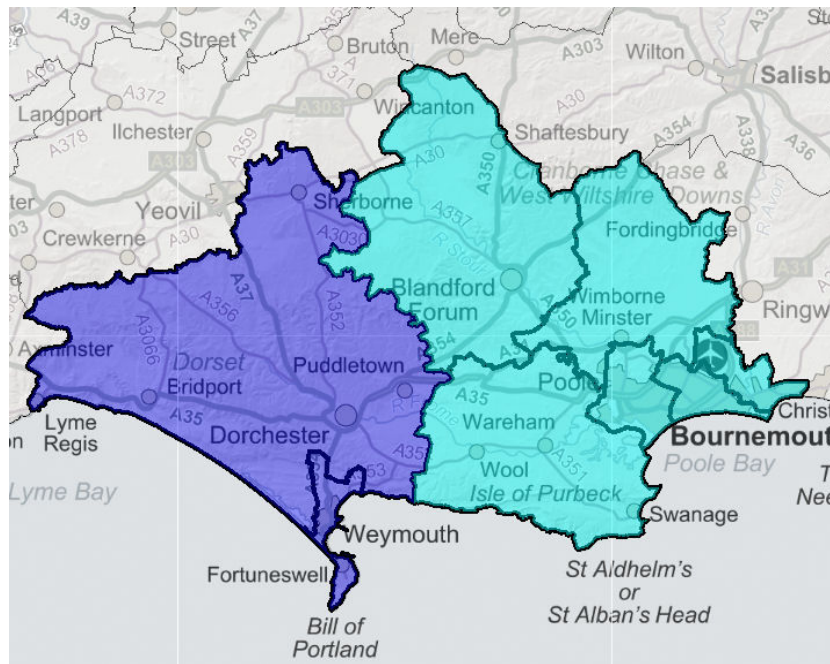




# DORSET SURVEY OF HOUSING NEED AND DEMAND

Local Authority report for:

WEST DORSET DISTRICT COUNCIL



June 2008



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# Executive Summary

## Introduction

- S1. This Survey of Housing Need and Demand forms part of a wider 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 HMA research and used to evidence revised, local, affordable housing policies and strategies. This report presents the findings for the West Dorset District.
- 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 RSS and 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 4,862 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 District. The number of responses provided sufficient data to allow complete, accurate and detailed analysis of needs across the District and geographical breakdowns for thirty-three sub-areas.
- S6. Overall the survey estimated that there are around 43,545 households in the District, of these around 74% are currently owner-occupiers with 14% living in the social rented sector and around 13% in the private rented sector.

<b>Table S1 Number of households in each tenure group</b>				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	19,422	44.6%	2,468	50.8%
Owner-occupied (with mortgage)	12,574	28.9%	1,356	27.9%
RSL	6,107	14.0%	503	10.3%
Private rented	5,442	12.5%	535	11.0%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>	<b>4,862</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

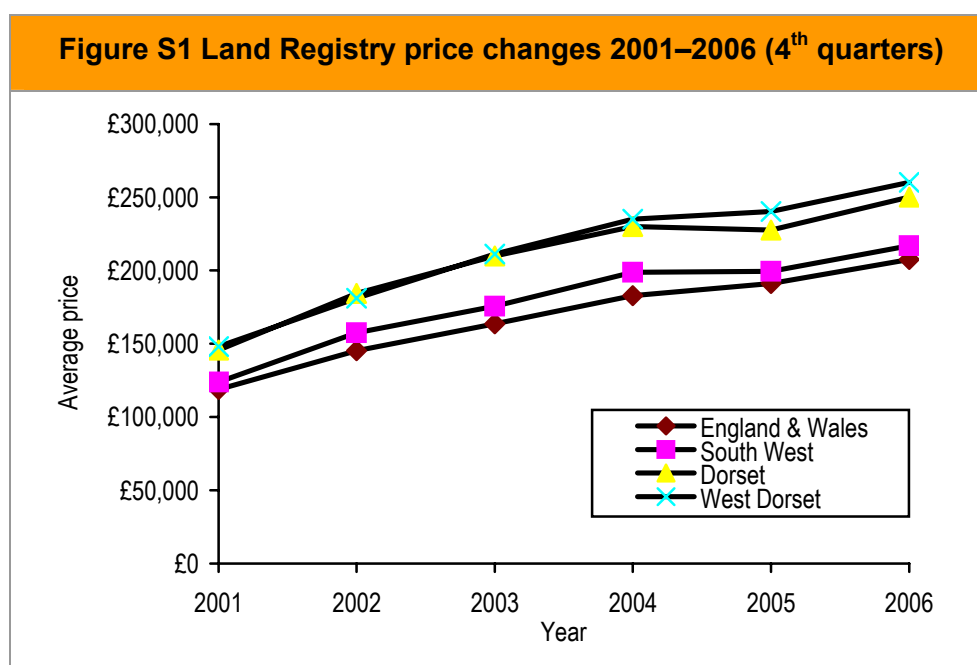
## Population and household mobility

- 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. West Dorset shows a relatively low level of self containment when compared with other districts. 50.5% of households that have moved in the last two years have actually moved within the District.
- S10. The flow from Weymouth and Portland into West Dorset is a significant one, 6.3% of all moves into West Dorset came from Weymouth and Portland, and 9.2% of households moving from Weymouth and Portland expect to move to West Dorset.

- S11. 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

- S12. 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 West Dorset.
- S13. Latest Land Registry data suggests that the average property price in West Dorset (at £260,199) is around 25% higher than the average for England and Wales and slightly above the average for the whole of Dorset (around £250,000). The rate of increase in property prices in the District over the past few years has been significant, information from the Land Registry shows that between the 4<sup>th</sup> Quarter of 2001 and the 4<sup>th</sup> quarter of 2006 average property prices in West Dorset rose by 75.6% - this is slightly above 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 District. Overall, the survey suggested that prices started at around £95,000 for one bedroom properties with private rental costs starting from around £400 per month.

<b>Table S2 Minimum property prices/rent in West Dorset</b>		
Property size	Minimum price	Minimum rent (per month)
1 bedroom	£95,000	£400
2 bedrooms	£143,000	£525
3 bedrooms	£211,000	£560
4 bedrooms	£287,000	£875

Source: West Dorset 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 West Dorset is concentrated towards detached houses and bungalows. An estimated 40.9% of households live in detached homes whilst relatively few live in flatted accommodation (12.6%). Nationally, around 17% of households live in flats
- Households in West Dorset are also more likely to be pensioners – 37% 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 19% 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 District, with only 1.5% of households estimated to be overcrowded (using the bedroom standard). This figure is significantly below the latest national estimate of around 2.5%

## 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 16.2% 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 over 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)	1,653	19,422	8.5%
Owner-occupied (with mortgage)	2,003	12,574	15.9%
Social rented	1,021	6,107	16.7%
Private rented	2,357	5,442	43.3%
Total	7,034	43,545	16.2%

Source: West Dorset HNDS Fordham Research 2007

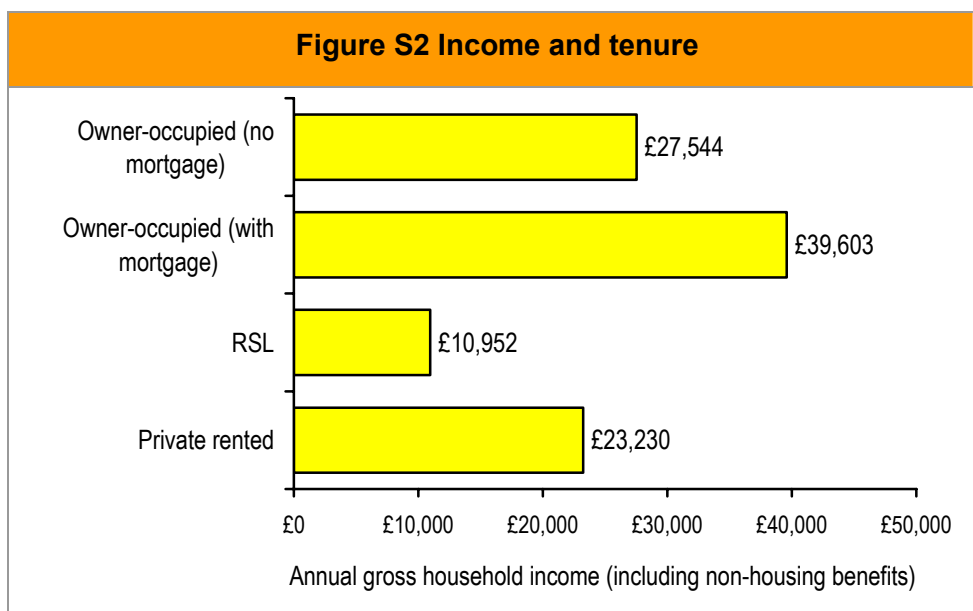
- S19. In addition to the 7,034 existing households who need or are likely to move the survey estimates that around 2,584 households who need or are likely to form from households currently resident in the District over the next two years. Other key findings in relation to these moving households include:

- Some 75.9% of existing households would like to remain in West Dorset although a slightly smaller proportion expect to. Newly forming households are less likely to either want or expect to remain in the District
- 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 need for specialist housing (e.g. sheltered accommodation) is limited with well over 90% of both groups 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 West Dorset estimate the average (mean) gross household income level to be £28,160 per annum. The median income is noticeably lower than the mean (at £21,975 per annum). There were, however, wide variations by tenure; with households living in social rented housing having particularly low income levels.



Source: West Dorset 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 £8,000 whilst the median equity level is £216,055.

## Housing Need – background

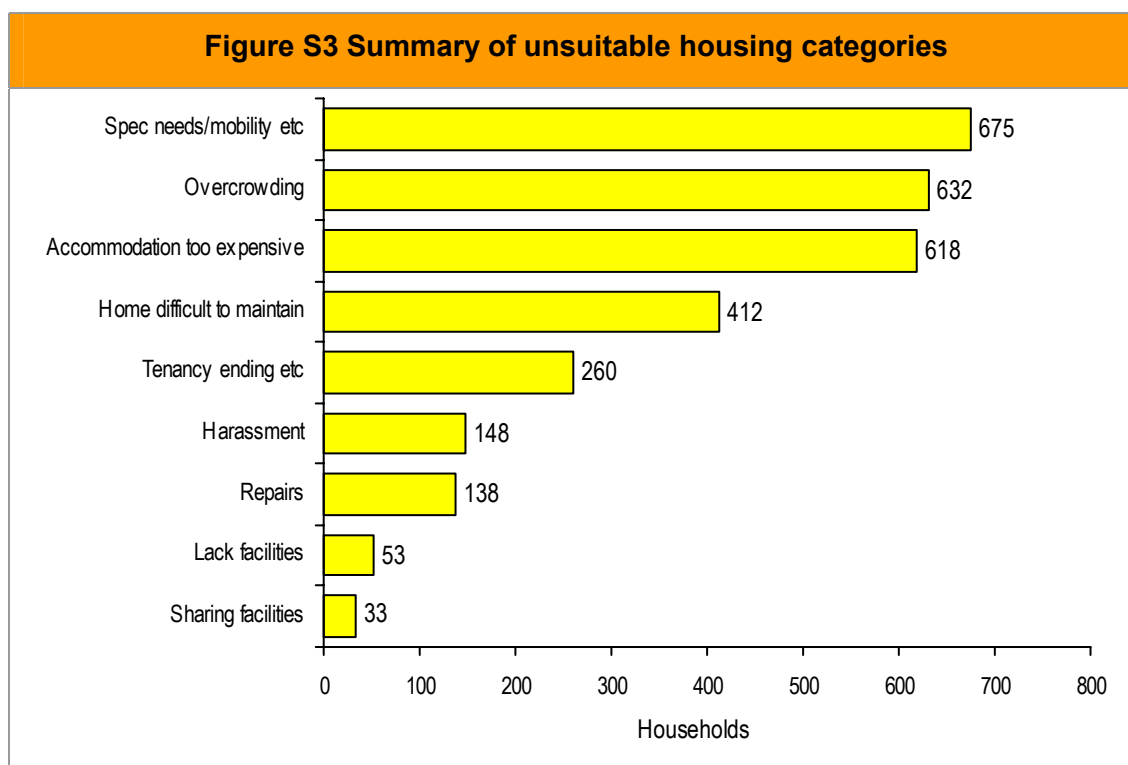
S23. A key part of the study was to look at affordable housing requirements. To do this the report has closely followed guidance set out by DCLG (Strategic Housing Market Assessments: Practice Guide March 2007). The Guide sets out methods for looking at both the backlog of need and future need and in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

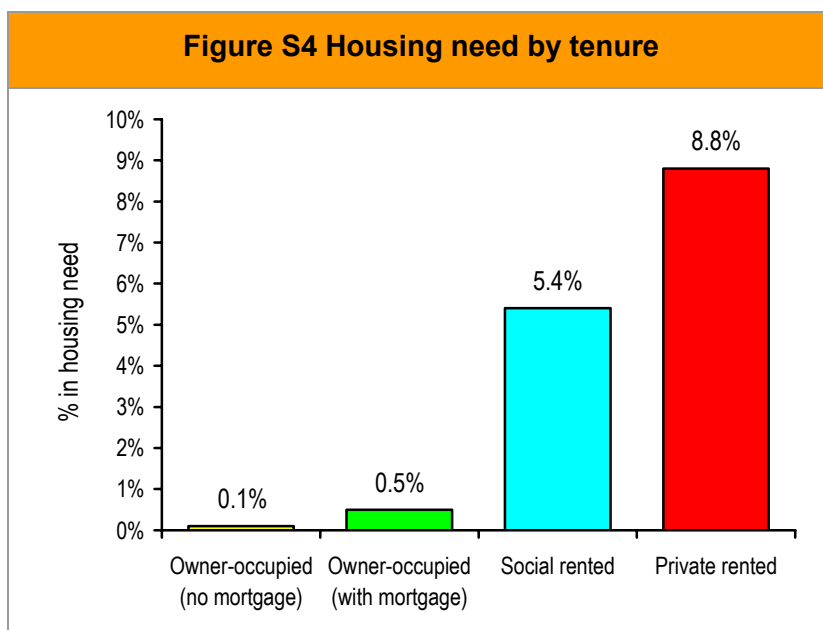
## Current need

S25. Survey data suggests that around 2,265 households in the District are currently living in unsuitable housing - the main reason being special needs and/or mobility problems, followed by overcrowding.



Source: West Dorset 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 1,520 of the 2,265 households would need to move home to find a solution to the unsuitability.
- S27. Of these 1,520 households, an estimated 60% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (905 households). Households in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.



Source: West Dorset 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 (17 additional households) makes for a total backlog need of 922 households.
- S29. It is estimated that at the time of the survey there was a current stock of affordable housing of around 501 which could be used to meet this need (including dwellings becoming available as households in the social rented sector moving to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 421 units (922-501). Annualised over 5 years (as recommended in the Practice Guidance) this becomes 84 households (421/5).

## 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 309 newly forming households requiring affordable housing and a further 692 existing households. The total future need for affordable housing is therefore estimated to be 1,001 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 348 units (337 social rented and 11 intermediate units i.e. shared ownership). Hence it is estimated that the net annual need for additional affordable housing is 737 (84+1,001-348) units.

## 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 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).

- S36. 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. 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.

<b>Table S4 Balancing Housing Markets results for West Dorset (per annum)</b>					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	1	262	225	94	582
Private rented	69	36	-105	-20	-20
Intermediate	60	140	69	12	281
Social rented	107	90	47	18	261
<b>TOTAL</b>	<b>237</b>	<b>529</b>	<b>235</b>	<b>103</b>	<b>1,104</b>

Source: West Dorset 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 1,104 dwellings per annum (excess demand over supply) of which 49.1% 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:

- a. **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.
- b. **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 582 units per annum (53% of the overall shortfall). The majority of this shortfall is for two and three bedroom homes although a shortage of four or more bedroom homes is also shown. There is no apparent net demand for one bedroom homes in the owner-occupied sector.

### *Private rented sector*

S42. Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is roughly in line with the overall supply. However, by size of dwelling we find that there are potential shortages of one and two bedroom homes and surpluses of three and four bedroom accommodation.

### *Intermediate housing*

S43. The requirement for intermediate housing makes up around 25% of the net shortfall of housing in the District and there are shortages shown for all sizes of accommodation (this is no surprise given the general lack of supply of intermediate housing in the District). The main shortfall is for two bedroom homes. However it should be borne in mind that the results may not reflect households' actual ability to pay for this type of accommodation.

### *Social rented housing*

S44. The shortage of social rented housing also makes up around a quarter of the total shortfall of housing in the District (24%). Most of the net need for social rented housing is for smaller (one and two-bedroom) units although the results suggest that around a quarter of the shortfall is for three and four bedroom homes.

## **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'.



<b>Table S5 Gross demand for market housing (per annum by household type)</b>					
<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.

### **Sub-market BHM results**

S49. The BHM analysis was also carried out for a set of seven sub-market areas identified by the Local Authority. While the overall BHM shows almost an equal market demand and affordable housing need, the sub-markets show quite different patterns:

Dominant market demand:	Dorchester Rural; Sherborne and Sherborne Rural
Equal market demand and need:	Central and Rural West; Chickerell and Chesil; Lyme Regis and Charmouth
Dominant affordable housing requirement:	Bridport and Bridport Rural; Dorchester

S50. As can be seen, there is no particular urban/rural split in explaining the balance of market and affordable housing in the BHMs: this depends on local supply and demand factors as revealed by the survey and secondary data information.

### **The Needs of Particular Groups**

S51. In addition to the main analyses of housing need and housing demand 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 DCLG Guide, it is important for the Council to have information on them in order to inform specific policies and service provision.

S52. 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 8,345 households in the West Dorset area with one or more members in an identified special needs group, which represents 19.2% of all households. These households were most likely to state a requirement for more support services
- Over a third of households in West Dorset contain only older people (37.1%). These are almost all comprised of one or two persons, however over half reside in accommodation with three or more bedrooms. Within the social rented sector there are 317 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation
- The survey estimates that 4,993 households in West Dorset 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 9,058 people between 21 and 35 in West Dorset. Over four-fifths of these young people are employed and 32.5% live with their parents
- The average age of recent first-time buyers is 42.9 years old and they required household incomes significantly above the District average to get onto the property ladder. Some 34.6% of these households spend over a quarter of their gross household income on their mortgage
- West Dorset District is largely rural although around two-fifths of households live in areas described as urban. There were some noticeable differences between households living in urban and rural areas; notably, households in rural areas showed a higher proportion of outright owners, a higher proportion of older person households and higher levels of income and savings. Households in rural areas also had a greater availability of cars/vans but were far more likely to express problems with the adequacy of public transport

### **Implications for affordable housing policy**

S53. Affordable housing policy, based on rigorous Housing Needs Assessment, 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.

- S54. Following the CLG Guidance the net annual housing need in West Dorset is estimated to be 737. This represents an index of 17 (the average for 350 or so Fordham Research studies of this kind is about 16, so it is substantial).
- S55. 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.
- S56. 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 West Dorset 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.
- S57. 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 52% 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).
- S58. 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 West Dorset for a Housing Corporation product called 'intermediate rent': this could meet some 3% of West Dorset's annual need. In effect this means that there is little or no scope for this option.
- S59. The final chapter 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



# 1. Introduction

## Introduction

- 1.1 This Survey of Housing Need and Demand forms part of a wider 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 HMA research and used to evidence revised, local, affordable housing policies and strategies.
- 1.2 This report presents the results for the West Dorset District. 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.

**Figure 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 Housing Market Assessment

- 1.4 The Dorset-wide HMA 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 HMA 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 HMA 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 HMA. 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 sub-area level to assist in the understanding of differences in the local housing market and to potentially inform policies for different parts of the District and housing market area.

### **Government Guidance**

- 1.11 Although this report is only providing information which is to feed into the Dorset-wide HMA 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 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 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 Dorset. The results of this survey will be fed into the Dorset-wide Housing Market Assessment work. This report presents the findings for West Dorset District.

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 A4. The sample for the survey was drawn, at random, from the Council Tax Register covering all areas and tenures groups in the District.
- 2.2 In total 4,862 postal questionnaires were returned. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the District and down to ward level. The sample size of 4,862 gives a maximum margin of error district-wide of 1.3% at the 95% confidence interval.
- 2.3 Although the response represents only 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 DCLG household projection information. Using this information, it is estimated that the number of households resident in the District at the time of the survey was 43,545.

2.6 The table below shows an estimate of the current tenure split in West Dorset along with the sample achieved in each group. The data shows that around 74% of households were owner occupiers with 14% in the social rented sector and the remaining 13% 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.

<b>Table 2.1 Number of households in each tenure group</b>				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	19,422	44.6%	2,468	50.8%
Owner-occupied (with mortgage)	12,574	28.9%	1,356	27.9%
Social rented	6,107	14.0%	503	10.3%
Private rented	5,442	12.5%	535	11.0%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>	<b>4,862</b>	<b>100.0%</b>

Source: West Dorset 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 In keeping with this discussion 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 (detailed below). Further information on this process is presented in Appendix A2.

