

SPELTHORNE
HOUSING NEEDS SURVEY
FINAL REPORT
2006



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1 EXECUTIVE SUMMARY

1.1 Local Housing Survey

1.1.1 Spelthorne Borough Council formally commissioned DCA in January 2006 to carry out a Borough-wide Housing Needs Assessment and Private Stock Condition Survey.

1.1.2 In this summary you will find the main findings from a study undertaken through:-

- A postal questionnaire to 5,005 households in 13 wards across the Borough, undertaken between 3rd May 2006 and 1st June 2006. Interviews with 871 households across the Borough. In total 2,517 responses were received giving a statistical confidence at 95% level of $\pm 1.99\%$;
- A housing market survey utilising the Land Registry and Halifax House Price databases of areas within the Borough. A telephone survey of estate agents on the supply and cost of private rented housing in Spelthorne Borough was also undertaken;
- Secondary data analysis drawing upon HSSA and Housing Register data on the need and flow of social stock, the 2001 Census, household and population projections and other national research.

1.2 Population Change

1.2.1 An important feature in measuring housing needs is to forecast what is likely to happen over the next decade or so in order that provision for new housing can be planned. Population change in an area results from a number of factors – numbers of births and deaths, how the population is ageing, and the migration of people into and out of the area.

1.2.2 What about the future?

1.2.3 The population estimates have been provided by Spelthorne Borough Council and are preliminary forecasts undertaken by Surrey County Council, which assume the housing requirements in the Surrey Structure Plan are built. The 2001 Census data has been taken into consideration in the production of these population projections.

1.2.4 The total population of the Borough is projected to increase by 2.2% between 2001 and 2016; a total of 2,015 people. Most of this forecast growth is between 2001 and 2006 and the increase from 2006 to 2016 is only 270 people.

1.2.5 Numbers significantly reduce by 3,562 in the 25-44 years of age group between 2006 and 2016 and this will have an impact on the housing market, reducing numbers in this moving group within the population.

1.2.6 Growth in the population is concentrated in the older age groups, with the 45 – 64 age group (+3,278) and the 65+ age group (+2,470) showing the biggest increases. There is also forecast to be a significant rise in the numbers in the 15 to 24 age group (+2,032).

1.2.7 The retired population will increase by 16.4% (2,470) by 2016. There is an inextricable link between ageing and disability and 72.0% of those with a disability are over the age of 60.

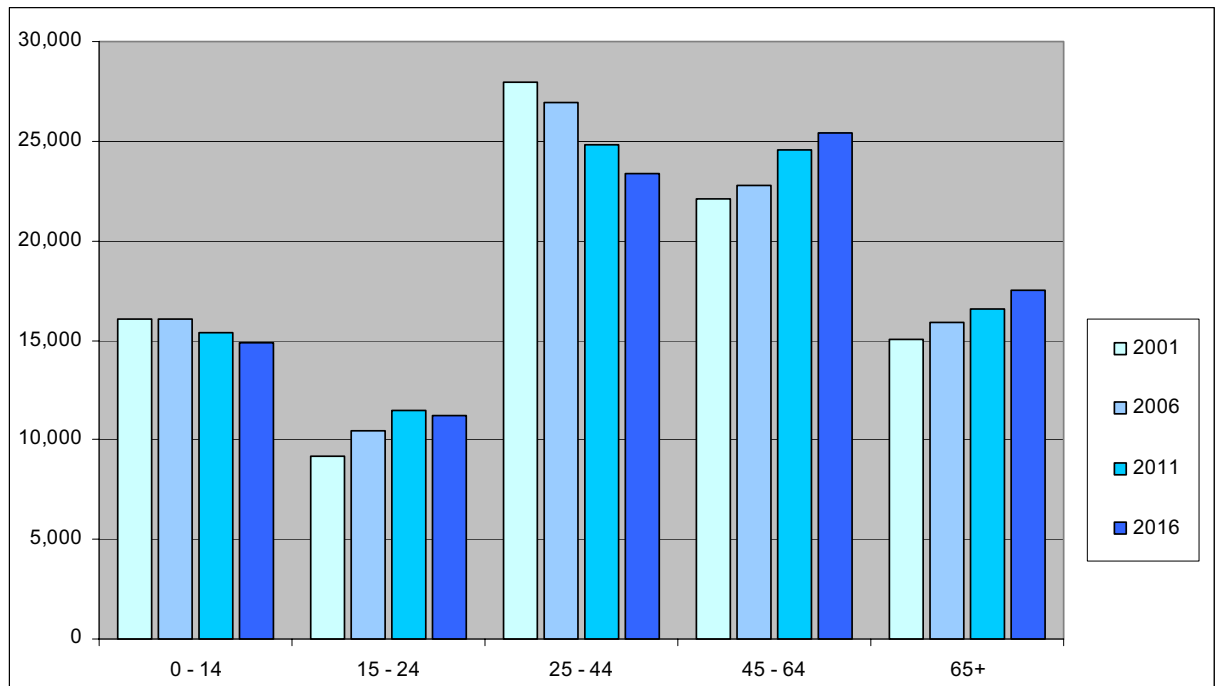
1.2.8 Migration within the housing market has an impact on population balance. 45.7% (4,081) of households who had moved in the last 3 years were in-migrants from out of the Borough.

1.2.9 51.0% (3,058 implied) of existing households who had plans to move in the next 3 years are planning to move out of the Borough. In addition 643 new forming households are planning to leave the Borough. Of those 30.7% are leaving for employment reasons.

1.2.10 The key features of population change impacting on the housing market are:

- Out migration of younger and economically active households;
- An ageing population with increasing care and support needs.

Figure 1-1 Population Change Age Band Forecast



1.3 The Economic Climate

1.3.1 The economic climate, changes in national and regional economic policy, alongside labour market trends and local income trends sets the context in which households make decisions about their housing needs and preferences.

1.3.2 Spelthorne is considered to be situated in a relatively prosperous economic region and is a significant employment location. There is a strong economic base centred in the service and transport sectors with proximity to Heathrow Airport, and good transport links to London, making the Borough an attractive and strong location.

1.3.3 The Poyle Industrial Estate and Heathrow Airport provide a significant amount of employment for Spelthorne residents, the latter employing about 10% of the Borough's workforce.

1.3.4 Skilled trade within the Borough ranges from retail to engineering with shortages of skilled workers in the construction industry.

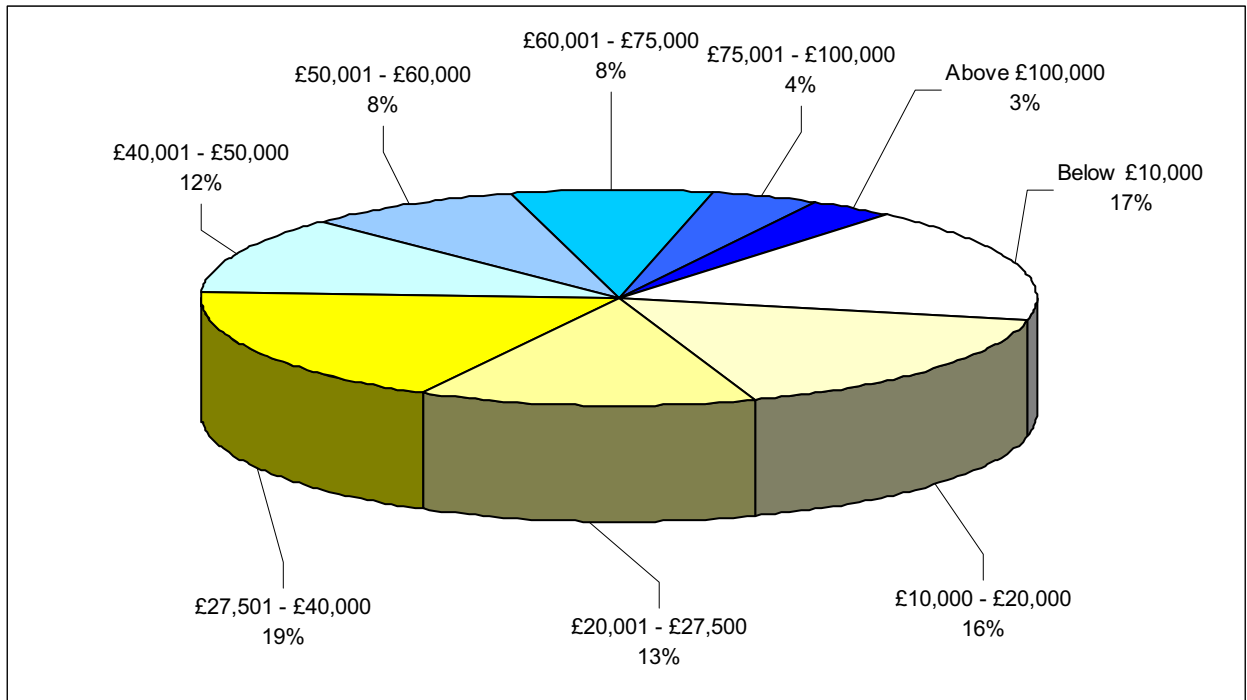
1.3.5 House price inflation in the second quarter of 2006 has increased by 2.6% on the first quarter of 2006 where 1.6% increase was reported. The overall sound UK economic background and the lowest mortgage rates since the 1950s have boosted housing demand for a sustained period but turnover has reduced substantially, prices have stabilised and some property types have reduced over the last three quarters of 2005.

1.3.6 At a local level, employment and income trends will influence housing choices;

- 60.2 % of those in employment are in managerial / technical or professional occupations. 38.1% of those in employment work within the Borough, a further 15.3% work in London;
- 26.0% of the population are retired;

- 48.5% of all households had less than £5,000 savings and a further 14.1% had less than £10,000. 13.1% had savings of over £30,000. Of the homeowners responding to the question, 91.9% of owner occupiers without a mortgage had an equity holding of over £100,000 as compared with 57.5% of owner occupiers with a mortgage;
- 17.3% of households have incomes below £10,000, well below the corresponding UK figure (20.3%). 46.7% of households in the Borough have incomes below £27,500, well below the national figure (62.3%), a further 18% have incomes below £40,000. 15.4% of respondents had an income of over £60,000;

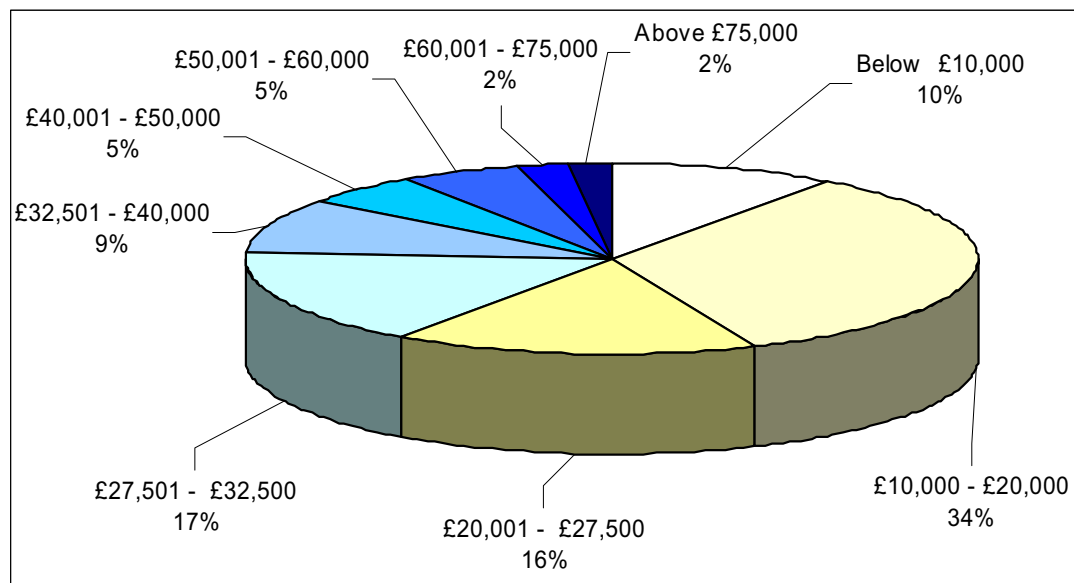
Figure 1-2 Average Income of Existing Households



- 25.9% of households were in receipt of financial support (10,103 implied), of whom 32.9% (3,326 implied) were in receipt of Housing Benefit.

1.3.7 Key factors relating to concealed households' ability to meet housing costs are that:-

- A total of 40.2% had less than £1,000 savings and a further 40.9% had less than £5,000. 18.9% had savings of over £5,000;
- 10.0% have household incomes below £10,000 per annum, 33.6% earn between £10,000 and £20,000, 16.1% between £20,001 and £27,500 and a further 16.5% earn between 27,501 and £32,500, giving a total of 76.2% with an income below £27,500. Overall 40% of concealed households earn above the national average income of £27,500.
- Almost a third of concealed households have or will have another source of capital support, possibly from parents, other than savings and earnings, that could be put towards the purchase of a property. Of these 12.5% have or expect to receive over £40,000.

Figure 1-3 Average Income of Concealed Households

1.3.8 BME Households

1.3.9 Incomes of BME households are slightly higher than those of all households in the sample. 14.1% of BME households had incomes below £10,000, compared to 17.3% in the whole population, below the corresponding UK figure (20.3%). 55.6% of BME households, had incomes above £27,500 compared to 53.3% in the whole population.

1.4 Current Housing in the Borough

1.4.1 The key features of the existing housing stock are that:-

- The property type profile is skewed towards semi-detached houses and bungalows with detached and terraced houses and flats / maisonettes all at a similar level. The stock of bed-sits / flats / maisonettes is above average in DCA's survey experience with the majority being in the social rented sector;
- Based on a calculation of occupants to bedroom numbers, under-occupation affects approximately 36.0% of all households and over-occupation affects 3.4% of all existing households, above the national average of 3%. Over occupation is a particular issue in the HA and private rented sectors, with 8.5% and 7.6%, respectively, of these properties in the household survey being over occupied;
- 89.3% of respondents to the household survey said their home was adequate for their needs; 10.7% consider their home inadequate. Levels of adequacy are lower in the private rented sector stock.

1.5 Demand for Market Housing

1.5.1 2,510 existing households requiring market housing will be moving within Spelthorne Borough in the next 3 years.

1.5.2 Demand from existing moving households focused on detached (33.7%) and semi-detached (31.1%) houses. 71.5% of demand was for 3 or 4+ bed accommodation.

1.5.3 The needs and preferences of concealed households for specific house types are shown in the table below. This reflects the differing levels of existing supply against demand from new households and the impact in actual sales levels created by stock availability and turnover.

Table 1-1 Concealed Households Market House Type Need and Preference

Type	Need %	Preference %	Current Stock % of Market Housing	Sales %
Flat	56.8	25.7	15.1	27.4
Terraced	10.6	16.5	21.9	24.7
Semi-detached	18.8	38.9	35.2	33.7

Size	Need %	Preference %	Current Stock % of Market Housing
One bed	35.4	16.4	6.9
Two bed	50.1	49.0	25.2
Three bed	11.9	29.9	50.3

- 1.5.4 Important differences exist between the levels of preference expressed for property types and their stock supply levels, especially the higher preference for flats / maisonettes, and to lesser extent semi-detached houses, than the existing stock. Need expressed for flats are much higher than the existing stock.
- 1.5.5 Small units, flats and terraced houses are 52.1% of existing stock for market housing. All site briefs and regeneration projects should promote the house types, which are under represented in the stock compared to national average levels in line with the principles in the PPG3 issued in March 2000 and future household formation demand.
- 1.5.6 **The Cost of Accessing the Housing Market**
- 1.5.7 The housing market is the context against which all the housing needs of the area are set. In particular, house price information is the basis on which the "affordability" of housing is measured for low-income households. In essence, analysis of the data seeks to establish who cannot afford to enter into the market. This data is then related to the problems faced by the "concealed households" in the area, i.e. households living with friends and relatives seeking to gain access to the housing market.
- 1.5.8 Average house prices in the Borough are 27.4% lower than the sub-regional average; but average house prices have risen by 31.7% between 2001 and 2006.
- 1.5.9 The evaluation of the market in Spelthorne Borough is based on specially prepared information taken directly from the Land Registry database for the year ending 30th June 2006 and an analysis of local estate agency sales looking at entry level properties, i.e. the lowest quartile stock.
- 1.5.10 The Land Registry recorded the average price for all dwellings in the Borough at £244,456. Terraced properties and flat prices have risen by 39.5% and 61.8% respectively between 2001 and 2006. Access to owner occupation is restricted by high and rising prices, with house price increases exceeding local income inflation.
- 1.5.11 An income of £35,100 is required to buy a one bedroom flat in Staines. A two bedroom flat requires an income of £42,600 in Sunbury and up to £52,700 in Shepperton. Terraced properties require an income of £53,800 in Sunbury and £70,500 in Shepperton.
- 1.5.12 The data indicates strongly that there is an affordability problem arising from the relationship between local incomes and the realistic supply of the cheapest stock available. Incomes needed to buy in locations across the Borough are shown in Table 1-2 below.
- 1.5.13 The following table shows the annual household income needed to buy entry-level stock by area in the Borough, based on a 95% mortgage availability and a 3-times gross income to lending ratio, the 2000 Good Practice Guidance recommended levels.

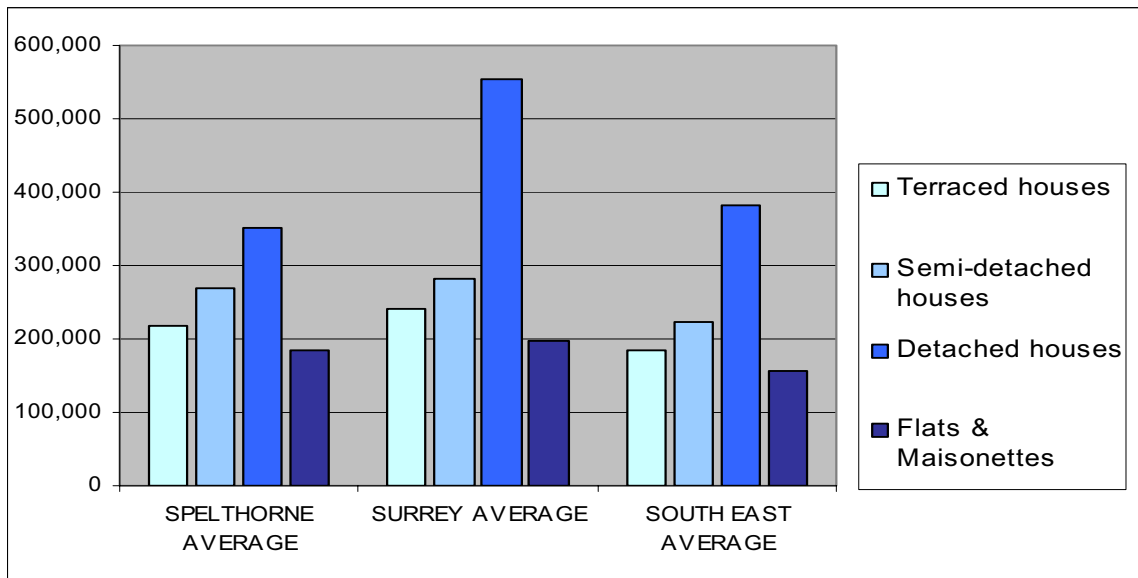
Table 1-2 Annual Household Income Required to Purchase

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed Terraced
Ashford	39,600	50,700	60,200*
Shepperton	45,800*	52,700	70,500
Staines	35,100	48,300	61,700
Stanwell	43,100	48,300	59,400
Sunbury	41,700	42,600	53,800

*low sample of data

- 1.5.14 Although the average price of terraced properties according to the Land Registry survey is £217,349, entry sales levels vary across the Borough starting at around £169,975 in Sunbury, rising to £222,475 in Shepperton for a 2-bed terraced property. 3-bed terraced properties start at £196,633 in Stanwell, rising to £225,967 in Shepperton for a 3-bed terraced property.
- 1.5.15 The survey findings indicate that income levels of around 87% of the new households who formed in the past year are below the level necessary to be able to buy and the private rented sector turnover is inadequate to meet their needs in the local market. These income levels are higher than those of concealed households about to form this year but are those used in the Assessment Model calculations.
- 1.5.16 Flat / maisonette properties are assessed to be the main entry level for first time buyers in view of their relatively lower cost and higher volume of sales. The ability of concealed households to access the market is very limited. 40.3% of concealed households have incomes above £27,500 the national average. The cheapest 2 bed terraced property in the Borough requires an income threshold of £53,800 and 90.6% earn below £50,000.

Figure 1-4 2006 Average House Prices



- 1.5.17 The private rented sector is small and generally has low quality standards. Even where this is the case lack of supply may cause some households to have to leave the Borough to meet their requirements. Access to the private rented sector is also restricted by price. 41.0% of all new forming households could afford a weekly rent of no more than £70 (£300 pcm); 54.4% no more than £80 (£350 pcm). Access rents for one bed flats are £538 per calendar month and £713 for terraced houses.

1.6 The Need for Affordable Housing

- 1.6.1 The total annual level of outstanding affordable need is 789 units, after allowing for current re-let supply. Despite the evidence of the scale of need from existing and concealed households, there are wider issues to consider when setting targets for delivery of affordable housing from new developments. Primarily there is a need to build viable, sustainable developments.
- 1.6.2 The South East Plan allocation for Spelthorne Borough is 3,020 units from 2006 to 2026 (151 a year). Not all of these will be on qualifying sites, nor does this total take account of completions or outline consents. However the total outstanding affordable need of 789 is 523% of the full annual allocation. Clearly this is unachievable and a simple mathematical calculation to determine the overall target level, the normal process, cannot be undertaken. Targets can only therefore be set by a professional judgement based on experience of what is sustainable, viable and deliverable.
- 1.6.3 In view of the scale of need, subsidised affordable units should be negotiated on all suitable sites, the target for each site taking into account existing supply, survey demand and other regeneration, planning, sustainability and economic factors.
- 1.6.4 Based on the evidence found in this assessment, the Council should consider setting a 40% target for affordable housing from the total of all suitable sites, subject to site viability.
- 1.6.5 This target includes both housing for social rent (25%) and intermediate housing (15%) to meet the needs of low income households, key workers and those on average incomes unable to purchase, provided it is delivered at a cost below the cheapest entry level costs in the general market and would be available on a similar basis to subsequent purchasers. Targets may vary above and below this level both in total and by tenure on a site by site basis.
- 1.6.6 The social rented stock in the Borough at 13.2% is below the national and regional averages and provides 226 units from the flow of the existing stock.
- 1.6.7 The average increase in entry-level house prices over the last three years of 39.5% for terraced houses and 61.8% for flats, have excluded many of 'first-time buyers' from the owner occupied market.
- 1.6.8 The tenure balance recommended is only in terms of the total delivery and will need to be assessed for individual sites to take account of the existing flow of re-lets from the rental stock and other area / neighbourhood priorities.
- 1.6.9 Housing strategy also needs to consider the needs of both new forming and existing households for social housing. This need must be assessed in the context of a market which is increasingly beyond the reach of low income existing and new forming households.
- 1.6.10 In addition to the scale of affordable housing to meet general household requirements, there are specific needs which should also be addressed. These are highlighted in the following sections.

1.7 Sheltered Housing

- 1.7.1 In total, the data suggests a combined requirement for sheltered accommodation from older people currently living in the Borough (131 households) and those who may immigrate to be beside their family (630 households) of 761 units, 316 in the affordable sector and 445 in the private sector.
- 1.7.2 Some of this requirement will be addressed by flow of the existing sheltered stock, but acceptability of existing stock to meet today's standards will need to be assessed in calculating the scale of new delivery.

- 1.7.3 The significantly higher level of elderly accommodation for people who may move into the Borough is common to other DCA surveys and is a new factor in the housing market. Generally, the forecast is being made by their children who assist in the moving process. Conversely the indigenous older population prefer to continue in the area/surroundings they know and within their own home as long as possible and actual migration should be monitored annually.
- 1.7.4 Surrey's Supporting People Strategy identified an over-provision of traditional sheltered housing and an under-provision of extra care schemes across Surrey as a whole.

1.8 Extra Care Housing

- 1.8.1 The significant levels of growth in the older population in future will have a direct impact on the nature of specialist accommodation requirements for older people. This survey identified a need for 62 units of extra care accommodation over the next three years. The need is likely to be greater than this level and an audit of existing sheltered housing schemes should be undertaken as part of the development of an Older Persons Housing Strategy.
- 1.8.2 When projected over 10 years the survey identifies a need for 620 extra care units, which is significantly higher than the need for 200 units of extra care accommodation in Spelthorne identified by the North Surrey Extra Care Housing Strategy.

1.9 Supported Housing and Support Issues

- 1.9.1 The Survey identified a need over the next three years for: -
- 166 units of independent accommodation with external support;
 - 26 residential / nursing home units;
 - 72 units of HA sheltered housing and 59 private sheltered units;
 - 16.5% of households in the Borough contain somebody with a disability (6,212 households implied), of which 16.1% had two members affected. 72.0% of all household members were over 60, including 44.7% over 75;
 - The largest group (3,497 implied) affected by a named disability were those with a walking difficulty, representing 55.2% of those with a support need;
 - 11.8% of these households contained someone who was a wheelchair user, suggesting around 744 in Spelthorne as a whole;
 - Some 25.8% (778 implied of household members with support needs) felt they needed care or support which is not currently provided;
 - 6.9% of all dwellings have been adapted to meet the needs of a disabled person. 63.0% of adaptations have handrails / grabrails, 48.0% have bathroom adaptations and 29.6% have a ground floor toilet.

1.10 Housing Stock Balance Analysis

- 1.10.1 The nature and turnover of the existing housing stock is vitally important in meeting current and future housing demand in all tenures. The information gained from a separate detailed stock flow analysis will be of major benefit to the development of site development briefs for the delivery of both private sector and affordable sectors, in balancing housing markets and in longer-term business planning.

1.11 Recommendations

1.11.1 Balancing the Housing Market

- Provide a mix of house types in both market and social sectors, but mainly flats, to meet the needs for smaller units from new and existing households and address stock imbalance and the impact of demographic change.
- The private rented sector is less than the national level and there is a shortfall of supply to meet demand from existing, in-migrant and new forming households. Strategies should promote the growth of this sector to provide a more balanced housing market.
- Continue to negotiate with prospective developers towards achieving subsidised affordable homes from the all suitable sites coming forward for planning consent over the period of the Local Plan. Each site will need to be assessed individually, targets being subject to wider planning, economic viability, regeneration and sustainability considerations and will require a flexible approach to specific site negotiation.
- The overall affordable housing target should be 40% of the total of all suitable private sector sites.
- The rise in house prices in excess of inflation is resulting in greater difficulty in entering the local housing market. Within the overall target DCA recommend a broad balance of 25% for social rent and 15% as intermediate market housing provided it is delivered at a cost below the cheapest entry level costs in the general market and would be available on a similar basis to subsequent purchasers.
- Both the affordable housing target and the tenure balance within it may vary on a site by site basis.
- It is anticipated that a new lower site threshold of 15 units or 0.5 hectares will be standard level in the new Planning Guidance. The Development Plan should promote the lowest threshold considered viable and which will deliver additional affordable units from the scale of smaller sites.

