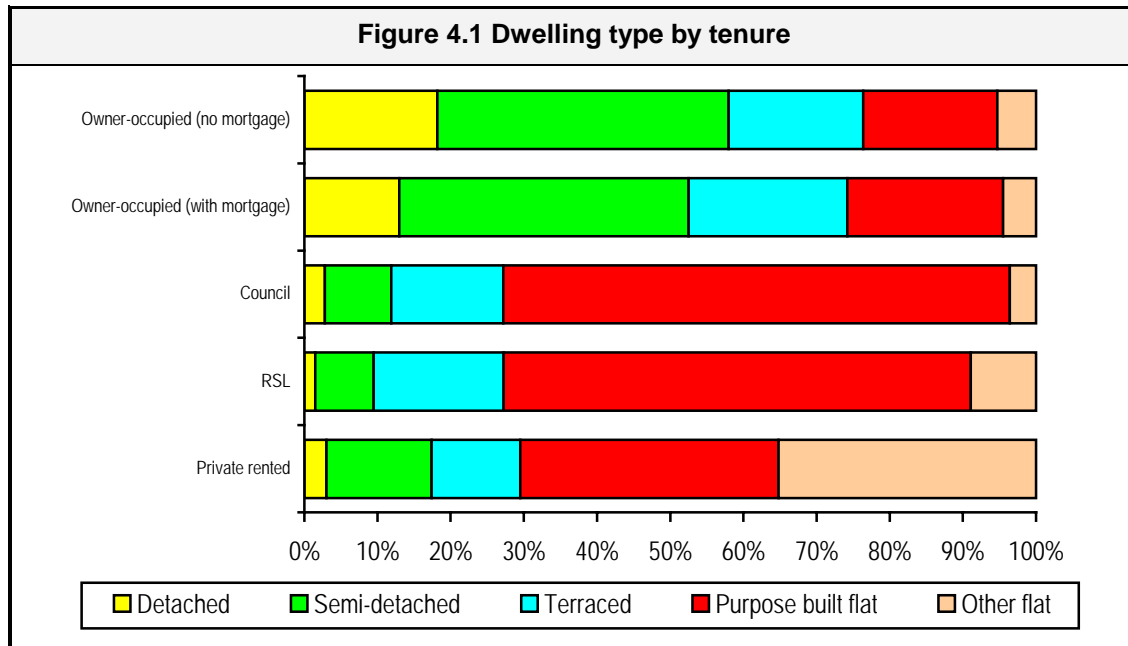
The table below shows current accommodation types in the Borough. The table shows that 61.6% of households live in houses or bungalows, whilst 38.4% live in flats. The main house type in the Borough is semi-detached followed by purpose-built flats. Just 1.9% of all households stated that they were living in a bungalow (2,478 households).

Dwelling type	Number of households	% of households
Detached house/bungalow*	14,890	11.7%
Semi-detached house/bungalow	40,217	31.5%
Terraced house/bungalow	23,509	18.4%
Purpose-built flat/maisonette	36,648	28.6%
Other flat/maisonette**	12,508	9.8%
TOTAL	127,773	100.0%

* Includes mobile homes

** Other flat/maisonette includes flats that are part of a converted or shared house and flats in a commercial building

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

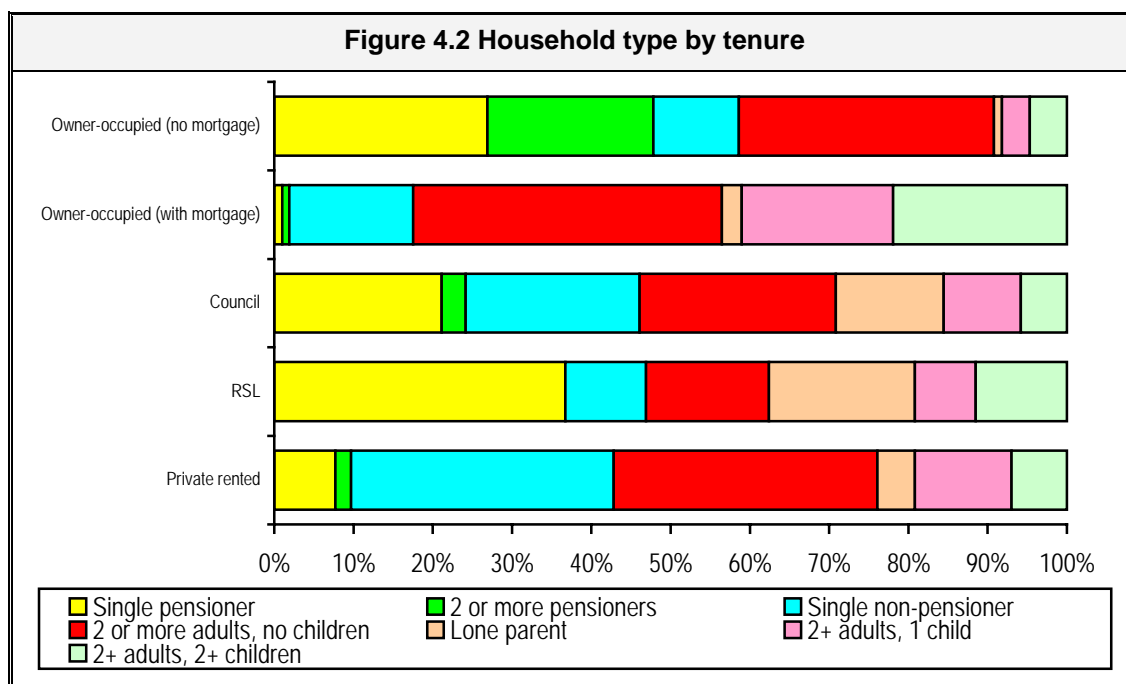


4.3 Household type

The table below shows the household type breakdown in the Borough. The survey estimates that just over a fifth of households are pensioner only and that over a quarter of households contain children. The most common household type is two or more adults with no children. Only 4.1% of households are lone parent households.

Household type	Number of households	% of households
Single pensioner	17,600	13.8%
2 or more pensioners	9,725	7.6%
Single non-pensioner	21,909	17.1%
2 or more adults, no children	42,878	33.6%
Lone parent	5,213	4.1%
2+ adults, 1 child	14,930	11.7%
2+ adults, 2+ children	15,518	12.1%
TOTAL	127,773	100.0%

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 the largest proportion of pensioner households, although RSL accommodation is most likely to contain single pensioner households. Lone parent households appear to be concentrated in the social rented sector. The owner-occupied (with mortgage) sector has the largest proportion of households with children.



4.4 Car ownership

A further question asked in the Barnet 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.

Over half of all households in social rented housing have no access to a car or van, this compares with only 8.6% of owner-occupied (with mortgage) households. The average household has 1.09 cars; this figure varies from 0.46 in RSL accommodation to 1.45 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)	27.2%	47.0%	19.8%	6.0%	1.05
Owner-occupied (with mortgage)	8.6%	46.8%	35.3%	9.3%	1.45
Council	55.5%	35.2%	6.7%	2.7%	0.57
RSL	60.3%	33.2%	6.5%	0.0%	0.46
Private rented	38.4%	47.6%	13.3%	0.7%	0.76
TOTAL	25.8%	45.4%	23.0%	5.9%	1.09

4.5 Commuting patterns

The survey questionnaire also looked at commuting patterns and the place of work. The table below shows the place of work of the head of household, and shows that almost a fifth work within the Borough of Barnet, around a quarter work elsewhere in London and nearly half are not in employment.

Table 4.4 Place of work		
Place of work	Number of households	% of households
Work mainly from home	10,738	8.4%
In Barnet	22,962	18.0%
Elsewhere in London	29,692	23.2%
Elsewhere in the South East	5,194	4.1%
Elsewhere in the UK	595	0.5%
Abroad	272	0.2%
Not in employment	58,321	45.6%
TOTAL	127,773	100.0%

The average journey time of all heads of households in employment is 34 minutes. The average journey time for those that work in Barnet is 16 minutes, whilst for those that work elsewhere in London the average journey time is 45 minutes.

The table below presents the seven wards within Barnet that household heads most commonly stated they worked in. Seven are presented as this represents the top third of all wards. The data shows that of the 22,962 heads of household that work in Barnet, 16.4% work in Mill Hill, 11.0% work in Hendon and 10.2% work in High Barnet.

Table 4.5 Place of work within Barnet		
Ward of work (within Barnet)	Number of households	% of households
Mill Hill	3,774	16.4%
Hendon	2,525	11.0%
High Barnet	2,336	10.2%
Finchley Church End	1,968	8.6%
East Barnet	1,877	8.2%
Golders Green	1,779	7.7%
Edgware	1,281	5.6%

Similarly, the table below presents the ten other boroughs in London that household heads most commonly stated they worked in. Ten are presented as this represents the top third of all boroughs. The data shows that of the 29,692 heads of household that work elsewhere in London, 18.0% work in the City of Westminster, 18.0% work in the City of London and 15.9% work in Camden.

Table 4.6 Place of work within London		
Borough of work (elsewhere in London)	Number of households	% of households
City of Westminster	5,345	18.0%
City of London	5,334	18.0%
Camden	4,714	15.9%
Brent	2,288	7.7%
Enfield	2,152	7.2%
Haringey	1,188	4.0%
Hackney	1,164	3.9%
Ealing	1,103	3.7%
Islington	1,054	3.6%
Harrow	974	3.3%

4.6 Transience of households in Barnet

The table below indicates the length of time households in Barnet have lived in the Borough. The data indicates that some 70.4% of households in Barnet have lived in the Borough for more than ten years, indicating that for the majority of households Barnet is a long-term place of residence. Less than 10% of households have lived in the Borough for less than two years.

Table 4.7 Length of residency in Barnet		
How long lived in Barnet	Number of households	% of households
Less than one year	7,084	5.5%
1 to 2 years	5,355	4.2%
2 to 5 years	11,852	9.3%
5 to 10 years	13,594	10.6%
Over 10 years	64,608	50.6%
Always lived here	25,280	19.8%
TOTAL	127,773	100.0%

The table below indicates the number of times households have moved home in the last two years. The data shows that most households that have moved in the last two years have only moved once however some 3,991 households have moved twice and an estimated 1,096 households have moved three or more times. This indicates that whilst the majority of households in Barnet do not move home on a regular basis a subset of the population are highly transient.

Table 4.8 Number of house moves in the last two years		
Number of moves	Number of households	% of households
None	102,513	80.2%
One	20,173	15.8%
Two	3,991	3.1%
Three	1,016	0.8%
Four	0	0.0%
Five	65	0.1%
Six	15	0.0%
TOTAL	127,773	100.0%

4.7 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 Barnet have moved home in the last two years. Most of these moves were made by existing households.

Table 4.9 Past moves in Barnet		
Type of moving household	Number of households	% of households
Newly forming households	4,514	3.6%
Existing households	20,747	16.2%
Non-movers	102,513	80.2%
TOTAL	127,773	100.0%

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 proportion of households moved from outside the Borough. In total 47.3% of moves were made from an address within the Borough. Existing households appear slightly less likely to have moved from outside the Borough than newly forming households. Newly forming households are more likely to have moved from abroad than existing households but are less likely to have moved from a different borough in London.

Location of previous home	Newly forming households	Existing household	TOTAL
Barnet	46.1%	47.5%	47.3%
Camden	6.2%	3.9%	4.3%
Enfield	1.0%	3.0%	2.7%
Haringey	0.8%	5.6%	4.8%
Islington	0.0%	2.3%	1.9%
City of Westminster	0.0%	1.7%	1.4%
Elsewhere in London	11.4%	9.8%	10.1%
Elsewhere in the South East	10.6%	10.0%	10.1%
Elsewhere in the UK	9.9%	7.1%	7.6%
Abroad	13.8%	9.0%	9.9%
TOTAL	100.0%	100.0%	100.0%

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 just 6.5% of newly forming households moved to owner-occupation with 61.5% moving to the private rented sector and the remaining 32.0% moving to the social rented sector.

Tenure	Previous tenure			Newly forming	TOTAL
	Owner-occ'd	Social rented	Private rented		
Owner-occupied (no mortgage)	988	0	187	0	1,175
Owner-occupied (with mortgage)	4,615	318	3,020	295	8,248
Council	20	598	211	699	1,528
RSL	30	870	52	745	1,697
Private rented	1,724	48	8,066	2,775	12,613
TOTAL	7,377	1,834	11,536	4,514	25,261

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 ‘To live closer to employment or other essential facilities’ followed by ‘other’. These reasons can be seen to be the local drivers for households that have moved to a new home in Barnet in the last two years.

Table 4.12 Reasons for moving home		
Reason for moving	Number of households	% of households
To live closer to employment or other essential facilities	4,631	18.3%
Previous home was too small	4,121	16.3%
To get on the property ladder	3,217	12.7%
Wanted to move to a larger house	2,488	9.8%
To move to a better environment	2,076	8.2%
To live independently	1,647	6.5%
Previous home was in poor condition	1,590	6.3%
Relationship breakdown	1,514	6.0%
Was moved by the Local Authority	1,377	5.5%
End of tenancy agreement	1,293	5.1%
To move to cheaper accommodation	1,234	4.9%
To move to live with partner	1,172	4.6%
To have a garden	768	3.0%
To be in a school catchment area	753	3.0%
You were the victim of harassment	670	2.7%
To have a parking space	656	2.6%
Previous home was unsuitable for a family	575	2.3%
Access problems (e.g. steps, stairs)	645	2.6%
To give/receive care or support	533	2.1%
To move to a different neighbourhood	520	2.1%
Previous home lacked adequate facilities	401	1.6%
Relatives/friends unable/unwilling to accommodate	381	1.5%
Previous home was difficult to maintain	358	1.4%
Previous home was too big	353	1.4%
Wanted to move to a smaller house	506	2.0%
Evicted/re-possessed	237	0.9%
Other	4,196	16.6%

4.8 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 over the next two years by tenure. The data shows that around 20.3% 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.

Table 4.13 Households who need or are likely to move in next two years by tenure			
Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	4,740	40,847	11.6%
Owner-occupied (with mortgage)	6,603	49,514	13.3%
Council	2,664	11,008	24.2%
RSL	999	6,034	16.6%
Private rented	10,981	20,370	53.9%
TOTAL	25,987	127,773	20.3%

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. The most popular reason for a future move is ‘home too small’. These reasons can be seen to be the local drivers for existing households in Barnet that intend to move to a new home in the next two years.

Table 4.14 Reasons for needing/being likely to move home		
Reason for moving	Number of households	% of households
Current home is too small	6,181	23.8%
To move to a better environment	4,770	18.4%
Want to move to a larger house	4,718	18.2%
To move to cheaper accommodation	3,523	13.6%
Current home is in poor condition	3,122	12.0%
To have a garden	2,680	10.3%
Want to get on the property ladder	2,654	10.2%
To live closer to employment or other essential facilities	2,364	9.1%
To move to a different neighbourhood	1,785	6.9%
To move to live with partner	1,437	5.5%
Current home is unsuitable for a family	1,331	5.1%
To be in a school catchment area	1,290	5.0%
End of tenancy agreement	1,267	4.9%
Access problems (e.g. steps, stairs)	1,210	4.7%
Current home is too big	1,010	3.9%
To give/receive care or support	1,001	3.9%
Want to move to a smaller house	745	2.9%
You are the victim of harassment	688	2.6%
Current home lacks adequate facilities	654	2.5%
To have a parking space	586	2.3%
Current home is difficult to maintain	404	1.6%
Being moved by the Local Authority	328	1.3%
Relatives/friends unable/unwilling to accommodate	309	1.2%
To live independently	283	1.1%
Relationship breakdown	219	0.8%
Threat of Eviction/re-possession	103	0.4%
Other	4,380	16.9%

The survey moved on to look at where households would both like and expect to move to. The results of this analysis are shown in the table below. The table suggests that marginally more households would expect to live outside London than would like to. However, differences between preferences and expectations are small.

Location of next home	Like	Expect
Barnet Borough Council area	61.9%	61.4%
Camden	1.7%	1.1%
Enfield	0.9%	0.6%
Haringey	1.2%	1.2%
Islington	0.0%	0.0%
Westminster	0.0%	0.0%
Elsewhere in London	7.4%	6.8%
Elsewhere in the South East	13.4%	14.6%
Elsewhere in the UK	8.9%	9.8%
Abroad	4.6%	4.6%
TOTAL	100.0%	100.0%

Households were similarly asked about what tenure they would both like and need to move to, with the results shown below. The results suggest that two thirds of all households would like to move to owner-occupation; however only half say they expect this type of accommodation. More households say they expect to rent than would like to.

Tenure	Like	Expect
Buy own home	66.5%	52.6%
Council rented	15.8%	19.3%
RSL rented	2.8%	1.7%
Rent from a private landlord	11.1%	22.6%
Rent from a relative or friend of a household member	1.7%	1.7%
Tied	0.5%	0.8%
Shared ownership	0.3%	0.0%
House/flat share in the private rented sector	0.9%	0.9%
Other	0.5%	0.5%
TOTAL	100.0%	100.0%

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 in. The exception to this is the private rented sector. A majority of households in the private rented sector want to move to owner-occupation. It should be noted that for analytical purposes figures for tied and house/flat share are included in private rented whilst those for shared ownership are within owner-occupation.

Tenure	Tenure preference			TOTAL
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	4,640	0	100	4,740
Owner-occupied (with mortgage)	6,450	153	0	6,603
Council	815	1,848	0	2,663
RSL	59	941	0	1,000
Private rented	5,410	1,891	3,680	10,981
TOTAL	17,374	4,833	3,780	25,987

4.9 Future moves – potential households

A similar analysis can be carried out for newly forming (potential) households. The survey estimates that there are 7,030 potential households who need or are likely to move over the next two years. The table below suggests that potential households are less likely to want to remain in the borough than existing households; in total only 41.5% of potential households would like to remain in Barnet. However, the number expecting to remain in the area is slightly less.

Location of next home	Like	Expect
Barnet Borough Council area	41.5%	36.9%
Camden	9.9%	10.3%
Enfield	0.0%	2.1%
Haringey	0.0%	0.0%
Islington	8.2%	8.2%
Westminster	0.0%	0.0%
Elsewhere in London	4.6%	5.5%
Elsewhere in the South East	16.1%	17.2%
Elsewhere in the UK	15.3%	15.3%
Abroad	4.4%	4.4%
TOTAL	100.0%	100.0%

In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 39.2% of potential households would like to move to owner-occupied accommodation, however, only 30.0% expect to secure such accommodation. Over a third of potential households wish to move to private rented accommodation but a greater proportion expect to move there.

Tenure	Like	Expect
Buy own home	39.2%	30.0%
Council rented	15.3%	16.0%
RSL rented	0.0%	2.1%
Rent from a private landlord	26.1%	29.2%
Rent from friend/relative	0.0%	0.3%
Tied	1.0%	1.6%
House/flat share	6.3%	8.2%
Other	12.0%	12.5%
TOTAL	100.0%	100.0%

The survey estimates that 71.4% of the potential households that anticipate moving in the next two years could not afford market housing without some form of assistance.

