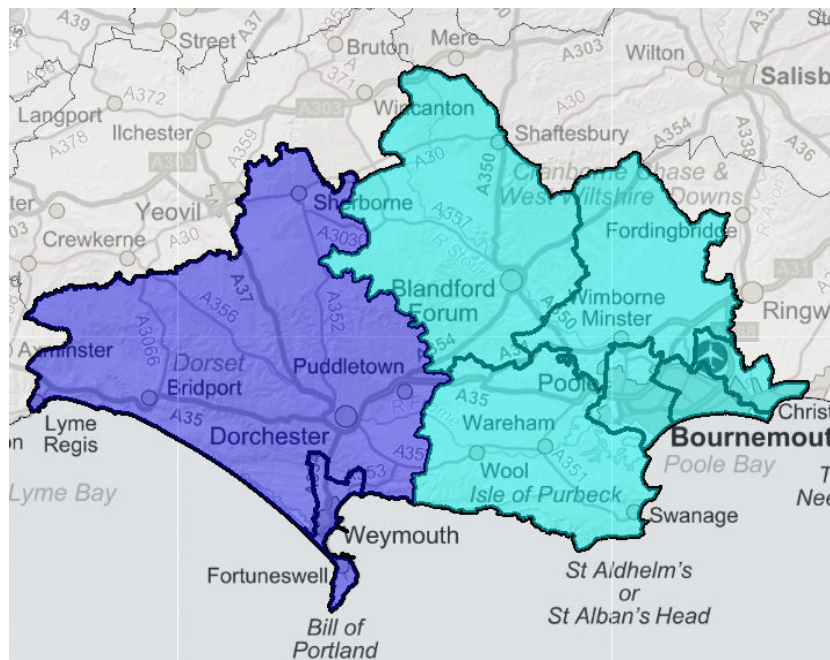




DORSET SURVEY OF HOUSING NEED AND DEMAND

Local Authority report for:

BOURNEMOUTH BOROUGH COUNCIL



June 2008



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Executive summary

Introduction

- S1. This Survey of Housing Need and Demand forms part of a wider Strategic Housing Market Assessment being conducted by a partnership involving all nine local authorities in Bournemouth, Poole and Dorset, as well as a number of other stakeholders. The broad aim of this project was to provide the primary research at household level to understand the need and demand for different forms of housing. Ultimately the findings from this study will be fed into the wider SHMA research and used to evidence revised, local, affordable housing policies and strategies. This report addresses Bournemouth Borough.
- S2. Where relevant the report follows Government advice given in PPS3: Housing (Nov 2006) and its Practice Guidance (published in March and August 2007). The former provides the formal requirements for assessment, and the latter provides detailed suggestions as to how to produce the requirements. The report therefore provides policy relevant outputs which can sensibly be translated into a range of strategies and will be an important input to both the Regional Spatial Strategy (RSS) and Local Development Framework (LDF) process.
- S3. In particular this report concentrates on the need for affordable housing and the supply and demand for housing across all tenure groups. Essentially it provides the three key requirements of PPS3 (para 22): which are to provide the market/affordable split, and the type and amount of affordable housing required (along with the types of household requiring market housing).

Data collection

- S4. A major part of the study process was the completion of the primary data collection via postal questionnaires with local households. In total 1,885 households took part in the survey. The questionnaire covered a wide range of issues including questions about:
- Current housing circumstances
 - Past moves
 - Future housing intentions
 - The requirements of newly forming households
 - Income levels

- S5. Information from the questionnaire survey was used throughout the report (along with secondary information) to make estimates about the future housing requirements in the Borough. The number of responses provided sufficient data to allow complete, accurate and detailed analysis of needs across the Borough and geographical breakdowns for eighteen sub-areas.
- S6. Overall the survey estimated that there are around 76,000 households in the Borough, of these around 71% are currently owner-occupiers with 10% living in the social rented sector and around 19% in the private rented sector.

Table S1: Number of households in each tenure group				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	25,928	34.1%	683	36.2%
Owner-occupied (with mortgage)	28,145	37.0%	698	37.0%
Council	5,094	6.7%	157	8.3%
RSL	2,679	3.5%	75	4.0%
Private rented	14,154	18.6%	272	14.4%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

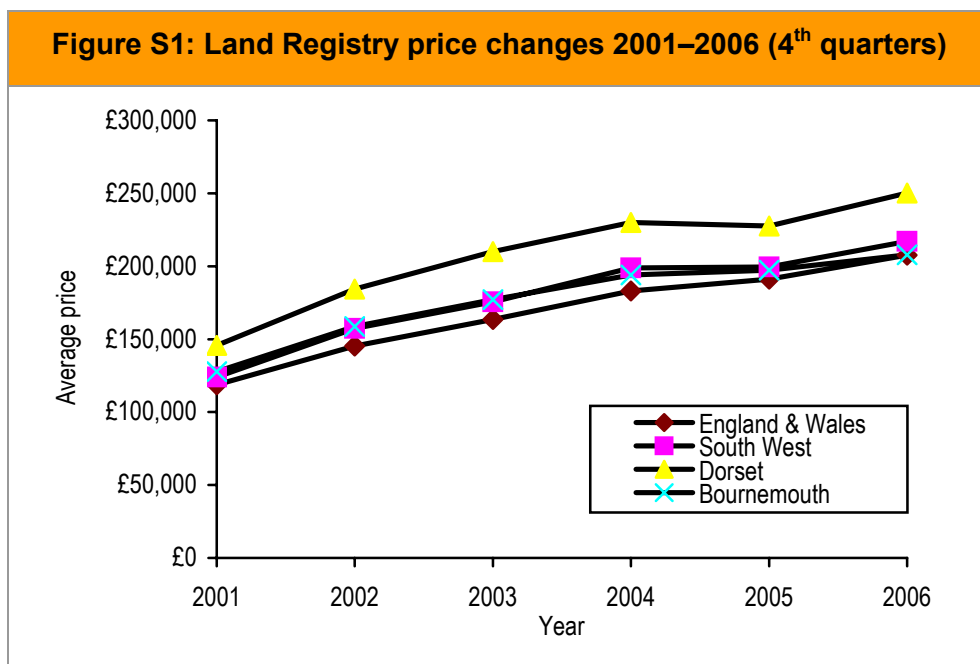
Population and household mobility

- S7. Dorset has a moderate level of self-containment (60.3%) with a substantial net inflow of people. According to the 2001 Census, a total of 30,994 people moved into Dorset from domestic sources, 10,314 more households moved into Dorset than moved out.
- S8. New Forest has the largest gross in and outflows with Dorset, other noticeable flows are from South Somerset and Salisbury. It is also notable that people from west London boroughs show distinct flows to the County: London has a long tradition of radial migration movements outwards from it.
- S9. Bournemouth shows a high level of self containment compared with other districts. 62.3% of households that have moved in the last two years have actually moved within the district. The migration between Bournemouth and Poole is a particularly significant one: more than a thousand households (over 2 years) are migrating either way between the districts. From the expected household moves table we find that a higher proportion of households. A high proportion of households in Bournemouth would prefer to live in Poole than we find vice versa.

- S10. There is a strong net in-migration to the County, especially through Bournemouth. The working status profile suggests that in-migrant households are more likely to be retired, with out-migrant households more likely to be in employment. This would again accord with the overall attractiveness of the County, and the relative lack of major centres of employment, making it a net retirement location.

The Local Housing Market

- S11. A key part of the project was an assessment of the local housing market. Information was drawn from a range of sources including the Land Registry, internet searches and face-to-face interviews with local estate and letting agents. Separate and detailed reports for the whole of Dorset have been completed: in this report we provide the key findings in relation to Bournemouth.
- S12. Latest Land Registry data suggests that the average property price in Bournemouth (at £207,927) is virtually the same as the average for England and Wales and therefore below the average for the whole of Dorset (around £250,000). However, as the analysis in the report shows, the Bournemouth turnover is heavily weighted towards smaller dwellings, and so in fact the Bournemouth prices are significantly over the national average when comparing like with like (i.e. similar dwelling sizes/types).
- S13. The rate of increase in property prices in the Borough over the past few years has been significant, information from the Land Registry shows that between the 4th Quarter of 2001 and the 4th quarter of 2006 average property prices in Bournemouth rose by 62.7% - this is slightly below the average increase for both England and Wales and Dorset as a whole.



S14. A survey of local estate and letting agents identified estimates of the minimum costs of housing to both buy and rent in the Borough. Overall, the survey suggested that prices started at around £110,000 for one bedroom properties with private rental costs starting from around £495 per month.

Table S2: Minimum property prices/rent in Bournemouth

Property size	Minimum price	Minimum rent (per month)
1 bedroom	£110,000	£495
2 bedrooms	£159,000	£650
3 bedrooms	£218,000	£825
4 bedrooms	£290,000	£1,050

Source: Bournemouth HNDS Fordham Research 2007

S15. The information about minimum prices and rents was used along with financial information collected in the survey to make estimates of households' ability to afford market housing (without the need for subsidy).

Key Survey Findings

S16. Using data from the household survey it is possible to provide a detailed picture of the profile of local households and their dwellings. The nature of the current stock is an important consideration in identifying gaps in the market and for providing information about potential future requirements. Below we highlight some key findings from the household survey:

- The stock of housing in Bournemouth is concentrated towards flats and maisonettes. An estimated 42.6% of households live in flats, this is significantly above the national average (of around 17%).
- Households in Bournemouth are also more likely to be pensioners – 30% of all households are pensioner only compared with a national figure of around 24%. Further analysis shows that around 60% of outright owners are pensioner-only households.
- Around 25% of households had lived in their current accommodation for less than two years. Although a large proportion of moves involved the private rented sector, a key finding was the significant number of in-migrating older person households – the vast majority of such households moved to owner-occupied dwellings and shows the desirability of the area for retirement. It should be noted that, due to the survey being based only on district households, this is a gross figure and not a net one: it simply shows the types of household coming in, not whether there is a net addition to any particular type of household.
- Overcrowding does not appear to be a significant issue in the Borough, with an estimated 2.2% of households estimated to be overcrowded (using the bedroom standard). This figure is below the latest national estimate of around 2.5% but does represent the highest figure in Dorset (and it is also above the regional average)

Future Movers

S17. Another important aspect of the survey (in relation to future demand for housing) was an assessment of households who need or are likely to move home in the future. The study looked at the future aspirations and expectations of both existing households and potential newly forming households.

S18. The table below shows that around 25.5% of existing households need or are likely to move home in the next two years. Households in the private rented sector are most likely to be future movers although nearly half of all moving households are currently owner-occupiers.

Table S3: Households who need or are likely to move in next two years by tenure			
Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	3,625	25,928	14.0%
Owner-occupied (with mortgage)	5,479	28,145	19.5%
Social rented	2,013	7,773	25.9%
Private rented	8,291	14,154	58.6%
Total	19,407	76,000	25.5%

Source: Bournemouth HNDS Fordham Research 2007

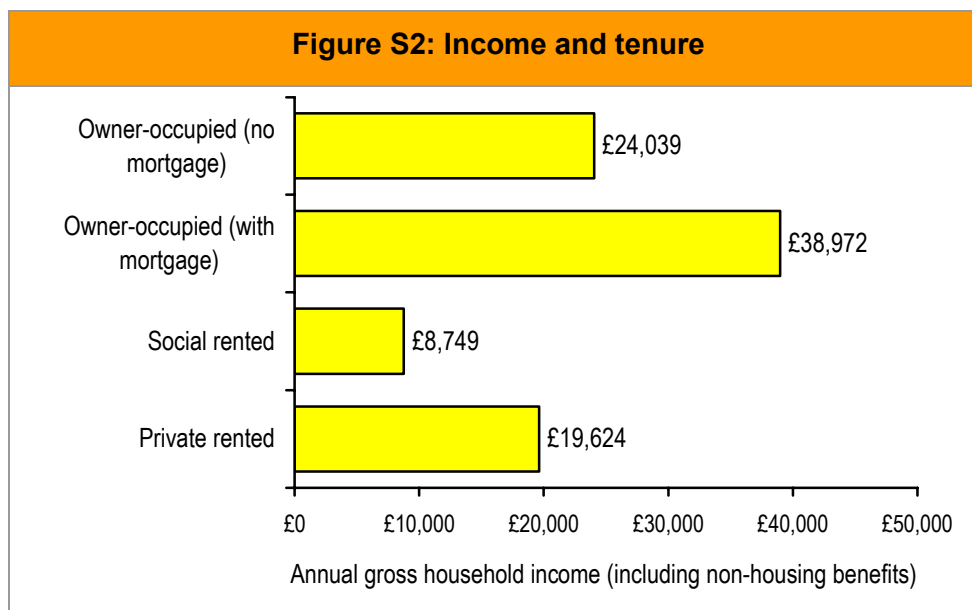
S19. In addition to the 19,407 existing households who need or are likely to move, the survey estimates that there are around 5,731 households who need or are likely to form from households currently resident in the Borough over the next two years. Other key findings in relation to these moving households include:

- Some 69.3% of existing households would like to remain in Bournemouth although a slightly smaller proportion expect to. Newly forming households are less likely to either want or expect to remain in the Borough
- Significantly more moving households would like owner-occupied accommodation than expect it (this finding is particularly notable for newly forming households). Similarly more moving households would like a detached home than expect it.
- For both groups (existing and newly forming) the potential demand for specialist housing (e.g. sheltered accommodation) is limited with in excess of 90% of both groups taken together both wanting and expecting to secure 'ordinary' residential accommodation.

Financial Information

S20. A key part of the housing needs and demand survey is an assessment of the financial situation of households. Data was therefore collected in the survey looking at a range of financial information (including incomes, savings and equity).

S21. Survey results for household income in Bournemouth estimate the average (mean) gross household income level to be £27,183 per annum. The median income is noticeably lower than the mean (at £20,068 per annum). There were, however, wide variations by tenure; with households living in social rented housing having particularly low income levels.



Source: Bournemouth HNDS Fordham Research 2007

S22. The survey also collected data about households' savings and equity levels. It is estimated that the median level of savings for all households is around £3,000 whilst the median equity level is £169,418.

Housing Need - background

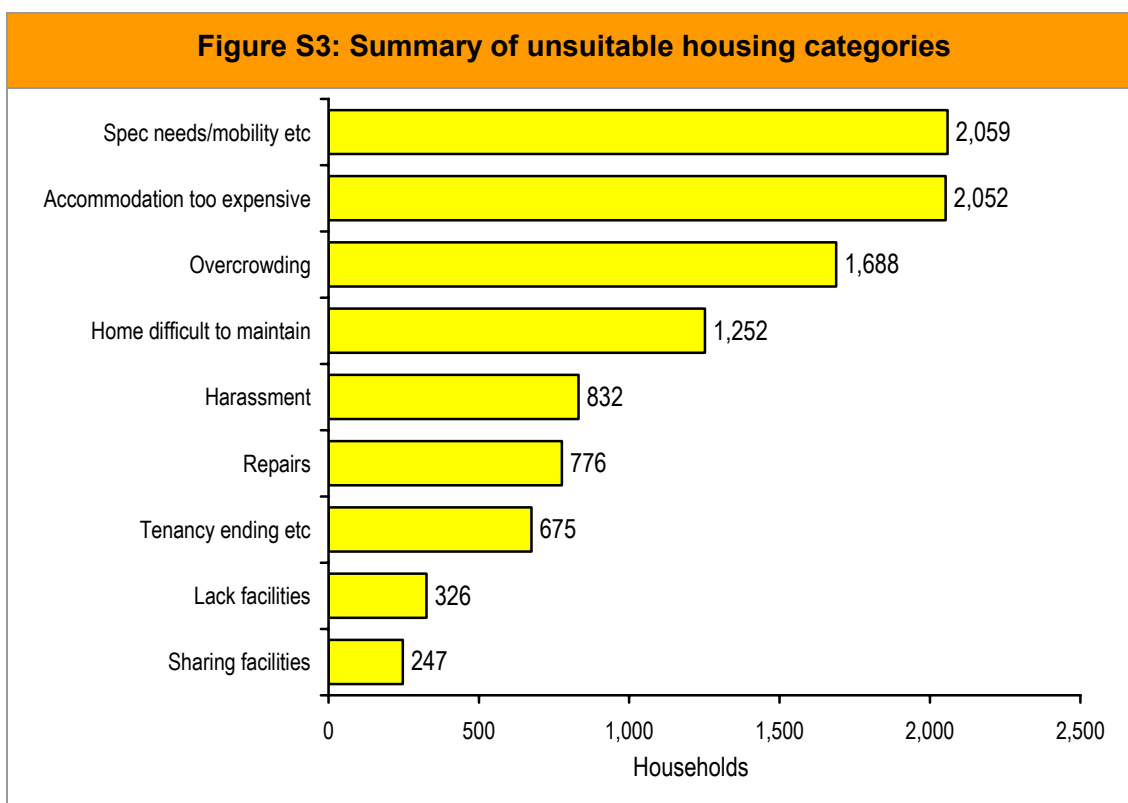
S23. A key part of the study was to look at affordable housing requirements. To do this the report has closely followed guidance set out by CLG (Strategic Housing Market Assessments: Practice Guide March 2007). The Guide sets out methods for looking at both the backlog of need and future need and in this report both have been addressed separately.

S24. In broad terms the assessment of need (which takes account of both the need for and supply of affordable housing) can be split into the following four categories for analysis:

- Current (backlog) need
- Available stock to offset need
- Newly arising (future) need
- Future supply of affordable units

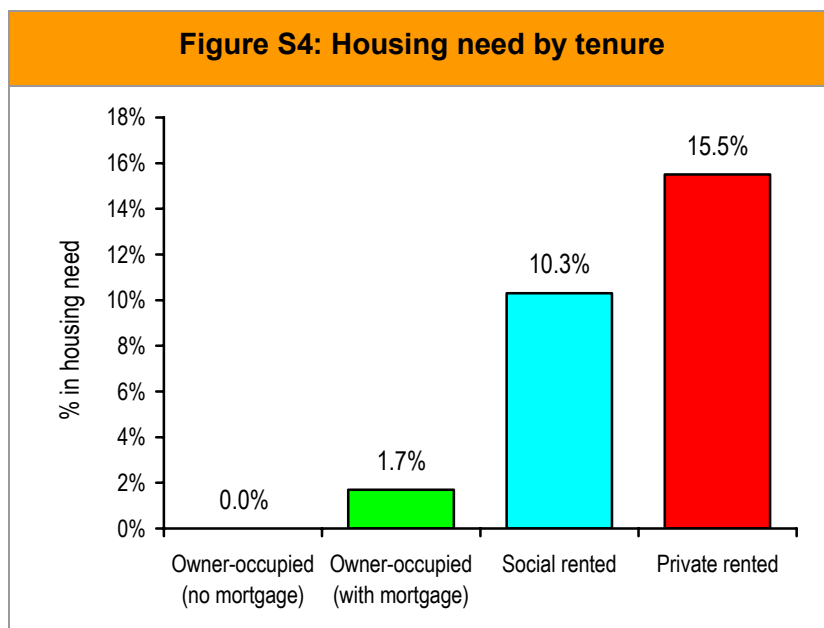
Current need

S25. Survey data suggests that around 6,709 households in the Borough are currently living in unsuitable housing - the main reason being special needs and/or mobility problems, followed by accommodation too expensive.



Source: Bournemouth HNDS Fordham Research 2007

- S26. The number of households in unsuitable housing whose needs could be met within their own accommodation were then considered (i.e. in-situ solutions). Overall, it was estimated that 4,697 of the 6,709 households would need to move home to find a solution to the unsuitability.
- S27. Of these 4,697 households, an estimated 74% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (3,487 households). Households in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.



Source: Bournemouth HNDS Fordham Research 2007

- S28. Taking into account a small number of homeless households who would not have been picked up by the household-based survey (3 additional households) makes for a total backlog need of 3,490 households.
- S29. It is estimated that at the time of the survey there was a current stock of affordable housing of around 1,052 which could be used to meet this need (including dwellings becoming available as households in the social rented sector move to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 2,438 units (3,490-1,052). Annualised over 5 years (as recommended in the Practice Guidance) this becomes 488 households (2,438/5).

Future need

- S30. The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation. The future need for affordable housing is split into two categories:
- New households formation (× proportion unable to buy or rent in market)
 - Existing households falling into need
- S31. The data suggests that on an annual basis there will be 1,002 newly forming households requiring affordable housing and a further 2,158 existing households. The total future need for affordable housing is therefore estimated to be 3,160 units per annum.

S32. The supply of affordable housing to meet this need has also been estimated from past trend data. This data suggests that the current stock of affordable housing is likely to provide around 633 units (608 social rented and 25 intermediate units (i.e. shared ownership). Hence it is estimated that the net annual need for additional affordable housing is in the region of 3,015 units (488+3,160-633).

Balancing Housing Markets

S33. The previous analysis looked at the need for affordable housing in isolation. However, as mentioned it is the case that there is a significant overlap between affordable housing and market housing (e.g. with the private rented sector). Therefore a further analysis has been carried out which looks at future demands across the whole housing market.

S34. The 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. It works at the simplest level by establishing the likely demand for housing of particular types by the expected supply arising from vacancies in the existing stock so as to provide a broad indication of the shortages (and in some cases surpluses) of particular types of dwelling.

S35. The BHM model is not a purely technical assessment of housing requirements and combines a technical assessment of certain aspects (e.g. affordability) with a reasoned judgement of how exactly the housing market operates (e.g. the fact that the private rented sector is often used to meet some affordable needs through the use of Housing Benefit).

S36. In addition the model looks at both households' aspirations and their expectations to provide an indication of the most likely housing solution in the particular market. The model is essentially based upon the stated move expectations of the respondents, which have had the 'aspiration' element removed by asking about them first. The questionnaire says '*what would you like*', and then '*what would you expect*'. Although these do not contain a formal means test (in other words no arithmetic check has been made to see whether they can afford their stated preference) our experience suggests that expectations are quite reliable as a guide. Indeed 'expectations' of households planning to move are likely in some ways to be more reliable than a formal means test, as no questionnaire survey can expect to discover all means of finance available to households. The stated expectations do, therefore, contain an implicit means test.

S37. The expectations should therefore be regarded as moves which, if suitable supply of housing is available, are capable of being fulfilled. Thus the BHM analysis, which seeks to reconcile the ‘demands’ of movers with the supply of vacant dwellings, works by repeated iterations through the stock, taking account of what properties would be made vacant by moves, and then matching them with the sizes/types of dwelling stated by expected movers. The table below shows the overall results of the BHM analysis.

Table S4: Balancing Housing Markets results for Bournemouth (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	108	360	169	24	661
Private rented	-29	-194	27	13	-183
Intermediate	83	105	61	0	250
Social rented	201	103	55	109	468
TOTAL	363	374	313	146	1,196

Source: Bournemouth HNDS Fordham Research 2007

S38. The table shows that overall there is expected to be a greater demand for housing than the current stock of housing can meet. Overall, across all tenures there is an apparent shortfall of 1,196 dwellings per annum (excess demand over supply) of which 60% is for affordable housing. The above table also looks at demand shortfall and surpluses by tenure and it is worthwhile to briefly describe the findings in each of these groups.

S39. There are two comments to make on the general interpretation of this table:

- i) **Private rented sector.** Where the figures show a surplus they do not imply that there will be empty rented flats. What the figures imply is that even viewed in terms of expectations, most people do not want the private rented sector. Viewed through the perspective of ‘aspirations’ very few want it. Many more expect it, but yet more will be obliged in practice to accept it. Household expectations are a realistic way to view the future market, but nothing is certain about the future, and as we have a much more detailed database on stock supply and turnover than any household is likely to have, this analysis can establish the ‘true’ position on overall supply and demand. A surplus shown for a particular size of private rented dwelling will only very rarely result in vacant private rented stock. In practice some households expecting to buy may be frustrated in achieving this. Such households will end up in private rented accommodation thus creating an overall demand for the sector. Similarly, but at the other end of the financial capacity range, some households only able to afford social rented housing will be unable to secure it as expected, and will enter the private rented sector on Housing Benefit.

- a. **Social rented vs. intermediate housing.** Since there is only a very limited supply of intermediate housing at present, the 'expectations' of households are not often directed towards this tenure. As a result we have taken those aspiring to something more than social renting and applied a means test to them. In this respect, the general approach to the BHM of using expectations is replaced by analysis of the ability to afford. Thus the numbers of households indicated to be in the intermediate band are those unable to afford market housing, but who can afford the mid-point of the intermediate range. The mid-point is taken because it represents the 'average' weekly cost of intermediate housing types.

S40. The following examines the results.

Housing tenure outcomes

Owner-occupation

S41. In the owner-occupied sector there is an apparent shortfall of 661 units per annum (55%) of the overall shortfall. The majority of this shortfall is for two-bedroom dwellings although excess demand is shown for all sizes of accommodation.

Private rented sector

S42. Overall there appears to be slight over-supply of private rented dwelling in the Borough. This finding seems broadly reasonable given that Bournemouth already has a large private rented sector and data has shown that many households expect to move out of the sector in the near future. However, by size of dwelling we find that there are potential shortages of larger (three and four bedroom) homes and surpluses of one and two bedroom accommodation.

Intermediate housing

S43. The requirement for intermediate housing makes up around 21% of the net shortfall of housing in the Borough and there are shortages shown for all sizes of accommodation other than four-bedroom (this is no surprise given the general lack of supply of intermediate housing in the Borough). The main shortfall is for two bedroom homes.

Social rented housing

- S44. The shortage of social rented housing makes up around 39% of the total shortfall of housing in the Borough. The net need for social rented housing is for a range of property sizes with one bed units showing the highest shortfall.

Mix of new market housing

- S45. PPS3 (para 22) requires, in the second of its three key outputs from SHMAs, indication of the likely profile of households requiring market housing, by the typology set out below. The tabulation covers all of (historic) Dorset as the comparisons between areas can be helpful.
- S46. The following table shows the gross demand by four types of household. They do not overlap, so that if a household consists of 2 pensioners it is listed as 'older persons' and not also as 'multi-adult'.

Table S5: Gross demand for market housing (per annum by household type

<i>Area</i>	<i>Older persons</i>	<i>Single non-pensioner</i>	<i>Multi adult</i>	<i>Households with children</i>	<i>TOTAL</i>
Bournemouth	930 15.8%	1,477 25.1%	2,375 40.3%	1,111 18.9%	5,892 100.0%
Christchurch	482 30.5%	245 15.5%	545 34.5%	310 19.6%	1,582 100.0%
East Dorset	594 22.5%	299 11.3%	1,018 38.5%	733 27.7%	2,643 100.0%
North Dorset	403 20.4%	299 15.1%	772 39.0%	505 25.5%	1,980 100.0%
Poole	663 15.9%	778 18.7%	1,832 44.0%	889 21.4%	4,162 100.0%
Purbeck	158 13.0%	162 13.4%	530 43.7%	363 29.9%	1,213 100.0%
West Dorset	712 25.5%	462 16.6%	946 33.9%	670 24.0%	2,790 100.0%
Weymouth & Portland	310 17.7%	382 21.8%	581 33.1%	482 27.4%	1,756 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%
Bournemouth/Poole HMA	3,230 18.5%	3,260 18.7%	7,072 40.5%	3,911 22.4%	17,472 100.0%
Dorchester/Weymouth HMA	1,022 22.5%	844 18.6%	1,527 33.6%	1,152 25.3%	4,546 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%

Source: This appears as Table 13.6 of the main text

S47. The results show a range of patterns, summarised below:

- i) About 40% of the gross demand is from multi-adult households (Dorset wide). It is the biggest group in all the districts, although the average for the Dorchester/Weymouth HMA is a bit lower: a third rather than 40%.
- ii) The next biggest group is households with children, at county and both HMA levels, although this pattern varies slightly among the districts. The exception is Bournemouth, where the gross demand is higher for 'single non-pensioner' than for families, although both areas of demand are substantial.

- iii) The demand from single-non pensioners is joint third with older persons. This may seem odd, given that household projections show increasing numbers of single people. However a single person household, whether pensioner or not, can arise through the death or departure of a spouse, without any house move at all. That helps to explain this finding.
- iv) The gross demand from older persons is about a fifth, at the county level, but a bit higher in the Dorchester/Weymouth HMA than in the Bournemouth/Poole one. By far the highest demand figure from older persons is in Christchurch, which entirely agrees with the character of that borough as being highly attractive to older people.

S48. The outputs shown here fulfil the requirement of the middle part of Para 22 of PPS3.

The Needs of Particular Groups

S49. In addition to the main analyses of housing need and housing need the study addressed particular client groups that may have specific housing requirements. Although such groups do not necessarily represent households in need as defined by the CLG Guide, it is important for the Council to have information on them in order to inform specific policies and service provision.

S50. For example, the frail elderly may not be in housing need in the sense of not being able to afford market housing, but many of them are liable to require extra care in the future, whether directly, or via aids and adaptations in the home. Key findings from analysis of a range of different groups include:

- There are an estimated 16,510 households in the Bournemouth area with one or more members in an identified special needs group, which represents 21.7% of all households. These households were most likely to state a requirement for more support services
- Approaching a third of households in Bournemouth contain only older people (30.3%). These are almost all comprised of one or two persons, however a significant proportion reside in accommodation with three or more bedrooms. Within the social rented sector there are 321 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation.
- The survey estimates that 7,722 households in Bournemouth are headed by a key worker. Key worker households are more likely than average to be resident in owner-occupation. They also record higher average incomes than other households in employment.

- The survey records that there are 27,056 people between 21 and 35 in Bournemouth. Over four-fifths of these young people are employed and 22.7% live with their parents.
- The average age of recent first-time buyers is 29 years and they required household incomes significantly above the Borough average to get onto the property ladder. Some 47.4% of these households spend over a quarter of their gross household income on their mortgage.
- There are 13,896 households containing families in Bournemouth. Lone parent families generally differ in terms of housing situation and preferences from families with younger children and families with older children. Two parent families are more likely to require owner-occupied larger dwellings, often detached.

Implications for affordable housing policy

- S51. Affordable housing policy, based on rigorous Housing Needs Assessments, has been an important part of housing strategy and planning policy ever since 1991. However no Government body has provided any clear mechanism for establishing an affordable housing target.
- S52. Following the CLG Guidance the net annual housing need in Bournemouth is estimated to be 3,015. This represents an index of 39 (the average for 350 or so Fordham Research studies of this kind is about 16). The Bournemouth level is comparable with Central London, and is one of the highest in England outside the capital.
- S53. In reality a number of households are likely to find solutions in the private sector (e.g. by spending a greater proportion of their income on housing than is recommended by the Guidance) and the requirement for affordable housing will be lower, although still much higher than what is likely to be possible to achieve.
- S54. Due to the lack of instruction from government, targets are set by the prevailing practice: what other councils with similar levels of housing need have proposed, and after examination by Planning Inspectors, adopted. The RSS Panel report for the South West suggested a minimum target of 35%. Clearly the situation in Bournemouth is more serious than the minimum. Other authorities with a high level of need are pursuing targets of 50%. These are subject to 'deliverability' as specified in PPS3.
- S55. PPS3 also requires this target to be split between intermediate and social rented housing. We have studied the requirement for intermediate housing through the balancing housing markets (BHM) model. This model suggests that around 35% of all additional affordable housing should be intermediate housing (i.e. priced around midway between social rents and the entry-level cost of private sector housing (generally private rented housing)).

- S56. However there is little housing that can be truly labelled 'intermediate': for example shared ownership is typically more expensive than market entry and is therefore 'low cost market' housing in practice. There is scope in Bournemouth for a Housing Corporation product called 'intermediate rent': this could meet some 5% of Bournemouth's annual need. Hence this would appear to indicate a more appropriate target for the intermediate band.
- S57. The final chapter in this report presents a set of weekly costs for different sizes and tenures of housing which, if updated according to the instructions provided, will ensure that newbuild housing fits whatever tenure/size descriptions are in accordance with future policies.

SECTION A: CONTEXT

This section summarises the Brief for the study and provides the context of information used to generate the analysis which follows.

1. Introduction

Introduction

- 1.1 This Survey of Housing Need and Demand forms part of a wider Strategic Housing Market Assessment being conducted by a partnership involving all nine local authorities in Bournemouth, Poole and Dorset, as well as a number of other stakeholders. The broad aim of this project was to provide the primary research at household level to understand the need and demand for different forms of housing. Ultimately the findings from this study will be fed into the wider SHMA research and used to evidence revised, local, affordable housing policies and strategies.
- 1.2 This report presents the results for the Bournemouth Borough. Equivalent reports have been produced for the seven other authority areas within Dorset.
- 1.3 The following table summarises key terms used in this report.

Table 1.1 Key terms used in the Reports

<i>Key term or reference</i>	<i>Acronym</i>
Housing need/demand study	HNDS
Strategic Housing Market Assessment	SHMA
Housing market area	HMA
Planning Policy Statement 3: Housing (Nov 2006)	PPS3
Practice Guidance on PPS3 (March and August 2007)	The Guide
Local Development Framework	LDF
Regional Spatial Strategy	RSS

Source: Fordham Research 2007

The Dorset-wide Strategic Housing Market Assessment

- 1.4 The Dorset-wide SHMA is already well advanced and a number of documents have been produced along with a series of consultation days (facilitated by the County Council). The main aims of the SHMA can be summarised as being to:
- Analyse primary and secondary data to produce a detailed understanding of the local housing market and sub-markets in the sub-region
 - Enable the development of strategic views on the need and demand for both market and affordable housing across the County

- Provide evidence to support both RSS and LDF policies to enable the development of mixed and balanced communities
- Inform decisions about housing requirements in areas with different characteristics (e.g. urban vs. rural areas)
- Identify the particular situation of different groups of the population (e.g. key workers, households with disabilities and older persons)
- Provide an understanding of the linkages between the housing market and the local economy

1.5 Whilst this project does not cover all of the key areas highlighted for the SHMA the data collected and analysed will provide an important source of information for many of the bullet points mentioned above.

Key outputs from this document

- 1.6 This document is designed to provide information in relation to many of the key outputs required for the Dorset-wide SHMA. In particular the survey outputs look at household and dwelling characteristics (putting these in a regional and national context), households' current financial circumstances (e.g. income, savings, equity) and future housing demands (from both current and new households).
- 1.7 This report also assesses current prices and rents in the local area (this topic is subject to a separate report) to help provide a background to the affordability of local housing.
- 1.8 Key outputs from the report also include an assessment of the need for affordable housing and a separate analysis of imbalances in the housing stock (comparing housing supply and demand across all sectors (i.e. affordable and market).
- 1.9 Finally, the report studies the particular situation of a range of specific household groups (such as special needs households and key workers).
- 1.10 Where possible, all information has been provided at ward level to assist in the understanding of differences in the local housing market and to potentially inform policies for different parts of the Borough and housing market area.