1.11.2 Older Persons Housing Needs

- Develop an Older Persons Housing Strategy to address the current and future growth in older people and frail older households across all tenures, and their related care and support needs to:-
 - ◆ assess and prioritise the need for support services and adaptation required to keep people in their own home;
 - ◆ re-assess existing sheltered stock in meeting today's housing standards and preferences;
 - ◆ assess the need for 'extra care' accommodation for the growing frail elderly population.

1.11.3 Disabled Persons Housing Needs

- Continue to promote disabled adaptations in order to improve the ratio of suitably adapted properties for disabled people.
- Develop a register of adapted property and disabled people needing adapted accommodation in order to facilitate better matching.
- Consider adopting Lifetime Homes standards for new housing.

2 DEMOGRAPHIC CHANGE

2.1 Key Findings and Strategic Implications

2.1.1 Key Findings

2.1.2 The population of Spelthorne Borough is projected to increase by 2.2% between 2001 – 2016.

2.1.3 Although there is an overall increase, the most significant gains are seen within the 45 – 64 age group (+3,278) and the 65+ age group (+2,470) with the largest falls in the 0-14 age group and in the 25-44 age group in particular. These trends are consistent with the changes recorded since the 2001 Census.

2.1.4 The key features of population change impacting on the housing market are:-

- Out migration of younger economically active households;
- An ageing population with increasing care and support needs;

2.1.5 Strategic Implications

2.1.6 Changes in the population structure may impact on demand for different house types and tenures. Falling numbers of individuals in the 25 – 44 age range, the main household forming and moving group, may impact on demand for market housing. The significant growth in the number of people in the 65+ age group and in particular the 80+ age group may impact on demand for supported housing, support services and adaptations. Strategic housing and planning will need to take account of the changing population profile.

2.1.7 There is a growing demand for accommodation for smaller, older person households. Smaller households tend to be concentrated in social housing and the owner occupied sector with no mortgage. Development plans will take account of the projected growth in demand in these sectors.

2.2 Existing Population Profile

2.2.1 Data on existing household profiles was collected through the household survey. The tables below provide a summary of the findings. The table is based on the categories used by the ONS to construct their 'Social Trends' statistical series but is not exactly similar due to the manner in which the different data sets are collected. The table also shows comparisons to the 2001 Census.

Table 2-1 Family Composition

Question 15c & d

Family Composition	%	Group %	Local Area Census 2001 *
1 adult over 60	14.5	29.3	29.5
1 adult under 60	13.4		
1 adult + other	1.4		
Couple no child	30.7	63.6	62.6
Couple with children	31.6		
Couple + others	1.3		
Single parent	7.1	7.1	7.9
Total	100.0	100.0	100.0

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- 2.2.2 The 2006 survey sample shows a household type distribution with some variation from the households to the Local Area Census 2001 (now over five years old) in relation to the split between single adult and couple households. The survey shows a lower level of response from single person households compared to couple households and single parent households.

Table 2-2 Population Age Groups

Question 14

Age Group	Sample %	Local Area Census 2001 *
0 – 10	13.9	18.9
11 – 15	6.5	
16 – 24	8.3	9.0
25 – 44	29.9	30.9
45 – 59	19.0	19.2
60 – 74	14.6	14.4
75+	7.8	7.6
Total	100.0	100.0

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- 2.2.3 Table 2-2 shows the ages of all household members in the sample. The 2006 Survey shows a change from the 2001 Census data with higher proportion (22.4%) above 45-59 age group as compared with the 2001 Census data (22.0%). The Census is over 5 years old and the pattern is consistent with population projections made by Surrey County Council.

Table 2-3 Number in Household

Question 14a

Number in household	%	N ^{os.} implied
One	27.8	10,750
Two	35.9	13,898
Three	14.0	5,405
Four	16.0	6,186
Five	4.6	1,795
Six	0.9	359
Seven	0.5	173
Eight	0.2	68
Nine	0.0	15
Ten or more	0.1	42
Total	100.0	38,691

- 2.2.4 The profile emerging from the survey equated to 2.2 persons per household on average below the UK average of 2.4 (as endorsed by 2001 Census data) and below the Local Area 2001 Census figure (2.3).

Table 2-4 Numbers in Household by Tenure

Question 14a by Question 2

Tenure	N ^{os.} in household
Owner occupier with mortgage	2.8
Shared ownership *	2.5
Private rented	2.4
HA rented	2.2
Owner occupier no mortgage	1.9
Tied to employment *	4.4

* Low volume of data

- 2.2.5 The owner occupied with mortgage sector would be expected to have a relatively high proportion of families. 18.4% of the owner-occupier with mortgage households were single person households, slightly above the average in DCA surveys (around 15%). The HA rented sector figure was similar to the average for that sector in DCA's survey experience, with a 43.6% single person households compared to 45% average found in recent DCA surveys. 83.4% of the owner-occupier no mortgage households contained no more than two persons, reflecting the higher average age in this form of tenure and the fact that children will in the main have left home.
- 2.2.6 In the case of ethnic origin the breakdown at Table 2-5 below refers to the ethnicity of the household. 96.3% of respondents answered the ethnic origin question. The results largely mirrored the Census 2001 data in terms of the White British and other white proportions but showed some variation in distribution across the other ethnic groups.

Table 2-5 Ethnic Origin of Households

Question 14b

Ethnic Origin		%	N ^{os.} implied	Local Area Census 2001 *
White	British	88.9	33,461	90.6
	Irish	1.6	592	2.0
	Other White	3.0	1,136	2.9
Mixed	White & Black Caribbean	0.4	147	0.2
	White & Black African	0.4	153	0.1
	White & Asian	0.8	290	0.3
	Other Mixed	0.5	202	0.2
Asian or Asian British	Indian	2.0	762	1.6
	Pakistani	0.4	150	0.3
	Bangladeshi	0.1	36	0.1
	Other Asian	0.3	113	0.3
Black or Black British	Caribbean	0.3	125	0.3
	African	0.4	134	0.2
	Other Black	0.1	38	0.1
Chinese	Chinese	0.3	119	0.4
Any other	Any other	0.5	191	0.4
Total		100.0	37,649	100.0

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2.3 Demographic Analysis

- 2.3.1 There are four basic components to changes in the number and composition of households. The aim of this section of the report is to highlight the issues which are relevant to the evaluation of housing needs in the Borough particularly the changes in:-
- the age distribution of the population arising from births, deaths and ageing of the indigenous population;
 - family units such as marriage, divorce and child bearing patterns;
 - the number and composition of households arising from migration, particularly due to employment opportunities in the area;
 - the probabilities that family units form a separate household, particularly in response to changes in incomes in the labour market area.
- 2.3.2 In local area forecasting new household formation is mainly due to responses to income and employment opportunities. New household formation is also affected by life cycle patterns. This purely demographic influence on the number of households contributes to about 40% of the growth in the number of new households at any one time (Dicks, 1988; Ermisch, 1985).
- 2.3.3 The general demographic forecasts in the tables in this section have been provided by Spelthorne Borough Council and are preliminary forecasts undertaken by Surrey County Council, which assume the housing requirements in the Surrey Structure Plan are built.
- 2.3.4 The factors which combine to produce the population and household forecasts are:- population age-sex structures, headship rates, survival factors, infant mortality, fertility rates, base numbers of dwellings, vacancy rates, building / demolition programmes and the age-sex structure of migrants. The summary of this data is provided in the following tables with the population changes disaggregate from 2001 – 2016.

2.4 Population Projections

- 2.4.1 The projections in Table 2-6 are based on the predictions made by Surrey County Council. These figures are based on the assumptions outlined in paragraphs 2.3.1 to 2.3.4 regarding mortality, fertility and migration etc, and are contained in population projections for the Borough for the period 2001 – 2016.

Table 2-6 Population Change in Spelthorne Borough, 2001 – 2016

	2001*	2006**	2011**	2016**	Change
Total Population	90,390	92,135	92,793	92,405	
Change		+ 1,745	+ 658	- 388	+ 2,015
% Change		+ 1.9%	+ 0.7%	- 0.4%	+ 2.2%

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* 2001 Census figures

**Surrey County Council Interim 2001 (dwelling constrained)

- 2.4.2 The table shows the forecast for the future population of Spelthorne Borough, numbers fall and rise throughout the forecast period, with the main increase occurring between 2001 and 2006 (1,745; +1.9%).

2.5 Age Structure Forecast 2001 – 2016

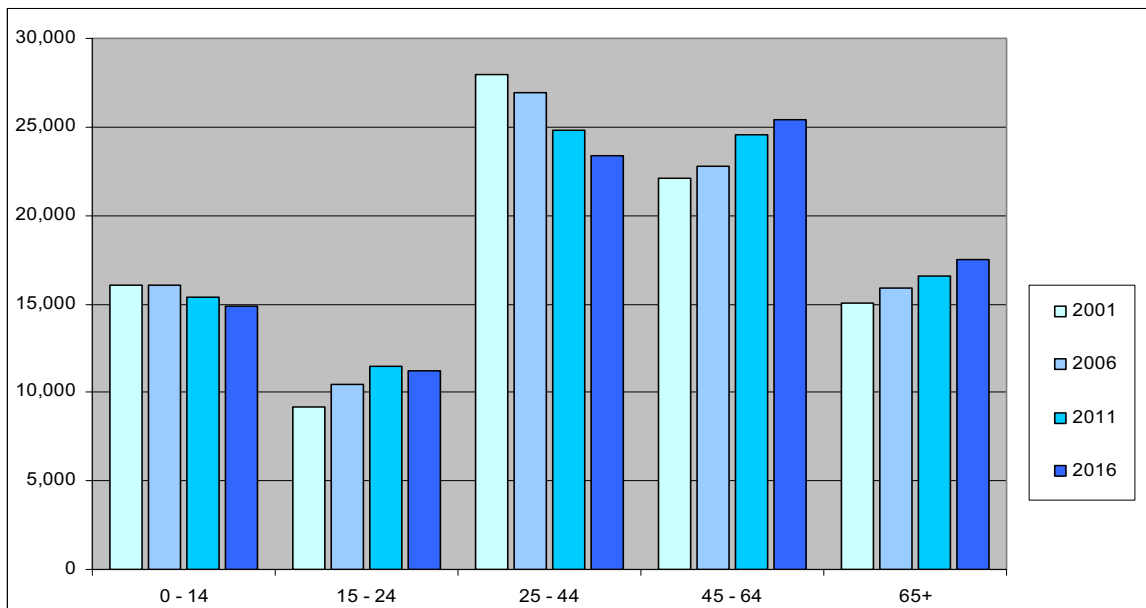
2.5.1 The next stage in the forecast is to disaggregate the population data into age bands because there may be changes in the population structure with significant housing implications. Table 2-7 is based on the net migration model and for this purpose best represents the position.

Table 2-7 Population Age Band Forecast, Spelthorne Borough, 2001 – 2016

	2001	2006	2011	2016	Change
0 - 14	16,099	16,061	15,386	14,885	- 1,214
15 -24	9,184	10,415	11,481	11,216	+ 2,032
25 - 44	27,955	26,968	24,778	23,404	- 4,551
45 - 64	22,095	22,811	24,534	25,373	+ 3,278
65 +	15,057	15,880	16,614	17,527	+ 2,470
Total	90,390	92,135	92,793	92,405	+ 2,015
% Change		+ 1.9%	+ 0.7%	- 0.4%	+ 2.2%

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Figure 2-1 Population Age Band Forecast, Spelthorne Borough, 2001 – 2016



2.5.2 Percentage change is measured between year bands, not the base population. This is a better representation of the incremental change.

2.5.3 The population increases across the forecast period. There is projected to be around 2,015 more people in the Borough in 2016 than in 2001, a rise of 2.2%.

2.5.4 The 0-14 age range shows a decrease overall (1,214; 7.5%). Numbers fall steadily throughout the forecast period, with the largest decrease occurring between 2006 and 2011 (675; 4.2%).

2.5.5 The 15-24 age range comprises new households forming and will have implications for the future with affordable housing needed both in the short and longer term. Overall this age group shows an increase (2,032; 22%). The largest increase is seen between 2001 and 2006 (1,231, 13.4%).

- 2.5.6 The 25-44 age group, the main economically active group the figures show a decrease overall (4,551; 16.3%). Numbers fall throughout the forecast period with the largest decrease seen in 2006 and 2011 (2,190; 8.1%), followed by a steady decline to 2016.
- 2.5.7 There is growth in the population in the 45-64 age group over the forecast period. to 2016. There is an increase of 3,278 people (14.8%), the largest increase 1,723 people (7.5%) is forecast to occur between 2006 and 2011.
- 2.5.8 A significant feature here is the growth of the population in the over 65 age group. An increase of 2,470 individuals (16.4%) is seen over the forecast period, the largest increase is seen between 2011 and 2016 (913; 5.5%).
- 2.5.9 The “older” retirement group, those 85 and over grows by 83.4%, almost 1,400 people by 2016. This group represents over 3,068 people in the area by 2016 who are much more likely to have care and support needs.

Table 2-8 Numbers of 80+ in Spelthorne Borough, 2001 – 2016

	2001	2006	2011	2016	Change
85+	1,673	2,130	2,664	3,068	
Change		+ 457	+ 534	+ 404	+ 1,395
% Change		+ 27.3%	+ 25.1%	+ 15.2%	+ 83.4%

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- 2.5.10 Table 2-7 data shows that the population of Spelthorne is ageing. There is an increase in every age group above 45 between 2001 and 2016 and notably a substantial increase of 83.4% in the 85+ age group, although there are relatively low absolute numbers within this age group. It should also be noted that there is a fall in the 0-14 and 25-44 age group, but also an increase in the 15-24 age group.

2.6 Forecast Change in Households 2001-2016

- 2.6.1 Table 2-9 outlines the household formation forecasts for the Borough in the 15 year period from 2001 to 2016. It is based on the statistics provided by Surrey County Council. The population forecasts show a consistently decreasing household size. In the period the population total will be little changed but the number of houses will have increased by over 6.5%. The projections reflect the reducing household size and assume the household requirements in the Surrey Structure Plan are built.

Table 2-9 Forecast Change in Households in Spelthorne, 2001 – 2016

	2001	2006	2011	2016	Change
Households	38,392	39,613	40,398	40,915	
Household change		+ 1,221	+ 785	+ 517	+ 2,523
% Change		3.2%	2%	1.3%	6.6%

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- 2.6.2 There have been significant changes in household formation over the last decade which result in much higher household numbers compared to population growth and average household size. The increase in household growth is at a higher rate than population 6.5% compared to 2.2%. There is a large increase in single person households through elderly people living longer, separation and divorce and young people forming single person households.

3 ECONOMIC ANALYSIS

3.1 Key Findings and Strategic Implications

3.1.1 Key Findings

- 60.2 % of those in employment are in managerial / technical or professional occupations; 28.3% are manual, unskilled or partly skilled;
- 38.1% of those in employment work within the Borough, a further 15.3% work in London;
- 26.0% of the population are retired;
- The income and savings data in relation to concealed households showed a generally lower income profile than for existing households, as would be expected and that many will have difficulty accessing the local housing market;
- 14.1% of BME households had incomes below £10,000, compared to 17.3% in the whole population, below the corresponding UK figure (20.3%). 44.4% of BME households, on the basis of the survey data, had incomes above £27,500 compared to 46.7% in the whole population;
- Almost a third of concealed households have or will have another source of capital support, possibly from parents, other than savings and earnings, that could be put towards the purchase of a property. Of these 12.5% have or expect to receive over £40,000.

3.1.2 Strategic Implications

- 26.0% of heads of households are currently retired, and population projections show this figure will increase further up to 2026. The data suggests a need for a strategic approach to the accommodation needs of older people in the Borough;
- Although incomes are similar to the national average and 25.9% of households receive financial support there is also a relatively high level of wealth, based on equity held in owner occupation. Many retired people will have their own resources for housing and care;
- Occupation types are skewed slightly towards professional, managerial and technical (60.2%) suggesting a housing market weighted towards the upper / middle end;
- The needs of concealed / new forming households need to be addressed. Incomes in this group are lower than the population as a whole and housing choices are consequently more limited with around 79% of new forming households being unable to afford to buy in the owner occupied market;
- Migration outflows in this group are heavily influenced by employment choices and education and new households are likely to remain mobile.

3.2 Introduction

- 3.2.1 This section draws together findings from both primary and secondary data sources to present an overview of the current economic climate and the impact on housing need and demand in Spelthorne Borough.

- 3.2.2 The economic climate, changes in national and regional economic policy, alongside labour market trends and local income trends sets the context in which households make decisions about their housing needs and preferences.

3.3 Local Trends

- 3.3.1 Spelthorne is considered to be situated in a relatively prosperous economic region and is a significant employment location. There is a strong economic base centred in the service and transport sectors with proximity to Heathrow Airport, and good transport links to London, making the Borough an attractive and strong location.
- 3.3.2 The Poyle Industrial Estate and Heathrow Airport provide a significant amount of employment for Spelthorne residents, the latter employing about 10% of the Borough's workforce.
- 3.3.3 Skilled trade within the Borough ranges from retail to engineering with shortages of skilled workers in the construction industry.

3.4 Employment, Occupation and Work Place Data

- 3.4.1 The survey of households in the Borough focused three questions on the employment status, occupation type, and work place of households. Further questions probed for more information on the location of the work place and travel to work patterns.

Table 3-1 Employment Status of Head of Household
Question 14e

Status	%	N ^{os} . implied
Full time employee (> 30 hours)	45.7	15,956
Wholly retired from work	26.0	9,090
Part time employee(< 30 hours)	12.0	4,197
Self-employed	6.3	2,214
Looking after the home	4.2	1,482
Permanently sick/ disabled	2.6	922
Unemployed & available for work	2.4	841
Full time education (age 16+)	0.4	124
On Government Training Scheme	0.4	136
Total	100.0	34,962

- 3.4.2 94.2% of Heads of Households responded to the question on employment. 64.0% (22,367 implied) of Heads of Household indicated that they were in employment, as compared with the 60% average identified for Heads of Household in the Survey of English Housing 2001/2. 26.0% were retired – higher than the average in recent DCA survey experience. 2.4% indicated that they were unemployed and available for work, higher than recent DCA survey experience in which the average has been between 1 to 2%.

Table 3-2 Occupation Type of Head of Household

Question 14f

Occupation	%	N ^{os} . implied
Professional	38.3	9,389
Managerial & Technical	21.8	5,329
Other	11.6	2,824
Skilled, manual	10.6	2,587
Skilled, non-manual	8.2	2,008
Unskilled	5.4	1,308
Partially skilled	4.1	991
Total	100.0	24,436

- 3.4.3 In the case of occupation type there were 24,436 implied responses from heads of households in work as compared with the 22,367 implied responses from those in work referred to at 3.4.2 above suggesting 69.9% in employment. Of those, 60.2% described themselves as professional or management / technical, 5.4% are unskilled.

Table 3-3 Workplace of Head of Household

Question 14h

Workplace	%	N ^{os} . implied
Within Spelthorne Borough	38.1	8,860
Elmbridge	3.7	870
Runnymede	5.5	1,270
Woking	1.4	321
Hillingdon	4.8	1,109
Hounslow	13.6	3,167
Richmond	3.7	865
Slough	2.6	616
Windsor & Maidenhead	1.8	419
London	15.3	3,566
Elsewhere in UK	9.0	2,094
Abroad	0.5	117
Total	100.0	23,274

- 3.4.4 95.2% of those in work responding to the question on occupation also responded to a further question on the location of their workplace. 38.1% of heads of household worked within the Borough and a further 15.3% worked in London.

- 3.4.5 The following question asked heads of household how they travel to work. Based on responses from 93.4% of those indicating their occupation in Table 3-2 above, 72.5% travel to work by car.

Table 3-4 Travel to work of Head of Household

Question 14i

Travel to work	%	N ^{os} . implied
Car	72.6	16,536
Walk	6.1	1,392
Other	4.4	1,011
Train	9.3	2,132
Cycle	3.2	738
Bus	4.4	1,007
Total	100.0	22,816

3.5 Incomes and Housing Costs

- 3.5.1 Income is a core factor in the assessment of the scale of housing need and in determining affordability in the local housing market. The DETR 2000 Good Practice Guidance states:-

“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, but it is often the topic that causes the most controversy. Experience from Government surveys (e.g. SEH) has shown that by asking the right questions and using good interviewing technique it is possible to get a high response rate and reasonably accurate answers. The decision of the Government not to include an income question in the 2001 Census is one reason why HN surveys, including income questions, will continue to be valuable.”

- 3.5.2 The availability of good secondary data has not improved and the 2005 Draft Practice Guidance on Housing Market Assessments states:-

“Ideally, income data should be linked to house price data to assess affordability but data on household incomes is poor. Consequently, information on household incomes obtained from a robust household survey with a high response rate can be better than secondary income data.”

- 3.5.3 The survey data was gathered through 2,517 postal questionnaires. The response rate on the income question was 76.6% from existing households and 93.9% from all concealed households. This results in over 1,994 household income responses. As a comparison, the ASHE data for 2001 was based on only 2,018 responses for the whole of Surrey and only 162 responses for Spelthorne. Additionally 72.4% of existing households and 81.6% of concealed households provided data on savings.
- 3.5.4 The 2000 Good Practice Guidance (page 62) presents a conflict in that having said it is important for surveys to gather income data it then suggests “it is difficult to estimate the incomes of future newly forming households”. New households at this point may have circumstances which change quickly. It suggests therefore that the incomes of households who recently formed should be examined, although even this is not without difficulty.

- 3.5.5 Particularly in areas where there are shortages of affordable housing and with high house prices, households who accessed the market are only those with adequate income or financial support from parents or family.
- 3.5.6 As the guide states (page 25) *“these are likely to be more reliable, although even here care is needed. Some potential households may not have been able to form owing to lack of suitable, affordable accommodation.”*

3.6 Existing Households

- 3.6.1 The following group of tables relate to savings, equity and income of existing households, beginning with a question on savings held which was answered by 72.4% of households (28,307 implied).

Table 3-5 Household Savings

Question 15a

Savings	%	Cum %
Below £ 5,000	48.5	48.5
£ 5,000 - £10,000	14.1	62.6
£10,001 - £15,000	6.0	68.6
£15,001 - £20,000	4.7	73.3
£20,001 - £30,000	5.5	78.8
Above £30,000	21.2	100.0

- 3.6.2 The table indicates that 48.5% of the sample had less than £5,000 in savings. However, 21.2% had savings in excess of £30,000.
- 3.6.3 The percentage breakdown of savings for the four main tenures was as follows:-

Table 3-6 Savings Level / Tenure

Question 15a by Question 2

Savings	Owner Occupied with Mortgage	Owner Occupied with No Mortgage	Private Rented	HA rented
Below £ 5,000	51.0	22.0	68.7	88.7
£ 5,000 - £10,000	16.6	14.1	11.9	6.0
£10,001 - £15,000	6.8	6.8	4.6	2.2
£15,001 - £20,000	5.9	5.7	0.0	0.8
£20,001 - £30,000	4.7	9.4	2.5	1.3
Above £30,000	15.0	42.0	12.3	1.0
Total	100.0	100.0	100.0	100.0

- 3.6.4 Generally, the breakdown produced the results which might be expected with 88.6% of social housing tenants holding savings below £5,000 as compared with 22.0% of owner occupiers without mortgage, of whom 42.0% had savings above £30,000. However, the savings of 51.0% of owner occupiers with mortgage were also below £5,000. Highest levels of savings were found among owner occupiers without a mortgage and a significant proportion of retired households will have some capital to support their housing and care needs.

Table 3-7 Level of Equity in Present Accommodation

Question 15b

Level of Equity	%	Cum %
Below - £ 10,000	4.3	4.3
£10,000 - £ 20,000	2.6	6.9
£20,001 - £ 30,000	2.1	9.0
£30,001 - £ 50,000	5.0	14.0
£50,001 - £ 75,000	6.3	20.3
£75,001 - £100,000	9.7	30.0
Above £100,000	70.0	100.0

- 3.6.5 70.0% of this group of respondents indicated equity ownership of over £100,000. Cross-tabulation indicated that 91.9% of owner occupiers without a mortgage had an equity holding of over £100,000 as compared with 57.5% of owner occupiers with a mortgage.

Table 3-8 Gross Annual Income of all Existing Households

Question 15c

Annual income	All Existing Households	
	%	Cum %
Below £10,000	17.3	17.3
£10,000 - £20,000	16.2	33.5
£20,001 - £27,500	13.2	46.7
£27,501 - £40,000	17.9	64.6
£40,001 - £50,000	11.9	76.5
£50,001 - £60,000	8.1	84.6
£60,001 - £75,000	7.8	92.4
£75,001 - £100,000	4.3	96.7
Above £100,000	3.3	100.0

Note: Excluding benefits / allowances

- 3.6.6 The response rate to the income question was 76.6% and should give a good picture of the income levels in the Borough. The table shows that 17.3% of households had incomes below £10,000. The total proportion in the Borough earning below the approximate national average household income of £27,500 per annum was 46.7%, below the average for the UK as a whole average for the UK as a whole (62.3%) according to the Department for Work and Pensions (DWP) Family Resources Survey 2003 – 2004 (© Crown Copyright – April 2005). 35.4% of the households in the Borough on the basis of the survey data had incomes above £40,000 per annum.
- 3.6.7 Cross-tabulation produced the following split of income levels by tenure for the four main tenure types.