- Thirty-three wards
- Council Tax band
- Number of people in household
- Household type
- Accommodation type
- Car ownership

2.9 In addition, throughout this report information is provided for seven geographical areas within the District (sub-areas). These have been made up from groups of wards. The table below shows the sub-areas used for analysis and the wards within each of these sub-areas. Appendix A1 also provides additional sub-area detail for 17 different (and generally smaller) sub-areas.

<b>Table 2.2 Wards contained within each sub-area</b>	
Sub-area	Wards in sub-area
Central & West Rural	Beaminster, Broadwindsor, Frome Valley, Halstock, Maiden Newton, Marshwood Vale
Bridport & Bridport Rural	Bradpole, Bridport North, Bridport South & Bothenhampton, Chideock & Symondsbury, Loders, Netherbury
Chickerell & Chesil	Burton Bradstock, Chesil Bank, Chickerell
Dorchester Rural	Broadmayne, Charminster & Cerne Valley, Owermoigne, Piddle Valley, Puddletown, Winterbourne St Martin
Lyme Regis & Charmouth	Charmouth, Lyme Regis
Dorchester	Dorchester East, Dorchester North, Dorchester South, Dorchester West
Sherborne & Sherborne Rural	Bradford Abbas, Carn Vale, Queen Thorne, Sherborne East, Sherborne West, Yetminster

2.10 The table below shows the estimated number of households in each of these seven areas and the sample size achieved. The data shows that the largest sub-area in terms of household numbers is Bridport & Bridport Rural (estimated 8,271 households) whilst the Sherborne & Sherborne Rural area has the largest sample size (918).

<b>Table 2.3 Number of households in each sub-area and sample size</b>				
Sub-area	Number of households	% of households	Sample size	% of sample
Central & West Rural	6,065	13.9%	750	15.4%
Bridport & Bridport Rural	8,271	19.0%	824	16.9%
Chickerell & Chesil	4,199	9.6%	439	9.0%
Dorchester Rural	7,017	16.1%	883	18.2%
Lyme Regis & Charmouth	2,716	6.2%	290	6.0%
Dorchester	7,916	18.2%	758	15.6%
Sherborne & Sherborne Rural	7,360	16.9%	918	18.9%
Total	43,545	100.0%	4,862	100.0%

Source: West Dorset HNDS Fordham Research 2007

## **Rounding**

- 2.11 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**

- 2.12 This Survey of Housing Need and Demand in West Dorset is based on primary survey data collected via a postal questionnaire from 4,862 households. The survey data was grossed up to an estimated total of 43,545 households and weighted according to key characteristics so as to be representative of the District'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 borough (60.3%) as there were from outside the borough (39.7%).

<b>Table 3.1 Dorset: Total Migration, Domestic and International</b>			
	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 further afield. International moves have been excluded from the table.
- 3.8 New Forest in Hampshire records the largest gross in and out flows 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	<b>West Dorset</b>	Weymouth & Portland	Outside Dorset	
Bournemouth	<b>12,594</b>	679	667	1,954	140	104	93	73	10,377	26,681
Christchurch	776	<b>1,919</b>	96	115	21	17	15	0	1,796	4,755
East Dorset	695	105	<b>3,082</b>	878	137	118	34	36	3,128	8,213
Poole	1,831	115	712	<b>7,494</b>	475	116	78	71	5,106	15,998
Purbeck	156	3	117	435	<b>2,148</b>	55	99	46	2,115	5,174
North Dorset	<b>131</b>	6	170	148	83	<b>3,222</b>	172	59	4,809	8,800
<b>West Dorset</b>	63	12	70	104	164	264	<b>4,915</b>	525	4,803	10,920
Weymouth & Portland	41	3	21	42	59	48	584	<b>4,419</b>	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	<b>West Dorset</b>	Weymouth & Portland	Outside Dorset	
Bournemouth	<b>47.2%</b>	2.5%	2.5%	7.3%	0.5%	0.4%	0.3%	0.3%	38.9%	100.0%
Christchurch	16.3%	<b>40.4%</b>	2.0%	2.4%	0.4%	0.4%	0.3%	0.0%	37.8%	100.0%
East Dorset	8.5%	1.3%	<b>37.5%</b>	10.7%	1.7%	1.4%	0.4%	0.4%	38.1%	100.0%
Poole	11.4%	0.7%	4.5%	<b>46.8%</b>	3.0%	0.7%	0.5%	0.4%	31.9%	100.0%
Purbeck	3.0%	0.1%	2.3%	8.4%	<b>41.5%</b>	1.1%	1.9%	0.9%	40.9%	100.0%
North Dorset	1.5%	0.1%	1.9%	1.7%	0.9%	<b>36.6%</b>	2.0%	0.7%	54.6%	100.0%
<b>West Dorset</b>	0.6%	0.1%	0.6%	1.0%	1.5%	2.4%	<b>45.0%</b>	4.8%	44.0%	100.0%
Weymouth & Portland	0.5%	0.0%	0.3%	0.5%	0.7%	0.6%	7.0%	<b>53.1%</b>	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	Pur-beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	<b>11,925</b>	661	531	1,040	122	151	0	0	4,716	19,146
Christchurch	514	<b>1,604</b>	43	109	54	0	29	0	1,270	3,622
East Dorset	635	191	<b>2,537</b>	531	50	150	43	0	1,727	5,864
Poole	1,064	232	614	<b>6,371</b>	368	101	85	30	2,752	11,617
Purbeck	123	11	71	367	<b>1,816</b>	46	109	22	995	3,559
North Dorset	87	15	224	193	126	<b>3,162</b>	159	33	2,185	6,184
<b>West Dorset</b>	104	38	34	41	92	251	<b>4,081</b>	507	2,935	8,083
Weymouth & Portland	37	14	36	57	17	14	360	<b>3,953</b>	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: West Dorset 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	Pur-beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	<b>62.3%</b>	3.5%	2.8%	5.4%	0.6%	0.8%	0.0%	0.0%	24.6%	100.0%
Christchurch	14.2%	<b>44.3%</b>	1.2%	3.0%	1.5%	0.0%	0.8%	0.0%	35.1%	100.0%
East Dorset	10.8%	3.3%	<b>43.3%</b>	9.1%	0.9%	2.6%	0.7%	0.0%	29.4%	100.0%
Poole	9.2%	2.0%	5.3%	<b>54.8%</b>	3.2%	0.9%	0.7%	0.3%	23.7%	100.0%
Purbeck	3.4%	0.3%	2.0%	10.3%	<b>51.0%</b>	1.3%	3.1%	0.6%	27.9%	100.0%
North Dorset	1.4%	0.2%	3.6%	3.1%	2.0%	<b>51.1%</b>	2.6%	0.5%	35.3%	100.0%
<b>West Dorset</b>	1.3%	0.5%	0.4%	0.5%	1.1%	3.1%	<b>50.5%</b>	6.3%	36.3%	100.0%
Weymouth & Portland	0.6%	0.2%	0.6%	1.0%	0.3%	0.2%	6.2%	<b>68.3%</b>	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: West Dorset 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 shown by the 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:

<b>Table 3.7: % Self containment by Local Authority</b>				
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: West Dorset 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 West Dorset shows a moderate level of self containment from the survey data, with more than half of all moves into West Dorset coming from within West Dorset. Of those households moving into West Dorset a considerable proportion came from Weymouth and Portland which may not be too surprising due to their geographical location.

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

Source: West Dorset HNDS Fordham Research 2007

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

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

Source: West Dorset 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.

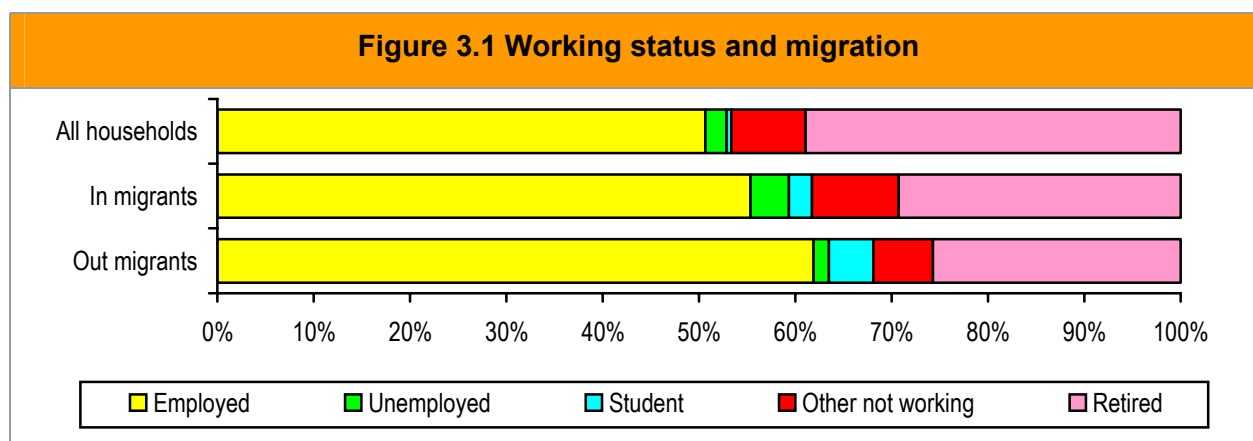
- 3.20 Of the 61,799 households that expect to move in the next two years just 16.4% expect to move outside of Dorset, compared to 28.0% who have moved into Dorset from outside the area in the previous two years. If you were to look at taking a net figure from the gross inflow and expected gross outflow 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 The migration flow from Weymouth and Portland into West Dorset is again evident with 9.2% of all Weymouth and Portland's expected future movers expecting to move to West Dorset. A high proportion (71.8%) of households expecting to move from West Dorset expect to remain in the area.

### 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.

<b>Table 3.9 Working status and migration</b>			
<b>Working status (survey respondent)</b>	<b>All households</b>	<b>In migrants</b>	<b>Out migrants</b>
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
<b>Total</b>	<b>316,545</b>	<b>17,880</b>	<b>10,148</b>

Source: West Dorset HNDS Fordham Research 2007



Source: West Dorset HNDS Fordham Research 2007

- 3.24 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

- 3.25 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.
- 3.26 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.
- 3.27 West Dorset shows a relatively low level of self containment when compared with other districts. 50.5% of households that have moved in the last two years have actually moved within the District.
- 3.28 The flow from Weymouth and Portland into West Dorset is a significant one, 6.3% of all moves into West Dorset came from Weymouth and Portland, and 9.2% of households moving from Weymouth and Portland expect to move to West Dorset.

- 3.29 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 West Dorset. It uses data from the Land Registry to compare the West Dorset 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.

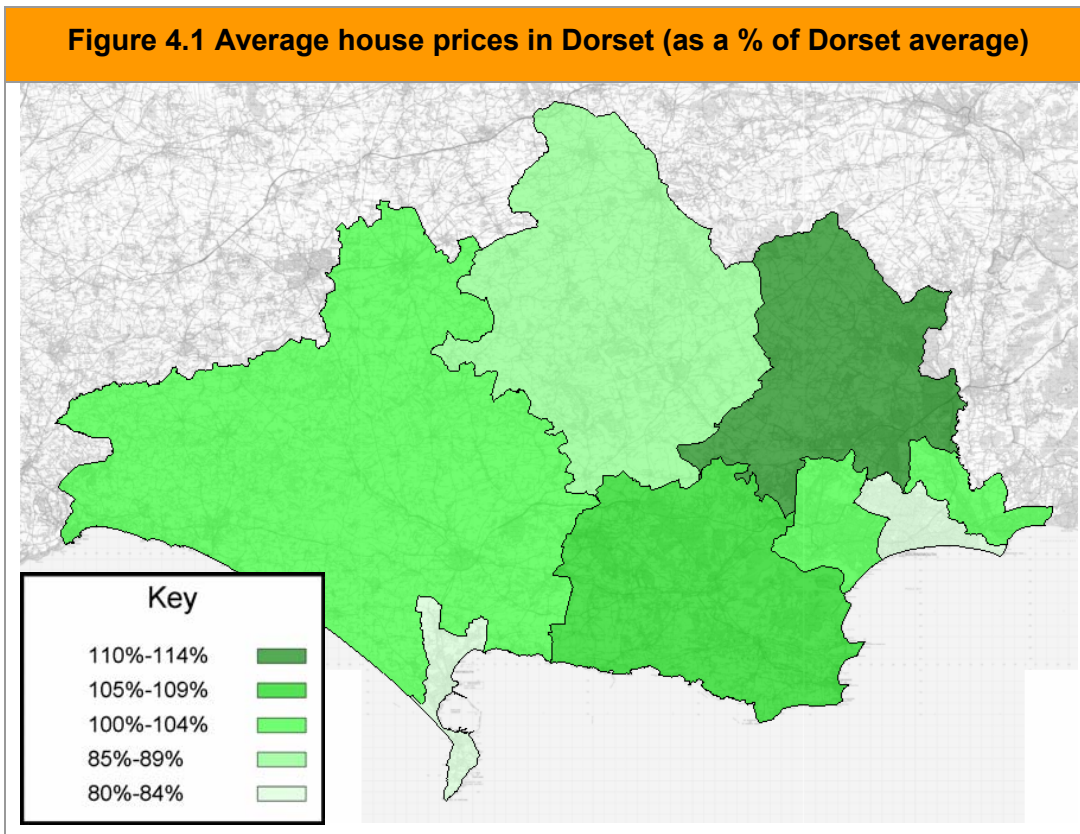
### Sub-regional market position

- 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 West Dorset. The table shows that average prices in West Dorset are 125.4% of the average for England & Wales, higher than the average for the South West and slightly higher than the average for Dorset.

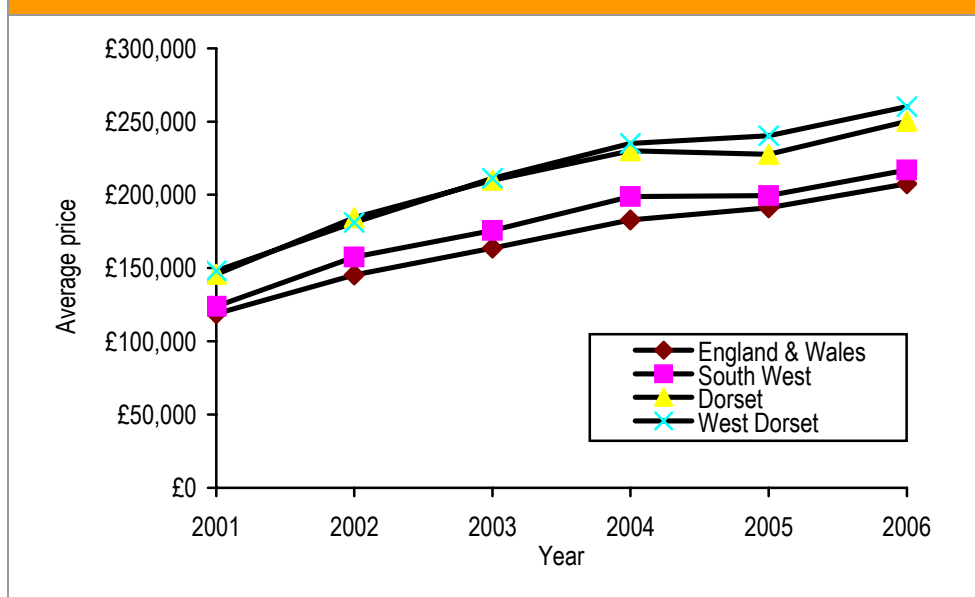
Table 4.1 Land Registry average prices (4 <sup>th</sup> quarter 2006)		
Area	Average price	As % of E & W
England & Wales	£207,573	100.0%
South West	£216,998	104.5%
Dorset	£250,092	120.5%
West Dorset	£260,199	125.4%

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 West Dorset records one of the higher average property prices in the County.



- 4.4 The figure below shows how the average house prices in West Dorset have changed since 2001 compared with the averages for Dorset, the South West and England and Wales. The data shows that West Dorset recorded a relatively high increase in average property prices at 75.6% 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 West Dorset were almost equal to average property prices for the whole of Dorset up until 2003/04, prices in West Dorset have increased at a notably faster rate since.

**Figure 4.2 Land Registry price changes 2001–2006 (4<sup>th</sup> quarters)**

Source: Land Registry

- 4.6 The information presented so far suggests that average property prices in West Dorset are relatively high for the County and that the market is buoyant, however it is important to ensure 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 West Dorset by dwelling type.
- 4.7 It indicates that average prices for each dwelling type are higher for West Dorset than for Dorset as a whole (with the exception of the flat/maisonette category). The table also indicates that West Dorset shows a smaller proportion of sales of detached properties and flats and higher proportions of semi-detached and terraced.

**Table 4.2 Land Registry average prices and sales (4<sup>th</sup> quarter 2006)**

Dwelling type	Dorset		West Dorset	
	Average price	% of sales	Average price	% of sales
Detached	£332,595	36.4%	£364,643	36.7%
Semi-detached	£212,888	17.4%	£233,336	21.6%
Terraced	£190,365	18.2%	£196,737	27.8%
Flat/maisonette	£175,772	27.9%	£152,694	13.9%
All dwellings	£242,037	100.0%	£260,199	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. According to local estate agents, entry-level house prices within West Dorset vary between different areas, with Dorchester typically offering the lowest entry price for smaller (one-bed) units. One common factor noted by all West Dorset estate agents was that decreasing affordability is preventing ‘first-time’ buyers from entering the market. As such, many younger people are looking to the private rented sector. Dorchester estate agents stated that local rents tended to be slightly higher than surrounding areas, possibly reflecting the popularity of the area combined with relatively lower supply.
- 4.9 The buoyant market for second homes and buy-to-lets was contributing to increases in house prices. In particular, estate agents in Sherborne stated that there’s been a big influx of buyers from London and Surrey. The buy-to-let market was driving sales of properties requiring renovation, whilst Bridport estate agents stated that buyers seeking retirement properties constitute a significant part of the local housing market. A more extensive discussion of the estate agents views is presented in the supplementary housing market report.
- 4.10 The table below shows the cost of entry-level market housing in West Dorset 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.

<b>Table 4.3 Entry-level market costs in West Dorset</b>		
Property size	Home to purchase	Cost to rent (per week)
1 bedroom	£95,000	£92
2 bedrooms	£143,000	£121
3 bedrooms	£211,000	£129
4 bedrooms	£287,000	£202

Source: Survey of estate and letting agents 2006

- 4.11 The table shows that estimated entry-level prices ranged from £95,000 for a one bedroom property up to £287,000 for four bedrooms. Entry-level weekly rents varied from £92 (one bed) to £202 (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 7.

## Affordable housing

- 4.12 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 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.

<b>Table 4.4 Social rented costs in West Dorset</b>	
Property size	Social rent costs (per week)
1 bedroom	£59
2 bedrooms	£66
3+ bedrooms	£77

Source: CORE data

## Summary

- 4.13 Information from the Land Registry indicates that average property prices in West Dorset are higher than the average for Dorset, the South West region and England and Wales as a whole. The average property price currently stands at around £260,000. Interviews with estate and letting agents established the cost of entry-level accommodation in the District. It was found that entry-level prices ranged from £95,000 for a one bedroom property up to £287,000 for four bedrooms. Entry-level weekly rents varied from £92 (one bed) to £202 (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).
- 5.2 The first table below shows the survey tenure breakdown in each of the seven sub-areas. The results show significant differences in the tenure profile of households in different locations within the District. The proportion of owner-occupiers without a mortgage varies from 39.5% in Dorchester to 50.5% in Lyme Regis & Charmouth whilst the proportion of owners with a mortgage varies from 22.9% in Lyme Regis & Charmouth to 37.3% in Chickerell & Chesil. In the rented sector the range of social renting tenants varies from 12.0% in Chickerell & Chesil to 18.2% in Lyme Regis & Charmouth whilst the private rented sector varies in proportion from 8.4% in Lyme Regis & Charmouth to 14.9% in Central & West Rural.

Table 5.1 Tenure by sub-area										
Sub-area	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	2,798	46.1%	1,614	26.6%	752	12.4%	901	14.9%	6,065	100.0%
Bridport & Bridport Rural	4,032	48.7%	1,990	24.1%	1,268	15.3%	980	11.9%	8,271	100.0%
Chickerell & Chesil	1,674	39.9%	1,567	37.3%	504	12.0%	454	10.8%	4,199	100.0%
Dorchester Rural	2,838	40.4%	2,431	34.6%	887	12.6%	862	12.3%	7,017	100.0%
Lyme Regis & Charmouth	1,373	50.5%	623	22.9%	493	18.2%	227	8.4%	2,716	100.0%
Dorchester	3,125	39.5%	2,615	33.0%	1,163	14.7%	1,013	12.8%	7,916	100.0%
Sherborne & Sherborne Rural	3,582	48.7%	1,734	23.6%	1,039	14.1%	1,005	13.7%	7,360	100.0%
Total	19,422	44.6%	12,574	28.9%	6,107	14.0%	5,442	12.5%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Type of housing

5.3 The table below shows current accommodation types in the District. The table shows that a large proportion of households live in detached houses or bungalows (40.9%) whilst relatively few live in flatted accommodation (12.6%). The latest SEH suggests that nationally around 17% of households live in flats whilst the figure for the South West region is around 12%.