Government guidance

- 1.11 Although this report is only providing information which is to feed into the Dorset-wide SHMA it is important to briefly summarise key points from Government guidance which are relevant to this assessment. The documents are of particular importance:

- Planning Policy Statement 3 (Housing) – PPS3 (November 2006)
- Strategic Housing Market Assessments Practice Guidance – The Guide (March 2007)

1.12 PPS3 sets out a number of key definitions relevant to this project (including affordable housing, intermediate housing and housing need). In addition the PPS is clear about the outputs required from a Strategic Housing Market Assessment. Paragraph 22 of PPS summarises the requirements nicely:

Based upon the findings of the Strategic Housing Market Assessment and other local evidence, Local Planning Authorities should set out in Local Development Documents

- *The likely overall proportions of households that require market or affordable housing*
- *The likely profile of household types requiring market housing*
- *The size and type of affordable housing required*

1.13 The Guide provides details about the whole process of conducting a Strategic Housing Market Assessment. Whilst much of this information is not relevant to this project there are a number of areas within guidance which are important for this particular study. The most important aspect of the Guide for this study is the information about measuring housing need.

1.14 The Guide sets out a series of steps to be followed when assessing affordable housing requirements and also sets out some key definitions for particular aspects of analysis (such as the measurement of housing suitability and a detailed discussion of measuring affordability).

1.15 As far as is possible (and relevant) this project has sought to follow the requirements of both PPS3 and The Guide.

Summary

1.16 This report details the findings of a survey of housing need and demand carried out across Bournemouth. The results of this survey will be fed into the wider Dorset-wide Strategic Housing Market Assessment work. This report presents the findings for Bournemouth Borough.

- 1.17 In particular this report concentrates on the need for affordable housing and the supply and demand for housing across all tenure groups.

- 1.18 Where relevant the report follows government advice given in PPS3 and The Guide and therefore provides policy relevant outputs which can sensibly be translated into a range of strategies and will be an important input to both the RSS and LDF process.

2. Data Collection

Introduction

- 2.1 The primary data was collected using postal questionnaires. The same questionnaire was distributed across the whole of Dorset to ensure the results produced are comparable. A copy of the questionnaire is provided in Appendix A5. The sample for the survey was drawn, at random, from the Council Tax Register covering all areas and tenures groups in the Borough.
- 2.2 In total 1,885 postal questionnaires were returned. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the Borough and down to ward level. The sample size of 1,885 gives a maximum margin of error Borough-wide of 2.2% at the 95% confidence interval.
- 2.3 Although the response represents a small percentage of the total household population, this does not undermine the validity of the survey as paragraph 18 of Strategic Housing Market Assessment Practice Guidance Annex C states:

A common misconception when sampling is that it should be based on a certain percentage of the population being studied. In fact, it is the total number of cases sampled which is important. As the number of cases increase, the results become more reliable but at a decreasing rate...Approximately 1500 responses should allow a reasonable level of analysis for a local authority area.

- 2.4 Prior to analysis, data must be weighted in order to take account of any measurable bias. The procedure for doing this to the main dataset is presented in the following section.

Base household figures and weighting procedures

- 2.5 Firstly, the total number of households is estimated. This is necessary in order to gross up the data to represent the entire household population. A number of different sources were consulted, primarily the Council's Housing Strategy Statistical Appendix (HSSA) (2006), the Council Tax Register and CLG household projection information. Using this information, it is estimated that the number of households resident in the Borough at the time of the survey was 76,000.

2.6 The table below shows an estimate of the current tenure split in Bournemouth along with the sample achieved in each group. The data shows that around 71% of households were owner-occupiers with 10% in the social rented sector and the remaining 19% in the private rented sector. The private rented sector includes those living in tied accommodation and those living in accommodation owned by relatives or friends.

Table 2.1 Number of households in each tenure group				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	25,928	34.1%	683	36.2%
Owner-occupied (with mortgage)	28,145	37.0%	698	37.0%
Council	5,094	6.7%	157	8.3%
RSL	2,679	3.5%	75	4.0%
Private rented	14,154	18.6%	272	14.4%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

2.7 Survey data was weighted to match the suggested tenure profile shown above. An important aspect of preparing data for analysis is ‘weighting’ it. As can be seen from the table above, social survey responses never exactly match the estimated population totals. As a result it is necessary to ‘rebalance’ the data to correctly represent the population being analysed via weighting. Weighting is recognised by the Strategic Housing Market Assessment Guidance as being a way of compensating for low response amongst certain groups. Although response rates were lower amongst certain groups of the population (private rented in the table above) the application of a sophisticated weighting process, as has been used in this survey, removes any bias.

2.8 As just discussed it is necessary to ‘rebalance’ the data to correctly represent the population being analysed. Data was also weighted to be in line with the estimated number of households in each of various groups:

- Eighteen wards
- Council Tax Band
- Number of people in household
- Household type
- Accommodation type
- Car ownership

2.9 Further information on this process is presented in Appendix A2.

Rounding

- 2.10 Figures presented in the analytical text and tables of this report have been rounded and discrepancies may occur between the sums of the component items and totals. Percentages are calculated prior to rounding and therefore discrepancies may also exist between these percentages and those calculated from the rounded figures.

Summary

- 2.11 This Survey of Housing Need and Demand in Bournemouth is based on primary survey data collected via a postal questionnaire from 1,885 households. The survey data was grossed up to an estimated total of 76,000 households and weighted according to key characteristics so as to be representative of the Borough's household population.

3. Population and household mobility

Introduction

- 3.1 This chapter helps to set the scene for the study by providing context on people's mobility. Further analysis of household mobility will be found in the context of turnover rates in Chapter 5, and in terms of tenure and future movement in Chapter 9. This introductory chapter is intended to provide context.
- 3.2 The analysis begins with 2001 Census information (based on people not households), firstly showing the relationship of Dorset with the outside world, and then the dynamics of movement within Dorset. This is followed by a parallel analysis within Dorset using the primary data. This cannot, of course, provide the wider focus outside the (historic) county as it was limited to Dorset, but can provide extra insights, for example through future movement plans.

Movements of population between Dorset and the outside world: Census

- 3.3 The tables below show the overall migration statistics for Dorset, taken from the 2001 Census. The selection of places outside Dorset is based on examination of the locations most frequently involved in movements of population into and out of the County.
- 3.4 The net inflow from domestic sources in Dorset is a significant one. 10,314 more people coming in to Dorset from within the UK than we find leaving to elsewhere in the UK will have a significant impact upon the housing market. A total of 4,240 people arrived from international sources in the year before the Census; however since outflows are not recorded from the UK, no net figure can be calculated.
- 3.5 Dorset has a moderate level of self-containment in terms of migration; there were more people moving into homes in Dorset from within the County (60.3%) as there were from outside the County (39.7%).

Table 3.1 Dorset : Total Migration, Domestic and International			
	Inflow	Outflow	Net Flow
Domestic	30,994	20,680	10,314
International	4,240	?	?
TOTAL	35,234	?	?
Internal Flow	53,624	53,624	n/a
Self-containment	60.3%	(72.2%)	n/a

Source: 2001 Census

- 3.6 Table 3.1 is not a complete count of all migrating households, as the analyses excludes partly moving households, defined by NOMIS as including households where no household member had a usual address one year ago. The inflow also excludes households who previously did not have a usual address and did not live within the area.
- 3.7 The table below provides a more detailed view of the inflows and outflows to/from Dorset (from local authorities outside of Dorset). A large selection of areas has been included, from both authorities neighbouring the study area and from authorities from further afield. International moves have been excluded from the table.
- 3.8 New Forest in Hampshire records the largest gross in and outflows with Dorset. New Forest borders both East Dorset and Christchurch. In terms of net migration Test Valley shows the largest inflow to Dorset, with Southampton recorded as taking the largest outflow. To the west and north of the County there are relatively large flows between South Somerset and Dorset and smaller flows between East Devon and Dorset, in both cases these result in net out- migration from the County.

Table 3.2 Dorset Migration Data (LA's outside of the study area)

	Into Dorset	Out of Dorset	Net Migration
Basingstoke and Deane	280	138	142
Birmingham	211	207	4
Bristol, City of	284	299	-15
Ealing	212	109	103
East Devon	262	302	-40
Eastleigh	195	145	50
Hillingdon	247	107	140
Hounslow	249	115	134
Isle of Wight	218	213	5
New Forest	1,394	1,267	127
Plymouth	198	262	-64
Portsmouth	239	234	5
Richmond upon Thames	192	89	103
Salisbury	725	725	0
South Somerset	941	1,035	-94
Southampton	427	570	-143
Test Valley	329	127	202
Wandsworth	206	234	-28
Winchester	283	282	1
Wokingham	229	96	133

Source: 2001 Census

Movements within Dorset: Census

- 3.9 This analysis will continue with further analysis of Census data, looking at the movements to and within Dorset (from the year previous to Census day 2001). We have then conducted the same analysis using more recent data from the household survey. Of particular interest may be the final two tables in this section where we analyse expected future movers for households in each of the districts.

Table 3.3 Movement to and within Dorset (people) (Census)

Current location	Previous location									TOTAL
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	12,594	679	667	1,954	140	104	93	73	10,377	26,681
Christchurch	776	1,919	96	115	21	17	15	0	1,796	4,755
East Dorset	695	105	3,082	878	137	118	34	36	3,128	8,213
Poole	1,831	115	712	7,494	475	116	78	71	5,106	15,998
Purbeck	156	3	117	435	2,148	55	99	46	2,115	5,174
North Dorset	131	6	170	148	83	3,222	172	59	4,809	8,800
West Dorset	63	12	70	104	164	264	4,915	525	4,803	10,920
Weymouth & Portland	41	3	21	42	59	48	584	4,419	3,100	8,317
TOTAL	16,287	2,842	4,935	11,170	3,227	3,944	5,990	5,229	35,234	88,858

Source: 2001 Census

Table 3.4 Movement to and within Dorset (row percentages) (Census)

Current location	Previous location									TOTAL
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	47.2%	2.5%	2.5%	7.3%	0.5%	0.4%	0.3%	0.3%	38.9%	100.0%
Christchurch	16.3%	40.4%	2.0%	2.4%	0.4%	0.4%	0.3%	0.0%	37.8%	100.0%
East Dorset	8.5%	1.3%	37.5%	10.7%	1.7%	1.4%	0.4%	0.4%	38.1%	100.0%
Poole	11.4%	0.7%	4.5%	46.8%	3.0%	0.7%	0.5%	0.4%	31.9%	100.0%
Purbeck	3.0%	0.1%	2.3%	8.4%	41.5%	1.1%	1.9%	0.9%	40.9%	100.0%
North Dorset	1.5%	0.1%	1.9%	1.7%	0.9%	36.6%	2.0%	0.7%	54.6%	100.0%
West Dorset	0.6%	0.1%	0.6%	1.0%	1.5%	2.4%	45.0%	4.8%	44.0%	100.0%
Weymouth & Portland	0.5%	0.0%	0.3%	0.5%	0.7%	0.6%	7.0%	53.1%	37.3%	100.0%
TOTAL	18.3%	3.2%	5.6%	12.6%	3.6%	4.4%	6.7%	5.9%	39.7%	100.0%

Source: 2001 Census

3.10 The tables above show varying levels of self containment for each of the districts, more than half of the moves from Weymouth and Portland are from within the district whereas just over a third of the moves into North Dorset come from within the district. It is interesting to note the large number, and proportion, of people moving into Dorset from outside the area, 35,234 (39.7% of all movers). Bournemouth has a high level of self containment but because of its size is the most likely destination for people moving in from outside, nearly 30% of people moving into Dorset move to Bournemouth.

Movements within Dorset: Survey based

3.11 The tables below show the movement patterns for households who have moved to their current accommodation within the past two years (from survey data). The following figures are based on households, unlike the Census data above, which is numbers of people.

3.12 These again are displayed in gross numbers and percentages of all moves. The gross numbers for the following tables are not comparable with the Census tables from above as these figures are based over a two year period and are based on households as opposed to population. However it is interesting to compare the percentage tables when considering potential changes since the 2001 Census.

Table 3.5 Household movement to and within Dorset (households) (Survey)

Current location	Previous location									TOTAL
	Bourne-mouth	Christ-church	East Dorset	Poole	Purbeck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	11,925	661	531	1,040	122	151	0	0	4,716	19,146
Christchurch	514	1,604	43	109	54	0	29	0	1,270	3,622
East Dorset	635	191	2,537	531	50	150	43	0	1,727	5,864
Poole	1,064	232	614	6,371	368	101	85	30	2,752	11,617
Purbeck	123	11	71	367	1,816	46	109	22	995	3,559
North Dorset	87	15	224	193	126	3,162	159	33	2,185	6,184
West Dorset	104	38	34	41	92	251	4,081	507	2,935	8,083
Weymouth & Portland	37	14	36	57	17	14	360	3,953	1,301	5,788
TOTAL	14,490	2,765	4,089	8,709	2,645	3,877	4,865	4,545	17,880	63,864

Source: Bournemouth HNDS Fordham Research 2007

Table 3.6 Household movement to and within Dorset (row percentages) (Survey)

Current location	Previous location									TOTAL
	Bourne-mouth	Christ-church	East Dorset	Poole	Purbeck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	62.3%	3.5%	2.8%	5.4%	0.6%	0.8%	0.0%	0.0%	24.6%	100.0%
Christchurch	14.2%	44.3%	1.2%	3.0%	1.5%	0.0%	0.8%	0.0%	35.1%	100.0%
East Dorset	10.8%	3.3%	43.3%	9.1%	0.9%	2.6%	0.7%	0.0%	29.4%	100.0%
Poole	9.2%	2.0%	5.3%	54.8%	3.2%	0.9%	0.7%	0.3%	23.7%	100.0%
Purbeck	3.4%	0.3%	2.0%	10.3%	51.0%	1.3%	3.1%	0.6%	27.9%	100.0%
North Dorset	1.4%	0.2%	3.6%	3.1%	2.0%	51.1%	2.6%	0.5%	35.3%	100.0%
West Dorset	1.3%	0.5%	0.4%	0.5%	1.1%	3.1%	50.5%	6.3%	36.3%	100.0%
Weymouth & Portland	0.6%	0.2%	0.6%	1.0%	0.3%	0.2%	6.2%	68.3%	22.5%	100.0%
TOTAL	22.7%	4.3%	6.4%	13.6%	4.1%	6.1%	7.6%	7.1%	28.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

- 3.13 The first thing that is noticeable in the percentage table above, when compared with the internal movements recorded in 2001 by the Census is how much higher they are. The ‘within district’ historic movements from the survey are about 10% higher across the many districts in Dorset. This suggests a degree of systematic change, which may have to do with the higher prices that now prevail.
- 3.14 Similar to the reported in-migration of people from Census data, household data from the survey shows a substantial proportion of households moving into Dorset from outside the area. 17,880 households accounting for 28% of all moves have come from outside of the study area.
- 3.15 For the sake of comparability, the following table shows the Census data household position compared with the 2007 survey data equivalents:

Table 3.7: % Self containment by Local Authority

Local Authority	2001 Census - population	2001 Census - households	2007 HNS - households	Difference between 2001 households and 2007 HNS
Bournemouth	47.2	55.2	62.3	7.1
Poole	41.5	52.3	51.0	-1.3
Christchurch	40.4	44.0	44.3	0.3
East Dorset	37.5	40.6	43.3	2.7
North Dorset	46.8	46.3	54.8	8.5
Purbeck	36.6	45.9	51.1	5.2
West Dorset	45.0	48.9	50.5	1.6
Weymouth and Portland	53.1	59.6	68.3	8.7

Source: Bournemouth HNDS Fordham Research 2007: combined 2001 Census and survey data

- 3.16 The margins of accuracy are naturally smaller for the Census than for the survey, but on the face of these figures self-containment would appear to have risen in Weymouth and Portland, North Dorset and Bournemouth, and to a lesser extent Purbeck. The other differences are not large enough to be regarded as meaningful given the sample size difference.
- 3.17 Bournemouth does attract quite large numbers of households into it, both from outside of Dorset and districts within Dorset. However where there are large numbers of households coming in from Poole, East Dorset and Christchurch there are very few moving to Bournemouth from the other Dorset districts. In particular very few households move east from the westerly districts of Weymouth and Portland and West Dorset.

Future expected movement patterns: Survey based

3.18 The tables below show the expected future moves of households moving in the next two years.

Table 3.7 Future household movement from and within Dorset (households) (Survey)

Current location	Future location									TOTAL
	Bourne-mouth	Christ-church	East Dorset	Poole	Pur-beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	13,158	463	248	1,982	180	321	121	0	2,934	19,407
Christchurch	382	2,360	90	54	29	0	55	0	501	3,470
East Dorset	257	109	3,418	544	138	135	100	14	1,260	5,975
Poole	802	99	583	8,459	130	125	24	33	1,699	11,953
Purbeck	51	16	60	424	2,136	68	129	17	498	3,399
North Dorset	101	49	145	201	57	3,148	160	49	1,204	5,113
West Dorset	71	7	31	86	53	156	5,047	255	1,328	7,034
Weymouth & Portland	15	9	68	38	37	52	501	4,003	725	5,448
TOTAL	14,838	3,112	4,643	11,787	2,761	4,003	6,135	4,371	10,148	61,799

Source: Bournemouth HNDS Fordham Research 2007

Table 3.8 Future household movement from and within Dorset (row percentages) (Survey)

Current location	Future location									TOTAL
	Bourne-mouth	Christ-church	East Dorset	Poole	Pur-beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	67.8%	2.4%	1.3%	10.2%	0.9%	1.7%	0.6%	0.0%	15.1%	100.0%
Christchurch	11.0%	68.0%	2.6%	1.6%	0.8%	0.0%	1.6%	0.0%	14.4%	100.0%
East Dorset	4.3%	1.8%	57.2%	9.1%	2.3%	2.3%	1.7%	0.2%	21.1%	100.0%
Poole	6.7%	0.8%	4.9%	70.8%	1.1%	1.0%	0.2%	0.3%	14.2%	100.0%
Purbeck	1.5%	0.5%	1.8%	12.5%	62.8%	2.0%	3.8%	0.5%	14.6%	100.0%
North Dorset	2.0%	0.9%	2.8%	3.9%	1.1%	61.6%	3.1%	1.0%	23.5%	100.0%
West Dorset	1.0%	0.1%	0.4%	1.2%	0.8%	2.2%	71.8%	3.6%	18.9%	100.0%
Weymouth & Portland	0.3%	0.2%	1.2%	0.7%	0.7%	0.9%	9.2%	73.5%	13.3%	100.0%
TOTAL	24.0%	5.0%	7.5%	19.1%	4.5%	6.5%	9.9%	7.1%	16.4%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

3.19 As can be seen from the percentage table immediately above, this shows higher levels of internal movement within the districts, just like the past survey based moves, and distinctly higher than the Census 2001 figures.

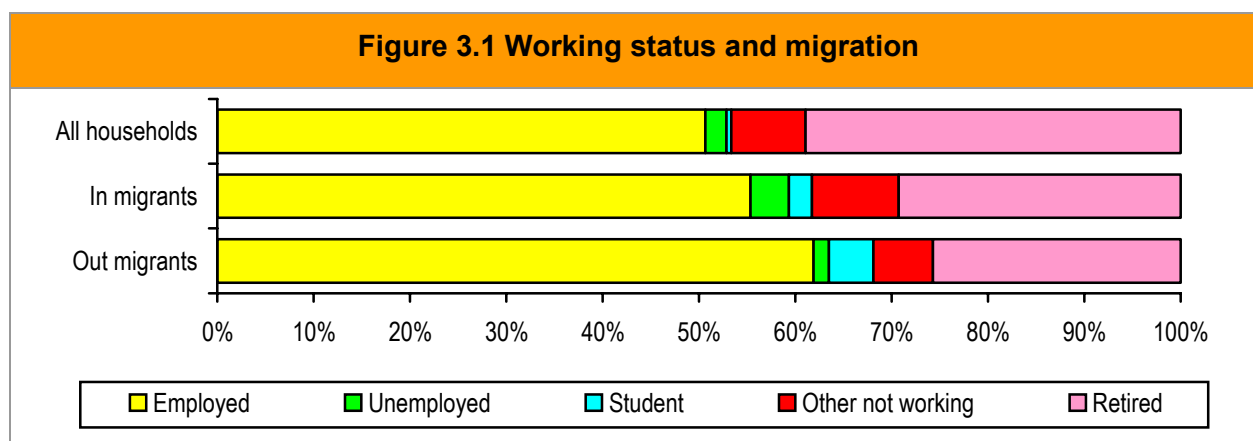
- 3.20 Of the 61,799 households that expect to move in the next two years just 16.4% expect to move outside of Dorset, this compares to 28.0% who have moved into Dorset from outside the area in the previous two years. If you were to look at taking a net figure from the gross inflow and expected gross outflow it comes to 7,732 households coming into Dorset over a two year period. Although we are not comparing like with like in this situation and it is too simplistic to rely upon this as an accurate number, it is however informative and of interest.
- 3.21 It is also interesting to note that generally higher proportions of households expect to move within their district than actually achieve it. For example of all households in Christchurch that moved within the last two years into another Dorset authority, just 58.0% moved into a dwelling in Christchurch (the majority of the remainder moved to Bournemouth). When looking at households in Christchurch looking to move in the next two years within Dorset, we find that 79.5% expect to move within Christchurch.
- 3.22 It is interesting to note how the expected move table differs from the actual moves table particularly for the migration patterns between Bournemouth and Poole. Many more Bournemouth households expect to move into Poole than vice versa, 6.7% (802) of households in Poole expect to move to Bournemouth against 10.2% (1,982) of households in Bournemouth who expect to move to Poole.

Working status and migration (survey)

- 3.23 The table and figure below show the working status (in numbers and percentages) of in-migrant households (households who have moved into the area in the previous two years) and out-migrant households (households looking to move in the next two years), these are shown against the working status of survey respondents existing in the area.

Table 3.9 Working status and migration			
Working status (survey respondent)	All households	In-migrants	Out-migrants
Employed	160,178	9,907	6,278
Unemployed	7,004	716	159
Student	1,669	421	471
Retired	123,177	5,231	2,612
Other not working	24,518	1,604	627
Total	316,545	17,880	10,148

Source: Bournemouth HNDS Fordham Research 2007



Source: Bournemouth HNDS Fordham Research 2007

- 3.1 It is interesting to note the differences between the in-migrant and out-migrant households in terms of working status. Out-migrant households tend to be employed, whereas in-migrant households have a higher proportion of retired households. Although the differences are not very large, the results would suggest that the in-migrants into Dorset are often wealthy households, retired or looking to retire.

Summary

- 3.2 Dorset has a moderate level of self-containment (60.3%) with a substantial net inflow of people. According to the 2001 Census, a total of 30,994 people moved into Dorset from domestic sources, 10,314 more households moved into Dorset than moved out.
- 3.3 New Forest has the largest gross in and outflows with Dorset, other noticeable flows are from South Somerset and Salisbury. It is also notable that people from west London boroughs show distinct flows to the County: London has a long tradition of radial migration movements outwards from it.
- 3.4 Bournemouth shows a high level of self containment compared with other districts. 62.3% of households that have moved in the last two years have actually moved within the district. The migration between Bournemouth and Poole is a particularly significant one: more than a thousand households (over two years) are migrating either way between the districts. From the expected household moves table we find that a higher proportion of households. A higher proportion of households in Bournemouth would prefer to live in Poole than we find vice versa.

- 3.5 There is a strong net in-migration to the County, especially through Bournemouth. The working status profile suggests that in-migrant households are more likely to be retired, with out-migrant households more likely to be in employment. This would again accord with the overall attractiveness of the County, and the relative lack of major centres of employment, making it a net retirement location.

4. The Local Housing Market

Introduction

- 4.1 This chapter uses information extracted from the supplementary report on the Dorset housing market to briefly describe the housing market in Bournemouth. It uses data from the Land Registry to compare the Bournemouth area with the sub-regional market and summarises information from a survey of estate and letting agents on the entry-level costs to the market.

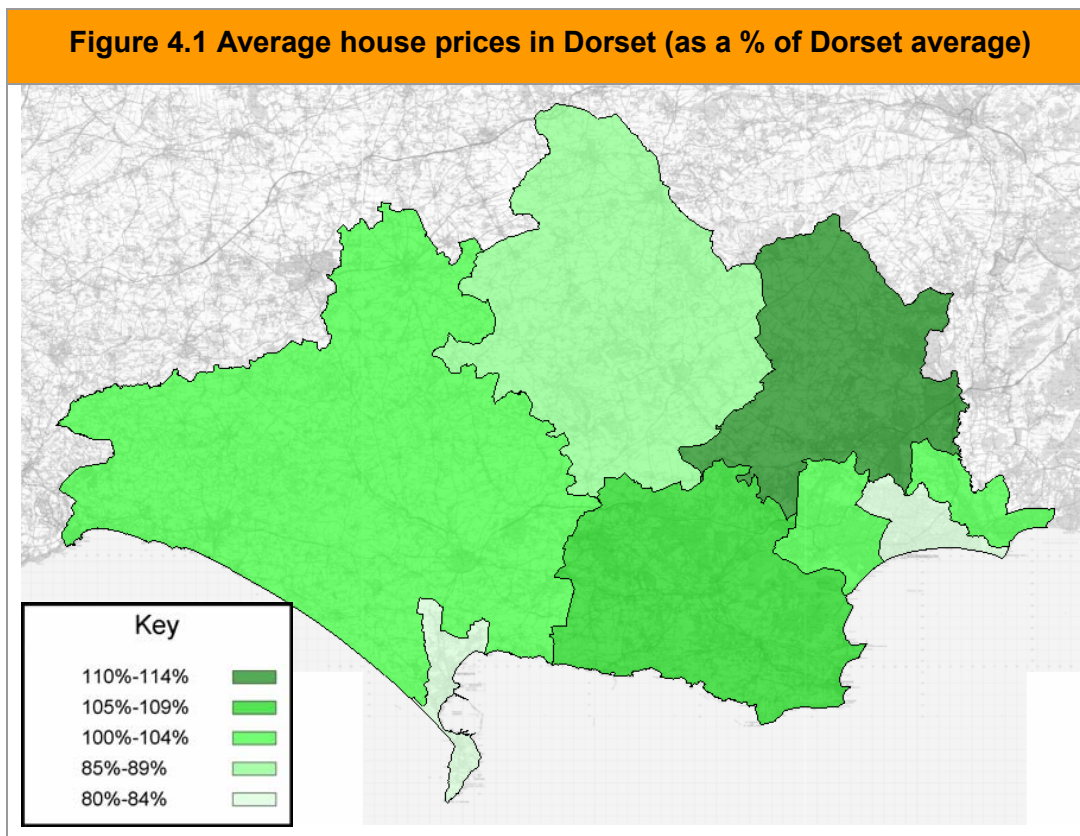
Sub-regional market position

- 4.2 The table below shows average prices in the fourth quarter of 2006 for each of England and Wales, the South West, Dorset and Bournemouth. The table shows that average prices in Bournemouth are virtually the same as the average for England and Wales, slightly lower than the average for the South West and notably lower than the average for Dorset.

Table 4.1 Land Registry average prices (4 th quarter 2006)		
Area	Average price	As % of E & W
England & Wales	£207,573	100.0%
South West	£216,998	104.5%
Dorset	£250,092	120.5%
Bournemouth	£207,927	100.2%

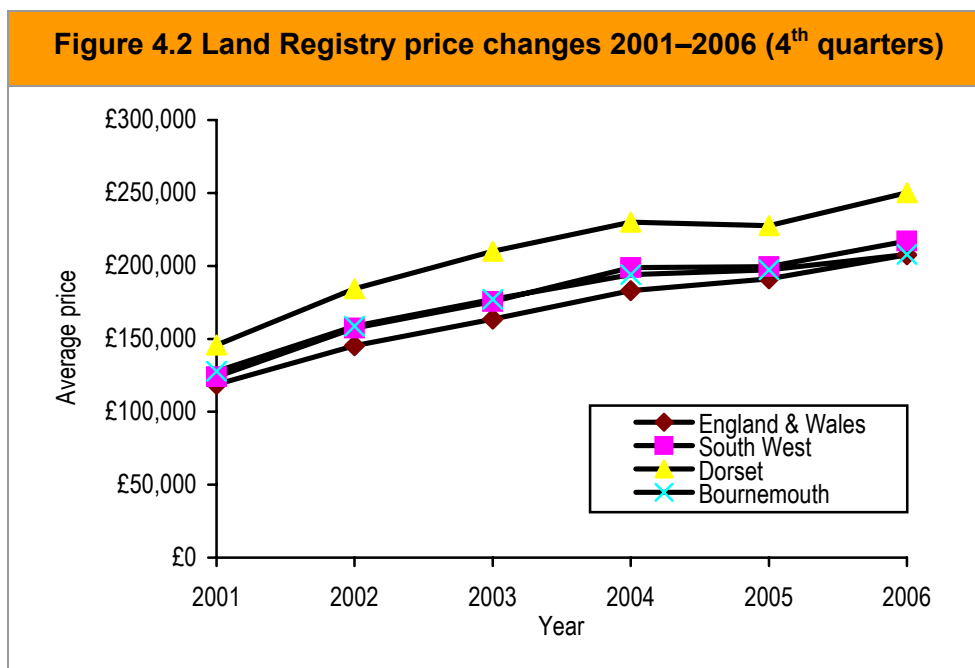
Source: Land Registry – 2006

- 4.3 The figure below shows the average property price in each Local Authority area in Dorset as a percentage of the average property price in Dorset as a whole. This clearly shows the areas of high and low property prices. The figure shows that Bournemouth records the second lowest average property price in the County.



4.4 The figure below shows how the average house prices in Bournemouth have changed since 2001 compared with the averages for Dorset, the South West and England and Wales. The data shows that Bournemouth recorded the lowest increase in average property prices at 62.7% compared to 71.6% for Dorset, 75.1% for the South West and 74.7% across England and Wales.

4.5 The figure shows that whilst average property prices in Bournemouth were slightly above the average property prices for the South West in 2001, prices in Bournemouth have increased at a slightly slower rate since.



Source: Land Registry

- 4.6 The information presented so far suggests that average property prices in Bournemouth are relatively low for the County, which is itself relatively expensive. It is also important to check that this is not a result of a different profile of properties being sold. The table below therefore shows average house prices of Dorset and Bournemouth by dwelling type.
- 4.7 It indicates that average prices for each dwelling type are higher for Dorset as a whole than for Bournemouth although the differences in the terraced and flat/maisonette categories are slight. The table also indicates that Bournemouth shows a smaller proportion of sales of all types of houses and bungalows and a significantly higher proportion of flats/maisonettes. This means that although Bournemouth's average dwelling price is similar to the national average, it would be higher if allowance was made for the much higher proportion of small dwellings in the Bournemouth turnover.

Table 4.2 Land Registry average prices and sales (4th quarter 2006)

Dwelling type	Dorset		Bournemouth	
	Average price	% of sales	Average price	% of sales
Detached	£332,595	36.4%	£291,208	29.7%
Semi-detached	£212,888	17.4%	£199,618	13.4%
Terraced	£190,365	18.2%	£186,081	7.4%
Flat/maisonette	£175,772	27.9%	£163,375	49.5%
All dwellings	£242,037	100.0%	£207,927	100.0%

Source: Land Registry

Entry-level market costs

- 4.8 Interviews were conducted with estate and letting agents across the County to gain more information on the main characteristics of the housing market. Although the Borough is a relatively compact area there was some suggestion from agents that it constitutes one of the more complex housing markets within the County, with estate agents identifying a number of sub-markets within the town including Bournemouth Town Centre, East Cliff, West Cliff, Boscombe, Springbourne, Talbot Woods, Charminster, Southbourne and Winton.
- 4.9 All Bournemouth estate agents perceived the local housing to be extremely buoyant with demand outstripping supply. However, price increases during the previous year were dependent on location with Bournemouth town centre and Boscombe most often cited as areas where house prices have risen most sharply during the past year. Also, price rises varied depending on type of property e.g. the price of a 2-bed flat has remained relatively stable due to a constant supply coming onto the market.
- 4.10 According to one estate agent, the Bournemouth housing market responds quite quickly to change. There has been a lot of buy-to-let demand for student properties over the last few years but this has now begun to slow down. According to estate agents, Bournemouth's property rental market was displaying no less buoyancy than the purchase market. Moordown, Winton and Charminster were cited as the popular areas for rentals, although Winton is the main rental area because it is so close to the university.
- 4.11 A more extensive discussion of the estate agents views is presented in the supplementary housing market report.
- 4.12 The table below shows the cost of entry-level market housing in Bournemouth as derived from discussions with estate and letting agents. The entry-level cost equates the cheapest cost of housing in good repair of which there is a reasonable supply.

Table 4.3 Entry-level market costs in Bournemouth		
Property size	Home to purchase	Cost to rent (per week)
1 bedroom	£110,000	£114
2 bedrooms	£159,000	£150
3 bedrooms	£218,000	£190
4 bedrooms	£290,000	£242

Source: Survey of estate and letting agents 2006

- 4.13 The table shows that estimated entry-level prices ranged from £110,000 for a one bedroom property up to £290,000 for four bedrooms. Entry-level weekly rents varied from £114 (one bed) to £242 (four beds). These entry-level prices are used to assess whether or not a household is able to access the housing market as described in Chapter 13.

Affordable housing

- 4.14 To complete the housing cost profile in the local market it is appropriate to present information on the cost of social rented housing. The cost of social rented properties by dwelling size can be obtained from CORE (the Continuous Recording System) and these are presented in the table below. As can be seen the costs are significantly below those for private rented housing indicating a significant potential gap between the social rented and market sectors.

Table 4.4 Social rented costs in Bournemouth	
Property size	Social rent costs (per week)
1 bedroom	£53
2 bedrooms	£59
3+ bedrooms	£70

Source: CORE data

Summary

- 4.15 Information from the Land Registry indicates that whilst average property prices in Bournemouth are virtually the same as the average for England and Wales, it is the cheapest local authority area within the County (this finding however needs to be considered in light of the very different profile of dwellings sold in the Borough (i.e. many more flats/maisonettes)).
- 4.16 Interviews with estate and letting agents established the cost of entry-level accommodation in the Borough. It was found that entry-level prices ranged from £110,000 for a one bedroom property up to £290,000 for four bedrooms. Entry-level weekly rents varied from £114 (one bed) to £242 (four beds).

5. Key Survey Findings

Introduction

- 5.1 This chapter sets out some of the main findings from the survey of local households. Throughout the analysis tabulations are made along with tenure. Where possible figures are compared with information at a national and regional level from the Survey of English Housing (SEH).