4.10 Summary

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

- In total 61.6% of households live in houses or bungalows, whilst 38.4% live in flats. Households living in rented housing are more likely to live in flats whilst those in owner-occupation are more likely to live in detached and semi-detached houses than other tenures.
- Around a fifth of all households are 'pensioner-only' and just over a quarter contain children. Lone parent households were found to be concentrated in the social rented sector.
- Car ownership data suggests that there is an average of 1.09 cars per household in the Borough. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.45 cars per household. Over half of all households in social rented accommodation have no use of a car or van.
- Over half of employed people work in the Barnet area, with the majority of the remainder working elsewhere in London.
- An estimated 19.8% of households have lived in their current home for less than two years; almost half of moves were within the Borough.
- In terms of future household moves, the survey estimates that 25,987 existing and 7,030 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.

5. The local housing market

5.1 Introduction

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

- Land Registry
- Survey of local estate and letting agents

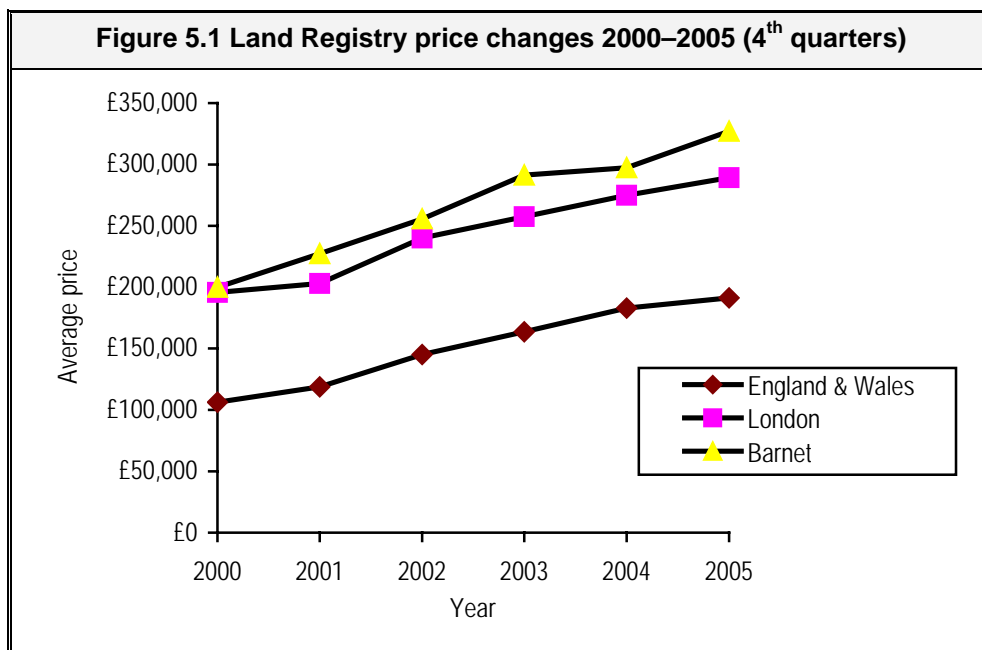
Land registry information provides the context for the property price situation in Barnet and then a sequence of analysis based on information collected from estate/letting agents leads to figures that show the minimum price/rent of housing for a range of dwelling sizes.

5.2 National, regional and local picture

Information from the Land Registry shows that between the 4th Quarter of 2000 and the 4th quarter of 2005 average property prices in England and Wales rose by 79.7%. For London the increase was 47.7% whilst for the Borough of Barnet the figure was 63.6%.

The table below shows average prices in the 4th quarter of 2005 for each of England and Wales, London and the Borough of Barnet. The table shows that average prices in Barnet are over one and a half times the average for England, and also above the London average.

Table 5.1 Land Registry average prices (4th quarter 2005)		
Area	Average price	As % of E & W
England & Wales	£191,327	100.0%
London	£289,247	151.2%
Barnet	£326,939	170.9%



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.

Table 5.2 Land Registry average prices and sales (4th quarter 2005)

Dwelling type	Barnet		London	
	Average price	% of sales	Average price	% of sales
Detached	£843,864	8.2%	£564,566	4.1%
Semi-detached	£387,289	27.6%	£325,732	16.2%
Terraced	£292,017	22.0%	£299,584	31.3%
Flat/maisonette	£205,769	42.2%	£246,964	48.4%
All dwellings	£326,940	100.0%	£289,247	100.0%

The largest volume of sales in the Borough was for flats (42.2%) with an average price of £205,769. The price of detached house in Barnet is significantly above the average for London (almost £280,000 higher). Sales regionally show a higher proportion of flats as well as terraced properties.

5.3 Prices in neighbouring authorities

As the table below demonstrates, the majority of local authorities around Barnet have prices well above the average for England and Wales. When compared with neighbouring Local Authority areas Barnet shows an average price at the high end of the scale. Prices in Barnet are lower than in Camden but higher than all other areas. Broxbourne records the lowest prices of all neighbouring authorities.

Council area	% of England & Wales
Camden	222.0%
Barnet	170.9%
Hertsmere	152.9%
Harrow	151.2%
Brent	141.5%
Haringey	138.1%
Enfield	121.9%
Broxbourne	116.8%

5.4 Estate Agents' information

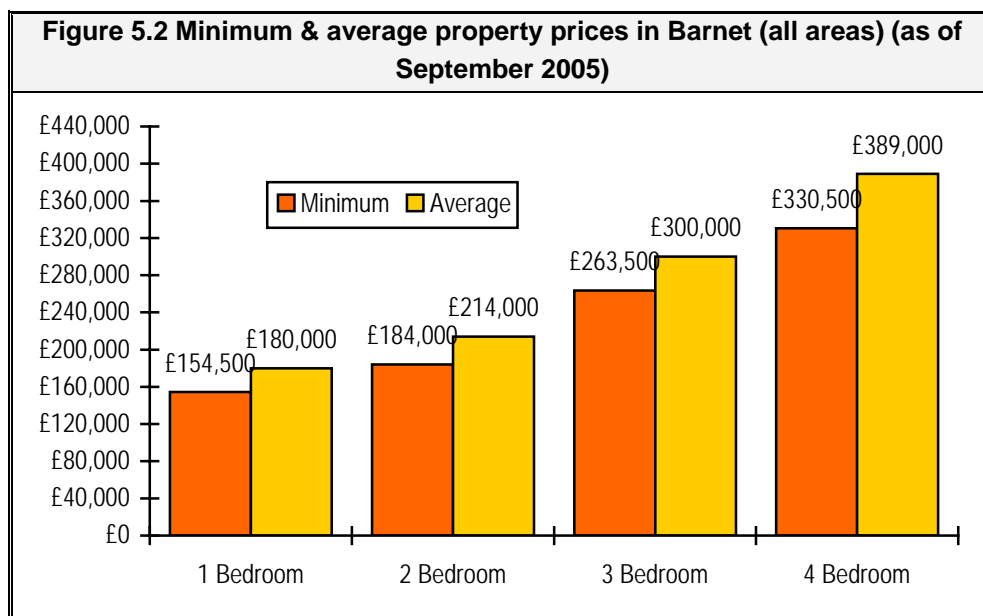
(i) Purchase prices

During March 2006 a total of 17 estate and letting agencies were contacted in order to obtain detailed information about the local housing market across the Barnet area. Agents were contacted across the borough in order to capture localised variations.

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 Barnet, a summary of which are presented below.

Agents tended to describe property sales levels in the borough as steady. It was felt that there was a shortage of properties across the market, and therefore demand is outstripping supply. A clear geographical distinction was apparent during the estate agent interviews, with property prices in Totteridge and Golders Green being higher than the other areas. Therefore, the prices quoted in this report are from the cheaper areas of the borough, namely Finchley, Barnet, Hendon and Whetstone.

The figure below presents the averages of the prices identified by individual agents for each dwelling size and price level (minimum and average). The figure shows that estimated entry-level prices ranged from £154,500 for a one bedroom property up to £330,500 for four bedrooms. Average prices were generally around 14-18% higher than the minimums.



Source: Survey of Estate and Lettings Agents (2006)

(ii) Private rent levels

Average and minimum rents were also collected from agents and the results of this analysis are shown in table 5.4. Minimum monthly rents varied from £690 (one bed) to £1,395 (four beds) with average rents only around 5% more expensive than this.

Table 5.4 Minimum and average private rents in Barnet		
Property size	Minimum rent (monthly)	Average rent (monthly)
1 bedroom	£690	£725
2 bedrooms	£870	£905
3 bedrooms	£1,145	£1,220
4 bedrooms	£1,395	£1,480

Source: Survey of Estate and Lettings Agents (2006)

(iii) New build prices

New-build property prices were obtained from estate agents and directly from developers currently operating in the Borough. Several of the estate agents commented that there are few new build developments in the area, and so getting a new build property on their books was very rare. As can be seen from the table below, average new-build prices are generally slightly above the borough's average market prices.

Table 5.5 Average new build prices in Barnet	
Property size	Average price
1 bedroom	£199,000
2 bedrooms	£246,000
3 bedrooms	£301,500
4 bedrooms	£415,500

Source: Survey of estate and lettings agents (2006)

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.

ODPM Guide	<p><i>'The most commonly used affordability test involves comparing estimated incomes of unsuitably housed households against 'entry level' house prices.'</i> [Section 4.3 (page 57)]</p> <p><i>'...approaches which compare maximum prices payable against average house prices are certainly questionable.'</i> [Section 4.3 (page 57)]</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.

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 Barnet rose by 63.6% in the period 2000 to 2005. This is above the rate of increase observed in London but below the national increase
- The average property price in Barnet in the 4th quarter 2005 was 170.9% of the average for England & Wales
- Sales of properties in Barnet are predominantly flats/maisonettes with 42.2% of all sales in the 4th quarter of 2005
- The estate agent survey suggested that on average minimum prices in the borough range from £154,500 to £330,500 depending on the size of properties
- Minimum rents ranged from £690 to £1,395 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 need in the Council area.

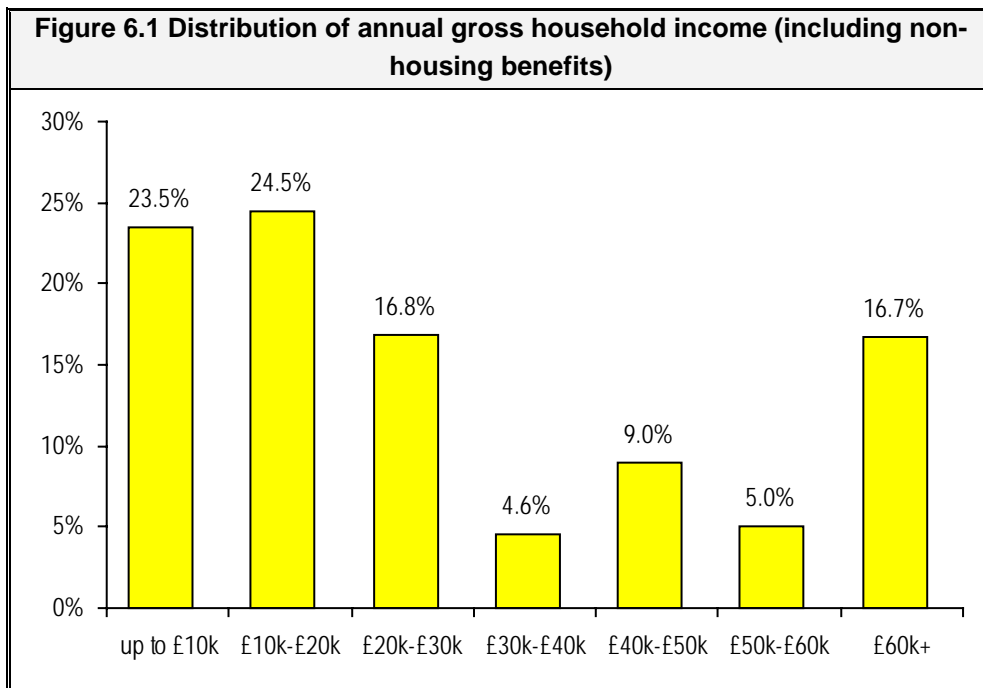
Having set out the financial information collected in the survey the section continues by concentrating on the methodology behind the assessment of affordability.

ODPM Guide	<i>'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)]</i>
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To complete an accurate assessment of affordability, the survey collected information regarding household's gross earned income (including benefits), savings and equity levels.

6.2 Household income

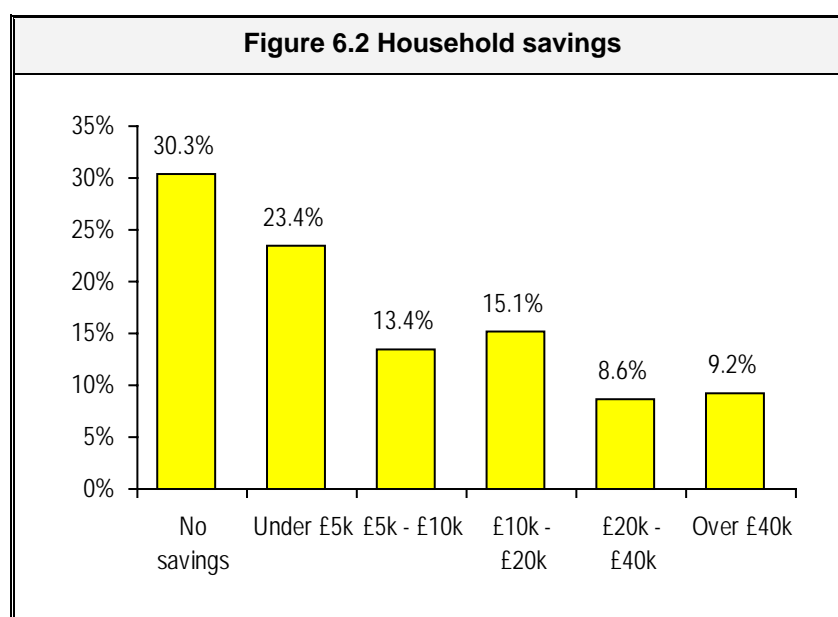
The response to the survey income question was good with 80.5% of respondents answering this question. Survey results for household income in Barnet estimate the average gross income level (crucial for the assessment of affordability) to be £33,752 per annum. The median income is noticeably lower than the mean (at £22,250 per annum). 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 also good with 73.7% of respondents answering this question. The average household has £26,021 in savings (median of £4,691). The figure below shows the distribution of savings in the Borough.

An estimated 53.7% of households had less than £5,000 in savings whilst 9.2% had savings of over £40,000. Households with no savings also include those in debt.



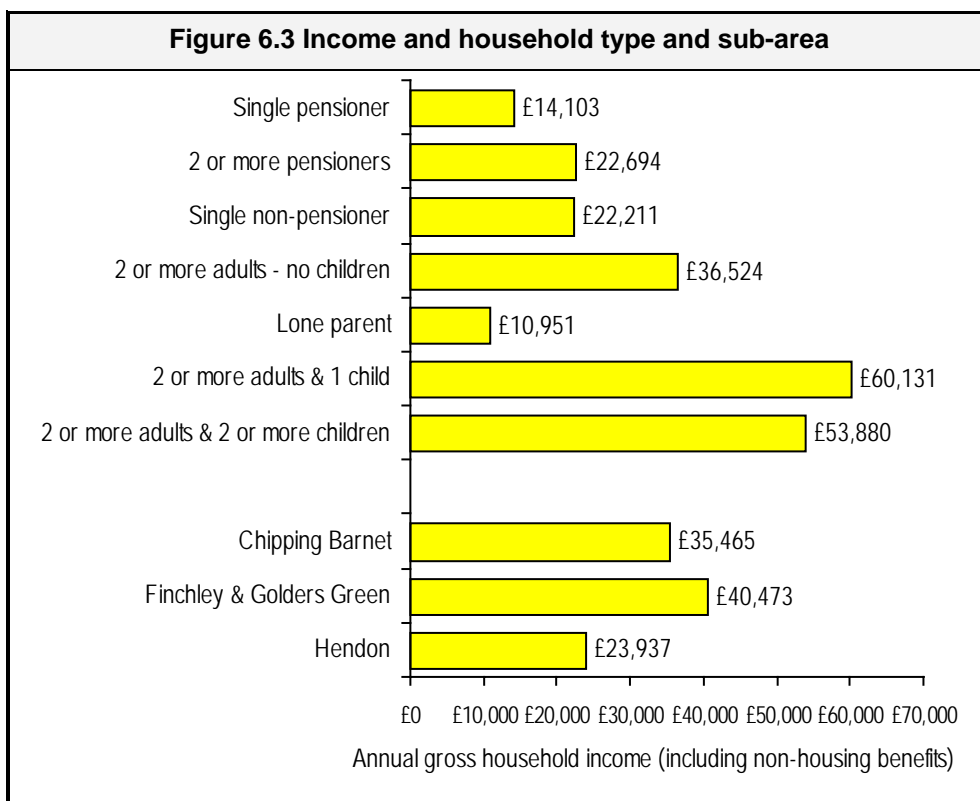
The survey also collected information about the amount of equity owner-occupiers have in their property. For both owner occupier groups together (with and without mortgages) the average amount of equity was estimated to be £310,960 (median of £273,813). It is estimated that 1.2% of owner-occupiers (1,121 households) are in negative equity.

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 the 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.

Table 6.1 Financial information by tenure			
Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£25,532	£53,718	£415,067
Owner-occupied (with mortgage)	£52,444	£19,957	£225,076
Council	£11,919	£1,143	-
RSL	£11,772	£3,416	-
Private rented	£23,111	£5,364	-
AVERAGE	£33,752	£26,021	£310,960

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 significant differences exist. The highest average income is estimated to be in Finchley & Golders Green at £40,473 per annum, the lowest being in Hendon at £23,937 per annum.



6.5 Assessing affordability – existing households

All households were tested for their ability to afford either a mortgage or private rented housing in the local area. These two measures were then combined to estimate households unable to afford either form of private sector housing. The general methodology and results are presented below.

(i) Mortgage affordability

The definition of mortgage affordability is shown below:

Mortgage affordability: A household containing one person in employment is eligible for a mortgage if the gross household income multiplied by 3.5 is greater than the cost of the mortgage requirement. A household containing more than one person in employment is eligible for a mortgage if the gross household income multiplied by 2.9 is greater than the cost of the mortgage requirement.

The mortgage requirement is based on taking the level of savings and any equity away from the estimated property price and then checking the income level of the household in relation to the likely amount of mortgage remaining. Income from housing related benefits is not included in the affordability calculation. A worked example of the mortgage affordability test is shown below:

A household containing a couple with one child would require, at minimum, a two bedroom property. The minimum cost of such a property in Barnet is estimated to be £184,000. If the couple have £10,000 in savings then they would require a gross household income of £60,000 ((£184,000-£10,000) divided by 2.9) if both adults were in employment or £49,714 ((£184,000-£10,000) divided by 3.5) if one person is in employment.