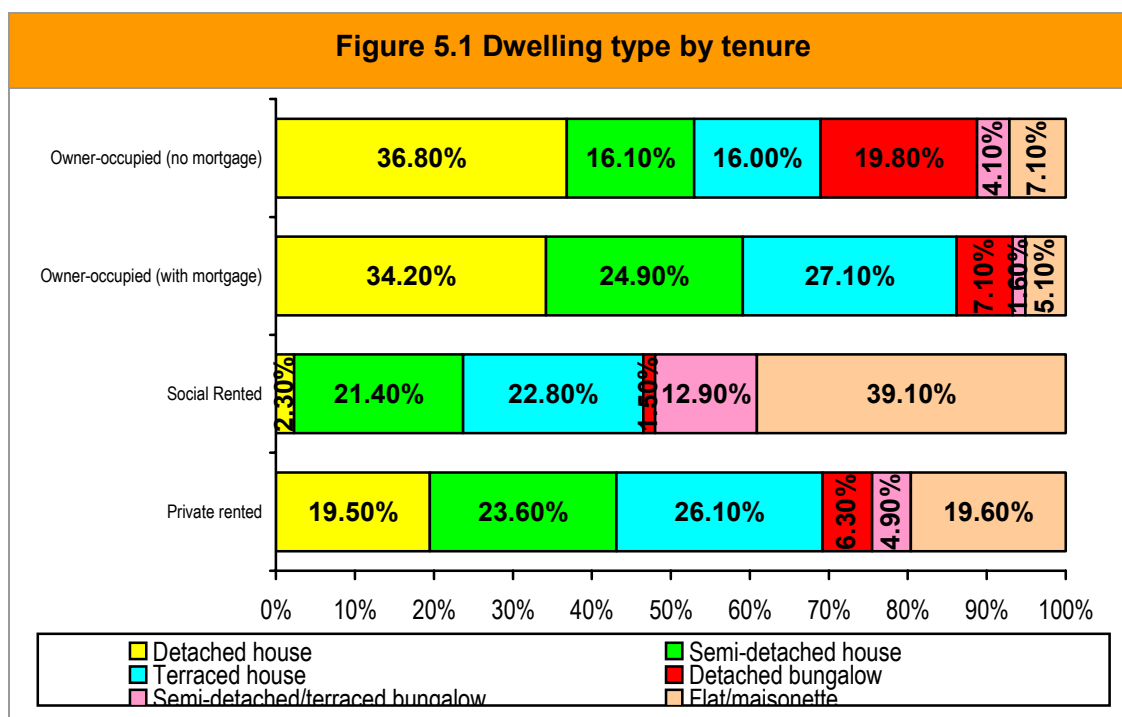
Table 5.2 Dwelling type		
Dwelling type	Number of households	% of households
Detached house	12,636	29.0%
Semi detached house	8,850	20.3%
Terraced house	9,332	21.4%
Detached bungalow	5,184	11.9%
Semi or terraced bungalow	1,593	3.7%
Purpose-built flat	4,169	9.6%
Converted flat or shared house	997	2.3%
Flat in commercial building	319	0.7%
Caravan or temporary	465	1.1%
TOTAL	43,545	100.0%

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

Source: West Dorset HNDS Fordham Research 2007

5.4 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 relatively 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: West Dorset HNDS Fordham Research 2007

- 5.5 The tables below show how the type of accommodation in each sub-area varies across the District. The results indicate that the proportion of detached houses varies from 20.3% in Dorchester to 35.2% in Chickerell & Chesil. Lyme Regis & Charmouth records the highest proportion of flats at 26.7%, whilst the lowest proportion was found in Chickerell & Chesil (at 6.0%).

**Table 5.3 Dwelling type by sub-area (households)**

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Central & West Rural	2,114	1,309	952	881	331	478	6,065
Bridport & Bridport Rural	1,920	1,569	1,873	1,299	225	1,385	8,271
Chickerell & Chesil	1,480	805	982	436	245	251	4,199
Dorchester Rural	2,232	1,678	1,187	1,010	480	431	7,017
Lyme Regis & Charmouth	769	401	325	401	95	724	2,716
Dorchester	1,610	1,625	2,524	343	241	1,573	7,916
Sherborne & Sherborne Rural	2,511	1,462	1,491	813	441	643	7,360
Total	12,636	8,850	9,332	5,184	2,058	5,485	43,545

Source: West Dorset HNDS Fordham Research 2007

**Table 5.4 Dwelling type by sub-area (percentages)**

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Central & West Rural	34.9%	21.6%	15.7%	14.5%	5.5%	7.9%	100.0%
Bridport & Bridport Rural	23.2%	19.0%	22.6%	15.7%	2.7%	16.7%	100.0%
Chickerell & Chesil	35.2%	19.2%	23.4%	10.4%	5.8%	6.0%	100.0%
Dorchester Rural	31.8%	23.9%	16.9%	14.4%	6.8%	6.1%	100.0%
Lyme Regis & Charmouth	28.3%	14.8%	12.0%	14.8%	3.5%	26.7%	100.0%
Dorchester	20.3%	20.5%	31.9%	4.3%	3.0%	19.9%	100.0%
Sherborne & Sherborne Rural	34.1%	19.9%	20.3%	11.0%	6.0%	8.7%	100.0%
<b>Total</b>	<b>29.0%</b>	<b>20.3%</b>	<b>21.4%</b>	<b>11.9%</b>	<b>4.7%</b>	<b>12.6%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Household type and size

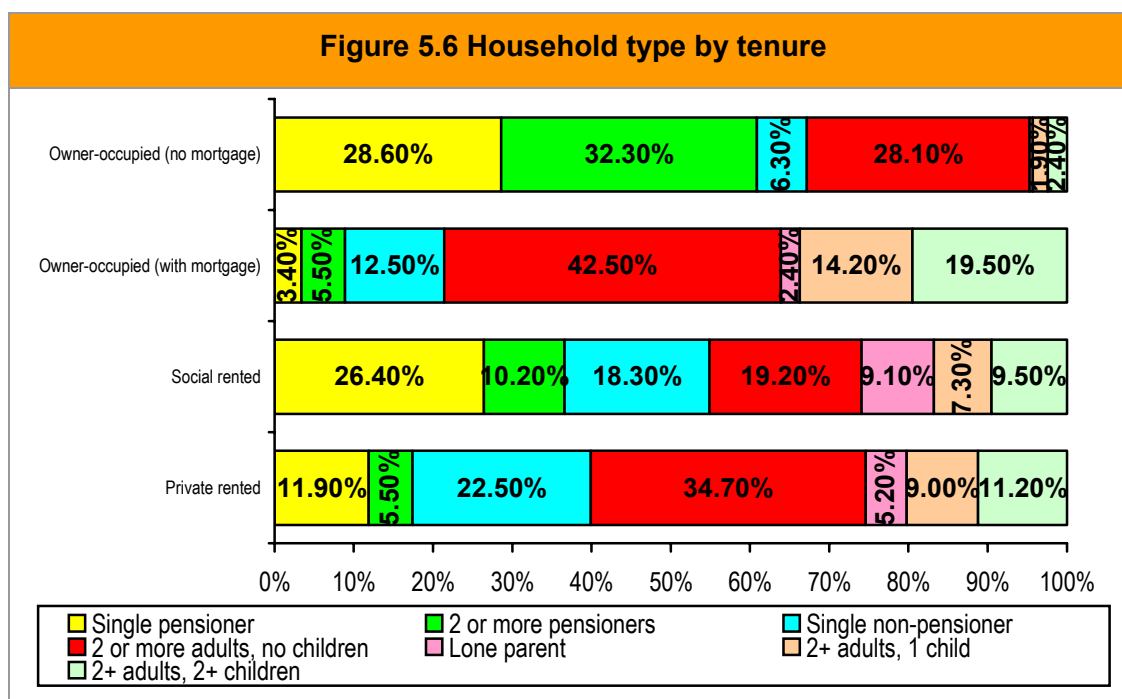
5.6 The table below shows the household type breakdown in the District. The survey estimates that over a third (37.0%) of households are pensioner only and that less than a fifth (19.3%) of households contain children. Around 3% of households are lone parent households. Direct comparisons with the SEH 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 5.5 Household type**

Household type	Number of households	% of households
Single pensioner	8,251	18.9%
2 or more pensioners	7,888	18.1%
Single non-pensioner	5,129	11.8%
2 or more adults, no children	13,859	31.8%
Lone parent	1,219	2.8%
2+ adults, 1 child	3,089	7.1%
2+ adults, 2+ children	4,111	9.4%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

5.7 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.



5.8 The tables below show the variation in the type of household resident in each sub-area. The tables show that the proportion of pensioner households varies from 32.6% in Dorchester rural to 43.7% in Lyme Regis & Charmouth and Sherborne & Sherborne Rural, whilst the proportion of households containing children varies from 16.0% in Sherborne & Sherborne Rural to 24.4% in Dorchester.

**Table 5.7 Household type by sub-area (households)**

Sub-area	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
Central & West Rural	1,086	1,163	710	2,056	141	379	531	6,065
Bridport & Bridport Rural	1,726	1,480	1,057	2,555	243	615	595	8,271
Chickerell & Chesil	595	787	401	1,586	177	199	453	4,199
Dorchester Rural	1,170	1,119	727	2,452	172	511	867	7,017
Lyme Regis & Charmouth	621	565	319	773	49	176	213	2,716
Dorchester	1,386	1,218	1,071	2,313	314	754	859	7,916
Sherborne & Sherborne Rural	1,666	1,555	843	2,124	123	456	593	7,360
<b>Total</b>	<b>8,251</b>	<b>7,888</b>	<b>5,129</b>	<b>13,859</b>	<b>1,219</b>	<b>3,089</b>	<b>4,111</b>	<b>43,545</b>

Source: West Dorset HNDS Fordham Research 2007

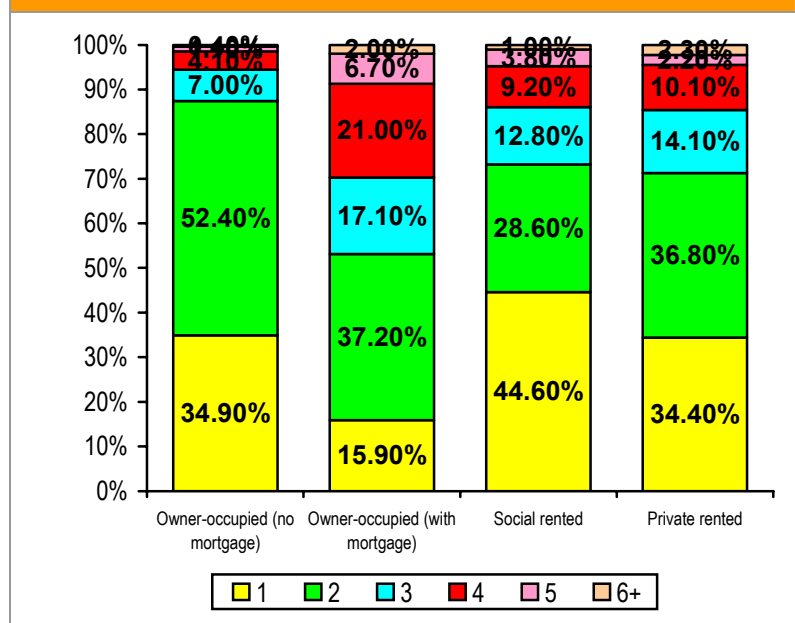
**Table 5.8 Household type by sub-area (percentages)**

Sub-area	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
Central & West Rural	17.9%	19.2%	11.7%	33.9%	2.3%	6.2%	8.7%	100.0%
Bridport & Bridport Rural	20.9%	17.9%	12.8%	30.9%	2.9%	7.4%	7.2%	100.0%
Chickerell & Chesil	14.2%	18.7%	9.6%	37.8%	4.2%	4.7%	10.8%	100.0%
Dorchester Rural	16.7%	15.9%	10.4%	34.9%	2.4%	7.3%	12.4%	100.0%
Lyme Regis & Charmouth	22.9%	20.8%	11.7%	28.4%	1.8%	6.5%	7.8%	100.0%
Dorchester	17.5%	15.4%	13.5%	29.2%	4.0%	9.5%	10.9%	100.0%
Sherborne & Sherborne Rural	22.6%	21.1%	11.5%	28.9%	1.7%	6.2%	8.1%	100.0%
<b>Total</b>	<b>18.9%</b>	<b>18.1%</b>	<b>11.8%</b>	<b>31.8%</b>	<b>2.8%</b>	<b>7.1%</b>	<b>9.4%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

5.9 The average household size in West Dorset was estimated from the survey to be 2.2. 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 2.7) whilst the smallest were outright owners (average 1.9). The figure below shows the number of people in households by tenure.

**Figure 5.3 Number of people in households by tenure**



Source: West Dorset HNDS Fordham Research 2007

- 5.10 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. Nearly two-fifths of owners with a mortgage are three of four person households compared with around 11% of outright owners and 22% 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.
- 5.11 The table below shows the variation in the size of household resident in each sub-area. The table shows that the proportion of one person households varies from 23.7% in Chickerell & Chesil to 34.6% in Lyme Regis & Charmouth, whilst the proportion of households containing four or more people varies from 11.4% in Lyme Regis & Charmouth to 17.9% in Dorchester.

**Table 5.9 Household size by sub-area**

Sub-area	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	1,796	29.6%	2,702	44.5%	685	11.3%	883	14.6%	6,065	100.0%
Bridport & Bridport Rural	2,783	33.7%	3,639	44.0%	869	10.5%	980	11.8%	8,271	100.0%
Chickerell & Chesil	997	23.7%	2,020	48.1%	561	13.4%	622	14.8%	4,199	100.0%
Dorchester Rural	1,897	27.0%	3,037	43.3%	833	11.9%	1,251	17.8%	7,017	100.0%
Lyme Regis & Charmouth	940	34.6%	1,222	45.0%	244	9.0%	310	11.4%	2,716	100.0%
Dorchester	2,457	31.0%	2,892	36.5%	1,152	14.6%	1,415	17.9%	7,916	100.0%
Sherborne & Sherborne Rural	2,509	34.1%	3,103	42.2%	717	9.7%	1,031	14.0%	7,360	100.0%
Total	13,380	30.7%	18,615	42.7%	5,060	11.6%	6,490	14.9%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

### Length of residence and recent movers

- 5.12 At the time of the survey an estimated 8,083 of households (18.6%) had been resident at their current address for less than two years. This figure is broadly in line with 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.
- 5.13 Of the households moving in the past two years, 28% are private renters, 56% owner-occupiers and 16% in the social rented sector. An estimated 42.2% of private renters had moved home in the past two years, compared to only 20.7% of social renters and 14.1% of owner-occupiers. Private tenants are therefore much more mobile than social renters or owner-occupiers. The least mobile group are outright owners, only 10.4% of whom moved in the previous two years.

- 5.14 Over three-fifths of all households have lived in their home for more than five years. In the case of outright owners, nearly three-quarters (73.5%) have lived in their home for more than five years – this compares with only 35.7% of private tenants.

<b>Table 5.10 Length of residence of household by tenure</b>					
Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	1,089	924	3,136	14,273	19,422
Owner-occupied (with mortgage)	1,319	1,186	2,659	7,410	12,574
Social rented	680	589	1,199	3,639	6,107
Private rented	1,457	839	1,205	1,941	5,442
<b>Total</b>	<b>4,546</b>	<b>3,538</b>	<b>8,199</b>	<b>27,263</b>	<b>43,545</b>
Owner-occupied (no mortgage)	5.6%	4.8%	16.1%	73.5%	100.0%
Owner-occupied (with mortgage)	10.5%	9.4%	21.1%	58.9%	100.0%
Social rented	11.1%	9.6%	19.6%	59.6%	100.0%
Private rented	26.8%	15.4%	22.1%	35.7%	100.0%
<b>Total</b>	<b>10.4%</b>	<b>8.1%</b>	<b>18.8%</b>	<b>62.6%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

- 5.15 In terms of tenure mobility, the most common types of move were from one owner-occupied property to another (3,495 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.
- 5.16 Around 40% 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 12.5% of all households currently live in the private rented sector.
- 5.17 Around 27% of newly-formed households moved into owner-occupation and a further 44% into private rented accommodation. Therefore around 29% of newly forming households moved into a socially rented dwelling (a figure slightly higher than the national average of around 23%).

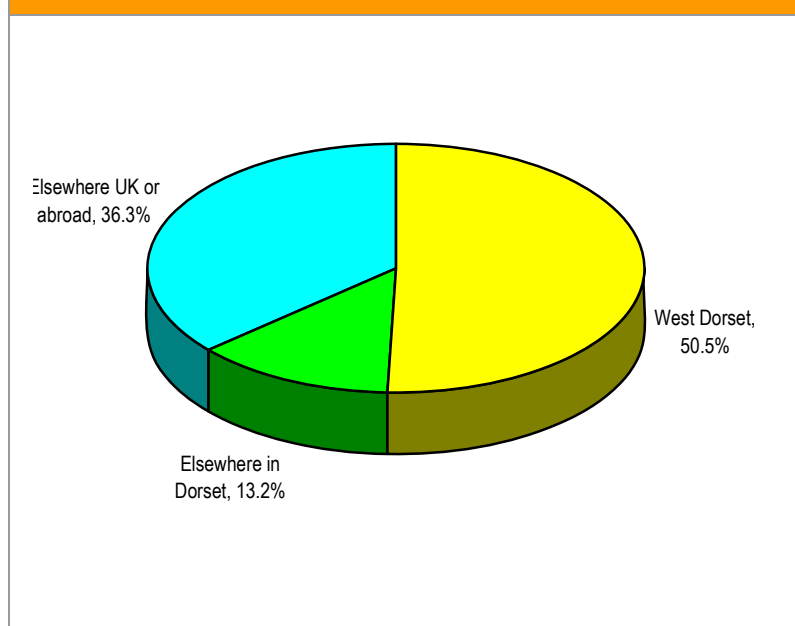
**Table 5.11 Previous tenure by current tenure  
(households moving in past two years)**

Tenure	Previous tenure				Total
	Newly formed household	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	71	1,829	6	107	2,013
Owner-occupied (with mortgage)	261	1,666	39	539	2,505
Social rented	352	86	560	270	1,269
Private rented	540	603	84	1,068	2,296
<b>Total</b>	<b>1,225</b>	<b>4,184</b>	<b>690</b>	<b>1,984</b>	<b>8,083</b>
Owner-occupied (no mortgage)	3.5%	90.8%	0.3%	5.3%	100.0%
Owner-occupied (with mortgage)	10.4%	66.5%	1.6%	21.5%	100.0%
Social rented	27.8%	6.8%	44.2%	21.3%	100.0%
Private rented	23.5%	26.3%	3.7%	46.5%	100.0%
<b>Total</b>	<b>15.1%</b>	<b>51.8%</b>	<b>8.5%</b>	<b>24.5%</b>	<b>100.0%</b>

Source: West Dorset HNS Fordham Research 2007

- 5.18 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 District. In total, nearly half of all moves made were by households previously living outside the District (49.5%).

**Figure 5.4 Location of previous home  
(movers in past two years)**



Source: West Dorset HNS Fordham Research 2007

5.19 It is therefore of interest to look briefly at the characteristics of households moving into the District. 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 District.

<b>Table 5.12 Tenure and household characteristics of in-migrant households</b>				
Tenure	Total moves	% of moves from outside district	% of older person in-migrants	% of older person internal movers
Owner-occupied (no mortgage)	2,013	62.2%	57.4%	71.8%
Owner-occupied (with mortgage)	2,505	48.6%	11.3%	4.8%
Social rented	1,269	26.4%	34.0%	27.6%
Private rented	2,296	52.1%	9.3%	15.8%
<b>Total</b>	<b>8,083</b>	<b>49.5%</b>	<b>27.1%</b>	<b>25.5%</b>

Source: West Dorset HNDS Fordham Research 2007

5.20 The table shows some interesting findings. Of the owner-occupiers (no mortgage) who moved to their dwelling in the past two years over three-fifths (62.2%) were previously resident outside the District, this compares with only 26.4% of social tenants. The data also shows that around three-fifths (57.4%) of in-migrant outright owners contain an older person. Overall, 27.1% of all in-migrant households contain an older person, compared with 25.5% of internal movers. These findings would suggest that a high proportion of households are moving to the area for retirement purposes.

5.21 The table below shows household's length of residence in their current accommodation by sub-area. Dorchester stands out as having a particularly mobile population with 22.9% of households having lived at their current address for less than two years. In contrast only 15.6% of households in Dorchester rural moved to their current address in the past two years.