Type of housing

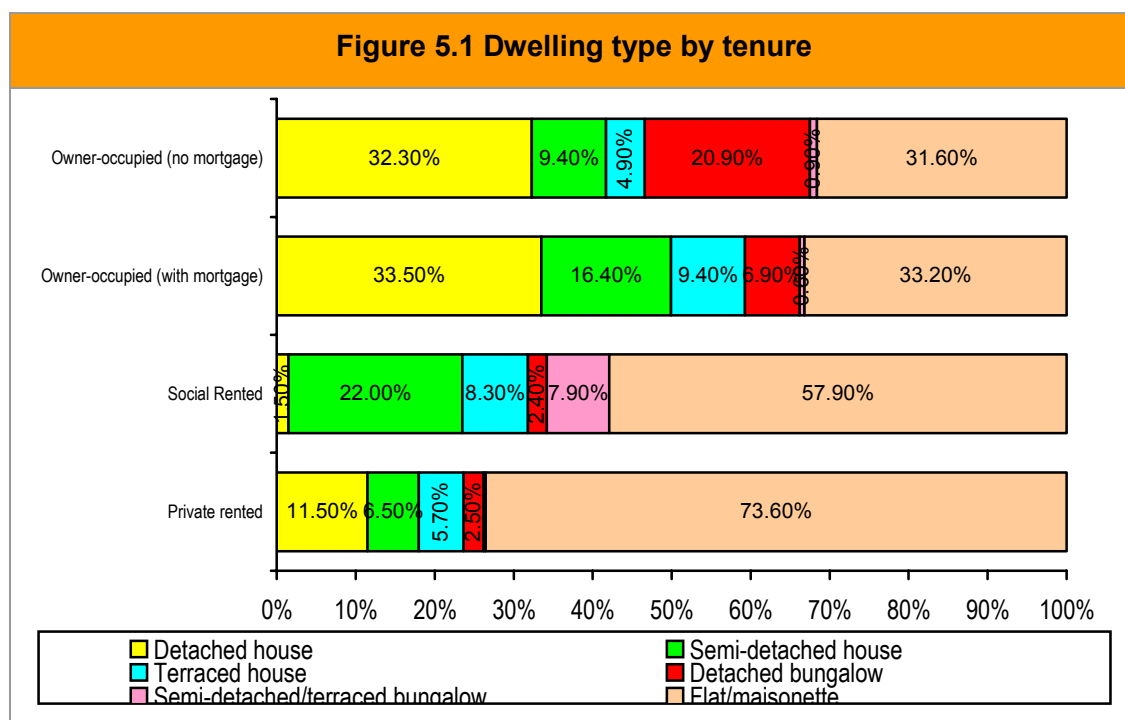
- 5.2 The table below shows current accommodation types in the Borough. The table shows that a large proportion of households live in flatted accommodation (42.6% of households). The latest SEH suggests that nationally around 17% of households live in flats whilst the figure for the South West region is around 12%. The main house type is detached with 35.4% of all households living in detached houses or bungalows; this figure is notably higher than the total proportion living in terraced or semi-detached houses and bungalows (21.2%).

Table 5.1 Dwelling type		
Dwelling type	Number of households	% of households
Detached house	19,553	25.7%
Semi detached house	9,668	12.7%
Terraced house	5,393	7.1%
Detached bungalow	7,340	9.7%
Semi or terraced bungalow	1,051	1.4%
Purpose-built flat	18,420	24.2%
Converted flat or shared house	12,713	16.7%
Flat in commercial building	1,314	1.7%
Caravan or temporary	548	0.7%
TOTAL	76,000	100.0%

Note: In this analysis 'caravan' and 'mobile home' are taken to be the same

Source: Bournemouth HNDS Fordham Research 2007

- 5.3 By tenure a clear trend emerges with households living in owner-occupation particularly likely to live in houses/bungalows and particularly likely to be in detached homes. There are very few detached homes outside of the owner-occupied tenure group. The social and private rented sectors have a high proportion of flats/maisonettes. For the purposes of this analysis the three flat categories have been merged into one whilst mobile homes are merged with detached bungalows.



Source: Bournemouth HNDS Fordham Research 2007

Household type and size

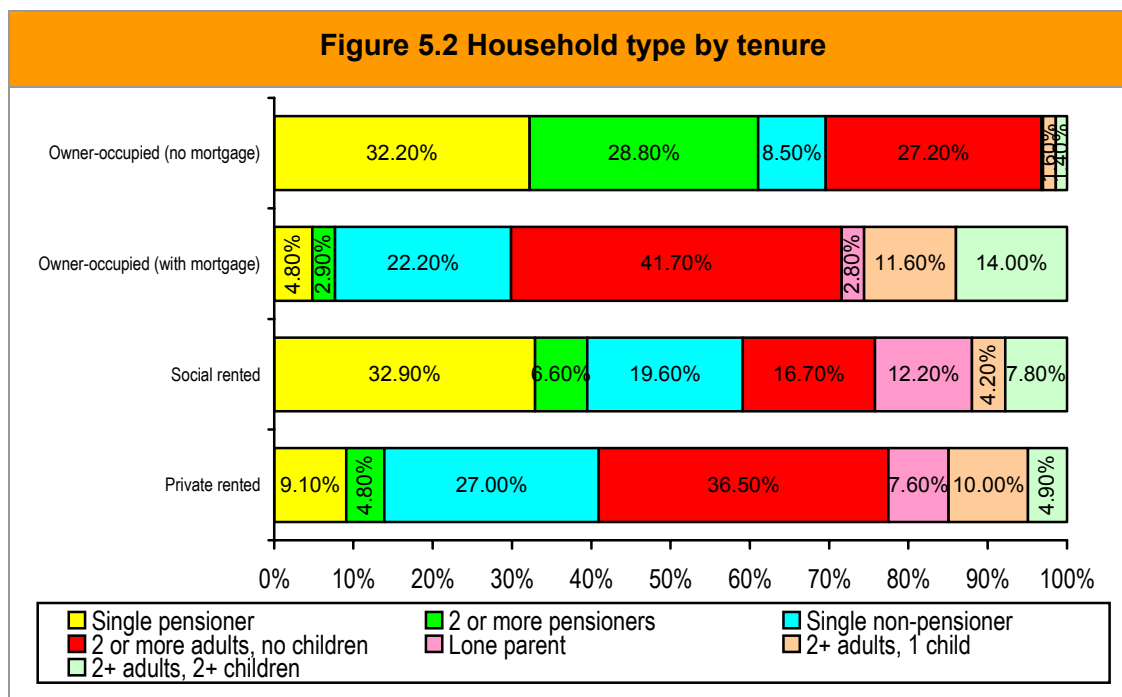
5.4 The table below shows the household type breakdown in the Borough. The survey estimates that around a third (30.3%) of households are pensioner only and that under a fifth (18.3%) of households contain children. Around 4% of households are lone parent households. Direct comparisons with the SEH are not possible for household types due to the different definitions used, however 2001 Census data suggests that nationally around 24% of households were pensioner only with an equivalent figure of 27% in the South West region.

Table 5.2 Household type

Household type	Number of households	% of households
Single pensioner	13,538	17.8%
2 or more pensioners	9,498	12.5%
Single non-pensioner	13,807	18.2%
2 or more adults, no children	25,262	33.2%
Lone parent	2,884	3.8%
2+ adults, 1 child	5,404	7.1%
2+ adults, 2+ children	5,609	7.4%
TOTAL	76,000	100.0%

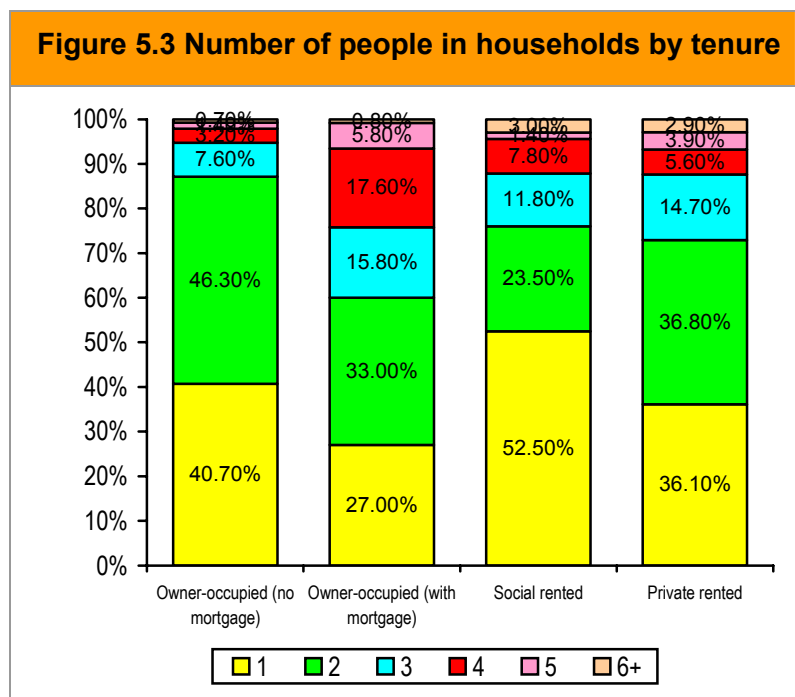
Source: Bournemouth HNDS Fordham Research 2007

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



Source: Bournemouth HNDS Fordham Research 2007

- 5.6 The average household size in Bournemouth was estimated from the survey to be 2.1. This figure is below the most recent national estimates of around 2.4 persons per household. By tenure the largest households were those buying with a mortgage (average 2.4) whilst the smallest were outright owners (average 1.8). The figure below shows the number of people in households by tenure.



Source: Bournemouth HNDS Fordham Research 2007

5.7 One-person households were more common than households of any other size amongst social renters. Amongst owner-occupiers and private renters, two-person households were the most common. Over a third of owners with a mortgage are three or four person households compared with around 11% of outright owners and a fifth of social housing tenants. These differences tend to reflect the large proportion of older persons in the social sector and the greater concentration of people with families who are owner-occupiers repaying a mortgage.

Length of residence and recent movers

5.8 At the time of the survey an estimated 19,146 of households (25.2%) had been resident at their current address for less than two years. This figure is noticeably higher than the most recent SEH data which suggests that 10% of households at a point in time will have been resident at their address for less than one year.

5.9 Of the households moving in the past two years, 39% are private renters, 52% owner-occupiers and 9% in the social rented sector. An estimated 52.4% of private renters had moved home in the past two years, compared to only 21.7% of social renters and 18.6% of owner-occupiers. Private tenants are therefore much more mobile than social renters or owner-occupiers. The least mobile group are outright owners, only 9.5% of whom moved in the previous two years.

- 5.10 At the other end of the spectrum, over half of all households have lived in their home for more than five years. In the case of outright owners, over three-quarters (77.6%) have lived in their home for more than five years – this compares with only 18.2% of private tenants.

Table 5.3 Length of residence of household by tenure					
Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	1,419	1,043	3,338	20,128	25,928
Owner-occupied (with mortgage)	3,955	3,629	6,295	14,266	28,145
Social rented	928	759	1,769	4,317	7,773
Private rented	4,546	2,867	4,162	2,578	14,154
Total	10,848	8,299	15,564	41,290	76,000
Owner-occupied (no mortgage)	5.5%	4.0%	12.9%	77.6%	100.0%
Owner-occupied (with mortgage)	14.1%	12.9%	22.4%	50.7%	100.0%
Social rented	11.9%	9.8%	22.8%	55.5%	100.0%
Private rented	32.1%	20.3%	29.4%	18.2%	100.0%
Total	14.3%	10.9%	20.5%	54.3%	100.0%

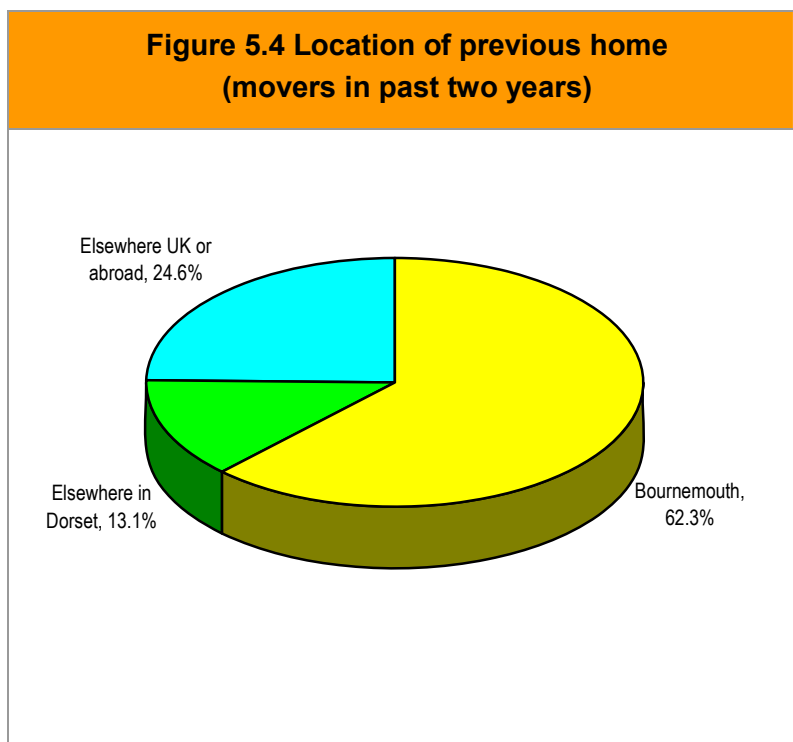
Source: Bournemouth HNDS Fordham Research 2007

- 5.11 In terms of tenure mobility, the most common types of move were from one owner-occupied property to another (5,826 households) followed by moves within the private rented sector. There was also a fair degree of movement within the social rented sector. Overall, movement within sectors was more common than movement between them.
- 5.12 Around 52% of all moves involved the private rented sector – households moving into it, out of it or within it – showing how important the sector is in providing mobility in the housing market. The private rented sector shows the highest turnover of any tenure in most local authorities: it is the ‘gateway’ to other tenures. Overall it is estimated that around 19% of all households currently live in the private rented sector. This is a high figure by both county and national (about 12%) standards, although given the character of Bournemouth as a seaside resort it is not surprising.
- 5.13 Around 44% of newly-formed households moved into owner-occupation and a further 48% into private rented accommodation. Therefore around 9% of newly forming households moved into a socially rented dwelling (a figure significantly below the national average of around 23%). This is clearly related to the relatively low proportion of social rented stock generally found in Dorset.

Table 5.4 Previous tenure by current tenure (households moving in past two years)					
Tenure	Previous tenure				Total
	Newly formed household	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	160	2,175	0	127	2,462
Owner-occupied (with mortgage)	1,918	3,651	47	1,968	7,584
Social rented	409	50	730	498	1,687
Private rented	2,285	967	644	3,518	7,413
Total	4,772	6,843	1,421	6,111	19,146
Owner-occupied (no mortgage)	6.5%	88.3%	0.0%	5.2%	100.0%
Owner-occupied (with mortgage)	25.3%	48.1%	0.6%	25.9%	100.0%
Social rented	24.2%	3.0%	43.3%	29.5%	100.0%
Private rented	30.8%	13.0%	8.7%	47.5%	100.0%
Total	24.9%	35.7%	7.4%	31.9%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

5.14 It is also possible to look at the previous locations of households who have moved home in the past two year – this is shown in the figure below. The figure shows a considerable amount of in-migration into the Borough. In total, over a third of all moves made were by households previously living outside the Borough (37.7%).



Source: Bournemouth HNDS Fordham Research 2007

- 5.15 It is therefore of interest to look briefly at the characteristics of households moving into the Borough. The table below shows the tenures secured by in-migrant households and a broad household type profile (older and non-older persons). These figures are contrasted with figures for households moving within the Borough.

Table 5.5 Tenure and household characteristics of in-migrant households				
Tenure	Total moves	% of moves from outside Borough	% of older person in-migrants	% of older person internal movers
Owner-occupied (no mortgage)	2,462	57.2%	65.4%	64.6%
Owner-occupied (with mortgage)	7,584	38.7%	8.2%	2.4%
Social rented	1,687	17.8%	51.7%	37.1%
Private rented	7,413	34.8%	5.7%	16.1%
Total	19,146	37.7%	20.3%	17.5%

Source: Bournemouth HNDS Fordham Research 2007

- 5.16 The table shows some interesting findings. Of the owner-occupiers (no mortgage) who moved to their dwelling in the past two years nearly three-fifths (57.2%) were previously resident outside the Borough, this compares with only 17.8% of social tenants. The data also shows that around two-thirds (65.4%) of in-migrant outright owners contain an older person. Overall, 20.3% of all in-migrant households contain an older person, compared with only 17.5% of internal movers. These findings would suggest that a high proportion of households are moving to the area for retirement purposes.

Car ownership

- 5.17 A further question asked in the survey was car ownership/availability. Although not directly linked to housing, this is a useful variable as it can provide some indication of wealth. The table below shows the number of cars households have available for use by tenure.
- 5.18 Nearly three-fifths (58.9%) of all households in social rented housing have no access to a car or van, this compares with only 6.1% of owner-occupied (with mortgage) households. The average household has 1.12 cars/vans; this figure varies from 0.50 in the social rented sector to 1.52 for owner-occupiers with a mortgage.

Table 5.6 Car ownership and tenure					
Tenure	Number of cars/vans available for use				Average number of cars/vans
	0	1	2	3+	
Owner-occupied (no mortgage)	21.7%	54.6%	18.2%	5.5%	1.07
Owner-occupied (with mortgage)	6.1%	45.6%	39.0%	9.3%	1.52
Social rented	58.9%	33.8%	5.6%	1.7%	0.50
Private rented	39.0%	49.1%	9.3%	2.6%	0.75
TOTAL	23.0%	48.1%	22.9%	6.0%	1.12

Source: Bournemouth HNDS Fordham Research 2007

Ethnicity

- 5.19 The population of Bournemouth is predominantly White and survey data suggests that only around 3% of households are non-White (survey respondent or their partner non-White). This figure is broadly in-line with 2001 Census estimates and suggests that BME groups are adequately represented in the sample.
- 5.20 As only 54 survey forms were returned from non-White households it is not statistically possible to conduct any detailed analysis of such households. However, the data that does exist does show some trends which might be expected – namely that non-White households are more likely to live in the private rented sector, are generally larger households and are less likely than White households to contain older persons.

Overcrowding and under-occupation

- 5.21 Levels of overcrowding are measured using the 'bedroom standard' (see Glossary for definition). Essentially this is the difference between the number of bedrooms needed to avoid undesirable sharing and the number of bedrooms actually available to the household. Using the same standard it is also possible to study under-occupation – in this study it is assumed that any household with more than one spare bedroom is under-occupying their dwelling.
- 5.22 The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households.

Table 5.7 Overcrowding and under-occupation					
Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	14,123	19,751	12,593	4,674	51,142
2 bedrooms	550	6,042	6,262	3,258	16,112
3 bedrooms	53	481	4,243	2,225	7,001
4+ bedrooms	0	52	416	1,277	1,745
TOTAL	14,726	26,326	23,513	11,435	76,000

KEY: Overcrowded households Under-occupied households

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

Source: Bournemouth HNDS Fordham Research 2007

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

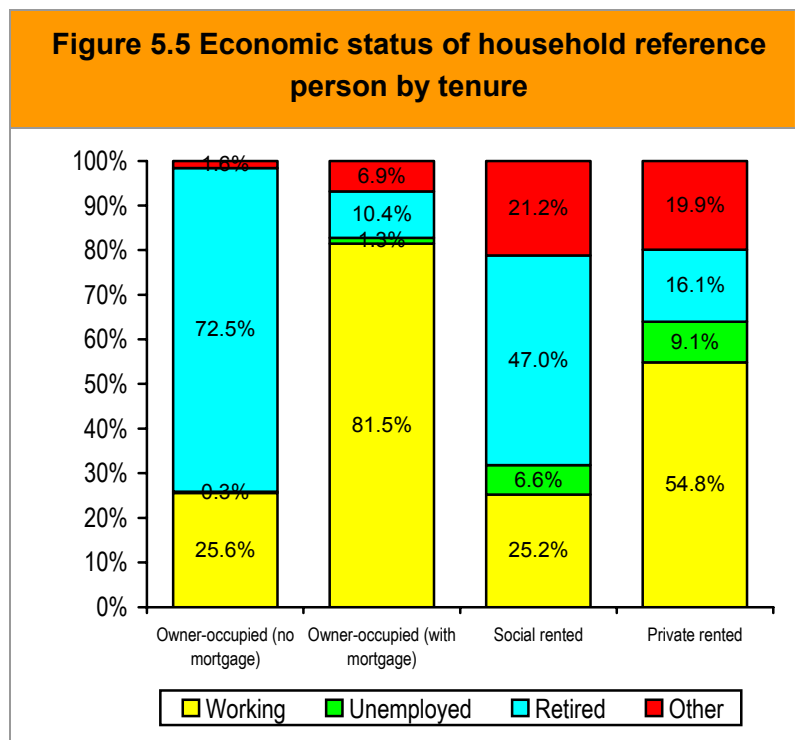
- **Overcrowded:** 2.2% of households = 1,688 households
- **Under-occupied:** 28.4% of households = 21,585 households

5.24 The latest SEH data on overcrowding suggests that nationally around 2.5% of households are overcrowded with the figure for the South West being 1.6%. The sample size of overcrowded households is relatively small and so further detailed analysis is not possible. However the data does suggest that overcrowded households are more likely to be living in rented accommodation (particularly in the social rented sector) and that the majority of overcrowded households state a need or likelihood of moving home over the next two years.

Economic status

5.25 For the purposes of analysis of economic status the status of the survey respondent is taken to represent the household reference person. At the time of the survey, 81.5% of those buying with a mortgage were working. For private renters the figure was 54.8%, and for social renters the percentage was 25.2%. For outright owners, only 25.6% were working and 72.5% were retired. Overall, some 36.4% of household reference persons were retired with the lowest percentage for households buying with a mortgage.

5.26 The figure below summarises economic status by tenure. Although direct comparisons are not possible with the SEH (due to a different definition of household reference person) the main trends shown by tenure are in-line with the situation nationally.



Source: Bournemouth HNS Fordham Research 2007

5.27 Around a quarter of the ‘other’ category were renting in the social rented sector and the percentage of persons who are economically inactive but not retired is higher than other tenures. This finding is reflected by a high proportion of people in the social rented sector who have classified themselves as permanently sick or disabled (10% of social tenants). Less than 2% of all other tenure groups together are classified as sick/disabled.

Housing costs

5.28 The survey asked a series of questions about how much households currently pay for their housing. The table below shows estimates of the amount of rent/mortgage paid by households by tenure (figures exclude households where there are no housing costs such as outright owners and some households in tied accommodation).

5.29 The table shows that households in the private rented sector and those buying with a mortgage have the highest housing costs. The average private tenant pays £134 per week, this compares with £60 for social housing tenants.

Table 5.8 Housing costs by tenure				
Weekly housing cost	Owner-occupied (with mortgage)	Social rented	Private rented	TOTAL
Under £30	5.8%	22.7%	4.1%	7.9%
£30-£59	9.3%	26.0%	3.1%	10.2%
£60-£89	11.6%	37.3%	8.7%	14.8%
£90-£119	15.7%	9.9%	24.4%	17.2%
£120-£149	17.0%	2.2%	24.9%	16.9%
£150-£179	13.8%	1.1%	19.5%	13.4%
£180-£209	9.9%	0.4%	9.3%	8.3%
£210-£239	6.0%	0.0%	1.4%	3.8%
£240-£269	3.4%	0.0%	0.7%	2.1%
£270 or more	7.5%	0.4%	4.0%	5.4%
TOTAL	100.0%	100.0%	100.0%	100.0%
Average cost	£139	£60	£134	£125

Source: Bournemouth HNDS Fordham Research 2007

Summary

5.30 The household survey collected a significant amount of data about the resident household population. Some of the main findings were:

- In total 42.6% of households live in flats or maisonettes, significantly higher than the average for the South West region or England. Households living in rented housing are more likely to live in flats whilst those in owner-occupation are more likely to live in detached houses than other tenures.
- Just under a third of all households are 'pensioner-only' and less than fifth contain children. Lone parent households were found to be concentrated in the rented sectors.
- Analysis of household moves in the last two years shows that private rented tenants are the most mobile. An estimated 52.4% of private renters had moved home in the past two years, compared to only 21.7% of social renters and 18.6% of owner-occupiers. There were more moves recorded within tenures than between them.
- Car ownership data suggests that there is an average of 1.12 cars per household in the Borough. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.52 cars per household. Nearly three-fifths of all households in social rented accommodation have no use of a car or van.
- The population of Bournemouth is predominantly White and survey data suggests that only around 3% of households are non-White.

- The level of overcrowding recorded in Bournemouth at 2.2% is slightly lower than the national average but higher than the most recent estimate for the South West region.
- The proportion of employed household heads varied significantly across the tenures. Some 81.5% of households buying with a mortgage are headed by an employed person compared to 54.8% in the private rented sector and 25.2% for social tenants.
- Households in the private rented sector and those buying with a mortgage have the highest housing costs, households in the social rented sector the lowest.

SECTION B: HOUSING NEED

This section sets out the calculation of housing need, and analyses the housing issues of particular groups.

6. Guidance

Introduction

- 6.1 The two chapters following this one study the need for affordable housing in the Borough (both in terms of a backlog of need and likely future needs). This initial chapter sets out some key definitions which are central to both of the following chapters. Where appropriate definitions have been drawn from the CLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3.

Housing need

- 6.2 Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.
- 6.3 In this assessment we have fully followed the Guide's definition of unsuitable housing. In addition we have considered those types of unsuitability which will require a move to a different dwelling prior to applying the affordability test.

Newly arising need

- 6.4 Newly arising (or future) need is a measure of the number of households who are expected to have an affordable housing need at some point in the future (measured annually). In this assessment we have used survey data about past household moves (along with affordability) to estimate future needs. In line with the Guide we have split future needs into two groups – newly forming households and existing households.
- 6.5 An estimate of the likely future supply of affordable housing is also made (drawing on secondary data sources about past lettings). The future supply of affordable housing is subtracted from the future need to make an assessment of the net future need for affordable housing. In this report we have also estimated the likely supply of Housing Benefit supported private rented housing so as to provide an alternative output regarding suggested future provision.

Affordability

6.6 Affordability is assessed using survey data regarding the full range of financial information available along with an estimate of a household's size requirements and the cost of suitable market housing (to either buy or rent). Separate tests are applied for home ownership and private renting and are summarised below (both tests are fully in line with the advice given in the Guide):

- **Assessing whether a household can afford home ownership** - A household is considered able to afford to buy a home if it costs 3.5 times the gross household income for a single earner household or 2.9 times the gross household income for dual-income households. Allowance is also made for any access to capital that can be used towards home ownership (e.g. savings or equity).
- **Assessing whether a household can afford market renting** - A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than 25% of gross income.

Affordable housing

6.7 Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire).

Summary

6.8 A key element of this report is an assessment of both current and future affordable housing needs. There are a number of definitions which are central to making estimates of need (such as definitions of housing need, affordability and affordable housing). All definitions used in this report are consistent with guidance given in the CLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3 and the following two chapters look at the analysis of housing need.

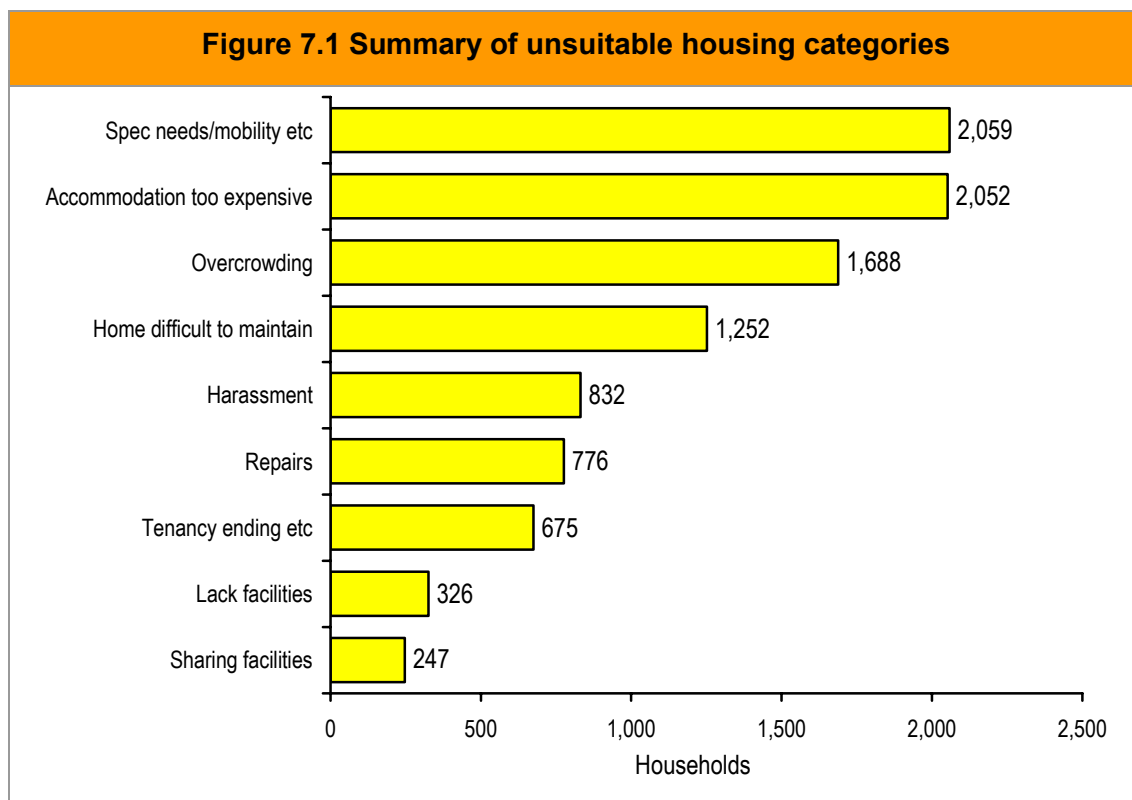
7. Current Need

Introduction

- 7.1 This chapter of the report assesses the first two stages of the needs assessment model – Current Need. This begins with an assessment of housing suitability and affordability and also considers homeless households before arriving at a total current need estimate (gross). An assessment of the stock available to offset this need follows, which then enables the net current need estimate to be calculated.

Unsuitable housing

- 7.2 A key element of housing need is an assessment of the suitability of a household's current housing. The CLG guide sets out a series of nine criteria for unsuitable housing - which has been followed in this report. It is estimated that a total of 6,709 households are living in unsuitable housing. This represents 8.8% of all households in the Borough.
- 7.3 The figure below shows a summary of the numbers of households living in unsuitable housing (ordered by the number of households in each category). It should be noted that the overall total number of reasons for unsuitability shown in the figure will usually be greater than the total number of households with unsuitability, as some households have more than one reason for unsuitability.
- 7.4 The main reason for unsuitable housing is the category of special needs and/or mobility problems, followed by accommodation too expensive.



Source: Bournemouth HNDS Fordham Research 2007

7.5 The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation are more likely to be in unsuitable housing than owner-occupiers. Some 20.0% of households in private rented accommodation and 17.6% of households in the social rented sector are estimated to be living in unsuitable housing. This compares with 3.6% and 5.6% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in Borough	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	922	25,006	25,928	3.6%	13.7%
Owner-occupied (with mortgage)	1,586	26,559	28,145	5.6%	23.6%
Social rented	1,366	6,407	7,773	17.6%	20.4%
Private rented	2,835	11,319	14,154	20.0%	42.3%
TOTAL	6,709	69,291	76,000	8.8%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

'In-situ' solutions

- 7.6 The survey has highlighted that 6,709 households are in unsuitable housing. However it is most probable that some of the unsuitability can be resolved in the households' current accommodation. Households living in housing deemed unsuitable for the following reasons were not considered to have an in-situ solution: end of tenancy, accommodation too expensive, overcrowding, sharing facilities, harassment.
- 7.7 The survey data therefore estimates that of the 6,709 households in unsuitable housing, 4,697 (or 70.0%) do not have an in-situ solution and therefore require a move to alternative accommodation.

Affordability

- 7.8 Using the affordability methodology set out in the previous chapter it is estimated that there are 3,487 existing households that cannot afford market housing and are living in unsuitable housing (and require a move to alternative accommodation). This represents 4.6% of all existing households in the Borough.
- 7.9 The table below shows the tenure of the 3,487 households currently estimated to be in housing need. The results show that private rented tenants are most likely to be in housing need – 15.5% of households in the private rented sector are in housing need. Of all households in need, 23.0% currently live in social rented accommodation and 63.0% in private rented housing.

Table 7.2 housing need and tenure					
Tenure	Housing need				
	In need	Not in need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Owner-occupied (no mortgage)	0	25,928	25,928	0.0%	0.0%
Owner-occupied (with mortgage)	489	27,656	28,145	1.7%	14.0%
Social rented	801	6,972	7,773	10.3%	23.0%
Private rented	2,197	11,957	14,154	15.5%	63.0%
TOTAL	3,487	72,513	76,000	4.6%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

7.10 For the purposes of the housing needs assessment, households considered to be in housing need have been split into two categories: current occupiers of affordable housing in need (this includes occupiers of social rented and shared ownership accommodation), and households from other tenures in need. Some 802 households fall into the former category and 2,685 into the latter category.

Homeless households

7.11 The Housing Needs Assessment is a ‘snapshot’ survey that assesses housing need at a particular point in time. There will, in addition to the existing households in need, be some homeless households who were in need at the time of the survey and should also be included within any assessment of backlog need.

7.12 Such households will include those in temporary accommodation which would not have formed part of the survey sampling frame (i.e. in an address not registered on the residential Council Tax Register). In Bournemouth the number of such cases is low and the 2006 HSSA suggested as of April 2006 only 3 households were living in bed and breakfast style accommodation. This number is, however, added to our total estimated backlog of need

Total current need

7.13 The table below summarises the first stage of the overall assessment of housing need as set out by the CLG. The data shows that there are an estimated 3,490 households in need.

Table 7.3 Backlog of housing need		
Step	Notes	Output
1.1 Homeless households and those in temporary accommodation		3
1.2 Overcrowding and concealed households	Two steps taken together	3,487
1.3 Other groups		
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	3,490

Source: Bournemouth HNDS Fordham Research 2007

Available stock to offset need

7.14 The next stage in the backlog considers the stock available to offset the current need. This includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and committed supply of new affordable units. Units to be taken out of management are removed from the calculation.

- 7.15 Firstly, it is important when considering net need levels to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have an overall nil effect in terms of housing need. The figure to be used in this section is therefore 802 (as presented earlier in this chapter).

Surplus stock

- 7.16 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The CLG Guide suggests that if the vacancy rate in the affordable stock is in excess of 3% then these should be considered as surplus stock which can be included within the supply to offset needs. Bournemouth records a vacancy rate in the social rented sector of just over 1%; therefore no adjustment needs to be made to the figures.

Committed supply of new affordable units

- 7.17 The CLG Guide recommends that this part of the assessment includes 'new social rented and intermediate housing which are committed to be built over the period of the assessment'. For the purpose of analysis we have taken HSSA data showing the number of planned and proposed affordable units for the period 2006-2008 as a guide to new provision.
- 7.18 Overall the 2006 HSSA data suggests that there are 250 affordable dwellings planned or proposed for this two year period.

Units to be taken out of management

- 7.19 The Guide states that this stage 'involves estimating the numbers of social rented or intermediate units that will be taken out of management'. The main component of this step will be properties which are expected to be demolished (or replacement schemes that lead to net losses of stock). At the time of reporting the proposed number of affordable dwellings expected to be 'taken out of management' in the future was unknown and hence a figure of zero has been used in this step of the model.