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'A household is considered likely to be able to afford to buy a home that costs 3.5 times the gross household income for a single earner household, or 2.9 times the household income for dual income households.' [Paragraph 6.17 March 2005 Discussion Draft Guidance]

(ii) Private rental affordability

The definition of private rental affordability is shown below:

Private rental affordability: A household is unable to afford private rented housing if renting privately would take up more than 25% of its gross household income (excluding housing benefits).

A worked example of the rental affordability test is shown below:

A household containing a couple with no children will require at minimum a one bedroom property. The minimum weekly rental for this is £159. This means that the household must have a weekly gross income of at least £636 (£159 ÷ 0.25) to be able to afford the property.

(iii) Combined affordability

It is important to assess the numbers who cannot afford either of the above options. This is the measure of combined affordability, which is defined below:

Combined affordability:

A household containing one person in employment is not eligible for a mortgage if the gross household income multiplied by 3.5 is less than the cost of the mortgage requirement. A household containing more than one person in employment is not eligible for a mortgage if the gross household income multiplied by 2.9 is less than the cost of the mortgage requirement.

AND

A household is unable to afford private sector housing if renting privately would take up more than 25% of its gross household income.

This combined affordability measure will be used to assess affordability in the Basic Needs Assessment Model. 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, 34.7% are unable to afford market housing (if they were to move home now). The differences by tenure are substantial. In total over 98% of social and over 80% of private tenants are unable to afford. These figures compare with 11.9% of all owner-occupiers.

Table 6.2 Affordability and tenure			
Tenure	Affordability		
	Unable to afford market housing	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	460	40,847	1.1%
Owner-occupied (with mortgage)	10,308	49,514	20.8%
Council	10,833	11,008	98.4%
RSL	5,977	6,034	99.1%
Private rented	16,774	20,370	82.3%
TOTAL	44,352	127,773	34.7%

Barnet Borough Council also wishes to examine the theoretical ability of households in the Borough to afford owner-occupation only. The table below shows the affordability of owner-occupation by tenure. The table shows that of all households in the Borough, 37.6% are unable to afford owner occupation (if they were to move home now). Almost all social rented tenants would be unable to afford owner occupation as would nearly 95% of private rented households. In total only 1,073 households that are not currently owner-occupiers would be able to afford to move to this tenure.

Tenure	Affordability		
	Unable to afford owner occupation	Number of h'holds	% of h'holds unable to afford
Owner-occupied (no mortgage)	460	40,847	1.1%
Owner-occupied (with mortgage)	11,228	49,514	22.7%
Council	10,972	11,008	99.7%
RSL	6,034	6,034	100.0%
Private rented	19,327	20,370	94.9%
TOTAL	48,021	127,773	37.6%

6.6 Assessing affordability – potential households

The Housing Needs Assessment 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 Barnet Borough Council area (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:

ODPM Guide	<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 used when assessing the ability of potential households to afford market housing in the balancing housing markets assessment in Chapter 12. Future estimates of the needs from household formation are based on past trend information – an approach in line with the ODPM guide.

6.7 Summary

The collection of financial information is a fundamental part of any assessment of housing need. The survey estimates that mean annual gross household income (including non-housing benefits) in Barnet is £33,752. 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 Barnet. A combined affordability test is used to assess whether they can afford to either buy or rent a property of a suitable size.

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.

ODPM Guide	<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

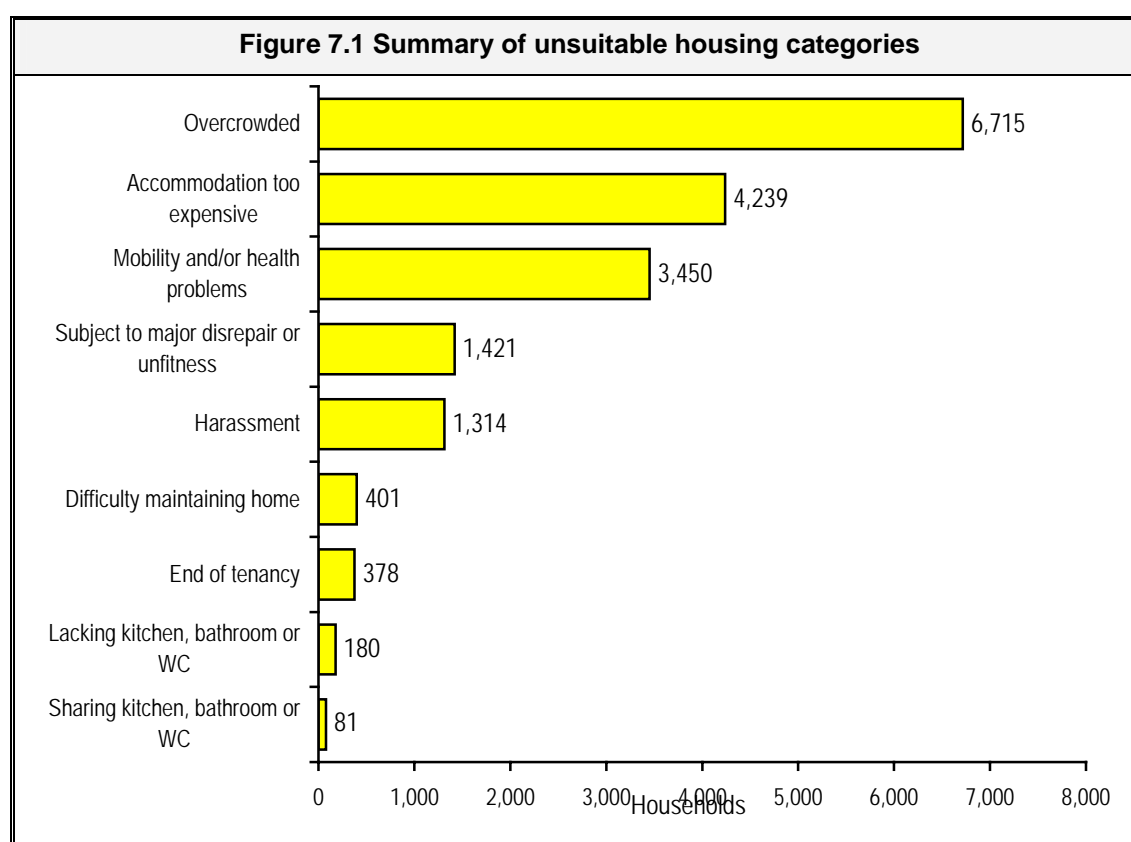
7.1 Introduction

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 (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 15,719 households are living in unsuitable housing. This represents 12.3% of all households in the Borough.

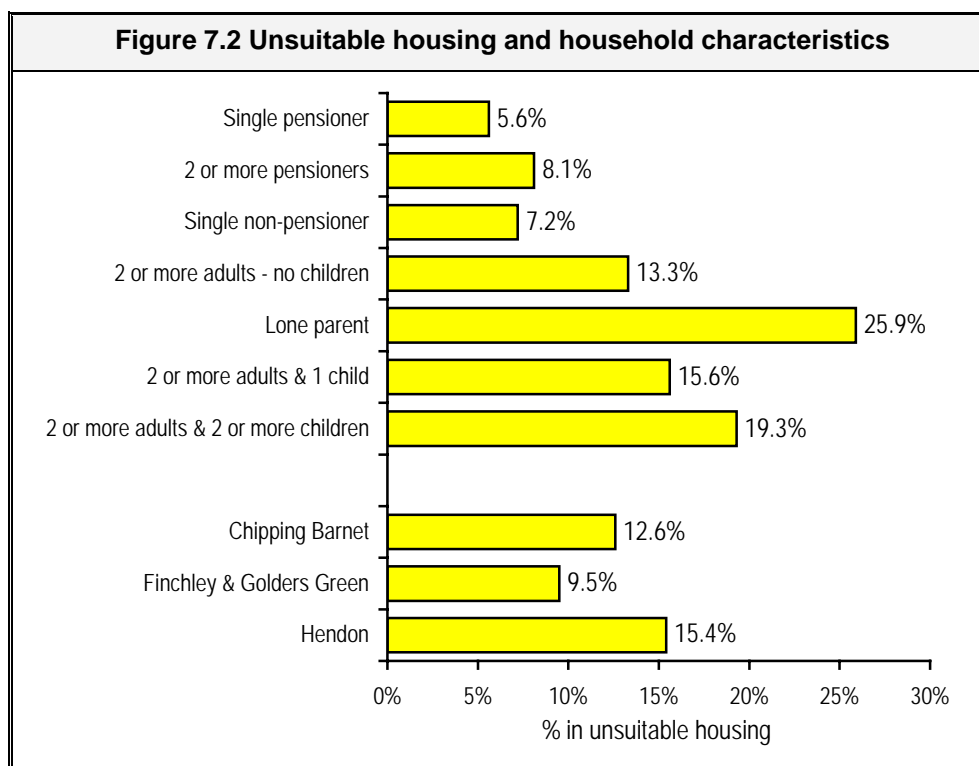
The figure below shows a summary of the numbers of households living in unsuitable housing (ordered by the number of households in each category). The main reason for unsuitable housing is overcrowding, followed by the accommodation being too expensive.



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 29.1% of Council tenants, 18.6% of households in RSL accommodation and 16.4% of households in the private rented sector are estimated to be living in unsuitable housing. This compares with 7.6% and 10.0% 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)	3,099	37,747	40,846	7.6%	19.7%
Owner-occupied (with mortgage)	4,939	44,574	49,513	10.0%	31.4%
Council	3,208	7,800	11,008	29.1%	20.4%
RSL	1,124	4,910	6,034	18.6%	7.2%
Private rented	3,348	17,023	20,371	16.4%	21.3%
TOTAL	15,719	112,053	127,772	12.3%	100.0%

The figure below shows the proportion of households living in unsuitable housing by household type and sub-area. The data shows that households with children are particularly likely to be in unsuitable housing. Single pensioner households showed the lowest levels of unsuitable housing. By sub-area there are also some significant differences. Levels of unsuitable housing vary from 9.5% in Finchley & Golders Green to 15.4% in Hendon.



In addition to the above analysis it is possible to compare survey figures with the Housing Register. Survey responses indicated that there were 9,464 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 25.1% (2,373 households) were in unsuitable housing. This compares with 11.3% of those who were not registered. The data did however suggest that 84.9% of those in unsuitable housing were not registered.

These results suggest that whilst those registered are 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 15,719 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 Assessment 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	<i>‘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)]</i>
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The survey data estimates that of the 15,719 households in unsuitable housing, 1,721 (or 11.0%) would need to move now to resolve their housing problems. Of the 1,721 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 264, leaving a total of 1,457 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 1,388 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 1.1% of all existing households in the Borough. The results reveal that 95.3% of households living in unsuitable housing (and needing to move now within the Borough) cannot afford market housing (1,338/1,457).

The table below shows the tenure of the 1,338 households currently estimated to be in housing need. The results show that RSL tenants are most likely to be in housing need – 6.8% of households in the RSL sector are in housing need. Of all households in need, 63.2% currently live in social rented accommodation.

Table 7.2 Housing need and tenure					
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	40,847	40,847	0.0%	0.0%
Owner-occupied (with mortgage)	159	49,355	49,514	0.3%	11.4%
Council	467	10,541	11,008	4.2%	33.6%
RSL	411	5,623	6,034	6.8%	29.6%
Private rented	351	20,019	20,370	1.7%	25.3%
TOTAL	1,388	126,385	127,773	1.1%	100.0%

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 878 households to 510. This follows from advice in the ODPM Guide:

ODPM Guide	<i>'Where existing households are living in unsuitable housing, it is important to try to assess which of these could find solutions in situ or by moving within their current tenure'. [Section 4, Agenda for Action (page 68)]</i>
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The draft Housing Needs Assessment guidance published by the ODPM in 2005 goes further than this and adds a stage to the Basic Needs Assessment Model '*minus current occupiers of affordable housing in need*'. It is clear therefore that the removal of the 878 households in social rented accommodation is justified by current and future guidance.

7.6 Homeless households (backlog (non-households))

The Housing Needs Assessment is a 'snapshot' survey that assesses housing need at a particular point in time. There will, in addition to the existing 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 Council's 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 December 2005 P1(E) form is shown in the table below.

Table 7.3 Homeless households accommodated by authority at December 2005 (Section E6, P1(E) form)	
Category	Quarter ending 30/09/05
<u>Bed and breakfast</u>	<u>22</u>
<u>Other nightly paid</u>	<u>357</u>
<u>Hostel</u>	<u>197</u>
Private sector accommodation leased by authority	47
Private sector accommodation leased by RSLs	1,126
Directly with a private sector landlord	33
Within Council's own stock	604
RSL stock on assured shorthold tenancies	0
Other	9
TOTAL	2,395

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 Assessment. 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 2,395 homeless households in temporary accommodation, 576 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 Barnet 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 1,086 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 Barnet. The table therefore shows that the annual need to reduce backlog is 217 dwellings per annum.

ODPM Guide	<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’. [Section 2.4 (page 25)]</i>
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Table 7.4 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	15,719
2. <i>minus</i> cases where in-situ solution most appropriate	In situ (or outside the Borough) solution most appropriate for 14,262 households	Leaves 1,457
3. <i>times</i> proportion unable to afford to buy or rent in market	95.3% = 1,388 – also remove 878 social renting tenants	510
4. <i>plus</i> Backlog (non-households)	Homeless = 576	576
5. <i>equals</i> total Backlog need		1,086
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		217

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 1,388 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 510.

The final element of backlog need considered the needs arising from homeless households. This element made for 576 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 1,018 affordable homes. Annualised, assuming a 20% reduction per year suggests an annual need of 217 dwellings to reduce the backlog need in Barnet.

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 three main categories (there is a fourth ‘ex-institutional’ population – results for this group have been include in the figures for new household formation). These are as follows:

1. New households formation (× proportion unable to buy or rent in market)
2. Existing households falling into need
3. 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

The estimate of the number of newly forming households in need of affordable housing is based on an assessment of households that have formed over the past two years. Such an approach is preferred to studying households stating likely future intentions as it provides more detailed information on the characteristics of these households contributing to this element of newly arising need. This method is also consistent with comments in ODPM Guidance:

ODPM Guide	<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’.</i> [Section 4.4 (pages 61 & 62)]</p>
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The table below shows details of the derivation of new household formation. The table begins by establishing the number of newly forming households over the past two years (from within the Borough). The data excludes households moving to owner-occupation because these households at the time of the move (which is when we are interested in) could afford market housing. Households in tied accommodation have also been excluded. An affordability test is then applied to the remaining households.

Table 8.1 Derivation of newly arising need from new household formation		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	25,261	
Minus moves from outside Borough	-13,321	11,940
Minus households NOT forming in previous move	-9,857	2,083
Minus households moving to owner-occupation	-109	1,974
Minus households moving to tied accommodation	-106	1,868
TOTAL APPLICABLE MOVES	1,868	
Times proportion unable to afford	91.1%	
ESTIMATE OF NEWLY ARISING NEED	1,703	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	852	

The table above shows that an estimated 1,868 households are newly formed within the Borough over the past two years (934 per annum). Of these it is estimated that 852 (per annum) are unable to afford market housing without some form of subsidy (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). The annual estimate of the number of newly forming households falling into need is therefore 852 per annum.

8.3 Existing households falling into need

This is an estimate of the number of existing households currently living in Barnet 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 than a quarter of their gross income on housing, which is considered unaffordable (or indeed a combination of both).

ODPM Guide	<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 newly forming households already considered in the previous table. The data also excludes moves between social rented properties. Households falling into need in the social rented sector have their needs met through a 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. The data again excludes households moving to owner-occupation because these households at the time of the move (which is when we are interested in) could afford market housing whilst households moving to tied accommodation are also excluded.

Table 8.2 Derivation of Newly Arising Need from households currently living in the Borough		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	25,261	
Minus moves from outside Borough	-13,321	11,940
Minus households forming in previous move	-2,083	9,857
Minus households transferring within affordable housing	-1,239	8,618
Minus households moving to owner-occupation	-4,833	3,785
Minus households moving to tied accommodation	-0	3,785
TOTAL APPLICABLE MOVES	3,785	
Times proportion unable to afford	89.6%	
TOTAL IN NEED (2 years)	3,392	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	1,696	

The table above shows that a total of 3,785 household moves are considered as potentially in need. Using the standard affordability test for existing households it is estimated that 89.6% 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 3,392 households ($3,785 \times 0.896$) over the two-year period. Annualised this is 1,696 households per annum.

8.4 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 Barnet 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 home to 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 affordable housing stock in the Borough 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. Household moving to owner-occupation and tied accommodation are again excluded from the analysis.

ODPM Guide	<i>'Households moving into the Borough 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.

Table 8.3 Derivation of Newly Arising Need from households currently living outside the Borough		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	25,261	
Minus moves from within Borough	-11,940	13,321
Minus households moving to owner-occupation	-4,982	8,339
Minus households moving to tied accommodation	-811	8,028
TOTAL APPLICABLE MOVES	8,028	
Times proportion unable to afford	77.4%	
TOTAL IN NEED (2 years)	6,213	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	3,106	

In total the table above shows that 8,028 ‘potentially in need’ moves took place in the past two years from outside the Borough. The survey data also shows us that 77.4% 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 6,213 households (8,028 × 0.774) over the two-year period. Annualised this is 3,106 households per annum.

Although the level of need from in-migrants may seem relatively high, it is not an unusual level. It should also be remembered that requirements from those households falling into need but moving out of the Borough will not have been included.

8.5 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 5,654 households per annum.

Table 8.4 Basic Needs Assessment Model – Stages 8 to 13		
<i>N: NEWLY ARISING NEED</i>		
<i>Element</i>	<i>Notes</i>	<i>Final number</i>
8. New household formation (gross, p.a.)		934
9. <i>Times</i> proportion unable to buy or rent in market	91.1% cannot afford market housing	Leaves 852
10. <i>plus</i> ex-institutional population moving into community	Included in 8/9 above	-
11. <i>plus</i> existing households falling into need		1,696
12. <i>plus</i> in-migrant households unable to afford market housing		3,106
13. <i>equals</i> Newly arising need	9+10+11+12	5,654

9. Supply of affordable housing

9.1 Introduction

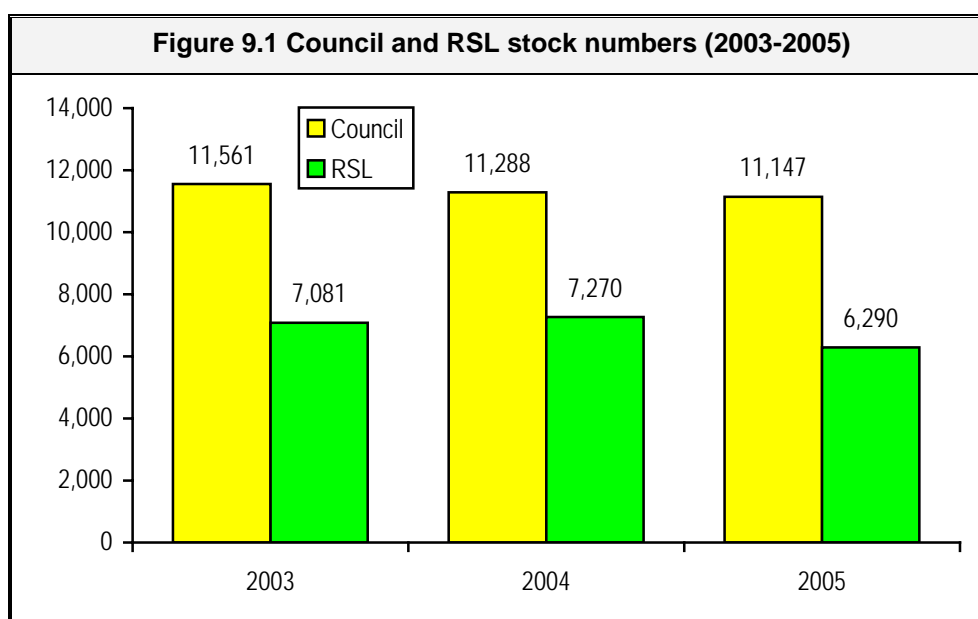
This chapter looks at current supply of affordable housing from both the Council and RSLs in the Borough. We shall begin by highlighting the general patterns of supply in the social rented stock over the past three years before making a judgement about which supply figures should feature as part of the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

ODPM Guide

'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 Strategy Statistical Appendix (HSSA) for three years (from 2003 to 2005 inclusive). The figure below shows the changing levels of stock for both the Council and RSLs within the Borough.