Table 3-9 Annual Income by Tenure
Question 15c by Question 2

Annual income	Owner Occupier with Mort.	Owner Occupier no Mort.	Private Rented	HA Rented
Below £10,000	3.9	24.8	20.0	55.2
£10,000 - £20,000	7.5	29.0	12.7	23.6
£20,001 - £27,500	12.7	14.3	18.1	8.7
£27,501 - £40,000	21.7	13.8	19.4	8.4
£40,001 - £50,000	16.7	5.9	15.0	3.0
£50,001 - £60,000	12.1	5.0	7.0	0.5
£60,001 - £75,000	13.5	2.9	3.6	0.0
£75,001 - £100,000	7.1	2.2	2.0	0.0
Above £100,000	4.9	2.1	2.2	0.6
Total	100.1.0	100.0	100.0	100.0

- 3.6.8 The profiles were largely as would be expected as between owner-occupiers and renters, especially bearing in mind that a significant proportion of owner-occupiers without mortgage would be people with limited pension income. HA rented sector incomes were concentrated (87.3%) below the national average of £27,500 with 55.2% having household incomes below £10,000 per annum.
- 3.6.9 Private rented sector incomes were higher than social rented sector incomes, with 49.2% having incomes above £27,500, compared to 12.5% in the HA rented sector.
- 3.6.10 The findings are also broadly consistent with the findings of the Family Spending Review 2000/01. The review found the average gross income of owners without a mortgage to be £21,944 compared to £36,712 for those with a mortgage. Lowest incomes were found among local authority tenants (£12,168) and housing association tenants (£13,468). 54.8% of households with incomes in the lowest income group (up to £5,564 per year) were social housing tenants; 24.4% were outright owners.
- 3.6.11 25.9% of households were in receipt of financial support (10,103 implied), similar to the average found in recent DCA surveys (around 26%). The results from those responding to a multiple-choice question are set out in Table 3-10 below. On average, each respondent indicated around 1.5 forms of financial support.

Table 3-10 Financial Support
Question 15d

Support	Responses %	Households %	N ^{os} . Implied (all choices)
Housing Benefit	21.3	32.9	3,326
Income Support	12.2	18.9	1,906
Job Seekers Allowance	1.5	2.4	241
Working Family Tax Credit	18.7	28.9	2,916
Pension Credits	9.5	14.6	1,474
Disability Allowance	13.5	20.8	2,104
Other	23.3	35.9	3,626
Total	100.0		15,593

- 3.6.12 20.8% of households received Disability Allowance and 32.9% of households responding were in receipt of Housing Benefit (3,326 implied).

3.7 BME Households

3.7.1 11.1% of households in the survey were from BME communities. The incomes of these households are compared with the whole population below.

Table 3-11 Gross Annual Income of BME Households
Question 15c

Annual income	%	Cumulative %	All households cumulative %
Below £10,000	14.1	14.1	17.3
£10,000 - £20,000	16.4	30.5	33.5
£20,001 - £27,500	13.9	44.4	46.7
£27,501 - £40,000	14.8	59.3	64.6
£40,001 - £50,000	13.6	72.9	76.5
£50,001 - £60,000	9.4	82.3	84.6
£60,001 - £75,000	8.2	90.5	92.4
£75,001 - £100,000	6.1	96.6	96.7
Above £100,000	3.4	100.0	100.0

3.7.2 The response rate to the income question from BME households was 81.2% (3,399 implied households). The table shows that the incomes of BME households are similar to those of all households in the sample.

3.7.3 14.1% of BME households had incomes below £10,000, compared to 17.3% in the whole population, below the corresponding UK figure (20.3%). 55.6% of BME households, on the basis of the survey data, had incomes above £27,500 compared to 53.3% in the whole population.

3.8 Key Worker Households

Table 3-12 Annual Household Income of Key Workers (%)
Question 15c (Head of Household)

Income	Local Authority	Nurses & other NHS Clinical	School / FE / College Teacher	Police Officer *	Prison / Probation Staff *	Other	All households in sample %
Below £10,000	0.0	0.0	12.6	0.0	0.0	6.5	17.3
£10,000 - £20,000	22.1	8.9	13.7	50.0	0.0	16.3	16.2
£20,001 - £27,500	14.8	17.4	10.7	50.0	46.8	10.6	13.2
£27,501 - £40,000	20.8	54.0	26.7	0.0	0.0	27.6	17.9
£40,001 - £50,000	24.9	8.0	15.0	0.0	0.0	17.7	11.9
£50,001 - £60,000	0.0	0.0	8.5	0.0	0.0	8.6	8.1
£60,001 - £75,000	8.3	0.0	8.9	0.0	53.2	3.7	7.8
£75,001 - £100,000	9.1	4.5	2.0	0.0	0.0	5.8	4.3
Above £100,000	0.0	7.2	1.9	0.0	0.0	3.2	3.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Small sample

No responses from Fire Fighters

- 3.8.1 Of 6,835 implied existing household key workers (heads of household and partners), 2,134 heads of household gave details of their total income (i.e. including spouse and partner's income). This data is detailed in Table 3-12 above to show total household incomes for key worker households. This data can then be compared to data on household incomes for the sample as a whole.
- 3.8.2 The majority had incomes between £10,000 and £40,000. Key workers in Spelthorne Borough are generally less likely to have very low incomes (below £5,000) or higher incomes (above £60,000) compared to the population as a whole. 53.2% of Prison / Probation staff in the sample did have incomes above £60,000, however this was based on a very small sample of respondents and as such cannot be deemed a reliable representation of the salary levels of this group. 12.8% of those working in education and 17.4% of those working in the Local Authority also had incomes above £60,000.
- 3.8.3 Access to the owner-occupied market in the Borough through the cheapest 1-bed flats requires an income of at least £35,100 and the proportions who could not afford to owner occupy in the Borough were as follows:-
- 100.0% of Police Officers;
 - 59.1% of Nurses & other NHS Clinical staff;
 - 53.2% of School / FE / College Teachers;
 - 49.5% of Local Authority staff;
 - 46.8% of Prison / Probation staff.

3.9 Existing Moving Households

Table 3-13 *Gross Annual Income of Existing households moving within the Borough*
Question 15c

Annual income	%	Cumulative %	All households cumulative %
Below £10,000	14.1	14.1	17.3
£10,000 - £20,000	11.5	25.6	33.5
£20,001 - £27,500	13.1	38.7	46.7
£27,501 - £40,000	16.6	55.3	64.6
£40,001 - £50,000	18.5	73.8	76.5
£50,001 - £60,000	7.6	81.4	84.6
£60,001 - £75,000	8.4	89.8	92.4
£75,001 - £100,000	5.8	95.6	96.7
Above £100,000	4.4	100.0	100.0

- 3.9.1 The incomes of existing households moving were found to have higher incomes than the population as a whole. 14.1% had incomes below £10,000 compared to 17.3% in the population as a whole. 44.7% had incomes above £40,000 compared to 35.4% in the general population.

3.10 Concealed Households

3.10.1 The incomes of concealed households were, as would be expected, significantly lower than those for existing households in the Borough. Low incomes, coupled with a low level of savings will hinder access to the market for new forming households.

Table 3-14 Annual Income of Concealed Households

Question 35d

Annual Income	All concealed households forming – 2006-2008			New Households formed – 2005-2006		Existing households Cum %
	%	Cum %	N ^{os.} implied	%	Cum %	
Below £10,000	10.0	10.0	155	15.4	15.4	17.3
£10,000 - £20,000	33.6	43.6	518	9.7	25.1	33.5
£20,001 - £27,500	16.1	59.7	249	14.8	39.9	46.7
£27,501 - £32,500	16.5	76.2	255	34.6	74.5	64.6
£32,501 - £40,000	9.2	85.4	142			
£40,001 - £50,000	5.2	90.6	79	14.1	88.6	76.5
£50,001 - £60,000	5.2	95.8	81	2.8	91.4	84.6
£60,001 - £75,000	2.2	98.0	32	5.7	97.1	92.4
Above £75,000	2.0	100.0	31	2.9	100.0	100.0
Total	100.0		1,542	100.0		

3.10.2 A response was received from 93.9% of concealed households moving within the Borough. Generally incomes of new households who formed in the last year are higher than those about to form over the next three years. The only exception is the proportion in the £10,000 band which was 10.0%, compared to 15.4% for recently formed households and 17.3% for existing households.

3.10.3 The proportion of concealed households with annual incomes above the approximate average UK annual household income of £27,500 was 40.3%, well above the average in recent DCA surveys (around 16%). 60.1% of households who formed in the Borough over the last year earned above £27,500. Importantly 48.7% earned between £27,500 and £50,000, compared to 30.9% of households about to form, reflecting therefore a greater ability to access the housing market.

3.10.4 Even though these households are up to a year more mature in career and household formation, their income levels are those used in the Assessment Model calculation in Section 13.

3.10.5 Access to the owner-occupied market in the Borough through the cheapest 1-bed flat, requires an income of at least £35,100, and the proportion of new forming households who could not afford to owner occupy in the Borough was around 79%.

3.10.6 81.6% of concealed households moving responded to a question asking about the level of savings available to meet deposit, stamp duty and legal costs on their new home. 30.5% had less than £1,000 savings, adequate only to meet a rent deposit and first months rent in the private sector.

3.10.7 Only 14.8% had over £10,000 savings, the minimum level needed to purchase one and two bedroom accommodation.

Table 3-15 Savings of 'Concealed' Households
Question 35c

Savings	All concealed households moving	
	%	Cum %
Under £1,000	30.5	30.5
£1,000 - £5,000	40.8	71.3
£5,001 - £10,000	13.9	85.2
£10,001 - £15,000	5.1	90.3
£15,001 - £20,000	3.8	94.1
Above £20,000	5.9	100.0

- 3.10.8 7.1% of concealed households moving (94 implied) would be likely to claim Housing Benefit. Around 14% has been the average in recent DCA survey.
- 3.10.9 Concealed households were asked if they have access, now or in the near future, to sources of capital, other than earnings and savings, which could be put towards the purchase of a property (for example a gift from relatives).

Table 3-16 Access to Other Sources of Capital
Question 35e

Capital Sum	All concealed households moving	
	%	Cum %
£1,000 - £10,000	59.1	59.1
£10,001 - £20,000	22.4	81.5
£20,001 - £30,000	6.0	87.5
£30,001 - £40,000	0.0	87.5
£40,001 - £50,000	2.7	90.2
Above £50,000	9.8	100.0

- 3.10.10 31.3% (486 implied) of concealed households stated that they did or would have a source of capital, other than their own savings and earnings, which could be put towards meeting the deposit for the purchase of a property. The majority (59.1%) had or expected to receive between £1,000 and £10,000, and a further 22.4% between £10,001 and £20,000. 12.5% of concealed households responding had or expected to receive over £40,000 to help them purchase their first property.

4 THE CURRENT HOUSING STOCK

4.1 Key findings and strategic implications

4.1.1 Key Findings

- The property type profile is skewed towards semi-detached houses and bungalows with detached and terraced houses and flats / maisonettes all at a similar level. The stock of bed-sits / flats / maisonettes is above average in DCA's survey experience with the majority being in the social rented sector.
- Over occupation is higher in the rented sector than the owner occupied sector, with 7.6% of private rented homes and 8.5% of HA rented homes in the household survey over occupied.
- There is a reasonable level of access to basic facilities for heating and insulation, with lower levels found in the private rented sector.
- 89.3% of respondents to the household survey said their home was adequate for their needs; 10.7% consider their home inadequate.

4.1.2 Strategic Implications

- 4.1.3 The property type profile in Spelthorne Borough shows no significant variance from the national levels with 57.1% of properties either detached or semi-detached (England 55%) and 42.4% terraced houses or flats (England 45%). In view of changing demographic and household formation patterns and the increase in need for small units there will be a longer term need to address this stock imbalance to meet the requirements of the future population.
- 4.1.4 Although flats / maisonettes seems to be well represented in the current housing stock at around 20%, 44.1% concealed households moving and seeking affordable housing require flats / maisonettes. In the case of concealed households moving and seeking market housing the proportion is 56.8%.
- 4.1.5 The total need for terraced houses, in the market sector is 10.9%, 279 units for existing households and 10.6%, 112 units for concealed households, a total of 130 each year.
- 4.1.6 In relation to house condition, increasing access to basic heating and insulation facilities should be a priority for the Private Sector Renewal Strategy and the Social Housing Investment Programme.
- 4.1.7 10.7% of households felt their home was inadequate and problems with repairs and improvements should be addressed through the Private Sector Renewal Strategy. Resources should be focused on inspection and grants, as well as information and support to both landlords and tenants to improve standards within the sector. Home Improvement Agency Services should be encouraged to give extra support to older and vulnerable households.
- 4.1.8 Owner occupation is clearly the tenure of choice for the majority of both existing moving and concealed households. Although house prices in Spelthorne Borough are lower than the majority of neighbouring areas, rising house prices locally and sub-regionally will create significant problems for lower income and new forming households trying to access the market. This problem is escalating as house prices continue to rise in excess of local income growth.

4.2 Current Housing in Spelthorne Borough

4.2.1 This section sets the scene for later examination of the housing market, outlining current housing circumstances in the Borough. The household survey asked a range of questions about the current housing circumstances of people living in Spelthorne.

4.2.2 Table 4-1 below indicates the type of accommodation occupied by existing households responding to the question.

Table 4-1 Type of Accommodation

Question 1

Type	2006 Survey %	N ^{os.} implied	Local Area Census 2001 *
Whole House or Bungalow (Semi-detached)	37.0	14,389	35.5
Whole House or Bungalow (Detached)	20.1	7,808	20.5
Whole House or Bungalow (Terraced)	22.7	8,803	21.4
Flat / maisonette / bed-sit	19.7	7,653	21.6
Houseboat / Caravan / Mobile home	0.5	199	1.0
Total	100.0	38,852	100.0

* © Crown Copyright (Census)

4.2.3 The dwelling type structure shows a sufficiently close match to the 2001 Local Area Census not to require additional weighting, particularly as tenure is the main validation of the representativeness of the sample (see Table 4-2 below).

4.2.4 The proportion of semi detached and detached houses and bungalows at 57.1% was slightly higher than the national level of 55%. Flats / maisonettes represent around 20% of the existing stock but analysis of concealed households found 44.1% of expressed need in the affordable housing sector to be for flats / maisonettes; 56.8% in the market housing sector.

Table 4-2 Property Type by Tenure (%)

Question 2 by Question 1

Tenure	Detached	Semi-detached	Terraced	Bedsit / Flat / Mais.	Caravan / Mobile home	Total
Owner Occupied w/Mort.	18.8	41.6	27.3	12.3	0.0	100.0
Owner Occupied no/Mort.	32.0	41.8	16.1	8.6	1.5	100.0
Private Rented	11.8	19.0	16.3	52.5	0.4	100.0
HA Rented	2.0	24.4	26.0	47.6	0.0	100.0
Shared Ownership	0.0	3.5	43.5	53.0	0.0	100.0
Tied to employment*	32.7	25.5	0.0	41.8	0.0	100.0

* Low volume of data

- 4.2.5 A cross-tabulation relating property type to form of tenure shows that the majority of the owner occupied sector relates to houses and bungalows. The majority of flats / maisonettes are in the rented sector.

Table 4-3 Number of Bedrooms

Question 3

Bedrooms	%	N ^{os} . implied
Bed-sit	0.8	327
One	10.6	4,101
Two	25.2	9,751
Three	48.0	18,597
Four	13.0	5,058
Five or more	2.4	925
Total	100.0	38,759

- 4.2.6 The average number of bedrooms across the stock in the Borough was 2.7 close to the average found in other recent DCA surveys (2.8). The breakdown of size by number of bedrooms in percentage terms between the ownership and rental sectors was assessed by cross-tabulation with the following results.

Table 4-4 Number of Bedrooms by Tenure

Question 3 by Question 2

Tenure	Bed-sit	One	Two	Three	Four	Five+	Total
Properties owned	0.2	4.2	23.8	52.8	16.1	2.9	100.0
Private rented	2.0	27.4	37.4	28.3	3.5	1.4	100.0
HA rented	3.6	35.0	23.8	35.7	1.6	0.3	100.0

- 4.2.7 The proportion of small units, 1 and 2-bed properties (28.2%), is low in the owner occupied sector but only 19.0% of this sector are 4+ bedroom units. The private rented sector in the Borough is small but probably not significantly different as a proportion of local stock when compared with other recent DCA surveys. Over 33% of these properties are 3 bedroomed or larger. The proportion of 3-bed properties in the HA rented sector (35.7%) is relatively high in DCA's survey experience.
- 4.2.8 A broad assessment of 'under-occupation' and 'over-occupation' was conducted based on a detailed analysis of the family composition data. The number of bedrooms required in each household was established allowing for age and gender of occupants as defined by the 'bedroom standard'. In the case of over-occupation any dwelling without sufficient bedrooms to meet that requirement has been categorised as over-occupied. In the case of under-occupation, any dwelling with more than one 'spare' bedroom above requirement has been categorised as under-occupied.
- 4.2.9 The overall over-occupation level of 3.4%, 1,320 implied households, was above the average UK level indicated by the Survey of English Housing 2001/2 (3%). There is no comparable data against which to measure the overall under-occupation figure of 36.0% but it was somewhat lower than the average found in recent DCA surveys (around 40%).

4.2.10 The assessment of under / over occupation by tenure revealed some disparity between tenure types as indicated at below.

Table 4-5 Under / Over Occupation by Tenure

Question 14a by Question 3 & Question 2

Tenure	% under occupied	% over occupied
Owner occupied with mortgage	32.9	2.8
Owner occupied no mortgage	58.0	0.7
Private rented	9.3	7.6
HA rented	13.5	8.5
HA Shared Ownership	0.0	9.5
Tied to employment / other *	0.0	0.0

* Low volume of data

4.2.11 The levels of over-occupation were significantly higher in the rented sector than in the owner occupied sector. Under occupation within the owner occupied no mortgage sector (58.0%), which will include a higher proportion of elderly households, was below the level of around 61% found in recent DCA surveys. Under-occupation in the social housing sector was low in comparison to the all tenure average and the owner occupied forms of tenure.

Table 4-6 Access to Basic Heating and Insulation Facilities

Question 6

H/IF	All tenures %	Owner occupier with mortgage	Owner occupier no mortgage	Private rented	HA rented	Shared ownership *	Tied to employment *
CH-F	89.6	92.1	89.5	74.5	91.8	73.2	100.0
CH-P	5.1	3.7	6.4	7.0	5.0	8.1	0.0
DG-F	79.0	81.5	80.2	59.3	81.1	72.1	65.5
DG-P	10.9	11.5	11.4	15.1	5.2	12.2	0.0
LI	70.6	78.3	77.2	41.2	48.5	55.5	32.7
HWTJ	67.6	65.7	75.4	57.9	62.3	58.4	50.9
WPI	36.4	39.2	42.1	23.1	21.7	31.3	25.5
DP	23.2	23.7	22.7	20.2	24.8	28.3	25.5
CWI	20.6	18.4	19.4	14.7	33.9	37.0	25.5

* Low volume of data

Heating / Insulation facilities:-

CH-F (central heating -full), CH-P (central heating -partial), DG-F (double glazing -full), DG-P (double glazing-partial, LI (loft insulation); HWTJ (hot water tank jacket), WPI (water pipes insulated); DP (draught proofing); CWI (cavity wall insulation).

- 4.2.12 Households with some form of central heating at 94.7% were well above the national average in the 2001 Census (91.5%) but close to the Spelthorne Local Area 2001 Census figure of 95.8%.
- 4.2.13 In the case of HA rented accommodation alone, 96.8% had some form of central heating, above the all tenure average, with 91.8% having full central heating as compared with the all tenure average of 89.6%. The HA rented sector was significantly below the all tenure average for water pipe insulation and loft insulation jackets and well above the all tenure average for cavity wall insulation.
- 4.2.14 One significant pattern to emerge from the cross tenure analysis was that private rented accommodation had a lower level of access to all the nominated facilities than the all tenure average. Full central heating was available in 74.5% of properties; full double glazing in only 59.3% of properties, with relatively low levels of insulation.

4.3 Adequacy of Present Dwelling / Improvement Required

- 4.3.1 Respondents were asked if their current accommodation was adequate for their needs. 89.3% indicated that their accommodation was adequate; 10.7% (4,100 implied) that it was inadequate. A level in the region of 89% has been a typical result in recent DCA surveys. The Guidance test of inadequacy causing a housing need is based on those households in this situation actually needing to move to another dwelling. Some households may technically need to move but decide not to do so.
- 4.3.2 Some variation was evident in satisfaction by tenure. The satisfaction level for HA rented accommodation (80.7%) was just below the average emerging for social rented accommodation from recent DCA surveys (around 82%). Satisfaction in the private rented sector (78.7%) was below the all tenure average but perhaps not by the margin which might be expected given the comment at 4.2.14 above. The satisfaction level in this section is only 2 percentage points below that in the HA rented sector.

Table 4-7 Adequacy by Tenure

Question 8a by Question 2

Tenure	% adequate
Owner occupied with mortgage	90.3
Owner occupied no mortgage	94.9
Private rented	78.7
HA rented	80.7
Shared ownership	68.5
Tied to employment*	72.7

* Low volume of data

- 4.3.3 Responses on the reason for inadequacy were invited on two bases - 'in-house' solutions (improvements/repairs or cost of heating) and other solutions. Respondents could reply in both categories on a multiple-choice basis.
- 4.3.4 30.9% of responses (2,322 implied) indicated an 'in-house' solution. The results in response to a multiple choice question are shown in Table 4-8 below. 35.9% households selected need for repair or improvement.

Table 4-8 Reason For Inadequacy

Question 8b

Reasons	% responses	% households	N ^{os} . implied (all choices)
Too small	36.0	56.3	2,705
Needs repair / improvement	22.9	35.9	1,724
Rent / Mortgage too expensive	14.1	22.1	1,064
Too costly to heat	8.0	12.4	598
Housing affecting health	5.9	9.2	444
Too large	5.1	8.0	385
Suffering harassment	5.1	7.9	381
Tenancy insecure	2.9	4.5	216
Total	100.0		7,517

- 4.3.5 69.1% of responses (5,195 implied) indicated a solution requiring a move. The largest single issue in this group was that the home was too small, referred to by 56.3% of households indicating a solution likely to require a move, and implying 2,705 cases. These households were tested on whether they are actually overcrowded by the national bedroom standard and there are around 1,320 households in this situation, (48.8%) of those stated their home was too small.
- 4.3.6 This suggests that around 1,385 households (2,705 implied households that said their accommodation was too small minus 1,320 households that have been calculated as overcrowded) may well be expecting additional children or perhaps have an elderly parent coming to live with them which would make their house too small in their view, but equally it could be a desire for more space in general.
- 4.3.7 Extending the existing home may offer a solution of overcrowding for some households. However the survey data in Table 10-6 shows that of 457 in-migrating relatives who will live in the family home, 275 will require extension or adaptation.
- 4.3.8 Although some of them could become overcrowded they have been eliminated these from the calculations of those needing to move for this reason in the DCLG model in Section 13 leaving a net figure of 1,320 households who need to move for this reason only.
- 4.3.9 Overall 53.9% said that a move was necessary to resolve any inadequacy (78.3% in the case of those in private rented accommodation) but 70.9% of those indicated that they could not afford a home of suitable size in the Borough.
- 4.3.10 Arguably, the main finding from the basic question on adequacy is the high degree of satisfaction expressed but some caveat has to be drawn in relation to the degree to which respondents maybe reluctant to describe their accommodation as unsuitable.

5 THE SPELTHORNE HOUSING MARKET

5.1 Key Findings and Strategic Implications

5.1.1 Key Findings

- Average house prices in Spelthorne Borough are 27.3% lower than the sub-regional average, but have risen by 28.9% between 2001 and 2006. Access to owner occupation is restricted by rising prices especially flats and terraces, with house price increases outstripping local income inflation.
- Concealed households consist predominantly of younger people, with 11.9% in the 16-19 age group, 27.0% in the 20-24 age group and a further 48.9% in the 25-44 age group.
- The ability of concealed households to access the owner occupied market is very limited. 40.3% of concealed households have incomes above £27,500; only 14.6% have incomes above £40,000. The cheapest 1 bed flats in the Borough require an income threshold of £35,100. 87% of concealed households are denied access to the market, based on the incomes of recently formed households.
- Owner occupation is clearly the tenure of choice for the majority of both existing moving and concealed households forming. Although house prices in the Borough are lower than in some neighbouring areas, rising house prices locally and sub-regionally create significant problems for lower income and new forming households trying to access the market. This problem is escalating as house prices continue to rise faster than local incomes.
- Access to the private rented housing market is restricted by price. 66.9% of all new forming households can afford to pay no more than £430 pcm rent. Access rents are £538 pcm. 41.3% of new forming households can afford to pay no more than £500 per month mortgage.
- Housing and planning strategy needs a greater focus on the need for intermediate market housing for concealed households of whom 41.3% could afford to pay no more than £500 in mortgage costs.

5.2 Housing Market Analysis

5.2.1 Three data searches were commissioned to provide information on house price and sales volumes across the Borough:-

- from the Halifax, as the largest mortgage lender, analysing lending in the Region;
- from the Land Registry, providing data on all sales in the area for the past year;
- Estate Agency survey to assess entry prices for new households in each sub-area.

5.2.2 The records include house price information by categories of dwellings, also included in the analysis is information about the volumes of sales of each type of dwelling.

5.2.3 These indices are not absolutely comparable. Land Registry increase levels tend to be lower because they include cash transactions but they are less reliable on a quarterly basis because they only calculate actual transactions and the figures are affected by changes in the mix of properties between the current and previous periods. Halifax data measures a constant mix of properties by type and size which removes the changing mix factor but does not of course include lower price cash transactions.

- 5.2.4 This information sets the context for the key issue of the affordability of housing in the area, and in particular the analysis can be related to the problems of low income evaluated through the household postal survey.

5.3 National Picture

- 5.3.1 House price inflation in the second quarter of 2006 has increased by 2.6% on the first quarter of 2006 where 1.6% increase was reported. The overall sound UK economic background and the lowest mortgage rates since the 1950s have boosted housing demand for a sustained period but turnover has reduced substantially, prices have stabilised and some property types have reduced over the last three quarters of 2005.
- 5.3.2 UK house price inflation for the year ending 30th June 2006 was recorded by Halifax Index at 9.4% and the Land Registry at 7.3%.
- 5.3.3 The Halifax First-Time Buyer Annual Review of 2006 indicates that the average price paid by first time buyers in the South East remained static in 2005 at £163,253. This is 203% more than in 1995.
- 5.3.4 The affordability difficulties confronting first time buyers have significantly reduced the number entering the market. The age of a first time buyer in 1995 was 31 and has increased to 33 in 2005.
- 5.3.5 This is also reflected in the fact that there were an estimated total of 320,440 first-time buyers in 2005, the lowest annual total since 1981. The numbers of FTB's last year were 40% lower than at 2002 (532,000).
- 5.3.6 The average deposit required in the South East was £29,870, 18% of the purchase price. In 1995 the average deposit was £6,335, 12% of the purchase price. 77% of all first time buyer purchases in the Region were flats (41%) and terraced houses (38%).

5.4 Regional Picture

Table 5-1 House Price Inflation

	Change over year to 30 th June 2006 %	Change over quarter to 30 th June 2006 %
South East ¹	+ 6.5	+ 2.8
Surrey ²	+ 10.3	+ 4.6

Source 1 - Halifax House Price Index, © Copyright HBOS plc.