Total available stock to offset need

7.20 Having been through a number of detailed stages in order to assess the total available stock to offset need in the Borough we shall now bring together all pieces of data to complete this part of the needs assessment. The data (in the table below) shows that there are an estimated 1,052 properties available to offset the current need.

Table 7.4 Current supply of affordable housing

Step	Notes	Output
3.1 Affordable dwellings occupied by households in need		802
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		250
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3+3.4	1,052

Source: Bournemouth HNDS Fordham Research 2007

Total backlog need

7.21 In the tables above it is estimated that there is a current need to provide 3,490 units of affordable housing to meet the backlog of need. Current sources are estimated to be able to provide 1,052 of these units leaving an estimated shortfall of around 2,438 units of affordable housing.

Summary

7.22 Survey data suggests that around 6,709 households in the Borough are currently living in unsuitable housing. In addition, it was estimated that 4,697 of the 6,709 households would need to move home to find a solution to the unsuitability.

7.23 Of these 4,697 households, an estimated 74% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (3,487 households). Households in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.

7.24 Taking into account a small number of homeless households who would not have been picked up by the household-based survey (3 additional households) makes for a total backlog need of 3,490 households.

7.25 It is estimated that at the time of the survey there was a current stock of affordable housing of around 1,052 which could be used to meet this need (including dwellings becoming available as households in the social rented sector move to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 2,438 units (3,490-1,052).

8. Future Need

Introduction

8.1 In addition to the current needs discussed so far in this report there is also future need. This is split, as per CLG guidance, into two main categories. These are as follows:

- New households formation (× proportion unable to buy or rent in market)
- Existing households falling into need

8.2 There will be a flow of affordable housing to meet this need. Calculation of the future supply of affordable units follows this analysis; this consists of the annual supply of social re-lets and intermediate housing. The following sections deal with these points in detail.

New household formation

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

8.4 The table below shows details of the derivation of new household formation. The table begins by establishing the number of newly forming households over the past two years – an affordability test is then applied.

Table 8.1 Derivation of newly arising need from new household formation		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	19,146	
Minus households NOT forming in previous move	-14,374	4,772
Times proportion unable to afford	42.0%	
ESTIMATE OF NEWLY ARISING NEED	2,005	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	1,002	

Source: Bournemouth HNDS Fordham Research 2007

8.5 The table above shows that an estimated 4,772 households are newly formed within the Borough over the past two years (2,386 per annum). Of these it is estimated that 1,002 (per annum) are unable to afford market housing without some form of subsidy – this represents the annual estimate of the number of newly forming households falling into need.

Existing households falling into need

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

8.7 Households previously living with parents, relatives or friends are excluded as these will double-count with the newly forming households already considered in the previous table. The data also excludes moves between social rented properties. Households falling into need in the social rented sector have their needs met through a transfer to another social rented property, hence releasing a social rented property for someone else in need. The number of households falling into need in the social rented sector should therefore, over a period of time, roughly equal the supply of ‘transfers’ and so the additional needs arising from within the social rented stock will be net zero.

8.8 The table below shows the derivation of existing households falling into need.

Table 8.2 Derivation of Newly Arising Need from existing households		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	19,146	
Minus households forming in previous move	-4,772	14,374
Minus households transferring within affordable housing	-571	13,803
Times proportion unable to afford	31.3%	
ESTIMATE OF NEWLY ARISING NEED	4,315	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	2,158	

Source: Bournemouth HNDS Fordham Research 2007

- 8.9 The table above shows that a total of 13,803 existing households are considered as potentially in need (6,902 per annum). Using the standard affordability test for existing households it is estimated that 31.3% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 4,315 households ($13,083 \times 0.313$) over the two-year period. Annualised this is 2,158 households per annum.

Total newly arising need

- 8.10 The data from each of the above sources can now be put into the needs assessment table below. It indicates that additional need will arise from a total of 3,160 households per annum.

Table 8.3 Future need (per annum)		
Step	Notes	Output
2.1 New household formation (gross per year)		2,386
2.2 Proportion of new households unable to buy or rent in the market	Leaves 1,002	42.0%
2.3 Existing households falling into need		2,158
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	3,160

Source: Bournemouth HNDS Fordham Research 2007

The future supply of social rented housing

- 8.11 The table below presents the figures for the supply of lettings (re-lets) from both Council and RSL stock over the past two years contained within the 2006 HSSA. The average number of lettings over the two-year period was 608 per annum.

Table 8.4 Analysis of past housing supply – (social rented sector)			
	2004/5	2005/6	Average
LA – mobility arrangements	6	13	10
LA – new secure tenants	343	339	341
LA – introductory tenancies	0	0	0
LA – other tenancies	85	0	43
LA – transfers from RSL	(0)	(44)	(22)
RSL – total lettings	231	278	255
RSL – transfers from LA	(22)	(13)	(18)
Total	643	573	608

Source: Bournemouth HNDS Fordham Research 2007

Intermediate supply

8.12 In most local authorities the amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited (as is the case in Bournemouth). However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing.

8.13 Therefore we include an estimate of the number of shared ownership units that become available each year. Based on survey data it is estimated that around 25 units of shared ownership housing will become available to meet housing needs from the existing stock of such housing.

Total future supply

8.14 The total future supply is estimated to be 633, comprised of 608 units of social re-lets and 25 units of shared ownership. This is shown in the below table.

Table 8.5 Future supply of affordable housing (per annum)

Step	Notes	Output
3.6 Annual supply of social re-lets (net)		608
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		25
3.8 Annual supply of affordable housing	4.1+4.2	633

Source: Bournemouth HNDS Fordham Research 2007

Net annual need estimate

8.15 The table below shows how all of these 16 steps fit into the overall needs assessment model.

Table 8.6 Housing needs assessment model for Bournemouth

Stage and step in calculation	Notes	Output
STAGE 1: CURRENT NEED (Gross)		
1.1 Homeless households and those in temporary accommodation		3
1.2 Overcrowding and concealed households	Two steps taken together	3,487
1.3 Other groups		
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	3,490
STAGE 2: FUTURE NEED		
2.1 New household formation (gross per year)		2,386
2.2 Proportion of new households unable to buy or rent in the market		42.0%
2.3 Existing households falling into need		2,158
2.4 Total newly arising housing need (gross per year)	(2.1x2.2)+2.3	3,160
STAGE 3: AFFORDABLE HOUSING SUPPLY		
3.1 Affordable dwellings occupied by households in need		802
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		250
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3-3.4	1,052
3.6 Annual supply of social re-lets (net)		608
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		25
3.8 Annual supply of affordable housing	3.6+3.7	633

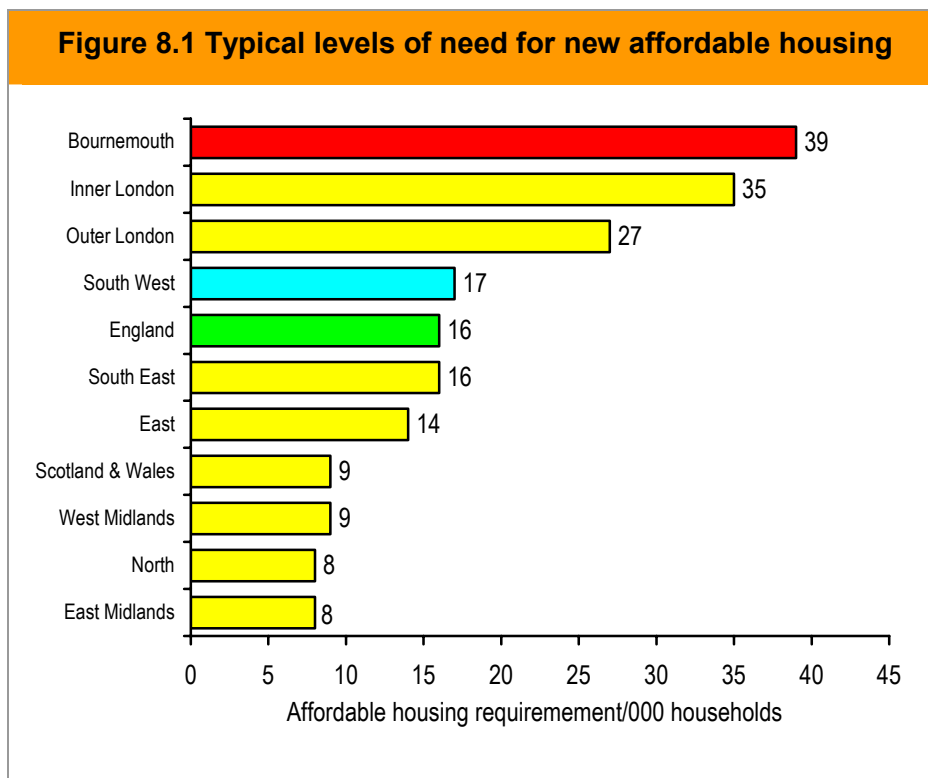
Source: Bournemouth HNDS Fordham Research 2007

- 8.16 The Guide states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available of 1,052 (step 3.5) from the gross current need of 3,490 (step 1.4). This produces a net current need figure of 2,438.
- 8.17 The second step is to convert this net backlog need figure into an annual flow. The Guide acknowledges that this backlog can be addressed over any length of time although a period of less than five years should be avoided. For the purposes of this study the quota of five years proposed in the Guide will be used. Therefore to annualise the net current need figure it will be divided by five. This calculation results in a net annual quota of households who should have their needs addressed of 488 (2,438/5).
- 8.18 The final step is to sum the net annual quota of households who should have their needs addressed with the total newly arising housing need (step 2.4) and subtract the future annual supply of affordable housing (step 3.8). This leads to a total net annual housing need in Bournemouth of 3,015 (488+3,160-633).

Findings in context

8.19 The net shortfall of 3,015 can be related to the Fordham Research Affordable Housing Index, which is the result of standardising the finding by dividing it by the number of thousands of households in the local authority area:

$$(3,015/76,000) \times 1,000 = 39$$



Source: Bournemouth HNDS Fordham Research 2007

8.20 This Index figure is higher than the national average (of 16) and the figure for the South West (of 17). Indeed it is one of the highest levels of housing need found by Fordham Research outside Inner London, and is above the average for that area of focussed housing need, though below some of the London boroughs within Inner London.

8.21 While this measure gives an indication of the scale of the affordability problem it may hide important issues such as the difficulties particular types of household have in affording property in an area.

The private rented sector

- 8.22 The Strategic Housing Market Assessment Guidance requires the extent of the private rented sector to be estimated to meet the requirements of households in need (through the Housing Benefit system). Survey data suggests that over the past two years around 2,360 new lets of Housing Benefit supported private rented housing have been made (1,180 per annum).
- 8.23 It is not however appropriate to treat this sector as a form of Affordable Housing and net it from the overall annual housing needs estimate of 3,051 in Bournemouth as there is significant evidence that this is not a secure tenure. Survey data reveals that over half of households in the private rented sector have moved in the last two years and it households leaving this tenure are a notable source of homelessness in Bournemouth. Whilst the private rented sector can provide accommodation (through the Housing Benefit system) for those in housing need it also creates housing need and it cannot therefore be considered part of the supply of homes to meet housing need.

Summary

- 8.24 The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation. The data suggests that on an annual basis there will be 1,002 newly forming households requiring affordable housing and a further 2,158 existing households. The total future need for affordable housing is therefore estimated to be 3,160 units per annum.
- 8.25 The supply of affordable housing to meet this need has also been estimated from past trend data. This data suggests that the current stock of affordable housing is likely to provide around 633 units (608 social rented and 25 intermediate units (i.e. shared ownership)).
- 8.26 The total net annual housing need in Bournemouth is calculated by annualising the net current need and adding this to the difference between the future need and supply. The total net annual housing need in Bournemouth is therefore 3,015 (488+3,160-633).

SECTION C: CHARACTERISTICS OF HOUSING MARKET

9. Household mobility

Introduction

9.1 An important part of the survey is an analysis of the future demand for housing and the survey questionnaire collected information about households' future needs, expectations and aspirations. Information was collected about both existing households and newly forming households. This information is particularly important in the 'Balancing Housing Markets' exercise carried out later in this report.

Future moves – existing households

9.2 The table below shows estimates of the number and proportion of households who would consider themselves to need or expect to move home per annum over the next two years by tenure. The data shows that around 25.5% of households state a need or likelihood of moving home over the next two years. Households living in the private rented sector are particularly likely to be future movers.

Table 9.1 Households who need or are likely to move in next two years by tenure			
Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	3,625	25,928	14.0%
Owner-occupied (with mortgage)	5,479	28,145	19.5%
Social rented	2,013	7,773	25.9%
Private rented	8,291	14,154	58.6%
Total	19,407	76,000	25.5%

Source: Bournemouth HNDS Fordham Research 2007

9.3 The survey moved on to look at where households would both like and expect to move. The results of this analysis are shown in the table below. The table suggests that 71.1% of households would like to remain in the Borough whilst a slightly lower proportion actually expect to remain (67.8%). A greater proportion of households would expect to move from Dorset completely than would like to.

Table 9.2 Where households would like and expect to move

Location of next home	Like	Expect
Bournemouth	71.1%	67.8%
Elsewhere in Dorset	14.8%	17.1%
Elsewhere in UK or abroad	14.1%	15.1%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

9.4 Households were similarly asked about what tenure they would both like and expect to move to; the results are shown below. The results suggest that over two-thirds (69.3%) of all households would like to move to owner-occupation, however, only 53.9% expect to secure this type of accommodation. More households expect to rent privately than would like to.

Table 9.3 Housing tenure aspirations and expectations

Tenure	Like	Expect
Buy own home	69.3%	53.9%
Social rented	22.5%	20.4%
Private rented	8.2%	25.8%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

9.5 The tables below show cross-tabulations between current tenure and future tenure preference as well as future tenure expectations.

9.6 The first table shows that generally households would like to remain in the same tenure as they currently live. The exception to this is the private rented sector. The majority of households in this sector want to move to either owner-occupation or the social rented sector.

9.7 In terms of expectations (second table below) we find that the main difference is the greater number of private tenants who expect to remain in the sector when they would prefer owner-occupation. In total, 58.4% of private tenant movers would like to become owners but only 29.1% expect to do so.

Table 9.4 Current tenure and tenure preference

Current tenure	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	3,034	437	154	3,625
Owner-occupied (with mortgage)	5,350	0	128	5,479
Social rented	213	1,691	109	2,013
Private rented	4,844	2,241	1,205	8,291
Total	13,442	4,370	1,596	19,407

Source: Bournemouth HNDS Fordham Research 2007

Table 9.5 Current tenure and tenure expectations

Current tenure	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	3,042	402	182	3,625
Owner-occupied (with mortgage)	4,923	39	517	5,479
Social rented	73	1,789	151	2,013
Private rented	2,415	1,726	4,150	8,291
Total	10,452	3,956	4,999	19,407

Source: Bournemouth HNDS Fordham Research 2007

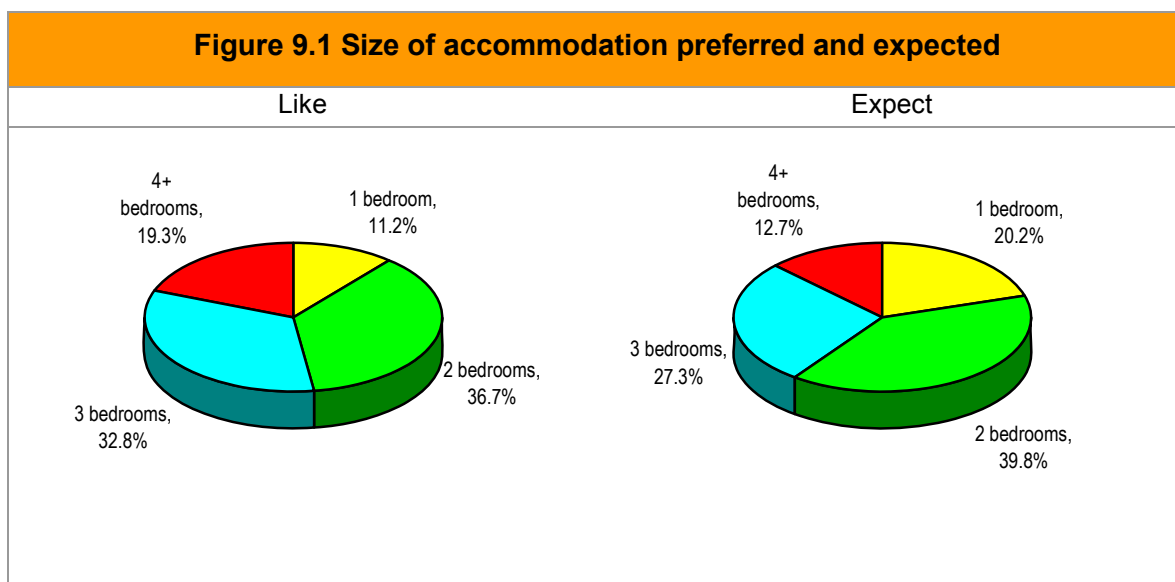
- 9.8 The table below shows the type of dwellings households would like and expect to move to. Unsurprisingly a large proportion of households would like detached accommodation (60.9%) but a much smaller proportion would expect to move to such accommodation (29.9%). Overall more households expect to move to all other dwelling types than is their preference (e.g. whilst 21.9% of households would like a flat approaching double this proportion would expect to move to that type of accommodation).

Table 9.6 Housing type aspirations and expectations

Type of home	Like	Expect
Detached house	48.3%	20.5%
Semi-detached house	10.0%	17.7%
Terraced house	4.6%	8.3%
Detached bungalow	12.6%	9.4%
Semi-detached/terraced bungalow	2.6%	2.5%
Flat/maisonette	21.9%	41.6%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

9.9 In terms of the sizes of accommodation required we find that the largest proportion of households would like two or three bedroom accommodation. In addition just under a fifth (19.3%) would like a four or more bedroom home. In terms of expectations we find that the largest group is two bedroom homes (39.8%) whilst only 12.7% expect to secure four or more bedrooms. Around 20% of households expect to secure a one bedroom home but only around 11% would like this size of accommodation.



Source: Bournemouth HNDS Fordham Research 2007

9.10 In addition, households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (90.1%) or expect (89.8%) ordinary residential accommodation. Where households have indicated either a preference or expectation for specialist accommodation the main form is sheltered housing with a warden.

Future moves – newly forming households

9.11 A similar analysis can be carried out for newly forming households. The survey estimates that there are 5,731 households who need or are likely to form from households in the Borough over the next two years.

9.12 The table below suggests that newly forming households are less likely to want to remain in the area than existing households. In total 58.5% of potential households would like to remain in the area with a slightly lower proportion 57.8% expecting to do so. A greater proportion of newly forming households expect to move away from Dorset than would like to (although the differences in all cases are fairly minor).

Table 9.7 Where potential households would like and expect to move

Location of next home	Like	Expect
Bournemouth	58.5%	57.8%
Elsewhere in Dorset	9.2%	9.6%
Elsewhere in UK or abroad	32.3%	32.6%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

- 9.13 In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 59.1% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation (31.2%). Around 9% would like social rented housing but only 7% expect to secure it. In total only 31.6% want to move to private rented accommodation but approaching two-thirds (62.3%) expect to do so.

Table 9.8 Housing tenure aspirations and expectations – newly forming households

Tenure	Like	Expect
Buy own home	59.1%	31.2%
Social rented	9.3%	6.5%
Private rented	31.6%	62.3%
TOTAL	100.0%	100.0%

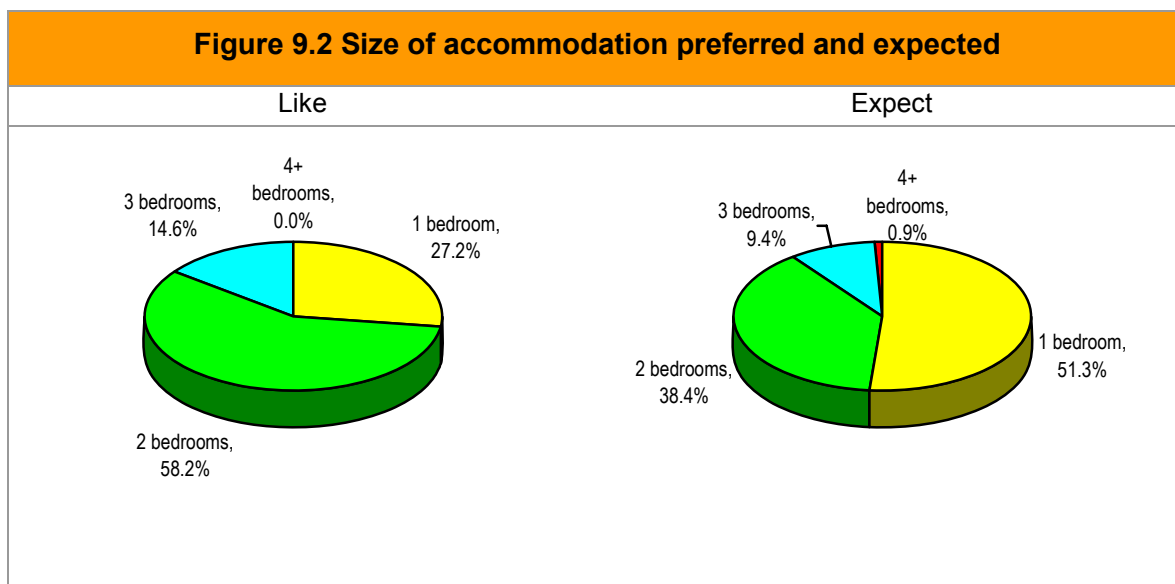
Source: Bournemouth HNDS Fordham Research 2007

- 9.14 The table below shows the type of dwellings newly forming households would like and expect to move to. Compared with the results for existing households the figures show that there is a greater preference and expectation for flatted accommodation amongst newly forming households. In total 42.3% of newly forming households would like a flat (compared with 21.9% of existing households) whilst over three-fifths (62.3%) expect to secure this type of accommodation.

Table 9.9 Housing type aspirations and expectations of newly forming households		
Type of home	Like	Expect
Detached house	33.2%	7.3%
Semi-detached house	10.3%	8.2%
Terraced house	10.9%	10.9%
Detached bungalow	0.7%	0.7%
Semi-detached/terraced bungalow	2.5%	3.6%
Flat/maisonette	42.3%	69.3%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

9.15 In terms of the sizes of accommodation required we find that the largest proportion of households would like two bedroom accommodation (58.2%). In addition just over a quarter (27.2%) would like a one bedroom home. In terms of expectations we find that the largest group is now one bedroom homes (51.3%) with a much lower proportion expecting to secure two bedrooms than would like to.



Source: Bournemouth HNDS Fordham Research 2007

9.16 In addition, newly forming households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (98.7%) or expect (98.0%) ordinary residential accommodation.

Summary

9.17 This chapter presented information on the future housing intentions of households in Bournemouth. The main findings were:

- Over a quarter (25.5%) of existing households state a need or likelihood of moving home over the next two years.
- Some 69.3% of these households would like to remain in Bournemouth although a smaller proportion expect to.
- Significantly more moving households would like owner-occupied accommodation than expect it. Similarly notably more moving households would like a detached home than expect it
- The survey estimates that there are 5,731 households who need or are likely to form from households in the Borough over the next two years
- In total an estimated 59.1% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation (31.2%).

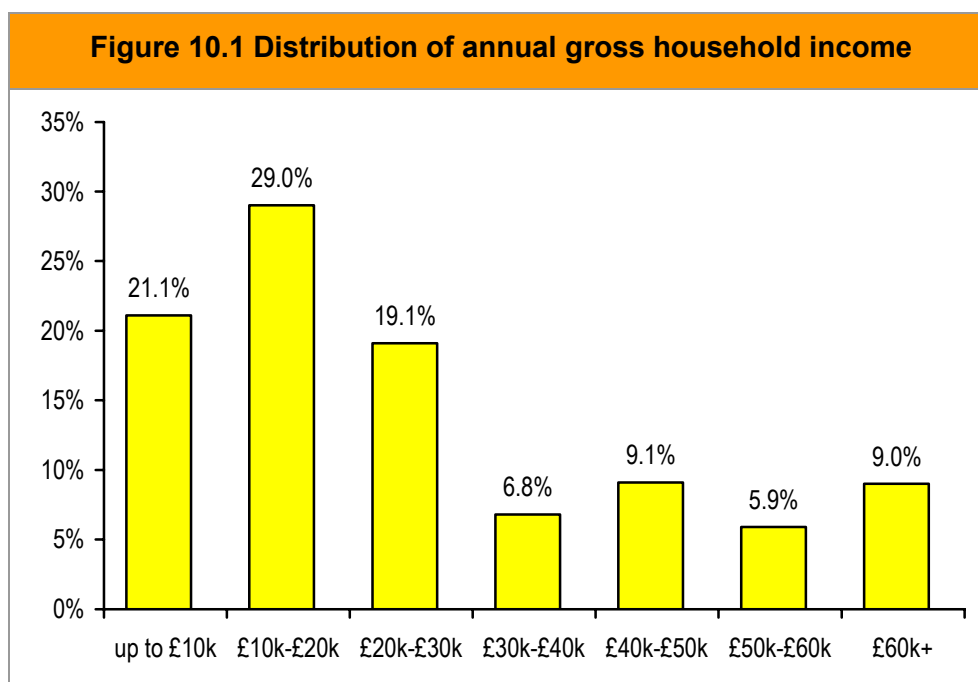
10. Financial Information

Introduction

10.1 A key part of the housing needs and demand survey is an assessment of the financial situation of households. Data was therefore collected in the survey looking at a range of financial information (including incomes, savings and equity). This chapter contains the analysis of the survey results with regard to household's financial situation.

Household income

10.2 The response to the survey income question was good with 83.8% of respondents answering this question. Survey results for household income in Bournemouth estimate the average (mean) gross household income level to be £27,183 per annum. The median income is noticeably lower than the mean (at £20,068 per annum). The figure below shows the distribution of income in the Borough.

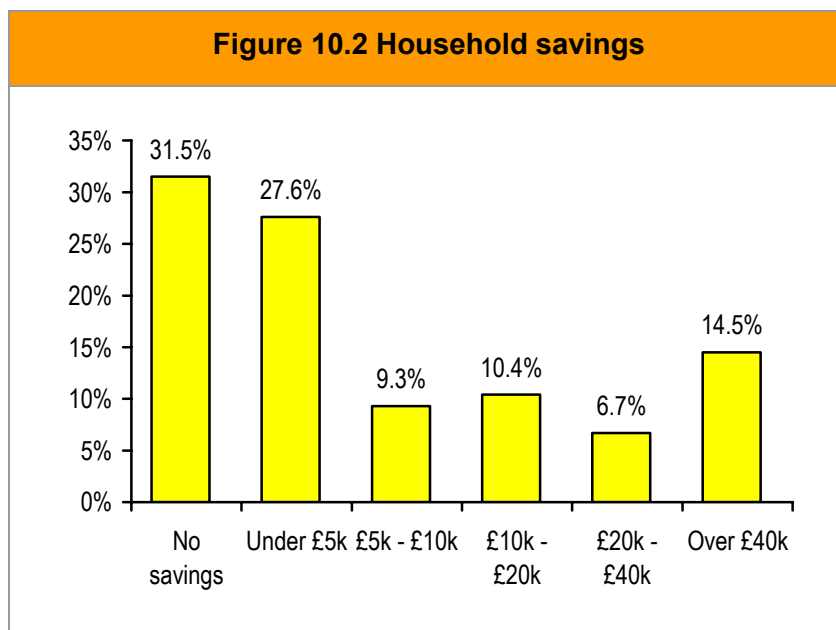


Source: Bournemouth HNDS Fordham Research 2007

Household Savings and Equity

10.3 The response to the survey savings question was also good with 84.7% of respondents answering this question. The average (mean) household has £28,701 in savings (median of £3,095). The figure below shows the distribution of savings in the Borough.

10.4 An estimated 59.0% of households had less than £5,000 in savings whilst 14.5% had savings of over £40,000. Households with no savings also include those in debt.



Source: Bournemouth HNDS Fordham Research 2007

10.5 The survey also collected information about the amount of equity owner-occupiers have in their property. For both owner-occupier groups together (with and without mortgages) the average (mean) amount of equity was estimated to be £189,515 (median of £169,418). It is estimated that 0.1% of owner-occupiers (80 households) are in negative equity: this estimate is clearly subject to error due to the small sample, but the main point is that there is hardly any negative equity. Negative equity is a 'yes/no' question in the questionnaire and so the exact amount is not determined. Based on general experience in other surveys, an assumption of -£5,000 is made where a respondent indicates negative equity.

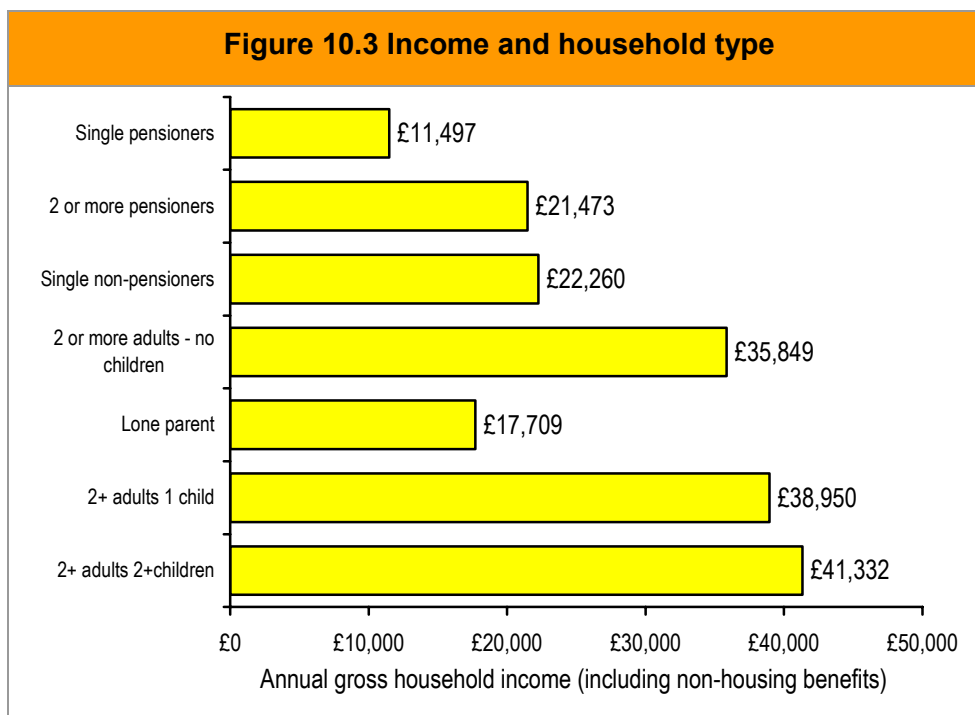
Household characteristics and income

- 10.6 The table below shows average income, savings and equity by tenure. As might be expected, the households with the lowest average incomes (and savings) are those in the social rented sector. Whilst owner-occupiers with no mortgage have an average household income considerably lower than those with a mortgage, this group contains many older people who are not working but have redeemed their mortgages. These households therefore have much higher levels of savings and equity.
- 10.7 The income figures by tenure are generally slightly lower than the latest national estimates (from SEH 2005/06). The latest national figures are: outright owners - £24,522, owners with a mortgage - £40,910, Social renters - £12,185 and private tenants - £24,833.

Table 10.1 Financial information by tenure			
Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£24,039	£66,401	£252,572
Owner-occupied (with mortgage)	£38,972	£11,783	£131,425
Social rented	£8,749	£2,017	-
Private rented	£19,624	£7,933	-
AVERAGE	£27,183	£28,701	£189,515

Source: Bournemouth HNDS Fordham Research 2007

- 10.8 The figure below looks at income levels by household type. Single pensioner and lone parent households show average incomes considerably below the Borough average. Households with two or more adults and two or more children show the highest average incomes.



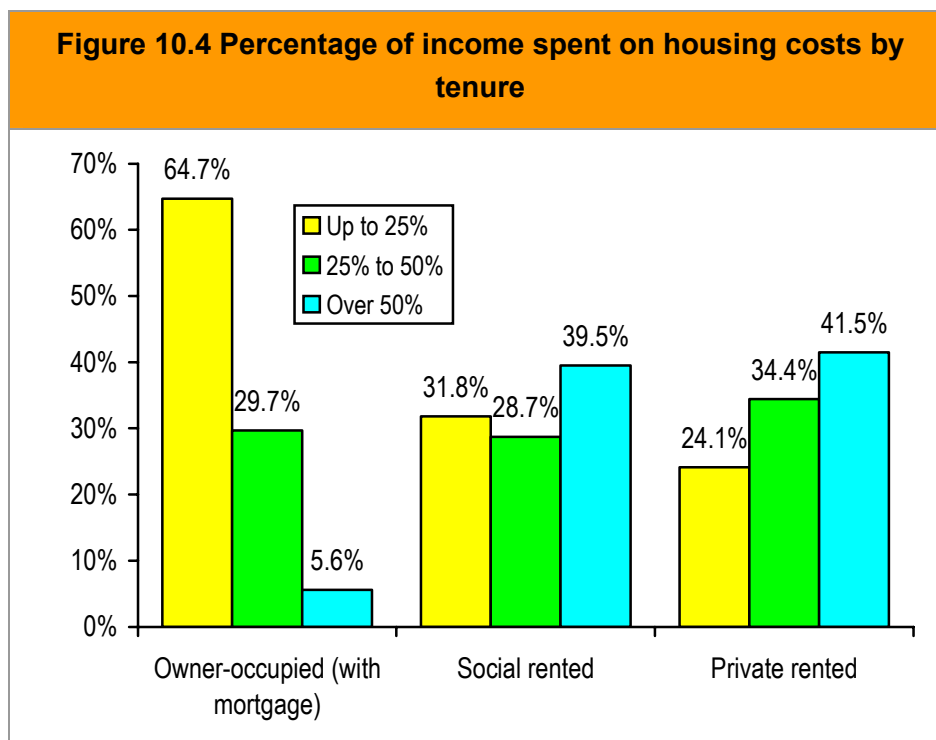
Source: Bournemouth HNDS Fordham Research 2007

Other financial information

- 10.9 In addition to the information collected about income, savings and equity the survey form asked households whether they had access to any other financial resources which might be able to be used towards a deposit on a property (and if so – how much). The vast majority of households (83.7%) stated that they had no further access to financial resources other than those already analysed.
- 10.10 Despite the majority having no access to financial resources, the minority that do (e.g. borrowing from relatives) raise the overall average extra funding to around £2,758 from sources other than savings and equity. Therefore some of this 16% remainder have access to quite large amounts of funding. It is therefore possible that such additional funds will be able to help a small number of households to afford suitable market housing without the need for any subsidy.

Relationship of income to housing costs

10.11 It is of interest to study the amount of income that households are spending on their housing costs (whether rent or mortgage). The figure below shows the number of households in each tenure group by what proportion of income is spent on housing. The figure shows that there are a significant number of households spending over 25% and in many cases in excess of 50%. Households paying more than 50% are most likely to be found in the social rented and private rented sectors.