It shows that there has been a large fall in RSL accommodation with a smaller fall recorded in Council rented properties. The reductions recorded in both the Council and RSL stock numbers between 2003 and 2005 are largely due to Right-to-Buy sales. Overall there has been a net decrease of 1,205 properties from Barnet Borough's social housing stock (603 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 fluctuated over time, with a large decrease between 2002/03 and 2003/04 followed by a slight increase the following year. The average number of lettings over the three-year period was 640 per annum.

Source of supply	2002/03	2003/04	2004/05	Average
LA lettings through mobility arrangements	8	5	0	4
LA lettings to new secure tenants	559	308	320	396
LA lettings to new tenants on an introductory tenancy	0	0	0	0
LA lettings to new tenants on other tenancies	364	161	229	251
(Exclude transfers from RSL)	(12)	(2)	(18)	(11)
LA TOTAL EXCLUDING TRANSFERS	919	472	531	640

(ii) RSL stock

For the RSL stock we can again look at HSSA information. Additionally, CORE data provides an indication of the number of lettings in the RSL sector. The table below shows the number of lettings (excluding RSL to RSL transfers) from each of these sources over the past three years.

	2002/03	2003/04	2004/05	Average
HSSA data	382	351	329	354
CORE data	319	301	250	290
AVERAGE	351	326	290	322

The data in this table suggests that the supply of RSL lettings decreased over the three-year period. The average for the three-year period from both sources together is 322 per annum.

It should be noted that for the period 2003 to 2005 H.I.P data shows that an average of 97 households transferred from Council to RSL dwellings within the Borough per annum.

(iii) Estimate of lettings

The figures for 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).

ODPM Guide	<i>'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)]</i>
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Therefore our estimated future supply of lettings from the social rented sector overall will be 865 (640+322-97).

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 and the Local Authority (although these new properties will themselves in time produce some relets). This is also a view taken in ODPM guidance.

ODPM Guide	<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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Table 9.3 Analysis of past provision of new affordable rented housing – Average for three years				
New affordable housing	2002/03	2003/04	2004/05	Average
Additional LA dwellings (HSSA)	0	0	0	0
Additional RSL dwellings (HSSA)	174	138	182	165
Additional RSL dwellings (CORE)	156	146	109	137

The table above summarises information contained in the HSSA return for 2004 (Section N) and CORE data for the same period. The data indicates that there has been an annual average of 151 new affordable housing completions between 2002-03 and 2004-05. These are taken away from our estimate of lettings to provide a relet figure of 714 dwellings per annum (865-151). The figure of 714 represents a turnover of around 4.1% (based on the number of relets and the estimated number of social rented dwellings (i.e. 714/17,437)).

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 Barnet). However, it is still important to consider to what extent the current supply may be able to help those in need of affordable 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 820 shared ownership units in the Borough, the Census estimated the figure to be 1,085, whilst the housing needs assessment data estimates 558. The average of these three figures is 821. 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 4.1%. Hence we estimate that each year an average of 34 units of shared ownership tenure will become available to meet housing needs ($4.1\% \times 821$). Therefore, the estimate of supply becomes 748 per annum (714+34).

9.6 Vacant dwellings

As of April 2005, there were 273 vacant dwellings in the social rented stock, representing around 1.6% 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.

ODPM Guide

'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)]

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 HSSA returns suggests that from April 2003 to April 2005 there has been a net decrease of 1,205 properties from the Barnet Borough’s social housing stock (603 per annum). Given an average turnover of around 4.1% this would equate to a net loss of around 25 letting opportunities per annum. Hence, on the basis of this information it is estimated that average future supply of affordable housing will be 723 units per annum (748-25).

9.8 Summary

The table below details the stages in arriving at an estimate of the 723 relets from the current stock of affordable housing per annum. Analysis of HSSA and CORE data (excluding transfers within the social rented stock) for 2004/2005 indicates an average supply of lettings of 865 per year. Taking account of lettings made to new dwellings the supply estimate is reduced by 151 units per annum. It is assumed that there would be no additional lettings from the vacant stock, whilst units taken out of management and committed units of new affordable supply will lead to a net loss of 25 dwellings per annum. Finally, we have included 34 ‘relets’ from shared ownership dwellings, which increases supply to a total of 723. The second table shows how this fits into the Basic Needs Assessment model.

Table 9.4 Estimated future supply of affordable housing (per annum)	
Element of supply	Number of units
Average lettings per annum (excluding transfers)	865
Lettings in new housing	-151
‘Relets’ of shared ownership	+34
Additional lettings in vacant stock	+0
Letting opportunities lost through units taken out of management (Stage 15)	-25
Letting opportunities gained through additional stock (Stage 16)	-25
ESTIMATED SUPPLY OF AFFORDABLE HOUSING (PER ANNUM)	723

Table 9.5 Basic Needs Assessment Model – Stages 14 to 17		
<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	748
15. <i>minus</i> increased vacancies & units taken out of management	Letting opportunities lost	-25
16. <i>plus</i> committed units of new affordable supply p.a.	Letting opportunities gained	
17. <i>equals</i> affordable supply	14-15+16	723

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 217 units per year and the newly arising need a requirement for 5,654 units per annum. These two figures together total 5,871 units per annum. The total estimated supply to meet this need is 723 units per year. This therefore leaves a shortfall of 5,148 units per year.

Table 10.1 Basic Needs Assessment Model		
<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	15,719
2. <i>minus</i> cases where in-situ solution most appropriate	In situ (or outside the Borough) solution most appropriate for 14,262 households	Leaves 1,457
3. <i>times</i> proportion unable to afford to buy or rent in market	95.3% = 1,388 – also remove 878 social renting tenants	510
4. <i>plus</i> Backlog (non-households)	Homeless = 576	576
5. <i>equals</i> total Backlog need		1,086
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		217
<i>N: NEWLY ARISING NEED</i>		
8. New household formation (gross, p.a.)		934
9. <i>times</i> proportion unable to buy or rent in market	91.1% cannot afford market housing	Leaves 852
10. <i>plus</i> ex-institutional population moving into community	Included in 8/9 above	-
11. <i>plus</i> existing households falling into need		1,696
12. <i>plus</i> in-migrant households unable to afford market housing		3,106
13. <i>equals</i> Newly arising need	9+10+11+12	5,654
<i>S: SUPPLY OF AFFORDABLE UNITS</i>		
14. Supply of social relets p.a.	Excludes transfers within social rented stock and includes 'relets' of shared ownership	748
15. <i>minus</i> increased vacancies & units taken out of management	Letting opportunities lost	-25
16. <i>plus</i> committed units of new affordable supply p.a.	Letting opportunities gained	
17. <i>equals</i> affordable supply	14-15+16	723
18. Overall shortfall/surplus	217+5,654-723 (per annum)	5,148

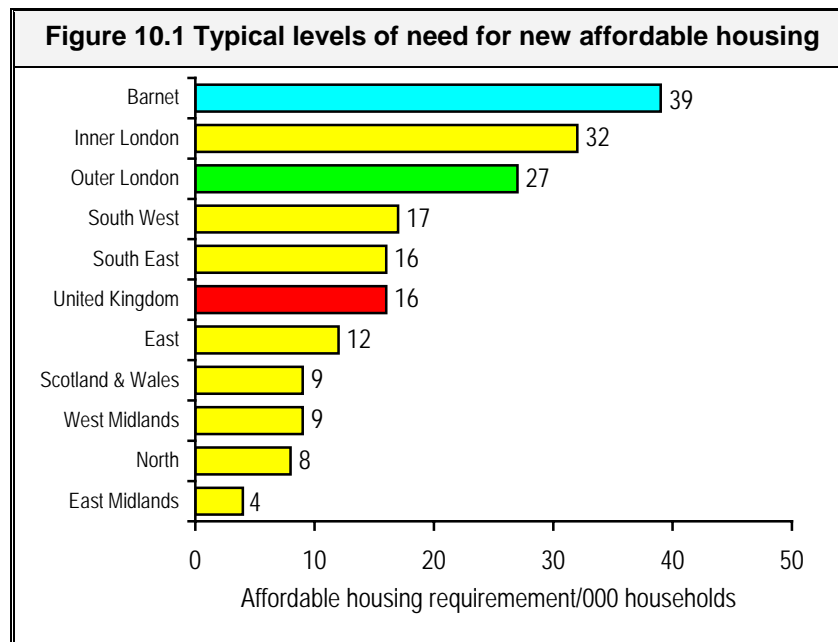
NB Elimination of the backlog over a five-year period is recommended in the Guide. However, the Council can make a policy decision to do so over a longer period.

10.3 The Barnet situation in context

As Fordham Research has carried out about a hundred Borough-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 Barnet is a shortfall of 39 per 1,000 (calculated as $(5,148/130,300) \times 1,000$). As can be seen, this figure is above the national average of a shortage of 16 and the average for the Outer London of a shortage of 27.



10.4 Size requirements and sub-areas

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

ODPM Guide	<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 analysis is shown in the table below which indicates that there are shortfalls for all sizes of accommodation. The largest shortfall is for one and two bedroom units however, the shortage relative to supply is greatest for four bedroom properties where it is estimated that only 1.1% of the need can be met. It should be noted that the results below are based on a strict bedroom standard (shown in the Glossary). The breakdown of property sizes for the supply is found by considering the number of bedrooms in homes occupied by households having moved to affordable housing in the past two years, who did not transfer from another affordable home in the Borough. The proportions are then applied pro-rata to match the total supply figure.

Table 10.3 Net need for affordable housing by size () indicates a surplus				
Size required	Need	Supply	TOTAL	Supply as % of need
1 bedroom	3,125	334	2,791	10.7%
2 bedroom	1,509	212	1,297	14.1%
3 bedroom	893	173	720	19.4%
4+ bedroom	343	4	339	1.1%
TOTAL	5,871	723	5,148	12.3%

(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 Finchley & Golders Green and Hendon display a very large overall shortage of affordable housing whilst the shortage in Chipping Barnet is much smaller. The shortage relative to supply is greatest for Finchley & Golders Green. As above, the geographical location of the supply is found by considering the location of recently secured affordable housing and pro-rating the breakdown to the total supply of 723 per annum.

Sub-area	Need	Supply	TOTAL	Supply as % of need
Chipping Barnet	754	159	595	21.1%
Finchley & Golders Green	2,507	173	2,333	6.9%
Hendon	2,611	391	2,220	15.0%
TOTAL	5,871	723	5,148	12.3%

10.5 Implications for affordable housing policy

Appendix A1 details the key features of current ODPM Affordable Housing policy. This has changed only slightly with the draft affordable housing sections of PPS3 (published in December 2005).

The main implications for affordable housing policy are the choice of an appropriate percentage target, the site size threshold at which the eventual affordable housing policy will apply and the types of affordable housing best suited to meeting the need. Each is discussed below.

(i) Percentage target

The Guide to Housing Needs Assessments 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.

Table 10.5 Calculation of affordable housing target: following ODPM methodology	
Element	Dwellings (per annum)
Affordable housing requirement	5,148
Minus affordable supply from non S106 sites (estd)*	-50
EQUALS	5,098
Projected building rate †	890
Minus sites below threshold (assumed)	-0
Minus affordable supply from non S106 sites (estd)*	-50
EQUALS	840
Therefore Target is	5,098/840
EQUALS	607%

* Information obtained from the Council's 2004/5 HSSA return (average number of dwellings built without section 106 between 2004/05 and 2006/07)

† Annual build rate required 1997-2016 as documented in the London Plan

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.

As the annual affordable housing requirement exceeds the level of supply of all new housing (as demonstrated in the table above) it is necessary to maximise the supply of affordable housing. The London Plan identifies that most London boroughs should pursue an affordable housing target of 50%. Furthermore the London Plan states that where it is financially viable a target higher than 50% should be pursued.

We would advise the use of a Borough-wide percentage target. This form of target is the most easily understood and implemented. 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. Given the high level of need for affordable housing in Barnet identified in this study, we consider that, as has been used by other London authorities, a target of over 50% could be justified in line with the objectives of the London Plan, although we acknowledge that the Council is free to take a view on the particular level it wishes to set.

(ii) Threshold site size

The usual threshold stipulated by PPS3 and is 15 dwellings/ha, however if high levels of need can be demonstrated, a lower threshold can be adopted. 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. The Council is therefore justified in setting out an affordable housing threshold of 10 dwellings in the soon to be adopted UDP (May 2006).

(iii) Intermediate housing

Having considered the level of housing need in the Borough it is interesting to study what types of affordable housing might be most appropriate to meet this need. In principle there are two broad categories of housing which can be considered (intermediate housing and social rented).

Intermediate housing can be defined as housing (irrespective of tenure) priced between social rents and the market. Existing intermediate housing options suggest that this form of accommodation is usually only marginally cheaper than market housing. For the purpose of this report therefore, intermediate housing is defined as that costing halfway between the cost of social rents and the cost of market housing.

The table below shows our estimates of the minimum cost of market housing in the Borough, and estimated new social rent levels. The estimated cost of intermediate housing is also presented. The outgoings for private rented housing have been used for all sizes for the minimum price of market housing as these are cheaper than those for owner-occupation (in terms of outgoings).

Table 10.6 Basic information required for assessment of types of affordable housing required			
Size requirement	Social rent (£/week)*	Intermediate housing	Minimum priced second-hand market housing (£/week)*
1 bedroom	£66	£113	£159
2 bedrooms	£78	£140	£201
3 bedrooms	£91	£178	£264
4+ bedrooms	£106	£214	£322

*CORE Data (2005)

**Survey of Estate and Letting Agents in Barnet 2006

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 suitable for some households in 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.

Table 10.7 Amount of annual requirement for each type of affordable housing (all tenures)			
Dwelling size	Type of housing		
	Intermediate housing	Social rented	TOTAL
1 bedroom	1,057	2,068	3,125
2 bedrooms	104	1,406	1,509
3 bedrooms	40	853	893
4+ bedrooms	12	331	343
TOTAL	1,213	4,659	5,871

The table shows that in total 20.7% 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.

Table 10.8 Annual supply for each type of affordable housing			
Dwelling size	Type of housing		
	Intermediate housing	Social rented	TOTAL
1 bedroom	16	318	334
2 bedrooms	10	202	212
3 bedrooms	8	165	173
4+ bedrooms	0	3	4
TOTAL	34	689	723

The following table therefore estimates the net requirements for each type of affordable housing by size. Overall, the table shows that nearly 22.9% of the net requirement is for intermediate housing. This varies according to dwelling size. It's estimated that 37.2% of the need for one bedroom properties could be met through intermediate housing, whereas less than a tenth of the need for larger properties could be met in this way.

Table 10.9 Net annual need for affordable housing for each type of affordable housing (surplus)			
Dwelling size	Type of housing		
	Intermediate housing	Social rented	TOTAL
1 bedroom	1,041	1,750	2,791
2 bedrooms	94	1,203	1,297
3 bedrooms	32	688	720
4+ bedrooms	12	328	339
TOTAL	1,179	3,970	5,148

The survey asked households whether they were aware of a number of different intermediate housing products. The table below indicates the response that was obtained from households in need. The table shows that some 58.4% of households in need were not aware of any of the intermediate housing options listed. Awareness of shared ownership amongst households in need was quite good, with 42.2% of households familiar with it, but fewer households had any knowledge of the other products.

Table 10.10 Number of households in need aware of intermediate housing products		
Product	Households in need	% of households in need
Shared Ownership	2,480	42.2%
Key Worker living schemes	1,052	17.9%
Discounted Market Sale	157	2.7%
Not aware of any	3,428	58.4%

10.6 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 over a ten year period 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 2016 and indicates a shortfall of around 5,040 affordable homes per year. Assuming the level of supply remains the same over this period, the total requirement to 2016 would be around 50,400 additional affordable homes (i.e. 5,040 per year for the 10 years to 2016). These figures are however less robust than the estimated requirement over five years.

Table 10.11 Summary of Basic Needs Assessment Model (annual requirement to 2016)	
Element	Number of households
B. BACKLOG OF EXISTING NEED	
Annual need to reduce backlog	109
N. NEWLY ARISING NEED	
Newly Arising Need	5,654
S. SUPPLY OF AFFORDABLE UNITS	
Affordable supply	723
Overall shortfall/Surplus	5,040

10.7 Summary

The Housing Needs Assessment in Barnet followed 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 Barnet. Using this model it is estimated that for the next five years there will be a shortfall of 5,148 affordable housing units per annum in the Borough.

The Council has acknowledged the housing problems in the Borough and moved, in line with the London Plan, to an affordable housing target of 50%. The soon to be adopted UDP (May 2006) will reflect the Secretary of State’s Direction to lower the threshold to 10 units or more.

There is also a considerable potential for intermediate housing to meet housing need if it is priced halfway between social rents and minimum market levels. A profile of households in need indicates that intermediate housing is usually not affordable for larger households and is most appropriate for households requiring a one bedroom property with social rented housing required to meet the need for larger homes in the affordable sector.

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 Barnet. 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.

ODPM Guide	<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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11. Market housing

11.1 Introduction

Emphasis on analysis of the whole market as part of a Housing Needs Assessment 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 Barnet.

11.2 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.

Data suggests that 70.8% of households in the Borough are owner-occupiers and that 54.8% of these have a mortgage. As was shown in Chapter 6, 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 Barnet. The data suggests that the majority of households have three or more bedrooms. Only 5.5% have one bedroom accommodation.