**Table 5.13 Length of residence by sub-area**

Sub-area	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	558	9.2%	437	7.2%	1,216	20.1%	3,854	63.5%	6,065	100.0%
Bridport & Bridport Rural	938	11.3%	675	8.2%	1,643	19.9%	5,014	60.6%	8,271	100.0%
Chickerell & Chesil	455	10.8%	359	8.5%	809	19.3%	2,576	61.4%	4,199	100.0%
Dorchester Rural	657	9.4%	435	6.2%	1,282	18.3%	4,644	66.2%	7,017	100.0%
Lyme Regis & Charmouth	245	9.0%	244	9.0%	540	19.9%	1,687	62.1%	2,716	100.0%
Dorchester	1,006	12.7%	810	10.2%	1,440	18.2%	4,661	58.9%	7,916	100.0%
Sherborne & Sherborne Rural	687	9.3%	579	7.9%	1,270	17.2%	4,825	65.6%	7,360	100.0%
Total	4,546	10.4%	3,538	8.1%	8,199	18.8%	27,263	62.6%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Car ownership

5.22 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.

5.23 Over two-fifths (41.6%) of all households in social rented housing have no access to a car or van, this compares with only 4.3% of owner-occupied (with mortgage) households. The average household has 1.29 cars/vans; this figure varies from 0.73 in the social rented sector to 1.69 for owner-occupiers with a mortgage.

**Table 5.14 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)	13.5%	55.2%	25.4%	5.9%	1.24
Owner-occupied (with mortgage)	4.3%	35.1%	47.8%	12.7%	1.69
Social rented	41.6%	45.6%	10.7%	2.0%	0.73
Private rented	14.6%	54.9%	24.8%	5.7%	1.22
TOTAL	14.9%	48.0%	29.7%	7.3%	1.29

Source: West Dorset HNDS Fordham Research 2007

5.24 The table below considers variations in car ownership by sub-area. Households with no car were more likely to be found in sub-areas with towns, particularly Bridport & Bridport Rural where 19.6% of households questioned had no car, only 9.0% of households in Dorchester Rural had no use of a car or van. Multiple car ownership was most frequent in Dorchester Rural, where 46.7% of households had more than one car.

**Table 5.15 Car ownership by sub-area**

Sub-area	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	593	9.8%	2,667	44.0%	2,316	38.2%	489	8.1%	6,065	100.0%
Bridport & Bridport Rural	1,619	19.6%	4,080	49.3%	2,042	24.7%	529	6.4%	8,271	100.0%
Chickerell & Chesil	560	13.3%	1,859	44.3%	1,364	32.5%	416	9.9%	4,199	100.0%
Dorchester Rural	632	9.0%	3,113	44.4%	2,622	37.4%	650	9.3%	7,017	100.0%
Lyme Regis & Charmouth	450	16.6%	1,495	55.1%	659	24.3%	112	4.1%	2,716	100.0%
Dorchester	1,491	18.8%	4,237	53.5%	1,832	23.1%	356	4.5%	7,916	100.0%
Sherborne & Sherborne Rural	1,158	15.7%	3,456	47.0%	2,115	28.7%	632	8.6%	7,360	100.0%
<b>Total</b>	<b>6,502</b>	<b>14.9%</b>	<b>20,907</b>	<b>48.0%</b>	<b>12,951</b>	<b>29.7%</b>	<b>3,184</b>	<b>7.3%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Ethnicity

- 5.25 The population of West Dorset is predominantly White and survey data suggests that only around 1% 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.
- 5.26 As only 46 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

- 5.27 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.
- 5.28 The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households.

**Table 5.16 Overcrowding and under-occupation**

Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	3,910	9,682	11,302	5,290	30,184
2 bedrooms	127	2,005	4,166	2,410	8,707
3 bedrooms	18	236	2,039	1,786	4,079
4+ bedrooms	0	24	175	376	575
TOTAL	4,054	11,947	17,681	9,862	43,545

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: West Dorset HNDS Fordham Research 2007

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

- **Overcrowded:** 1.5% of households = 632 households
- **Under-occupied:** 45.0% of households = 19,607 households

5.30 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 a large proportion of overcrowded households state a need or likelihood of moving home over the next two years.

5.31 The table below shows overcrowding and under-occupation by sub-area. It can be seen that overcrowding is relatively uncommon in West Dorset, and therefore figures for the number of overcrowded households should be treated with caution. The highest proportions of overcrowded households were in Dorchester (at 2.4%). Under-occupation was much more common; with households in Central & West Rural and Sherborne & Sherborne Rural showing particularly high levels of under-occupancy. Under-occupation was notably less common in Dorchester.

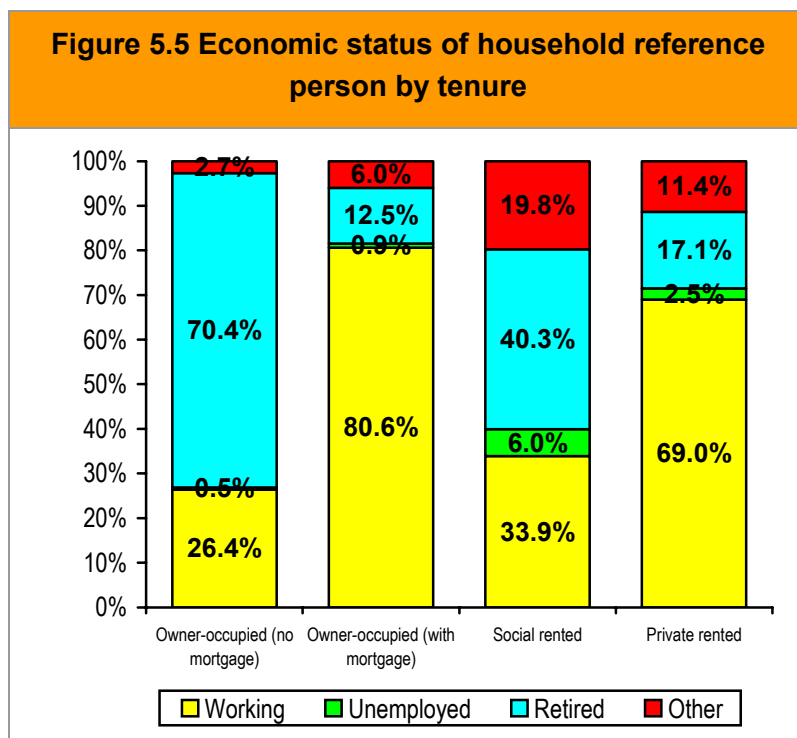
**Table 5.17 Overcrowding/under-occupation by sub-area**

Sub-area	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Central & West Rural	65	1.1%	2,820	46.5%	3,180	52.4%	6,065	100.0%
Bridport & Bridport Rural	105	1.3%	4,747	57.4%	3,420	41.3%	8,271	100.0%
Chickerell & Chesil	51	1.2%	2,338	55.7%	1,810	43.1%	4,199	100.0%
Dorchester Rural	112	1.6%	3,576	51.0%	3,329	47.4%	7,017	100.0%
Lyme Regis & Charmouth	40	1.5%	1,483	54.6%	1,193	43.9%	2,716	100.0%
Dorchester	189	2.4%	4,771	60.3%	2,956	37.3%	7,916	100.0%
Sherborne & Sherborne Rural	71	1.0%	3,570	48.5%	3,719	50.5%	7,360	100.0%
Total	632	1.5%	23,306	53.5%	19,607	45.0%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Economic status

- 5.32 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, 80.6% of those buying with a mortgage were working. For private renters the figure was 69.0%, and for social renters the percentage was 33.9%. For outright owners, only 26.4% were working and 70.4% were retired. Overall, some 42.8% of household reference persons were retired with the lowest percentage for households buying with a mortgage.
- 5.33 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: West Dorset HNDS Fordham Research 2007

- 5.34 Over a third 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 (7.7% of social tenants). Around 1% of all other tenure groups together are classified as sick/disabled.
- 5.35 The table below shows economic status by sub-area; the proportion of household heads in work was highest in Dorchester (54.6%), and lowest in Lyme Regis & Charmouth (37.3%), which also had the largest proportion of retired people in the area, at 53.0% of households. Unemployment figures were low, but unemployment was highest in Bridport & Bridport Rural (2.7%).

**Table 5.18 Economic status of household head by sub-area**

Sub-area	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	2,927	48.3%	81	1.3%	2,638	43.5%	420	6.9%	6,065	100.0%
Bridport & Bridport Rural	3,588	43.4%	223	2.7%	3,836	46.4%	623	7.5%	8,271	100.0%
Chickerell & Chesil	2,190	52.1%	94	2.2%	1,668	39.7%	247	5.9%	4,199	100.0%
Dorchester Rural	3,650	52.0%	53	0.7%	2,755	39.3%	561	8.0%	7,017	100.0%
Lyme Regis & Charmouth	1,013	37.3%	45	1.6%	1,439	53.0%	219	8.1%	2,716	100.0%
Dorchester	4,322	54.6%	143	1.8%	2,840	35.9%	611	7.7%	7,916	100.0%
Sherborne & Sherborne Rural	3,398	46.2%	75	1.0%	3,462	47.0%	426	5.8%	7,360	100.0%
<b>Total</b>	<b>21,087</b>	<b>48.4%</b>	<b>714</b>	<b>1.6%</b>	<b>18,638</b>	<b>42.8%</b>	<b>3,106</b>	<b>7.1%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Housing costs

5.36 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).

5.37 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 £120 per week. This compares with £70 for RSL tenants.

**Table 5.19 Housing costs by tenure**

Weekly housing cost	Owner-occupied (with mortgage)	Social rented	Private rented	TOTAL
Under £30	7.1%	10.6%	4.1%	7.4%
£30-£59	11.7%	6.9%	6.0%	9.3%
£60-£89	14.3%	70.5%	11.7%	28.2%
£90-£119	13.7%	11.5%	30.6%	16.7%
£120-£149	15.6%	0.2%	25.4%	13.7%
£150-£179	10.1%	0.0%	12.5%	8.0%
£180-£209	10.6%	0.0%	5.1%	6.7%
£210-£239	4.7%	0.0%	2.0%	2.9%
£240-£269	3.4%	0.2%	0.3%	2.0%
£270 or more	8.7%	0.0%	2.1%	5.1%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Average cost</b>	<b>£134</b>	<b>£70</b>	<b>£120</b>	<b>£115</b>

Source: West Dorset HNDS Fordham Research 2007

## Summary

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

- In total 40.9% of households live in detached houses or bungalows, whilst only 12.6% live in flatted accommodation. 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
- Over a third of all households are 'pensioner-only' and less than a 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 42.2% of private renters had moved home in the past two years, compared to only 20.7% of social renters and 14.1% of owner-occupiers. There were more moves recorded within tenures than between them
- Car ownership data suggests that there is an average of 1.29 cars per household in the District. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.69 cars per household. Over 40% of all households in social rented accommodation have no use of a car or van
- The population of West Dorset is predominantly White and survey data suggests that only around 1% of households are non-White
- The level of overcrowding recorded in West Dorset at 1.5% is lower than the national average
- The proportion of employed household heads varied significantly across the tenures. Some 80.6% of households buying with a mortgage are headed by an employed person compared to 69.0% in the private rented sector and 33.9% 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



## 6. Guidance

### Introduction

- 6.1 The two chapters following this one study the need for affordable housing in the District (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 DCLG 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 DCLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3 and the following two chapters look at the analysis of housing need.

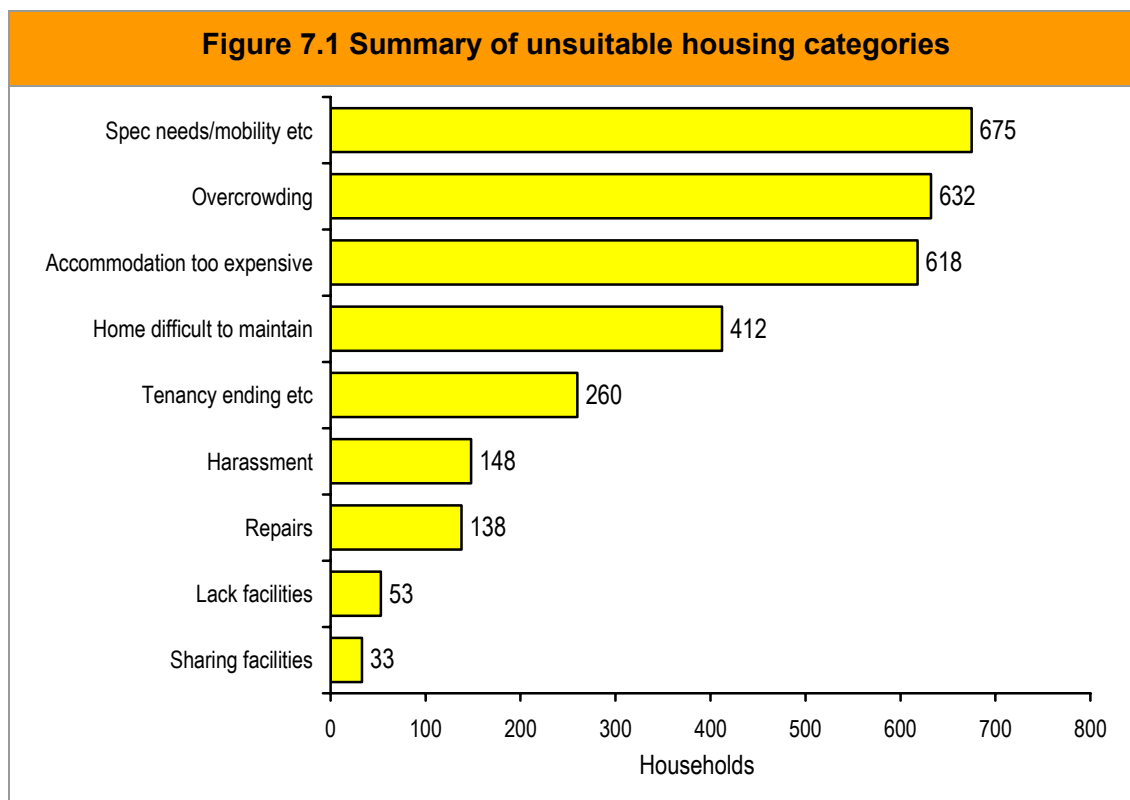
# 7. Current Need

## 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 DCLG 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 2,265 households are living in unsuitable housing. This represents 5.2% of all households in the District.
- 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 of reasons for unsuitability shown in the figure will 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 special needs and/or mobility problems, followed by overcrowding.



Source: West Dorset 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 13.0% of households in private rented accommodation and 9.4% of households in the social rented sector are estimated to be living in unsuitable housing. This compares with 2.8% and 3.4% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

**Table 7.1 Unsuitable housing and tenure**

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in District	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	549	18,873	19,422	2.8%	24.3%
Owner-occupied (with mortgage)	432	12,142	12,574	3.4%	19.1%
Social rented	576	5,531	6,107	9.4%	25.4%
Private rented	707	4,735	5,442	13.0%	31.2%
<b>TOTAL</b>	<b>2,265</b>	<b>41,280</b>	<b>43,545</b>	<b>5.2%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

- 7.6 The table below shows the location of unsuitably housed households in West Dorset. The table indicates that the level of unsuitable housing varies from 3.9% in Central & West Rural to 7.1% in Dorchester.

<b>Table 7.2 Location of households in unsuitable housing</b>						
Sub-area	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Central & West Rural	236	3.9%	5,829	96.1%	6,065	100.0%
Bridport & Bridport Rural	471	5.7%	7,800	94.3%	8,271	100.0%
Chickerell & Chesil	193	4.6%	4,006	95.4%	4,199	100.0%
Dorchester Rural	305	4.3%	6,712	95.7%	7,017	100.0%
Lyme Regis & Charmouth	152	5.6%	2,564	94.4%	2,716	100.0%
Dorchester	563	7.1%	7,353	92.9%	7,916	100.0%
Sherborne & Sherborne Rural	344	4.7%	7,017	95.3%	7,360	100.0%
<b>Total</b>	<b>2,265</b>	<b>5.2%</b>	<b>41,280</b>	<b>94.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

### **'In-situ' solutions**

- 7.7 The survey has highlighted that 2,265 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.
- 7.8 The survey data therefore estimates that of the 2,265 households in unsuitable housing, 1,520 (or 67.1%) do not have an in-situ solution and therefore require a move to alternative accommodation.

### **Affordability**

- 7.9 Using the affordability methodology set out in the previous chapter it is estimated that there are 905 existing households that cannot afford market housing and are living in unsuitable housing (and require a move to alternative accommodation). This represents 2.1% of all existing households in the District.

7.10 The table below shows the tenure of the 905 households currently estimated to be in housing need. The results show that private rented tenants are most likely to be in housing need – 8.8% of households in the private rented sector are in housing need. Of all households in need, 36.4% currently live in social rented accommodation and 53.1% in private rented housing.

<b>Table 7.3 housing need and tenure</b>					
Tenure	Housing need				
	In need	Not in need	Number of h'holds in District	% of total h'holds in need	% of those in need
Owner-occupied (no mortgage)	27	19,395	19,422	0.1%	2.9%
Owner-occupied (with mortgage)	68	12,506	12,574	0.5%	7.5%
Social rented	330	5,777	6,107	5.4%	36.4%
Private rented	480	4,962	5,442	8.8%	53.1%
<b>TOTAL</b>	<b>905</b>	<b>42,640</b>	<b>43,545</b>	<b>2.1%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

7.11 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 330 households fall into the former category and 575 into the latter category.

7.12 The table below shows the location of households currently in need in West Dorset. The table indicates that there is some housing need in all areas. The highest level of housing need was estimated to be in Dorchester (3.3% of households).

<b>Table 7.4 Location of households currently in need</b>						
Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Central & West Rural	79	1.3%	5,986	98.7%	6,065	100.0%
Bridport & Bridport Rural	203	2.5%	8,068	97.5%	8,271	100.0%
Chickerell & Chesil	52	1.2%	4,147	98.8%	4,199	100.0%
Dorchester Rural	151	2.1%	6,867	97.9%	7,017	100.0%
Lyme Regis & Charmouth	51	1.9%	2,665	98.1%	2,716	100.0%
Dorchester	260	3.3%	7,656	96.7%	7,916	100.0%
Sherborne & Sherborne Rural	108	1.5%	7,252	98.5%	7,360	100.0%
<b>Total</b>	<b>905</b>	<b>2.1%</b>	<b>42,640</b>	<b>97.9%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007



## Homeless households

- 7.13 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.
- 7.14 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 West Dorset the number of such cases is low and the 2006 HSSA suggested as of April 2006 around 17 households were living in bed and breakfast style accommodation. This number is added to our total estimated backlog of need

## Total current need

- 7.15 The table below summarises the first stage of the overall assessment of housing need as set out by the DCLG. The data shows that there are an estimated 922 households in need.

Table 7.5 Backlog of housing need		
Step	Notes	Output
1.1 Homeless households and those in temporary accommodation		17
1.2 Overcrowding and concealed households	Two steps	905
1.3 Other groups	taken together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	922

Source: West Dorset HNDS Fordham Research 2007

## Available stock to offset need

- 7.16 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.
- 7.17 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 330 (as presented earlier in this chapter).

## **Surplus stock**

- 7.18 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The DCLG Draft 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. West Dorset records a vacancy rate in the social rented sector of less than 1%; therefore no adjustment needs to be made to the figures.

## **Committed supply of new affordable units**

- 7.19 The DCLG Draft 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 purposes 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.
- 7.20 Overall the 2006 HSSA data suggests that there are 171 affordable dwellings planned or proposed for this two year period.

## **Units to be taken out of management**

- 7.21 The Draft 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**

- 7.22 Having been through a number of detailed stages in order to assess the total available stock to offset need in the District 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 501 properties available to offset the current need.

**Table 7.6 Current supply of affordable housing**

Step	Notes	Output
3.1 Affordable dwellings occupied by households in need		330
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		171
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	501

Source: West Dorset HNDS Fordham Research 2007

## Total backlog need

7.23 In the table above it is estimated that there is a current need to provide 922 units of affordable housing to meet the backlog of need. Current sources are estimated to be able to provide 501 of these units leaving an estimated shortfall of around 421 units of affordable housing.

## Summary

7.24 Survey data suggests that around 2,265 households in the District are currently living in unsuitable housing. In addition, it was estimated that 1,520 of the 2,265 households would need to move home to find a solution to the unsuitability.

7.25 Of these 1,520 households, an estimated 60% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (905 households). Household in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.

7.26 Taking into account a small number of homeless households who would not have been picked up by the household-based survey (17 additional households) makes for a total backlog need of 922 households.

7.27 It is estimated that at the time of the survey there was a current stock of affordable housing of around 501 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 421 units (905-501).



## 8. Future Need

### Introduction

8.1 In addition to the current needs discussed so far in this report there will be future need. This is split, as per DCLG 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 stating 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.

<b>Table 8.1 Derivation of newly arising need from new household formation</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	8,083	
Minus households NOT forming in previous move	-6,858	1,225
Times proportion unable to afford	50.5%	
<b>ESTIMATE OF NEWLY ARISING NEED</b>	<b>619</b>	
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>	<b>309</b>	

Source: West Dorset HNDS Fordham Research 2007

8.5 The table above shows that an estimated 1,225 households are newly formed within the District over the past two years (612 per annum). Of these it is estimated that 309 (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.