Source: Bournemouth HNDS Fordham Research 2007

10.12 The above analysis does not however take account of the fact that many households will be in receipt of Housing Benefit (or income support in the case of owners) which will be helping them to afford housing. The table below investigates the receipt of benefits towards housing costs. The table clearly shows that the greater the proportion of income spent on housing the greater the number of households who are claiming assistance.

10.13 For example, of all households paying up to 25% of income on housing costs some 11.0% are also claiming Housing Benefit. For households spending over 50% this figure rises to 60.3%. Whilst this finding shows that to a certain extent the benefit system is meeting the needs of low income households the data does suggest that a notable number of households are spending large proportions of their income on housing and receiving no subsidy to help with the costs.

Table 10.2 Percentage of households receiving Housing Benefit (income support) by tenure and proportion of income spent on housing

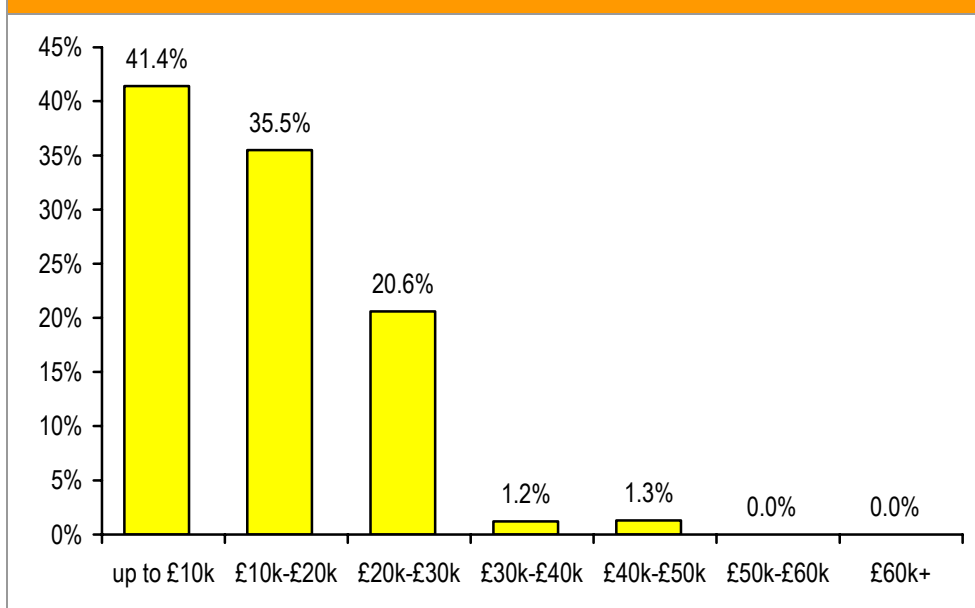
	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	2.1%	69.3%	15.9%	11.0%
Spend 25%-50%	4.1%	55.7%	20.6%	16.7%
Spend over 50%	23.6%	82.3%	58.6%	60.3%
Total	3.9%	70.5%	35.2%	23.1%

Source: Bournemouth HNDS Fordham Research 2007

Newly forming households financial situation

- 10.14 The previous chapter highlighted that there are an estimated 5,731 households who need or are likely to form over the next two years. The housing preferences and expectations of these households (in terms of location, tenure and type of dwelling) have also been studied. In addition to the future preferences and expectations of newly forming households the survey form collected a series of data about these households financial situation (including income and savings data) which is presented below.
- 10.15 The table below shows estimated income levels for newly forming households. The table shows that income distribution is heavily concentrated in the lower income brackets with 41.4% having an income of below £10,000 and 76.9% have an income below £20,000. The average (mean) income of newly forming households is estimated to be £11,970 – significantly below the figure for all households of around £27,000.

Figure 10.5 Distribution of annual gross household income – newly forming households



Source: Bournemouth HNDS Fordham Research 2007

- 10.16 In addition, newly forming households were asked about any financial resources which might be available for a deposit/bond when buying or renting a home. Separate answers were sought for the newly forming household's own finances (e.g. savings) and other finance (e.g. money from parents).
- 10.17 Taking these two categories together it is estimated that the average newly forming household will have access to around £8,175 – just over half of this (53.3%) would be from sources other than the households' own savings. There is however a considerable difference between different households in terms of likely financial resources available with 37.8% stating that they have no money to use as a deposit/bond and 13.3% having more than £20,000.
- 10.18 Given the level of income and savings shown for newly forming households from the survey data it is clear that many will have difficulty accessing the housing market without some form of subsidy. However, it is widely recognised that this group of households can have rapidly changing financial situations (for example households who have actually formed over the past two years show an average income of £25,000 per annum) and therefore to rely solely on the information provided here may not properly reflect the affordability of this important group.
- 10.19 Therefore the survey form also asked a 'subjective' question about future affordability. In response to this question 54.5% of newly forming households stated that they would not be able to afford market housing without some sort of subsidy (e.g. Housing Benefit).

Summary

10.20 The collection of financial information is a fundamental part of any assessment of housing need and future housing demand. The survey estimates that mean annual gross household income (including non-Housing Benefits) in Bournemouth is £27,183. The average conceals wide variations among different tenure groups with households in social rented housing showing average incomes significantly below the Borough average. When income is compared with housing costs the data reveals that many households spend more than a quarter of their income on their housing costs.

11. Balancing Housing Markets

Introduction

- 11.1 A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. It works at the simplest level by establishing the likely demand for housing of particular types by the expected supply arising from vacancies in the existing stock so as to provide a broad indication of the shortages (and in some cases surpluses) of particular types of dwelling.
- 11.2 The BHM model is not a purely technical assessment of housing requirements and combines a technical assessment of certain aspects (e.g. affordability) with a reasoned judgement about how exactly the housing market operates (e.g. the fact that the private rented sector is often used to meet some affordable needs through the use of Housing Benefit).
- 11.3 In addition the model looks at both household's aspirations and their expectations to provide an indication of the most likely housing solution in the particular market.

Methodology

- 11.4 There are six stages of analysis in the Balancing Housing Markets Model (three for supply and three related to demand). The six stages in detail are:
- **Stage 1. Supply from household dissolution:** Assessing the size, type and tenure of dwellings likely to become available from household dissolution (using national mortality rates).
 - **Stage 2. Supply from out-migrant households:** Assessing the size, type and tenure of dwellings existing households moving away from the Borough are going to make available.
 - **Stage 3. Supply from existing households:** Assessing the size, type and tenure of housing that existing households moving within the Borough are going to make available.
 - **Stage 4. Demand from in-migrant households:** Assessing the size, type and tenure of accommodation secured by households that recently moved into the Borough.

- **Stage 5. Demand from newly forming households:** Assessing the likely sizes, types and tenures of housing required by newly forming households moving to a property within the Borough.
- **Stage 6. Demand from existing households:** Assessing the likely sizes, types and tenure of accommodation required by existing households moving from one property in the Borough to another.

Relationship with the CLG housing need model

- 11.5 The CLG Needs Model produces a number for the annual amount of extra affordable housing which would, after a period, mean that there is no further need for affordable housing in an area. The presence of households living in unsuitable housing, or in the private rented sector on Housing Benefit would stop. Since in most parts of Britain it is clear that housing need will exist for many decades (at the present rate of production of new affordable housing) it can be seen that this model is geared to an ideal state of affairs and not the current reality.
- 11.6 One particular assumption that affects the estimates is that no more than 25% of income should be spent on housing. However the reality is that many households will be spending more like 50% of their income on housing (whether low or high income), sometimes because they are forced to, but sometimes because they prefer to achieve a particular type or location of housing and are prepared to make sacrifices to achieve it
- 11.7 Many households will be found in the private rented sector who cannot afford market rents at 25% of income on housing. Of these a proportion will be on Housing Benefit, but a substantial proportion will not be. In both cases, the private rented sector on shorthold does not provide affordable housing in the CLG definition, and does not provide long term security for vulnerable households.
- 11.8 The CLG model is an important part of Guidance and so the calculation must be done as part of any HNS. In order to provide realistic outputs for the three key PPS3 requirements it is necessary to use a different and more pragmatic approach to analysing the housing market.
- 11.9 The Balancing Housing Markets model is therefore produced to provide the outputs required by PPS3 and to better reflect the current local practices across the whole housing market (in terms of amount of income used on housing and the decisions made when moving within the local market). It does this by containing a sensitivity that would not be appropriate within the CLG model.

- 11.10 The BHM model looks at both households' aspirations and their expectations to provide an indication of the most likely housing solution in the particular market. The model is essentially based upon the stated move expectations of the respondents, which have had the 'aspiration' element removed by asking about them first. The questionnaire says '*what would you like*', and then '*what would you expect*'. Although these do not contain a formal means test (in other words no arithmetic check has been made to see whether they can afford their stated preference) our experience suggests that expectations are quite reliable as a guide. Indeed 'expectations' of households planning to move are likely in some ways to be more reliable than a formal means test, as no questionnaire survey can expect to discover all means of finance available to households. The stated expectations do, therefore, contain an implicit means test.
- 11.11 The expectations should therefore be regarded as moves which, if suitable supply of housing is available, are capable of being fulfilled. Thus the BHM analysis, which seeks to reconcile the 'demands' of movers with the supply of vacant dwellings, works by repeated iterations through the stock, taking account of what properties would be made vacant by moves, and then matching them with the sizes/types of dwelling stated by expected movers. The table below shows the overall results of the BHM analysis.
- 11.12 The process of arriving at an allocation of sizes and tenures of housing, matching supply with demand, is complex. It typically involves upwards of 20 iterations. The combination of technical analysis and judgement involved is informed by qualitative research, principally with estate agents, and by secondary data on the area. However the process cannot, if it is to be a reliable guide to that market, be based on a simple formula. The nature of the interactions between supply and demand across 4 sub-groups of tenures and 4 sizes of dwelling cannot be made into a mechanical analysis without losing practical relevance to the market(s) in question.
- 11.13 The combination of quantitative and qualitative analysis in one calculation process is a novel one. It is prompted by the complexity of the task. As a result of its origin, the process cannot be made completely transparent (as can an arithmetic calculation) but enough cross checking can be done to reassure a detached observer. In most cases the obvious cross-check for the affordable sector is the CLG Needs Model discussed above. The market sector of the calculation is more easily checked against qualitative evidence.

Results

11.14 A summary table bringing together all of the demand and supply information is presented below (the full results for each of the six stages of analysis can be found in Appendix A3). The table shows that overall there is expected to be a greater demand for housing than the current stock of housing can meet. Overall, across all tenures there is an apparent shortfall of 1,196 dwellings per annum (excess demand over supply).

Table 11.1 Balancing Housing Markets results for Bournemouth (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	108	360	169	24	661
Private rented	-29	-194	27	13	-183
Intermediate	83	105	61	0	250
Social rented	201	103	55	109	468
TOTAL	363	374	313	146	1,196

Source: Bournemouth HNDS Fordham Research 2007

11.15 There are two comments to make on the general interpretation of this table:

- i) **Private rented sector.** Where the figures show a surplus they do not imply that there will be empty rented flats. What the figures imply is that even viewed in terms of expectations, most people do not want the private rented sector. Viewed through the perspective of 'aspirations' very few want it. Many more expect it, but yet more will be obliged in practice to accept it. Household expectations are a realistic way to view the future market, but nothing is certain about the future, and as we have a much more detailed database on stock supply and turnover than any household is likely to have, this analysis can establish the 'true' position on overall supply and demand. A surplus shown for a particular size of private rented dwelling will only very rarely result in vacant private rented stock. In practice some households expecting to buy may be frustrated in achieving this. Such households will end up in private rented accommodation thus creating an overall demand for the sector. Similarly, but at the other end of the financial capacity range, some households only able to afford social rented housing will be unable to secure it as expected, and will enter the private rented sector on Housing Benefit.

- ii) **Social rented vs intermediate housing.** Since there is only a very limited supply of intermediate housing at present, the 'expectations' of households are not often directed towards this tenure. As a result we have taken those aspiring to something more than social renting and applied a means test to them. In this respect, the general approach to the BHM of using expectations is replaced by analysis of the ability to afford. Thus the numbers of households indicated to be in the intermediate band are those unable to afford market housing, but who can afford the mid-point of the intermediate range. The mid-point is taken because it represents the 'average' weekly cost of intermediate housing types.

11.16 The following section examines the results.

Housing tenure outcomes

Owner-occupation

11.17 In the owner-occupied sector there is an apparent shortfall of 661 units per annum (55%) of the overall shortfall. The majority of this shortfall is for two-bedroom dwellings although excess demand is shown for all sizes of accommodation.

Private rented sector

11.18 Overall there appears to be slight over-supply of private rented dwelling in the Borough. This finding seems broadly reasonable given that Bournemouth already has a large private rented sector and data has shown that many households expect to move out of the sector in the near future. However, by size of dwelling we find that there are potential shortages of larger (three- and four-bedroom) homes and surpluses of one and two-bedroom accommodation.

Affordable housing

11.19 The CLG Needs model set out in Chapter 7 showed an exceptional level of need (an Index of 39, and an annual need for 3,015 dwellings). This represents the CLG based assessment and is the main indicator of need. However the practical value lies with the BHM, since it reflects what is more likely to happen, although this too does not take into account a household's ability to pay for the type of housing that they are seeking. Thus the figure for affordable housing requirement is some 718 new affordable dwellings per annum. This is still beyond the likely level of feasible provision, but is less than quarter of the CLG Needs estimate. This reflects the reality that many households in need will find a home in the private rented sector on Housing Benefit, which is the main alternative to affordable housing. It is by no means an adequate substitute in many cases, as it is both of poorer physical condition in many instances, and also does not provide security of tenure (six month shorthold). Nevertheless, this is the reality for many households in housing need.

Intermediate housing

11.20 The BHM analysis indicates that the requirement for intermediate housing makes up around 21% of the net shortfall of housing in the Borough and there are shortages shown for all sizes of accommodation other than four-bedroom (this is no surprise given the general lack of supply of intermediate housing in the Borough). The main shortfall is for two-bedroom homes.

Social rented housing

11.21 The shortage of social rented housing makes up around 39% of the total shortfall of housing in the Borough. The net demand for social rented housing is for a range of property sizes with one bed units showing the highest shortfall.

Summary

11.22 A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. The analysis reveals that there is an ongoing requirement for owner-occupied accommodation and a potentially large requirement for affordable housing. In terms of the size of property required, the methodology shows the main shortfall is for two bedroom properties with notable shortfalls also recorded for all other sizes of accommodation.

SECTION D: PARTICULAR GROUPS

12. The Needs of Particular Groups

Introduction

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

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

12.3 This section covers the following groups:

- Households with special needs
- Older person households
- Key workers
- Young people (including first-time buyers)
- Families with children

Households with special needs

12.4 Information collected through the survey enables us to identify whether any household members have a particular special need. Information about the characteristics of these households can inform the Council's Supporting People strategy.

12.5 The survey looked at whether household members fell into one or more of a range of groups. Whilst these represent the larger client groups covered in Supporting People Strategy, they are not exhaustive. There are, for example, many groups for which it would not be possible to obtain results through the questionnaire type approach (either due to the small numbers or because of the nature of the special need).

12.6 It should also be noted that the finding of a household with a special need does not necessarily mean that the household needs to move to alternative accommodation. In many cases the special need can be catered for within the household's current home whilst for others the issue may be the need for support rather than any specific type of accommodation.

12.7 The groups covered were:

- Frail elderly
- Persons with a physical disability
- Persons with a learning disability
- Persons with a mental health problem
- Persons with a severe sensory disability
- Persons with a medical condition
- Persons with another need

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

Special needs groups: overview

12.9 Overall there are an estimated 16,510 households in the Bournemouth area with one or more members in an identified special needs group - this represents 21.7% of all households. The table below shows the numbers of households with different types of special needs. The numbers of households in each category exceed the total number of special needs households because people can have more than one category of special need.

12.10 Households with a 'medical condition' are the predominant group. There are 9,132 households containing a person with a medical condition. The next largest group is 'physically disabled', with 7,777 households having a member in this category. These two categories represent 55.3% and 47.1% of all special needs households respectively.

Table 12.1 Special needs categories			
Category	Number of households	% of all households	% of special needs households
Frail elderly	7,436	9.8%	45.0%
Physical disability	7,777	10.2%	47.1%
Learning difficulty	1,692	2.2%	10.3%
Mental health problem	2,499	3.3%	15.1%
Severe sensory disability	1,827	2.4%	11.1%
Medical Condition	9,132	12.0%	55.3%
Other	1,381	1.8%	8.4%

Source: Bournemouth HNDS Fordham Research 2007

12.11 The tables below show the characteristics of special needs households in terms of age, tenure and unsuitable housing.

Table 12.2 Special needs households with and without older people

Age group	Special needs households				
	Special needs	No special needs	Number of h'holds	% of total h'holds with special needs	% of those with a special need
No older people	6,526	40,217	46,743	14.0%	39.5%
Both older & non older people	1,875	4,347	6,222	30.1%	11.4%
Older people only	8,110	14,926	23,035	35.2%	49.1%
TOTAL	16,510	59,490	76,000	21.7%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.12 The survey data shows that special needs households are also more likely to contain older persons.

12.13 The table below indicates that special needs households are more likely to be living in social rented housing. Some 42.8% of households living in social rented housing contain a special needs member. Additionally, 26.3% of owner-occupied (no mortgage) households contain a special needs member.

Table 12.3 Special needs households and tenure

Tenure	Special needs households				
	Special needs	No special needs	Number of h'holds	% of total h'holds with special needs	% of those with a special need
Owner-occupied (no mortgage)	6,823	19,105	25,928	26.3%	41.3%
Owner-occupied (with mortgage)	2,831	25,314	28,145	10.1%	17.1%
Social rented	3,328	4,445	7,773	42.8%	20.2%
Private rented	3,528	10,626	14,154	24.9%	21.4%
TOTAL	16,510	59,490	76,000	21.7%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.14 The table below indicates that special needs households are nearly three times as likely to be living in unsuitable housing as non-special needs households. Some 18.3% of all special needs households are living in unsuitable housing, which compares with 8.8% of all households and 6.2% of all non-special needs households.

Table 12.4 Special needs households and unsuitable housing

Special needs	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Special needs	3,016	13,495	16,510	18.3%	45.0%
No special needs	3,693	55,797	59,490	6.2%	55.0%
TOTAL	6,709	69,291	76,000	8.8%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.15 The figure below shows the average income and savings levels for special needs households in comparison to other households in the Borough. The figure shows that special needs groups have average income and savings levels noticeably below the average for non-special needs households.

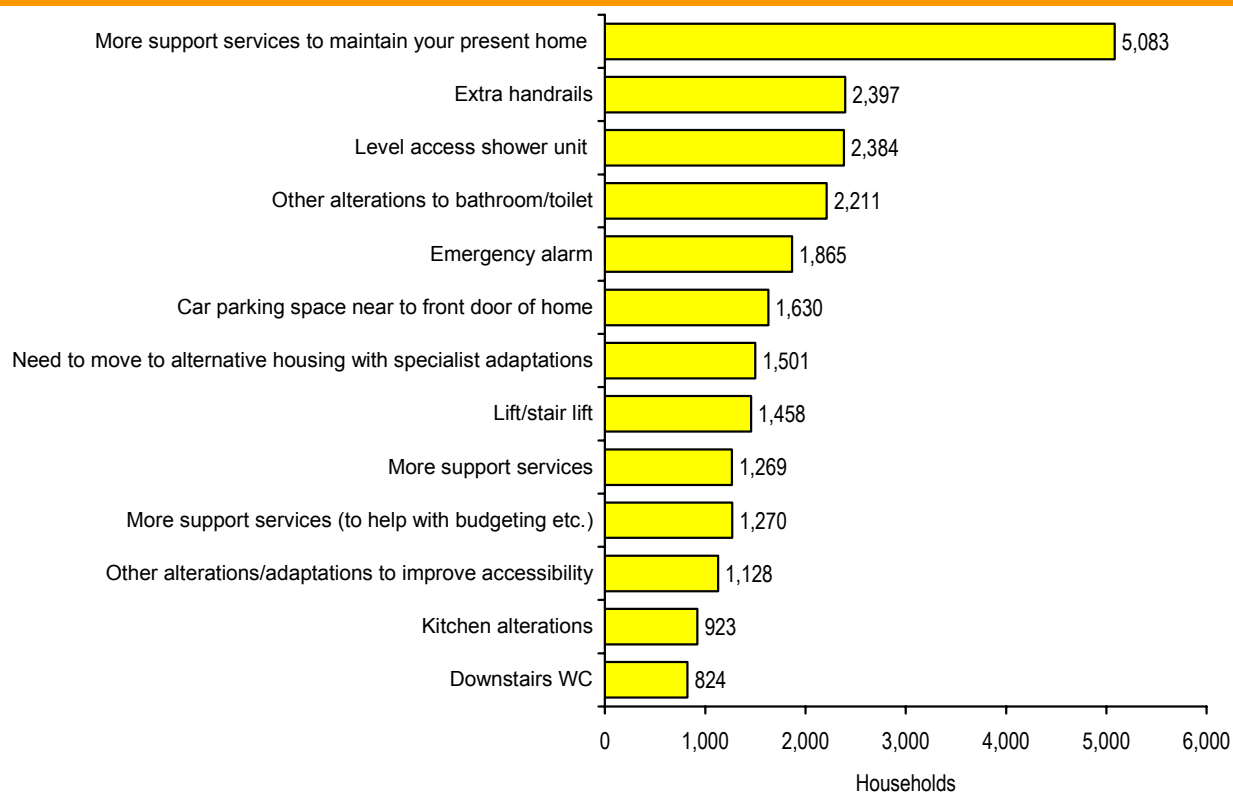
Table 12.5 Income and savings levels of special needs households

Special needs	Annual gross household income	Average household savings
Special needs	£17,438	£26,443
No special needs	£29,887	£29,327

Source: Bournemouth HNDS Fordham Research 2007

Requirements of special needs households

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

Figure 12.1 Special needs households: improvements to accommodation & services

Source: Bournemouth HNDS Fordham Research 2007

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

- More support services (5,083 households – 30.8% of all special needs households)
- Handrails/extra handrails (2,397 households – 14.5% of all special needs households)
- Level access shower unit (2,384 households – 14.4% of all special needs households)

Older person households

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

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

12.19 Just under a third of all households in Bournemouth contain only older people (30.3%) and a further 8.2% contain both older and non-older people. The table below shows the number and percentage of households in each group.

Table 12.6 Older person households		
Categories	Number of households	% of all households
Households without older persons	46,743	61.5%
Households with both older and non-older persons	6,222	8.2%
Households with older persons only	23,035	30.3%
TOTAL	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Characteristics of older person households

12.20 The number of occupants in older person households is shown in the table below. The data suggests that almost all households containing older persons only are comprised of one or two persons only – there are only 45 older person households containing three or more people. Nearly half of all single person households are older person households.

Table 12.7 Size of older person only households					
Number of persons in household	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of total h'holds with older persons	% of those with older persons
One	13,538	13,807	27,344	49.5%	58.8%
Two	9,453	18,869	28,322	33.4%	41.0%
Three	0	9,426	9,426	0.0%	0.0%
Four	45	7,142	7,187	0.6%	0.2%
Five	0	2,659	2,659	0.0%	0.0%
Six or more	0	1,062	1,062	0.0%	0.0%
TOTAL	23,035	52,965	76,000	30.3%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.21 The table below shows the housing tenures of households with older persons. Over three quarters of older person only households are owner-occupiers. The overwhelming majority of these do not have a mortgage. This finding suggests that the potential for equity release schemes in Bournemouth is quite high.

12.22 Another significant finding is the relatively high proportion of social rented accommodation containing older people only. Nearly two-fifths of social rented dwellings contain only older people. This may have implications for future supply of specialised social rented accommodation.

Table 12.8 Older person only households and tenure

Tenure	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of total h'holds with older persons	% of those with older persons
Owner-occupied (no mortgage)	15,823	10,105	25,928	61.0%	68.7%
Owner-occupied (with mortgage)	2,167	25,978	28,145	7.7%	9.4%
Social Rented	3,071	4,702	7,773	39.5%	13.3%
Private rented	1,975	12,179	14,154	14.0%	8.6%
TOTAL	23,035	52,965	76,000	30.3%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

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

Table 12.9 Size of dwellings (number of bedrooms) for older person only households

Number of bedrooms	% of older person households	% of non-older person households
1 bedroom	22.7%	17.9%
2 bedrooms	42.1%	31.4%
3 bedrooms	25.6%	33.3%
4+ bedrooms	9.6%	17.4%
TOTAL	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.24 This information can be further broken down by tenure (for older person households) and this is shown in the table below. The table indicates that whilst the majority of large (three+ bedroom) properties are in the owner-occupied sector there are 321 properties in the social rented sector which may therefore present some opportunity to reduce under-occupation.

Table 12.10 Older person only households size of accommodation and tenure

Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	1,684	7,372	4,898	1,868	15,823
Owner-occupied (with mortgage)	280	1,199	449	238	2,167
Social rented	2,269	481	289	32	3,071
Private rented	990	646	262	77	1,975
TOTAL	5,224	9,698	5,898	2,215	23,035

Source: Bournemouth HNSD Fordham Research 2007

Key worker households

12.25 For the purposes of analysis key workers were defined as people working in any one of 6 categories. These were:

- Nurses and Other NHS staff
- Prison/Probation staff
- Teacher
- Junior and retained fire fighter
- Police Officer
- Social worker, educational physiologist, therapists

12.26 The nature of this study means that the key workers identified within the survey are those that are resident in the district. The data, therefore, includes key workers resident in the Borough who work outside its boundaries and excludes key workers who work in Bournemouth but live outside. The analysis of key workers concentrates on their current housing situation, future demands for housing and affordability.

12.27 In total it is estimated that 7,722 households are headed by a key worker (head of household taken as survey respondent). These households are subject to further analysis in the section below.

12.28 The table below shows the tenure of key worker households. The results indicate that the majority of key worker households (79%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (74%). Key worker households are less likely than non-key worker households to be living in the social rented sector, with similar proportions shown in the private rented sector.

Table 12.11 Tenure of Key worker households

Tenure	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Owner-occupied (no mortgage)	1,439	18.6%	5,188	16.4%
Owner-occupied (with mortgage)	4,633	60.0%	18,296	58.0%
Social Rented	156	2.0%	1,802	5.7%
Private rented	1,494	19.3%	6,269	19.9%
TOTAL	7,722	100.0%	31,554	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Income and affordability of key worker households

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

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

Table 12.12 Income and savings levels of key worker households

Category	Annual gross household income (including non-Housing Benefits)	Average household savings
All key worker household	£42,412	£20,896
All non-key worker (in employment)	£34,971	£19,367
All other households (no-one working)	£17,289	£38,362
All households	£27,183	£28,701

Source: Bournemouth HNDS Fordham Research 2007

12.31 It is possible to consider the ability of key worker households to afford both minimum market prices and intermediate forms of housing and this is presented in the table below for all key worker households.

Table 12.13 Key worker households and ability to afford housing

Category	Number of households	% of households
Afford market housing	6,190	80.2%
Afford intermediate housing	650	8.4%
Social rent only	882	11.4%
Total	7,722	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.32 The table indicates that 80.2% of all key worker households are able to afford entry-level prices in the market. It is interesting to note that of the 1,532 households unable to afford minimum market prices, 57.6% can only afford social rented housing, whilst 42.4% can afford intermediate housing.

Situation of younger people

12.33 For the purpose of this study younger people are defined as those aged between 21 and 35. The survey records that there are 27,056 younger people in Bournemouth.

12.34 The table below presents the working status of younger people in the Borough. The table indicates that over four-fifths of younger people are employed, with the overwhelming majority of these in full-time employment. However there are some 3.4% of younger people that are unemployed.

Table 12.14 Working status of younger people

Working status	Number of people	% of all people
Full-time employment	17,730	65.5%
Part-time employment	2,600	9.6%
Self-employed	1,906	7.0%
Unemployed	910	3.4%
Full-time student	1,151	4.3%
Looking after home/family	1,419	5.2%
Permanently sick/disabled	764	2.8%
Other	509	1.9%
TOTAL	27,056	100.0%

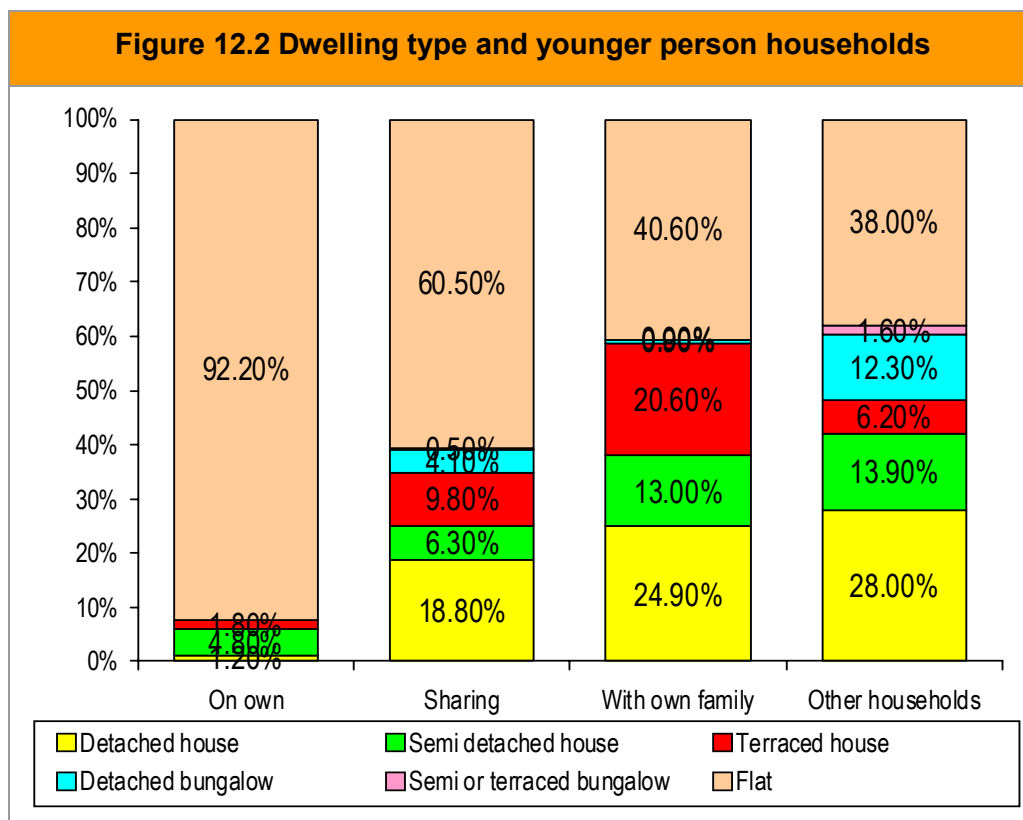
Source: Bournemouth HNDS Fordham Research 2007

12.35 The table below indicates the type of households these younger people live in. The table shows that over 20% of younger people live in a home as a family with their own children, over 40% share their home with other younger people, 12.3% live alone and 22.7% live with their parents or others.

Table 12.15 Type of household younger people reside in		
Type of household	Number of people	% of all people
On own	3,338	12.3%
Sharing house with others the same age	11,717	43.3%
Live in family with own children	5,868	21.7%
Live with parents/others	6,132	22.7%
TOTAL	27,056	100.0%

Source: Bournemouth HNDS Fordham Research 2007

- 12.36 It is possible to examine the housing circumstances of the three clearly defined groupings of younger households; those living on their own, those sharing with other younger people and those living with their own family. This is presented in the following section. The housing implications of the young people living with parents/others are discussed in the section on first-time buyers.
- 12.37 The figure below shows the type of properties in which the three groups of younger households live. The equivalent information is presented for all other households in the Borough for comparison. The figure indicates that younger households are less likely than other households in the Borough to live in detached houses or bungalows and are more likely to live in flats. Over 90% of young people living on their own reside in a flat.



Source: Bournemouth HNSD Fordham Research 2007

12.38 The table below shows the size of accommodation in which the three groups of younger households live. Again the equivalent information is presented for all other households for comparison. The data suggests young single households are particularly likely to live in one bedroom accommodation with over 60% resident in a home this size. All younger households are less likely to live in accommodation with four or more bedrooms than other households in Bournemouth.

Table 12.16 Size of dwellings (number of bedrooms) and young person households

Number of bedrooms	Household type			
	Young on own	Young sharing	Young with own family	Other households
1 bedroom	61.7%	19.1%	4.6%	17.9%
2 bedrooms	33.6%	47.4%	52.4%	32.2%
3 bedrooms	4.7%	21.8%	33.3%	33.3%
4+ bedrooms	0.0%	11.6%	9.7%	16.6%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Bournemouth HNSD Fordham Research 2007

12.39 The table below shows the tenure of the three groups of younger households. The data indicates that all three groups of younger households are less likely than average to own their own home and are more likely than average to be resident in private rented accommodation. Younger persons living with their own family are more likely than average to live in the social rented sector.

Table 12.17 Tenure of younger households				
Tenure	Household type			
	Young on own	Young sharing	Young with own family	Other households
Owner-occupied (no mortgage)	1.2%	1.6%	1.1%	41.7%
Owner-occupied (with mortgage)	63.6%	49.7%	42.9%	33.7%
Social rented	2.0%	1.1%	18.0%	11.2%
Private rented	33.2%	47.7%	38.1%	13.3%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

First time buyers

12.40 The rapid increase in house prices that has been witnessed across most of Britain in the last decade or so has made it harder for households to become owner-occupiers, the most common tenure of choice. This has particularly affected younger people, who are attempting to access the housing market at a time when house price to income ratios are some of the highest in history and they have not had time to accumulate significant savings.

12.41 This section considers the characteristics of recent first-time buyers in the Borough using past-trend information from the survey. It then looks in more detail at those younger households (the typical age bracket that first-time buyers come from in a balanced housing market) looking to purchase their first home in the next two years.

Characteristics of recent first-time buyers

12.42 The survey identifies households that have moved into owner-occupied accommodation from a different tenure in the last two years. It is assumed that all of these households are first-time buyers although a few may have owned a home at some stage previously before a spell of renting.

12.43 The survey records that there are 4,058 households that have become first-time buyers in Bournemouth in the last two years. The table below shows the age of the respondent in first-time buyer households. It shows that 56.8% of respondents are between 20 and 29, whilst 26.3% are between 30 and 39. The average (median) age of respondents in first-time buyer households is 29 years.

Table 12.18 Age of respondent in first-time buyer households		
Respondent age	Number of households	% of all households
Up to 20	0	0.0%
20-29	2,303	56.8%
30-39	1,069	26.3%
40-49	234	5.8%
50 and over	452	11.1%
TOTAL	4,058	100.0%

Source: Bournemouth HNDS Fordham Research 2007

12.44 The average annual income of first-time buyer households is £35,625 which is significantly higher than the average for the Borough of £27,183. The financial situation of those households that have become first-time buyers suggests that households have to be on a high income before they can access owner-occupation and implies that the number of first-time buyers in Bournemouth may be being restricted by the cost of housing.