Table 11.1 Size of dwellings (number of bedrooms) in the owner-occupied stock		
Number of bedrooms	Households	% of households
1 bedroom	4,985	5.5%
2 bedrooms	20,843	23.1%
3 bedrooms	38,216	42.3%
4+ bedrooms	26,317	29.1%
TOTAL	90,360	100.0%

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

Table 11.2 Turnover of dwellings in the owner-occupied stock by size of dwelling (number of bedrooms)			
Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	978	4,985	9.8%
2 bedrooms	1,963	20,843	4.7%
3 bedrooms	3,643	38,216	4.8%
4+ bedrooms	2,839	26,317	5.4%
TOTAL	9,423	90,360	5.2%

The recent mover data points to an overall turnover rate of 5.2%, 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 bedroom dwellings is greater than for the other property size categories. Analysis of the reasons households in one bedroom owner-occupied accommodation move indicates that the need for a larger property was the most important reason for 85.1% of these households. The following chapter looks at the accommodation aspirations of households and the likely future supply of dwellings in the Borough to model the mix of dwellings needed in the future in Barnet.

Finally, we can consider households claiming financial assistance with their housing costs (for mortgage interest payments). The data suggests that around 2.0% of households with a mortgage receive income support towards their mortgage payments (1,010 households). This figure represents 1.1% of all owners.

11.3 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 (HB) 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.

ODPM Guide	<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 Barnet has a larger than average private rented sector (15.9% of households compared with around 10% nationally). 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 and two bedroom properties is proportionately much larger in the private rented sector – 70.6% of all private rented stock is one or two bedroom, which compares with only 28.6% 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 31.0% compared to 5.2% in the owner-occupied sector.

Table 11.3 Size of dwellings (number of bedrooms) in the private rented stock		
Number of bedrooms	Households	% of households
1 bedroom	6,782	33.3%
2 bedrooms	7,589	37.3%
3 bedrooms	4,157	20.4%
4+ bedrooms	1,843	9.0%
TOTAL	20,370	100.0%

Table 11.4 Turnover of dwellings in the private rented stock by size of dwelling (number of bedrooms)			
Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	4,495	6,782	33.1%
2 bedrooms	4,632	7,589	30.5%
3 bedrooms	2,753	4,157	33.1%
4+ bedrooms	733	1,843	19.9%
TOTAL	12,613	20,370	31.0%

Additionally, survey data suggests that 21.6% of households (4,405 households) in the private rented sector are in receipt of housing benefit, this compares with 1.1% of all owners.

11.4 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. The data shows that the social rented sector has relatively few four or more bedroom properties whilst 75.3% are one or two bedroom.

The turnover rate in the social rented stock is around 9.5% per annum, with the highest turnover for larger properties.

Table 11.5 Size of dwellings (number of bedrooms) in the social rented stock		
Number of bedrooms	Households	% of households
1 bedroom	6,550	38.4%
2 bedrooms	6,281	36.9%
3 bedrooms	4,100	24.1%
4+ bedrooms	111	0.7%
TOTAL	17,042	100.0%

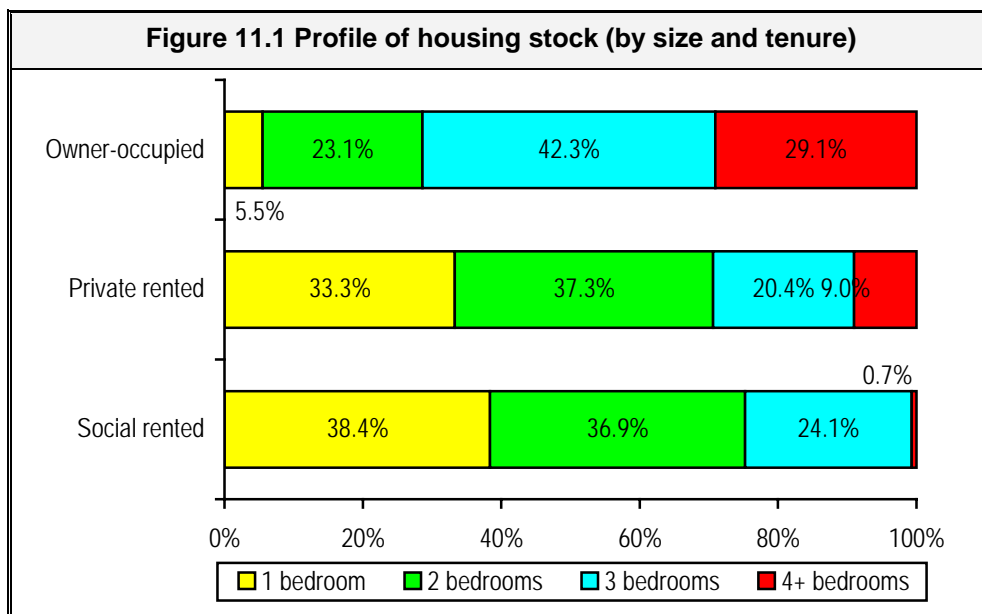
Table 11.6 Turnover of dwellings in the social rented stock by size of dwelling (number of bedrooms)			
Number of bedrooms	Number moving in past two years	Number of households	Estimated annual turnover rate
1 bedroom	1,233	6,550	9.4%
2 bedrooms	960	6,281	7.6%
3 bedrooms	1,009	4,100	12.3%
4+ bedrooms	22	111	10.0%
TOTAL	3,224	17,042	9.5%

Survey data also suggests that 60.0% of households in the social rented sector are in receipt of housing benefit.

The postal questionnaire, which was only sent to Council tenants, asked an additional question that ascertained whether they would be interested in purchasing an equity share in their home if they were unable to buy it outright, to investigate the demand for social home buy. The survey showed that only 8.9% of households in the Council rented sector indicated that they would be interested in purchasing an equity share in their home (an estimated 976 households), 65.9% said they would not be interested and the remaining 25.2% indicated they would require further information before they made a decision.

11.5 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 summarises 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 six times that in the owner-occupied sector whilst households in the social rented sector are significantly more likely to claim assistance with their housing costs than owners or private tenants.

Tenure	Annual turnover of stock (% of households)	% claiming housing benefit (income support for owners)
Owner-occupied	5.2%	1.1%
Private rented	31.0%	21.6%
Social rented	9.5%	60.0%
TOTAL	9.9%	12.2%

11.6 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 70.8% of the total housing stock and is dominated by three bedroom properties. Private rented properties make up 15.9% and are characterised by a larger proportion of one and two bedroom dwellings. The estimated annual turnover rate in the owner-occupied sector is around 5.2% which compares to 31.0% in the private rented sector.

12. Balancing housing markets

12.1 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 Borough 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 Barnet 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 HSSA).

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.

12.2 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 future building rate for Barnet from the updated London Plan target.

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

12.3 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 Housing Needs Survey, 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 Local Authority still required large numbers of affordable housing units (which might not be the case).

12.4 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 1,960. This is based on the required build rate from 2006/07 to 2016/17 as indicated in the updated London Plan targets.

Full details of the analysis are presented in Appendix A4. Set out below is a summary of the results.

12.5 Summary of data

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

Growth – 1,960 per annum

Demand

New households forming within the Borough – 1,279

In-migration – 5,247

Households moving within the Borough – 5,035

Total demand = 11,561

Supply

Household dissolution (through death) – 1,381

Out-migrant – 3,185

Households moving within the Borough – 5,035

Total supply = 9,601

The results of the calculations detailed in Appendix A4 are shown in the following table:

Table 12.1 Total shortfall or (surplus)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	206	(98)	(140)	270	238
Affordable housing	1,231	887	1,242	492	3,852
Private rented	(793)	(782)	(361)	(194)	(2,130)
TOTAL	644	8	741	568	1,960

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 ongoing. The BHM methodology suggests a significant shortfall of affordable housing of all sizes of accommodation, most notably one and three bedroom homes. The demand for larger units of affordable housing reflects the inability of market housing to cater for lower income larger households.
- ii) Overall, the data shows only a small shortfall in the owner-occupied sector. This finding reflects that although owner-occupation is the tenure of choice it is unaffordable for a large number of households that will move in the next five years. In terms of size requirements, the information suggests that in the owner-occupied sector the main shortage is for one and four bedroom homes and there is a surplus of two and three bedroom properties.
- iii) The model indicates that there is a large surplus in the private rented sector. In this sector all dwelling sizes show a surplus, since many households view this sector as an undesirable long term solution whilst the supply of private rented housing is likely to be large due to the temporary nature of the tenure.

12.7 Implications of analysis

Analysis using the ODPM 'Basic Needs Assessment model' found that there is a shortage of affordable housing in Barnet. 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 Barnet. The more robust methodology of the Guide Model means that this provides a more accurate estimate of the total shortfall.

12.8 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 BNAM, the 'demand' based methodology suggested that there is a requirement for additional affordable housing in the Borough. This methodology also suggested that there will be a small shortfall of owner-occupied accommodation in the future and a large surplus of private rented homes.

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
- Households in temporary accommodation

The section also features a chapter looking at the incidence of overcrowding and under-occupation amongst different groups of households in the Borough. The section finished with a chapter looking at the housing circumstances of student households.



13. Households with support needs

13.1 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 North London Sub-region Supporting People Strategy.

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.

13.2 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
- 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.

13.3 Supporting people groups: overview

Overall there are an estimated 18,734 households in Barnet with one or more members in an identified support needs group. This represents 14.7% of all households, which is in line with the average Fordham Research have found nationally (13-14%). 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 13,785 households with a *physically disabled* household member. The next largest group is '*frail elderly*', with 4,528 households having a member in this category. These two categories represent 73.6% and 24.2% of all support needs households respectively.

Category	Number of households	% of all households	% of support needs households
Frail elderly	4,528	3.5%	24.2%
Physical disability	13,785	10.8%	73.6%
Learning disability	1,274	1.0%	6.8%
Mental health problem	2,504	2.0%	13.4%
Severe sensory disability	927	0.7%	4.9%
Other	854	0.7%	4.6%

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.

Table 13.2 Number of people with support needs		
	Households	% of households
No people with support needs	109,040	85.3%
One person with support needs	17,049	13.3%
Two persons with support needs	1,558	1.2%
Three or more persons with support needs	126	0.1%
TOTAL	127,773	100.0%

Table 13.3 Households with support needs		
	Households	% of households
No people with support needs	109,040	85.3%
Single support need only	14,545	11.4%
Multiple support needs	4,189	3.3%
TOTAL	127,773	100.0%

The two tables above show that the majority of support needs households (91.0%) 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 (77.6%). However, some 1,684 households in Barnet are estimated to have two or more people with a support need whilst an estimated 4,189 households contain someone with multiple needs.

13.4 Characteristics of support needs households

The survey indicates that 2,437 support needs households (13.0%) currently reside in sheltered accommodation with the remainder living in normal residential accommodation.

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

Table 13.4 Size of support needs households					
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	9,247	30,262	39,509	23.4%	49.4%
Two	5,284	32,406	37,690	14.0%	28.2%
Three	1,938	18,887	20,825	9.3%	10.3%
Four	1,120	17,063	18,183	6.2%	6.0%
Five	870	7,322	8,192	10.6%	4.6%
Six or more	276	3,100	3,376	8.2%	1.5%
TOTAL	18,734	109,039	127,773	14.7%	100.0%

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

Table 13.5 Support needs households with and without older people					
Age group	Support needs households			% of total h'holds with support needs	% of those with a support need
	Support needs	No support needs	Number of h'holds		
No older people	5,820	80,825	86,645	6.7%	31.1%
Both older & non older people	2,839	10,964	13,803	20.6%	15.2%
Older people only	10,074	17,251	27,325	36.9%	53.8%
TOTAL	18,734	109,039	127,773	14.7%	100.0%

As the table below shows, support needs households are also more likely to be living in social rented housing. Some 36.5% of Council and 27.5% of RSL tenants contain a member with support needs, compared to 4.3% of owner-occupiers (with mortgage). Over half of all support needs households, however are owner-occupiers without a mortgage.

Table 13.6 Support needs households and tenure					
Tenure	Support needs households			% of total h'holds with support needs	% of those with a support need
	Support needs	No support needs	Number of h'holds		
Owner-occupied (no mortgage)	9,425	31,422	40,847	23.1%	50.3%
Owner-occupied (with mortgage)	2,133	47,381	49,514	4.3%	11.4%
Council	4,017	6,991	11,008	36.5%	21.4%
RSL	1,661	4,374	6,035	27.5%	8.9%
Private rented	1,498	18,872	20,370	7.4%	8.0%
TOTAL	18,734	109,039	127,773	14.7%	100.0%

The table below shows the geographical distribution of support needs households. The data shows that households in Chipping Barnet are most likely to have a support need, whilst the lowest level is shown in Hendon.

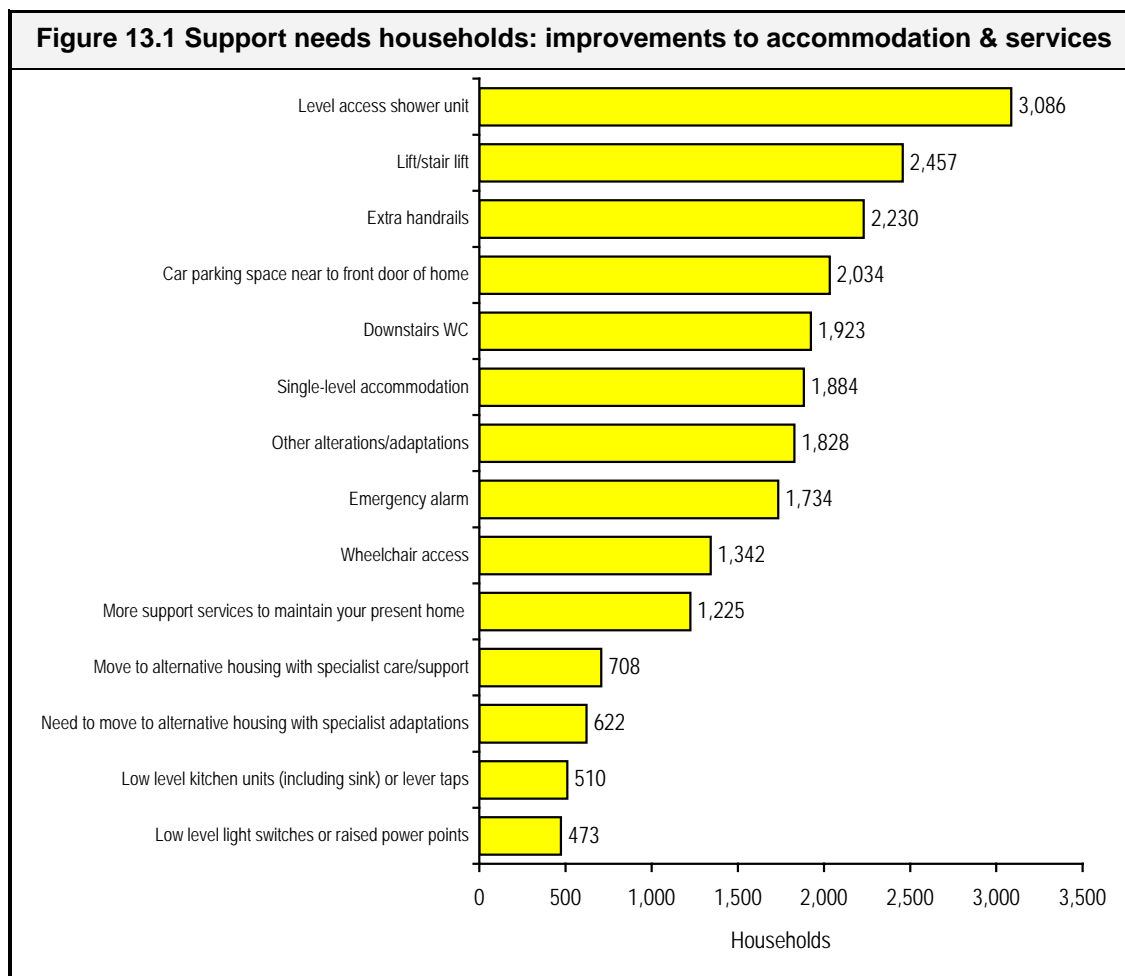
Table 13.7 Support needs households and sub-area					
Sub-area	Support needs households				
	Support needs	No support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
Chipping Barnet	6,159	30,360	36,519	16.9%	32.9%
Finchley & Golders Green	7,032	43,350	50,382	14.0%	37.5%
Hendon	5,542	35,330	40,872	13.6%	29.6%
TOTAL	18,734	109,039	127,773	14.7%	100.0%

The table below indicates that support needs households are almost twice times as likely to be living in unsuitable housing as non-support needs households. Some 20.1% of all support needs households are living in unsuitable housing, which compares with 12.3% of all households and 11.0% of all non-support needs households.

Table 13.8 Support needs households and unsuitable housing					
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	3,760	14,974	18,734	20.1%	23.9%
No support needs	11,959	97,081	109,040	11.0%	76.1%
TOTAL	15,719	112,055	127,774	12.3%	100.0%

13.5 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 needs households. The most commonly-sought improvements needed were:

- Level access shower unit (3,086 households – 16.5% of all support needs households)
- Lift/stair lift (2,457 households – 13.1% of all support needs households)
- Extra handrails (2,230 households – 11.9% of all support needs households)

13.6 Accommodation preferences

Only 25.4% of support needs households expressed a need or expectation to move within the next 5 years, equating to 3,200 households. The table below presents the type of property preferred by these support needs households that are likely/need to move in the next five years alongside the type of property they expect to move to.

Table 13.9 Dwelling type aspirations and expectations for support needs households		
Property type	Like	Expect
Detached	26.9%	3.9%
Semi-detached	27.5%	29.1%
Terraced house	8.3%	15.0%
Flat/ maisonette	37.2%	51.9%
Total	100.0%	100.0%

The table indicates that more support needs households would like to live in a detached house than would expect to, with the reverse true for a terraced property and a flat/maisonette. A flat/maisonette is however the dwelling type most commonly preferred.

The table below presents the type of accommodation preferred by these support needs households alongside the type of accommodation they expect to move to. The data indicates that some 40.9% of support needs households would like to move to a bungalow, but only 26.6% of these households expect to. A greater proportion of support needs households would like sheltered housing than expect it, whilst supported housing is expected by more households than would like it.

Table 13.10 Accommodation type aspirations and expectations for support needs households		
Accommodation type	Like	Expect
Sheltered housing	6.1%	5.6%
Supported housing	0.7%	1.8%
A bungalow	40.9%	26.6%
Ordinary residential accommodation	52.3%	66.0%
Total	100.0%	100.0%

Further analysis reveals that 51.4% of the support needs households that would like to move to sheltered housing would both like and expect to be owner-occupiers. This equates to 100 households. The remaining 94 households would like to move to sheltered housing in the social rented sector. These figures should however be treated with extreme caution as they are based on a very small sample.

13.7 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 37.3% have support needs and over 47.3% of these are owner-occupiers.

Table 13.11 Support needs households and difficulty maintaining home						
Household group	No problem		A problem/ serious problem		TOTAL	
	Number	%	Number	%	Number	%
Support needs – owner-occupied	10,782	93.3%	776	6.7%	11,558	100.0%
Support needs – tenants	6,311	87.9%	865	12.1%	7,176	100.0%
All support needs households	17,093	91.2%	1,641	8.8%	18,734	100.0%
All households	123,370	96.6%	4,403	3.4%	127,773	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 4,403 households state a problem with maintaining their homes – of these 1,641 are support needs households with an estimated 776 living in the owner-occupied sector.