Source 2 - Land Registry Data, © Crown Copyright (Land Registry)

- 5.4.1 The annual rate of house price inflation recorded in the Halifax Index for the South East Region at 31st March 2006 was 6.5%, below the UK average of 9.4%.
- 5.4.2 House prices in the South East Region show a rise, increasing by 2.8% during the second quarter of 2006.
- 5.4.3 House prices in Surrey rose over the last year by 10.3%, with a rise of 4.6% being seen in the second quarter of 2006.

5.5 The Housing Market

- 5.5.1 The Regional Market is shown in table 5-2 below, which details the prices paid for the main categories of house types for the whole of the South East with comparisons against a different source of house price index data.
- 5.5.2 The Halifax data is based on actual sales of mortgaged properties and the information is a real indication of actual prices prevailing in the purchases being made in the South East. The Land Registry data incorporates all transactions at Local Authority level.

Table 5-2 Average South East Region House Prices - All Buyers 2006

Property Type	South East Region		Surrey
	Land Registry	Halifax	Land Registry
Terraced	184,071	194,999	242,144
Semi-detached	222,085	241,871	282,184
Detached	382,696	403,758	553,220
Bungalows	*	251,645	*
Flats & Maisonettes	155,727	152,974	196,862
All Properties	236,915	228,714	330,965

Source: Halifax House Price Index, © Copyright HBOS plc

Land Registry Residential Property Price Report, 2nd Quarter 2006.

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* Land Registry figures do not identify bungalows separately.

5.5.3 The sub-regional market is examined in the table below. Average house prices for Spelthorne Borough are compared to the surrounding areas of Elmbridge, Runnymede, Woking, Hillingdon, Hounslow, Richmond, Slough and Windsor & Maidenhead as recorded by the Land Registry.

Table 5-3 Land Registry Average House Prices (£) - All Buyers 2006

Property Type	Spelthorne	Elmbridge	Runnymede	Woking	Hillingdon
Terraced	217,349	296,638	264,050	216,292	220,623
Semi-detached	269,044	348,556	277,671	256,107	255,422
Detached	351,006	880,918	527,140	477,187	469,832
Flats & maisonettes	183,830	219,750	206,098	203,305	167,315
All properties	244,456	467,751	305,669	288,570	245,654

Property Type	Hounslow	Richmond	Slough	Windsor & Maidenhead
Terraced	310,789	447,738	186,638	297,228
Semi-detached	332,887	560,508	217,126	299,929
Detached	612,566	836,305	336,197	521,715
Flats & maisonettes	225,169	269,531	132,201	229,477
All properties	287,289	420,951	191,058	350,589

Source: Land Registry Residential Property Price Report, 2nd Quarter 2006,

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- 5.5.4 The average price of all properties across all seven areas is £311,332, and average prices in Spelthorne Borough (£244,456) are 27.4% below this figure. The average prices range from the highest in Elmbridge (£467,751) followed by Richmond (£420,951), to the lowest average price of £191,058 in Slough.
- 5.5.5 The average price of terraced houses in Richmond (£447,738) is 106% higher than in Spelthorne. Spelthorne has the third lowest average price for terraced houses (£217,349) with only prices in Woking (£216,292) and Slough (£186,638) being lower.
- 5.5.6 The average price of flats and maisonettes are 46.6% higher in Richmond (£269,531) respectively, compared to Spelthorne (£183,830). The lowest average price of flats / maisonettes is found in Slough at a price of £132,201, this is 39.1% lower than in Spelthorne.
- 5.5.7 The differences in average prices of properties, particularly in the entry level stock of terraced houses and flats is assumed to have an affect on in-migration to Spelthorne from the surrounding areas. For example there is likely to be a higher level of in-migration (particularly from new forming households looking for cheaper housing) to Spelthorne from the areas of Elmbridge, Richmond and Runnymede, as average price of properties is lower in Spelthorne Borough, attracting movers to the Borough.

- 5.5.8 Our analysis of migration patterns of existing households shows a net in migration from all neighbouring Boroughs into Spelthorne Borough, suggesting that cost is just one of a number of factors influencing decisions to move into the Borough. Table 6-2 shows that only 1.2% of movers into the Borough had moved to Spelthorne to access cheaper accommodation.
- 5.5.9 The Halifax data refer to mortgage transactions at the time they are approved rather than when they are completed. Whilst this may cover some cases which may never proceed to completion, it has the important advantage that the price information is more up-to-date as an indicator of price movements and is on a more consistent time-base than completions data (such as the DCLG Index) given the variable time lags between approval and completion. The Land Registry data incorporates all sales transactions in the Region and more specifically below in the Borough.
- 5.5.10 Prices vary between the different data sources and the Land Registry figures are expected to be lower in all cases given that these figures include non-mortgaged sales.
- 5.5.11 The table below examines average house prices for the Borough recorded by the Land Registry in March 2006, against house prices at the time the previous housing needs survey in 2001 and the rate of price increase.

Table 5-4 Average House Prices (£) and Sales - All Buyers 2006 & 2001

Property Type	Spelthorne Average Price 2006	Spelthorne % of sales 2006	Spelthorne Average Price 2001	Change % 2001 - 2006
Terraced	217,349	24.7	155,816	39.5
Semi-detached	269,044	33.7	185,795	44.8
Detached	351,006	14.2	321,118	9.3
Flats & maisonettes	183,830	27.4	113,617	61.8
All properties	244,456	100.0	185,613	31.7

Source: Land Registry Residential Property Price Report, 2nd Quarter 2006
 Land Registry Residential Property Price Report, 3rd Quarter 2001
 © Crown Copyright (Land Registry)

- 5.5.12 The volume of sales in the Borough for semi-detached houses are (33.7%) selling at an average price of £269,044. Flats / maisonettes average £183,830 are 27.4% of sales. Terraced houses account for 24.7% of sales with an average price of £217,349 and detached house are 14.2% of sales averaging £351,006. Flats / maisonettes are assessed to be the main entry level properties for first time buyers in view of their high level of sales and lower price levels.
- 5.5.13 Over the last three years the prices of all properties have risen by 31.7%. Entry level stock, terraced properties have increased by 39.5% and flats / maisonettes have increased by 61.8%.
- 5.5.14 The sales levels of terraced properties in 2006, 24.7% are higher than 2001 levels (20.7%). Sales levels of flats (27.4%) are also above 2001 levels (24.6%).

5.6 Sub-Area Structure

- 5.6.1 In order to further analyse house prices in the area, the Borough has been divided into sub-areas. The five sub-areas analysed are:-

Table 5-5 Sub-Areas

Sub-Area	Wards contained within:
Ashford	Ashford Town, Ashford East, Ashford Common
Shepperton	Laleham and Shepperton Green, Shepperton Town
Staines	Staines, Staines South, Riverside & Laleham
Stanwell	Stanwell North, Ashford North & Stanwell South
Sunbury	Halliford & Sunbury West, Sunbury East, Sunbury Common

5.7 Entry Sales Levels in Spelthorne Borough

- 5.7.1 Entry to the market is clearly dependent on availability, a factor which is particularly critical for low income households who can only enter the market in any numbers where there is an adequate supply of affordable dwellings.
- 5.7.2 First-time buyers as new entrants to the housing market do not purchase houses at average prices as they do not have average incomes. Although average prices are useful for comparisons in general they are not the purchase levels used in assessing the ability of households to enter local markets.
- 5.7.3 In broad terms new purchasers of either flats or terraced properties buy in the lowest quartile of prices i.e. the bottom 25%. The only comparison available from Land Registry data is at Borough wide level. In Spelthorne this is £175,750, 39.1% lower than the average of £244,456 in Table 5-4.
- 5.7.4 DCA have therefore undertaken an internet / telephone survey of the local estate agents to ascertain the cost of the cheapest units available i.e. the lowest quartile stock costs for sale in each of the five sub-areas. These are detailed below:-

Table 5-6 Entry Sales Levels (£) in Spelthorne Borough – July 2006

Property Type	Ashford	Shepperton	Staines
1-Bed Flat	124,983	144,500*	110,725
2-Bed Flat	159,950	166,450	152,450
2-Bed Terraced	189,950*	222,475	194,950
3-Bed Terraced	201,617	225,967	208,317

Property Type	Stanwell	Sunbury	Borough-wide
1-Bed Flat	136,225	131,617	122,707
2-Bed Flat	152,450	134,633	149,708
2-Bed Terraced	187,500*	169,975	180,200
3-Bed Terraced	196,633	202,648	202,700

Source: DCA House Price Survey July 2006

*low sample of data

- 5.7.5 Although the average price of terraced properties according to the Land Registry survey is £202,322, entry sales levels vary across the Borough with the lowest entry prices, starting at around £169,975 in Sunbury, rising to £222,475 in Shepperton for a 2-bed terraced property, as can be seen in Table 5-6 above. 3-bed terraced properties start at £196,633 in Stanwell, rising to £225,967 in Shepperton for a 3-bed terraced property.
- 5.7.6 According to the table above, entry levels for flats start at £110,725 in Staines for a 1 bed unit. Entry levels for 2-bed flats start at £134,633 in Sunbury, rising to £166,450 in Shepperton.
- 5.7.7 The household survey asked concealed households what level of mortgage they were prepared to pay for their first home.

Table 5-7 Maximum Monthly Mortgage of 'Concealed' Households
Question 38b

Monthly mortgage	All concealed households moving	
	%	Cum %
Below £400	22.9	22.9
£400 - £500	18.4	41.3
£501 - £600	24.0	65.3
£601 - £750	17.8	83.1
£751 - £1,000	11.2	94.3
Above £1,000	5.7	100.0

- 5.7.8 89.7% of concealed households (1,394 implied) responded to a question on the maximum mortgage they would pay. For those seeking to buy a dwelling, 41.3% could not or would not pay a mortgage of more than £500 per month. The mortgage bands selected might reflect to some degree perceptions of the actual cost of access to home ownership.

5.8 Purchase Income Thresholds

- 5.8.1 The cheapest entry levels of the smallest units were assessed to enable threshold income levels to be calculated. These are based on 95% mortgage availability and a 3x gross income lending ratio, the levels recommended in the SEERA 2004 Good Practice Guidance. Table 5-8 below outlines the income ranges needed to enter the market in the five sub-areas in the Borough.

Table 5-8 Purchase Income Thresholds - July 2006

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed Terraced
Ashford	39,600	50,700	60,200*
Shepperton	45,800*	52,700	70,500
Staines	35,100	48,300	61,700
Stanwell	43,100	48,300	59,400
Sunbury	41,700	42,600	53,800

Please note: figures are rounded to nearest hundred.

**low sample of data*

- 5.8.2 Our survey of concealed households found that 40.3% have incomes above £27,500 and only 14.6% above £40,000. The ability of concealed households to access the market within Spelthorne is clearly very limited.

5.9 Secondary Research

- 5.9.1 The Joseph Rowntree Foundation published the results of a study undertaken across the Country examining the ability of working households, both existing and new forming, to become homeowners. The study entitled 'Can Work – Can't Buy' conducted by Professor Steve Wilcox uses the Halifax database for House Prices of the lowest quartile prices for 4/5 room dwellings and calculates affordability ratios based on working household incomes from the New Earnings Survey. This study was updated in 2004 and, based on local prices for 2 and 3-bedroom dwellings and drawing on a range of data sources, provided a range of analyses of the difficulties of working households aged 20 to 39 in accessing home ownership in all areas at the end of 2003.
- 5.9.2 In 2005 the survey has been further updated to take account of local prices and increase in incomes, it broadly follows, but refines, the earlier analyses. This study named "Affordability and the Intermediate Housing Market" was conducted for the Joseph Rowntree Foundation and provides an analysis at local authority level of the capacity of younger working households to buy in their local housing market in 2004.
- 5.9.3 The Joseph Rowntree Foundation Study shows in the 2005 Report that the Borough has a house price-to-income of 4.68 to 1. The report highlights that outside London, access to home ownership is problematic throughout the South East, where average house price to gross earned income ratios average 4.55 to 1.
- 5.9.4 It should be noted that in getting to these figures an income ratio higher than what usually applies has been taken into account, as the analysis assumes a maximum mortgage of 3.75 times household income for working households with one earner, and 3.25 times household income for households with two (or more) earners.
- 5.9.5 This is compared with the previous 2003 update which stated, "All ratios should be considered in relation to the ratio of mortgage advance to household gross earned income, which rarely exceeds 3.5 to 1". This ratio would only apply to professionals and it is more likely that the majority of local households would achieve mortgage ratios below 3.5 to 1 and closer to the average of the Council of Mortgage Lenders for first time buyers in 2004 of 3.03 to 1.
- 5.9.6 Table 5-9 highlights the data and house price to income ratio for Spelthorne Borough and the South East Region.

Table 5-9 Purchase Income Thresholds

Area	Working Households		
	2004 Prices £	Income £	Ratio
Spelthorne Borough	224,792	48,037	4.68
South East Region	188,543	41,426	4.55

Source: Joseph Rowntree Foundation 2005 Update

- 5.9.7 House price to income ratios in Surrey range from 5.69 to 1 in Mole Valley to the lowest 4.39 to 1 in Elmbridge.

5.10 The Private Rented Sector

- 5.10.1 The private rented sector in the Borough is small at 8.8% of the stock, below the national average level. Re-let supply is therefore also low and an assessment has been undertaken to analyse turnover relative to demand levels. Over three years the survey data suggests that around 1,320 units over a three year period will become available, around 440 a year. However 1,823 households, 608 a year, require market rented housing, a shortfall of 168 units annually.

- 5.10.2 42% of the private rented stock turnover is detached and semi-detached houses and bungalows, around 556 units. The need for entry-level accommodation, particularly for concealed households, is for flats and terraces and analysis of the data for these types only reveals that demand from existing households, in-migrants and concealed households exceeds supply by 588 units, 196 units annually.
- 5.10.3 In terms of access to the market, annual supply of entry-level stock is only around 255 units a year, around 21 units a month, to meet total demand in this sector. This scale of turnover is inadequate to provide opportunity for over 450 new households forming alone each year who cannot afford to buy.

Table 5-10 Supply / Demand of Private Rented Stock (3 years)

Supply	All Types	Flats / Terraced
Existing Households Moving within Borough	703	413
Out-migrating Households	617	351
Total Supply	1,320	764
Demand	All Types	Flats / Terraced
Existing Households Moving within Borough	52	29
In-migrant Households	1,522	1,074
Total Existing Household Demand	1,574	1,103
Concealed Households Forming	249	249
Total Demand	1,823	1,352
Net Shortfall	503	588

- 5.10.4 There is a need for a larger private rented sector to provide a more balanced housing market in the Borough.

5.11 Private Sector Rent Levels

- 5.11.1 Some of the main private renting agencies operating in the Borough were approached to ask various questions about the rental market in Spelthorne and their views of the private rented market are provided.
- 5.11.2 The majority of estate agents noted that the rental market in Spelthorne is very strong at the moment with a lot of activity and there is a currently a high level of interest in rental properties in the Borough. In Shepperton and Sunbury estate agents noted that it was mainly professionals renting out properties and that location i.e. access to the town centre and train station, plays a major part in people wanting to rent in these areas.
- 5.11.3 From the estate agency sources approached, the prevailing private sector rent levels are set out below.

Table 5-11 Average and Entry Rent Levels, July 2006 (£ p/m)

Property Type (Average / Entry Level)	Ashford		Shepperton		Staines		Stanwell		Sunbury		Borough-wide	
	Average	Entry	Average	Entry	Average	Entry	Average	Entry	Average	Entry	Average	Entry
1-Bed Flat	677	613	639	575	659	590	622	538	669	625	625	588
2-Bed Flat	733	673	799	763	772	690	749	698	790	713	766	707
2-Bed Terraced	838	800	880	850	890	807	829	713	858	813	861	796
3-Bed Terraced	918	895	921	863	999	938	899	825	896	863	925	877
2-Bed Semi-detached	888	838	1,077	925	889	838	829	763	821	763	913	825
3-Bed Semi-detached	860	773	1,006	907	944	799	925	863	1,000	913	945	851

Source: DCA House Price Survey July 2006

5.12 Entry to Private Rent

- 5.12.1 Entry rental costs in the private rented sector vary by location within the Borough. The private rented sector can be entered at £538 month in Stanwell, rising to £625 in Sunbury (see Table 5-11) for a one bedroom flat, the smallest unit. For a 2-bed flat, rents range from £673 in Ashford to £763 in Shepperton.
- 5.12.2 In the case of 2-bed terraced houses, it was found that the entry rent levels range from £713 p.m. in Stanwell rising to £850 in Shepperton. 3-bed terraced properties can be rented from £825 p.m. in Stanwell to £938 in Staines.
- 5.12.3 2-bed semi detached properties can be rented from £763 in Stanwell and Sunbury rising to £925 in Shepperton. 3-bed semi detached properties can be rented from £773 per month in Ashford rising to £913 per month in Sunbury.
- 5.12.4 Concealed households in the household survey gave details of how much rent per week they could afford to pay.

Table 5-12 Maximum Weekly / Monthly Rent of Concealed Households
Question 35a

Weekly rent	All concealed households moving	
	%	Cum %
Below £60 pw / £260 pm	8.7	8.7
£60 - £70 pw / £260 - £300 pm	32.3	41.0
£71 - £80 pw / £301 - £350 pm	13.4	54.4
£81 - £100 pw / £351 - £430 pm	12.5	66.9
£101 - £150 pw / £431 - £650 pm	27.1	94.0
£151 - £200 pw / £651 - £865 pm	6.0	100.0

No rents above £200 pw

- 5.12.5 Responses were received from 53.9% (837 implied) of all concealed households moving. Of those, 41.0% could afford a weekly rent of no more than £70 (£300 pcm); 54.4% no more than £80 (£350 pcm).
- 5.12.6 This data was examined to see if those who had specified their preferred tenure as Private Rent could actually access the market price levels that were identified in the Estate Agents Survey.
- 5.12.7 Concealed households preference for private rented market housing is around only 6.6% of immediately forming households. 27.1% could afford to pay between £431 and £650 a month which would allow them entry to the cheapest 1-bed flats and only 6.0% could afford between £651 and £865 a month allowing them access to 1 and 2-bed flats and some 2 and 3-bed terraced and semi-detached house. The data indicates that 66.9% of concealed households cannot pay more than £430 pcm and are priced out of the private rental market.
- 5.12.8 There is evidence to suggest that landlords would not accommodate Housing Benefit / Income Support cases; however the decision does rest with the individual landlord concerned.
- 5.12.9 A range of property types are available in the sector as a whole and are found in a variety of locations within Spelthorne. The difference in rent level between furnished and unfurnished property is marginal with agents indicating they do charge slightly more for furnished accommodation, although many agencies do not deal with furnished property due to the fire regulations involved.

5.13 Rental Income Thresholds

5.13.1 The cheapest rental prices of the smallest units in the Borough were assessed in order to calculate the rental income threshold levels. These are based on rent at 25% of gross income (equivalent to 30% of net income). Table 5-13 below shows the income levels needed to access the private rented market in the Borough.

Table 5-13 Rental Income Thresholds- July 2006

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed Terrace
Ashford	29,400	32,300	38,400
Shepperton	27,600	36,600	40,800
Staines	28,300	33,100	38,700
Stanwell	25,800	33,500	34,200
Sunbury	30,000	34,200	39,000

NB Figures rounded to nearest hundred.

5.13.2 The cheapest property in Stanwell requires an income threshold of £25,300. Less than 45% of all concealed households in the survey achieved an income of this level.

6 MIGRATION

6.1 Introduction

6.1.1 This section looks at the patterns of migration for the Spelthorne Borough area. In the first part of the section the 8,930 implied households (23.0% of the sample) who had moved in the last 3 years were asked where they had moved from. 54.3% had previously lived within Spelthorne; 45.7% had moved from out of the Borough (4,081 households).

6.2 In-Migration to Spelthorne Borough

6.2.1 Of the 4,081 households which had in-migrated to the Borough over the last three years, 23.7% had moved from Hounslow and 22.7% from elsewhere in the UK; 17.1% from London.

6.2.2 Only a small proportion (8.1% in total) had moved from other Boroughs / Boroughs within Surrey County.

Table 6-1 **Location of Previous Dwelling (In-migrants)**

Question 5a

Location	%	N ^{os.} implied
Hounslow	23.7	968
Elsewhere in UK	22.7	926
London	17.1	698
Richmond	11.3	461
Abroad	9.6	393
Runnymede	6.5	267
Hillingdon	3.0	122
Windsor and Maidenhead	2.5	102
Slough	2.0	81
Elmbridge	1.2	48
Woking	0.4	15
	100.0	4,081

- 6.2.3 Those who had moved into the Borough within the last 3 years were then asked what the most important reason was for moving home. 93.6% (3,817 implied) of the group indicating a move responded to the question.

Table 6-2 Reason for the Moving Within Last 3 Years, for those moving into the Borough
Question 5c

Reason	%	N ^{os.} implied
Needed more space	22.5	857
New job	20.4	778
Closer / easier to commute	14.1	537
Wanted to buy	12.4	472
Relationship / family break down	8.8	337
Wanted own home	7.2	275
To be near a relative	6.0	230
Need less space	2.9	112
Education	2.9	111
To move to a cheaper home	1.2	44
Retirement	0.9	36
Health reasons	0.7	28
Total	100.0	3,817

- 6.2.4 34.5% moved to the Borough due to employment reasons (which is usually the major reason in DCA surveys embracing new job / easier to commute together) and 22.5% needed more space. Less than 1.0% had moved at retirement. The proportion who had wanted to buy was quite significant at 12.4%.
- 6.2.5 83.7% of the group indicating a move into the Borough (3,416 implied) answered a further question on whether the move was to a first home as an adult. 25.0% said that it was their first home as an adult.

6.3 Out - Migration from Spelthorne Borough

- 6.3.1 Out-migration is expected to account for 51.0% of all moves for existing moving households (3,058 implied) and 40.4% of concealed households over the next 3 years (643 moves implied).
- 6.3.2 Those moving out of the Borough were asked where they were thinking of locating. In this case 2,960 implied existing households (96.8%) and 607 implied concealed households (94.4%) responded to this multiple choice question.

Table 6-3 Location of Move for those Moving Outside the Borough
Question 16c

Location	Existing households		Concealed households	
	%	N ^{os.} implied	%	N ^{os.} implied
Elsewhere in UK	49.9	1,477	28.6	173
Abroad	14.9	442	6.5	40
Richmond	7.8	230	8.8	54
Runnymede	5.4	161	9.0	54
London	5.3	157	18.9	114
Woking	5.0	147	11.5	70
Windsor and Maidenhead	4.3	126	6.2	38
Elmbridge	4.0	120	0.0	0
Hillingdon	1.9	56	0.0	0
Hounslow	1.5	44	3.6	22
Slough	0.0	0	6.9	42
Total	100.0	2,960	100.0	607

- 6.3.3 In the case of existing households moving, the main single interest by far was in moving elsewhere in the UK at 49.9% with 14.9% opting for moving abroad, lower than the level found in DCA surveys for the last two years. Richmond was the most favoured specific location at only 7.8%.
- 6.3.4 In the case of concealed households moving the highest proportion were again those interested in moving elsewhere in the UK but at a lower level (28.6%). A significant proportion indicated a move to London (18.9%). 20.5% indicated a move to either Woking (11.5%) or Runnymede (9.0%).

- 6.3.5 Those moving out of the Borough were asked their reasons for moving away. 2,961 implied existing households, 96.8% of those intending to move out of the Borough, and 618 implied concealed households, 96.1% of those intending to move outside the Borough, responded to a multiple choice question, offering around 1.4 choices in the case of both existing households and new households.

Table 6-4 Reason for Moving Out of the Borough

Question 16d

Reason	Existing Households		Concealed households	
	% households	N ^{os.} implied	% households	N ^{os.} implied
Quality of neighbourhood	38.6	1,144	15.1	93
Family reasons	31.4	930	32.5	201
Employment / access to work	25.7	761	30.7	190
Retirement	15.2	450	0.0	0
Unable to buy	12.9	382	20.3	126
Lack of affordable rented housing	8.1	241	29.2	180
Education	7.4	220	14.4	89
Total		4,128		879

- 6.3.6 Reasons given for moving out of the Borough were well spread across three of the options, quality of the neighbourhood (38.6%), family reasons (31.4%) and employment / access to work (25.7%). In the case of concealed households moving, choices were more focused on financial factors (viz lack of affordable rented housing (29.2%) and inability to buy (20.3%)) as might be expected from a group likely to have a younger profile.
- 6.3.7 The table shows 623 existing households and 306 concealed households stating that they were leaving the Borough due to lack of affordable rented housing or an inability to buy. However, some households answered both options and there are 205 net households unable to buy or rent, 136 existing and 69 concealed households out-migrating for this negative reason.

6.4 Migration Summary

6.4.1 This table reflects the net migration patterns for existing Spelthorne households.

Table 6-5 Net Migration Patterns

Migration Areas	Elmbridge	Runnymede	Woking	Hillingdon	Hounslow	Richmond	Slough	Windsor and Maidenhead	London	Elsewhere in UK
Moving into Spelthorne	48	267	15	122	968	461	81	102	698	926
Moving out of Spelthorne	120	161	147	56	44	230	0	126	157	1,477
Net Migration	- 72	+ 106	- 132	+ 66	+ 924	+ 231	+ 81	- 24	+ 541	- 551

Reasons	Retirement	Employment	Education
Moving into Spelthorne	36	1,315	111
Moving out of Spelthorne	450	761	220
Net Impact	- 414	+ 554	- 109

6.4.2 There is a positive net level of in-migration relating to employment of 554 existing households, but a negative net level due to education (109) and retirement (414).

6.4.3 There is net in-migration to Spelthorne Borough from Hounslow, Richmond and London in particular and to a lesser degree from three other nominated areas. Out-migration is primarily to elsewhere in the UK (551).

7 MOVING HOUSEHOLDS WITHIN SPELTHORNE BOROUGH

7.1 Introduction

7.1.1 Sections 8 and 9 analyse the responses from the household survey in relation to the future intentions and plans of both existing and newly forming households within the Borough over the next three years. Section 8 focuses on those households specifically requiring market housing, while Section 9 looks at those requiring affordable housing.

7.2 Moving Households within Spelthorne Borough

7.2.1 Moving intentions were tested in the survey questionnaire with an emphasis on future plans to move within the Borough for existing households and also a more focused study on concealed households who represent pent up demand for housing.

7.2.2 Respondents were asked to say whether they or any members of the household were currently seeking to move or will do so in the next three years. 21.0% of all households responding (7,948 implied) planned a move. A further 6.5% (2,473 implied) indicated that they wished to move but were unable to do so.