12.45 Finally the survey indicates that some 47.4% of first-time buyers are using a higher proportion of their income to pay for their housing costs than is recommended by CLG guidance. This indicates that many first-time buyer households are prepared to spend a significant proportion of their income to allow them to enter the property ladder.

Existing younger households aspiring to own

12.46 Although the level of owner-occupation amongst young households is quite high there are likely to be many more younger households that aspire to become owners. The survey indicates that amongst the three groups of younger households analysed above, there are 3,153 households that would like to become owner-occupiers in the next two years.

12.47 The survey suggests that these 3,153 households have an average annual income of £27,944, similar to the Borough average and average savings of £6,096, significantly below the average across the Borough.

12.48 The ability of these potential first-time buyer households to afford owner-occupation in Bournemouth is now examined. The data suggest that just 729 (23.1%) of these households would be able to purchase an appropriately sized home if they were to move now.

Concealed younger households aspiring to own

12.49 The survey data reveals that 3,398 younger households currently living with a host household (commonly parents/relatives) are likely to form within Bournemouth in the next two years. Some 2,330 of these households would like to become owner-occupiers in the next two years.

12.50 The survey indicates that these 2,330 concealed households have an average annual income of £14,623, which is significantly below the average across the Borough. Further analysis reveals that only 31.1% of these households would be able to afford to purchase a home in Bournemouth if they were to move now.

Families with children

Introduction

12.51 PPS3 acknowledges the importance of providing suitable housing for families, especially those with children, to ensure that communities are appropriately mixed. This chapter will briefly consider the current housing situation of families with children in Bournemouth before considering the future housing requirements of this group. This will enable the Council to assess whether the type of new accommodation at a particular site is likely to attract families with children and generate the desired mix.

12.52 For the purposes of this analysis children are defined as those aged under 16 and the chapter will focus on any household with at least one child in it. To provide more detail on what is a large sub-section of the population three different groups of households with children will be analysed. These are lone parent households, households with young children and households with older children. Households with young children are those where the children's age is under 9 or the average age of the children is under 9. Households with older children are those where the children's age is 9 or over or the average age of the children is 9 or over.

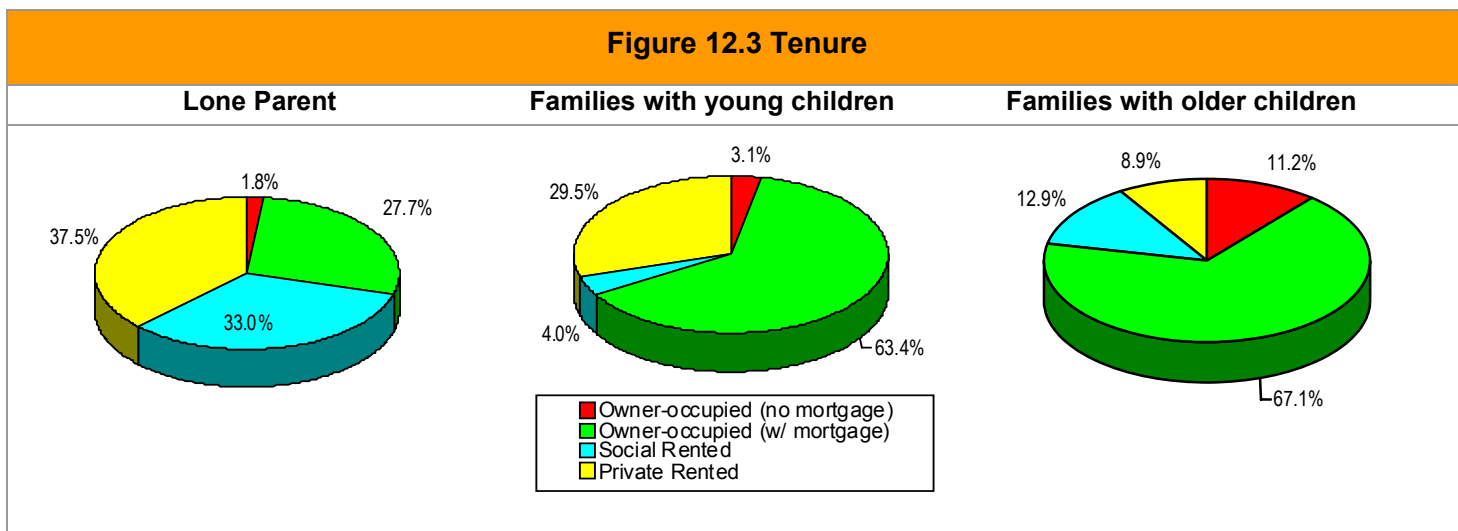
12.53 The table below shows the number of each type of household with children. The survey estimates that there are 13,896 households with children in Bournemouth. Of this 13,896 households 20.8% are lone parents, 39.8% are families with older children with the remaining 39.5% families with younger children.

Table 12.19 Number of families with children		
	Number of households	Percentage of households
Households with children		
Lone parent families	2,884	3.8%
Families with older children	5,525	7.3%
Families with young children	5,487	7.2%
Other households	62,104	81.7%
Total	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Housing circumstances of families with children

12.54 The figure below shows the tenure of the three groups of family households. The results suggest that lone parents are more likely to be living in social rented and private rented accommodation. There is little difference between households containing families with young children and those with older children, although families with older children are more likely to be owner-occupiers without a mortgage, with families with younger children more likely to be in private rented accommodation.



Source: Bournemouth HNDS Fordham Research 2007

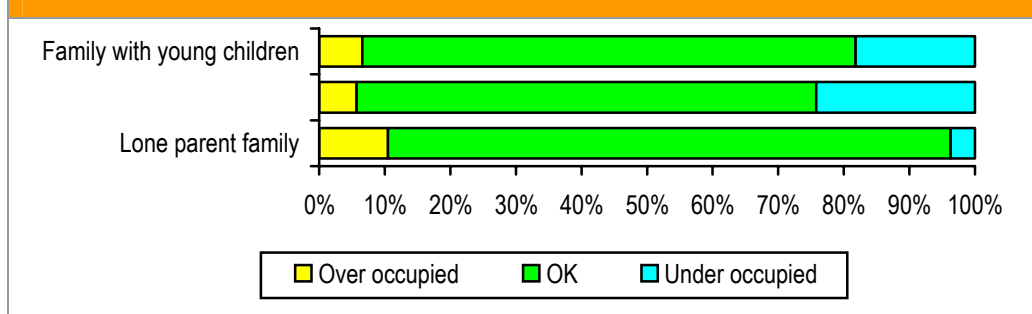
12.55 The table below presents the proportion of families with children living in unsuitable housing. The table indicates that lone parent families are significantly more likely than other family types to be living in unsuitable housing.

Table 12.20 Families with children in unsuitable housing

Unsuitable housing	Households with children		
	Lone parent families	Families with older children	Families with young children
In unsuitable housing	27.4%	13.6%	12.2%
Not in unsuitable housing	72.6%	86.4%	87.8%
TOTAL	100.0%	100.0%	100.0%
Total count	2,884	5,525	5,487

Source: Bournemouth HNDS Fordham Research 2007

12.56 The table below presents the level of overcrowding and under-occupation for families. The table shows lone parent families are slightly more likely to be overcrowded and much less likely to be under-occupying their property.

Figure 12.4 Overcrowded and under-occupying families with children

Source: Bournemouth HNDS Fordham Research 2007

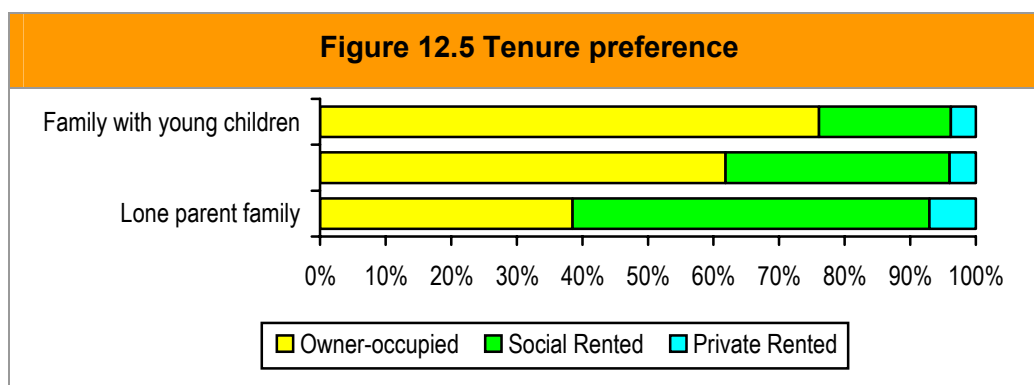
Housing preferences of families with children

12.57 The table below indicates that families with young children and lone parent families are the most likely to need or to be likely to move within the next two years. The results suggest that families with older children are the content to stay in the property for the long term, with 56.2% not needing to move from their present home.

Table 12.21 Moving intentions of families with children			
When need/likely to move	Households with children		
	Lone parent families	Families with older children	Families with young children
Now	8.4%	7.2%	12.1%
Within a year	19.2%	6.5%	17.9%
1 to 2 years	12.5%	9.3%	16.3%
2 to 5 years	10.9%	20.9%	17.4%
No need/not likely to move	49.1%	56.2%	36.3%
TOTAL	100.0%	100.0%	100.0%
Total count	2,884	5,525	5,487

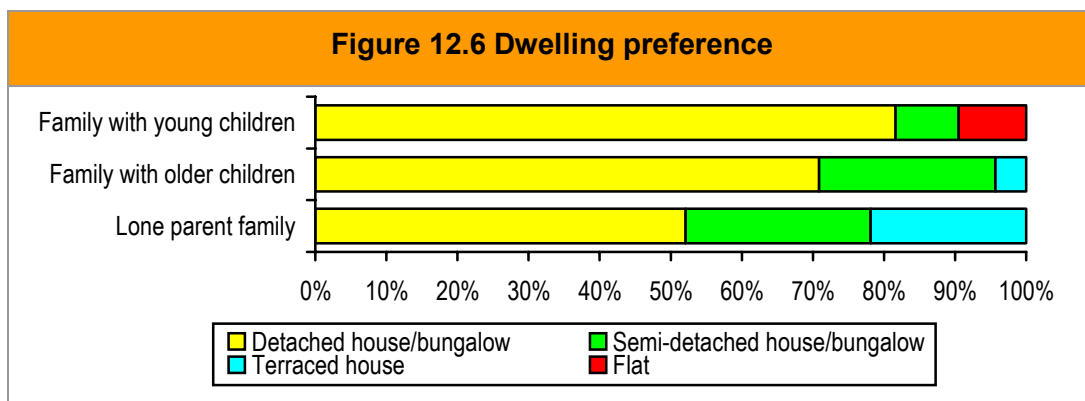
Source: Bournemouth HNDS Fordham Research 2007

12.58 The housing preferences of families with children who stated they were likely or would need to move within the next two years (in terms of tenure, type and size) are presented in the figures below.



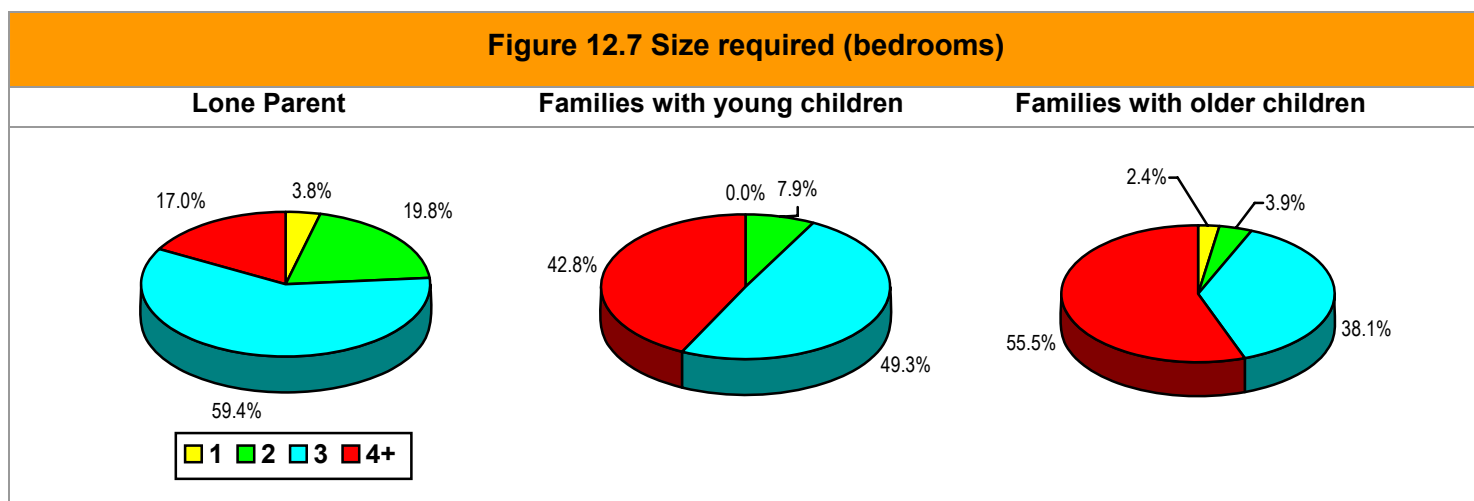
Source: Bournemouth HNDS Fordham Research 2007

12.59 The figure above clearly shows that families with young children (moving in the next two years) are the most likely to prefer owner-occupation, with lone parent families the most likely to prefer social or private renting.



Source: Bournemouth HNDS Fordham Research 2007

12.60 The figure above shows the dwelling type preferences of families with children. Detached properties are the most preferred dwelling type for each family group, but in particular families with younger children. Lone parent families are more likely to prefer semi-detached and terraced houses than other family types.



Source: Bournemouth HNDS Fordham Research 2007

12.61 The figure above shows the number of bedrooms preferred by family households. Two parent families are much more likely to prefer larger properties, with little demand for smaller units. Lone parent families are more likely to prefer smaller dwellings, although the majority prefer a three-bedroom unit.

Summary

12.62 This chapter focused on particular groups of interest to the Council within the population. It showed that:

- There are an estimated 16,510 households in the Bournemouth area with one or more members in an identified special needs group, which represents 21.7% of all households. These households were most likely to state a requirement for more support services
- Approaching a third of households in Bournemouth contain only older people (30.3%). These are almost all comprised of one or two persons, however a significant proportion reside in accommodation with three or more bedrooms. Within the social rented sector there are 321 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation.
- The survey estimates that 7,722 households in Bournemouth are headed by a key worker. Key worker households are more likely than average to be resident in owner-occupation. They also record higher average incomes than other households in employment.
- The survey records that there are 27,056 people between 21 and 35 in Bournemouth. Over four-fifths of these young people are employed and 22.7% live with their parents.
- The average age of recent first-time buyers is 29 years and they required household incomes significantly above the Borough average to get onto the property ladder. Some 47.4% of these households spend over a quarter of their gross household income on their mortgage.
- There are 13,896 households containing families in Bournemouth. Lone parent families generally differ in terms of housing situation and preferences from families with younger children and families with older children. Two parent families are more likely to require owner-occupied larger dwellings, often detached.

SECTION E: IMPLICATIONS OF THE ANALYSIS

This section analyses the housing market gaps revealed, and considers what may fill them, and also provides guidance on updating the results

13. Housing markets gaps and how to fill them

Introduction

- 13.1 It has been a concern of Government for at least two decades that there should be a well functioning 'housing ladder' so that newly forming households could enter the market, and 'climb' towards home ownership, and then move as appropriate up the size scale. This public concern has grown more acute as house prices have risen rapidly especially over the last decade.
- 13.2 This has led to many initiatives to encourage access to the market, and in particular the owner-occupied market. Some two decades of evolution of 'low cost' home ownership and partial ownership (where typically a Registered Social Landlord owns part and the occupant owns the rest) have produced the present structure of tenures encouraged by the Housing Corporation (particularly Open Market HomeBuy and New Build HomeBuy).
- 13.3 This chapter examines the cost of different types and tenures of housing. This is done to provide an updateable benchmark for assessing the affordability of new housing schemes. In order to decide, for instance, whether a new shared ownership (HomeBuy) scheme is intermediate housing or low cost market housing, it is simply necessary to compare the weekly equivalent cost of the proposed scheme with a (suitably updated for inflation etc) figure from the graph and table below.

Variations in prices/rents across the HMA

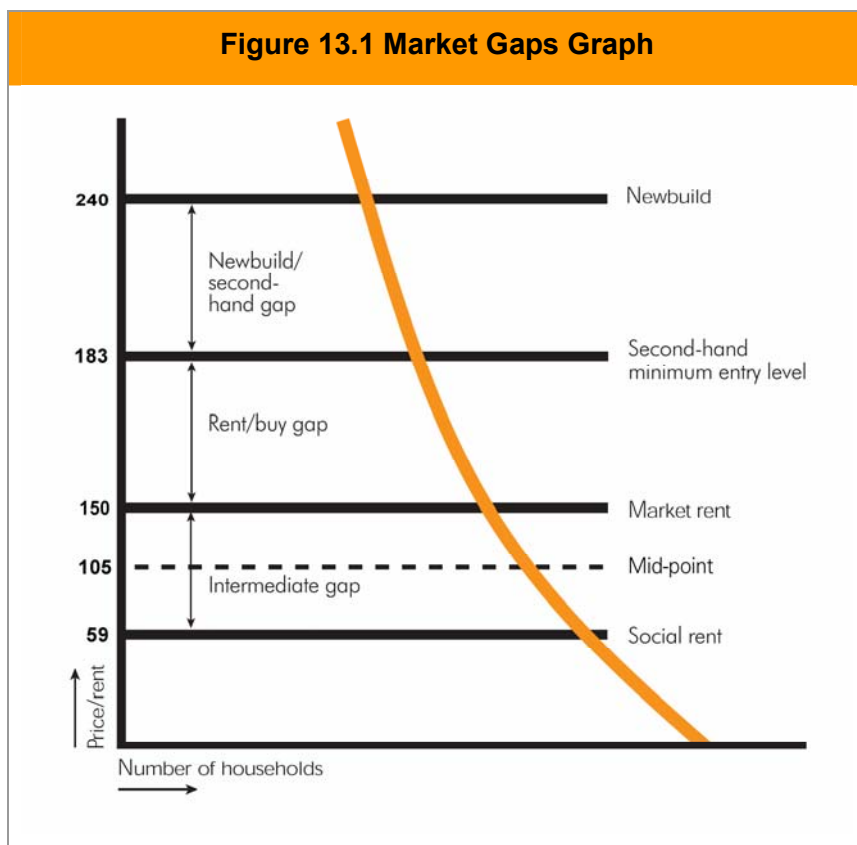
- 13.4 There are clearly variations in the housing market within the HMA. For the purposes of this discussion average prices are assumed, which clearly do not represent all the submarket variations that actually exist. The prices/rents used here are minimum ones. That is because the general purpose of this analysis is to examine what housing ladder exists for households in the HMA to 'climb'. Since the underlying problem is one of inability to afford, the important point is the cheapest one at which a given type of housing (to rent, part buy or buy for instance) can be accessed.

- 13.5 This may seem unrealistic, as a household may be long established in a given area (especially if that area is rural) and not easily accept the idea of a move to any other place, let alone across the entire market area. However that is not the practical likelihood. Any additional housing, whether market or affordable, will be a very small addition to the existing stock. It will help to relieve pressure in its locality, both directly and indirectly by meeting a local demand/need, which will therefore cease to put pressure on supply there and elsewhere. In that way new housing stock, even if not put where the demand/need is greatest, will help in a small way to reduce the overall pressure.
- 13.6 The fact that in practice households may, for instance, choose to private rent in an area they come from, rather than move even a few miles to a place where they could afford a new shared ownership scheme, is not something which analysis in an SHMA can affect. Each district is the housing and planning authority for the whole of that district, and will have its own policy focus.
- 13.7 It would however be an impossible task to ensure that housing in all parts of a district is equally affordable. It is necessary to assume that households who find affordability a problem, will be able to move a little way if the only solution is a new supply.

Housing market gaps

- 13.8 Housing market gaps analysis has been developed by Fordham Research to allow easy comparisons of the costs of the tenure range, in order to facilitate the testing of different newbuild proposals, and to show generally the nature of the housing ladder in a particular locality.
- 13.9 The following figures show a stylized graph designed to illustrate the nature of the housing market gaps in each subarea. The figures are based on:
- i) Plotting the weekly cost of housing for each tenure group (on the vertical y-axis, against the notional numbers of households (illustrated only figuratively by the orange curve) along the horizontal x-axis
 - ii) This is done for 2-bed dwellings only (the weekly costs for the full range of dwelling sizes is shown in Table 13.2 below)
 - iii) The bars on the gap graphs show key tenure distinctions:
 - Newbuild to buy
 - Secondhand to buy
 - Private rental

- Inferred mid-point of intermediate band
 - Social rent
- iv) Between each of the bars is a gap. The main two gaps of interest are:
- The rent/buy gap: households in this gap can afford market rent without the need for Housing Benefit, but cannot afford to buy outright. Hence they are potentially candidates for partial equity forms of housing: shared ownership
 - The intermediate gap: intermediate housing is defined in PPS3 as housing at between a social rent and market rent. Although technically intermediate housing begins at £1 or so below market rent level, housing at such a weekly cost would clearly not be of much use to households in housing need. We put the mid-point on the graph and infer the weekly costs. This normally addresses the needs of rather less than half of those in intermediate housing need, but that is a difficult enough task, as it is difficult to produce newbuild housing at this level of weekly cost.
- v) To enable comparisons, the capital cost of buying new and second hand housing is expressed as a weekly costs (by analogy like a mortgage payment). The technicalities of doing this are shown in the final chapter which explains how to update the base data shown in Table 13.2)
- vi) Table 13.1 below then shows the key gaps: intermediate and rent/buy in terms of their relative size.



13.10 As can be seen from the graphs, there are some major gaps. This discussion ignores the gaps within the owner-occupied market, as they are less problematic than those below the owner-occupation level. The overall level of owner-occupation in England has been about 70% for several decades, despite great efforts by Government, assisted by the housebuilding industry and local authorities to increase the proportion from 70%. The analysis in this report will have shown the difficulties that are faced: the low financial capacity of many non-owner households, who are very far from being able to buy any equity. In the case of those who could afford some equity there is currently some difficulty with Government Guidance, which has not yet clarified what low cost market housing (mentioned as market housing in PPS3) is in specific terms.

13.11 The following table therefore looks only at the intermediate and rent/buy gaps. Above and below that is relatively quite simple!

Table 13.1: Scale of key housing market gaps in The HMA

Area	Social rent/market entry private rent	Rent/buy gap	Social rent/newbuild gap
Bournemouth	254%	122%	407%

Source: Fordham Research Bournemouth HNDS 2007.

Note that these percentages are calculated from the table below for 2-bed dwellings.

- 13.12 The gaps shown in the table above are clearly very large, and it is hard to see how households could easily climb the ladder implied by them. This puts extra pressure on the need to find newbuild housing variants which fill the gaps, rather than appear at each extreme, as discussed below.
- 13.13 The following table provides figures for the full range of sizes and tenures. This table is extremely important for two main reasons:
- It provides a test for any newbuild housing that might seek to provide housing in the intermediate or rent/buy gaps, as to whether it actually does.
 - It provides the basis for updating and monitoring, techniques for which are discussed later in this section.

Table 13.2 Comparative outgoings by tenure

Dwelling size	Tenure				
	Social rent	<i>Mid-point</i>	Private rent	Owner-occupation	Newbuild
	Cost per week	<i>Minimum cost per week</i>	Minimum cost per week	Minimum cost per week	Approx min. cost per week
1 bedroom	£53	<i>£84</i>	£114	£127	£160
2 bedrooms	£59	<i>£105</i>	£150	£183	£240
3 bedrooms	£70	<i>£130</i>	£190	£251	£311
4 bedrooms	£83	<i>£163</i>	£242	£334	£411

Sources are: CORE, survey of estate and letting agents, and Rightmove and other websites. The intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the

How to fill the market gaps

- 13.14 The scale of the housing market gaps in Bournemouth is not the greatest in the country, but still daunting. It is all the more so when it is considered that newbuild housing, on a significant scale, is provided mainly in the form of:

- Newbuild housing to buy

- Social rented housing

- 13.15 In other words newbuild tends to be concentrated at the top and the bottom of the ladder. This has for long been the pattern, and clearly it does not help to reduce the significance of the gaps, as would provision of newbuild in the intermediate or rent/buy gaps. The Barker Review of 2004 demonstrated that no feasible amount of newbuild is likely to reduce prices, i.e. to diminish the existing housing market gaps. Short of a market collapse, the main possibility is the production of newbuild housing in those two gaps.
- 13.16 The main source of housing between these extremes is shared equity as mentioned above (now known as New Build HomeBuy). Although this form of housing is often seen as filling the intermediate gap illustrated in the graph above, it is commonly too expensive for that, and lies instead in the rent/buy gap. This does not remove its value: it can be of use in providing a step in equity ownership towards full scale home ownership, but only on a limited scale.
- 13.17 Discount for sale housing would, based upon the information in Figure 13.1 above, have to be about a 37% discount to be affordable housing (based on two-bed types). In practice the sorts of discount available are 20-30% at most, and so it is most unlikely that discount newbuild could be affordable housing in Bournemouth.
- 13.18 This is confirmed by Liam Sage, an official at the CLG, who wrote (in a comment to Mansfield DC in Nottinghamshire) in January 2007 that he had not found any example of discount sale housing that was affordable:

'In practice I agree that discounted sale models are very unlikely to be affordable, and I have not heard of any'.

- 13.19 The Government has, in PPS3, said that 'low cost market' housing is market housing not affordable housing. It is not yet clear, however, at what point in the market section of the above graph low cost market housing is intended by CLG to be located. However it is clear in Bournemouth that low cost market housing, to be of practical value, would need to be located in the middle of the rent buy gap to be of significant use.

Intermediate rent: a practical possibility

- 13.20 In terms of the general lack of affordable housing products to fill the very wide intermediate gap, we have considered the variant called 'intermediate rent'. This is priced at 80% of the Reference Rent (or "Local Housing Allowance" (LHA) as it will be known as from April 2008). The latter is a figure set for each district by size of dwelling as a basis for calculating Housing Benefit, the subsidy paid to enable households otherwise unable to do so to access housing.

13.21 The size range and weekly costs for the Reference Rents/LHAs closely matches the weekly market rent entry prices shown in Table 4.3. The following are the Reference Rents for Dorset by district.

Table 13.3: Weekly reference rents* (Indicative LHAs) for Dorset, October 2007

BRMA** Area	Room	Number of Rooms***				
		1	2	3	4	5
Bournemouth	£63.00	£121.15	£154.62	£183.46	£253.85	£311.54
Mid Dorset	£68.31	£98.08	£126.92	£155.77	£206.54	£328.85
West Dorset	£73.00	£109.62	£135.00	£155.77	£213.46	£213.46
Yeovil	£60.00	£92.31	£125.77	£147.12	£201.92	£300.00
<p>“Bournemouth” BRMA area covers the LA areas of Bournemouth, Poole, Christchurch, the southern fringe of East Dorset (Wimborne) and Purbeck as far west as Wool.</p> <p>“Mid Dorset” BRMA covers most of North Dorset district, including Shaftesbury, Gillingham, Blandford Forum and Sturminster Newton, as well as the northern part (Cranborne Chase) of East Dorset.</p> <p>“West Dorset” BRMA includes Weymouth & Portland district, the western fringes of Purbeck and North Dorset, and all of West Dorset except the Sherborne area.</p> <p>“Yeovil” BRMA includes the Sherborne area of West Dorset.</p>						

* The appropriate price level for intermediate rented housing in Dorset is stated to be 80% of these rental figures.

** BRMA = Broad Reference Market Area.

*** These figures represent different numbers of bedrooms. The "Room" column covers bedsit or single room accommodation.

Source: Rent Officer, Bournemouth (2007)

13.22 The figures shown above have been used to analyse the affordability of intermediate housing. The detailed analysis was done using the CLG model of housing need.

Table 13.4 Social rented and intermediate housing requirements in Bournemouth

	Social rented	Intermediate housing	Total
Annualised current need	682	16	698
Annualised available stock	202	8	210
Newly arising need	2,993	167	3,160
Future supply	608	25	633
Net shortfall or surplus	2,865	150	3,015
% of net shortfall	95%	5%	100%
Gross annual need	3,675	183	3,858
Gross annual supply	810	33	843
Net annual need	2,865	150	3,015

Source: Bournemouth HNDS Fordham Research 2007

13.23 As can be seen, the proportion of need in Bournemouth (as measured by the CLG model) that could be met through intermediate housing at the levels suggested by the weekly reference rents is low, at about 5%.

Review of how affordable housing can meet the need

13.24 The information on housing gaps can be set against the two measures of need for affordable housing discussed in this report, and against the one practical variant of intermediate housing that seems currently to exist.

13.25 The following table summarises key features of the analysis in this report.

Table 13.5 CLG Needs Model and BHM estimates of annual affordable housing requirement						
Area	CLG Needs model annual requirement	Fordham Research Index (national average: 16)	BHM model annual need for affordable housing	BHM as a fraction of CLG need	BHM proportion of need as intermediate	Proportion of CLG need which can afford intermediate Rent
Bournemouth	3,015	39	718	24%	35%	5% (150 dwgs pa)
Christchurch	243	11	163	67%	48%	9% (22 dwgs pa)
East Dorset	440	12	243	55%	25%	15% (64 dwgs pa)
North Dorset	399	14	220	55%	27%	30% (119 dwgs pa)
Poole	1,199	19	815	68%	45%	13% (159 dwgs pa)
Purbeck	409	21	138	34%	50%	3% (11 dwgs pa)
West Dorset	737	17	542	74%	52%	3% (25 dwgs pa)
Weymouth & Portland	800	28	282	35%	51%	31% (246 dwgs pa)
Dorchester/Weymouth HMA	1,538	21	824	54%	51%	n/a
Bournemouth/Poole HMA	5,704	23	2,234	39%	35%	n/a

Source: Dorset Survey of Housing Need and Demand, Fordham Research 2007. Note: n/a means not available

13.26 This table provides the context for Bournemouth within the overall Dorset analysis. Some general patterns can be observed:

- i) The overall level of housing need is high in most places in Dorset, but in Bournemouth it reaches levels hardly ever found outside Inner London, and then only in the worst parts of that city.
- ii) However the BHM analysis of need shows one of the largest differences with the CLG needs model: the BHM figure is only 24% of the CLG Needs one. In a town with a major private rented sector this is not surprising: there are many households on Housing Benefit in the private rented sector, on shorthold tenancies, who should really be housed in social rented (or in some cases intermediate) housing. This would provide much more satisfactory housing for them. However the situation is not going to change radically in the near future, and so the BHM model outputs are far more realistic. The total number from the BHM model is still very large.
- iii) In principle there is a role for intermediate housing, as defined by CLG (the range between social rent and market rent). However there is little sign of practical housing options within this gap, given that in Bournemouth a discount of at least x% on newbuild market value would be required for the resulting properties to be considered affordable.

13.27 The levels of social rented housing required are not a major issue: most districts in England require more new social rented housing than can be provided. The more problematic issue, from an assessment point of view is the intermediate gap since so few new housing products fit within it. The above table does suggest a degree of light at the end of the tunnel in that intermediate rent would be an option that provides a part of the answer. Clearly it only provides an option at the top end of the intermediate range.

13.28 There is as yet no more than encouragement in PPS3 for the idea of low cost market housing that would fit between private rented and market housing. Clearly there is a considerable demand for it. However it is not yet clear what part of the rent/buy gap, or indeed any part of the gap between market entry private rent and newbuild for sale that CLG envisages to be occupied by low cost market housing.

Profile of household types requiring market housing

13.29 The middle requirement of PPS3 (para 22) can be calculated from the BHM dataset. The requirement is phrased in terms of the *'likely requirement for household types requiring market housing e.g. multi-person, including families and children, single parents and couples'* (expressed as percentages).

13.30 The analysis here is based on the expected moves of households, as set out previously in Chapter 9, when considering household mobility. This subsection uses the same household survey data on future movement expectations, but limits it to the market, and looks at household groups as mentioned in PPS3.

Table 13.6: Gross demand for market housing (per annum by household type

<i>Area</i>	<i>Older persons</i>	<i>Single non-pensioner</i>	<i>Multi adult</i>	<i>Households with children</i>	<i>TOTAL</i>
Bournemouth	930 15.8%	1,477 25.1%	2,375 40.3%	1,111 18.9%	5,892 100.0%
Christchurch	482 30.5%	245 15.5%	545 34.5%	310 19.6%	1,582 100.0%
East Dorset	594 22.5%	299 11.3%	1,018 38.5%	733 27.7%	2,643 100.0%
North Dorset	403 20.4%	299 15.1%	772 39.0%	505 25.5%	1,980 100.0%
Poole	663 15.9%	778 18.7%	1,832 44.0%	889 21.4%	4,162 100.0%
Purbeck	158 13.0%	162 13.4%	530 43.7%	363 29.9%	1,213 100.0%
West Dorset	712 25.5%	462 16.6%	946 33.9%	670 24.0%	2,790 100.0%
Weymouth & Portland	310 17.7%	382 21.8%	581 33.1%	482 27.4%	1,756 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%
Bournemouth/Poole HMA	3,230 18.5%	3,260 18.7%	7,072 40.5%	3,911 22.4%	17,472 100.0%
Dorchester/Weymouth HMA	1,022 22.5%	844 18.6%	1,527 33.6%	1,152 25.3%	4,546 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%

Source: Fordham Research 2008

13.31 It should be noted that these groups are non-overlapping. Thus if a couple are pensioners they go into the 'older persons' category, and not also into the 'multi-adult' one.

13.32 The results show a range of patterns, summarised below:

- i) About 40% of the gross demand is from multi-adult households (Dorset wide). It is the biggest group in all the districts, although the average for the Dorchester/Weymouth HMA is a bit lower: a third rather than 40%.

- ii) The next biggest group is households with children, at county and both HMA levels, although this pattern varies slightly among the districts. The exception is Bournemouth, where the gross demand is higher for 'single non-pensioner' than for families, although both areas of demand are substantial.
- iii) The demand from single-non pensioners is joint third with older persons. This may seem odd, given that household projections show increasing numbers of single people. However a single person household, whether pensioner or not, can arise through the death or departure of a spouse, without any house move at all. That helps to explain this finding.
- iv) The gross demand from older persons is about a fifth, at the county level, but a bit higher in the Dorchester/Weymouth HMA than in the Bournemouth/Poole one. By far the highest demand figure from older persons is in Christchurch, which entirely agrees with the character of that borough as being highly attractive to older people.