13.8 Support needs households and the basic needs assessment model

In addition to the above it is possible to study how support needs households fit into the Basic Needs Assessment Model. The table below gives an estimate of how much of the housing need will be from support needs households and also an estimate of the likely supply to these households. The table shows there is an estimated net requirement of 443 dwellings per annum for support needs households.

Table 13.12 Basic Needs Assessment Model and size requirement (support needs households)			
Household group	Need	Supply	TOTAL
Support needs households	605	162	443
Non-support needs households	5,266	561	4,705
TOTAL	5,871	723	5,148

13.9 Summary

Information from the survey on support needs groups can be of assistance to authorities when contributing to detailed Supporting People Strategies. Some 14.7% of all the Borough’s households (18,734) contain support needs members. ‘Physically disabled’ is the largest category with support needs. There are 13,785 households containing a ‘physically disabled’ person and a further 4,528 with household members who are ‘frail elderly’.

Support needs households in Barnet are generally smaller than average for the Borough and are disproportionately made up of older persons only. Support needs households 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 level access shower unit and a lift/stair lift are the most commonly required. Finally, the survey suggested there was scope for 'care & repair' and 'staying put' schemes.

14. Older person households

14.1 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 (currently 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

14.2 The older person population

Around a fifth of all households in Barnet contain only older people (21.4%) and a further 10.8% contain both older and non-older people. The table below shows the number and percentage of households in each group.

Table 14.1 Older person households		
Categories	Number of households	% of all households
Households without older persons	86,645	67.8%
Households with both older and non-older persons	13,803	10.8%
Households with older persons only	27,325	21.4%
TOTAL	127,773	100.0%

14.3 Characteristics of older person households

The number of occupants in older person households is shown in the table below. The data suggests that almost all households containing older persons only are comprised of one or two persons only – there are only 233 older person households containing three or more people. Almost two-thirds of all single person households are older person households.

Table 14.2 Size of older person only households					
Number of persons in household	Age group			% of total h'holds with older persons	% of those with older persons
	Older persons only	Other h'holds	Number of h'holds		
One	17,600	21,909	39,509	44.5%	64.4%
Two	9,492	28,197	37,689	25.2%	34.7%
Three	186	20,639	20,825	0.9%	0.7%
Four	47	18,136	18,183	0.3%	0.2%
Five	0	8,191	8,191	0.0%	0.0%
Six or more	0	3,376	3,376	0.0%	0.0%
TOTAL	27,325	100,448	127,773	21.4%	100.0%

The table below shows the housing tenures of households with older persons. Three quarters 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 Barnet is quite high.

Another significant finding is the relatively high proportion of RSL accommodation containing older people only (36.7%). This may have implications for future supply of specialised social rented accommodation.

Table 14.3 Older person only households and tenure						
Tenure	Age group			% with older persons	% of older person hhs	
	Older persons only	Other house-holds	Total hhs			
Owner-occupied (no mortgage)	19,514	21,332	40,846	47.8%	71.4%	
Owner-occupied (with mortgage)	976	48,538	49,514	2.0%	3.6%	
Council	2,656	8,352	11,008	24.1%	9.7%	
RSL	2,212	3,822	6,034	36.7%	8.1%	
Private rented	1,967	18,403	20,370	9.7%	7.2%	
TOTAL	27,325	100,448	127,773	21.4%	100.0%	

The table below shows the geographical distribution of older person only households. Finchley & Golders Green has the highest proportion of older person only households (24.8%), whilst Hendon has the lowest (15.0%).

Sub-area	Age group				
	Older persons only	Other households	Total hhs	% with older persons	% of older person hhs
Chipping Barnet	8,686	27,834	36,520	23.8%	31.8%
Finchley & Golders Green	12,494	37,889	50,383	24.8%	45.7%
Hendon	6,146	34,726	40,872	15.0%	22.5%
TOTAL	27,325	100,448	127,773	21.4%	100.0%

14.4 Dwelling characteristics

The table below shows the type of accommodation that older person only households reside in. The data indicates that older person only households are more likely than non-older person households in Barnet to be living in detached houses and purpose built flats and are less likely to be living in terraced houses and other flats.

Dwelling type	% of older person households	% of non-older person households
Detached house/bungalow*	17.0%	10.2%
Semi-detached house/bungalow	32.1%	31.3%
Terraced house/bungalow	14.6%	19.4%
Purpose-built flat/maisonette	32.8%	27.6%
Other flat/maisonette**	3.4%	11.5%
TOTAL	100.0%	100.0%

* Includes mobile homes

** Other flat/maisonette includes flats that are part of a converted or shared house and flats in a commercial building

The table below shows that older person only households are more likely than non-older person households in Barnet to be living in one and two bedroom properties. However, the results also show that just over 51.3% 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 non-older person households
1 bedroom	20.5%	12.7%
2 bedrooms	28.1%	26.9%
3 bedrooms	35.0%	36.7%
4+ bedrooms	16.3%	23.7%
TOTAL	100.0%	100.0%

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 almost 300 properties in the social rented sector which may therefore present some opportunity to reduce under-occupation.

Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	1,969	4,502	8,920	4,124	19,515
Owner-occupied (with mortgage)	84	575	195	122	976
Council	1,379	977	288	11	2,655
RSL	1,661	551	0	0	2,212
Private rented	516	1,080	167	204	1,967
TOTAL	5,609	7,685	9,570	4,461	27,325

14.5 Accommodation preferences

Although just 2,753 older person only households (11.1%) expressed a need or expectation to move within the next 5 years it is of value to look at the type of accommodation preferred by these households. It is important to note that as so few older person only households anticipate moving in the next five years, the sample size is significantly reduced and the results of this section should be treated with caution.

The table below presents the type of property preferred by these older person only households that are likely/need to move in the next five years alongside the type of property they expect to move to. The table indicates that a greater number of older person only households would like to live in a detached house than would expect to, with the reverse true for a semi-detached property. A flat/maisonette is however the dwelling type most commonly preferred.

Table 14.8 Dwelling type aspirations and expectations for older person only households		
Property type	Like	Expect
Detached	28.4%	9.1%
Semi-detached	3.9%	17.1%
Terraced house	29.5%	29.4%
Flat/ maisonette	38.3%	44.4%
Total	100.0%	100.0%

The table below presents the type of accommodation preferred by these older person only households alongside the type of accommodation they expect to move to. The data indicates that 13.2% of older person only households would like supported or sheltered accommodation, which is similar to the proportion of households that would expect it. The data also shows a greater proportion of older person only households would like a bungalow than expect it, but ordinary residential accommodation is the preferred accommodation of over two-thirds of older person only households.

Table 14.9 Accommodation type aspirations and expectations for older person only households		
Accommodation type	Like	Expect
Sheltered housing	12.4%	12.8%
Supported housing	0.8%	0.8%
A bungalow	19.7%	14.0%
Ordinary residential accommodation	67.1%	72.5%
Total	100.0%	100.0%

14.6 Older person households and the basic needs assessment model

Some 6.5% of all older person only households (1,779 households) in Barnet live in unsuitable housing, as defined by the HNS. This figure is noticeably below the figure of 12.3% 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 199 older person households, further data suggests a supply to such households in the region of 44 units per annum. Therefore the BNAM suggests a small shortfall of affordable housing of 155 dwellings per annum for older person households.

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.

14.7 Summary

Some 21.4% of households in Barnet contain older persons only, and a further 10.8% contain a mix of both older and non-older persons. Older person only households are largely comprised of one or two persons, 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 RSL accommodation houses older people only (36.7%).

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.

15. Key worker households

15.1 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 6 categories. These were:

- Health (NHS)
- Education
- Community, social services , prison and probation staff
- Emergency services
- Transport
- Local authority planners

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 Barnet but live outside. The analysis of key workers concentrates on their current housing situation, future demands for housing and affordability.

15.2 Number of key workers

In total it is estimated that there are 37,891 key workers living in Barnet. The table below shows the categories of key workers within the Borough. The main categories of key worker are education and health.

Table 15.1 Key worker categories		
Category	Number of persons	% of key workers
Health (NHS)	10,258	27.1%
Education	13,936	36.8%
Community, social services , prison and probation staff	6,218	16.4%
Emergency services	1,401	3.7%
Transport	5,974	15.8%
Local authority planners	104	0.3%
TOTAL	37,891	100.0%

In total it is estimated that 18,843 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.

15.3 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 (74.9%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (70.0%). Key worker households are less likely than non-key worker households to be living in the social rented sector. The proportion of key worker households living in the private rented sector is similar to that recorded for non-key worker households.

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 or without children. As a result key worker households have a greater requirement for properties with three or more bedrooms than non-key worker households, and a lower requirement for one bedroom dwellings.

In terms of the geographical location of key worker households the data reveals that such households are particularly likely to be living in Hendon.

Table 15.2 Key worker households and housing/household characteristics				
Characteristic	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Tenure				
Owner-occupied (no mortgage)	3,252	17.3%	37,595	34.5%
Owner-occupied (with mortgage)	10,846	57.6%	38,668	35.5%
Council	1,315	7.0%	9,693	8.9%
RSL	472	2.5%	5,563	5.1%
Private rented	2,958	15.7%	17,412	16.0%
Household composition				
Single pensioners	339	1.8%	17,261	15.8%
2 or more pensioners	92	0.5%	9,633	8.8%
Single non-pensioners	3,098	16.4%	18,811	17.3%
2 or more adults – no children	8,159	43.3%	34,718	31.9%
Lone parent	498	2.6%	4,715	4.3%
2+ adults 1 child	3,074	16.3%	11,856	10.9%
2+ adults 2+ children	3,581	19.0%	11,937	11.0%
Sub-area				
Chipping Barnet	5,003	26.6%	31,516	28.9%
Finchley & Golders Green	5,816	30.9%	44,566	40.9%
Hendon	8,024	42.6%	32,848	30.2%
Size requirement				
1 bedroom	6,832	36.3%	60,232	55.3%
2 bedrooms	5,048	26.8%	30,883	28.4%
3 bedrooms	5,368	28.5%	15,005	13.8%
4+ bedrooms	1,594	8.5%	2,811	2.6%
TOTAL	18,843	100.0%	108,930	100.0%

15.4 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 five years (37.3% of all key worker households compared with 31.5% 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	2,329	12.4%	12,237	11.2%
1 to 2 years ago	1,586	8.4%	9,108	8.4%
2 to 5 years ago	3,114	16.5%	12,945	11.9%
5 to 10 years ago	3,354	17.8%	17,275	15.9%
Over 10 years ago	8,358	44.4%	54,913	50.4%
Always lived here	102	0.5%	2,452	2.3%
TOTAL	18,843	100.0%	108,930	100.0%

Previous tenure and location information for households moving in the last five years is presented in the table below. The results show that only 7.4% of key worker households moving in the last five years were newly forming households compared to around a fifth of non key worker households. Key worker households were more likely to have moved from private rented accommodation, whilst a greater proportion of non-key worker households had moved from social rented accommodation. In terms of location, the data suggests that key worker households are less likely to have been in-migrant households than non key workers.

Characteristic	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Tenure of previous home				
Owner-occupied	2,520	35.9%	11,733	34.2%
Social rented	200	2.8%	3,309	9.6%
Private rented	3,788	53.9%	12,542	36.6%
Newly forming household	521	7.4%	6,707	19.6%
Location of previous home				
In the London Borough of Barnet	3,542	50.4%	16,282	47.5%
Camden	139	2.0%	1,895	5.5%
Enfield	303	4.3%	1,506	4.4%
Haringey	674	9.6%	1,494	4.4%
Islington	76	1.1%	499	1.5%
City of Westminster	162	2.3%	321	0.9%
Elsewhere in London	673	9.6%	3,576	10.4%
Elsewhere in the South East	416	5.9%	2,637	7.7%
Elsewhere in the United Kingdom	525	7.5%	2,880	8.4%
Abroad	518	7.4%	3,201	9.3%
TOTAL	7,028	100.0%	34,291	100.0%

15.5 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 18,843 key worker households a total of 28.0% need or are likely to move over the next two years. This figure is slightly higher, around 32.9%, 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	231	1.2%	3,871	3.6%
Within a year	2,117	11.2%	11,481	10.5%
1 to 2 years	902	4.8%	7,384	6.8%
2 to 5 years	2,025	10.7%	13,090	12.0%
No need/not likely to move	13,568	72.0%	73,105	67.1%
TOTAL	18,843	100.0%	108,930	100.0%

The table indicates that 5,275 key worker households stated they were likely/needed to move within the next five 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 five years.

Table 15.6 Housing preferences of households seeking to move in the next five years				
Housing preferences	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Tenure				
Buy own home	3,570	67.7%	26,390	73.7%
Rent from the Council	695	13.2%	5,179	14.5%
Rent from a Housing Association	98	1.9%	860	2.4%
Rent from a private landlord	912	17.3%	3,138	8.8%
Shared Ownership	0	0.0%	83	0.2%
Other	0	0.0%	175	0.5%
Location				
In the London Borough of Barnet	2,820	53.5%	21,533	60.1%
Camden	0	0.0%	894	2.5%
Enfield	0	0.0%	236	0.7%
Haringey	0	0.0%	500	1.4%
Islington	0	0.0%	0	0.0%
City of Westminster	23	0.4%	10	0.0%
Elsewhere in London	132	2.5%	2,186	6.1%
Elsewhere in the South East	874	16.6%	5,712	15.9%
Elsewhere in the United Kingdom	759	14.4%	3,112	8.7%
Abroad	667	12.6%	1,642	4.6%
Stated size preference				
1 bedroom	584	11.1%	5,408	15.1%
2 bedrooms	1,597	30.3%	10,698	29.9%
3 bedrooms	2,127	40.3%	12,479	34.8%
4+ bedrooms	967	18.3%	7,240	20.2%
TOTAL	5,275	100.0%	35,825	100.0%

The table indicates that owner-occupation is the preference for two-thirds of key worker households compared to almost three-quarters of non-key worker households. Key worker households are more likely than non-key worker households to want private rented accommodation but are less likely to want a social rented home. In terms of location it appears as if key worker households are more likely to want to move from the Borough (in particular elsewhere in the UK or abroad). Finally, in terms of stated size preferences, key worker households are more likely to seek two and three bedroom properties, and are less likely to seek one and four bedroom homes.

15.6 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 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 annual gross income (including non-housing benefits). The table suggests that generally key worker households have lower income levels than non-key worker households (those in employment). Key worker households also have a lower level of savings than non-key worker households. 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.

Category	Annual gross household income (including non-housing benefits)	Average household savings
All key worker household	£38,846	£16,611
All non-key worker (in employment)	£44,153	£25,184
All other households (no-one working)	£13,191	£31,949
All households	£33,752	£26,021

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 five years.

Category	All key worker households		Key workers moving in next five years	
	Number of households	% of households	Number of households	% of households
Social rent only	5,562	29.5%	2,542	48.2%
Afford intermediate housing	1,985	10.5%	792	15.0%
Afford market housing	11,295	59.9%	1,941	36.8%
Total	18,843	100.0%	5,275	100.0%

The table indicates that around 60% of all key worker households are able to afford entry-level prices in the market. It is interesting to note that of the 7,547 households unable to afford minimum market prices, 73.7% can only afford social rented housing, whilst 26.3% can afford intermediate housing.

The profile of those key worker households who need/are likely to move in the next five years is quite different. A much smaller proportion of these households are able to afford entry-level prices, however of those unable to afford the market, a similar proportion are able to afford intermediate housing (23.7%).

The questionnaire asked households whether they were aware of a range of intermediate housing products, including key worker living schemes. The survey indicates that 43.0% of key worker households were aware of key worker living schemes, which is higher than the awareness of this product amongst non-key worker households (24.3%).

15.7 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. The table below gives an estimate of how much of the housing will be from key workers and also an estimate of the likely supply to these households. The table shows there is an estimated net need for 845 dwellings per annum for key worker households. This figure represents 16.4% of the total affordable requirement in the Borough.

Table 15.9 Basic Needs Assessment Model and (key worker households)			
Household category	Need	Supply	TOTAL
Key workers	848	3	845
Not key worker	5,023	720	4,303
TOTAL	5,871	723	5,148

15.8 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 37,891 people in key worker occupations and 18,845 households are headed by a key worker. These households are more likely to be owner-occupiers than non key workers; they are also 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 five years than non-key workers and are more likely to have moved from private rented accommodation than non-key workers
- Key worker households are less likely to want to move within the Borough and are less likely to want to buy their own home
- Key worker households have lower incomes than non-key worker households (in employment)
- Around 60% of key worker households can afford market housing in the Borough. Of those that can't afford, intermediate housing options are only affordable for a quarter. Looking only at those key worker households who need or are likely to move in the next five years we find that they are less likely to be able to afford market housing
- In terms of the need for affordable housing the study suggests that around 16.4% of the net affordable housing requirement comes from key worker households.

16. Ethnic minority households

16.1 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. Due to the small sample size of some of the groups, some of the categories have been re-grouped, resulting in eight different ethnic groups.

The table below shows estimates of the number of households in each of the eight ethnic groups and the number of survey responses. For the analysis in this chapter, the ethnic group of the survey respondent is taken to represent the head of household.

Ethnic group	Total number of households	% of households	Number of returns	% of returns
White - British	74,588	58.4%	902	57.4%
White - Irish	3,955	3.1%	55	3.5%
White - Other	22,832	17.9%	227	14.4%
Asian or Asian British - Indian	5,746	4.5%	63	4.0%
Asian or Asian British - Other	6,576	5.1%	78	5.0%
Black or Black British - African	4,361	3.4%	115	7.3%
Black or Black British - Other	2,498	2.0%	40	2.5%
Any other ethnic group	7,215	5.6%	91	5.8%
Total	127,773	100.0%	1,571	100.0%

The above table shows that overall, Black households were slightly over-represented amongst survey respondents whereas White households were slightly under-represented. The survey estimates that almost four-fifths of households in the Borough are headed by a White person, 9.6% are headed by an Asian person, 5.4% by a Black person and 5.6% by a person that classified themselves as an other ethnic group (including Mixed). In total 20.9% of households are headed by someone who describes themselves as non-white, although a further 21.0% of households are headed by a White non-British person.

16.2 Household size

The number of persons in each household disaggregated by ethnic origin is shown in the table below.