<b>Table 8.2 Derivation of Newly Arising Need from existing households</b>		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	8,083	
Minus households forming in previous move	-1,224	6,859
Minus households transferring within affordable housing	-377	6,482
Times proportion unable to afford	21.4%	
<b>ESTIMATE OF NEWLY ARISING NEED</b>	<b>1,385</b>	
<b>ANNUAL ESTIMATE OF NEWLY ARISING NEED</b>	<b>692</b>	

Source: West Dorset HNDS Fordham Research 2007

- 8.9 The table above shows that a total of 6,482 existing households are considered as potentially in need (3,241 per annum). Using the standard affordability test for existing households it is estimated that 21.4% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 1,385 households ( $6,482 \times 0.214$ ) over the two-year period. Annualised this is 692 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 1,001 households per annum.

Table 8.3 Future need (per annum)		
Step	Notes	Output
2.1 New household formation (gross per year)		612
2.2 Proportion of new households unable to buy or rent in the market	Leaves 309	50.5%
2.3 Existing households falling into need		692
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	1,001

Source: West Dorset HNDS Fordham Research 2007

- 8.11 The table below shows the location of households likely to be in need in the future. The figures are annualised. The table indicates that there are three sub-areas where the estimate of future need represents less than 2% of the household population; the highest levels of future need are estimated to be in Chickerell & Chesil and Dorchester where the future gross need per annum is estimated to be equivalent to 3.1% of the current number of households.

Table 8.4 Location of households in future need (annual)						
Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Central & West Rural	127	2.1%	5,938	97.9%	6,065	100.0%
Bridport & Bridport Rural	226	2.7%	8,045	97.3%	8,271	100.0%
Chickerell & Chesil	128	3.1%	4,071	96.9%	4,199	100.0%
Dorchester Rural	89	1.3%	6,929	98.7%	7,017	100.0%
Lyme Regis & Charmouth	46	1.7%	2,670	98.3%	2,716	100.0%
Dorchester	244	3.1%	7,672	96.9%	7,916	100.0%
Sherborne & Sherborne Rural	141	1.9%	7,220	98.1%	7,360	100.0%
Total	1,002	2.3%	42,543	97.7%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## The future supply of social rented housing

8.12 The table below shows an estimate of the supply of lettings from RSL stock (excluding RSL to RSL transfers) over the past 2 years, using CORE and HSSA data. The average for the two-year period is 337 per annum.

<b>Table 8.5 Analysis of past housing supply – (RSL sector)</b>			
	2004/5	2005/6	Average
CORE data	384	274	329
HSSA data	319	369	344
Average	352	322	337

Source: West Dorset HNDS Fordham Research 2007

## Intermediate supply

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

8.14 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 11 units of shared ownership housing will become available to meet housing needs from the existing stock of such housing.

## Total future supply

8.15 The total future supply is estimated to be 348, comprised of 337 units of social re-lets and 11 units of shared ownership. This is shown in the below table.

<b>Table 8.6 Future supply of affordable housing (per annum)</b>		
Step	Notes	Output
3.6 Annual supply of social re-lets (net)		337
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		11
3.8 Annual supply of affordable housing	4.1+4.2	348

Source: West Dorset HNDS Fordham Research 2007



## Net annual need estimate

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

Table 8.7 Housing needs assessment model for West Dorset		
Stage and step in calculation	Notes	Output
<b>STAGE 1: CURRENT NEED (Gross)</b>		
1.1 Homeless households and those in temporary accommodation		17
1.2 Overcrowding and concealed households	Two steps taken together	905
1.3 Other groups		
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	922
<b>STAGE 2: FUTURE NEED</b>		
2.1 New household formation (gross per year)		612
2.2 Proportion of new households unable to buy or rent in the market		50.5%
2.3 Existing households falling into need		692
2.4 Total newly arising housing need (gross per year)	(2.1x2.2)+2.3	1,001
<b>STAGE 3: AFFORDABLE HOUSING SUPPLY</b>		
3.1 Affordable dwellings occupied by households in need		330
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		171
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	501
3.6 Annual supply of social re-lets (net)		337
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		11
3.8 Annual supply of affordable housing	3.6+3.7	348

Source: West Dorset HNDS Fordham Research 2007

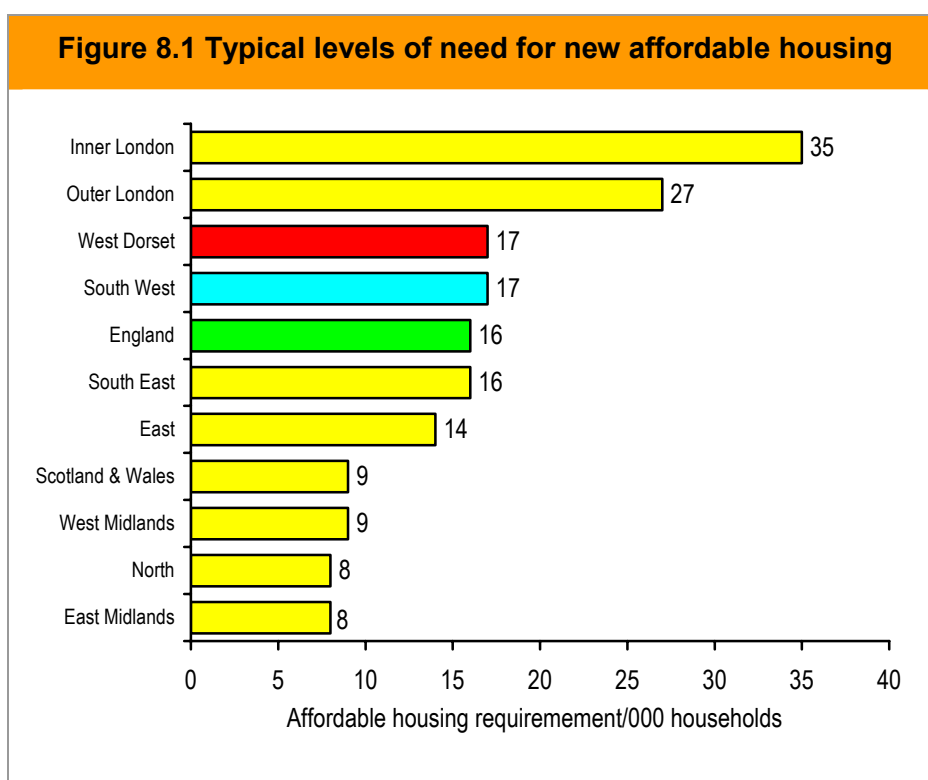
- 8.17 The Guide states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available of 501 (step 3.5) from the gross current need of 922 (step 1.4). This produces a net current need figure of 421.
- 8.18 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 84 (421/5).

8.19 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 West Dorset of 737 (84+1,001-348).

### Findings in context

8.20 The net shortfall of 737 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:

$$(737/43,545) \times 1,000 = 17$$



Source: West Dorset HNDS Fordham Research 2007

8.21 This Index figure is slightly higher than the national average (of 16) and equal to the figure for the South West (of 17).

8.22 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

- 8.23 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 692 new lets of Housing Benefit supported private rented housing have been made (346 per annum).
- 8.24 It is not, however, appropriate to consider the net of this supply of housing from the overall annual housing needs estimate of 737 in West Dorset as there is significant evidence that this is not a secure tenure. Survey data reveals that over 40% of households in the private rented sector have moved in the last two years and it is households leaving this tenure that are a notable source of homelessness in West Dorset. 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

- 8.25 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 309 newly forming households requiring affordable housing and a further 692 existing households. The total future need for affordable housing is therefore estimated to be 1,001 units per annum.
- 8.26 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 348 units (337 social rented and 11 intermediate units i.e. shared ownership).
- 8.27 The total net annual housing need in West Dorset 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 West Dorset is therefore 737 (84+1,001-348).



# SECTION C: CHARACTERISTICS OF THE 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 16.2% 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)	1,653	19,422	8.5%
Owner-occupied (with mortgage)	2,003	12,574	15.9%
Social rented	1,021	6,107	16.7%
Private rented	2,357	5,442	43.3%
Total	7,034	43,545	16.2%

Source: West Dorset HNDS Fordham Research 2007

9.3 The table below shows the number and proportion of households who need or expect to move home in the next two years by sub-area. Households living in Dorchester are particularly likely to be future movers with 18.7% of households in this area stating that they need or are likely to move in the next two years. At the other end of the scale the figure for Sherborne & Sherborne Rural is only 14.4%.

**Table 9.2 Moving intentions of existing households by sub-area**

Sub-area	Now		Within a year		1 to 2 years		Not moving with 2 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Central & West Rural	69	1.1%	491	8.1%	428	7.1%	5,076	83.7%	6,065	100.0%
Bridport & Bridport Rural	206	2.5%	571	6.9%	510	6.2%	6,983	84.4%	8,271	100.0%
Chickerell & Chesil	129	3.1%	238	5.7%	356	8.5%	3,476	82.8%	4,199	100.0%
Dorchester Rural	170	2.4%	352	5.0%	544	7.8%	5,951	84.8%	7,017	100.0%
Lyme Regis & Charmouth	52	1.9%	221	8.1%	155	5.7%	2,288	84.2%	2,716	100.0%
Dorchester	303	3.8%	548	6.9%	632	8.0%	6,434	81.3%	7,916	100.0%
Sherborne & Sherborne Rural	187	2.5%	474	6.4%	396	5.4%	6,303	85.6%	7,360	100.0%
<b>Total</b>	<b>1,116</b>	<b>2.6%</b>	<b>2,895</b>	<b>6.6%</b>	<b>3,022</b>	<b>6.9%</b>	<b>36,511</b>	<b>83.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

9.4 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 75.9% of households would like to remain in the District whilst a slightly lower proportion actually expect to remain (71.8%). A greater proportion of households would expect to move from Dorset completely than would like to.

**Table 9.3 Where households would like and expect to move**

Location of next home	Like	Expect
West Dorset	75.9%	71.8%
Elsewhere in Dorset	9.3%	9.3%
Elsewhere in UK or abroad	14.8%	18.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

9.5 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 nearly three-quarters (73.0%) of all households would like to move to owner-occupation, however, only 59.0% expect to secure this type of accommodation. More households expect to rent (both social and private rented housing) than would like to.



**Table 9.4 Housing tenure aspirations and expectations**

Tenure	Like	Expect
Buy own home	73.0%	59.0%
Social rented	20.0%	24.1%
Private rented	7.0%	16.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

- 9.6 The tables below show cross-tabulations between current tenure and future tenure preference as well as future tenure expectations.
- 9.7 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.
- 9.8 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, 64.2% of private tenant movers would like to become owners but only 33.2% expect to do so.

**Table 9.5 Current tenure and tenure preference**

	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	<b>1,514</b>	83	55	1,653
Owner-occupied (with mortgage)	<b>1,858</b>	57	89	2,003
Social rented	250	<b>718</b>	53	1,021
Private rented	1,514	547	<b>296</b>	2,357
<b>Total</b>	<b>5,137</b>	<b>1,405</b>	<b>493</b>	<b>7,034</b>

Source: West Dorset HNDS Fordham Research 2007

<b>Table 9.6 Current tenure and tenure expectations</b>				
	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	<b>1,479</b>	76	97	1,653
Owner-occupied (with mortgage)	<b>1,804</b>	76	123	2,003
Social rented	86	<b>855</b>	80	1,021
Private rented	782	689	<b>886</b>	2,357
<b>Total</b>	<b>4,151</b>	<b>1,696</b>	<b>1,186</b>	<b>7,034</b>

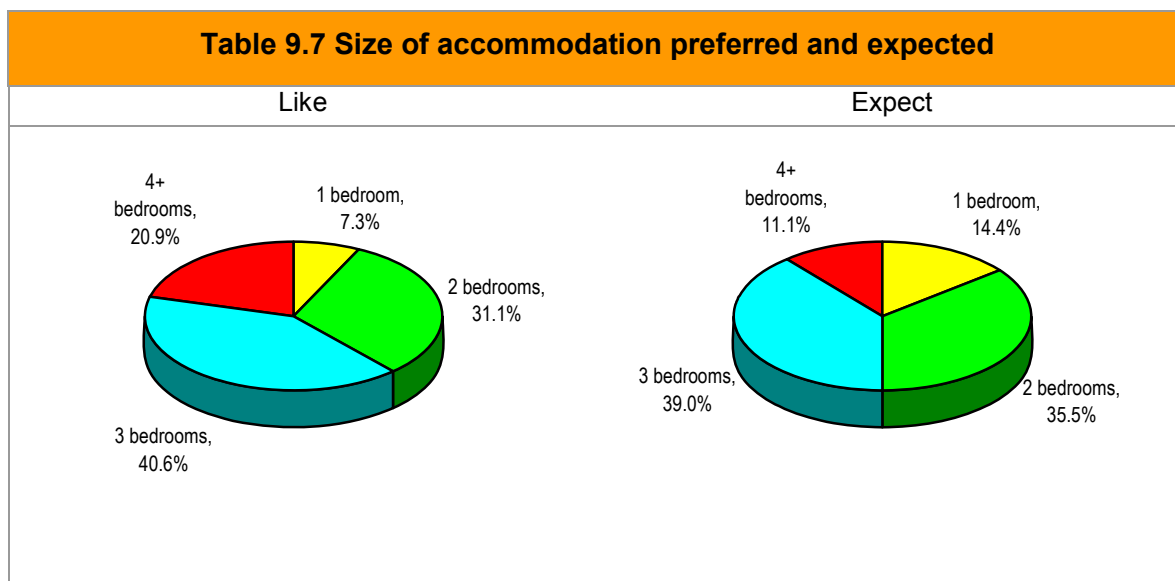
Source: West Dorset HNDS Fordham Research 2007

9.9 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 (65.1%) but a much smaller proportion would expect to move to such accommodation (36.0%). Overall more households expect to move to all other dwelling types than is their preference (e.g. whilst 9.3% of households would like a flat nearly double this proportion would expect to move to that type of accommodation).

<b>Table 9.7 Housing type aspirations and expectations</b>		
Type of home	Like	Expect
Detached house	50.5%	26.3%
Semi-detached house	15.3%	22.3%
Terraced house	6.2%	17.4%
Detached bungalow	14.6%	9.7%
Semi-detached/terraced bungalow	4.2%	6.4%
Flat/maisonette	9.3%	17.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

9.10 In terms of the sizes of accommodation required we find that the largest proportion of households would like three bedroom accommodation (40.6%). In addition just over a fifth (20.9%) would like a four or more bedroom home. In terms of expectations we find that the largest group is still three bedroom homes (39.0%) and only 11.1% expect to secure four or more bedrooms. Around 14% of households expect to secure a one bedroom home but only around 7% would like this size of accommodation.



Source: West Dorset HNDS Fordham Research 2007

- 9.11 In addition, households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (90.4%) or expect (90.5%) 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

- 9.12 A similar analysis can be carried out for newly forming households. The survey estimates that there are 2,584 households who need or are likely to form from households in the District over the next two years.
- 9.13 The table below shows the rate of intended future household formation by sub-area. It shows the highest rate was recorded in Central & Rural West (3.7%) and the lowest in Sherborne & Sherborne Rural (2.2%).

**Table 9.8 Rate of new household formation by sub-area**

Sub-area	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Central & West Rural	447	6,065	3.7%
Bridport & Bridport Rural	531	8,271	3.2%
Chickerell & Chesil	213	4,199	2.5%
Dorchester Rural	354	7,017	2.5%
Lyme Regis & Charmouth	187	2,716	3.4%
Dorchester	534	7,916	3.4%
Sherborne & Sherborne Rural	318	7,360	2.2%
<b>Total</b>	<b>2,584</b>	<b>43,545</b>	<b>3.0%</b>

Source: West Dorset HNDS Fordham Research 2007

9.14 The table below suggests that newly forming households are less likely to want to remain in the area than existing households. In total 59.8% of potential households would like to remain in the area but only 54.1% expect to. A greater proportion of newly forming households expect to move away from Dorset than would like to.

**Table 9.9 Where potential households would like and expect to move**

Location of next home	Like	Expect
West Dorset	59.8%	54.1%
Elsewhere in Dorset	7.9%	8.4%
Elsewhere in UK or abroad	32.3%	37.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

9.15 In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 62.3% of potential households would like to move to owner-occupied accommodation. However, less than a third expect to secure such accommodation (29.5%). Around 18% would like social rented housing but 20% expect to secure it. In total only 19.8% want to move to private rented accommodation but over half (50.7%) expect to do so.

**Table 9.10 Housing tenure aspirations and expectations – newly forming households**

Tenure	Like	Expect
Buy own home	62.3%	29.5%
Social rented	18.0%	19.8%
Private rented	19.8%	50.7%
TOTAL	100.0%	100.0%

Source: West Dorset HNDS Fordham Research 2007

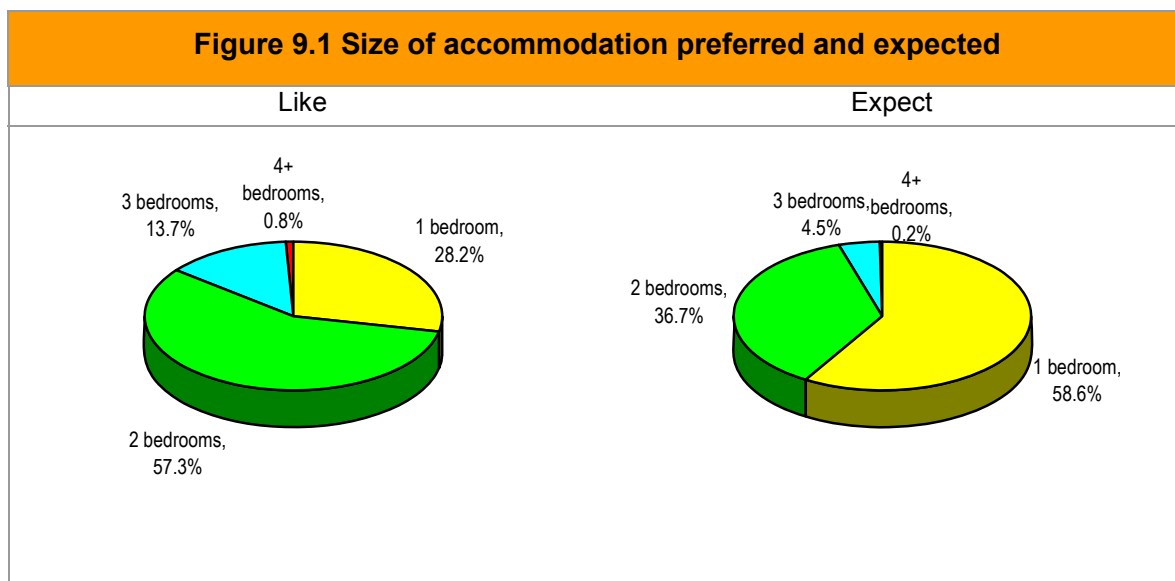
- 9.16 The table below shows the type of dwellings newly forming households would like and expect to move to. Compared with the results for existing households the figures show that there is a greater preference and expectation of flatted accommodation amongst newly forming households. In total 34.1% of newly forming households would like a flat (compared with 9.3% of existing households) whilst over three-fifths (61.9%) expect to secure this type of accommodation.

**Table 9.11 Housing type aspirations and expectations of newly forming households**

Type of home	Like	Expect
Detached house	27.8%	3.5%
Semi-detached house	20.7%	10.9%
Terraced house	13.8%	20.4%
Detached bungalow	3.0%	2.3%
Semi-detached/terraced bungalow	0.6%	1.0%
Flat/maisonette	34.1%	61.9%
TOTAL	100.0%	100.0%

Source: West Dorset HNDS Fordham Research 2007

- 9.17 In terms of the sizes of accommodation required we find that the largest proportion of households would like two bedroom accommodation (57.3%). In addition just over a quarter (28.2%) would like a one bedroom home. In terms of expectations we find that the largest group is one bedroom homes (58.6%) a figure significantly higher than the equivalent figure for preferences.



Source: West Dorset HNDS Fordham Research 2007

9.18 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 (96.5%) or expect (96.2%) ordinary residential accommodation.