13.33 The outputs shown here fulfil the requirement of the middle part of Para 22 of PPS3.

Recent performance

13.34 The statistics on recent levels of housebuilding completions in Bournemouth are as follows:

Table 13.7 Housing Completions in Bournemouth over stated periods						
Gross						
Year	01/02	02/03	03/04	04/05	05/06	01 – 06
Affordable	63	67	155	45	92	422
Private	876	1,034	1,209	1,266	1,135	5,942
Total	939	1,101	1,364	1,311	1,227	5,942
Net						
Affordable	63	67	155	45	92	422
Private	761	855	1,009	1,051	868	4,544
Total	824	922	1,164	1,096	960	4,966

Source: Bournemouth HNDS Fordham Research 2007

Table 13.8 Housing Completions in Dorset (inc. Bournemouth & Poole) over stated periods

Gross						
Year	01/02	02/03	03/04	04/05	05/06	01 – 06
Affordable	347	282	476	251	816	2,172
Private	3,271	3,061	3,706	3,438	3,465	16,941
Total	3,618	3,343	4,182	3,689	4,281	19,113
Net						
Affordable	343	277	473	249	759	2,101
Private	2,959	2,663	3,258	2,971	2,973	14,824
Total	3,302	2,940	3,731	3,220	3,732	16,925

Source: Bournemouth HNDS Fordham Research 2007

13.35 As can be seen, for the most recent year (2005/6) for Bournemouth, of the 960 dwellings completed, some 92 (or 9.6%) were affordable (and 8.5% for the period 2001-6). This is below the Dorset norm, which is 12% for the period 2001-6. It must be considered that new completions will include many sites that are too small to attract a target for affordable housing, and that the total will include planning permissions granted before current levels of target were introduced.

13.36 In relation to the overall need, which from Table 13.5 can be seen as 3,015 per annum ((although the BHM suggests a significantly reduced figure (718) is appropriate to balance the market)) in both cases there is need for a significant increase in the provision of affordable housing. It must be remembered, though, that nationally the production of new affordable housing falls well below the need (however measured), although an increase in the production of affordable housing does seem necessary.

13.37 In terms of market housing Table 11.1 shows that the overall annual requirement (for all housing) is 1,196 and the average for Bournemouth over the past five years from the table above is 993 per annum. Given the constraints on development in Dorset generally this is an impressive performance.

13.38 These figures can also be examined in the context of the Regional Spatial Strategy targets for the area, shown below. From these and the Policy H1 information also from the RSS (June 2006) it can be seen that:

- (i) In producing some 993 dwellings a year Bournemouth is achieving its RSS target
- (ii) In terms of affordable housing the 9.6% achieved in the recent past is significantly below the minimum of 35% required by the RSS.

Table 13.9 Regional Spatial Strategy (RSS) Table 4.1 and Policy H1**Table 4.1 Housing Market Areas, Unitary Authorities and Districts: Housing Totals and Phasing**

	2006-2026 Overall Annual Average Net Dwelling Requirement	2006-2016 Annual Average Net Dwelling Requirement	2016-2026 Annual Average Net Dwelling Requirement
BOURNEMOUTH & POOLE HOUSING MARKET AREA	1,925 – 2,090	2,285	1,565 – 1,895
BOURNEMOUTH	680-780	720	640-840
POOLE	450-500	700	200-300
CHRISTCHURCH	165-180	200	130-160
EAST DORSET IN JSA	260	260	260
ELSEWHERE IN EAST DORSET DISTRICT	10	10	10
PURBECK	105	105	105
NORTH DORSET	255	290	220
WEYMOUTH & DORCHESTER HOUSING MARKET AREA	690	690	690
WEST DORSET	410	410	410
WEYMOUTH & PORTLAND	280	280	280

H1 Affordable Housing

Within the 23,060 dwellings per annum required for the region, at least 7,500 affordable homes per annum will be provided in the period to 2026. Provision will be made for at least 30% of all housing development annually across each local authority area and Housing Market Area to be affordable, with authorities specifying rates up to 60% or higher in areas of greatest need.

Source: South West of England Regional Spatial Strategy 2006

13.39 Following the Examination in Public into the Draft RSS the independent Panel of Inspectors has recommended to the Government that overall housing figures in the South west should be increased by around 23%. In Dorset it is proposed to increase housing targets in the Bournemouth/Poole HMA by around 15% and in the Dorchester/Weymouth HMA by 31%. It is also proposed that provision should be made for at least 35% of all housing development annually to be affordable housing, with authorities specifying rates of 60% or higher in areas of greatest need. While these figures have not been approved by the Secretary of State and so hold no statutory weight, they do signify the possibility that higher housing targets will apply in the South West over the next 20 years.

Summary

- 13.40 There are substantial housing market gaps in Bournemouth which mean that the local housing 'ladder' is not an easy one to climb. This is the case even though the gaps are smaller in relative terms than in some parts of the country.
- 13.41 At the 2-bed level the overall gap from social rent to newbuild purchase ranges from 359% to 448% in different parts of the subregion: all these gaps are very large.
- 13.42 Newbuild housing is mainly available as for sale and as social rent, in other words at the extreme ends of the range. There is little newbuild housing in between. Shared ownership (New Build HomeBuy in Housing Corporation terminology) is the main option. The problem is that this is normally more expensive than market rental due to the newbuild purchase element. Hence it is normally to be seen as 'low cost market' housing in the rent/buy gap, and not intermediate housing.
- 13.43 There is at present little prospect of any newbuild housing being made available in the intermediate band, and even less of its being 'usefully affordable' at the halfway point of that range. This provides a challenge for the future, since there is a need for it.
- 13.44 The Housing Market Gaps analysis provides a template which, suitably updated, provides a lasting basis for testing newbuild housing options in terms of their affordability to fill the various gaps. The most important are the intermediate and rent/buy gaps.
- 13.45 The need for social rented housing is clear. It is also clear that there is a large intermediate gap, and that intermediate rented housing would fill the top end of that intermediate gap.
- 13.46 When demand/need is set against recent performance in Bournemouth, it is seen that there is room for improvement. Although the overall house building is impressive.
- 13.47 Bournemouth has averaged (over the past five years) a higher level of house building than its RSS target, although the proportion of that supplied as affordable housing is significantly below the minimum of 35% set by the RSS.

14. Updating

Introduction

- 14.1 One of the central features of the Guidance is that housing market research should be a continuing process, not just production of a report. This requirement is implied by the Local Development Framework approach and the strong emphasis on flexibility in the response to changing housing market demands (e.g. para 60 of PPS3). This emphasis is mirrored in the Practice Guidance, where Figure 1.1 gives the key outputs but is matched by Figure 1.2 which provides a checklist of the key processes. The last of these process requirements is:

‘Explain how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken’

- 14.2 Monitoring and updating occurs at all levels from national to local. The housing needs and demand study is designed to apply mainly at local authority level, and so the comments in this chapter are directed to that level. However the principles involved apply generally.
- 14.3 The rapid movement of prices and rents, and the key importance of the checklist of (weekly) costs of different tenures/sizes of dwellings provided in this housing needs and demand study, makes it evident that monitoring and updating is an essential part of the process.
- 14.4 The key thing is to update the weekly costs: they are the key to most practical policy decisions on both planning and housing issues.

Updating weekly costs

- 14.5 It has been emphasised through this report that the old focus on price/income ratios is not relevant to housing market studies. A full range of financial information (income, savings and equity) is required to measure the ability to afford. However it has been emphasised that the main focus should be upon comparative prices and rents: what are the housing market gaps and how are they changing? That is what governs the issue of how fast people can ‘climb the housing ladder’.
- 14.6 The most fundamental set of data for monitoring and updating is therefore the tabulation of weekly cost equivalents for purchase and rental. That is the main focus of the updating suggestions here, as it is both (relatively) simple and central. As a first step a couple of related issues will be addressed, followed by specific instruction on the updating process.

Why not update incomes as well as the weekly costs of housing?

- 14.7 The short answer is: because it is not relevant. There is no problem with updating incomes (indices exist for doing so) but it will not help with the question of affordability and policy for newbuild housing generally.
- 14.8 The key point to emphasise is that the issue of affordability is about the different costs to types (and tenures) of housing. Whether a household can afford social rent or outright purchase is a financial matter, but as emphasised in this report, income is only part of the answer to that question: a full range of financial information is required.
- 14.9 From the point of view of planning and housing policy and practice the key updating issue is the relative costs of types/tenures of housing. The housing needs and demand study has indicated the ability to afford housing in general. The policy issues which will arise from day to day are of a different type, for example:
- i) A house builder offers what is stated to be affordable housing of 2 bedrooms at a cost of £X per week. Is it affordable? All that needs to be done is to ensure that the costs are on a comparable and complete weekly basis, and the answer takes a few moments when comparing it with the cost table below.
 - ii) An RSL proposes shared ownership homes at a given price. Again when reduced to an overall weekly cost (including management/service charges) by making the purchase element into a weekly cost, the comparison with the table will soon show if the product is indeed intermediate or low cost market.
 - iii) When negotiating S106 Agreements reference to updated versions of this table will serve the purpose of ensuring that what is agreed to be housing of a given affordability really is
- 14.10 As can be seen, all this important operational policy information can be derived directly from the table there is no need for any elaborate calculation.

How to calculate the updated prices

- 14.11 Before putting the purchase and weekly rent costs on a common basis, as discussed in the next subsection, it is necessary to set out some points on the way in which a reasonable set of updated prices can be derived for a given (probably district) area. The following table sets out some guidance.

Table 14.1 Establishing new prices/rents

1. Prices/rents for each size of dwelling may vary substantially across a district (or Housing Market Area if different), often within short distances. It is therefore necessary to be careful in deriving district wide averages.
2. This tabulation sets out the issues to bear in mind when doing so, and should be treated as a general guide only. Each housing market has its individual characteristics which may suggest a somewhat different approach.
3. For social rents, the figures should be easily available within the Council's records. The points below concern the weekly costs of other tenure groups.
4. Using Rightmove, or similar website, enter the names of the main settlements and request one of the key groupings. In each case the data should be by size of dwelling in the four main size bands indicated in the table below.
 - (i) Market rent
 - (ii) Second hand purchase
 - (iii) Newbuild purchase (in this case there may be only a small sample in some cases, and so a degree of judgement will be necessary. For example there may be over-representation of one type/size of dwelling if there are only a few current housing schemes underway). A simple averaging may be misleading, if there are many sites in one part of a district and few or none in others.
5. Look for the 25th percentile in each case: in other words the 25th from the cheapest. Hence if there were 200 properties in a given band, the 50th would be the chosen one
6. That rent/price is the new figure for the revised table. Where it is a price, rather than a rent, it will need to be turned into a weekly cost using the table below.

Source: Fordham Research 2007

- 14.12 The next section describes a procedure for putting prices into a weekly cost format to enable comparison with rental information. The comparison could equally well be put into capital (i.e. equivalent to purchase) rather than weekly cost terms, but people are more familiar with weekly budgeting, and so weekly costs seem the more sensible approach.

Putting purchase prices on a weekly cost basis

14.13 The following table explains how to put purchase prices on a weekly basis, for insertion into the table.

Table 14.2 Turning the purchase price for a house into a weekly cost

1. Procedure

For interest only mortgage (which is preferable because it represents the cheapest method of entering the sector and therefore the entry level)

Cost of home = C

Interest rate = I

Interest to be on mortgage to be paid per year = P

Weekly Interest payment = W

Number used to derive weekly cost of owner-occupation = N

$C \cdot I = P$

$P/52 = W$

$W/C = N$

2. Example of how it works

For example on a £50,000 home with an interest only mortgage rate of 5.99% the yearly payment will be £2,995, which equates to £57.60 per week.

Source: Fordham Research 2007

14.14 Once a full set of weekly costs has been obtained, this can be compared with the weekly costs table in the previous chapter, and rates of change in different parts of the size/tenure spectrum assessed. If the local housing market is strongly differentiated, this may need to be done for several submarkets.

Policy use of the information

14.15 The revised table can be referred to in policy documents as a basic tool for assessing affordability. As emphasised above, it is not necessary to add income or other financial information. If the housing is cheaper than a given threshold, then it is affordable to the groups in question (those who can afford intermediate housing, or low cost market housing for example).

14.16 The revised table will, like that in this housing needs and demand study, represent a central policy tool both for the local authority to check the affordability of different types of housing (e.g. intermediate or low cost market) and for private sector bodies to check the affordability of what they are offering. This tabulation should provide a neutral basis for comparison of alternative packages whether of market or affordable housing.

Summary

14.17 It is an important feature of housing research that it be a continuing process, not a 'one shot' report. Updating and monitoring is therefore a key feature of that process. Strategies are needed for regular monitoring and updating, and triggers may be added where rapid changes are noted.

14.18 Updating the primary data is not easily carried out, as it is a technical exercise. This is not a serious drawback as the structure of a housing market does not usually change fundamentally in less than about five years. As a result, most market responses are due to changes in weekly costs of housing.

14.19 The key statistic is the weekly cost of different tenures/sizes of dwelling. It is not, as is still sometimes thought], price income ratios. It is therefore essential to be able to update the key table of weekly costs in this housing needs and demand study. A simple procedure is set out for doing this.

Glossary

[This Glossary aims to define terms used in the report. Where there is an existing definition (e.g. in Government Guidance) references is made to it. Otherwise the terms are defined simply in the way used in the report]

County

This term is used to mean the historic county of Dorset in most cases in this report. The administrative County Council which leads the Steering Group that commissioned this study does not administer the separate unitary councils of Bournemouth and Poole. However the data and analysis described as being for the 'county' includes all of the historic county, including Bournemouth and Poole.

Affordability

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

Affordable housing

Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire). [There is an ambiguity in PPS3: Housing, where 'intermediate housing' is defined as being below market entry to rent, while 'affordable housing' is defined to be below the threshold to buy (normally much higher than the private rental one). But in principle the Guidance defines affordable housing as below the market threshold, and rationally speaking, that includes the private rented as well as purchase sectors].

Annual need

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

Average

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

Balanced Housing Market model

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

Bedroom standard

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

Concealed household

A household that currently lives within another household but has a preference to live independently and is unable to afford appropriate market housing.

Current need

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

Demand

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

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

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

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

Disaggregation

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

Entry level market housing.

The survey of prices and rents is focussed on 'entry level' prices/rents. That is to say the price/rent at which there is a reasonable supply of dwellings in reasonable condition. The purpose of this approach is to ensure that when assessments are made of say first time buyers, that the prices are the appropriate ones for the typical members of this group. Thus it would in many areas involve second-hand terraced housing, rather than newbuild, which would be much more expensive. Testing affordability against newbuild would clearly produce an underestimate of those who could afford to buy.

Financial capacity

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

Forecast

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

Grossing-up

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

Headship rates

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

Household

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

Household formation

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

(A) household living within another household

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

Households sharing

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

Housing demand

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

Housing Market Area

The geographical area in which a substantial majority of the employed population both live and work, and where most of those changing home without changing employment choose to stay. In the local context the Council areas of Weymouth and Dorchester have been designed as a housing market area, although sub-markets exist within this boundary.

Housing need

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

Housing Register

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

Housing size

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

Housing type

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

Income

Income means gross household income unless otherwise qualified

Intermediate Housing

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

Lending multiplier

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

Lower quartile

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

Market housing/low cost market housing

This is defined by CLG as anything not affordable. In the Housing Gaps Figure: anything above market entry. CLG has not defined 'low cost market' other than that it falls within the market range. Since this is very wide, it is not very helpful. The most useful kind of low cost market would be that which falls into the rent/buy gap on the Housing Gaps Figure. Shared ownership would provide a partial equity solution for those unable to afford second hand entry level purchase, for example.

Mean

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

Median

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

Migration

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

Net need

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

Newly arising need

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

Non-self-contained accommodation

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

Overcrowding

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

Primary data

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

Potential households

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

Projection

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

Random sample

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

Relets

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

Rounding error

Totals in tables may differ by small amounts (typically one) due to the fact that fractions have been added together differently. Thus a table total may say 2011, and if the individual cell figures are added the total may come to 2012. This is quite normal and is a result of the computer additions made. Figures should never be taken to be absolutely accurate. No such state exists. The figures in this document are robust estimates not absolutely precise ones. The usual practice is to use the stated total (in the above case 2011) rather than the figure of 2012 to which the individual figures sum. That is because the total will have resulted from a rounding after all the fractions are taken fully into account.

Sample survey

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

Sampling frame

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

Secondary data

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

Shared equity schemes

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

SHMA (Strategic Housing Market Assessment)

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

Social rented housing

PPS3 defines social rented housing as 'rented housing owned by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime, the proposals set out in the Three Year review of Rent Restructuring (July 2004) were implemented in policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant'

Special Needs

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

Stratified sample

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

Specialised housing

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

Supporting People

This term refers to a programme launched in 2003 which aims to provide a better quality of life for vulnerable people by aiding them to live independently and maintain their tenancies/current home life. The programme covers a wide variety of vulnerable people from travellers, to young people at risk, to those with HIV or AIDS. Supporting People provide housing related support in many different forms but include enabling individuals to access their correct benefits entitlement, ensuring they have the correct skills to manage their tenancy and providing advice on property adaptations.

Under-occupation

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

Unsuitably housed households

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

Definitions

ABI - Annual Business Inquiry

BME - Black and Minority Ethnic

CBL - Choice Based Lettings

CORE - The Continuous Recording System (Housing association and local authority lettings/new tenants)

DETR - Department of the Environment, Transport and the Regions

GIS - Geographical Information Systems

HMO - Households in Multiple Occupation

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

LCHO - Low Cost Home Ownership

LDF - Local Development Framework

NeSS - Neighbourhood Statistics Service

NHSCR - National Health Service Central Register

NOMIS - National On-line Manpower Information System

NROSH - National Register of Social Housing

ODPM - Office of the Deputy Prime Minister

ONS - Office for National Statistics

PPS - Planning Policy Statement

RSL - Registered Social Landlord

RSR - Regulatory and Statistical Return (Housing Corporation)

RTB - Right to Buy

SEH - Survey of English Housing

TTWA - Travel to Work Area

Appendix A1 Ward Level Data

Introduction

A1.1 This appendix provides details of the key survey findings at ward level. Although the sample sizes are generally good at ward level (and all (bar one) are above the suggested figure of 100 in CLG guidance) care should be taken when interpreting the results as the findings at this level are subject to a greater degree of 'error' when compared with the figures presented in the main body of the report for all households in the Borough.

Number of households and sample size

A1.2 The table below shows the estimated number of households in each area and the number of returns from the postal survey. The largest ward in household terms is East Cliff & Springbourne (with 5,423 households) followed by Westbourne and West Cliff. All of the eighteen areas have a household population of over 3,000. In terms of sample sizes it can be seen that these vary from 112 in Redhill & Northbourne and Westbourne and West Cliff to 96 in Boscombe East.

Table A1.1 Number of households in each ward and sample size

Ward	Number of households	% of households	Sample size	% of sample
Boscombe East	4,510	5.9%	96	5.1%
Boscombe West	3,978	5.2%	100	5.3%
Central	4,619	6.1%	103	5.5%
East Cliff & Springbourne	5,423	7.1%	101	5.4%
East Southbourne & Tuckton	4,489	5.9%	109	5.8%
Kinson North	4,230	5.6%	101	5.4%
Kinson South	4,288	5.6%	106	5.6%
Littledown & Iford	4,008	5.3%	107	5.7%
Moordown	3,837	5.0%	105	5.6%
Queens Park	4,402	5.8%	102	5.4%
Redhill & Northbourne	4,010	5.3%	112	5.9%
Strouden Park	3,955	5.2%	110	5.8%
Talbot & Branksome Woods	4,013	5.3%	104	5.5%
Throop & Muscliff	3,684	4.8%	108	5.7%
Wallisdown & Winton West	3,724	4.9%	103	5.5%
West Southbourne	3,776	5.0%	101	5.4%
Westbourne & West Cliff	5,280	6.9%	112	5.9%
Winton East	3,775	5.0%	105	5.6%
Total	76,000	100.0%	1,885	100.0%

Tenure

A1.3 The table below shows the estimated tenure split in each of the 18 wards. The results show significant differences in the tenure profile of households in different locations within the Borough. The proportion of owner-occupiers without a mortgage varies from 14.5% in Boscombe West to 52.4% in East Southbourne & Tuckton whilst the proportion of owners with a mortgage varies from 25.7% in Central to 46.7% in Winton East. In the rented sector the proportion of social renting tenants varies from 2.6% in East Southbourne & Tuckton and Westbourne & West Cliff to 37.9% in Kinson South whilst the private rented sector varies in proportion from 2.8% in Kinson North to 51.5% in Boscombe West.

Table A1.2 Tenure by ward

Ward	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	1,481	32.8%	1,654	36.7%	204	4.5%	1,171	26.0%	4,510	100.0%
Boscombe West	576	14.5%	1,094	27.5%	257	6.5%	2,051	51.5%	3,978	100.0%
Central	1,283	27.8%	1,186	25.7%	606	13.1%	1,544	33.4%	4,619	100.0%
East Cliff & Springbourne	1,810	33.4%	1,769	32.6%	392	7.2%	1,452	26.8%	5,423	100.0%
East Southbourne & Tuckton	2,350	52.4%	1,428	31.8%	116	2.6%	595	13.3%	4,489	100.0%
Kinson North	1,949	46.1%	1,144	27.0%	1,020	24.1%	116	2.8%	4,230	100.0%
Kinson South	1,179	27.5%	1,328	31.0%	1,624	37.9%	157	3.7%	4,288	100.0%
Littledown & Iford	2,038	50.9%	1,457	36.3%	120	3.0%	393	9.8%	4,008	100.0%
Moordown	1,447	37.7%	1,510	39.4%	250	6.5%	630	16.4%	3,837	100.0%
Queens Park	1,108	25.2%	2,047	46.5%	495	11.2%	752	17.1%	4,402	100.0%
Redhill & Northbourne	1,637	40.8%	1,767	44.1%	226	5.6%	381	9.5%	4,010	100.0%
Strouden Park	1,424	36.0%	1,627	41.1%	769	19.5%	134	3.4%	3,955	100.0%
Talbot & Branksome Woods	1,547	38.6%	1,650	41.1%	219	5.5%	597	14.9%	4,013	100.0%
Throop & Muscliff	1,309	35.5%	1,884	51.1%	193	5.2%	298	8.1%	3,684	100.0%
Wallisdown & Winton West	1,094	29.4%	1,700	45.7%	714	19.2%	215	5.8%	3,724	100.0%
West Southbourne	916	24.2%	1,710	45.3%	295	7.8%	856	22.7%	3,776	100.0%
Westbourne & West Cliff	2,114	40.0%	1,428	27.0%	139	2.6%	1,600	30.3%	5,280	100.0%
Winton East	664	17.6%	1,762	46.7%	135	3.6%	1,214	32.2%	3,775	100.0%
Total	25,928	34.1%	28,145	37.0%	7,773	10.2%	14,154	18.6%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Dwelling types

A1.4 The tables below show how the type of accommodation in each ward varies across the Borough. The results indicate that the proportion of detached houses or bungalows varies from 1.7% in Central to 75.1% in Redhill & Northbourne. Central records the highest proportion of flats at 92.6%, whilst the lowest proportion are found in Throop & Muscliff.

Table A1.3 Dwelling type by ward (households)							
Ward	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Boscombe East	1,185	683	403	37	0	2,201	4,510
Boscombe West	149	401	155	80	26	3,168	3,978
Central	35	101	164	42	0	4,277	4,619
East Cliff & Springbourne	584	579	371	81	0	3,807	5,423
East Southbourne & Tuckton	1,701	192	118	809	35	1,634	4,489
Kinson North	394	1,118	436	1,405	255	622	4,230
Kinson South	253	1,199	792	1,005	192	847	4,288
Littledown & Iford	2,276	707	36	455	0	535	4,008
Moordown	2,149	423	31	323	0	912	3,837
Queens Park	1,283	734	152	0	0	2,233	4,402
Redhill & Northbourne	1,495	298	165	1,515	58	479	4,010
Strouden Park	1,385	462	622	662	137	687	3,955
Talbot & Branksome Woods	1,311	128	305	163	61	2,045	4,013
Throop & Muscliff	870	941	870	630	107	266	3,684
Wallisdown & Winton West	1,355	366	238	494	90	1,181	3,724
West Southbourne	1,119	738	184	92	28	1,616	3,776
Westbourne & West Cliff	130	0	256	72	35	4,787	5,280
Winton East	1,879	599	96	24	28	1,148	3,775
Total	19,553	9,668	5,393	7,888	1,051	32,447	76,000

Source: Bournemouth HNDS Fordham Research 2007

Table A1.4 Dwelling type by ward (percentages)

Ward	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Boscombe East	26.3%	15.2%	8.9%	0.8%	0.0%	48.8%	100.0%
Boscombe West	3.7%	10.1%	3.9%	2.0%	0.6%	79.6%	100.0%
Central	0.8%	2.2%	3.5%	0.9%	0.0%	92.6%	100.0%
East Cliff & Springbourne	10.8%	10.7%	6.8%	1.5%	0.0%	70.2%	100.0%
East Southbourne & Tuckton	37.9%	4.3%	2.6%	18.0%	0.8%	36.4%	100.0%
Kinson North	9.3%	26.4%	10.3%	33.2%	6.0%	14.7%	100.0%
Kinson South	5.9%	28.0%	18.5%	23.4%	4.5%	19.7%	100.0%
Littledown & Iford	56.8%	17.6%	0.9%	11.3%	0.0%	13.3%	100.0%
Moordown	56.0%	11.0%	0.8%	8.4%	0.0%	23.8%	100.0%
Queens Park	29.1%	16.7%	3.5%	0.0%	0.0%	50.7%	100.0%
Redhill & Northbourne	37.3%	7.4%	4.1%	37.8%	1.4%	11.9%	100.0%
Strouden Park	35.0%	11.7%	15.7%	16.7%	3.5%	17.4%	100.0%
Talbot & Branksome Woods	32.7%	3.2%	7.6%	4.1%	1.5%	51.0%	100.0%
Throop & Muscliff	23.6%	25.6%	23.6%	17.1%	2.9%	7.2%	100.0%
Wallisdown & Winton West	36.4%	9.8%	6.4%	13.3%	2.4%	31.7%	100.0%
West Southbourne	29.6%	19.5%	4.9%	2.4%	0.7%	42.8%	100.0%
Westbourne & West Cliff	2.5%	0.0%	4.8%	1.4%	0.7%	90.7%	100.0%
Winton East	49.8%	15.9%	2.5%	0.6%	0.7%	30.4%	100.0%
Total	25.7%	12.7%	7.1%	10.4%	1.4%	42.7%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Household type

A1.5 The tables below show the variation in the type of household resident in each ward. The tables show that the proportion of pensioner households varies from 14.7% in Winton East to 45.7% in Kinson North, whilst the proportion of households containing children varies from 3.4% in Central to 29.0% in Kinson South.

Table A1.5 Household type by ward (households)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Boscombe East	667	629	927	1,345	219	351	373	4,510
Boscombe West	630	195	1,569	1,145	172	195	71	3,978
Central	1,202	803	1,328	1,128	104	0	53	4,619
East Cliff & Springbourne	822	579	1,163	2,026	108	436	288	5,423
East Southbourne & Tuckton	832	991	558	1,408	52	183	465	4,489
Kinson North	1,042	894	422	1,419	165	147	140	4,230
Kinson South	773	591	600	1,076	458	332	456	4,288
Littledown & Iford	732	770	448	1,334	130	363	231	4,008
Moordown	755	221	326	1,515	141	317	563	3,837
Queens Park	610	366	754	1,795	150	469	258	4,402
Redhill & Northbourne	749	522	489	1,450	169	232	398	4,010
Strouden Park	616	565	429	1,476	146	354	369	3,955
Talbot & Branksome Woods	616	496	621	1,510	120	340	310	4,013
Throop & Muscliff	565	287	841	983	40	424	543	3,684
Wallisdown & Winton West	633	471	608	1,342	69	298	304	3,724
West Southbourne	655	264	637	1,201	291	426	301	3,776
Westbourne & West Cliff	1,241	692	1,725	1,324	0	230	67	5,280
Winton East	396	159	363	1,783	350	306	418	3,775
Total	13,538	9,498	13,807	25,262	2,884	5,404	5,609	76,000

Source: Bournemouth HNDS Fordham Research 2007

Table A1.6 Household type by ward (percentages)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Boscombe East	14.8%	14.0%	20.5%	29.8%	4.8%	7.8%	8.3%	100.0%
Boscombe West	15.8%	4.9%	39.4%	28.8%	4.3%	4.9%	1.8%	100.0%
Central	26.0%	17.4%	28.8%	24.4%	2.2%	0.0%	1.2%	100.0%
East Cliff & Springbourne	15.2%	10.7%	21.4%	37.4%	2.0%	8.0%	5.3%	100.0%
East Southbourne & Tuckton	18.5%	22.1%	12.4%	31.4%	1.2%	4.1%	10.4%	100.0%
Kinson North	24.6%	21.1%	10.0%	33.6%	3.9%	3.5%	3.3%	100.0%
Kinson South	18.0%	13.8%	14.0%	25.1%	10.7%	7.7%	10.6%	100.0%
Littledown & Iford	18.3%	19.2%	11.2%	33.3%	3.2%	9.0%	5.8%	100.0%
Moordown	19.7%	5.7%	8.5%	39.5%	3.7%	8.3%	14.7%	100.0%
Queens Park	13.9%	8.3%	17.1%	40.8%	3.4%	10.7%	5.9%	100.0%
Redhill & Northbourne	18.7%	13.0%	12.2%	36.2%	4.2%	5.8%	9.9%	100.0%
Strouden Park	15.6%	14.3%	10.8%	37.3%	3.7%	8.9%	9.3%	100.0%
Talbot & Branksome Woods	15.4%	12.4%	15.5%	37.6%	3.0%	8.5%	7.7%	100.0%
Throop & Muscliff	15.3%	7.8%	22.8%	26.7%	1.1%	11.5%	14.7%	100.0%
Wallisdown & Winton West	17.0%	12.7%	16.3%	36.0%	1.8%	8.0%	8.2%	100.0%
West Southbourne	17.4%	7.0%	16.9%	31.8%	7.7%	11.3%	8.0%	100.0%
Westbourne & West Cliff	23.5%	13.1%	32.7%	25.1%	0.0%	4.3%	1.3%	100.0%
Winton East	10.5%	4.2%	9.6%	47.2%	9.3%	8.1%	11.1%	100.0%
Total	17.8%	12.5%	18.2%	33.2%	3.8%	7.1%	7.4%	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Household size

A1.6 The table below shows the variation in the size of household resident in each ward. The tables show that the proportion of one person households varies from 20.1% in Winton East to 56.2% in Westbourne & West Cliff, whilst the proportion of households containing four or more people varies from 2.7% in Central to 28.5% in Westbourne & West Cliff.

Table A1.7 Household size by ward										
Ward	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	1,593	35.3%	1,506	33.4%	614	13.6%	796	17.7%	4,510	100.0%
Boscombe West	2,199	55.3%	1,349	33.9%	131	3.3%	299	7.5%	3,978	100.0%
Central	2,530	54.8%	1,830	39.6%	136	2.9%	122	2.7%	4,619	100.0%
East Cliff & Springbourne	1,985	36.6%	2,541	46.9%	490	9.0%	407	7.5%	5,423	100.0%
East Southbourne & Tuckton	1,390	31.0%	1,902	42.4%	449	10.0%	750	16.7%	4,489	100.0%
Kinson North	1,464	34.6%	1,949	46.1%	581	13.7%	236	5.6%	4,230	100.0%
Kinson South	1,374	32.0%	1,403	32.7%	634	14.8%	878	20.5%	4,288	100.0%
Littledown & Iford	1,180	29.4%	1,641	41.0%	592	14.8%	595	14.8%	4,008	100.0%
Moordown	1,081	28.2%	1,090	28.4%	744	19.4%	922	24.0%	3,837	100.0%
Queens Park	1,364	31.0%	1,496	34.0%	751	17.1%	791	18.0%	4,402	100.0%
Redhill & Northbourne	1,238	30.9%	1,826	45.5%	463	11.5%	484	12.1%	4,010	100.0%
Strouden Park	1,045	26.4%	1,532	38.7%	648	16.4%	730	18.5%	3,955	100.0%
Talbot & Branksome Woods	1,237	30.8%	1,658	41.3%	341	8.5%	777	19.4%	4,013	100.0%
Throop & Muscliff	1,406	38.2%	1,005	27.3%	688	18.7%	584	15.8%	3,684	100.0%
Wallisdown & Winton West	1,241	33.3%	1,371	36.8%	466	12.5%	646	17.3%	3,724	100.0%
West Southbourne	1,293	34.2%	1,239	32.8%	674	17.9%	570	15.1%	3,776	100.0%
Westbourne & West Cliff	2,967	56.2%	1,691	32.0%	376	7.1%	247	4.7%	5,280	100.0%
Winton East	759	20.1%	1,292	34.2%	650	17.2%	1,075	28.5%	3,775	100.0%
Total	27,344	36.0%	28,322	37.3%	9,426	12.4%	10,908	14.4%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Overcrowding and under-occupation

A1.7 It can be seen in the table below that overcrowding is relatively uncommon in Bournemouth, and therefore figures for the number of overcrowded households should be treated with caution. The highest proportions of overcrowded households were in Kinson South and Wallisdown & Winton West. Under-occupation was much more common; it was notably less common in the Central and Westbourne & West Cliff wards.

Table A1.8 Overcrowding/under-occupation by ward

Ward	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Boscombe East	180	4.0%	3,037	67.3%	1,293	28.7%	4,510	100.0%
Boscombe West	200	5.0%	3,243	81.5%	536	13.5%	3,978	100.0%
Central	79	1.7%	4,197	90.9%	342	7.4%	4,619	100.0%
East Cliff & Springbourne	89	1.6%	4,114	75.9%	1,220	22.5%	5,423	100.0%
East Southbourne & Tuckton	147	3.3%	2,787	62.1%	1,556	34.7%	4,489	100.0%
Kinson North	54	1.3%	2,910	68.8%	1,266	29.9%	4,230	100.0%
Kinson South	266	6.2%	3,094	72.2%	928	21.6%	4,288	100.0%
Littledown & Iford	97	2.4%	1,855	46.3%	2,056	51.3%	4,008	100.0%
Moordown	42	1.1%	2,596	67.7%	1,198	31.2%	3,837	100.0%
Queens Park	97	2.2%	2,781	63.2%	1,524	34.6%	4,402	100.0%
Redhill & Northbourne	82	2.0%	2,288	57.0%	1,641	40.9%	4,010	100.0%
Strouden Park	31	0.8%	2,596	65.6%	1,328	33.6%	3,955	100.0%
Talbot & Branksome Woods	0	0.0%	2,452	61.1%	1,561	38.9%	4,013	100.0%
Throop & Muscliff	0	0.0%	2,410	65.4%	1,274	34.6%	3,684	100.0%
Wallisdown & Winton West	216	5.8%	2,604	69.9%	904	24.3%	3,724	100.0%
West Southbourne	30	0.8%	2,455	65.0%	1,291	34.2%	3,776	100.0%
Westbourne & West Cliff	0	0.0%	4,739	89.8%	541	10.2%	5,280	100.0%
Winton East	78	2.1%	2,570	68.1%	1,127	29.9%	3,775	100.0%
Total	1,688	2.2%	52,727	69.4%	21,585	28.4%	76,000	100.0%

Source: Bournemouth HNSD Fordham Research 2007

Household mobility

A1.8 The table below shows that by far the most mobile population, based on past trends, is found in West Southbourne (with 45.0% having moved to their current accommodation in the last two years). The ward of Littledown & Iford showed the most stable population, with 78.5% having lived at their present address for over 5 years.