7.2.3 The scale of movement implied, at an average of around 7.0% per annum, was higher to that found in other recent surveys carried out by DCA in which an average annual figure of 4.9% has emerged (though this figure includes periods of up to 5 years in some cases). This proportion would rise to 9.2% if all those wishing to move in the period were able to do so.

7.3 Households Prevented from Moving

7.3.1 Those indicating a wish to move but an inability so to do offered the following reasons for not being able to move. Respondents offered around 1.5 choices on average. However, the number of implied households responding was 3,232 not 2,473 as indicated by the basic responses on moving referred to above.

7.3.2 It would seem clear from below that affordability was by far the most important factor with 58.4% indicating an inability to afford to buy a home as one of the reasons and 24.7% indicating that they were unable to afford the cost of moving. Significantly, 24.6% of households unable to move mentioned a lack of affordable rented housing as a reason.

Table 7-1 **Reasons Preventing a Move**

Question 16e

Reason	% responses	% households	N ^{os.} implied
Unable to afford to buy a home	37.8	58.4	1,887
Unable to afford moving costs	16.0	24.7	799
Local education choices	1.4	2.2	71
Family reasons	5.6	8.7	282
Location of employment	6.1	9.4	305
Lack of affordable rented housing	15.9	24.6	794
Other	17.2	26.6	859
Total	100.0		4,997

7.4 Demand for Existing Moving Households

7.4.1 Table 7-2 below shows preferred tenure for existing moving households by current tenure.

Table 7-2 Current Tenure / Tenure Preferred (Existing Households)

Question 2 / 21

	Preferred tenure	Current tenure										Total N ^{os.}
		O/O with mortgage		O/O no mortgage		Private Rent		HA rented		HA Shared Ownership*		
		%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	
MARKET	Owner occupation	95.8	1,724	91.6	287	47.7	427	8.9	47	100.0	25	2,510
	Private rent	0.0	0	3.9	12	3.2	29	2.2	12	0.0	0	53
AFFORDABLE	HA rent	1.9	35	0.0	0	32.5	291	77.1	411	0.0	0	737
	HA Shared Ownership	2.3	40	4.5	14	16.6	148	11.8	63	0.0	0	265
Total		100.0	1,799	100.0	313	100.0	895	100.0	533	100.0	25	3,565

* Low sample No data for Tied to employment

7.4.2 95.8% of owner occupiers with a mortgage and 91.6% of those without a mortgage want to remain in owner occupied housing when they move. 47.7% of movers currently in private rented accommodation hope to move into owner occupation, 32.5% plan to move to HA rented housing. In contrast just 8.9% of HA rented tenants plan to move into owner occupation. 77.1% of HA rented tenants plan to remain in HA rented accommodation and a further 11.8% plan to move to the HA shared ownership sector.

7.4.3 In total, **2,563** existing households require market housing, this group is analysed in detail in Section 8. A further **1,002** existing households require affordable housing, this group is analysed in detail in Section 9.

7.5 Demand for Concealed Moving Households

- 7.5.1 This section examines in detail those people living in an existing household but described as a 'concealed' household which is taken as a proxy for the extent of 'concealment' of housing need within the Borough because these households represent a pent up and unmet demand for housing.
- 7.5.2 The questionnaire allowed for up to 2 concealed households to be identified within each existing household, each intending to form a new home within the Borough. A total of 1,326 1st concealed households and 228 2nd concealed households were identified from an average of the detailed data tables, making a total of **1,554** concealed households planning to form in the next 3 years.
- 7.5.3 The majority (68.6%) of the total of concealed households consisted of people described as children of the household; a further 11.2% were described as parent / grandparent. The level of relationship breakdown at 10.4% was considerably higher than normally found in DCA surveys (around 4%).

Table 7-3 Person Looking to Form Concealed Households
Question 25

Persons forming household	%	N ^{os.} implied
Child 16+	68.6	1,066
Parent / Grandparent	11.2	174
Partner / Spouse	10.4	162
Friend	4.0	62
Other relative	3.2	50
Lodger	2.6	40
Total	100.0	1,554

Table 7-4 Number of Children
Question 26d

Children	%	N ^{os.} implied
Child due	10.8	29
One	42.4	114
Two or more	46.8	126
Total	100.0	269

- 7.5.4 The survey found that children (under the age of 16) were present (or due) in 17.3% of all cases (269 implied). This is a much higher level than the DCA survey average of around 8%.
- 7.5.5 It is important to note that these "families" exist now and 57.0% of them need to form within a year.
- 7.5.6 New households were asked whether they were being formed as a single or couple household. 42.6% (662 implied) indicated formation as a couple household, increasing to 49.9% for those households forming within the next two years.
- 7.5.7 Households indicating a couple household were also asked where their partner was currently living. In 4.0% of cases the partner was living elsewhere within Spelthorne Borough, falling slightly to 3.1% for households forming within the next two years, resulting in a potential double count which is addressed in the DCLG Assessment Model Calculation. In 53.3% of those cases the partner was living in the existing household; in 42.7% of cases outside the Borough.

Table 7-5 Time of Move –New Forming Households

Question 28

When required	%	N ^{os.} implied
Now	19.4	301
Within 1 year	24.0	373
1 - 2 years	24.6	382
2 - 3 years	32.0	498
Total	100.0	1,554

7.5.8 The Good Practice Guidance recommends that for model purposes the scale of annual new household formation is calculated as an average of the first two years numbers (1,056 / 2) identified in the survey in Table 7-5 above. The annual average in Spelthorne is 528, utilised in the DCLG model in Section 13.

7.5.9 Table 7-6 below shows tenure needed and preferred for concealed moving households in the Borough.

Table 7-6 Tenure Needed / Preferred

Question 27a / Question 27b

	Tenure	Needed		Preferred	
		%	N ^{os.} implied	%	N ^{os.} implied
MARKET	Owner occupation	50.4	783	67.0	1,041
	Private rent	16.1	250	6.6	103
	Tied to employment	1.9	30	0.0	0
AFFORDABLE	HA rent	15.4	239	16.5	256
	HA shared ownership	16.2	252	9.9	154
	Total	100.0	1554	100.0	1,554

7.5.10 In terms of the needs of concealed households forming in the Borough, the largest proportion require owner occupation (50.4%), followed by HA shared ownership (16.2%) and Private rented units (16.1%). Preference however shifts significantly towards owner occupation (67.0%) with fewer new forming households specifying a preference for private rent (6.6%).

7.5.11 Need for social and subsidised housing was focused 15.4% on HA rented housing and 16.2% on HA shared ownership accommodation.

7.5.12 In total, **1,063** concealed households need market housing, this group is analysed in detail in Section 8. A further **491** concealed households require affordable housing, this group is analysed in detail in Section 9.

8 FUTURE MARKET HOUSING REQUIREMENTS

8.1 Demand for Market Housing for Existing Moving Households

- 8.1.1 As seen in Table 7-2, 2,510 existing households are planning to move into owner occupied housing and 53 are planning to move into private rented housing, giving a total demand of **2,563** for market housing within the Borough in the next 3 years. This is the control total used in the analysis for this section.
- 8.1.2 Some tables in this section include a column showing figures for “all tenures” i.e. including those existing households needing affordable housing, as a comparison.

Table 8-1 *When is the Accommodation Required*

Question 17

Time	Market Housing %	N ^{os} . implied	All Tenures %
Now	8.4	215	9.0
Within 1 year	27.8	713	30.4
1 - 2 years	28.1	720	28.0
2 - 3 years	35.7	915	32.6
Total	100.0	2,563	100.0

- 8.1.3 The table shows that 36.2% of potential movers to market housing sought to do so now, or within one year.

Table 8-2 *Type of Accommodation Required*

Question 18

Type	Market Housing %	N ^{os} . implied	All Tenures %
Detached	33.7	864	27.0
Semi-detached	31.1	797	30.3
Bungalow	13.5	346	11.1
Terraced	10.9	279	13.7
Bed-sit / flat / maisonette	7.5	192	13.0
Supported housing	2.1	54	3.4
Caravan / mobile home	1.2	31	1.5
Total	100.0	2,563	100.0

- 8.1.4 Table 8-2 indicates that 33.7% these respondents felt that they required detached houses, above the proportion of all existing households moving (27.0%). Interest in bed-sits / flats / maisonettes at 7.5% was below the figure for all existing households, which is in line with expectations that most demand for flats / maisonettes will be for social and subsidised housing.

Table 8-3 *Number of Bedrooms Required*

Question 20

Bedrooms	Market Housing %	N ^{os} . implied	All Tenures %
One	5.2	133	7.9
Two	23.3	597	30.0
Three	44.6	1,143	42.0
Four	20.8	533	15.6
Five or more	6.1	157	4.5
Total	100.0	2,563	100.0

- 8.1.5 71.5% of existing households moving to market housing indicated that they required three+ bedroom accommodation.
- 8.1.6 Cross-tabulation relating type of property required to size required for market housing showed the following results.

Table 8-4 Type Required by Size Required
Question 18 by Question 20

Type	One bed		Two bed		Three bed		Four beds		Five+ bed		Total
	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	0.0	0	17.5	139	60.2	479	22.3	178	0.0	0	796
Detached	3.4	29	1.4	12	39.6	343	37.4	324	18.2	158	866
Terraced	0.0	0	44.2	123	55.8	155	0.0	0	0.0	0	278
Bed-sit / flat / maisonette	38.7	75	61.3	119	0.0	0	0.0	0	0.0	0	194
Bungalow	0.0	0	50.3	174	44.7	155	5.0	17	0.0	0	346
Houseboat / caravan / mobile home*	0.0	0	100.0	31	0.0	0	0.0	0	0.0	0	31
Supported housing*	53.8	28	46.2	24	0.0	0	0.0	0	0.0	0	52
Total		132		622		1,132		519		158	2,563

* low volume of data

- 8.1.7 55.6% of detached demand favoured 4+ bed accommodation; 60.2% of semi-detached demand was for 3-bed accommodation. 55.8% of terraced house demand and 44.7% of bungalow demand was also for 3-bed accommodation. 61.3% of flats / maisonette demand was for 2-bed accommodation.
- 8.1.8 Cross-tabulation to compare type of property required with tenure preferred showed the following results.

Table 8-5 Type Required by Preferred Tenure
Question 18 by Question 21

Type	Owner occupation		Private rented		Total
	%	N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	98.5	786	1.5	12	798
Detached	100.0	865	0.0	0	865
Terraced	100.0	278	0.0	0	278
Bed-sit / flat / maisonette	85.1	165	14.9	29	194
Bungalow	100.0	344	0.0	0	344
Houseboat / caravan / mobile home*	100.0	31	0.0	0	31
Supported housing*	72.4	41	22.6	12	53
Total		2,510		53	2,563

* low volume of data.

- 8.1.9 34.5% of demand in the owner occupied sector was for detached houses; 31.3% for semi-detached. Demand in the private rented sector was negligible.

- 8.1.10 Existing households moving were asked where accommodation was required. Two choices were invited but on average only 1.5 choices were offered.

Table 8-6 Where Accommodation is Required

Question 23

Location	Moving to market housing			All tenures
	% responses	% households	N ^{os.} implied	% households
Staines inc Laleham	30.5	45.5	1,059	42.9
Shepperton	25.1	37.5	873	32.7
Sunbury inc Upper Halliford	21.3	31.8	740	35.3
Ashford	19.6	29.3	682	35.4
Stanwell	3.5	5.3	123	11.6
Total	100.0		3,477	

- 8.1.11 Staines including Laleham was the most popular choice but interest was spread fairly evenly across all the recommended areas other than Stanwell.
- 8.1.12 The final question in this section asked respondents why they preferred a particular location. The average number of choices was 2.1. Quality of neighbourhood (49.2%) was the most common choice but interest was quite evenly spread over four other categories with 35.9% wishing to be nearer family. Greater availability of cheaper housing was not a significant issue.

Table 8-7 Reason for Preferred Location

Question 24

Reason	% responses	% households	N ^{os.} implied (all choices)	All tenures %
Quality of neighbourhood	23.3	49.2	1,125	48.5
Nearer family	16.9	35.9	819	38.7
Employment / closer to work	15.0	31.7	724	30.6
Always lived here	14.0	29.7	679	32.1
Better / nearer schools / colleges	12.6	26.6	607	30.7
Nearer / better shopping / leisure facilities	9.0	19.1	436	20.5
Better public transport	5.6	11.9	271	16.2
Greater availability of cheaper housing	3.6	7.6	175	7.2
Total	100.0		4,836	

8.2 Demand for Market Housing for Concealed Households

- 8.2.1 Table 7-6 shows that 783 concealed households intend to move to owner occupation, 250 to private rent and 30 to tied to employment accommodation. In total, **1,063** concealed households over the next three years require market housing in the Borough. This is the control total used in the analysis for this section.
- 8.2.2 The data for "preference" rather than demand is included as a comparison, to show the gap between needs and aspirations for this group.

Table 8-8 Type of Accommodation Needed / Preferred

Question 29 / Question 29b

Type	Needed		Preferred	
	%	N ^{os.} implied	%	N ^{os.} implied
Bed-sit / flat / maisonette	56.8	604	25.7	273
Semi-detached	18.8	200	38.9	414
Terraced	10.6	112	16.5	175
Detached	7.5	80	18.9	201
Bungalow	6.3	67	0.0	0
Total	100.0	1,063	100.0	1,063

No data for Supported housing or Houseboat / caravan / mobile home

- 8.2.3 The results from the survey showed a different profile from existing households moving, as might be expected for a generally younger group. 56.8% of concealed households moving required flats / maisonettes. The more aspirational view usually reflected amongst concealed households moving to market housing on preference for type (i.e. more houses; fewer flats) was evident in the Borough as is usually found in DCA surveys.

Table 8-9 Number of Bedrooms Needed / Preferred

Question 30a / Question 30b

Bedrooms	Needed		Preferred	
	%	N ^{os.} implied	%	N ^{os.} implied
One	35.4	376	16.4	174
Two	50.1	532	49.0	521
Three	11.9	127	29.9	318
Four or more	2.6	28	4.7	50
Total	100.0	1,063	100.0	1,063

- 8.2.4 The results suggest a significant proportion of these requiring flat / maisonette accommodation want 2-bed accommodation as confirmed by Table 8-10 below. The preference results for concealed households moving to market housing reflected the additional interest in larger house types referred to at 8.2.3 above, in that preference for 3-bed properties was higher (29.9%) than need (11.9%).
- 8.2.5 Two cross-tabulations for concealed households moving on need only relating to the type of property needed by the size and tenure needed showed the following results.

Table 8-10 Type needed by Size needed

Question 29a by Question 30a

Type	1-bed		2-bed		3-bed		4+ bed		Total
	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	0.0	0	51.0	102	35.0	70	14.0	28	200
Detached *	79.7	63	0.0	0	20.3	16	0.0	0	79
Terraced	11.5	13	61.1	69	27.4	31	0.0	0	113
Bed-sit / flat / Maisonette	51.7	312	48.3	291	0.0	0	0.0	0	603
Bungalow	0.0	0	80.9	55	19.1	13	0.0	0	68
Total		388		517		130		28	1,063

* low volume of data.
no data for other types

- 8.2.6 51.7% of flatted accommodation demand was for 1-bed property, 48.3% was for 2-bed. 51.0% of semi detached house and 61.1% of terraced house demand was for 2-bed accommodation.

Table 8-11 Type Needed by Tenure Needed

Question 29a by Question 27a

Type	Owner Occupation		Private rented		Tied to employment *		Total
	%	N ^{os.}	%.	% N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	100.0	200	0.0	0	0.0	0	200
Detached	100.0	80	0.0	0	0.0	0	80
Terraced	81.4	92	18.6	21	0.0	0	113
Bed-sit / flat / maisonette	53.0	319	41.5	250	5.5	33	602
Bungalow	100.0	68	0.0	0	0.0	0	68
Total		759		271		33	1,063

* low level of data

no data for other types

- 8.2.7 Owner occupied demand was split 42.0% for bed-sit / flat / maisonette accommodation, 26.4% for semi-detached houses. Demand for the private rented sector was mostly for bed-sit / flat / maisonette accommodation at 92.2%.
- 8.2.8 Concealed households were asked the same questions on location as existing households moving. Two choices were offered but on average concealed households moving made 1.7 choices each.

Table 8-12 Choice of Location

Question 31

Location	Concealed households moving to Market Housing		
	% responses	% households	N ^{os.} implied (all choices)
Staines inc Laleham	29.8	51.1	461
Ashford	27.7	47.6	429
Shepperton	19.5	33.4	301
Sunbury inc upper Halliford	17.9	30.7	277
Stanwell	5.1	8.8	79
Total	100.0		1,547

- 8.2.9 51.1% of concealed households moving to market housing made Staines including Laleham as one of their choices closely followed by Ashford (47.6%) but there was significant interest in all areas other than Stanwell.

Table 8-13 Reason for Preferred Location

Question 32

Reason	Concealed households moving to Market Housing		
	% responses	% households	N ^{os} . implied (all choices)
Nearer family	26.7	61.7	602
Quality of neighbourhood	21.5	49.7	485
Employment / closer to work	18.3	42.5	414
Always lived here	14.1	32.7	319
Better / nearer schools and colleges	6.7	15.5	151
Better public transport	6.4	14.8	144
Nearer / better shopping / leisure facilities	3.8	8.7	85
Greater availability of smaller houses	1.5	3.6	35
Greater availability of cheaper housing	1.0	2.3	22
Total	100.0		2,257

- 8.2.10 The most popular reason given for moving was nearness to family (61.7%). Quality of neighbourhood issues at 49.7% and employment / closer to work issues at 42.5% respectively were also important factors for these households. Interest in smaller homes or availability of cheaper housing was negligible.

8.3 Total Demand for Market Housing in the Borough

8.3.1 Table 8-14 below shows total demand for market housing in the Borough by property type and size.

Table 8-14 Total Demand for Market Housing in the Borough (3 years)

		Semi-Detached	Detached	Terraced	Flat / Bed-sit	Bungalow	Houseboat / caravan / mobile home	Supported Housing	Total
Existing H/h	1-bed	0	29	0	75	0	0	28	132
	2-bed	127	12	123	119	160	31	24	596
	3-bed	491	343	155	0	155	0	0	1,144
	4+ bed	178	482	0	0	31	0	0	691
Concealed H/h	1-bed	0	63	13	312	0	0	0	388
	2-bed	102	0	69	291	55	0	0	517
	3-bed	70	16	31	0	13	0	0	130
	4+ bed	28	0	0	0	0	0	0	28
In-Migrant H/h	1-bed	25	29	102	502	0	22	0	680
	2-bed	161	68	427	757	199	11	0	1,623
	3-bed	517	185	336	91	74	0	0	1,203
	4+ bed	51	166	54	29	19	0	0	319

8.3.2 The data incorporates existing household demand (from Table 8-4), concealed household demand (from Table 8-10) and in-migrant household demand for market housing, based on the profile of recent in-migrants to the Borough over the last three years.

8.3.3 It is assumed that the in-migrant market demand will be similar in the Borough over the next three year period to 2009.

8.3.4 Further analysis of this market demand by location preference in sub-areas within the Borough is also provided in Appendix I.

8.4 Households Unable to Move

8.4.1 The report details in Section 7.3 that over 3,200 households who wish to move but are unable to do so for a range of reasons. Analysis shows that there are 1,432 households currently living in market housing who wish to buy in the Borough but cannot afford to do so because of the local house price and incomes, savings and equity relationship.

8.4.2 828 of these are existing owner occupiers, and 604 households wish to buy but currently live in the private rented sector.

8.4.3 Households wishing to move but unable to do so represent a pent-up market demand unable to be addressed whose needs could be met through intermediate housing.

9 FUTURE AFFORDABLE HOUSING REQUIREMENTS

9.1 Key Findings and Strategic Implications

9.1.1 Key Findings

- Demand for affordable housing from existing moving households was 1,002 units, 737 implied for HA rented accommodation and 265 units implied for shared ownership housing.
- 12.5% of existing moving households plan to move now and a further 33.7% plan to move within 12 months.
- 491 concealed households are looking for social housing; the majority of need from this group was for 2 bed accommodation.
- For existing households, 32.2% of demand in the HA rented sector was for semi-detached houses; 23.4% for terraced houses and 21.4% for bed-sits / flats / maisonettes. For concealed households, 52.7% of interest in the rented sector was for bed-sits / flats / maisonettes.
- Ashford was the most popular location for both existing and concealed households. Access to family was the most common factor influencing choice of decision for both groups.

9.1.2 Strategic Implications

9.1.3 Housing strategy needs to consider the need of both new forming and existing households for social housing. This need must be assessed in the context of a market which is increasingly beyond the reach of low income existing and new forming households; also demand will increase over time as the population ages. The current market situation is creating pressure for social housing for flats / maisonettes for new households.

9.1.4 DCA's recommendation is that strategic thinking should focus on bringing the existing stock up to the decent homes standard, and that additional resources should be sought to bring homes up to a "decent homes plus" standard, in particular to help meet the needs of an ageing population for aids and adaptations.

9.1.5 Over occupation within the social housing sector may be a function of the price of owner occupation and private renting within the Borough, as well as the shortage of social housing. Allocations policy should take account of the needs of over crowded households.

9.1.6 Looking ahead there may be a need to allocate resources to fund restructuring of some social housing stock to better meet the needs of elderly and disabled households.

9.2 Introduction

9.2.1 Determining the net shortfall or surplus of affordable housing, in order to meet existing and predicted housing need is a key part of the Housing Market and Needs Assessment. This section examines the need for affordable housing and how this is broken down by size of property (i.e. number of bedrooms) and type of affordable housing (i.e. intermediate and social rented housing). The DCLG Needs Assessment Model in Section 13 of this report sets out the final figures for housing need across the Borough.

9.2.2 This section is divided into elements exploring the housing needs of existing households, concealed households, households with special needs for adaptation or support and BME households.

9.3 Affordable Housing Need of Existing Households

- 9.3.1 The percentages in all tables in this section (except cross tabulations) have been applied to the control total of **1,002** implied existing households moving within the Borough over the next three years who require affordable housing.
- 9.3.2 Of existing households needing social housing, 737 need HA rented accommodation, and 265 need HA shared ownership. A column showing “% all tenures” i.e. including market demand is shown as a comparison.

Table 9-1 When is the Accommodation Required

Question 17

Time	Affordable Housing %	N ^{os} . implied	% All Tenures
Now	12.5	125	9.0
Within 1 year	33.7	338	30.4
1 - 2 years	27.6	277	28.0
2 - 3 years	26.2	262	32.6
Total	100.0	1,002	100.0

- 9.3.3 The table shows that 46.2% of potential movers sought to do so within one year, somewhat above the level for all movers (39.4%).
- 9.3.4 28.9% of respondents felt that they required semi-detached houses; 23.9% terraced houses. Interest in bed-sit / flat / maisonette accommodation was 26.3%.
- 9.3.5 85.7% of existing households needing affordable housing indicated that they required two or three bedroom accommodation. The requirement for one bedroom accommodation was only 11.6%; that for 4+ bedroom accommodation negligible.
- 9.3.6 Cross-tabulation relating type of property required to size required in terms of bedrooms showed the following results.

Table 9-2 Type Required by Size Required

Question 18 by Question 20

Type	One bed		Two bed		Three bed		Four+ beds		Total
	%	N ^{os} .	%	N ^{os} .	%	N ^{os} .	%	N ^{os} .	N ^{os} .
Semi-detached	7.2	21	22.4	65	65.2	189	5.2	15	290
Detached	0.0	0	0.0	0	100.0	53	0.0	0	53
Terraced	0.0	0	55.4	133	40.0	96	4.6	11	240
Bed-sit / flat / maisonette	15.2	40	84.8	223	0.0	0	0.0	0	263
Bungalow	15.7	11	44.3	31	40.0	28	0.0	0	70
Houseboat / caravan / mobile home *	0.0	0	100.0	25	0.0	0	0.0	0	25
Supported Housing*	77.0	47	23.0	14	0.0	0	0.0	0	61
Total		119		491		366		26	1,002

* low volume of data

- 9.3.7 65.2% of semi-detached demand was for 3-bed accommodation. 55.4% of terraced house demand was for 2 bed accommodation; 40.0% for 3-bed accommodation, 84.8% of bed-sit / flat / maisonette demand was for 2-bed accommodation.
- 9.3.8 Cross-tabulation comparing type of property required with type of tenure preferred showed the following results.

Table 9-3 Type Required by Preferred Tenure

Question 18 by Question 21

	HA rent		HA shared ownership		Total
	%	N ^{os}	%	N ^{os}	N ^{os}
Semi-detached	81.0	235	19.0	55	290
Detached	100.0	52	0.0	0	52
Terraced	71.1	170	28.9	69	239
Bed-sit / flat / maisonette	59.1	156	40.9	108	264
Bungalow	60.6	43	39.4	28	71
Houseboat / caravan / mobile home*	100.0	25	0.0	0	25
Supported Housing *	77.0	47	23.0	14	61
Total		728		274	1,002

* low volume of data

- 9.3.9 32.2% of demand in the HA rented sector was for semi-detached houses, 23.4% for terraced houses and 21.4% for bed-sits / flats / maisonettes. 39.4% of demand for HA shared ownership accommodation was for bed-sit / flat / maisonette units; 25.2% for terraced houses and 20.1% for semi-detached houses.
- 9.3.10 71.0% of existing households moving to affordable housing (711 implied) were registered on a housing waiting list, all indicating registration on the joint Spelthorne Borough Council list with a small proportion also on another council list.
- 9.3.11 Existing households moving were asked where accommodation was required. Two choices were invited and on average 1.7 choices were offered.

Table 9-4 Where Accommodation is Required

Question 23

Location	Moving to affordable housing			All tenures%
	% responses	% households	N ^{os} . implied	
Ashford	28.7	50.2	498	35.4
Sunbury inc upper Halliford	25.4	44.4	441	35.3
Staines inc Laleham	19.7	34.3	341	42.9
Stanwell	14.3	25.0	248	11.6
Shepperton	11.9	20.7	206	32.7
Total	100.0		1,734	

- 9.3.12 Interest in affordable housing amongst existing moving households was focused primarily on Ashford (50.2%) and Sunbury inc upper Halliford (44.4%) but choices were well spread across the nominated areas.
- 9.3.13 The final question in this section asked respondents why they preferred a particular location. The average number of choices was 2.5. Proximity to family (47.9%) was the largest single choice but three other reasons given were also relatively common – quality of neighbourhood (43.7%), better / nearer schools / colleges (40.3%) and familiarity with the area (38.4%).