## Summary

9.19 This chapter presented information on the future housing intentions of households in West Dorset. The main findings were:

- Overall almost a sixth (16.2%) of existing households state a need or likelihood of moving home over the next two years
- Some 75.9% of these households would like to remain in West Dorset although a slightly 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 2,584 households who need or are likely to form from households in the District over the next two years
- In total an estimated 62.3% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation (29.5%)

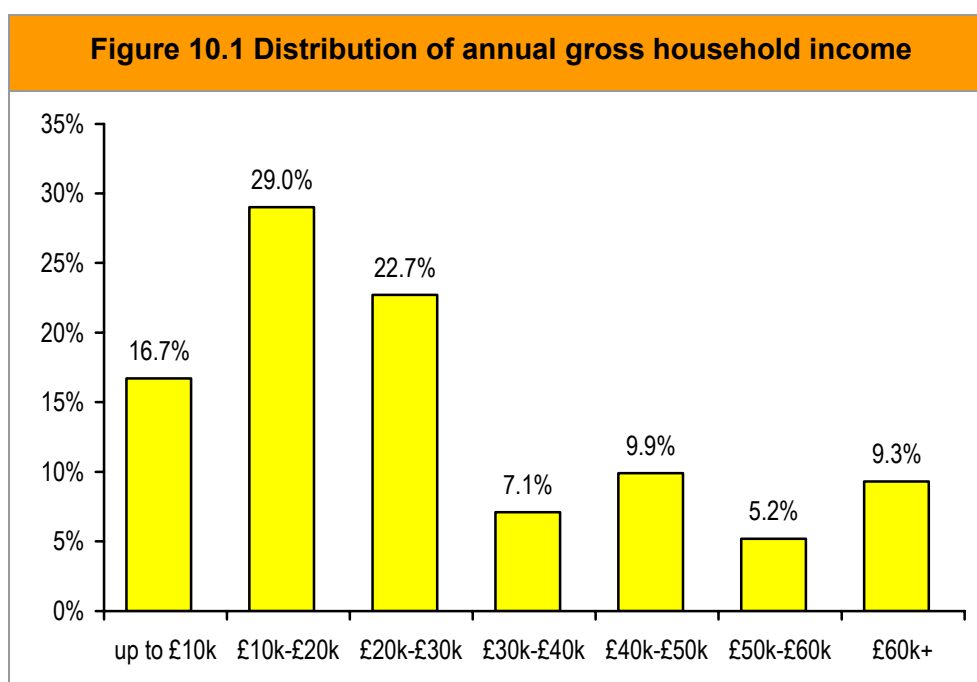
# 10. Financial Information

## 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 83.9% of respondents answering this question. Survey results for household income in West Dorset estimate the average (mean) gross household income level to be £28,160 per annum. The median income is noticeably lower than the mean (at £21,975 per annum). The figure below shows the distribution of income in the District.

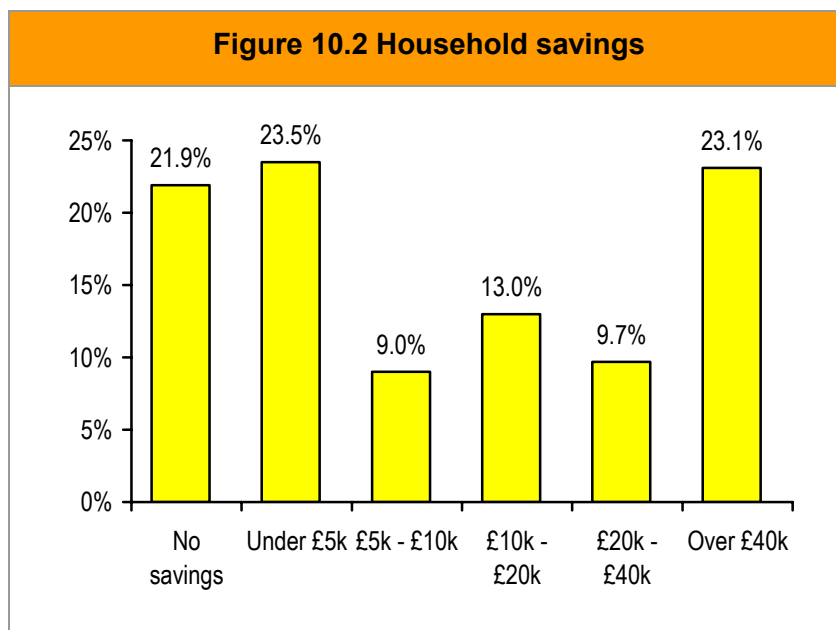


Source: West Dorset HNDS Fordham Research 2007

## Household Savings and Equity

10.3 The response to the survey savings question was also good with 82.3% of respondents answering this question. The average (mean) household has £50,314 in savings (median of £7,667). The figure below shows the distribution of savings in the District.

10.4 An estimated 45.3% of households had less than £5,000 in savings whilst 23.1% had savings of over £40,000. Households with no savings also include those in debt.



Source: West Dorset 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 £251,152 (median of £216,055). It is estimated that 0.1% of owner-occupiers (38 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.



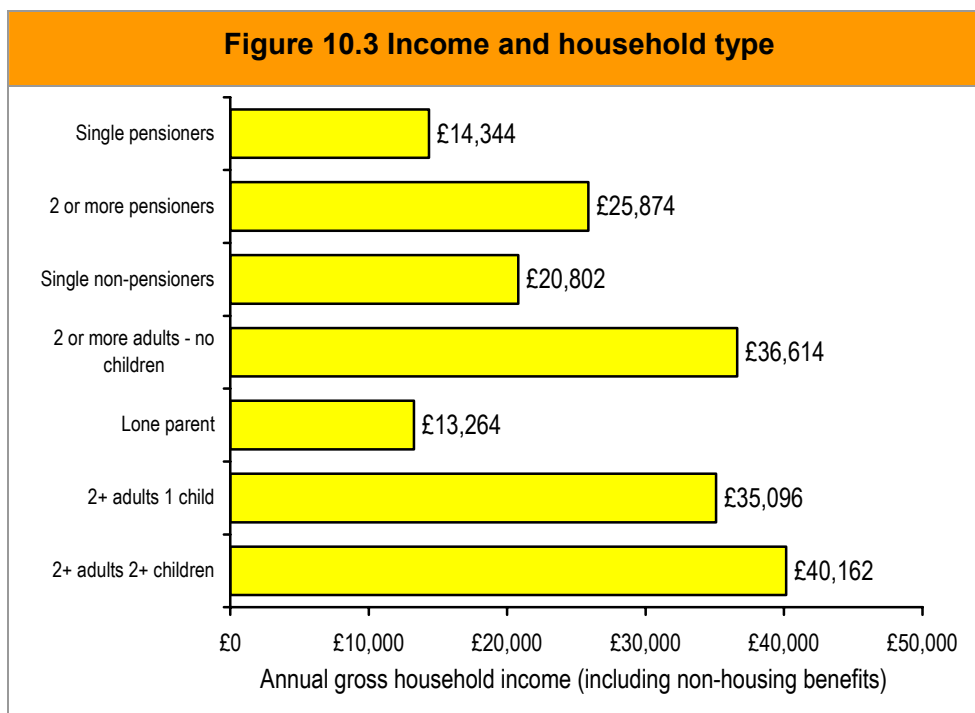
## Household characteristics and income

- 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 broadly in-line with 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.

<b>Table 10.1 Financial information by tenure</b>			
Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£27,544	£90,373	£301,564
Owner-occupied (with mortgage)	£39,603	£22,397	£173,284
Social rented	£10,952	£3,631	-
Private rented	£23,230	£24,239	-
<b>AVERAGE</b>	<b>£28,160</b>	<b>£50,314</b>	<b>£251,152</b>

Source: West Dorset 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 District average. Households with two or more adults and two or more children show the highest average incomes.



Source: West Dorset HNDS Fordham Research 2007

10.9 Household incomes and savings varied significantly between sub-areas. The lowest average income was found in Bridport & Bridport Rural (at £23,738). The sub-area with the highest income, 35% higher than the lowest at £32,035, was Dorchester Rural.

**Table 10.2 Average household income and savings by sub-area**

Sub-area	Average annual gross household income	Average savings
Central & West Rural	£29,567	£62,251
Bridport & Bridport Rural	£23,738	£42,388
Chickerell & Chesil	£27,662	£43,068
Dorchester Rural	£32,035	£54,508
Lyme Regis & Charmouth	£27,179	£65,550
Dorchester	£27,581	£34,909
Sherborne & Sherborne Rural	£29,545	£60,465
Average	£28,160	£50,314

Source: West Dorset HNDS Fordham Research 2007

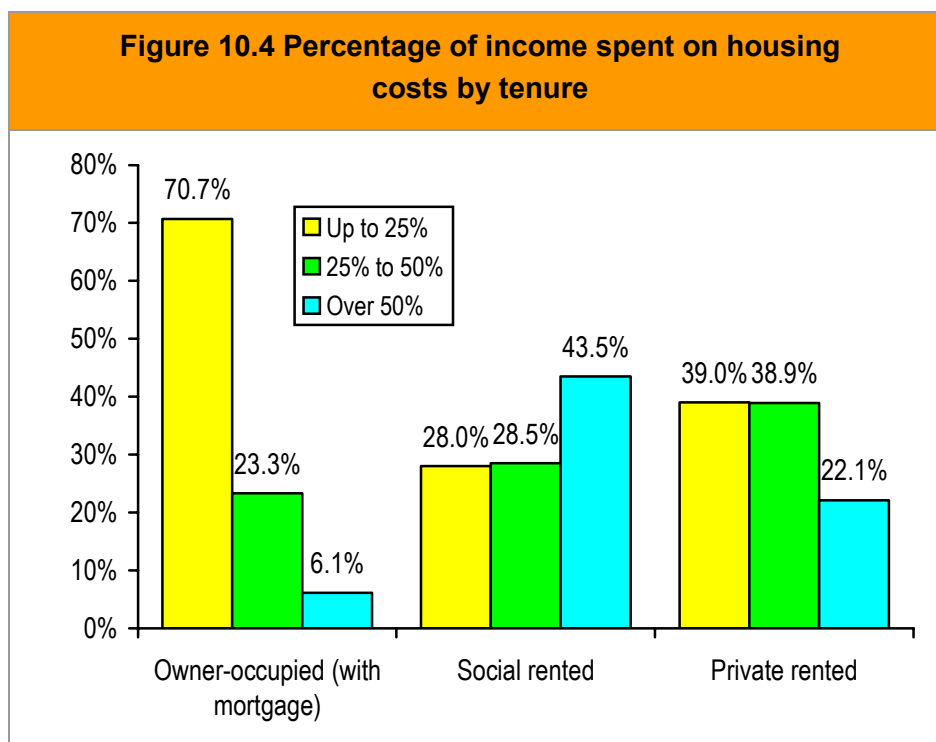
## Other financial information

10.10 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 (84.9%) stated that they had no further access to financial resources other than those already analysed.

10.11 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 £3,600 from sources other than savings and equity. Therefore some of this 15% 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

10.12 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% - this is particularly the case in the social and private rented sectors.



Source: West Dorset HNDS Fordham Research 2007

10.13 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.

10.14 For example, of all households paying up to 25% of income on housing costs some 8.1% are also claiming housing benefit. For households spending over 50% this figure rises to 65.2%. Whilst this finding shows that to a certain extent that 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.

<b>Table 10.3 Percentage of households receiving housing benefit (income support) by tenure and proportion of income spent on housing</b>				
	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	1.5%	42.5%	8.0%	8.1%
Spend 25%-50%	1.6%	41.7%	23.3%	18.6%
Spend over 50%	8.5%	82.4%	63.0%	65.2%
Total	2.0%	59.6%	26.1%	21.9%

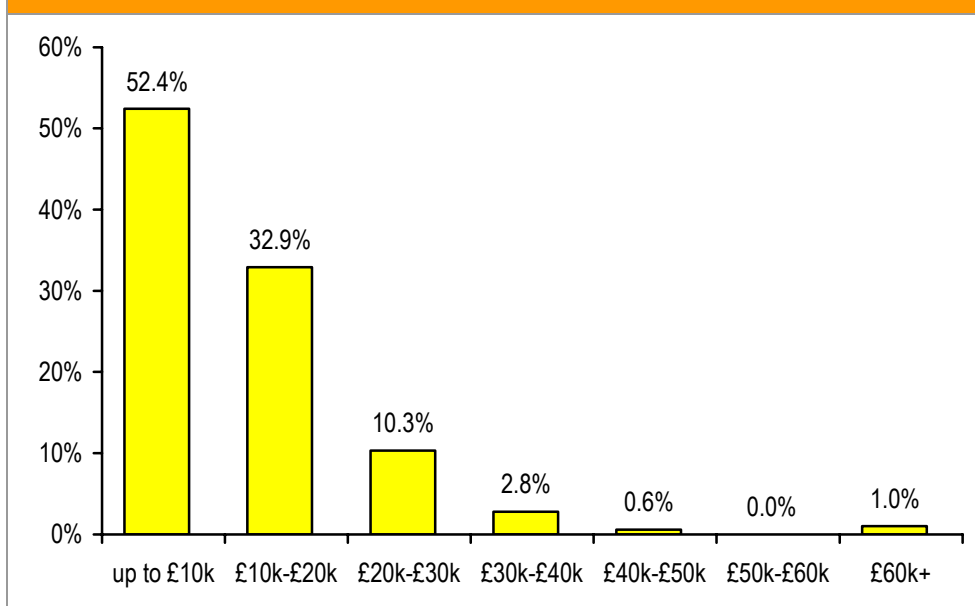
Source: West Dorset HNDS Fordham Research 2007

### Newly forming households financial situation

10.15 The previous chapter highlighted that there are an estimated 2,584 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.

10.16 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 52.4% having an income of below £10,000 and 85.3% an income below £20,000. The average (mean) income of newly forming households is estimated to be £10,476 – significantly below the figure for all households of around £28,000.

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



Source: West Dorset HNDS Fordham Research 2007

- 10.17 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).
- 10.18 Taking these two categories together it is estimated that the average newly forming household will have access to around £9,173 – just under two-thirds of this (62.4%) 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 36.0% stating that they have no money to use as a deposit/bond and 13.1% having more than £20,000.
- 10.19 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 £21,000 per annum) and therefore to rely solely on the information provided here may not properly reflect the affordability of this important group.
- 10.20 Therefore the survey form also asked a 'subjective' question about future affordability. In response to this question 72.6% 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**

10.21 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 West Dorset is £28,160. The average conceals wide variations among different tenure groups with households in social rented housing showing average incomes significantly below the District 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 district 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 district 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 district.

- **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 district.
- **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 district 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 often 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 household's 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 four sub-groups of tenures and four 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 of district wide BHM analysis

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 1,104 dwellings per annum (excess demand over supply).

Table 11.1 Balancing Housing Markets results for West Dorset (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	1	262	225	94	582
Private rented	69	36	-105	-20	-20
Intermediate	60	140	69	12	281
Social rented	107	90	47	18	261
TOTAL	237	529	235	103	1,104

Source: West Dorset 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.

### Submarket BHM analysis

11.16 Due to the scale of the West Dorset District, and the variations in the housing markets within it, the Council has commissioned more detailed BHM analysis of those sub-markets. In some cases the sample sizes are quite small, and so the results are more indicative than is usual. However the character of the sub-markets is quite distinct, and so even where the sample is quite small, it is better to analyse the areas that have some integrity than to add them into other areas which would result in a confusing mixture of types of housing markets.

11.17 The seven housing sub-markets that were analysed for West Dorset are as follows:

<b>Table 11.2: Submarkets within West Dorset</b>	
Name of sub-market	Sample returns
Central and Rural West	741
Bridport and Bridport Rural	816
Chickerell and Chesil	430
Lyme Regis and Charmouth	283
Dorchester Rural	872
Dorchester	750
Sherborne and Sherborne Rural	912

Source: West Dorset HNDS Fordham Research 2007. Submarket areas defined by the District

11.18 Sample sizes of around 750 and more should produce fairly reliable BHM results, and as can be seen, for 5 of the 7 sub-markets that sample size is achieved. The figures for Chickerell and Chesil and for Lyme Regis and Charmouth are necessarily smaller, as they cannot realistically be added to other markets, and so the results have to be interpreted with caution.

11.19 Each of the tables below is of the same format: the upper part gives the detailed results for each tenure, and the lower part consolidates these figures into two general rows for market and affordable housing. Clearly the last two rows, being based on the largest sample, provide the most reliable size indications for that sub-market and tenure group.

## Central and Rural West

11.20 The table below shows an almost equal balance of market demand and need for affordable housing. This is broadly similar to the Dorset wide finding in the first table in this chapter. As will be seen below, however, it is not typical of all the sub-market in West Dorset.

<b>Table 11.3: BHM for Central and Rural West</b>					
Tenure/beds	1	2	3	4+	TOTAL
OO	9	58	46	-13	100
PR	14	-6	-21	-1	-13
IH	6	16	24	0	45
SR	12	41	-15	0	38
TOTAL	41	109	33	-14	170
Market	23	52	25	-14	87
Affordable	18	57	8	0	83
Total	41	109	33	-14	170

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:

OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.21 In more detail the size mix required to balance the housing market in Central and West is mainly focussed upon two-bed sizes (both market and affordable) but there are shortages of all but four-bed dwellings. The pattern of need and demand is similar across both market and affordable tenures, and there is a roughly similar level of need for intermediate and social rented housing. This suggests that a wide range of housing and tenures will be required.

## Bridport and Bridport Rural

11.22 Bridport and Bridport rural show an overwhelming requirement for affordable housing: only 24% of the overall BHM is market housing, and 76% is affordable. Clearly this fraction would not be a viable one if pursued through a S106 approach alone, as that requires housing schemes to be financially self supporting. In those circumstances targets do not normally go above about 50%. However rural exceptions policies are not based on viability in the same way, but on the willingness of landowners to make sites available, and upon the consent of the local community. Clearly in this sub-market there would be considerable scope for rural exceptions if there is the will for it.

**Table 11.4: Bridport and Bridport Rural**

Tenure/beds	1	2	3	4+	TOTAL
OO	20	44	32	9	105
PR	5	-17	-30	-14	-57
IH	0	47	9	0	57
SR	71	19	5	7	102
TOTAL	95	93	16	3	207
Market	24	27	2	-5	49
Affordable	71	66	14	7	158
Total	95	93	16	3	207

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.23 From the point of view of size mix, the results strongly suggest that small units are what is required. In practice it is difficult to provide one-bed units except as flats, and clearly in rural areas it is hard to envisage blocks of flats. Thus in practice two-bed units may be the minimum practical size.

### Chickerell and Chesil

11.24 This sub-market, which has a small sample, shows almost an equality between market and affordable housing. This would therefore be a practical possibility since 50% targets are quite often viable, though if rural exceptions are included, the target could obviously be a bit smaller.

**Table 11.5: Chickerell and Chesil**

Tenure/beds	1	2	3	4+	TOTAL
OO	-29	22	49	12	54
PR	-5	33	-28	3	3
IH	16	11	0	7	34
SR	11	-29	45	0	27
TOTAL	-7	37	67	22	119
Market	-34	56	21	14	58
Affordable	27	-18	45	7	61
Total	-7	37	67	22	119

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.25 Unlike the sub-markets so far considered, the net size requirement goes across nearly all the size range, excepting only market one-bed units. Since as mentioned above there is little practical possibility of such dwellings being built in rural areas, this is unlikely to affect the outturn of new building. Again the net requirement for one-bed affordable units would in practice probably be met by two-bed ones, and therefore cancel out the apparent surplus of two-beds.

### Lyme Regis and Charmouth

11.26 As in the previous sub-market, there is almost an exact balance between market and affordable housing, but again this result is based on a small sample. The same implications follow in terms of target setting (if desired) and rural exceptions (where feasible).

Table 11.6: Lyme Regis and Charmouth					
Tenure/beds	1	2	3	4+	TOTAL
OO	-9	54	29	-21	53
PR	8	-20	-6	0	-18
IH	0	24	8	0	33
SR	8	7	-14	-0	1
TOTAL	7	65	17	-21	68
Market	-2	34	23	-21	35
Affordable	8	31	-6	0	33
Total	7	65	17	-21	68

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.27 As can be seen from the table, the main net demand/need is for two- and three-bed dwellings, but in the case of affordable dwellings it is limited to two-bed.

### Dorchester Rural

11.28 Unlike any of the previous sub-markets, Dorchester Rural is dominated by market demand: 81% of it is market, and only 19% affordable. In absolute terms even the small relative number of 29 affordable dwellings per annum may well be impractical, but the overall market/affordable balance is strikingly different in this sub-market.

Table 11.7: Dorchester Rural					
Tenure/beds	1	2	3	4+	TOTAL
OO	-3	2	40	40	79
PR	2	56	-13	0	45
IH	14	6	8	4	33
SR	9	-18	5	-0	-4
TOTAL	21	47	41	45	153
Market	-2	58	28	40	124
Affordable	23	-12	13	4	29
Total	21	47	41	45	153

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.29 The demand and need is positive across the size range when considered together, although there is no demand for one-bed market and for two-bed affordable. In practice, as discussed above, there is unlikely to be one-bed provision in rural areas, and so two-bed provision of both types is the likely outcome.

## Dorchester

11.30 This sub-market differs from all the others in being based entirely upon an urban area, with no significant rural component. This means that S106 sites are more capable of arising. The balance of market and affordable is 40:60, which implies an affordable housing target which is too high to be realisable in viability terms (apart from mix and balance ones). Hence something more like 50:50 is the highest feasible affordable target. In practice the numbers are large considering that the most recent completions data for all of West Dorset (2005/6) were a total of 563 dwellings (of which only 12% were affordable). In respect of the latter figure it must be considered not only that some sites will escape the obligation to provide affordable housing by being too small, but also that some sites may have been given permission several years ago, when present policies were not in force.

<b>Table 11.8: Dorchester</b>					
Tenure/beds	1	2	3	4+	TOTAL
OO	11	62	-37	38	74
PR	45	-14	-13	-0	18
IH	14	23	11	0	48
SR	0	48	35	6	90
TOTAL	70	120	-4	44	230
Market	56	49	-50	38	92
Affordable	14	71	46	6	138
Total	70	120	-4	44	230

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.31 In terms of the size range, all sizes but three-bed are required in overall terms, and there is a net requirement for all sizes of affordable housing (the surplus affecting only three-bed market dwellings).