Table A1.9 Length of residence by ward

Ward	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	659	14.6%	682	15.1%	1,065	23.6%	2,103	46.6%	4,510	100.0%
Boscombe West	733	18.4%	821	20.6%	1,002	25.2%	1,422	35.7%	3,978	100.0%
Central	1,175	25.5%	389	8.4%	1,120	24.2%	1,934	41.9%	4,619	100.0%
East Cliff & Springbourne	745	13.7%	569	10.5%	1,560	28.8%	2,549	47.0%	5,423	100.0%
East Southbourne & Tuckton	450	10.0%	403	9.0%	831	18.5%	2,805	62.5%	4,489	100.0%
Kinson North	433	10.2%	373	8.8%	827	19.6%	2,596	61.4%	4,230	100.0%
Kinson South	357	8.3%	275	6.4%	823	19.2%	2,833	66.1%	4,288	100.0%
Littledown & Iford	156	3.9%	285	7.1%	421	10.5%	3,146	78.5%	4,008	100.0%
Moordown	419	10.9%	695	18.1%	657	17.1%	2,065	53.8%	3,837	100.0%
Queens Park	738	16.8%	462	10.5%	916	20.8%	2,287	52.0%	4,402	100.0%
Redhill & Northbourne	514	12.8%	246	6.1%	1,017	25.4%	2,232	55.7%	4,010	100.0%
Strouden Park	254	6.4%	341	8.6%	534	13.5%	2,826	71.4%	3,955	100.0%
Talbot & Branksome Woods	661	16.5%	412	10.3%	821	20.5%	2,119	52.8%	4,013	100.0%
Throop & Muscliff	258	7.0%	558	15.1%	604	16.4%	2,264	61.4%	3,684	100.0%
Wallisdown & Winton West	390	10.5%	296	7.9%	588	15.8%	2,450	65.8%	3,724	100.0%
West Southbourne	952	25.2%	747	19.8%	497	13.2%	1,580	41.8%	3,776	100.0%
Westbourne & West Cliff	1,250	23.7%	418	7.9%	1,550	29.4%	2,062	39.1%	5,280	100.0%
Winton East	702	18.6%	326	8.6%	730	19.3%	2,016	53.4%	3,775	100.0%
Total	10,848	14.3%	8,299	10.9%	15,564	20.5%	41,290	54.3%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Moving intentions – existing households

A1.9 In terms of future moves, we find that around 25.5% of households need or expect to move over the next two years. The area with the highest proportion of households moving over the next two years is Boscombe West (42.8% need/expect to move), whilst only 13.8% of households in Strouden Park expect to move in the near future.

Table A1.10 Moving intentions of existing households by ward

Ward	Now		Within a year		1 to 2 years		Not moving with 2 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	201	4.5%	720	16.0%	425	9.4%	3,165	70.2%	4,510	100.0%
Boscombe West	193	4.8%	878	22.1%	631	15.9%	2,276	57.2%	3,978	100.0%
Central	358	7.8%	1,046	22.7%	543	11.8%	2,671	57.8%	4,619	100.0%
East Cliff & Springbourne	176	3.2%	872	16.1%	600	11.1%	3,775	69.6%	5,423	100.0%
East Southbourne & Tuckton	48	1.1%	524	11.7%	444	9.9%	3,473	77.4%	4,489	100.0%
Kinson North	0	0.0%	318	7.5%	302	7.1%	3,610	85.4%	4,230	100.0%
Kinson South	366	8.5%	151	3.5%	411	9.6%	3,361	78.4%	4,288	100.0%
Littledown & Iford	54	1.3%	351	8.8%	235	5.9%	3,368	84.0%	4,008	100.0%
Moordown	238	6.2%	417	10.9%	515	13.4%	2,666	69.5%	3,837	100.0%
Queens Park	256	5.8%	773	17.6%	359	8.1%	3,015	68.5%	4,402	100.0%
Redhill & Northbourne	207	5.2%	193	4.8%	307	7.7%	3,304	82.4%	4,010	100.0%
Strouden Park	151	3.8%	226	5.7%	169	4.3%	3,409	86.2%	3,955	100.0%
Talbot & Branksome Woods	146	3.6%	439	10.9%	355	8.9%	3,072	76.6%	4,013	100.0%
Throop & Muscliff	205	5.6%	222	6.0%	235	6.4%	3,021	82.0%	3,684	100.0%
Wallisdown & Winton West	237	6.4%	277	7.4%	83	2.2%	3,128	84.0%	3,724	100.0%
West Southbourne	34	0.9%	539	14.3%	365	9.7%	2,838	75.2%	3,776	100.0%
Westbourne & West Cliff	277	5.3%	683	12.9%	348	6.6%	3,972	75.2%	5,280	100.0%
Winton East	299	7.9%	456	12.1%	551	14.6%	2,469	65.4%	3,775	100.0%
Total	3,445	4.5%	9,085	12.0%	6,877	9.0%	56,593	74.5%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Newly forming households

A1.10 The table below shows the rate of intended future household formation by ward. It shows the highest rate was recorded in Queens Park (7.6%) and the lowest in Redhill & Northbourne (0.5%).

Table A1.11 Rate of new household formation by ward

Ward	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Boscombe East	547	4,510	6.1%
Boscombe West	187	3,978	2.4%
Central	264	4,619	2.9%
East Cliff & Springbourne	425	5,423	3.9%
East Southbourne & Tuckton	252	4,489	2.8%
Kinson North	54	4,230	0.6%
Kinson South	222	4,288	2.6%
Littledown & Iford	376	4,008	4.7%
Moordown	326	3,837	4.3%
Queens Park	670	4,402	7.6%
Redhill & Northbourne	37	4,010	0.5%
Strouden Park	320	3,955	4.0%
Talbot & Branksome Woods	511	4,013	6.4%
Throop & Muscliff	53	3,684	0.7%
Wallisdown & Winton West	475	3,724	6.4%
West Southbourne	203	3,776	2.7%
Westbourne & West Cliff	314	5,280	3.0%
Winton East	496	3,775	6.6%
Total	5,731	76,000	3.8%

Source: Bournemouth HNDS Fordham Research 2007

Car ownership

A1.11 The table below considers variations in car ownership by ward. Boscombe West showed the highest proportion of households with no car (followed by Central). Households in Throop & Muscliff were most likely to have access to a car or van. Multiple car ownership was most frequent in Strouden Park, where 44.8% of households had more than one car.

Table A1.12 Car ownership by ward

Ward	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	984	21.8%	2,715	60.2%	717	15.9%	93	2.1%	4,510	100.0%
Boscombe West	1,882	47.3%	1,665	41.9%	431	10.8%	0	0.0%	3,978	100.0%
Central	1,859	40.2%	2,348	50.8%	216	4.7%	197	4.3%	4,619	100.0%
East Cliff & Springbourne	1,105	20.4%	3,135	57.8%	1,005	18.5%	178	3.3%	5,423	100.0%
East Southbourne & Tuckton	582	13.0%	2,193	48.8%	1,485	33.1%	230	5.1%	4,489	100.0%
Kinson North	1,116	26.4%	2,086	49.3%	690	16.3%	337	8.0%	4,230	100.0%
Kinson South	1,462	34.1%	1,849	43.1%	848	19.8%	129	3.0%	4,288	100.0%
Littledown & Iford	777	19.4%	1,962	48.9%	789	19.7%	480	12.0%	4,008	100.0%
Moordown	575	15.0%	1,788	46.6%	1,111	29.0%	362	9.4%	3,837	100.0%
Queens Park	753	17.1%	1,797	40.8%	1,395	31.7%	457	10.4%	4,402	100.0%
Redhill & Northbourne	770	19.2%	1,854	46.2%	1,189	29.6%	197	4.9%	4,010	100.0%
Strouden Park	676	17.1%	1,510	38.2%	1,363	34.5%	406	10.3%	3,955	100.0%
Talbot & Branksome Woods	576	14.3%	1,837	45.8%	1,098	27.4%	502	12.5%	4,013	100.0%
Throop & Muscliff	475	12.9%	1,687	45.8%	1,274	34.6%	248	6.7%	3,684	100.0%
Wallisdown & Winton West	815	21.9%	1,435	38.5%	1,265	34.0%	208	5.6%	3,724	100.0%
West Southbourne	730	19.3%	2,056	54.4%	879	23.3%	111	3.0%	3,776	100.0%
Westbourne & West Cliff	1,576	29.8%	2,836	53.7%	820	15.5%	48	0.9%	5,280	100.0%
Winton East	739	19.6%	1,814	48.1%	859	22.7%	363	9.6%	3,775	100.0%
Total	17,451	23.0%	36,567	48.1%	17,435	22.9%	4,547	6.0%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Economic status

A1.12 Employment rates were also measured; the proportion of household heads in work was highest in Throop & Muscliff (67.3%), and lowest in Kinson North (36.6%), which had the largest proportion of retirees in the Borough, at 57.3% of households. Unemployment figures were low, but unemployment was highest in Boscombe West (9.1%).

Table A1.13 Economic status of household head by ward

Ward	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Boscombe East	2,771	61.4%	160	3.5%	1,323	29.3%	257	5.7%	4,510	100.0%
Boscombe West	1,850	46.5%	360	9.1%	1,134	28.5%	634	15.9%	3,978	100.0%
Central	1,781	38.6%	185	4.0%	2,038	44.1%	614	13.3%	4,619	100.0%
East Cliff & Springbourne	3,168	58.4%	200	3.7%	1,621	29.9%	434	8.0%	5,423	100.0%
East Southbourne & Tuckton	2,063	46.0%	131	2.9%	2,061	45.9%	234	5.2%	4,489	100.0%
Kinson North	1,547	36.6%	35	0.8%	2,424	57.3%	224	5.3%	4,230	100.0%
Kinson South	1,822	42.5%	249	5.8%	1,617	37.7%	599	14.0%	4,288	100.0%
Littledown & Iford	2,189	54.6%	0	0.0%	1,591	39.7%	229	5.7%	4,008	100.0%
Moordown	2,072	54.0%	164	4.3%	1,212	31.6%	389	10.1%	3,837	100.0%
Queens Park	2,650	60.2%	235	5.3%	1,291	29.3%	226	5.1%	4,402	100.0%
Redhill & Northbourne	1,908	47.6%	44	1.1%	1,774	44.2%	284	7.1%	4,010	100.0%
Strouden Park	2,144	54.2%	80	2.0%	1,318	33.3%	413	10.4%	3,955	100.0%
Talbot & Branksome Woods	2,066	51.5%	0	0.0%	1,679	41.8%	268	6.7%	4,013	100.0%
Throop & Muscliff	2,481	67.3%	52	1.4%	1,080	29.3%	71	1.9%	3,684	100.0%
Wallisdown & Winton West	1,821	48.9%	0	0.0%	1,420	38.1%	483	13.0%	3,724	100.0%
West Southbourne	2,089	55.3%	104	2.7%	1,070	28.3%	514	13.6%	3,776	100.0%
Westbourne & West Cliff	2,590	49.0%	89	1.7%	2,301	43.6%	301	5.7%	5,280	100.0%
Winton East	2,265	60.0%	150	4.0%	700	18.5%	659	17.5%	3,775	100.0%
Total	39,277	51.7%	2,239	2.9%	27,651	36.4%	6,833	9.0%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Income and savings

A1.13 Household incomes and savings varied significantly between wards. The lowest average income was found in Kinson South, at £17,044. The ward with the highest income, 139% higher than the lowest at £40,733, was Talbot & Branksome Woods. The levels of savings appear high, but as explained in the Financial Information chapter above, there is a wide distribution of levels of savings, and so the presence of a significant retired and/or wealthy element in the population makes raises the average.

Table A1.14 Average household income and savings by ward

Ward	Average annual gross household income	Average savings
Boscombe East	£25,954	£26,470
Boscombe West	£19,546	£11,754
Central	£24,942	£25,131
East Cliff & Springbourne	£29,353	£44,572
East Southbourne & Tuckton	£31,871	£59,273
Kinson North	£18,912	£19,794
Kinson South	£17,044	£10,449
Littledown & Iford	£29,079	£38,561
Moordown	£28,201	£20,784
Queens Park	£31,911	£24,925
Redhill & Northbourne	£22,879	£19,405
Strouden Park	£31,970	£33,868
Talbot & Branksome Woods	£40,733	£57,659
Throop & Muscliff	£27,420	£22,114
Wallisdown & Winton West	£25,095	£13,549
West Southbourne	£28,962	£26,365
Westbourne & West Cliff	£28,916	£38,768
Winton East	£25,748	£10,432
Average	£27,183	£28,701

Source: Bournemouth HNDS Fordham Research 2007

Unsuitable housing

A1.14 The table below shows the location of unsuitably housed households in Bournemouth. The table indicates that the level of unsuitable housing varies from 3.5% in Talbot & Branksome Woods 15.8% in Boscombe West and Kinson South.

Table A1.15 Location of households in unsuitable housing

Ward	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Boscombe East	461	10.2%	4,049	89.8%	4,510	100.0%
Boscombe West	627	15.8%	3,351	84.2%	3,978	100.0%
Central	625	13.5%	3,994	86.5%	4,619	100.0%
East Cliff & Springbourne	467	8.6%	4,956	91.4%	5,423	100.0%
East Southbourne & Tuckton	267	5.9%	4,223	94.1%	4,489	100.0%
Kinson North	222	5.3%	4,008	94.7%	4,230	100.0%
Kinson South	679	15.8%	3,609	84.2%	4,288	100.0%
Littledown & Iford	230	5.7%	3,778	94.3%	4,008	100.0%
Moordown	277	7.2%	3,560	92.8%	3,837	100.0%
Queens Park	552	12.5%	3,850	87.5%	4,402	100.0%
Redhill & Northbourne	221	5.5%	3,789	94.5%	4,010	100.0%
Strouden Park	291	7.4%	3,664	92.6%	3,955	100.0%
Talbot & Branksome Woods	140	3.5%	3,873	96.5%	4,013	100.0%
Throop & Muscliff	143	3.9%	3,541	96.1%	3,684	100.0%
Wallisdown & Winton West	327	8.8%	3,397	91.2%	3,724	100.0%
West Southbourne	314	8.3%	3,462	91.7%	3,776	100.0%
Westbourne & West Cliff	527	10.0%	4,753	90.0%	5,280	100.0%
Winton East	339	9.0%	3,436	91.0%	3,775	100.0%
Total	6,709	8.8%	69,291	91.2%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Housing need

A1.15 The table below shows the location of households currently in need in Bournemouth. The table indicates that the level of housing need varies from 0.0% in East Southbourne & Tuckton and Kinson North to 12.4% in Boscombe West.

Table A1.16 Location of households currently in need

Ward	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Boscombe East	356	7.9%	4,154	92.1%	4,510	100.0%
Boscombe West	492	12.4%	3,486	87.6%	3,978	100.0%
Central	329	7.1%	4,290	92.9%	4,619	100.0%
East Cliff & Springbourne	221	4.1%	5,202	95.9%	5,423	100.0%
East Southbourne & Tuckton	0	0.0%	4,489	100.0%	4,489	100.0%
Kinson North	0	0.0%	4,230	100.0%	4,230	100.0%
Kinson South	302	7.0%	3,986	93.0%	4,288	100.0%
Littledown & Iford	194	4.8%	3,814	95.2%	4,008	100.0%
Moordown	176	4.6%	3,661	95.4%	3,837	100.0%
Queens Park	371	8.4%	4,031	91.6%	4,402	100.0%
Redhill & Northbourne	82	2.0%	3,928	98.0%	4,010	100.0%
Strouden Park	78	2.0%	3,877	98.0%	3,955	100.0%
Talbot & Branksome Woods	104	2.6%	3,909	97.4%	4,013	100.0%
Throop & Muscliff	79	2.1%	3,605	97.9%	3,684	100.0%
Wallisdown & Winton West	171	4.6%	3,553	95.4%	3,724	100.0%
West Southbourne	165	4.4%	3,611	95.6%	3,776	100.0%
Westbourne & West Cliff	184	3.5%	5,096	96.5%	5,280	100.0%
Winton East	185	4.9%	3,590	95.1%	3,775	100.0%
Total	3,487	4.6%	72,513	95.4%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Future need

A1.16 The table below shows the location of households likely to be in need in the future. The figures are annualised. The table indicates that the level of housing need varies from 1.3% in Littledown & Iford to 10.7% in Boscombe West.

Table A1.17 Location of households in future need (annual)

Ward	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Boscombe East	200	4.4%	4,310	95.6%	4,510	100.0%
Boscombe West	425	10.7%	3,553	89.3%	3,978	100.0%
Central	299	6.5%	4,319	93.5%	4,619	100.0%
East Cliff & Springbourne	173	3.2%	5,250	96.8%	5,423	100.0%
East Southbourne & Tuckton	155	3.5%	4,334	96.5%	4,489	100.0%
Kinson North	64	1.5%	4,166	98.5%	4,230	100.0%
Kinson South	99	2.3%	4,188	97.7%	4,288	100.0%
Littledown & Iford	54	1.3%	3,954	98.7%	4,008	100.0%
Moordown	144	3.8%	3,692	96.2%	3,837	100.0%
Queens Park	302	6.9%	4,100	93.1%	4,402	100.0%
Redhill & Northbourne	161	4.0%	3,849	96.0%	4,010	100.0%
Strouden Park	65	1.6%	3,890	98.4%	3,955	100.0%
Talbot & Branksome Woods	157	3.9%	3,856	96.1%	4,013	100.0%
Throop & Muscliff	130	3.5%	3,554	96.5%	3,684	100.0%
Wallisdown & Winton West	69	1.9%	3,655	98.1%	3,724	100.0%
West Southbourne	209	5.5%	3,567	94.5%	3,776	100.0%
Westbourne & West Cliff	227	4.3%	5,053	95.7%	5,280	100.0%
Winton East	227	6.0%	3,548	94.0%	3,775	100.0%
Total	3,160	4.2%	72,840	95.8%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Special needs households

A1.17 The table below shows the location of special needs households in Bournemouth. The table indicates that the proportion of special needs households varies from 10.9% in West Southbourne to 36.0% in Kinson North.

Table A1.18 Location of special needs households

Ward	Special needs		Non-special needs		Total	
	No.	%	No.	%	No.	%
Boscombe East	1,081	24.0%	3,429	76.0%	4,510	100.0%
Boscombe West	1,144	28.7%	2,834	71.3%	3,978	100.0%
Central	1,355	29.3%	3,264	70.7%	4,619	100.0%
East Cliff & Springbourne	1,078	19.9%	4,345	80.1%	5,423	100.0%
East Southbourne & Tuckton	886	19.7%	3,603	80.3%	4,489	100.0%
Kinson North	1,522	36.0%	2,708	64.0%	4,230	100.0%
Kinson South	1,165	27.2%	3,122	72.8%	4,288	100.0%
Littledown & Iford	593	14.8%	3,415	85.2%	4,008	100.0%
Moordown	673	17.5%	3,164	82.5%	3,837	100.0%
Queens Park	584	13.3%	3,818	86.7%	4,402	100.0%
Redhill & Northbourne	952	23.7%	3,058	76.3%	4,010	100.0%
Strouden Park	1,056	26.7%	2,899	73.3%	3,955	100.0%
Talbot & Branksome Woods	518	12.9%	3,495	87.1%	4,013	100.0%
Throop & Muscliff	728	19.8%	2,956	80.2%	3,684	100.0%
Wallisdown & Winton West	769	20.7%	2,954	79.3%	3,724	100.0%
West Southbourne	411	10.9%	3,366	89.1%	3,776	100.0%
Westbourne & West Cliff	859	16.3%	4,421	83.7%	5,280	100.0%
Winton East	1,137	30.1%	2,638	69.9%	3,775	100.0%
Total	16,510	21.7%	59,490	78.3%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Older person households

A1.18 The table below shows the location of older person only households in Bournemouth. The table indicates that the proportion of older person only households varies from 14.7% in Winton East to 45.8% in Kinson North.

Table A1.19 Location of older person only households

Ward	Older person only households		Other households		Total	
	No.	%	No.	%	No.	%
Boscombe East	1,296	28.7%	3,214	71.3%	4,510	100.0%
Boscombe West	825	20.7%	3,153	79.3%	3,978	100.0%
Central	2,005	43.4%	2,613	56.6%	4,619	100.0%
East Cliff & Springbourne	1,402	25.8%	4,021	74.2%	5,423	100.0%
East Southbourne & Tuckton	1,823	40.6%	2,666	59.4%	4,489	100.0%
Kinson North	1,936	45.8%	2,294	54.2%	4,230	100.0%
Kinson South	1,365	31.8%	2,923	68.2%	4,288	100.0%
Littledown & Iford	1,503	37.5%	2,505	62.5%	4,008	100.0%
Moordown	975	25.4%	2,861	74.6%	3,837	100.0%
Queens Park	977	22.2%	3,425	77.8%	4,402	100.0%
Redhill & Northbourne	1,272	31.7%	2,738	68.3%	4,010	100.0%
Strouden Park	1,182	29.9%	2,773	70.1%	3,955	100.0%
Talbot & Branksome Woods	1,112	27.7%	2,901	72.3%	4,013	100.0%
Throop & Muscliff	852	23.1%	2,832	76.9%	3,684	100.0%
Wallisdown & Winton West	1,104	29.6%	2,620	70.4%	3,724	100.0%
West Southbourne	920	24.4%	2,856	75.6%	3,776	100.0%
Westbourne & West Cliff	1,933	36.6%	3,347	63.4%	5,280	100.0%
Winton East	554	14.7%	3,221	85.3%	3,775	100.0%
Total	23,035	30.3%	52,965	69.7%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Key workers

A1.19 The table below shows the location of households headed by a key worker in Bournemouth. The table shows that the proportion of key worker households varies from 3.6% in Kinson South to 18.4% in Queens Park.

Table A1.20 Location of key worker households

Ward	Key worker households		Non-key worker households		Total	
	No.	%	No.	%	No.	%
Boscombe East	635	14.1%	3,875	85.9%	4,510	100.0%
Boscombe West	184	4.6%	3,794	95.4%	3,978	100.0%
Central	180	3.9%	4,439	96.1%	4,619	100.0%
East Cliff & Springbourne	651	12.0%	4,772	88.0%	5,423	100.0%
East Southbourne & Tuckton	545	12.1%	3,944	87.9%	4,489	100.0%
Kinson North	325	7.7%	3,904	92.3%	4,230	100.0%
Kinson South	153	3.6%	4,135	96.4%	4,288	100.0%
Littledown & Iford	417	10.4%	3,591	89.6%	4,008	100.0%
Moordown	423	11.0%	3,414	89.0%	3,837	100.0%
Queens Park	808	18.4%	3,594	81.6%	4,402	100.0%
Redhill & Northbourne	249	6.2%	3,761	93.8%	4,010	100.0%
Strouden Park	403	10.2%	3,552	89.8%	3,955	100.0%
Talbot & Branksome Woods	485	12.1%	3,528	87.9%	4,013	100.0%
Throop & Muscliff	461	12.5%	3,223	87.5%	3,684	100.0%
Wallisdown & Winton West	335	9.0%	3,389	91.0%	3,724	100.0%
West Southbourne	516	13.7%	3,260	86.3%	3,776	100.0%
Westbourne & West Cliff	439	8.3%	4,841	91.7%	5,280	100.0%
Winton East	514	13.6%	3,261	86.4%	3,775	100.0%
Total	7,722	10.2%	68,278	89.8%	76,000	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Appendix A2 Supporting Information

Non-response and missing data

A2.1 Missing data is a feature of all housing surveys: mainly due to a respondent's refusal to answer a particular question (e.g. income). For all missing data in the survey imputation procedures were applied. In general, throughout the survey the level of missing data was minimal. The main exception to this was in relation to financial information, where there was an appreciable (although typical) level of non-response.

A2.2 Non-response can cause a number of problems:

- The sample size is effectively reduced so that applying the calculated weight will not give estimates for the whole population
- Variables which are derived from the combination of a number of responses each of which may be affected by item non-response (e.g. collecting both respondent and their partners income separately) may exhibit high levels of non-response
- If the amount of non-response substantially varies across sub-groups of the population this may lead to a bias of the results

A2.3 To overcome these problems missing data was 'imputed'. Imputation involves substituting for the missing value, a value given by a suitably defined 'similar' household, where the definition of similar varies depending on the actual item being imputed.

A2.4 The specific method used was to divide the sample into sub-groups based on relevant characteristics and then 'Probability Match' where a value selected from those with a similar predicted value was imputed. The main sub-groups used were tenure, household size and age of respondent.

Weighting data

A2.5 The survey data was weighted to estimated profiles of households based on various secondary sources of information. The tables below show the final estimates of the number of households in each group (for four different variables) along with the number of actual survey responses (data for tenure can be found in Chapter 2 and data for ward can be found in Appendix A1). Although in some cases it is clear that the proportion of survey responses is close to the 'expected' situation there are others where it is clear that the weighting of data was necessary to ensure that the results as presented are reflective of the household population of Bournemouth.

Table A2.1 Accommodation type profile

Accommodation type	Estimated households	% of households	Number of returns	% of returns
Detached house/bungalow	27,441	36.1%	730	38.7%
Semi-detached house/bungalow	16,112	21.2%	419	22.2%
Flat	32,447	42.7%	736	39.0%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Table A2.2 Car ownership

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	17,451	23.0%	399	21.2%
One	36,567	48.1%	939	49.8%
Two	17,435	22.9%	438	23.2%
Three or more	4,547	6.0%	109	5.8%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Table A2.3 Household type profile

Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioner	13,538	17.8%	355	18.8%
2 or more pensioners	9,498	12.5%	268	14.2%
Single non-pensioner	13,807	18.2%	330	17.5%
Other households	39,158	51.5%	932	49.4%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Table A2.4 Household size				
Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	27,344	36.0%	685	36.3%
Two	28,322	37.3%	740	39.3%
Three	9,426	12.4%	224	11.9%
Four	7,187	9.5%	159	8.4%
Five	2,659	3.5%	54	2.9%
Six or more	1,062	1.4%	23	1.2%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Table A2.5 Council Tax Band				
Council Tax Band	Estimated households	% of households	Number of returns	% of returns
A	13,412	17.6%	312	16.6%
B	15,592	20.5%	376	19.9%
C	21,065	27.7%	522	27.7%
D	14,151	18.6%	368	19.5%
E	7,106	9.4%	195	10.3%
F to H	4,673	6.1%	112	5.9%
TOTAL	76,000	100.0%	1,885	100.0%

Source: Bournemouth HNDS Fordham Research 2007

Appendix A3 Balancing Housing Markets Analysis

Introduction

A3.1 The following tables show the detailed analysis for the six components contributing to the Balancing Housing Market Analysis presented in Chapter 10 of this report.

Analysis of Bournemouth data

A3.2 The first table shows an estimate of the housing requirements of potential households. The table is based on the number of potential households who need or expect to form over the next two years within the Borough along with estimates about affordability and stated size requirement. Any potential households who would both like and expect to move from the Borough are excluded from this analysis. Figures are annualised.

Table A3.1 Demand I: Household formation by tenure and size required					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	210	155	88	12	465
Private rented	600	359	20	12	991
Intermediate	47	0	26	0	73
Social rented	64	66	0	0	130
TOTAL	921	579	135	24	1,659

Source: Bournemouth HNDS Fordham Research 2007

A3.3 The table below shows the estimated demand from in-migrant households. This is based on the profile of households who have moved into the Borough over the past two years (in terms of affordability and size/type of accommodation secured). Figures are again annualised.

Table A3.2 Demand II: Demand from in-migrants by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	428	974	430	324	2,156
Private rented	403	600	156	129	1,288
Intermediate	0	17	0	0	17
Social rented	98	16	15	21	150
TOTAL	928	1,607	602	474	3,611

Source: Bournemouth HNDS Fordham Research 2007

A3.4 The table below shows estimated future demand from existing households. The figures are based on what tenure and size of accommodation households would like or expect to move to in the future (next two years) along with considerations of affordability. Figures are again annualised.

Table A3.3 Demand III: Demand from existing households by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	131	1,269	1,233	638	3,272
Private rented	494	512	587	177	1,770
Intermediate	36	106	35	0	177
Social rented	518	421	332	89	1,360
TOTAL	1,179	2,308	2,188	904	6,579

Source: Bournemouth HNDS Fordham Research 2007

A3.5 The table below is an overall summary of the demand situation and is calculated as the sum of the three previous tables.

Table A3.4 Demand IV: Total demand by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	768	2,398	1,752	974	5,892
Private rented	1,497	1,471	764	318	4,050
Intermediate	83	123	61	0	267
Social rented	680	502	347	110	1,640
TOTAL	3,028	4,495	2,924	1,402	11,849

Source: Bournemouth HNDS Fordham Research 2007

A3.6 The table below provides an estimate of the likely future supply of accommodation (by tenure and size) from household dissolutions (i.e. death). The table is based on applying age specific national mortality statistics (2001) to the local population to estimate the proportion of households who are likely to wholly dissolve each year.

Table A3.5 Supply I: Supply from household dissolution					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	109	344	198	44	696
Private rented	37	30	19	1	87
Intermediate	0	1	0	0	1
Social rented	134	24	7	0	165
TOTAL	281	399	224	46	950

Source: Bournemouth HNDS Fordham Research 2007

A3.7 The table below shows an estimate of the supply of housing that would be released when households who would like and expect to move from the Borough do so. For example a household out-migrating from a four bedroom owner-occupied dwelling is assumed to free-up a four bedroom owner-occupied dwelling for use by another household. The data is annualised and based on moves over the next two years.

Table A3.6 Supply II: Supply from out-migrant households					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	215	807	342	338	1,702
Private rented	476	420	193	128	1,216
Intermediate	0	0	0	0	0
Social rented	89	56	60	0	206
TOTAL	781	1,283	595	466	3,124

Source: Bournemouth HNDS Fordham Research 2007

A3.8 The table below shows estimated future supply from existing households. As with the above data the figures are based on the type and size of accommodation that would become available if a household moved to alternative accommodation. Figures are annualised from data for two years.

Table A3.7 Supply III: Supply from existing households					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	335	887	1,043	568	2,833
Private rented	1,012	1,215	524	177	2,929
Intermediate	0	16	0	0	16
Social rented	256	319	225	0	801
TOTAL	1,604	2,438	1,793	744	6,579

Source: Bournemouth HNDS Fordham Research 2007

A3.9 The table below is the sum of the three previous tables and shows the overall estimated annual supply for each tenure and size group.

Table A3.8 Supply IV: Total supply					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	660	2,039	1,583	950	5,231
Private rented	1,525	1,665	736	305	4,232
Intermediate	0	18	0	0	18
Social rented	480	399	292	0	1,172
TOTAL	2,665	4,121	2,611	1,256	10,653

Source: Bournemouth HNDS Fordham Research 2007

Appendix A4 Inference of housing need at ward level

Introduction

A4.1 This appendix expands on the information on the location of housing need presented in Appendix A1 by providing an annual estimate of housing need at ward level alongside data on the distribution of the social rented stock. The purpose is to provide indicative information on levels of need for affordable housing at the detailed local level. The gross needs figures are subject to wider margins of error than those at district level, due to the smaller samples, but generally provide reasonable indications of relative gross need. If desired, wards can be grouped, and this will clearly improve the accuracy of the estimates.

Inferred housing need at ward level

A4.2 The table below presents the information that can be used to estimate the relative housing need in each ward. It presents the annualised level of gross need in each ward, which is calculated by annualising the current need and adding it to the future need. This allows the propensity of need in each ward to be calculated, alongside the distribution of need across the District.

A4.3 The distribution of supply cannot be reliably modelled from the survey; therefore the estimated affordable housing stock in each ward is presented. This is based on the distribution recorded by the Census, applied pro-rata to the estimated size of the affordable stock in Bournemouth currently.

A4.4 In order to infer a net housing need figure it is necessary to make assumptions about the turnover of the affordable stock listed in the last column. This will vary from ward to ward. Typically turnover rates are lower in rural than in urban areas. The current national level of turnover is 6.6%, and the general range is fairly closely around this figure. In the national scale, affordable housing shows higher turnover than owner-occupied housing although, apart from poor quality urban estates, normally lower turnover rates than the private rented sector. Due to the general shortage of affordable housing in Dorset, plus the rural factor, turnover rates are relatively low. These points should be considered whilst inferring net housing needs figures at the ward, or groups of wards, level.

A4.5 It is also important to be aware that it is not normally feasible, and often not desirable to meet housing need exactly where it arises. The wider strategic context of site allocation, access to services and many other factors are involved in decisions about where to put both market and affordable housing. Hence it would be wrong to apply these figures mechanistically.

Inferred housing need in Bournemouth

A4.6 The table provides gross annual figures for housing need (first column) and estimated size of affordable housing stock (last column). By applying a turnover rate, inferences can be made about the net affordable housing requirement in each ward. The overall turnover of relets in the affordable stock (including shared ownership accommodation) in Bournemouth is $(633/8,092) \times 100 = 6.5\%$.

Table A4.1: Location of households in need and affordable housing stock

Ward	Number of households in need (annually)	Total Number of h'holds	% of h'hold in ward in need	As a % of those in need	Estimated size of affordable sector
Boscombe East	271	4,510	6.0%	7.0%	262
Boscombe West	523	3,978	13.2%	13.6%	361
Central	365	4,619	7.9%	9.5%	423
East Cliff & Springbourne	217	5,423	4.0%	5.6%	564
East Southbourne & Tuckton	155	4,489	3.5%	4.0%	169
Kinson North	64	4,230	1.5%	1.7%	1,008
Kinson South	159	4,288	3.7%	4.1%	1,596
Littledown & Iford	93	4,008	2.3%	2.4%	173
Moordown	179	3,837	4.7%	4.6%	251
Queens Park	376	4,402	8.5%	9.8%	357
Redhill & Northbourne	177	4,010	4.4%	4.6%	169
Strouden Park	81	3,955	2.0%	2.1%	1,018
Talbot & Branksome Woods	178	4,013	4.4%	4.6%	193
Throop & Muscliff	146	3,684	4.0%	3.8%	180
Wallisdown & Winton West	103	3,724	2.8%	2.7%	526
West Southbourne	242	3,776	6.4%	6.3%	387
Westbourne & West Cliff	264	5,280	5.0%	6.8%	307
Winton East	264	3,775	7.0%	6.8%	147
Total	3,858	76,000	5.1%	100.0%	8,092

Source: Fordham Research Dorset HNA 2007

Summary

- A4.7 The table shows sharp variations in both the gross level of need (first column) and the amount of social housing stock (last column). It must always be considered, however, that it is normally impossible, and often undesirable to meet need where it arises.
- A4.8 Hence it is important to look at the detailed figures provided here, in the context of wider local knowledge of each area in coming to a policy view on where new affordable housing should be put.

Appendix A5 Survey Questionnaire