Table 9-5 Reason for Preferred Location

Question 24

Reason	% responses	% households	N ^{os} . implied (all choices)	All tenures %
Nearer family	19.2	47.9	466	38.7
Quality of neighbourhood	17.5	43.7	425	48.5
Better / nearer schools / colleges	16.2	40.3	393	30.7
Always lived here	15.4	38.4	374	32.1
Employment / closer to work	11.3	28.1	273	30.6
Better transport	9.6	23.9	233	16.2
Nearer / better shopping / leisure facilities	8.1	20.2	197	20.5
Greater availability of cheaper housing	2.7	6.7	66	7.2
Total	100.0		2,427	

9.4 Needs of Concealed Households Moving Within Spelthorne

- 9.4.1 Table 7-6 showed that 239 concealed households intend to move to HA rented accommodation and 252 to HA shared ownership. In total, **491** concealed households over the next three years require affordable housing in the Borough. This is the control total used in the analysis for this section.
- 9.4.2 A column is included in some tables for “all concealed households %”, i.e. including those needing market housing, as a comparison.
- 9.4.3 The results from the survey showed a different profile from existing households moving, as might be expected for a generally younger group. 44.1% (217 implied) of concealed households moving to affordable housing required flats / maisonettes, around the level commonly found in DCA surveys.
- 9.4.4 The proportion needing 1-bed accommodation is only 24.6% implying a relatively high requirement for 2-bed flats / maisonettes from this group as confirmed in Table 9-6 below. Overall, 59.1% need 2-bed accommodation. When considering preferences, there is no demand for 1-bed accommodation but the level of data available was low.
- 9.4.5 Two cross-tabulations for concealed households moving on need only relating to the type of property needed by the size needed showed the following results.

Table 9-6 Type Needed by Size Needed

Question 29a by Question 30a

Type	1-bed		2-bed		3+ bed		Total
	%	N ^{os.}	%	N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	14.3	12	47.6	40	38.1	32	84
Detached	0.0	0	0.0	0	100.0	35	35
Terraced	15.8	16	84.2	85	0.0	0	101
Bed-sit / flat / maisonette	41.0	89	59.0	128	0.0	0	217
Bungalow	22.2	12	44.5	24	33.3	18	54
Total		129		277		85	491

No data for Supported housing or Houseboat / caravan / mobile home

- 9.4.6 59.0% of flatted accommodation demand was for 2-bed property; 41% for 1-bed property. 84.2% of demand for terraced properties and 47.6% of semi-detached houses was for 2-bed accommodation.

Table 9-7 Type Needed by Tenure Needed

Question 29a by Question 27a

	HA rent		HA shared ownership		Total
	%	N ^{os.}	%	N ^{os.}	N ^{os.}
Semi-detached	79.8	67	20.2	17	84
Detached	0.0	0	100.0	35	35
Terraced	0.0	0	100.0	101	101
Bed-sit / flat / maisonette	62.2	135	37.8	82	217
Bungalow	100.0	54	0.0	0	54
Total		256		235	491

No data for other types

- 9.4.7 52.7% of interest in HA rented and 34.9% of interest in HA shared ownership accommodation was for flats / maisonettes. 43.0% of interest in HA shared ownership was for terraced houses.
- 9.4.8 37.6% of concealed households moving to social housing (185 implied) were registered on a housing waiting list, 91.8% of these being on the joint Spelthorne Borough Council list. 16.0% were registered with another Council, this constitutes dual registration.
- 9.4.9 Concealed households were asked the same questions on location as existing households moving. Two choices were offered and on average concealed households made 2.0 choices each.

Table 9-8 Choice of Location

Question 31

Location	Moving to affordable housing			All tenures %
	% responses	% households	N ^{os.} implied (all choices)	
Ashford	31.2	61.6	268	54.0
Staines inc Laleham	25.7	50.8	221	48.0
Sunbury inc upper Halliford	18.8	37.2	162	33.6
Shepperton	15.8	31.3	136	31.4
Stanwell	8.5	16.8	73	12.7
Total	100.0		860	

9.4.10 61.6% indicated interest in Ashford as one of their choices; 50.8% in Staines including Haleham.

Table 9-9 Reason for Preferred Location
Question 32

Reason	Moving to affordable housing			All tenures %
	% responses	% households	N ^{os.} implied (all choices)	
Nearer family	26.8	72.9	317	60.2
Quality of neighbourhood	18.8	51.0	222	47.1
Always lived here	18.7	50.8	221	45.1
Employment / closer to work	16.8	45.7	199	39.6
Better / nearer schools / colleges	7.0	19.1	83	18.7
Nearer / better shopping / leisure facilities	4.3	11.7	51	11.6
Better public transport	3.0	8.3	36	10.3
Greater availability of cheaper housing	2.9	7.8	34	3.2
Greater availability of smaller houses	1.7	4.6	20	4.8
Total	100.0		1,183	

9.4.11 2.7 choices were made on average with the most popular reason given for moving being nearer to family (72.9%). Quality of neighbourhood (51.0%); familiarity with the area ('always lived here') (50.8%) and employment / close to work (45.7%) were also significant reasons given as one of the respondents' choices.

10 SUPPORTED AND ADAPTED HOUSING

10.1 Key Findings and Strategic Implications

10.1.1 Key Findings

- 16.5% (6,212 implied) households in the Borough included a member with a disability.
- 55.2% of those with a disability suffered from walking difficulties; 11.8% contained a member who was a wheelchair user.
- 37.0% of people with a disability indicated that they also had a support need. Support was provided primarily by friends and family (72.5%).
- 6.9% of properties have been adapted. The survey found some mismatch between wheelchair adaptations and the properties where people with wheelchair actually live.
- Demand for supported accommodation (other than sheltered accommodation) from existing households within the Borough was predominantly for independent accommodation with external support (53.9%).

10.2 Strategic Recommendations

- 10.2.1 With the retired population (65+ age group) forecast to rise by 2,470 and the 85+ population by 1,400 people by 2016, the housing and support needs of elderly and disabled households both now and the future must be considered at a strategic level. Development of an older persons commissioning strategy and separate accommodation strategy could provide a platform for future development of accommodation and support services for older people with disabilities.
- 10.2.2 Demand from existing households is primarily for sheltered housing in the social housing sector and independent accommodation with external support. Resources should focus on the provision of home based support services and adaptations for elderly people living at home in both social rented and owner occupied housing.
- 10.2.3 Support services rely heavily on help provided by family and friends. Carer support networks should be recognised and used to complement rather than replace statutory provision.
- 10.2.4 The population profile outlined in Section 2 of this report would suggest an increasing future need for extra care provision. Although a high proportion of older people may have their own resources to meet their accommodation and care needs and provision should not be exclusively in the social rented housing sector, others will need financial support to enable them to access housing support services.

10.3 Needs of Disabled People

- 10.3.1 Issues relating to households with one or more member affected by a disability or long-term illness were addressed through a series of questions. This section draws together the findings from these questions.
- 10.3.2 16.5% of households in the area contain somebody with a disability, suggesting 6,212 households in the Borough were affected in some way.
- 10.3.3 Assessment of the UK average for the proportion of households affected is difficult both because of the impact of multiple disability and the tendency to express statistics in terms of population rather than households. The Department of Social Security report of 1998 (based on a 1996 / 97 survey) suggested as many as 8.6 million disabled adults in private households - around 14 - 15% of the population. However, DCA survey results have indicated a consistently higher level in the region of 20%.

10.3.4 The comparative figures for the various tenures were as per Table 10-1 below. The level for owner occupiers with no mortgage (46.8%) reflects the older age profile in this sector. The level in the HA sector (37.7%) and was well above the proportion of total stock represented by HA rented accommodation (13.2%) but broadly similar to recent DCA survey experience.

Table 10-1 Incidence of Disability by Tenure

Question 9 by Question 2

Tenure	Tenure in Sample %	Tenure of those with disability %	N ^{os} . implied
Owner occupied with mortgage	44.7	17.9	1,112
Owner occupied without mortgage	32.3	46.8	2,909
Private rented	8.8	4.8	301
HA rented	13.2	37.7	1,827
Shared ownership *	0.9	17.0	63
Tied to employment *	0.1	0.0	0

* Low level of data

10.3.5 In 83.9% of cases only one household member had a disability; in 16.1% two members had a disability. On this basis 5,997 individuals in the Borough with a disability were identified. However, the age profile and nature of disability data referred to below suggest higher totals.

10.3.6 Data for the age groups of all disabled household members showed 72.0% of all disabled household members were over the age of 60 including 44.7% over 75; 14.1% were under 45.

10.3.7 The next table shows the nature of the disability of members of the household. 6,330 implied responses were received to a multiple response question from the 1st household member with a disability and 861 implied responses from the 2nd member, giving an average of 1.5 responses for first members and 1.3 responses in the case of second members.

Table 10-2 Nature of Disability

Question 10c

Disability	1 st Member			2 nd Member		
	% responses	% households	N ^{os} . implied (all choices)	% responses	% households	N ^{os} . implied (all choices)
Wheelchair User	8.0	11.8	744	2.7	3.5	30
Walking difficulty	37.5	55.2	3,497	39.7	51.0	439
Learning disability	1.6	2.4	155	0.0	0.0	0
Mental health problem	4.9	7.3	461	7.1	9.1	79
Visual / hearing impairment	11.5	16.9	1,069	10.0	12.8	110
Asthmatic / respiratory problem	11.8	17.3	1,097	9.9	12.7	109
Other physical disability	10.5	15.4	975	16.7	21.4	184
Limiting long-term illness	14.2	21.0	1,327	13.9	17.9	154
Total	100.0		9,325	100.0		1,105

10.3.8 By far the largest group of people were those with a walking difficulty (55.2%). 11.8% of households contained a member who was a wheelchair user suggesting 744 in the Borough as a whole.

- 10.3.9 In 51.5% of cases (195 of the 379 at Table 10-4 below) of properties in which people using a wheelchair lived had been adapted, a higher proportion than found in recent DCA surveys but still suggesting some mismatch between houses adapted and those where wheelchair users lived. By extension, it would appear that 549 households with a wheelchair user (73.8%) did not live in suitably adapted premises (viz. 744 in Table 10-2 above less 195).

10.4 Support Needs

- 10.4.1 7,219 implied household members responded to the question on need for care or support. 37.0% indicated a need for care or support (2,668 implied).
- 10.4.2 74.2% of those with a care or support need felt they were getting enough support, the data implying 25.8% (778 implied) with outstanding support needs.
- 10.4.3 Those with an outstanding care or support need were asked what types of support they needed. Responses were in fact received from 1,015 respondents, each making an average of 1.4 choices each.
- 10.4.4 A wide range of care and support needs was identified. 51.1% of respondents needed help with personal care; 38.3% with looking after the home; 17.8% with claiming welfare benefit / managing finances; 14.2% with establishing social contact; 12.0% with establishing personal safety / security.
- 10.4.5 The Supporting People programme was introduced in April 2003, and provides a structure for funding the housing related support services outlined in paragraph 1.2 above. New services developed after April 2003 have to compete for resources with established schemes within the Borough. The local authority will need to develop plans to meet outstanding needs through the Supporting People programme.
- 10.4.6 Those who currently received sufficient care and support services were asked who provided their support. In 27.5% of cases (697 implied) support was provided by Social Services / Voluntary Body. In the majority of cases (72.5% or 1,837 implied cases), support was provided by family / friends / neighbours.

10.5 Adaptations

- 10.5.1 Three questions sought information from all households in the Borough on the degree to which the home had been built or adapted to meet the needs of disabled persons.
- 10.5.2 6.9% of properties (2,610 implied) had been adapted, below the average level found in other recent DCA surveys (around 11%). The split by tenure is set out in the table below.

Table 10-3 Adaptations by Tenure

Question 11a by Question 2

Tenure	%	N ^{os.} implied
Owner occupied with mortgage	3.0	514
Owner occupied no mortgage	9.8	189
Private rented	2.7	89
HA rented	17.3	818
Shared Ownership	0.0	0
Tied to employment / other *	0.0	0

* Low level of data

- 10.5.3 Adaptation in the HA rented sector was significantly higher than that in the owner occupied sector. Adaptations for owner occupied properties with no mortgage (9.8%) were above the average for the Borough, reflecting the fact that a higher proportion of older persons tend to be within that sector.

- 10.5.4 3,134 implied households actually responded to the question on which adaptations had been provided, suggesting an adaptation level of 8.1% (rather than 6.9% in 10.5.2 above). The following adaptations were identified based on responses to a multiple-choice question, respondents making around 2.0 choices on average.

Table 10-4 Types of Adaptations Provided / Needed

Question 11b

Adaptations	Provided		Needed	
	% households	N ^{os.} implied (all choices)	% households	N ^{os.} implied (all choices)
Handrails / grabrails	63.0	1,975	23.8	1,313
Bathroom adaptations	48.0	1,504	31.9	1,760
Ground floor toilet	29.6	928	17.2	949
Access to property	17.2	539	8.6	473
Vertical lift / stair lift	15.4	483	15.2	839
Wheelchair adaptations	12.1	379	9.0	494
Other	11.6	364	23.4	1,290
Extension	6.6	207	21.8	1,205
Total		6,379		8,323

- 10.5.5 Wheelchair adaptations at 12.1% (379 implied) were above the average level found in recent DCA surveys (around 15%). The data taken in conjunction with 10.3.9 above suggests that 184 adapted premises are no longer occupied by wheelchair users.
- 10.5.6 63.0% had handrails / grabrails fitted, usually the most common type of adaptation in DCA survey experience; 48.0% had bathroom adaptations; 29.6% had a ground floor toilet.
- 10.5.7 5,517 implied households responded to a further question on what facilities still needed to be provided to ensure current members of the household can remain in the property now or for the next 3 years. Respondents made 1.5 choices on average.
- 10.5.8 All the main adaptations referred to as provided featured less prominently in the list of adaptations still needed, as might be expected. Interest in extension was quite significant at 21.8%. There also remains a relatively high level of need for bathroom adaptations (31.9%).

10.6 Supported Accommodation

- 10.6.1 Existing households moving were asked if they were interested in supported housing and what type of supported housing they required, in the next three years to 2009.

Table 10-5 Type of Supported Accommodation Required

Question 19

Type	% responses	N ^{os.} Implied to 2009	N ^{os.} To 2011
Independent accommodation (with external support)	53.9	166	277
HA sheltered housing	23.3	72	120
Private sheltered housing	19.0	59	98
Residential / nursing home	8.3	26	43
Total		323	538

No data for other types

- 10.6.2 Over the next three years, demand for supported accommodation (other than sheltered accommodation) was largely confined to independent accommodation (with external support). The very limited data did not allow meaningful cross-tabulation to respondents with different disabilities or long-term illness.
- 10.6.3 The balance of bedroom requirement across all types of supported and sheltered housing is 55% 1-bedroom and 45% 2-bedroom. The residential / nursing home requirement is all for 1-bedroom units.
- 10.6.4 The data on sheltered housing by property type and size is only available for existing households living within the Borough. This shows a different size requirement in private sector with 76% demand for 2-bedrooms, whilst in the social sector 60% of the requirement is 1-bedroom and only 40% for 2-bedroom.
- 10.6.5 Projected to 2011 it is estimated that there will be a need for 538 units, over half of which will be independent accommodation with external support.

10.7 Housing Needs of Older People

- 10.7.1 Based on a 96.1% response, 4.1% of existing households (1,544 implied) indicated that they had elderly relatives (over 60) who may need to move to the Borough in the next three years. 1,660 implied households responded to a further multiple-choice question on the type of accommodation required.

Table 10-6 Accommodation Required by Elderly Relatives in Next 3 Years

Question 13b

	% responses	N ^{os} . implied
Private sheltered housing	23.3	386
Live with respondent (need extension / adaptation)	16.6	275
HA sheltered housing	14.7	244
Residential care / nursing home	12.2	202
Private housing	12.2	202
Live with respondent (existing) home adequate	10.9	182
Housing Association Property	6.4	107
Extra Care housing	3.7	62
Total	100.0	1,660

- 10.7.2 Demand for this group was predicted by the children of elderly people and, as would be expected, it shows a different pattern to that normally seen among elderly respondents in DCA surveys.
- 10.7.3 DCA experience shows that elderly people seek to remain in their own homes and prefer to receive support at home. In contrast, the children of elderly parents tend to predict the need for supported housing. In this survey, 23.3% of demand was for private sheltered housing; 14.7% for HA sheltered housing and 12.2% of demand was for residential / nursing home accommodation.
- 10.7.4 27.5% (457 households implied) indicated that their relative could live with them but in 60.2% of cases (275 implied) the home would need adaptation or extension to accommodate an elderly relative.
- 10.7.5 The sheltered housing needs of elderly people within the Borough were captured within the question for all movers within the Borough on supported housing.

- 10.7.6 The combined requirement for sheltered housing in both sectors from existing households living in the Borough and in-migrating parents / relatives is shown below in Table 10-7.

Table 10-7 Sheltered Housing Demand

	Private Market	Affordable Sector	All Sectors
Existing Households	59	72	131
In-migrant Households	386	244	630
Total	445	316	761

N.B. Figures taken from Table 10-5 and Table 10-6 and excludes 62 sheltered housing units with extra care.

- 10.7.7 The higher level of elderly accommodation for people moving into the Borough is common to other DCA Surveys. As discussed in Section 10.7.2 above generally, the forecast is being made by their children who assist in the moving process. Conversely, the indigenous older population prefer to continue in the area / surroundings they know and within their own home as long as possible.
- 10.7.8 In total, the data suggests a combined requirement for sheltered accommodation from older people currently living in the Borough (131 households) and those who may in-migrate to be beside their family (630 households) of 761 units, 316 in the affordable sector and 445 in the private sector.
- 10.7.9 Some of this requirement will be addressed by flow of the existing sheltered stock, but acceptability of existing stock to meet today's standards will need to be assessed in calculating the scale of new delivery.

10.8 Extra Care Accommodation

- 10.8.1 Extra Care accommodation is housing which offers self-contained accommodation together with communal facilities and where care, as well as support, services are provided from a team based on a site.
- 10.8.2 The level of need expressed for extra care accommodation is 62 units over the next three years and relates only to meeting the needs of in-migrating parents / relatives. Projecting the need over a 10 year period highlights a requirement of 207 units.
- 10.8.3 The North Surrey Extra Care Housing Strategy was produced following extensive research across the Boroughs of Runnymede, Elmbridge and Spelthorne and identifies a need for 200 units of extra care accommodation in Spelthorne over the next 10 year period, similar to the need found in the survey, although all the need is from in-migrating parents.
- 10.8.4 This sector of the older persons housing market is relatively new and the growth forecast in the population projections over the next decade to 2016 of those over 80 years of age will increase the need for this type of unit. This accommodation is normally provided through 1-bed flats with meals and other support service provision.
- 10.8.5 Currently within the Borough one extra care scheme has just opened and a further scheme is being planned on a re-development site.

11 KEY WORKER HOUSING ISSUES

11.1 Introduction

- 11.1.1 Key Worker households are part of the overall calculation of affordable need incorporating all households in the same income categories, although their employment can be important to local service provision.
- 11.1.2 The survey identified whether household members worked in the Public Sector. If the respondent is employed in the Public Sector and specified that they work within Spelthorne Borough they have been identified as 'Key Workers'.
- 11.1.3 In this section the analysis of key workers has been split into two groups: those from existing households and those from concealed households, as these groups are affected by different issues.

11.2 Housing Issues of Key Workers from Existing Households

- 11.2.1 Respondents and their spouse / partner were asked to state which area of Public Sector employment they worked.
- 11.2.2 4,647 implied households (11.9% of all households in the Borough) gave details of their work in the public sector, with 29.8% (1,383 implied) indicating they were other public sector staff, 27.7% (1,286 implied) work as school / FE / college teachers and 26.9% (1,251 implied) work as Local Authority staff.
- 11.2.3 Numbers working as nurses and other NHS staff, Police Officers and Prison / Probation Service staff, were lower than all other areas; 12.5% (583 implied) working as nurses and other NHS staff, 1.9% (86 implied) work as Prison / Probation Service staff and 1.2% (58 implied) are Police Officers.
- 11.2.4 Data in Section 3 of this report outlined the income of key workers in the survey sample, establishing that between 46.8% and 100.0% of key workers would be unable to afford market housing:
- 100.0% of Police Officers;
 - 59.1% of Nurses & other NHS Clinical staff;
 - 53.2% of School / FE / College Teachers;
 - 49.5% of Local Authority staff;
 - 46.8% of Prison / Probation staff.
- 11.2.5 A series of cross tabulations on households who work in the public sector were analysed, to try and gather information on their tenure preferences and the types of housing they can afford to access.
- 11.2.6 Firstly those who have already decided to leave the Borough were examined. 7.1% (332 implied) of the key workers identified in 11.2.2 are existing households leaving the Borough, 32.7% are leaving due to employment / access to work. A further 26.3% are leaving due to quality of neighbourhood and 23.0% are leaving due to family reasons.
- 11.2.7 A series of cross tabulations on key worker households who stated they would be moving within the Borough were analysed, to find information on their tenure and house type preferences. It should be noted that only 360 implied key workers responded to the question on tenure, 348 implied on type and 377 implied on size required.
- 11.2.8 70.5% of the key workers responding expressed a majority preference for owner occupation consisting of 41.3% of other key workers, 21.9% school / FE / College teachers, 21.7% of local authority staff, 7.7% of nurses and other NHS staff and 7.4% of Prison / Probation service staff. The remaining 25.1% and 4.4% preferred HA rented and HA shared ownership respectively.

- 11.2.9 58.2% of Local Authority staff require terraced housing, 31.7% semi-detached housing and 10.1% flat / maisonette accommodation. 66.0% of nurses and other NHS staff require detached housing; the remaining 34.0% require a flat / maisonette. All Prison / Probation staff require flat / maisonette accommodation. 71.8% of school / FE / College teachers require semi- detached accommodation and 28.2% require detached accommodation. The quantified unit number needs for Key Worker households are incorporated within the overall market and social sector numbers in Appendix 1.
- 11.2.10 Concerning the number of bedrooms required by key workers moving within the Borough, all Prison / Probation staff expressed a need for two bed properties and 66.0% Nurse & other NHS Clinical staff expressed a need for five or more bedrooms, the remaining 34.0% for one bed properties. 62.5% of Local Authority staff expressed a need for three bedrooms, the remaining 37.5% for two bedrooms. The majority (45.9%) of School / FE / College Teachers expressed a need for four bedrooms and the remaining 29.4% and 24.7% for two and three bed accommodation respectively.

11.3 Housing Issues of Key Workers from Concealed Households

- 11.3.1 The response received from concealed key workers moving within the Borough was small. Therefore the data in this section should not be treated as being representative of this group. Neither were any responses obtained from all sections of key workers, with no responses from Fire Fighters.
- 11.3.2 42.7% (304 implied) concealed workers who responded work in other key worker occupations. 19.5% (139 implied) work for the Local Authority, 16.4% (97 implied) are school / FE / College Teachers, 13.6% are nurses and other NHS staff, 5.1% (36 implied) are Prison / Probation staff and 2.7% work as Police Officers (19 implied).
- 11.3.3 Respondents were asked about their total household annual income 464 implied responses were given. Of the concealed workers responding, 4.1% earn under £10,000, 67.0% earned between £10,000 and £20,000, and the remaining 28.9% between £20,001 and £50,000.
- 11.3.4 Based on the entry levels to the owner-occupied market in the Borough, which require an income of £35,100, 91.5% of the concealed key workers could not afford to owner occupy in Spelthorne.
- 11.3.5 A series of cross tabulations were analysed looking at key worker households who stated they would be moving within the Borough, to find information on their tenure and house type preferences.
- 11.3.6 The tenures preferred were owner occupation, mentioned by 59.6% of the concealed key workers. A further 25.6% expressed a preference for HA rent, 8.8% private rent and 6.0% HA shared ownership.
- 11.3.7 Concealed key workers were asked what type of accommodation was needed by the new household. 51.0% of key workers said they needed terraced accommodation, 20.0% needed a flat / maisonette, 13.8% needed a bed-sit, and 11.4% needed semi-detached accommodation. The remaining 3.8% expressed a need for detached accommodation. There was no expressed need for any other type of accommodation.
- 11.3.8 57.3 % of concealed key workers stated they needed two bedroomed accommodation, 38.0% required three bedrooms and the remaining 4.7% required one bedroom accommodation. There was no expressed need for four or more bedrooms.

12 BLACK AND MINORITY ETHNIC NEEDS

12.1 Key Findings and Strategic Implications

12.1.1 Key Findings

- 243 Black and Minority Ethnic (BME) returns, representing 4,188 implied households have been drawn from the Survey and analysed separately to give an insight into the specific housing needs of BME households in the Borough. The BME returns include the categories of 'White Irish' and 'White Other' which represent 1,728 implied households across the Borough.
- 29.3% of BME households who responded to the survey are living in bed-sit / flat / maisonette accommodation, 26.8% live in semi-detached accommodation and 22.7% in terraced accommodation.
- 54.4% of those BME households, who said their home was inadequate, cited that their accommodation was too small compared to 56.3% of all households. Analysis of BME households against the DCLG 'bedroom standard' showed that 5.5% of BME households suffer from overcrowding, compared to 3.4% for the whole population.
- 29.8% cited that their accommodation was in need of improvements / repairs, lower than the whole population (35.9%).
- 9.9% of BME households had a member with a disability, a lower level to that found for the whole population (16.5%). 53.6% had a walking difficulty and 55.2% had a limiting long term illness.
- 62.6% of BME households, who wished to move but cannot, stated this was due to being unable to afford to buy a home compared to 58.4% of the whole population.
- 14.1% of BME households had incomes below £10,000, compared to 17.3% in the whole population, below the corresponding UK figure (20.3%). 44.4% of BME households, on the basis of the survey data, had incomes above £27,500 compared to 46.7% in the whole population.
- Family reasons and employment / access to work (39.4% and 26.1% respectively) were the main reasons for leaving Spelthorne compared to 31.0% and 25.1% respectively in the whole population.
- The majority of existing BME households moving within the Borough in the next three years stated they required detached accommodation with three bedrooms and the majority stated owner occupation as their preferred tenure.
- 191 concealed BME households are forming within Spelthorne over the next three years. The majority require detached accommodation with one bedroom. It should be noted that responses relate to a low sample.

12.1.2 Strategic Recommendations

- 12.1.3 Although Spelthorne has a relatively small BME community, legislation and guidance none the less requires the local authority to adopt a strategic approach to delivering housing services to meet the differing needs of local communities.
- 12.1.4 The Housing Strategy needs to address the need for larger units of accommodation for BME households. Housing transfers and the housing exchange policy should be sensitive to the needs of BME households living in over-crowded homes.
- 12.1.5 The need of BME elders for independent accommodation should be further examined. In the context of an ageing population, the needs of BME elders should be considered alongside the needs of all older people in the Borough.