### Sherborne and Sherborne Rural

11.32 This sub-market is a mixture of urban and rural and shows a predominant need for market housing: 75% of the total. As with the other case of relatively small affordable housing need, the absolute number (40 per annum) is more than half of the total yield of affordable housing achieved in the most recent recorded year in West Dorset as a whole, and so clearly it would be hard to achieve within this single sub-market.

<b>Table 11.9 Sherborne and Sherborne Rural</b>					
Tenure/beds	1	2	3	4+	TOTAL
OO	2	19	66	28	114
PR	2	4	5	-8	3
IH	10	13	8	0	31
SR	-5	23	-13	4	9
TOTAL	9	59	66	24	158
Market	3	23	71	20	118
Affordable	6	36	-5	4	40
Total	9	59	66	24	158

Source: West Dorset HNDS Fordham Research 2007. The acronyms are:  
 OO-owner occupier; PR-private rented; IH-intermediate housing; SR-social rented

11.33 As can be seen, there is some need for all sizes in net terms, although the need for affordable housing is effectively for two-bed dwellings only.



## Comments on the sub-market BHMs

11.34 The overall BHM shows almost an equal market demand and affordable housing need, but the sub-markets show quite different patterns:

Dominant market demand: Dorchester Rural; Sherborne and Sherborne Rural

Equal market demand and need: Central and Rural West; Chickerell and Chesil; Lyme Regis and Charmouth

Dominant affordable housing requirement: Bridport and Bridport Rural; Dorchester

11.35 As can be seen, there is no particular urban/rural split in explaining the balance of market and affordable housing in the BHMs: this depends on local supply and demand factors as revealed by the survey and secondary data information.

## Market housing

### *Owner-occupation*

11.36 In the owner-occupied sector there is an apparent shortfall of 582 units per annum (53% of the overall shortfall). The majority of this shortfall is for two and three bedroom homes although a shortage of four or more bedroom homes is also shown. There is no apparent net demand for one bedroom homes in the owner-occupied sector.

### *Private rented sector*

11.37 Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is roughly in line with the overall supply. However, by size of dwelling we find that there are potential shortages of one and two bedroom homes and surpluses of three and four bedroom accommodation.

## **Affordable housing**

11.38 The CLG Needs model set out in Chapter 7 showed quite a high level of need (an Index of 17, 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 542 new affordable dwellings per annum. This is still beyond the likely level of feasible provision, but is less than a fifth 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 (6 month shortholds). Nevertheless, this is the reality for many households in housing need.

### *Intermediate housing*

11.39 The BHM analysis indicates that the requirement for intermediate housing makes up around 25% of the net shortfall of housing in the District and there are shortages shown for all sizes of accommodation (this is no surprise given the general lack of supply of intermediate housing in the District). The main shortfall is for two bedroom homes.

### *Social rented housing*

11.40 The shortage of social rented housing also makes up around a quarter of the total shortfall of housing in the District (24%). Most of the net demand for social rented housing is for smaller (one and two-bedroom) units although the results suggest that around a quarter of the shortfall is for three and four bedroom homes.

## **Summary**

11.41 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 DCLG 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)
  - Households in rural areas
  - 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 medical condition
- Persons with a physical disability
- Persons with a learning disability
- Persons with a mental health problem
- Persons with a severe sensory disability
- Other

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 8,345 households in the West Dorset area with one or more members in an identified special needs group. This represents 19.2% of all households, which is higher than the average Fordham Research has found nationally (13-14%). 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 4,491 households containing a person with a medical condition. The next largest group is ‘*physically disabled*’, with 3,667 households having a member in this category. These two categories represent 53.8% and 43.9% 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	3,608	8.3%	43.2%
Physical disability	3,667	8.4%	43.9%
Learning difficulty	698	1.6%	8.4%
Mental health problem	1,383	3.2%	16.6%
Severe sensory disability	770	1.8%	9.2%
Medical Condition	4,491	10.3%	53.8%
Other	360	0.8%	4.3%

Source: West Dorset HNDS Fordham Research 2007

12.11 The table below shows the location of special needs households in West Dorset. The table indicates that the proportion of special needs households does not vary significantly across the District. The proportion of households with special needs varies from 17.6% in Chickerell & Chesil to 19.7% in Bridport & Bridport Rural.

<b>Table 12.2 Location of special needs households</b>						
Sub-area	Special needs		Non-special needs		Total	
	No.	%	No.	%	No.	%
Central & West Rural	1,145	18.9%	4,920	81.1%	6,065	100.0%
Bridport & Bridport Rural	1,626	19.7%	6,645	80.3%	8,271	100.0%
Chickerell & Chesil	740	17.6%	3,459	82.4%	4,199	100.0%
Dorchester Rural	1,379	19.6%	5,639	80.4%	7,017	100.0%
Lyme Regis & Charmouth	523	19.3%	2,193	80.7%	2,716	100.0%
Dorchester	1,507	19.0%	6,409	81.0%	7,916	100.0%
Sherborne & Sherborne Rural	1,426	19.4%	5,934	80.6%	7,360	100.0%
<b>Total</b>	<b>8,345</b>	<b>19.2%</b>	<b>35,200</b>	<b>80.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

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

<b>Table 12.3 Special needs households with and without older people</b>					
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	3,216	19,974	23,190	13.9%	38.5%
Both older & non older people	1,189	3,027	4,216	28.2%	14.2%
Older people only	3,940	12,198	16,138	24.4%	47.2%
<b>TOTAL</b>	<b>8,345</b>	<b>35,199</b>	<b>43,544</b>	<b>19.2%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

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

12.14 The table below indicates that special needs households are more likely to be living in social rented housing. Some 32.3% of RSL households contain a special needs member. Additionally, 19.9% of owner-occupied (no mortgage) households contain a special needs member.

**Table 12.4 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)	3,860	15,562	19,422	19.9%	46.2%
Owner-occupied (with mortgage)	1,530	11,044	12,574	12.2%	18.3%
RSL	1,972	4,135	6,107	32.3%	23.6%
Private rented	984	4,458	5,442	18.1%	11.8%
<b>TOTAL</b>	<b>8,346</b>	<b>35,199</b>	<b>43,545</b>	<b>19.2%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

12.15 The table below indicates that special needs households are more than three times as likely to be living in unsuitable housing as non-special needs households. Some 11.9% of all special needs households are living in unsuitable housing, which compares with 5.2% of all households and 3.6% of all non-special needs households.

**Table 12.5 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	997	7,348	8,345	11.9%	44.0%
No special needs	1,268	33,932	35,200	3.6%	56.0%
<b>TOTAL</b>	<b>2,265</b>	<b>41,280</b>	<b>43,545</b>	<b>5.2%</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

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

**Table 12.6 Income and savings levels of special needs households**

Special needs	Annual gross household income	Average household savings
Special needs	£20,785	£40,794
No special needs	£29,909	£52,571

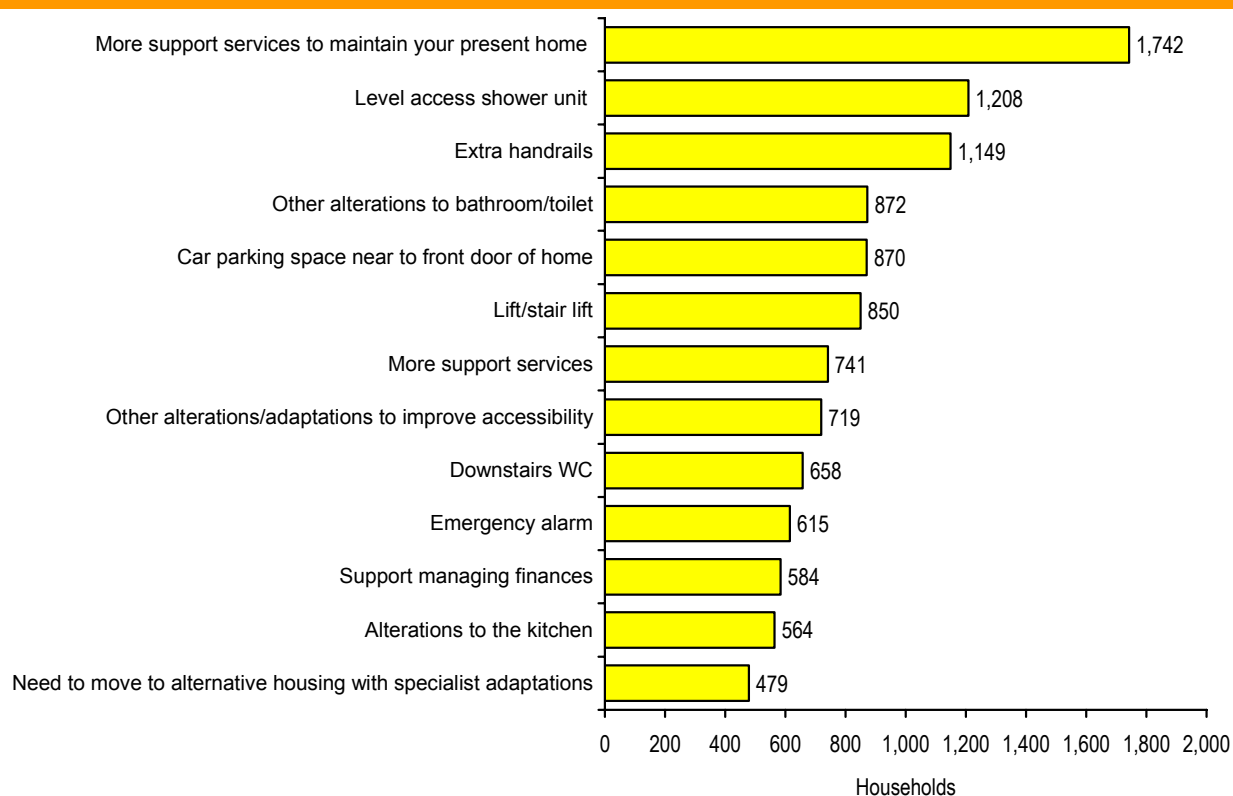
Source: West Dorset HNDS Fordham Research 2007



## Requirements of special needs households

12.17 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: West Dorset HNDS Fordham Research 2007

12.18 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 (1,742 households – 20.9% of all special needs households)
- Shower Unit (1,208 households – 14.5% of all special needs households)
- Extra handrails (1,149 households – 13.8% of all special needs households)

## Older person households

12.19 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

12.20 Well over a third of all households in West Dorset contain only older people (37.1%) and a further 9.7% contain both older and non-older people. The table below shows the number and percentage of households in each group.

<b>Table 12.7 Older person households</b>		
Categories	Number of households	% of all households
Households without older persons	23,191	53.3%
Households with both older and non-older persons	4,216	9.7%
Households with older persons only	16,138	37.1%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

12.21 The table below shows the location of older person only households in West Dorset. The table indicates that the proportion of older person only households varies from 32.6% in Dorchester Rural to 43.8% in Sherborne & Sherborne Rural.

<b>Table 12.8 Location of older person only households</b>						
Sub-area	Older person only households		Other households		Total	
	No.	%	No.	%	No.	%
Central & West Rural	2,249	37.1%	3,816	62.9%	6,065	100.0%
Bridport & Bridport Rural	3,205	38.8%	5,065	61.2%	8,271	100.0%
Chickerell & Chesil	1,382	32.9%	2,817	67.1%	4,199	100.0%
Dorchester Rural	2,289	32.6%	4,728	67.4%	7,017	100.0%
Lyme Regis & Charmouth	1,187	43.7%	1,529	56.3%	2,716	100.0%
Dorchester	2,604	32.9%	5,311	67.1%	7,916	100.0%
Sherborne & Sherborne Rural	3,221	43.8%	4,139	56.2%	7,360	100.0%
<b>Total</b>	<b>16,138</b>	<b>37.1%</b>	<b>27,407</b>	<b>62.9%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

### Characteristics of older person households

12.22 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 80 older person households containing three or more people. Over 60% of all single person households are older person households.

**Table 12.9 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	8,251	5,129	13,380	61.7%	51.1%
Two	7,798	10,817	18,615	41.9%	48.3%
Three	80	4,980	5,060	1.6%	0.5%
Four	0	4,560	4,560	0.0%	0.0%
Five	0	1,410	1,410	0.0%	0.0%
Six or more	10	511	521	1.9%	0.1%
TOTAL	16,139	27,407	43,546	37.1%	100.0%

Source: West Dorset HNDS Fordham Research 2007

12.23 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 West Dorset is quite high.

12.24 Another significant finding is the relatively high proportion of social rented accommodation containing older people only. Over a third of RSL dwellings contain only older people. This may have implications for future supply of specialised social rented accommodation.

**Table 12.10 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)	11,830	7,592	19,422	60.9%	73.3%
Owner-occupied (with mortgage)	1,127	11,447	12,574	9.0%	7.0%
Social Rented	2,233	3,874	6,107	36.6%	13.8%
Private rented	949	4,493	5,442	17.4%	5.9%
TOTAL	16,139	27,406	43,545	37.1%	100.0%

Source: West Dorset HNDS Fordham Research 2007

12.25 The table below shows that older person only households are more likely than non-older person households in the West Dorset area to be living in one and two bedroom properties. However, the results also show that more than half of all older person households are in three or four bedroom dwellings. Given that previous information has shown that all older person only households are comprised of 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.

<b>Table 12.11 Size of dwellings (number of bedrooms) for older person only households</b>		
Number of bedrooms	% of older person households	% of non-older person households
1 bedroom	10.5%	8.6%
2 bedrooms	33.1%	24.1%
3 bedrooms	38.4%	41.9%
4+ bedrooms	18.1%	25.3%
TOTAL	100.0%	100.0%

Source: West Dorset HNDS Fordham Research 2007

12.26 This information can be further broken down by tenure (for older person households) and this is shown in the table below. The table indicates that whilst the majority of large (3+ bedroom) properties are in the owner-occupied sector there are 317 properties in the social rented sector which may therefore present some opportunity to reduce under-occupation.

<b>Table 12.13 Older person only households size of accommodation and tenure</b>					
Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	500	3,637	5,100	2,592	11,829
Owner-occupied (with mortgage)	76	337	489	224	1,126
Social rented	1,011	905	309	8	2,233
Private rented	111	456	290	91	948
TOTAL	1,698	5,335	6,188	2,915	16,136

Source: West Dorset HNDS Fordham Research 2007

## Key worker households

12.27 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

12.28 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 District who work outside its' boundaries and excludes key workers who work in West Dorset but live outside. The analysis of key workers concentrates on their current housing situation, future demands for housing and affordability.

12.29 In total it is estimated that 4,993 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.

12.30 The table below shows the location of households headed by a key worker in West Dorset. The table shows that the proportion of key worker households varies from 7.6% in Bridport & Bridport Rural and Lyme Regis & Charmouth to 16.0% in Dorchester.

<b>Table 12.14 Location of key worker households</b>						
Sub-area	Key worker households		Non-key worker households		Total	
	No.	%	No.	%	No.	%
Central & West Rural	657	10.8%	5,409	89.2%	6,065	100.0%
Bridport & Bridport Rural	630	7.6%	7,641	92.4%	8,271	100.0%
Chickerell & Chesil	680	16.2%	3,519	83.8%	4,199	100.0%
Dorchester Rural	958	13.7%	6,059	86.3%	7,017	100.0%
Lyme Regis & Charmouth	206	7.6%	2,510	92.4%	2,716	100.0%
Dorchester	1,266	16.0%	6,650	84.0%	7,916	100.0%
Sherborne & Sherborne Rural	597	8.1%	6,763	91.9%	7,360	100.0%
<b>Total</b>	<b>4,993</b>	<b>11.5%</b>	<b>38,552</b>	<b>88.5%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

12.31 The table below shows the tenure key worker households. The results indicate that the majority of key worker households (78.8%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (70.4%). Key worker households are less likely than non-key worker households to be living in the social rented sector, and also the private rented sector.

**Table 12.15 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)	1,052	21.1%	4,076	25.3%
Owner-occupied (with mortgage)	2,879	57.7%	7,258	45.1%
Social Rented	227	4.5%	1,841	11.4%
Private rented	835	16.7%	2,919	18.1%
TOTAL	4,993	100.0%	16,094	100.0%

Source: West Dorset HNDS Fordham Research 2007

### Income and affordability of key worker households

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

12.33 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 District average although savings levels are below. This reflects the fact that the District-wide figures include retired households who have no earned income but much higher levels of savings.

**Table 12.16 Income and savings levels of key worker households**

Category	Annual gross household income (including non-housing benefits)	Average household savings
All key worker household	£40,587	£32,905
All non-key worker (in employment)	£34,284	£34,773
All other households (no-one working)	£21,008	£65,322
All households	£35,777	£34,330

Source: West Dorset HNDS Fordham Research 2007

12.34 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 12.17 Key worker households and ability to afford housing**

Category	Number of households	% of households
Afford market housing	4,453	89.2%
Afford intermediate housing	89	1.8%
Social rent only	451	9.0%
Total	4,993	100.0%

Source: West Dorset HNDS Fordham Research 2007

12.35 The table indicates that 89.2% of all key worker households are able to afford entry-level prices in the market. It is interesting to note that of the 540 households unable to afford minimum market prices, 83.5% can only afford social rented housing, whilst 16.5% can afford intermediate housing.

### Situation of younger people

12.36 For the purpose of this study younger people are defined as those aged between 21 and 35. The survey records that there are 9,058 younger people in West Dorset.

12.37 The table below presents the working status of younger people in the District. 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 4.0% of younger people that are unemployed.

**Table 12.18 Working status of younger people**

Working status	Number of people	% of all people
Full-time employment	5,310	58.6%
Part-time employment	1,471	16.2%
Self-employed	730	8.1%
Unemployed	358	4.0%
Full-time student	220	2.4%
Looking after home/family	674	7.4%
Permanently sick/disabled	92	1.0%
Other	202	2.2%
TOTAL	9,058	100.0%

Source: West Dorset HNDS Fordham Research 2007

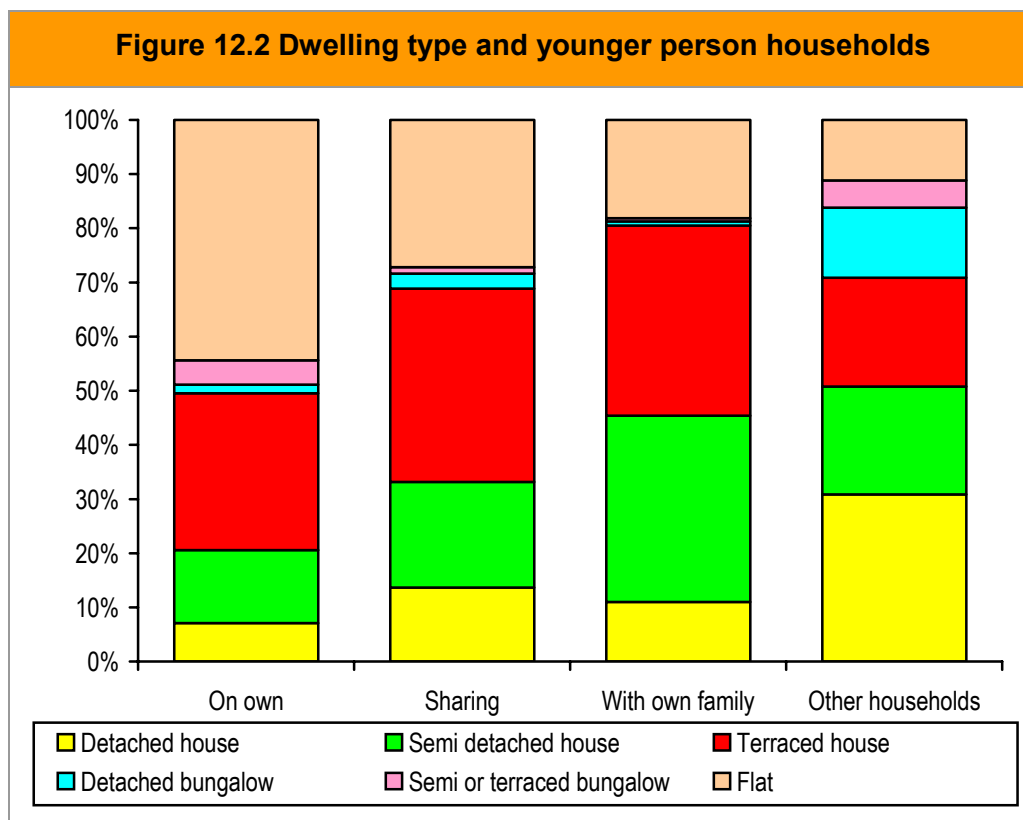
12.38 The table below indicates the type of households these younger people live in. The table shows that over 30% of younger people live in a home as a family with their own children, over a quarter share their home with other younger people, 6.8% live alone and 32.5% live with their parents or others.