Table 16.2 Household size and ethnicity

Ethnic group	Number of persons in household							Total	Average HH size
	1	2	3	4	5	6 or more			
White - British	24,322	23,615	10,882	9,673	4,667	1,428	74,587	2.35	
White - Irish*	1,615	930	861	258	291	0	3,955	2.16	
White - Other	6,878	7,428	3,089	3,685	1,060	692	22,832	2.46	
Asian or Asian British - Indian	599	812	1,763	1,696	383	492	5,745	3.35	
Asian or Asian British - Other	1,788	1,189	1,595	488	1,033	483	6,576	2.93	
Black or Black British - African	1,206	887	604	1,168	261	234	4,360	2.81	
Black or Black British - Other*	1,304	663	182	205	109	36	2,499	1.90	
Any other ethnic group	1,795	2,166	1,848	1,010	387	10	7,216	2.46	
Total	39,507	37,690	20,824	18,183	8,191	3,375	127,773	2.45	

* Results based on a small sample so treat with caution

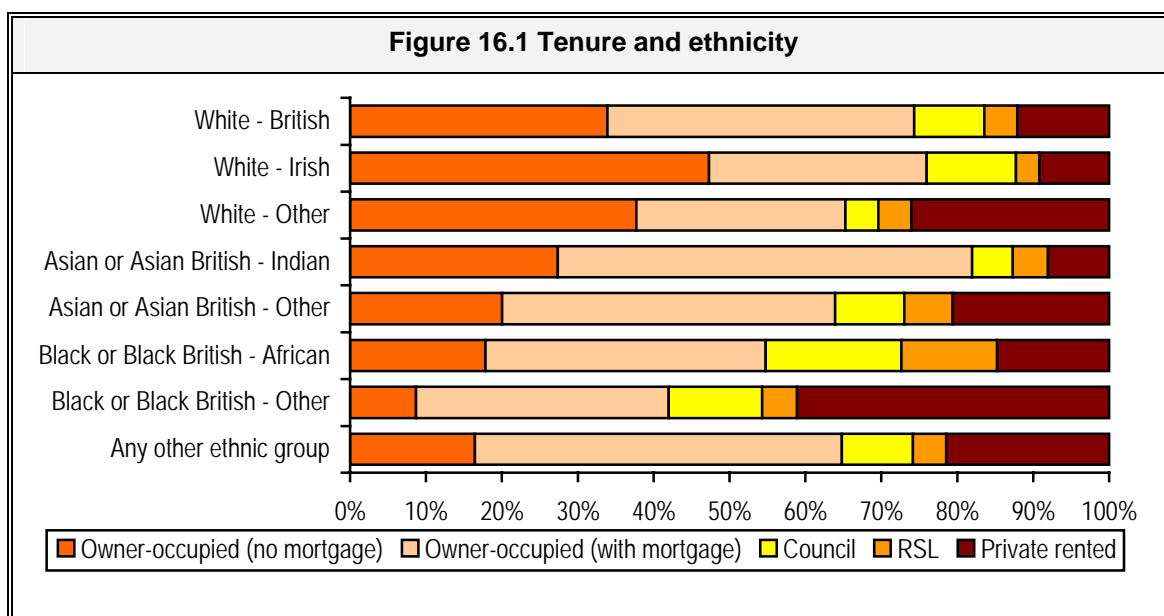
It can be observed that Asian or Asian British – Indian households have the highest average household size with an estimated 3.35 persons per household. In contrast Black and Black British - Other households have the lowest average household size at 1.90 persons per household. These figures compare with a Borough average of 2.45 persons per household.

16.3 Tenure

The table and figure below show ethnic group and tenure. The data shows that Black and Black British - African households are more likely than other groups to be living in social rented housing. Black and Black British - Other households are particularly likely to live in the private rented sector. Asian and Asian British – Indian and White Irish households are most likely to be owner-occupiers.

Table 16.3 Tenure and ethnicity						
Ethnic group	Tenure					Total
	Owner-occupied (no mortgage)	Owner-occupied (with mortgage)	Council	RSL	Private rented	
White - British	25,294	30,134	6,882	3,257	9,021	74,588
White - Irish*	1,870	1,135	464	122	364	3,955
White - Other	8,613	6,291	992	988	5,949	22,833
Asian or Asian British - Indian	1,572	3,136	310	266	462	5,746
Asian or Asian British - Other	1,317	2,886	598	419	1,356	6,576
Black or Black British - African	778	1,611	779	550	643	4,361
Black or Black British - Other*	217	831	308	115	1,026	2,497
Any other ethnic group	1,186	3,489	675	316	1,549	7,215
Total	40,847	49,513	11,008	6,033	20,370	127,773

* Results based on a small sample so treat with caution

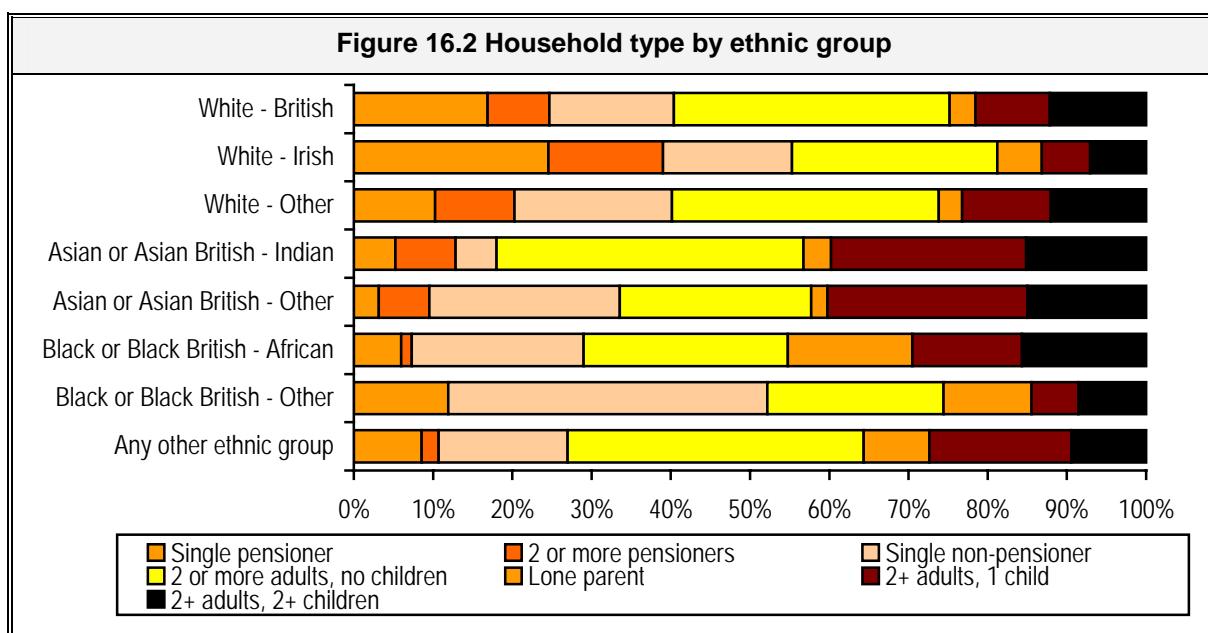


16.4 Household type and special needs

The table below shows ethnic group and household type. The results clearly show that Black and Black British - African are the most likely group to be lone parents, whereas White Irish households are most likely to be pensioner households. Asian and Asian British households are the group most likely to contain children and two or more adults.

Table 16.4 Household type and ethnicity								
Ethnic Group	Household Type							Total
	Single Pensioner	2 or more pensioners	Single non-pensioner	2 or more adults, no children	Lone parent	2+ adults, 1 or more children	2+ adults, 2+ children	
White - British	12,602	5,798	11,721	25,972	2,426	7,011	9,059	74,589
White - Irish*	971	572	644	1,025	223	241	279	3,955
White - Other	2,343	2,286	4,536	7,694	668	2,561	2,744	22,832
Asian or Asian British - Indian	301	436	298	2,226	198	1,417	869	5,745
Asian or Asian British - Other	207	420	1,581	1,588	136	1,658	986	6,576
Black or Black British - African	260	59	946	1,123	685	604	684	4,361
Black or Black British - Other*	298	0	1,006	556	278	147	214	2,499
Any other ethnic group	618	153	1,177	2,695	599	1,292	682	7,216
Total	17,600	9,724	21,909	42,879	5,213	14,931	15,517	127,773

* Results based on a small sample so treat with caution



The table below shows ethnic group by support needs. The results show that White Irish households were the most likely to have support needs (around a fifth). Black and Black British - Other and Asian and Asian British –Other households are the least likely to contain a person with support needs. Overall, almost two-thirds of support needs households are headed by a White British person.

Table 16.5 Support needs households and ethnic group					
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 - British	12,155	62,433	74,588	16.3%	64.9%
White - Irish*	839	3,116	3,955	21.2%	4.5%
White - Other	3,375	19,457	22,832	14.8%	18.0%
Asian or Asian British - Indian	696	5,051	5,747	12.1%	3.7%
Asian or Asian British - Other	347	6,229	6,576	5.3%	1.9%
Black or Black British - African	524	3,837	4,361	12.0%	2.8%
Black or Black British - Other*	129	2,369	2,498	5.2%	0.7%
Any other ethnic group	668	6,548	7,216	9.3%	3.6%
Total	18,733	109,040	127,773	14.7%	100.0%

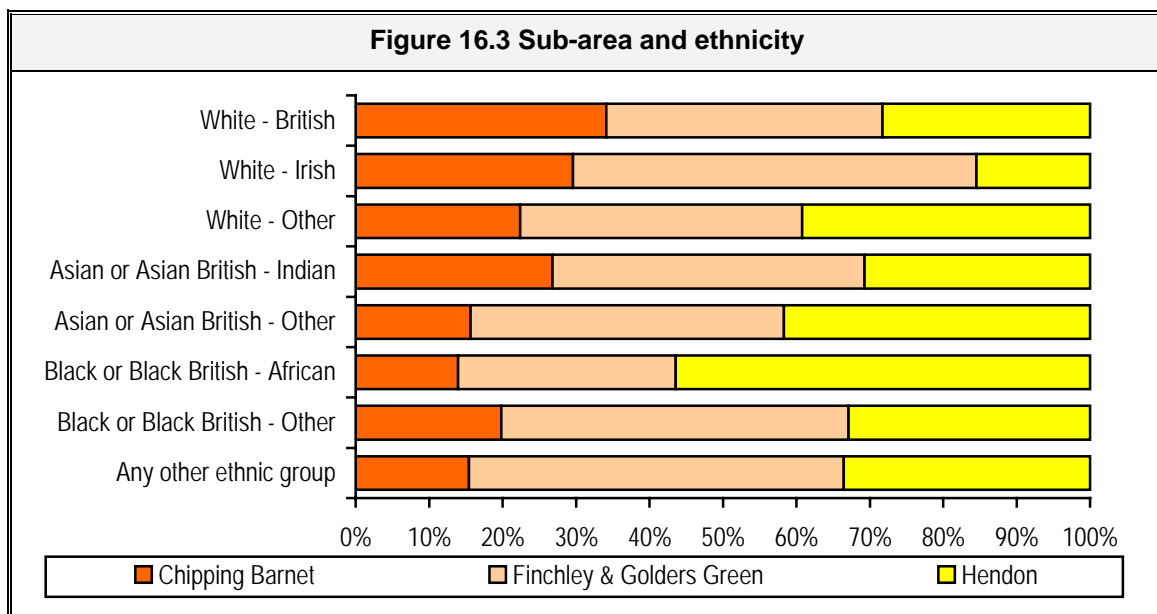
* Results based on a small sample so treat with caution

16.5 Geographical location

The table below shows the geographical distribution of ethnic minority households. It is clear from the data that certain groups are more predominately located in certain areas. Black and Black British - African households are more likely than others to live in Hendon, whilst White Irish households are particularly likely to live in Finchley & Golders Green.

Table 16.6 Ethnic group and sub-area				
Ethnic group	Sub area			
	Chipping Barnet	Finchley & Golders Green	Hendon	Total
White - British	25,446	28,045	21,097	74,588
White - Irish*	1,171	2,173	612	3,956
White - Other	5,117	8,762	8,953	22,832
Asian or Asian British - Indian	1,541	2,439	1,766	5,746
Asian or Asian British - Other	1,028	2,807	2,742	6,577
Black or Black British - African	608	1,292	2,461	4,361
Black or Black British - Other*	495	1,182	822	2,499
Any other ethnic group	1,113	3,683	2,420	7,216
Total	36,519	50,383	40,873	127,775

* Results based on a small sample so treat with caution



16.6 Income and savings levels

The table below shows income levels for each ethnic category. The average income of all households in the Borough was estimated at £33,752. The table shows that there is noticeable difference between income levels of different ethnic groups with the White British households recording the highest average income and Black and Black British - African households the lowest. Savings levels differ even more markedly with White Irish households recording average savings of £35,465 and Black and Black British - African households recording £8,818.

Ethnic group	Annual gross household income (including non-housing benefits)	Average household savings
White - British	£35,778	£27,043
White - Irish*	£28,721	£35,465
White - Other	£31,612	£29,605
Asian or Asian British - Indian	£34,852	£14,253
Asian or Asian British - Other	£29,580	£13,780
Black or Black British - African	£21,874	£8,818
Black or Black British - Other*	£29,673	£20,716
Any other ethnic group	£33,852	£31,707
All households	£33,752	£26,021

* Results based on a small sample so treat with caution

16.7 Unsuitable housing

The table below shows how the incidence of unsuitable housing varies by ethnic group. The table shows that Black or Black British – African are most likely to be in unsuitable housing (over a quarter of households), whereas the White Irish group are the least likely - only 5.8% of households. These figures compare to a borough average of 12.3%.

Ethnic group	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
White - British	7,801	66,788	74,589	10.5%	49.6%
White - Irish*	231	3,724	3,955	5.8%	1.5%
White - Other	3,127	19,705	22,832	13.7%	19.9%
Asian or Asian British - Indian	1,146	4,600	5,746	19.9%	7.3%
Asian or Asian British - Other	1,379	5,197	6,576	21.0%	8.8%
Black or Black British - African	1,139	3,222	4,361	26.1%	7.2%
Black or Black British - Other*	425	2,073	2,498	17.0%	2.7%
Any other ethnic group	470	6,746	7,216	6.5%	3.0%
Total	15,718	112,055	127,773	12.3%	100.0%

* Results based on a small sample so treat with caution

16.8 BME households and the basic needs assessment model

It is possible to consider the ethnicity of households identified as being in need in the Basic Needs Assessment model. As the sample of households in need is relatively small it is necessary to amalgamate the eight ethnic groups used in the preceding sections of this chapter into four broad groups. The table below gives an estimate of how much of the gross housing need will be from each ethnic group and also an estimate of the likely supply to these households. The table shows there is a net need for affordable housing from each ethnic group. Overall an estimated 69.3% of the net affordable housing requirement is for households headed by a White person.

Ethnic group	Need	Supply	TOTAL
White	3,890	323	3,567
Mixed & Other	592	109	483
Asian	636	76	560
Black	753	215	538
TOTAL	5,871	723	5,148

16.9 Country of birth

All of the Household respondents that took part in the survey were asked to identify their country of birth. Almost ninety different answers were given in response to this question, meaning it is necessary to group the responses together to present the information. The table below indicates the place of birth of the heads of household in Barnet. The results show that 62.1% of household heads were born in the UK, 16.4% were born elsewhere in Europe and 12.8% were born in Asia (including 5.5% born in the Indian sub-continent).

Place of birth	Number of households	% of all households
UK	79,382	62.1%
Elsewhere in Europe	21,004	16.4%
Africa	6,768	5.3%
Indian sub-continent	7,014	5.5%
Other Asia	9,292	7.3%
Americas	3,995	3.1%
Australasia	318	0.2%
TOTAL	127,773	100.0%

16.10 Summary

The survey estimates that almost four-fifths of households in the Borough are headed by a White person, 9.6% are headed by an Asian person, 5.4% by a Black person and 5.6% by a person that classified themselves as an other ethnic group (including Mixed). The sample size was sufficient for results to be presented for eight different ethnic group.

The survey indicates that Asian or Asian British – Indian households have the highest average household size with an estimated 3.35 persons per household. In contrast Black and Black British - Other households have the lowest average household size at 1.90 persons per household. Black and Black British - Other households are also particularly likely to live in the private rented sector, whilst Black and Black British - African households are more likely than other groups to be living in social rented housing.

The survey showed considerable difference in both income and savings levels between the different groups. Overall an estimated 69.3% of the net affordable housing requirement is for households headed by a White person, although there is a net need for affordable housing from each ethnic group.

17 Households in temporary accommodation

17.1 Introduction

The survey estimates that there are 660 households in the Council rented sector that have non-secure tenancies (i.e. they live in temporary accommodation). This estimate is based on 26 responses, which although too small to provide a robust evidence base, allows us to present indicative information about this group. The results of this chapter should therefore be treated with caution.

17.2 Housing characteristics of households in temporary accommodation

The table below shows various household and housing characteristics of households in temporary accommodation. The results indicate that the majority of temporary households are either lone parent households or single non-pensioner households. Some 87.5% of temporary households are one of these two household types compared to 20.8% of non-temporary households in Barnet.

In terms of the geographical location of temporary households the data reveals that such households are particularly likely to be living in Hendon.

The data suggests that a quarter of temporary households contain someone with a support need. Finally, the data suggests that temporary households are far more likely to be headed by a Black person than non-temporary households.

Table 17.1 Households in temporary accommodation and housing/household characteristics				
Characteristic	Temporary household		Not temporary household	
	Number of households	% of households	Number of households	% of households
Household composition				
Single pensioners	28	4.2%	17,572	13.8%
2 or more pensioners	0	0.0%	9,725	7.7%
Single non-pensioners	249	37.7%	21,660	17.0%
2 or more adults – no children	21	3.2%	42,857	33.7%
Lone parent	329	49.8%	4,884	3.8%
2+ adults 1 child	11	1.7%	14,919	11.7%
2+ adults 2+ children	22	3.3%	15,495	12.2%
Sub-area				
Chipping Barnet	40	6.1%	36,480	28.7%
Finchley & Golders Green	86	13.0%	50,296	39.6%
Hendon	534	80.9%	40,337	31.7%
Support needs				
Support needs	165	25.0%	18,569	14.6%
No support needs	495	75.0%	108,544	85.4%
Ethnicity of household head				
White	367	55.6%	101,009	79.5%
Mixed & Other	10	1.5%	7,206	5.7%
Asian	13	2.0%	12,310	9.7%
Black	270	40.9%	6,589	5.2%
TOTAL	660	100.0%	127,113	100.0%

17.3 Previous household moves of households in temporary accommodation

All of the households in temporary accommodation surveyed had moved to their home in the last two years. The table below indicates the previous tenure and location information for these households compared to all other households moving in the last two years. The results show that over half of temporary households previously lived in different temporary accommodation whilst a further quarter were newly forming households. In terms of location, the data suggests that temporary households are far less likely to have been in-migrant households than non temporary households.

Table 17.2 Previous tenure and location of households moving in last two years				
Characteristic	Temporary household		Not temporary household	
	Number of households	% of households	Number of households	% of households
Tenure of previous home				
Owner-occupied	32	4.8%	7,377	29.7%
Social rented	48	7.3%	1,799	7.2%
Private rented	38	5.7%	11,498	46.3%
Temporary accommodation	357	54.0%	1,315	5.3%
Newly forming household	186	28.1%	2,825	11.4%
Location of previous home				
In the London Borough of Barnet	546	82.7%	11,566	46.6%
Camden	32	4.8%	1,097	4.4%
Enfield	11	1.7%	661	2.7%
Haringey	38	5.8%	1,172	4.7%
Islington	0	0.0%	470	1.9%
City of Westminster	0	0.0%	344	1.4%
Elsewhere in London	27	4.1%	2,538	10.2%
Elsewhere in the South East	0	0.0%	2,553	10.3%
Elsewhere in the United Kingdom	0	0.0%	1,918	7.7%
Abroad	6	0.9%	2,493	10.0%
TOTAL	660	100.0%	24,813	100.0%

17.4 Housing aspirations of households in temporary accommodation

The survey also collected information on the future aspirations of households in temporary accommodation. The table below indicates that of the 660 temporary households a total of 57.0% need or are likely to move over the next two years, which is much higher than the equivalent figure for non-temporary households (20.2%). All temporary households need or are likely to move within the next five years. This pattern would be expected given the nature of the accommodation.