12.1.6 In general however, the BME population have similar incomes and housing requirements which should be met through initiatives to address the needs of the whole population.

12.2 Introduction

12.2.1 This section looks at the specific housing needs of BME households living in Spelthorne Borough. As well data on future housing needs and preferences this section also includes an overview of the current housing circumstances of the group.

12.2.2 In the case of ethnic origin, the breakdown provided in Table 12-1 below refers to the ethnicity of the household in which the respondent lives. This provides numerical and percentage breakdown of all ethnic groups who responded to the postal survey. Table 12-1 shows that 33,461 (88.9%) of households ethnic origin was British.

12.2.3 The remaining 4,188 (11.1%) household's ethnic origin fall into the other ethnic origin categories. 2001 Census Household Reference Person (HRP, Tables S106) figures are provided as an illustration; however, it should be taken into account that the Census is now 5 years so the figures are not directly comparable.

Table 12-1 Ethnic Origin

Ethnic Origin		%	N ^{os.} implied	Local Area Census 2001 *
White	British	88.9	33,461	90.6
	Irish	1.6	592	2.0
	Other White	3.0	1,136	2.9
Mixed	White & Black Caribbean	0.4	147	0.2
	White & Black African	0.4	153	0.1
	White & Asian	0.8	290	0.3
	Other Mixed	0.5	202	0.2
Asian or Asian British	Indian	2.0	762	1.6
	Pakistani	0.4	150	0.3
	Bangladeshi	0.1	36	0.1
	Other Asian	0.3	113	0.3
Black or Black British	Caribbean	0.3	125	0.3
	African	0.4	134	0.2
	Other Black	0.1	38	0.1
Chinese	Chinese	0.3	119	0.4
Any other	Any other	0.5	191	0.4
Total		100.0	37,649	100.0

* © Crown Copyright (Census)

12.2.4 243 Black and Minority Ethnic (BME) respondents provide statistical validity of $\pm 6.42\%$. This sample represents 4,188 implied households which have been drawn from the survey and analysed separately to give an insight into the specific housing needs of BME households in the Borough. The BME responders include categories of 'White Irish' and 'White Other' (in line with the Census definition) which represents 1,728 (4.6%) of BME implied households across the Borough.

12.3 Current Housing

12.3.1 It should be noted that in all cross-tabulations, data is included only where the respondent has answered each element (question) involved; hence there may be some small discrepancies when compared with the tables relating to a single data source.

Table 12-2 Property Type by Number of Bedrooms
Question 1 by Question 3

Type	1-bed		2-bed		3-bed		4-bed		5+ bed		Total
	%	N ^{os} .	%	N ^{os} .	%	N ^{os} .	%	N ^{os} .	%	N ^{os} .	N ^{os} .
Semi-detached	0.0	0	7.8	87	76.1	842	11.3	125	4.8	53	1,107
Detached	4.9	29	0.0	0	34.8	204	42.9	252	17.5	102	587
Terraced	3.7	34	36.9	346	51.7	485	7.7	73	0.0	0	938
Bungalow	0.0	0	34.5	98	48.2	137	17.3	49	0.0	0	284
Bed-sit / Flat / maisonette	30.4	367	51.7	626	14.5	175	1.1	14	2.4	29	1,211
Houseboat / Caravan / Mobile Home	0.0	0	100.0	11	0.0	0	0.0	0	0.0	0	11
Total		430		1,168		1,843		513		184	4,138

12.3.2 The majority of respondents live in bed-sit / flat / maisonette accommodation (29.3%), semi-detached properties (26.8%) and terraced properties (22.7%). 51.7% of respondents living in bed-sit / flat / maisonette accommodation have two bedrooms. 76.1% of those in semi-detached houses have 3-bedrooms.

12.3.3 86.7% of respondents indicated that their homes were adequate. 551 (13.3%) of BME households indicated their home was inadequate. Respondents were asked to indicate the reasons why the accommodation was not suitable, and these are outlined in Table 12-3 below. A total of 716 BME households answered the question with 1,083 responses, giving an average of 1.5 choices per respondent.

Table 12-3 Inadequacy of Present Accommodation
Question 8b

Reasons	N ^{os} .	BME (%)	All households (%)
Too small	390	54.4	56.3
Needs improvements / repairs	214	29.8	35.9
Rent / mortgage too expensive	205	28.6	22.1
Too costly to heat	97	13.6	12.4
Suffering harassment	71	9.9	7.9
Tenancy insecure	43	6.0	4.5
Too large	40	5.6	8.0
Housing affecting health	23	3.2	9.2
Total	1,083		

12.3.4 The largest issues for BME households were the dwelling is too small (54.4%) compared to 56.3% of the whole population and that the property needed improvement / repairs (29.8%) compared to 35.9% of the whole population. The third largest issue mentioned by BME households was that their rent / mortgage is too expensive mentioned by 28.6% of respondents, higher than the whole population at 22.1%. However the issues bear a close relationship to the levels for the whole population.

12.4 Disability / Limiting Long Term Illness

12.4.1 Respondents were asked to indicate if any member of the household had a disability or long term limiting illness. 9.9% of the BME sample had a member of their household with a disability or long-term illness, a lower level to that found for the whole population (16.5%). In the majority of cases only one person was affected and in 18.1% of cases, 2 members of the household had a disability or long term illness.

12.4.2 BME households were asked about the nature of their disability. The majority of 1st member respondents (53.6%) had a walking difficulty, similar to the general population where the majority of respondents with a disability were also those with a limiting long term illness (55.2%). 103 respondents (23.3%) had a limiting long term illness, 21.0% respondents had other physical disabilities and 19.6% had asthmatic / respiratory problems. Of the 236 1st member respondents who had a walking difficulty, 81.5% were aged 60 years or over.

12.5 Moving plans of BME households

12.5.1 Respondents were asked the reasons that prevented them moving and the results are shown in Table 12-4 below. The majority of the BME households said that they were unable to afford to buy a home (62.6%) compared to 58.4% of the whole population. Other reasons (30.9%) and lack of affordable rented housing (29.9%) were also significant reasons for BME households, compared to 26.6% and 24.6% respectively in the whole population.

Table 12-4 **Reasons Preventing a Move**
Question 16e

	N ^{os} .	BME %	All households %
Unable to afford to buy a home	292	62.6	58.4
Other	144	30.9	26.6
Lack of affordable rented housing	140	29.9	24.6
Location of employment	58	12.4	9.4
Unable to afford moving costs	52	11.2	24.7
Family reasons	0	0.0	8.7
Local education choices	0	0.0	2.2
Total	686		

12.5.2 Respondents were also asked to indicate the reasons for moving out of Spelthorne. 764 respondents gave 1,007 responses making an average of 1.3 choices each. The results are shown in Table 12-5 below.

Table 12-5 Reasons for Moving Out of Spelthorne

Question 16d

	N ^{os} .	BME %	All households %
Family reasons	301	39.4	31.0
Employment / access to work	199	26.1	25.1
Quality of neighbourhood	163	21.4	33.5
Unable to buy	120	15.7	15.1
Education	85	11.1	9.4
Lack of affordable rented housing	73	9.6	11.3
Retirement	66	8.6	13.7
Total	1,007		

12.5.3 Reasons for leaving the Borough were spread across the options. The most significant reasons for BME households leaving the Borough was family reasons with 39.4% mentioning this, compared to 31.0% for the whole population. The second most significant reason for BME households leaving the Borough was employment / access to work mentioned by 26.1% of BME households responding. This was followed by quality of neighbourhood mentioned by 21.4% of BME respondents.

12.6 Existing BME Households Moving

12.6.1 404 BME existing households indicated they would be moving within the Borough in the next 3 years, 525 responses were given regarding questions on type and size of accommodation required. 32.6% indicated they required detached accommodation of which 62.6% required three bedrooms. 27.2% of moving BME household's required semi-detached accommodation, of which 44.1% require three bedrooms.

Table 12-6 Type Required by Number of Bedrooms

Question 18 by Question 20

	Detached	Semi-detached	Terraced	Bungalow	Bed-sit / Flat / maisonette	Supported Housing	Total
One	29	0	0	0	47	19	95
Two	0	29	24	0	36	0	89
Three	107	63	54	31	0	0	255
Four	16	51	0	0	0	0	67
Five or more	19	0	0	0	0	0	19
Total	171	143	78	31	83	19	525

No data available for houseboat / caravan and mobile home

12.6.2 An assessment was made regarding the type of accommodation required, by preferred tenure. The main preference made by BME households moving was for Owner Occupation (74.1%; 389 implied) followed by HA Rent (20.4%; 107 implied).

Table 12-7 Type Required by Tenure Preferred
Question 18 by Question 21

	Detached	Semi-detached	Terraced	Bungalow	Bed-sit / Flat / maisonette	Supported housing	Total
Owner occupation	171	105	42	31	40	0	389
Private rent	0	0	0	0	29	0	29
HA rent	0	38	36	0	14	19	107
Total	171	143	78	31	83	19	525

No data available for houseboat / caravan/ mobile home, HA shared ownership or Tied to employment.

- 12.6.3 As Table 12-7 above shows, of those requiring detached accommodation all preferred owner occupation. Of those requiring semi-detached accommodation 72.2% preferred owner occupation and 26.6% private rent. Of those requiring bed-sit / flat / maisonette accommodation, 48.2% preferred owner occupation and 34.9% private rent.

12.7 New / Concealed Households Moving

- 12.7.1 191 concealed BME households are forming within the Borough over the next three years. 62.4% of them are forming now, 8.7% are forming within 1 year. 16.8% between 1 and 2 years and the remaining 12.1% are forming between 2 and 3 years. In comparison to the general population where 19.4% are forming now, 24.0% are forming within 1 year, 24.6% between 1-2 years and 32.0% between 2-3 years. (Please note overall responses gained from BME households moving were based on a low level of data).
- 12.7.2 BME households were asked how many children would be forming in each new household. Of the 44 BME households responding, 34.8% will contain one child and the remaining 65.2% will contain two or more children. This is compared to the general population in which of the 270 respondents responding to the question, 10.8% had a child due, 42.4% had one child and 46.8% had two or more.
- 12.7.3 42.8% of concealed BME households said that they required detached accommodation. 39.3% semi-detached accommodation. 10.4% and 7.5% said that they require bed-sit a terraced properties respectively. There was no other requirement for any other property type.
- 12.7.4 45.7% of concealed BME respondents said that they require one bedroomed accommodation and 28.9% said they needed three bedrooms. 25.4% stated a requirement for two bedrooms. There was no requirement for four or more bedrooms.
- 12.7.5 68.3% of demand from concealed BME households moving was for owner occupation, 16.7% for private rent, the remaining 15.0% requiring HA rented accommodation.

13 DCLG NEEDS ASSESSMENT MODEL

13.1 Model Structure

13.1.1 The model is structured on a 'flows' basis, taking account of recent experience over the previous three years and examining projections over the next two years. It has to be assumed that this 'annualised' data will occur each year to 2016. The primary data gathering will of course be undertaken again before 2016, but unless there are major changes in house prices and incomes it is unlikely that there will be much variation in the overall situation.

13.1.2 Affordable Housing Needs Assessment Model

13.1.3 The overall assessment of housing need is calculated using the DCLG Basic Needs Assessment Model, which is structured from the survey data to take account of the key demand sources, households requiring subsidised housing, homeless households not assessed in the survey, households living in unsuitable housing whose needs can only be resolved in a different dwelling and concealed household formation emanating from demographic change.

13.1.4 Income Requirement Assumptions

13.1.5 Each category has been adjusted to ensure that proper account is taken of households who can buy the lowest quartile stock in the owner occupied market without assistance (income > £35,100 / £52,700) subject to location. The private rent sector costs are estimated at an access cost of £538 / £850 per month for the vast majority of households in this sector, requiring an annual income of at least £25,800 / £40,800 per annum, subject to location.

13.1.6 Basic Model Structure

13.1.7 There are a total of 18 'stages' in the needs assessment model, combined into three distinct sections assessing:-

- B - The Backlog of Existing Housing Need;
- N - Newly Arising Need;
- S - Supply of Affordable Units;
- **(B + N) – S = Overall annual net shortfall (or surplus) of affordable housing.**

13.2 B – The Backlog of Existing Housing Need

13.2.1 The first stage of the backlog calculation identifies existing households in living accommodation unsuitable for their needs who need to move to resolve their difficulty. Stage 1 identifies the number of households who specified one or more reasons why their accommodation was inadequate. There were a total of 7,517 reasons for inadequacy given, relating either to property size, condition, heating, affecting health, cost or insecurity of tenure, as detailed in Table 4-8.

13.2.2 Households who stated their accommodation was too small, without specifying any other reason, were tested against the DCLG 'Bedroom Standard' to determine whether they are actually overcrowded and only those households who are overcrowded are assessed to be in inadequate housing.

- 13.2.3 2,705 households gave "Too Small" as one of their reasons but 991 also have other reasons and the net group who need to be tested as to actual overcrowding is 1,714 households. 1,320 households are overcrowded by the Bedroom Standard, 85 of whom are moving to a new home outside the Borough. This leaves a figure of 1,235 overcrowded households, of whom 201 have other reasons than "Too Small" and are overcrowded and are already included in the total household number.

Table 13-1 Inadequate Households Test

Households specifying unsuitability issues		4,804
MINUS Reason "Too Small" <u>only</u>	1,714	3,090
PLUS Technically 'overcrowded'	1,235	4,325
MINUS Duplication	201	4,124
Assessed in inadequate housing		4,124

- 13.2.4 The net figure of 4,124 is used in **Stage 1** of the model.
- 13.2.5 The second stage of the unsuitability assessment removes RSL Rented tenants from the calculation of those in inadequate housing, because any move would release a unit of affordable housing, and it is therefore assumed that there would be no overall net effect on the annual flow model. The only exception to this is RSL rented households whose overcrowding issue could not be resolved by the stock flow.
- 13.2.6 There are 975 RSL rented households living in unsuitable accommodation. Of these there are 385 who are technically overcrowded by the 'bedroom standard'. 39 households contain a new household about to form which will resolve the overcrowding situation.

Table 13-2 RSL Rented Inadequacy

RSL Rented Unsuitable & Overcrowded	385
MINUS – New Forming Solution	39
MINUS – Moving & Overcrowding Resolved by Stock Flow	176
Net unresolved need (4+ bedroom)	170

- 13.2.7 Only 0.2% of the RSL rented stock of 5,105 units are 4+ bedroom i.e. 12 units, and in the year to 2006 no re-lets of these units became available and therefore there is a need to develop further 4+ bedroom stock to address the needs of these households.
- 13.2.8 Therefore 805 of the RSL households living in unsuitable accommodation can expect to have their issues resolved by the normal process of stock turnover (i.e. 975 – 110) and need to be removed from the total of households with an unsuitability, and this figure is applied in the model at **Stage 2**.
- 13.2.9 The next stage of the unsuitability assessment removes from the total those households whose unsuitability can be resolved 'in situ' (i.e. in their current accommodation). This is derived from HNS data, testing the reason for inadequacy of those households who stated their accommodation was inadequate, mainly relating to repairs or improvements to the home.
- 13.2.10 Households who are overcrowded, were suffering harassment, those whose rent / mortgage was too expensive, housing was affecting their health, whose tenancy was insecure or whose home was too large are all assessed to require a move.
- 13.2.11 The calculation results in a total of 1,001 cases where an 'in situ' solution is most appropriate and this figure is also applied at **Stage 2**, giving a total of 1,806 households who need to be removed from the unsuitability calculation at this stage.
- 13.2.12 The final stage of the unsuitability assessment takes the sub-total calculated above (**Stage 1 MINUS Stage 2**) and applies to the proportion of households unable to afford to buy or rent a home of a suitable size in order to resolve their difficulty.

- 13.2.13 The 2000 Guidance states that “for existing owner occupiers in unsuitable housing it is important to take account of the existing equity owned” as this would assist a move to suitable accommodation. The 2004 SEERA Guidance however acknowledges that this is extremely complex and the data gathered might not be very accurate and suggests that best practice is to ask the specific question asked in this survey that if the household needs to move to resolve their difficulty, could they afford a home of a suitable size within the Borough.
- 13.2.14 The best practice recommendation is that if they say they can they should be excluded. The question was asked of the 2,318 households in unsuitable housing who need to move living in the private sector, owners and tenants. The result showed that only 28.6% of these households could afford to buy or rent a home of a suitable size in the Borough. The figure of 71.4% who could not do so is therefore applied at **Stage 3**.
- 13.2.15 Homeless households are counted in the Backlog of Need although it is ensured that they are not double counted from any other source. Council records at March 2006 show that 124 households are in temporary accommodation, but only 12 are in a hostel or Bed & Breakfast. Those “homeless at home” or in other general stock should be captured in the survey. 12 is therefore the figure applied at **Stage 4**.
- 13.2.16 The total resultant calculated backlog having taken into account unsuitability, homeless and potential households is then multiplied by a 20% quota at **Stage 6** to progressively eliminate the backlog calculated over a five year period, in accordance with Government Guidance, although the Council can make a Policy decision to eliminate the backlog over a longer period (e.g. 10 years or 15 years to the end of the LDF period).

Table 13-3 Backlog of Need – Basic Needs Assessment Model

B - BACKLOG OF NEED		
1.	Households in unsuitable housing	4,124
2.	MINUS – RSL tenants	805
	MINUS – in-situ solution most appropriate or leaving Borough	<u>1,001</u>
		1,806
	<i>Households in unsuitable housing and need to move</i>	<u>2,318</u>
3.	TIMES - Proportion unable to afford to buy or rent	71.4%
4.	PLUS - Backlog - homeless households	12
5.	TOTAL BACKLOG NEED	1,667
6.	TIMES - Quota to progressively reduce backlog	(20%)
7.	ANNUAL NEED TO REDUCE BACKLOG	333

13.3 N – Newly Arising Need

13.3.1 The first calculation involved in assessing newly arising need is to establish how many new households intend to form each year, then determine how many of these households have insufficient income to buy or rent in the market and therefore fall into need.

13.3.2 Good Practice Guidance recommends that the total of concealed households identified in the survey is annualised at the average level of those forming in the next two years.

Table 13-4 Time of Move – New Forming Households

Time of Move	Nos. implied	Annual Average
Now / Within 1 year	674	528
1 - 2 years	382	

13.3.3 The table shows that the annual average new household formation level is 528 households per annum.

13.3.4 In order to avoid double counting due to two-person household formation, duplication is removed. 49.9% of concealed households forming over the next two years specified formation as a couple, but only 3.1% of these were with a partner who lived separately elsewhere in the Borough, which would cause a double count.

13.3.5 However data on recently formed households suggests that couple formation might increase to 56.8% and the 3.1% has therefore been removed from this higher level in the table below ($56.8\% \times 3.1\% = 1.8\%$).

Table 13-5 Double Counting Removal

New household formation (gross p.a.)	528
MINUS - Two person formation (1.8%) x 0.5	5
Total	523

13.3.6 This results in an annual average formation level of 523 households per annum, used at **Stage 8** of the model.

13.3.7 The income of recently formed households has been used to test future new forming households ability to both purchase in the lower quartile stock and access the private market to buy or rent 1, 2 and in some cases 3 bedroom units suitable for their requirements. 87% of new forming households are considered to be unable to purchase in the market, with 55% unable to rent.

13.3.8 However detailed analysis of the private rented sector in Section 5.10 shows a level of supply, particularly of small units, inadequate to address any new formation households. It is a very significant issue and in practice restricts access to the private market to those who can afford to buy only. The purchase proportion of 87% is therefore used in **Stage 9** of the Model. If the private rented sector supply was adequate in future, this would reduce the number in Stage 9 of the model from 455 to 288 households, 167 households who could not buy but could rent in the private sector even although they may not wish to do so.

13.3.9 The data on recently formed households' income was based on responses from those who formed their first home in the Borough over the last year. It is likely that income levels of this group at the point of actual access to the market may be lower in some cases than it is now, and the proportion used is therefore an under-estimate of those who cannot access housing without assistance.

- 13.3.10 No data was available on ex-institutional population moving into community. This is a common situation and the figure of 0 is used in **Stage 10** of the Model.
- 13.3.11 Stage 11 of the model identifies households who fell into priority need during the last year. Priority need is those households whose circumstances need to be addressed quickly and usually these households are homeless, in high medical need, suffering harassment, living accommodation which is unfit or in high levels of disrepair or have insecure tenancies.
- 13.3.12 Detailed data from the Council's administration systems is not available and available information on homeless households has been used as the basis for the calculation, even although there will be households in other categories who would be in addition to these numbers. Having taken into account 'repeat' applications, 75 homeless households were accepted in 2005 / 06, 112 in 2004 / 05 and 118 in 2005 / 06, an average of 102 per annum. This figure has been used as the annual level at **Stage 11**, although it is accepted the homeless group alone under-estimates total priority need.
- 13.3.13 The survey data identified 148 in-migrant households in the last three years who live in social rented accommodation (49 annually). Additionally there was an annual average over the last three years of 501 in-migrant households living in the private rented sector, of which 76 were in receipt of housing benefit. An average annual figure of 125 (49 + 76) households unable to afford market housing is used at **Stage 12**.

Table 13-6 Newly Arising Need – Basic Needs Assessment Model

N - NEWLY ARISING NEED		
8.	New household formation	523
9.	TIMES Proportion unable to access private market	(87%) 455
10.	PLUS - Ex-institutional population moving into community	0
11.	Existing households falling into priority need	102
12.	In-migrant households unable to afford market housing	<u>125</u>
13.	TOTAL NEWLY ARISING NEED	682

13.4 S – Supply of Affordable Units

- 13.4.1 The annual supply of affordable units over the last three years is used in the model as a prediction for future annual affordable housing supply which is likely to arise.
- 13.4.2 It is important firstly to establish the average stock re-let level and data from both the HIP returns and CORE have been studied for the three years to 31/03/2006, which shows the following:-

Table 13-7 2004 to 2006 Affordable Housing Supply (HIP & CORE)

RSL Re-lets	2003 / 04	2004 / 05	2005 / 06	Average
HIP Return	169	124	184	159
CORE Data *	192	199	210	200
Average	181	162	197	120

* © CORE, Housing Corporation

- 13.4.3 The overall average figure for the three year period in the HIP return is 159 units per annum. While an average of both HIP and CORE data could be used, the CORE re-let levels appear more consistent and reliable and the CORE average of 200 has been used at **Stage 14** of the needs model.

13.4.4 Shared ownership units are estimated at 654, based on 2001 Census numbers of 472 plus 182 units built up to March 2006. Assuming a resale rate based at 3.9%, the same as social stock re-lets, 26 units would become available each year and this number is also incorporated at **Stage 14**.

13.4.5 **Stage 15** of the needs model involves assessing how increased vacancies and units taken out of management will have an effect on the annual flow of affordable housing. The calculation takes the average annual right to buy level, multiplied by the average re-let rate of the stock. The table below shows the right to buy levels from Council data for the three years to 31/03/2006.

Table 13-8 2003 to 2005 Right to Buy Levels

	2003 / 04	2004 / 05	2005 / 06	Average
Right to Buy	12	8	4	8

13.4.6 The average annual right to buy level is 8 units per annum. With an average stock re-let rate of 3.9% per annum, the loss of access to stock in the future years would be zero per annum, applied at **Stage 15**.

13.4.7 **Stage 16** of the needs model takes account of the annual new affordable housing supply. The HIP returns for the three years to 31/03/2006 show the following recent new unit trends:-

Table 13-9 2003 to 2005 New Affordable Housing Supply (HIP)

Supply	2003 / 04	2004 / 05	2005 / 06	Average
New RSL Supply	85	110	12	69
Other New Supply	<u>9</u>	<u>18</u>	<u>0</u>	<u>6</u>
Total	<u>94</u>	<u>128</u>	<u>12</u>	<u>78</u>

13.4.8 If there is a consistent level of recent and immediate future new delivery it is normal practice to take account of the average annual level.

13.4.9 The average annual new supply total over the last three years is 78 units per annum. However in view of the inconsistent actual delivery levels over the period, no future committed units of new affordable supply have been accounted for in **Stage 16** of the model.

Table 13-10 Supply of Affordable Units – Basic Needs Assessment Model

S - SUPPLY OF AFFORDABLE UNITS		
14.	Supply of social re-lets (200) and Shared Ownership re-sales (26)	226
15.	MINUS Increased vacancies (if applicable) and units taken out of management. Right to Buy	<u>0</u>
	<i>Net social re-lets</i>	226
16.	PLUS - Committed units of new affordable supply	0
17.	AFFORDABLE SUPPLY	226

13.4.10 Delivery in the last three years ranges from 12 units to 128 units per annum. Actual delivery is difficult to predict and in 2005 / 06 the planned delivery level was 150 units but only 12 were completed. Currently 41 units are planned in 2006 / 07. It will therefore be important to monitor actual delivery levels in annual updates.

13.5 Affordable Housing Needs Assessment Model

B - BACKLOG OF NEED		
1.	Households in unsuitable housing	4,124
2.	MINUS – RSL tenants	805
	MINUS – in-situ solution most appropriate or leaving Borough	<u>1,001</u>
		1,806
	<i>Households in unsuitable housing and need to move</i>	<u>2,318</u>
3.	TIMES - Proportion unable to afford to buy or rent	71.4%
4.	PLUS - Backlog - homeless households	12
5.	TOTAL BACKLOG NEED	1,667
6.	TIMES - Quota to progressively reduce backlog	(20%)
7.	ANNUAL NEED TO REDUCE BACKLOG	333
N - NEWLY ARISING NEED		
8.	New household formation	523
9.	TIMES Proportion unable to access private market	(87%)
10.	PLUS - Ex-institutional population moving into community	0
11.	Existing households falling into priority need	102
12.	In-migrant households unable to afford market housing	<u>125</u>
13.	TOTAL NEWLY ARISING NEED	682
S - SUPPLY OF AFFORDABLE UNITS		
14.	Supply of social re-lets (200) and Shared Ownership re-sales (26)	226
15.	MINUS Increased vacancies (if applicable) and units taken out of management. Right to Buy	<u>0</u>
	<i>Net social re-lets</i>	226
16.	PLUS - Committed units of new affordable supply	0
17.	AFFORDABLE SUPPLY	226
	Annual need to reduce backlog (B)	333
	Newly arising need (N)	<u>682</u>
	TOTAL AFFORDABLE NEED (B + N)	1,015
	Affordable supply (S)	<u>226</u>
18.	OVERALL ANNUAL SHORTFALL (B + N) - S	789

* Elimination over a five year period is recommended in the Guidance for model purposes but the Council can make a Policy decision to do so over a longer period (e.g. 10 years or years to the end of the Local Plan period). This would reduce the need level to 623 units annually.