Table 17.3 Households in temporary accommodation and future moves				
When need/likely to move	Temporary household		Not temporary household	
	Number of households	% of households	Number of households	% of households
Now	75	11.3%	4,026	3.2%
Within a year	220	33.3%	13,379	10.5%
1 to 2 years	82	12.4%	8,204	6.5%
2 to 5 years	284	43.0%	14,910	11.7%
No need/not likely to move	0	0.0%	86,594	68.1%
TOTAL	660	100.0%	127,113	100.0%

The table indicates that all 660 temporary households stated they were likely/needed to move within the next five 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-temporary households wanting to move within the next five years.

Table 17.4 Housing preferences of households seeking to move in the next five years				
Housing preferences	Temporary household		Not temporary household	
	Number of households	% of households	Number of households	% of households
Tenure				
Buy own home	38	5.7%	29,927	73.9%
Rent from the Council	332	50.3%	5,582	13.8%
Rent from a Housing Association	236	35.8%	750	1.9%
Rent from a private landlord	0	0.0%	4,050	10.0%
Shared Ownership	0	0.0%	83	0.2%
Other	54	8.2%	127	0.3%
Location				
In the London Borough of Barnet	507	76.8%	23,906	59.0%
Elsewhere in London	25	3.9%	3,958	9.8%
Elsewhere in the South East	0	0.0%	6,586	16.3%
Elsewhere in the United Kingdom	73	11.1%	3,807	9.4%
Abroad	54	8.2%	2,261	5.6%
Stated size preference				
1 bedroom	79	11.9%	5,923	14.6%
2 bedrooms	502	76.1%	11,853	29.3%
3 bedrooms	79	12.0%	14,536	35.9%
4+ bedrooms	0	0.0%	8,207	20.3%
TOTAL	660	100.0%	40,519	100.0%

The table indicates that social rented accommodation is the preference for 86.1% of temporary households compared to just 15.7% of non-temporary households. In terms of location it appears as if temporary households are more likely to want to remain within the Borough. Finally, in terms of stated size preferences, temporary households are more likely to seek two bedroom properties, and are less likely to seek three and four bedroom homes.

17.5 Income of households in temporary accommodation

The table below shows a comparison of income and savings levels for temporary and non-temporary households.

The figure for non-temporary households has been split between depending on whether or not they are resident in the Council rented sector. Figures shown are for annual gross income (including non-housing benefits). The table suggests that generally temporary households have lower income levels than non-temporary households in the Council rented sector. Temporary households also have a lower level of savings than other Council residents. Average household income amongst temporary households is approximately a sixth of the Borough-wide average.

Table 17.5 Income and savings levels of households in temporary accommodation		
Category	Annual gross household income (including non-housing benefits)	Average household savings
All temporary household	£5,717	£297
Non temporary households in Council accommodation	£12,315	£1,197
Other non temporary households	£35,222	£27,816
All households	£33,752	£26,021

17.6 Summary

The survey estimates that there are 660 households in the Council rented sector that have non-secure tenancies (i.e. they live in temporary accommodation). This chapter provided a brief overview of these households.

The survey indicated that households in temporary accommodation are particularly likely to be lone parent households and are also likely to be headed by a Black person. The most common place of residence for these households is the sub-area of Hendon. Over half of the households have moved from different temporary accommodation and 86.1% aspire to live in social rented accommodation. The income and savings levels of households in temporary accommodation is lower than that of other households in Council rented stock and much lower than the Borough-wide average.

The results presented in this chapter are based on a sample of just 26 responses so they should be treated with caution.

18. Overcrowding and under-occupation

18.1 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.

18.2 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	16,704	20,746	21,108	8,506	67,064
2 bedrooms	1,495	11,005	14,340	9,092	35,932
3 bedrooms	111	2,622	9,520	8,120	20,373
4+ bedrooms	8	339	1,505	2,553	4,405
TOTAL	18,318	34,712	46,473	28,271	127,773

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 a five bedroom property but are currently occupying a four bedroom property.

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

- **Overcrowded:** 5.4% of households = 6,294 households
- **Under-occupied:** 32.7% of households = 41,769 households

18.3 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. Social renting households are least likely to be under-occupied and most likely to be overcrowded.

Household type analysis suggests that lone parent households and households containing at least two adults and a least two children have the highest rates of overcrowding. Lone parent households display the lowest levels of under-occupation. Households containing two or more pensioners are most likely to be under-occupying.

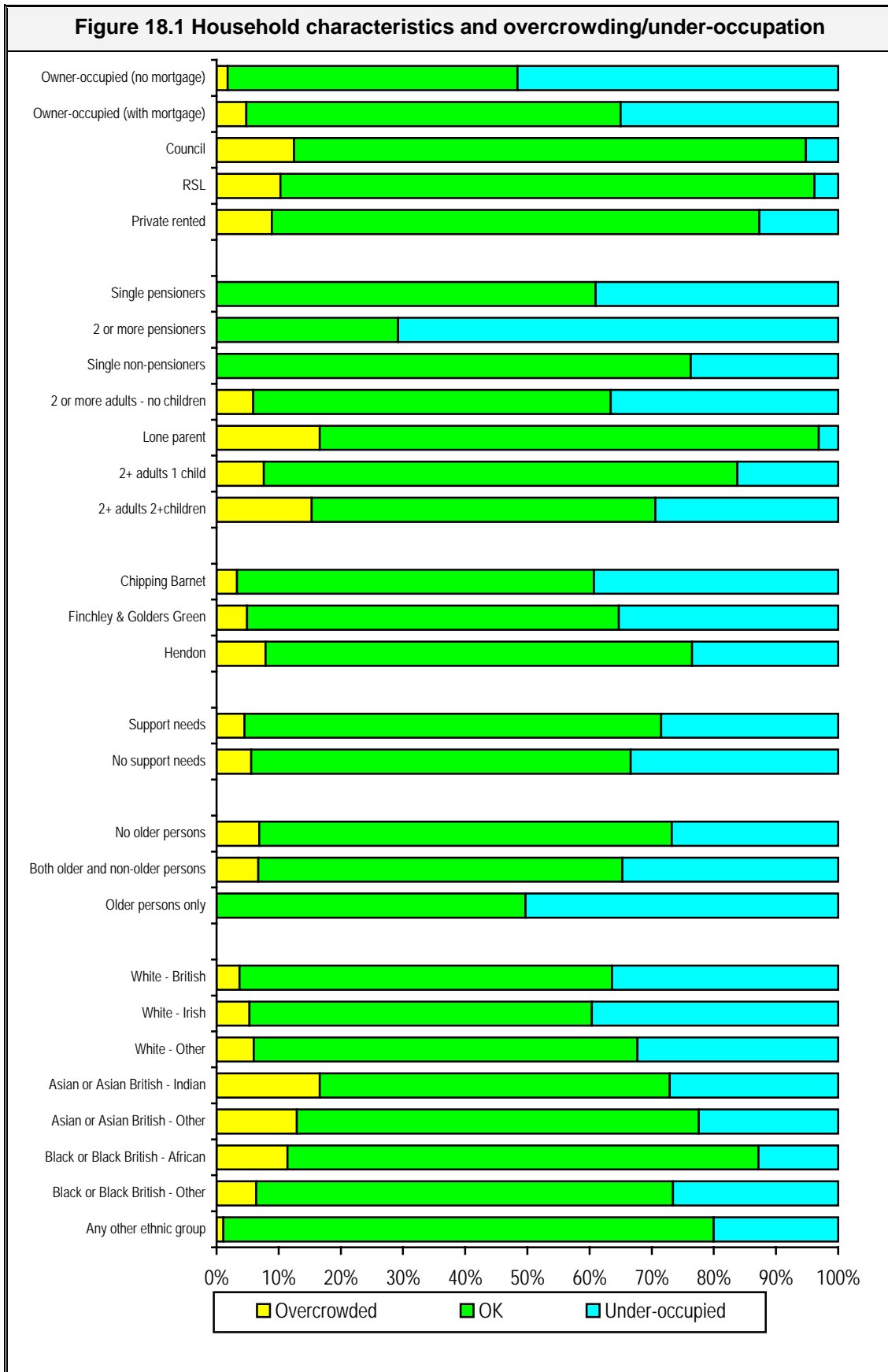
By sub-area, Chipping Barnet has the highest proportion of under-occupied dwellings (39.3%); and Hendon the highest level of overcrowded dwellings (7.9%).

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

The age distribution confirms the household type analysis above (i.e. no overcrowding and high under-occupancy amongst pensioner households); though interestingly the data shows that overcrowding levels for households containing both older and non older persons and non older persons only are very similar.

By ethnicity, the data indicates that Indian households are the most likely to be overcrowded, whilst Black African households are the least likely to be under-occupying. Very few households in the other ethnic group are overcrowded.

Overall the group most strongly associated with overcrowding are households containing two or more adults and two or more children residing in the social rented sector. In total 27.9% of these households are recorded as overcrowded.



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 18.2 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	6,364	125	159	0	223	6,871
2 or more pensioners	6,407	192	140	0	148	6,887
Single non-pensioner	1,517	2,562	127	0	982	5,188
2 or more adults, no children	5,897	8,514	142	227	898	15,678
Lone parent	0	161	0	0	0	161
2+ adults, 1 child	127	2,233	0	0	57	2,417
2+ adults, 2+ children	761	3,534	0	0	272	4,567
TOTAL	21,073	17,321	568	227	2,580	41,769

The table shows that there are a significant number of pensioner households under-occupying in the owner-occupied (no mortgage) sector. Of all under-occupying households in the social rented sector, 37.6% contained pensioners only and none contained children

18.4 Income levels

The figure below shows the income levels of households who are overcrowded or under-occupied. The data shows that under-occupied households have the highest average household income (at £44,775). If these figures are adjusted depending on the number of persons in the households this trend is exacerbated. Overcrowded households have an average income per person of only £6,691; this figure rises to £20,419 for households who are under-occupying.

Table 18.3 Overcrowding/under-occupancy and income			
Overcrowded/under-occupied	Average gross annual income	Average number of persons in households	Average income per person
Overcrowded	£30,363	4.54	£6,691
Neither overcrowded nor under-occupied	£28,227	2.41	£11,722
Under-occupied	£44,775	2.19	£20,419
TOTAL	£33,752	2.45	£13,759

18.5 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 38.9% of overcrowded households need or expect to move within the next two years, this compares with only 10.2% of households who currently under-occupy their dwelling.

Table 18.4 Moving intentions of overcrowded and under-occupying households			
Overcrowded/under-occupied	Number need/expect to move	Total h'holds	% needing/ expecting to move
Overcrowded	2,696	6,924	38.9%
Neither overcrowded nor under-occupied	19,021	79,080	24.1%
Under-occupied	4,268	41,769	10.2%
TOTAL	25,987	127,773	20.3%

18.6 Summary

This brief chapter looked at overcrowding and under-occupation. The results suggest that 5.4% of all households are overcrowded and 23.7% under-occupy their dwelling. The owner-occupied (no mortgage) sector shows the highest levels of under-occupation; whilst the social rented sector has the highest level of overcrowding.

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

19. Student households

19.1 Introduction

Throughout the report student-only households have been excluded from the analysis as, although most have low incomes, they do not generally qualify for affordable housing due to the short-term nature of their residence. This chapter examines the housing circumstances of student households living in ‘ordinary residential accommodation’ in Barnet. The survey estimates that there are some 2,527 student households living in ‘ordinary residential accommodation’ within Barnet. This figure of 2,527 is based on 27 responses from student households. The data from the survey should therefore be treated with caution and will only provide an indication as to patterns rather than an accurate estimate of figures.

19.2 Dwelling characteristics

The table below shows the type of accommodation that student households reside in. The data indicates that the majority of student households reside in flats/maisonettes. Overall 75.4% of student households live in a flat/maisonette.

Dwelling type	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
Detached house/bungalow*	0	14,890	14,890	0.0%	0.0%
Semi-detached house/bungalow	407	40,217	40,624	1.0%	16.1%
Terraced house/bungalow	220	23,509	23,729	0.9%	8.7%
Purpose-built flat/maisonette	921	36,648	37,569	2.5%	36.4%
Other flat/maisonette**	980	12,508	13,488	7.3%	38.8%
TOTAL	2,527	127,773	130,300	1.9%	100.0%

* Includes mobile homes

**Other flat/maisonette includes flats that are part of a converted or shared house and flats in a commercial building

Accommodation size disaggregated by student and non-student households is shown in the table below. The data indicates that almost half of student households live in one bedroom properties.

Table 19.2 Size of dwellings student households reside in					
Number of bedrooms	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
1 bedroom	1,218	18,317	19,535	6.2%	48.2%
2 bedrooms	512	34,712	35,224	1.5%	20.3%
3 bedrooms	433	46,473	46,906	0.9%	17.1%
4+ bedrooms	363	28,271	28,634	1.3%	14.4%
TOTAL	2,526	127,773	130,299	1.9%	100.0%

19.3 Household size

The number of persons in each household disaggregated by student and non-student households is shown in the table below. It can be observed that 54.6% of student households contain only one person, although some 17.8% contain four or more people.

Table 19.3 Size of student households					
Number of persons in household	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
One	1,379	39,509	40,888	3.4%	54.6%
Two	500	37,690	38,190	1.3%	19.8%
Three	199	20,825	21,024	0.9%	7.9%
Four	326	18,182	18,508	1.8%	12.9%
Five	86	8,191	8,277	1.0%	3.4%
Six or more	37	3,376	3,413	1.1%	1.5%
TOTAL	2,527	127,773	130,300	1.9%	100.0%

Due to the notable number of student households that contain four or more people it is useful to examine the rate of overcrowding that exists amongst this group. The data on occupation level and student households is presented in the table below. It shows that there are 86 student households are overcrowded.

Table 19.4 Student households and overcrowding					
Overcrowded/under-occupied	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
Overcrowded	86	6,924	7,010	1.2%	3.4%
Neither	2,265	79,080	81,345	2.8%	89.6%
Under-occupied	177	41,769	41,946	0.4%	7.0%
TOTAL	2,528	127,773	130,301	1.9%	100.0%

19.4 Unsuitable housing

It is possible to analyse the number of student households that are in unsuitable housing. This is presented in the table below. The data shows that student households are less likely to be in unsuitable housing as non-student households. This result should be treated with caution due to the small sample it is based on.

Table 19.5 Student households and unsuitable housing					
	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
In unsuitable housing	86	15,719	15,805	0.5%	3.4%
Not in unsuitable housing	2,441	112,054	114,495	2.1%	96.6%
TOTAL	2,527	127,773	130,300	1.9%	100.0%

19.5 Location

It would be anticipated that student households would be concentrated in certain parts of the Borough close to the further education institutes. The table below presents the distribution of student households by sub-area. It can be observed that student households are most likely to be found in Hendon, which contain 67.4% of student households.

Table 19.6 Geographical distribution of student households					
Sub-area	Student households				
	Students	Other h'holds	Total hhs	% with students	% of student h'holds
Chipping Barnet	48	36,519	36,567	0.1%	1.9%
Finchley & Golders Green	776	50,382	51,158	1.5%	30.7%
Hendon	1,703	40,872	42,575	4.0%	67.4%
TOTAL	2,527	127,773	130,300	1.9%	100.0%

19.6 Housing aspirations

Finally it is possible to present the moving intentions of student households, important when assessing the longer-term impact on the local housing market of the group. All of the student households stated their intention to move within the next five years. The table below shows the preferred and expected tenure of student households. Other in this instance is assumed to represent university/college owned accommodation.

The survey shows that 44.4% of student households expect to live in the private rented sector in their next home with a further fifth anticipating moving into university/ college owned accommodation. Furthermore over a fifth of student households anticipate moving into the social sector. The data indicates that whilst the majority of households expect to move to their preferred tenure choice, it is clear that a number that expect to move to private rented accommodation would prefer to become owner-occupiers.

Table 19.7 Student households and tenure of next accommodation				
Tenure	Preferred		Expected	
	Number of h'holds	% of h'holds	Number of h'holds	% of h'holds
Owner-occupation	556	22.0%	268	10.6%
Council	448	17.7%	448	17.7%
Housing Association	148	5.9%	148	5.9%
Private rented	835	33.0%	1,122	44.4%
Other	540	21.4%	540	21.4%
TOTAL	2,527	100.0%	2,527	100.0%

It is also possible to consider the intended destination of the student households, as is presented in the table below. This suggests that whilst 62.2% of students households expect to remain in the Borough when they move only 56.3% would like to. Some 5.9% of student households expect to move within Barnet but would like to live elsewhere in the UK. A third of student households both want and expect to move abroad when they move to their next home.

Tenure	Preferred		Expected	
	Number of h'holds	% of h'holds	Number of h'holds	% of h'holds
In the London Borough of Barnet	1,422	56.3%	1,570	62.2%
Elsewhere in London	109	4.3%	109	4.3%
In the South East	0	0.0%	0	0.0%
Elsewhere in the United Kingdom	148	5.9%	0	0.0%
Abroad	847	33.5%	847	33.5%
TOTAL	2,527	100.0%	2,527	100.0%

19.7 Summary

Student-only households are excluded from the main analysis as they do not generally qualify for affordable housing due to the short term nature of their residence. Analysis of this group of households indicates that over half contain only one person, they are less likely than average to be in unsuitable housing and they are concentrated in the Hendon sub-area. The results presented in this chapter should however be treated with caution as they are based on a small sample.

GLOSSARY

Affordability

A measure of whether households can access and sustain the cost of private sector housing. There are two main types of affordability measure: mortgage and rental. Mortgage affordability assesses whether households would be eligible for a mortgage; rental affordability measures whether a household can afford private rental. Mortgage affordability is based on conditions set by mortgage lenders – using standard lending multipliers (2.9 times joint income or 3.5 times single income (whichever the higher)). Rental affordability is defined as the rent being less than a proportion of a household's gross income (in this case 25% of gross income).

Affordable housing

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 and subsidised low-cost home ownership (LCHO) including shared ownership.

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

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.

Intermediate Housing

Housing provided for households in work who are able to pay a social rent without relying on housing benefit, but unable to afford to buy at the lowest decile point of local house prices. This can typically be shared equity where a proportion of the property is bought and the other proportion is rented, normally from a RSL.

Migration

The movement of people between geographical areas, primarily defined in this context as local authority Boroughs. The rate of migration is usually measured as an annual number of households, living in the Borough at a point in time, who are not resident in that Borough 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.

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.