** If there was an adequate private rented sector supply for new forming households the overall shortfall would be 622 units annually. (See 13.3.8)

13.6 Needs Assessment

- 13.6.1 The total affordable housing need annually is for 1,015 units. Net re-lets of the existing social stock, after Right to Buy (RTB) impact, average 226 units and are the major means of addressing the scale of need identified.
- 13.6.2 After allowing for existing stock net re-let supply, there will still be a total annual affordable housing shortfall of 789 units, 7,890 units in total over the ten years to 2016.
- 13.6.3 Based on the average new unit supply of around 78 units over the last 3 years, this level of annual need is over 10 times the number of units able to be provided from new delivery and conversions resulting in growing levels of unmet need each year. New delivery is 35% of total supply and is a high level bearing in mind that existing stock turnover is normally expected to meet 90% to 95% of need. 41 units are planned in 2006 / 07 and it will be important to monitor actual delivery levels in annual updates.
- 13.6.4 Additionally, 241 existing and 180 concealed households intend to leave the Borough over the next three years because of a lack of affordable housing to rent. These are not included in the needs assessment calculation, although this could be justified.

14 PLANNING AND DELIVERY

14.1 Land and Affordable Housing Delivery

- 14.1.1 Land supply is crucial to the provision of housing. Land available at a discount is often the key to making a social housing scheme viable, particularly given the limited funding available. Therefore, local authority housing and planning strategies need to ascertain the availability of sites and propose ways of bringing sites forward.
- 14.1.2 The inter-relationship of the land and subsidy issues is important in the negotiation process. It is clear from the scale of affordable need identified in the survey that the Council will need to negotiate with private landowners and developers to be able to deliver the scale of housing required, this will be done through the LDF policy which has already been drafted and consulted on at the Preferred Options stage.
- 14.1.3 Whilst the survey data provides identified demand levels in each strategic housing area, the Council must apply its own judgement as to the suitability of sites for affordable housing for low income families and new forming households unable to enter the private market, particularly related to the nature of the area, provision of services and other planning policy requirements.

14.2 Affordable Housing

- 14.2.1 Circular 6/98 emphasises the need for local authorities to provide a local definition of affordable housing. A basis for a definition of affordable housing, which would assist within the context of the Local Development Framework, is discussed below.
- 14.2.2 The Council needs to define affordable housing in setting future planning policy and DCA would suggest that as simple a definition as possible be provided. The following text identifies the requirement but leaves the percentage to be achieved as an issue for negotiation on a site by site basis.
- 14.2.3 The DCA definition of affordable housing is:-
“Affordable housing is that provided with subsidy, both for rent and intermediate housing, for people who are unable to resolve their housing requirements in the local private sector housing market because of the relationship between housing costs and incomes”.
- 14.2.4 The DCA definition of affordable housing has been used consistently since 1996 and has always been accepted by Inspectors at Local Plan Inquiries over the last 10 years. DCA believe that their definition provides greater clarity than that in Circular 6/98 and this is supported by the fact that the principle of the incorporation of the word ‘subsidy’ has been followed in the Good Practice Guidance published in January 2004 by the South East Regional Assembly (SEERA):-
“housing provided with a subsidy to enable the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality”.
- 14.2.5 This principle has also been followed in Policy H4 of the Draft South East Plan, which mentions “subsidy” three times in the policy text. It is important to clarify what subsidy is because it has been wrongly attributed to public sector grant only in the past. Subsidy includes not only public funding but also the provision of service land by developers either free or at a substantial discount.

14.2.6 The types of affordable housing comply with the definition and which DCA have used for over 5 years are as follows:-

Social Rent

- ◆ *RSL (or other body approved under the Housing Act 2004) units for rent; and*

Intermediate Housing

- ◆ *shared ownership (now Newbuild Homebuy);*
- ◆ *shared equity where land value is retained to provide housing for sale at below market levels and where control of the 'equity discount' can be retained as long as they are needed;*
- ◆ *discounted market housing for rent, also using land value.*

14.2.7 These definitions are also those provided in the Housing Market Assessments – Draft Practice Guidance December 2005. The policy guidance gives the Council the power to negotiate with developers on all new permissions, subject to the ability to provide defensible data to justify need following a rigorous and up to date assessment provided in this survey.

14.3 Low Cost Market Housing

14.3.1 Circular 6/98 lacks clarity particularly regarding low cost market housing. DCA do not accept that “low cost market housing”, provided without subsidy, satisfies DCLG’s own definition of affordable housing and have always questioned the lack of clarity in the Guidance definition, particularly in areas with high house prices relative to local income levels.

14.3.2 Low cost market housing is not small units which are provided without subsidy to meet the needs of households with income levels just adequate to access the housing market. These are ‘starter’ homes and are part of the general market. A household able to buy a house-builders cheapest new unit is not included in the calculation of affordable housing need because they could buy market re-sales.

14.3.3 Low cost market housing can be provided with subsidy (through land) or discount (i.e. shared equity) and if this is the case it would be incorporated within the definition and target for affordable housing.

14.3.4 The consultation paper ‘Planning for Mixed Communities’ identifies the types of housing described at 14.2.6 (other than social rented) as “intermediate housing” which should remove the lack of understanding of what was previously termed, ‘low cost market housing’.

14.3.5 The consultation paper on a new Planning Policy Statement (PPS3) Housing, goes further and states for the first time since the introduction of low cost market housing into Guidance in 1996 that:-

“Intermediate Housing differs from low cost market housing (which Government does not consider to be affordable housing...)”

14.4 Perpetuity

- 14.4.1 It is important that additional affordable housing units provided through acquisition, conversion or new delivery add to the available affordable stock in the long term. Many past initiatives have provided subsidy which has been of benefit to the first occupier only and perpetuity providing control of the subsidy element, whether provided by free land, grant or discount is vital if the benefit is to be passed to subsequent occupiers for as long as it is needed.

14.5 Overall Target Levels

- 14.5.1 The annual level of outstanding affordable need of 789 units, after allowing for current re-let supply is clearly not economically deliverable or sustainable, bearing in mind past new supply levels averaging 78 units each year.
- 14.5.2 Despite the evidence of the scale of need from existing and concealed households, there are wider issues to consider when setting targets for delivery of affordable housing from new developments. Primarily there is a need to build viable, sustainable developments.
- 14.5.3 The South East Plan allocation for Spelthorne Borough is 3,020 units from 2006 to 2026 (151 a year). Not all of these will be on qualifying sites, nor does this total take account of completions or outline consents. However the total outstanding affordable need of 789 is 523% of the full annual allocation. Clearly this is unachievable and a simple mathematical calculation to determine the overall target level, the normal process, cannot be undertaken. Targets can only therefore be set by a professional judgement based on experience of what is sustainable, viable and deliverable.
- 14.5.4 Policy H4 of the South East Plan suggests an overall regional target of 35%, with a tenure split of 25% social rent and 10% intermediate market housing. However this is a regional overall target and it is the responsibility of local authorities to set targets to address local need identified in an assessment.
- 14.5.5 Policy LF3 from the Sub-regional Policy Framework section of the South East Plan, covering the London Fringe, which includes Spelthorne, suggests that 40% of all new housing in the sub-region should be affordable housing.
- 14.5.6 Surrey has the highest house prices in the South East Region and target levels of 40% already apply in other authorities both in the County and elsewhere nationally and in some cases have been subject to detailed viability assessment. Spelthorne Borough has a scale of affordable need which justifies the highest target which is sustainable and viable.
- 14.5.7 Based on the evidence found in this assessment the Council should consider setting an overall target of 40% of new units from the total of all suitable sites negotiated. This target includes both housing for social rent (25%) and intermediate housing (15%) to meet the needs of low income households, key workers and those on average incomes unable to purchase. The target of 40% is also outlined in Policy HO3 in the Spelthorne Development Plan Strategy and Policies, Preferred Options, May 2006.
- 14.5.8 Each site will need to be assessed individually, targets being subject to wider planning, economic viability, regeneration and sustainability considerations and will require a flexible approach to specific site negotiation.

14.6 Site Thresholds

- 14.6.1 The threshold level in Circular 6/98 is set at 25 units or 1 hectare but the lack of units achieved on sites above this level would have a severe impact on delivery of affordable housing if this level is to be applied. In all areas across the Borough DCA believe that the significant level of need identified is unlikely to be met even at the lower threshold of 15 units in the current Circular.
- 14.6.2 The Government Consultation Papers on PPG3 'Influencing the Size, Type and Affordability of Housing' and "Planning for Mixed Communities" considered the issue of a base threshold of 15 units and the draft PPS3 confirms the threshold of 15 units or 0.5 hectares as the base threshold.
- 14.6.3 Policy HO3 in the Spelthorne Development Plan Strategy and Policies, Preferred Options, May 2006, outlines that affordable housing is a major issue in the Borough and that contribution will be sought on all housing development of 10 or more dwellings or 0.3 hectares or more.
- 14.6.4 The annual scale of affordable need is over eight times the average annual new unit delivery projected over the last three years and justifies an exceptional case for a lower threshold.

14.7 Future Affordable Housing Delivery

- 14.7.1 The tenure balance of new affordable delivery over the last three years has averaged 51% social rented units and 49% intermediate market housing and a higher level of rented units at 71% is planned for 2006 / 07.
- 14.7.2 The social rented stock in the Borough at 13.2% is low relative to the national average of 19.3% and slightly below the South East regional average of 14.0% and does not provide adequate turnover to meet the scale of need identified. In determining the balance of tenure mix, the number of households who would be able to enter the market through intermediate housing but cannot afford private rent has to be taken into account.
- 14.7.3 The scale of need could justify the whole allocation as rented units but a balanced approach is now the core of Government strategy although the majority of units are still required for social rent.
- 14.7.4 In view of the scale of need, subsidised affordable units should be negotiated on all suitable sites. The Council should set a 'target' for each site taking into account existing supply, survey demand and other regeneration, planning, sustainability and economic factors.
- 14.7.5 The increases in house prices over the last ten years have excluded many 'first-time buyers' from the owner occupied market. DCA believe therefore that the proportion of affordable housing provided on new sites should encompass more subsidised intermediate market housing than would have been the case even five years ago when it was a more marginal element of affordable need.

14.8 Intermediate Market Housing

- 14.8.1 Concealed households forming express a need (50.4%) or preference (67.0%) for owner occupation but generally around 87% of them have incomes inadequate to be able to purchase. The sustained period of high house price inflation has impacted on new forming households' ability to buy and requires a supply of intermediate housing to assist those on middle incomes including key workers who previously would have purchased without assistance.

- 14.8.2 There is an expressed need for 517 shared ownership units a year, from new forming (252) and existing households (265). This is over six times the scale of past new total affordable housing delivery, a very significant level.
- 14.8.3 **Shared Ownership**
- 14.8.4 Shared ownership supply from stock turnover is low relative to need expressed by existing and concealed households over the next 3 years of 517 units (265 existing households and 252 concealed households), 172 per year. At Census there were only 472 units, plus 182 units built up to March 2006, which generate re-sales of only around 26 units per annum (i.e. around 2 per month).
- 14.8.5 To assess the scale of viability of the two main intermediate housing options, grant assisted shared ownership and shared equity using land subsidy only, recent examples of new build RSL shared ownership schemes in the Borough were studied, outlined in Table 14-1. The household income data of moving households has been checked against the market values of one and two bed units in these developments.
- 14.8.6 Generally purchases need to be at a 30% to 60% share to be viable for the majority of new forming households. The required income for a 1-bed unit for a 40% share of a 1-bed flat was £25,600. For a 50% share of the same type of property the required income was £27,300.
- 14.8.7 2-bed flats required an income of £30,000 (for a 40% share) and £32,000 (for a 50% share). 2-bed houses required incomes of £31,100 for a 30% share and £38,100 for a 60% share.

Table 14-1 Shared Ownership Cost Examples in the Borough

Property Type	Full Sale Price	Share price	Monthly Cost				Income Required
			Rent*	Mortgage **	Service Charge *	Total	
1-bed flat	£150,000	£75,000 (50%)	£218	£438	£27	£683	£27,300
1-bed flat	£150,000	£60,000 (40%)	£262	£350	£27	£639	£25,600
2-bed flat	£175,000	£87,500 (50%)	£255	£510	£35	£800	£32,000
2-bed flat	£175,000	£70,000 (40%)	£306	£408	£36	£750	£30,000
2-bed house	£200,000	£120,000 (60%)	£233	£700	£20	£953	£38,100
2-bed house	£200,000	£60,000 (30%)	£408	£350	£20	£778	£31,100

* Based on actual project cost

** Based on a 95% mortgage at 5.5% interest rate over 25 years

- 14.8.8 20% of new forming households, around 100 each year, earn between £25,000 and £38,000 per annum, broadly below private rent thresholds for 1 and 2-bed units. These households could achieve access to shared ownership through flats and houses in the above examples of recent projects in the Borough.
- 14.8.9 Additionally 80 of the 265 existing households expressing a shared ownership preference and earning between £25,000 and £38,000 per annum, currently live in the private rented sector (60) or in housing association rent (20) who would free up a social rented unit.

14.9 Discounted Market Rent

- 14.9.1 Around 53 existing households and 250 new households, 303 in total express a need for private rental per annum. Initiatives to deliver discounted market rent could well assist households, including key workers unable to afford full market costs. This is also an option for new unit delivery without grant support.
- 14.9.2 The private rented sector is around 7.5% of the housing stock. Accommodation tied to employment is 0.1% and not generally available to all households. However the analysis of the private rented sector in Section 5.10 shows clearly that there is a significant supply shortfall and that the sector is expensive.
- 14.9.3 Discounted market rented housing can only be delivered provided that there is an adequate cost margin between social rent and market rent. Given that average rents across the Borough average £625 to £861 per month for 1 and 2 bedroom stock there does appear to be the potential to deliver intermediate housing in this way, increasing access to the rental sector. This should be examined in detail as an element of future intermediate market housing delivery.
- 14.9.4 An increase in quality housing provided in this sector could also address the short term needs of key worker and other middle income households expressing interest in shared ownership, especially those at the early stages of their careers or on limited employment contracts who are looking for flexibility in their housing arrangements.

14.10 Affordable Rented Accommodation

- 14.10.1 The local relationship between house prices and incomes is such that around 87% of new forming households are unable to purchase in their own right depending on location. The availability of rented stock through re-lets is low relative to the expectation that existing stock flows should address 90% of all need.
- 14.10.2 The largest proportion of affordable units is required as social rented properties, both for new forming households and existing families. However in both stock and availability from turnover, the social rented sector provides over 7 times the scale of units (200) to those from shared ownership (26) each year.
- 14.10.3 The survey data however suggests a total demand for HA rent from both existing and new forming households of 976 units compared to 517 for intermediate housing, a ratio of less than 2 to 1 compared to supply of 7 to 1. There is no obvious solution other than a severe market crash or significant increases in incomes above inflation to solve access to the market for people on above-average incomes in Spelthorne. There is therefore a need to deliver intermediate housing bearing in mind that the total scale of intermediate housing preference alone is greater than the whole housing allocation.

14.11 Needs Distribution by Sub-Area, Tenure Type, Size and Location

- 14.11.1 There will be variance at local level between demand and existing stock supply and the localised balancing housing markets report will be valuable in setting site targets, both to address affordable housing and in particular by house type and size.
- 14.11.2 The survey data disks contain a breakdown of the whole of the future housing needs section of the questionnaire, which can be used by officers to identify specific needs by sub-area by cross-tabulation.
- 14.11.3 The data tables provided give a localised breakdown of each question, analysed both by existing households planning to move and the newly forming "concealed" households and facilitates the preparation of localised housing type and size requirements.
- 14.11.4 Appendix I contains a detailed analysis of the type and size of units required by both existing and concealed households analysed by tenure and location.

15 SURVEY METHODOLOGY

15.1 Purpose, Aims and Objectives

- 15.1.1 Spelthorne Borough Council formally commissioned DCA in February 2006 to carry out a Borough-wide Housing Needs and joint Private Sector Stock Condition Survey.
- 15.1.2 The purpose of the study was to undertake a comprehensive and robust housing needs assessment, to obtain high quality information about current and future housing needs at local authority level and to inform the development of policies and underpin local housing strategies.
- 15.1.3 The aims of the Housing Needs element of the survey were to establish an up-to-date and comprehensive understanding of housing needs across all Tenures and client group.
- 15.1.4 The objective of the project was to provide a robust and comprehensive analysis and data base to:-
- Support future housing strategy to meet the criteria set out by the DCLG in its good practice guidance and the Housing Strategy Guidance and to prioritise investment decisions;
 - Co-ordinate housing and community care strategies;
 - Confirm the Councils affordable housing policies in the Local Development Framework and assist in target setting for site development briefs and for negotiation in accordance with Circular 6/98 and PPG3.

15.2 Methodology

- 15.2.1 The study consisted of the following elements:-
- A postal questionnaire to 5,000 households across 13 wards;
 - Face to face interviews with 871 households within 13 wards;
 - A housing market survey utilising the Land Registry and Halifax databases and a telephone survey of estate agents on the cost of access level property and on the supply and cost of private rented housing;
 - Secondary data analysis drawing upon Housing Strategy Statistical Appendix (HSSA) and Housing Register data on the flow of social stock and need, 2001 Census, household and population projections and other national research.
- 15.2.2 The questionnaire was designed in consultation with officers of Spelthorne Borough Council and based upon tried and tested questionnaires used in previous comparable assessments.
- 15.2.3 In DCA's view, a large-scale postal survey is the most cost-effective means of identifying the general needs, aspirations and intentions of the population at ward level. Nearly all the housing needs studies undertaken by DCA have utilised postal questionnaire surveys as a means of primary data collection.
- 15.2.4 The questionnaire was designed to gather a comprehensive range of information on existing and new forming households and was structured in three parts.

- 15.2.5 Part One sought information about the existing housing situation including:-
- household composition by gender, age and ethnicity;
 - house type and number of bedrooms;
 - adequacy of current housing to meet the households needs;
 - property repair and improvement requirements;
 - forms of heating and energy efficiency facilities;
 - housing costs and income;
 - employment and travel to work;
 - support and adaptation needs;
- 15.2.6 Part Two of the questionnaire collected information on the existing household's future moving intentions and Part Three on the moving intentions of new forming or concealed households. Questions in these two sections included:-
- when people expect to move;
 - who is forming new households;
 - how much they can afford, the household savings and income;
 - preferred tenure, type, size and location of the housing they require;
 - supported housing and support service requirements.
- 15.2.7 The survey questionnaire is provided as an Appendix to this report.

15.3 Sampling

- 15.3.1 Sample size depends on two key factors: the degree of accuracy required for the sample and the extent to which there is variation in the population with regard to key characteristics. The most important points to note about these issues are:-
- Beyond a certain sample size, there is no benefit in a bigger sample in terms of accuracy;
 - The size of the population is largely irrelevant for the accuracy of the sample. It is the absolute size of the sample that is important.
- 15.3.2 The Survey was structured to achieve a 95% confidence rate and to ensure that the results reflect the population. Using simple random sampling, the confidence interval with a sample size of 2,000 households is in the region of 2% at Borough level.
- 15.3.3 This means, for example, that if 53% of respondents in a survey do not have central heating then we can be 95% confident that 53% of households plus or minus 2% do not have central heating (i.e. 51% - 55%).
- 15.3.4 The postal sample was stratified into 13 wards in the Borough and selected by random probability from the Council Land and Property Gazetteer.
- 15.3.5 The sample was 12.8% of resident households, determined to ensure statistical validity within each ward. As shown in Table 15-1 overleaf, based on a 13 ward structure a level of $\pm 1.99\%$ was achieved in this survey.
- 15.3.6 The main issue is whether non-respondents are different in some crucial way to responders (e.g. low education, older etc.). However, increasing the sample size does not necessarily alleviate this problem if some groups of people systematically do not respond.

15.4 Promotion

- 15.4.1 A comprehensive promotion campaign of posters and local press coverage was agreed with the Council to create awareness of the survey, and its importance to the Council. All councillors in the Borough were contacted to inform them of the survey and enlist their assistance in publicising the survey and maximising the response rate.

15.5 Interview Survey Fieldwork

- 15.5.1 Michael Howard Associates (MHA) were provided with a questionnaire by DCA, utilising the same questionnaire as the Postal Survey. The fieldwork element was combined with the responses from the postal sample and was combined to make one data file.
- 15.5.2 The interview fieldwork for the project began on the 24th April 2006 and was completed by the 30th June 2006.

15.6 Postal Survey Process and Response

- 15.6.1 The sample of questionnaires was dispatched for delivery on the 3rd May 2006. The return deadline was 1st June 2006 allowing respondents a period of twenty nine days including four weekends for completion and return. The response rate was analysed on a daily basis. The Council opted to send out 3,500 follow up questionnaires to those households in the original sample who had not responded in the first set of questionnaires sent out, the follow up questionnaires were dispatched for delivery on 18th May 2006.
- 15.6.2 The final postal response of 1,646 questionnaires (32.9%) returned provides a robust sample for analysis. When the 871 interviews are added this gives a total response of 2,517.
- 15.6.3 All areas reached response levels based on household numbers adequate to ensure statistical validity at a confidence level of 95%. The confidence interval ranged from $\pm 6.80\%$ to $\pm 7.52\%$ at ward level and was $\pm 1.99\%$ at Borough level.

15.6.4 4.2% of all households in Spelthorne Borough took part in the Survey. The response rate analysis by ward is detailed in Table 15-1 below.

Table 15-1 Response Rate Ward

Ward	Resident Households	Postal Sample	Postal Responses	Response Rate %	Interview Responses	Total Responses	Confidence Interval \pm %
Ashford North & Stanwell South	3,062	385	111	28.8	75	186	7.33
Ashford Common	3,329	385	124	32.2	59	183	7.39
Ashford East	2,969	385	118	30.6	66	184	7.37
Ashford Town	2,678	385	128	33.2	49	177	7.52
Halliford & Sunbury West	2,517	385	149	38.7	64	213	6.85
Laleham & Shepperton Green	3,176	385	120	31.2	59	179	7.47
Riverside & Laleham	2,836	385	132	34.3	54	186	7.33
Staines	3,485	385	114	29.6	76	190	7.25
Shepperton Town	2,957	385	146	37.9	60	206	6.97
Staines South	2,895	385	137	35.6	76	213	6.85
Stanwell North	3,326	385	114	29.6	80	194	7.18
Sunbury Common	3,165	385	119	30.9	97	216	6.80
Sunbury East	2,687	385	134	34.8	56	190	7.25
Total	39,082	5,005	1,646	32.9	871	2,517	1.99

15.7 Survey Weighting

- 15.7.1 The data file was checked against the 2001 Census Tenure data and the Council's Housing Strategy Statistical Appendix for bias and re-weighted where necessary. A copy of the weighting carried out in this survey is provided with the Survey data Tables.
- 15.7.2 Given the nature of the random sample of households within agreed sub-areas embodied in the postal survey, tenure type is expected to provide the main validation of the representativeness of the sample.
- 15.7.3 The data set out below on household population and tenure is based on the Council Tax number of resident households. Private sector tenure has been re-weighted to be in line with the 2001 Census data, with allowance for four further years development. The social housing stock has been weighted to the number of units in the HSSA Statistical Appendix at March 2006 by ward.
- 15.7.4 The overall data set is therefore representative of the Borough population and is the basis for the calculation of all the subsequent tables i.e. all responses are given the weight appropriate to the actual tenure balance.

Table 15-2 Tenure of Present Households

Question 2

Tenure	2006 Survey %	N ^{os} implied	Local Area Census 2001 *
Owner occupier - mortgage	44.7	17,464	45.1
Owner occupier - outright	32.3	12,620	32.8
Private rented / Rent free	8.8	3,431	8.7
HA Rented	13.2	5,144	11.8
Shared ownership	0.9	368	1.2
Tied to employment / Other	0.1	55	0.4
Total	100.0	39,082	100.0

* © Crown Copyright (Census)

- 15.7.5 The private rented sector constitutes 8.8% of households, lower than the national level. This group includes those renting from a private landlord or from a friend or relative. It is important to recognise that the 2001 Census identified 507 households, nearly 15% of those in private rent, live rent free and the total of normal private rented stock is around 2,925 close to 7.5% of all units.

15.8 Guidance Model

- 15.8.1 The Housing Needs Study has been undertaken in line with the 2000 DETR (now DCLG) research Local Housing Needs Assessment: A Guide to Good Practice in assessing people's preferences as well as their needs.

15.9 Definitions

- 15.9.1 DCA work to a definition of housing requirements that encompasses demand, need and preferences. Households that can enter the general market without intervention of any sort can be defined as demand, whereas those households that are unable to enter the general market without some form of intervention can be defined as having a housing need. Our methodology enables us to identify this distinction by asking for both a household's characteristics in terms of size, current property condition and income and a household's views on suitability of current housing and preferences for moving or modification.
- 15.9.2 Affordability in DCA's view is defined by the relationship between local incomes and the local general housing market. Our definition of affordable housing is as follows:-

"Affordable housing is that provided with subsidy, both for rent and intermediate market housing, for people who are unable to resolve their housing requirements in the local private sector housing market because of the relationship between housing costs and incomes. This definition covers housing for social rent, shared ownership, shared equity and sub-market rent."

- 15.9.3 The issue of affordability is central to DCA's approach. Within the project a range of data on actual incomes and costs of housing and the likely level of incomes and the accessible costs of housing is captured for moving or newly forming households. DCA also examine secondary data on incomes, house prices and rent levels. Thus a reliable indicator of affordability is derived that leads towards the identification of real options for meeting housing need.

15.10 Survey Household Data

- 15.10.1 It should be noted that the “numbers implied” column inserted in some of the tables is DCA’s assessment of the total numbers to be derived after applying the appropriate weighting factor based on Ward location and tenure responses to that Ward household numbers. Where multiple choice is not involved, this will generally equate to the household population of the Local Authority as a whole but some individual questions may not be answered by all respondents, giving a marginally lower total.
- 15.10.2 Where multiple choice questions are involved, two percentage columns are shown. The first percentage column relates each heading to the total number of actual responses. Those responses are set out at sub-area level in the accompanying data tables and are the basis of the ‘numbers implied’ column in the report. The second percentage column relates the same numbers to the number of households, which in the case of a multiple choice question is likely to give a total in excess of 100% depending on the level of multiple choice made.
- 15.10.3 All tables included in this report are extracted from the DCA Housing Survey data for the Borough of Spelthorne, unless otherwise indicated. A comparison is also provided for many results throughout this Report to the average of over 200 DCA Housing Assessment Surveys nationally.

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