Table 12.19 Type of household younger people reside in		
Type of household	Number of people	% of all people
On own	619	6.8%
Sharing house with others the same age	2,558	28.2%
Live in family with own children	2,936	32.4%
Live with parents/others	2,945	32.5%
<b>TOTAL</b>	<b>9,058</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

12.39 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.

12.40 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 District for comparison. The figure indicates that younger households are less likely than other households in the District to live in detached houses or bungalows and are more likely to live in terraced housing. Over 40% of young people living on their own reside in a flat.



Source: West Dorset HNDS Fordham Research 2007



12.41 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 almost half 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 West Dorset.

**Table 12.20 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	47.6%	19.5%	4.1%	8.4%
2 bedrooms	36.3%	46.3%	36.7%	26.1%
3 bedrooms	16.1%	30.4%	47.9%	41.1%
4+ bedrooms	0.0%	3.9%	11.3%	24.3%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: West Dorset HNDS Fordham Research 2007

12.42 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 and young single households are more likely than average to live in the social rented sector.

**Table 12.21 Tenure of younger households**

Tenure	Household type			
	Young on own	Young sharing	Young with own family	Other households
Owner-occupied (no mortgage)	7.1%	5.7%	2.1%	48.7%
Owner-occupied (with mortgage)	22.8%	45.5%	39.4%	27.9%
Social rented	20.9%	7.5%	37.0%	13.2%
Private rented	49.2%	41.3%	21.5%	10.3%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: West Dorset HNDS Fordham Research 2007

## First time buyers

- 12.43 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.
- 12.44 This section considers the characteristics of recent first-time buyers in the District 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

- 12.45 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.
- 12.46 The survey records that there are 1,010 households that have become first-time buyers in West Dorset in the last two years. The table below shows the age of the respondent in first-time buyer households. It shows that 18.1% of respondents are between 20 and 29, whilst 28.9% are between 30 and 39. The average (median) age of respondents in first-time buyer households is 40.3 years.

<b>Table 12.22 Age of respondent in first-time buyer households</b>		
Respondent age	Number of households	% of all households
Up to 20	0	0.0%
20-29	183	18.1%
30-39	292	28.9%
40-49	213	21.1%
50 and over	322	31.9%
TOTAL	1,010	100.0%

Source: West Dorset HNDS Fordham Research 2007

- 12.47 The average annual income of first-time buyer households is £39,273 which is significantly higher than the average for the District of £28,160. 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 West Dorset may be being restricted by the cost of housing.
- 12.48 Finally the survey indicates that some 34.6% of first-time buyers are using a higher proportion of their income to pay for their housing costs than is recommended by DCLG 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**

- 12.49 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 661 households that would like to become owner-occupiers in the next two years.
- 12.50 The survey suggests that these 661 households have an average annual income of £27,539 and average savings of £8,694, which are both below the average across the District.
- 12.51 The ability of these potential first-time buyer households to afford owner-occupation in West Dorset is now examined. The data suggest that just 276 (41.7%) of these households would be able to purchase an appropriately sized home if they were to move now.

### **Concealed younger households aspiring to own**

- 12.52 The survey data reveals that 1,397 younger households currently living with a host household (commonly parents/relatives) are likely to form within North Dorset in the next two years. Some 876 of these households would like to become owner-occupiers in the next two years.
- 12.53 The survey indicates that these 876 concealed households have an average annual income of £13,087, which is significantly below the average across the District. Further analysis reveals that on the basis of the current financial information available from these households that only 10.0% would be able to afford to purchase a home in West Dorset if they were to move now.

## Rural households

- 12.54 In order to produce a meaningful database for analysis the District was subdivided. This was done by assigning each household with an urban or rural classification, based on the National Statistics Rural and Urban Classification of Output Areas (July 2004). Households were assigned one of four categories based on their postcode. The postcode is considered to be 'Urban' when the majority of the Output Area live within settlements with a population of 10,000 or more. The remaining three categories comprise the rural area, which is divided into 'Towns and Fringes', 'Villages' and 'Hamlets'; the latter includes isolated dwellings.
- 12.55 The table below indicates the urban and rural classification that each household in West Dorset is recorded in. The data shows that just under 40% of households in the District are urban, with just over 60% rural.

<b>Table 12.23 Population urban/rural (based on 4 categories)</b>		
Classification	Number of households	Percentage of households
Urban	17,101	39.3%
Town and Fringe	9,696	22.3%
Village	13,477	30.9%
Hamlet	3,271	7.5%
<b>Total</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

- 12.56 The National Statistics Rural and Urban Classification indicates that all classifications listed above other than urban can be considered rural. This section compares the nature of the populations in each of the four area types.
- 12.57 The table below shows the variation in the tenure profile of households by area type. The data indicates that households resident in a village are the most likely to be owner-occupiers, whilst the town and fringe area records the highest proportion of social rented households. The area classified as hamlet displays the lowest proportion of social rented stock but the highest proportion of private rented households.

**Table 12.24 Rurality of area and tenure**

Tenure	Urban	Town and fringe	Village	Hamlet
Owner-occupied (no mortgage)	41.5%	46.5%	47.5%	43.7%
Owner-occupied (with mortgage)	31.3%	23.0%	31.5%	22.5%
Social Rented	15.6%	18.8%	11.3%	3.2%
Private rented	11.7%	11.7%	9.7%	30.6%
TOTAL	100.0%	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	17,101	9,696	13,477	3,271

Source: West Dorset HNDS Fordham Research 2007

12.58 The table below shows the differences between household types. The table indicates that the area classified as town and fringe records the highest proportion of pensioner households, whilst the urban area has the highest proportion of households with children.

**Table 12.25 Rurality of area and household type**

Household type	Urban	Town and fringe	Village	Hamlet
Single pensioners	18.5%	25.5%	16.4%	12.2%
2 or more pensioners	16.2%	19.5%	19.3%	19.2%
Single non-pensioners	13.0%	11.6%	10.5%	11.2%
2 or more adults - no children	30.5%	27.7%	34.5%	39.8%
Lone parent	3.9%	2.3%	2.0%	1.8%
2+ adults 1 child	8.2%	5.9%	6.9%	5.4%
2+ adults 2+ children	9.6%	7.5%	10.4%	10.4%
TOTAL	100.0%	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	17,101	9,696	13,477	3,271

Source: West Dorset HNDS Fordham Research 2007

12.59 The table below compares the incomes and savings levels of households in the four areas. The data clearly shows that the more rural the area the more affluent the household. Households residing in a hamlet record the highest average household incomes and savings, whilst households living in the urban area record the lowest levels.

**Table 12.26 Rurality of area and household income and savings**

Categories	Annual gross household income	Average household savings
Urban	£24,881	£34,747
Town and fringe	£26,282	£58,067
Village	£32,255	£60,318
Hamlet	£33,995	£67,508

Source: West Dorset HNDS Fordham Research 2007

### Accessibility in rural areas

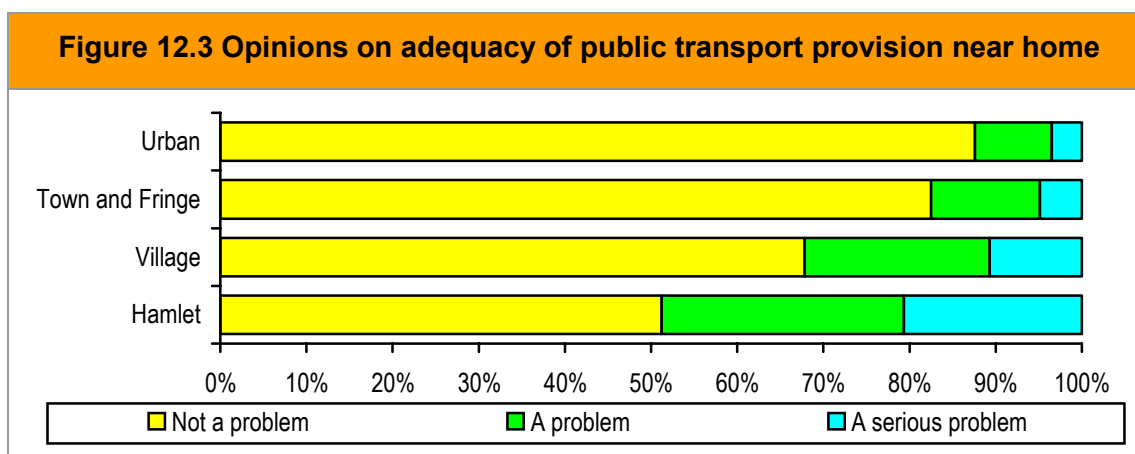
12.60 A further question asked in the West Dorset survey was car ownership/availability. Although not directly linked to housing, it influences the ability of households to access necessary services.

12.61 Just over one fifth of all households in the urban area have no access to a car or van, this compares with only 5.7% of households resident in a hamlet. The average household has 1.29 cars; this figure varies from 1.13 for urban households to 1.62 for households living in a hamlet.

Table 12.27 Rurality of area and car ownership				
Number of cars/vans available for use	Urban	Town and fringe	Village	Hamlet
0	20.3%	19.3%	7.2%	5.7%
1	51.1%	51.0%	43.4%	42.0%
2	23.6%	24.1%	39.7%	37.2%
3+	4.9%	5.5%	9.7%	15.1%
TOTAL	100.0%	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	17,101	9,696	13,477	3,271
Average number of cars/vans	1.13	1.16	1.52	1.62

Source: West Dorset HNDS Fordham Research 2007

12.62 The survey asked households whether public transport provision near their home was adequate for the household’s needs. The responses received are presented in the figure below. The figure indicates that households within rural areas were more likely to record public transport provision as being a problem/serious problem than households within urban areas. In the case of hamlet areas a total of 48.8% stated that there were problems with the adequacy of public transport, in urban areas the figure was only 12.4%.



Source: West Dorset HNDS Fordham Research 2007

## Families with children

### Introduction

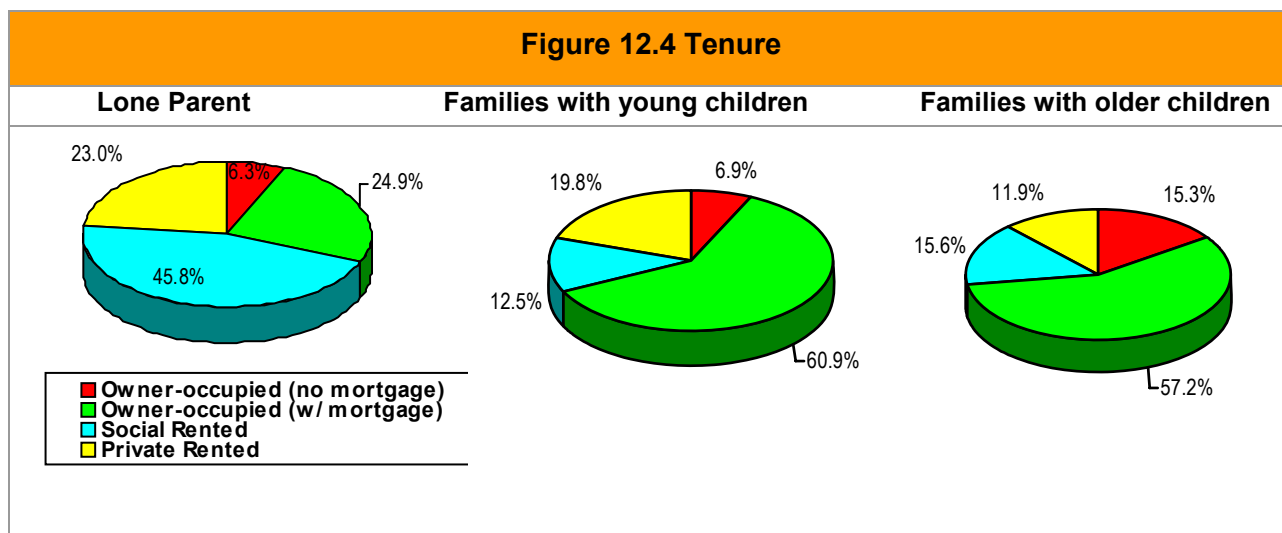
- 12.63 PPS3 acknowledges the importance of providing suitable housing for families, especially those with children, to ensure that communities are appropriately mixed. This chapter will briefly consider the current housing situation of families with children in West Dorset before considering the future 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.
- 12.64 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 subsection 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.
- 12.65 The table below shows the number of each type of household with children. The survey estimates that there are 8,419 households with children in West Dorset. Of this 8,419 households 14.5% are lone parents, nearly half (49.3%) are families with older children with the remaining 36.2% families with younger children.

<b>Table 12.28 Number of families with children</b>		
	Number of households	Percentage of households
Households with children		
Lone parent families	1,219	2.8%
Families with older children	4,150	9.5%
Families with young children	3,050	7.0%
Other households	35,126	80.7%
Total	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

**Housing circumstances of families with children**

12.66 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.



Source: West Dorset HNDS Fordham Research 2007

12.67 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.

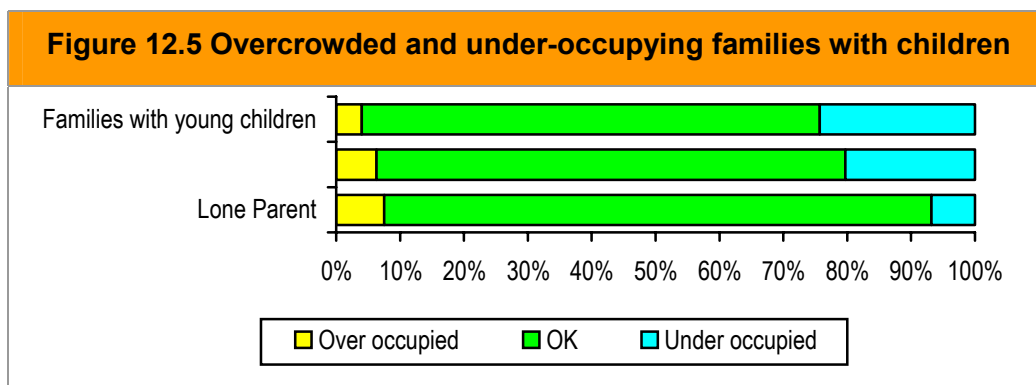
**Table 12.29 Families with children in unsuitable housing**

Unsuitable housing	Households with children		
	Lone parent families	Families with older children	Families with young children
In unsuitable housing	14.2%	10.1%	9.1%
Not in unsuitable housing	85.8%	89.9%	90.9%
TOTAL	100.0%	100.0%	100.0%
Total count	1,219	4,150	3,050

Source: West Dorset HNDS Fordham Research 2007

12.68 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.





Source: West Dorset HNDS Fordham Research 2007

### **Housing preferences of families with children**

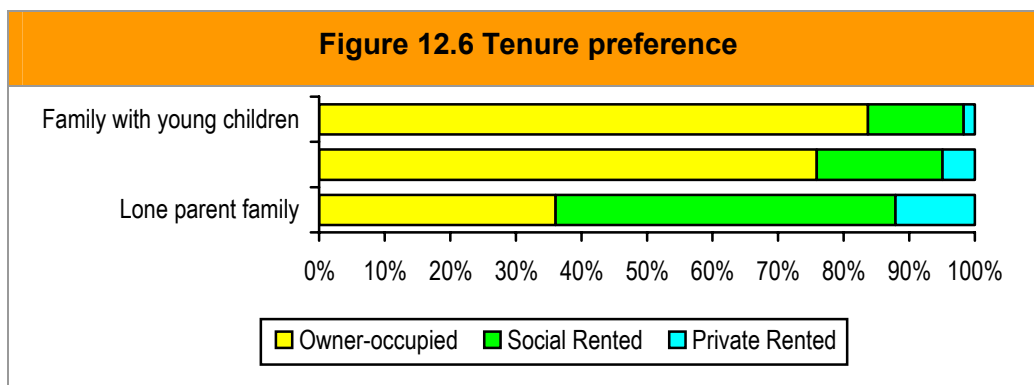
12.69 The table below indicates that a larger proportion of lone parent families are the most likely to need or to be likely to move within the next two years. The results suggest that families with older children are the content to stay in the property for the long term.

**Table 12.30 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	6.6%	4.5%	4.8%
Within a year	10.6%	7.7%	9.2%
1 to 2 years	14.4%	8.6%	14.3%
2 to 5 years	12.6%	14.2%	16.3%
No need/not likely to move	55.8%	65.0%	55.5%
TOTAL	100.0%	100.0%	100.0%
Total count	1,219	4,150	3,050

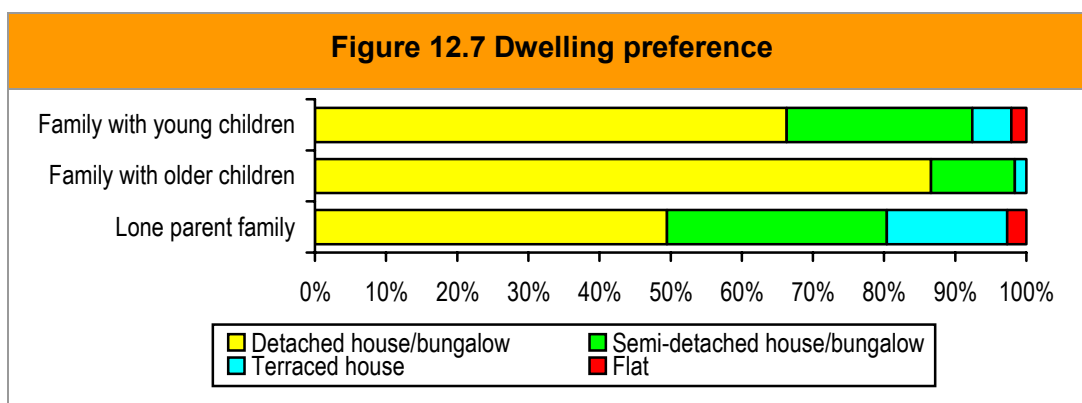
Source: West Dorset HNDS Fordham Research 2007

12.70 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.



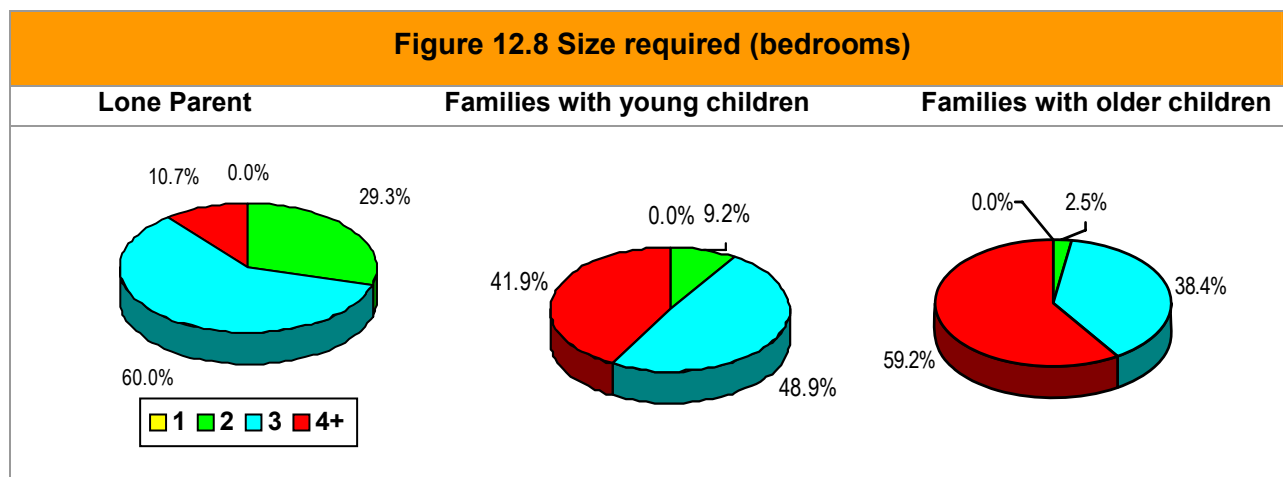
Source: West Dorset HNDS Fordham Research 2007

12.71 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: West Dorset HNDS Fordham Research 2007

12.72 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 older children. Lone parent families are more likely to prefer semi-detached and flatted accommodation than other family types.



Source: West Dorset HNDS Fordham Research 2007

12.73 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

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

- There are an estimated 8,345 households in the West Dorset area with one or more members in an identified special needs group, which represents 19.2% of all households. These households were most likely to state a requirement for more support services
- Over a third of households in West Dorset contain only older people (37.1%). These are almost all comprised of one or two persons, however over half reside in accommodation with three or more bedrooms. Within the social rented sector there are 317 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation
- The survey estimates that 4,993 households in West Dorset 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 9,058 people between 21 and 35 in West Dorset. Over four-fifths of these young people are employed and 32.5% live with their parents

- The average age of recent first-time buyers is 42.9 years old and they required household incomes significantly above the District average to get onto the property ladder. Some 34.6% of these households spend over a quarter of their gross household income on their mortgage
- West Dorset District is largely rural although around two-fifths of households live in areas described as urban. There were some noticeable differences between households living in urban and rural areas; notably, households in rural areas showed a higher proportion of outright owners, a higher proportion of older person households and higher levels of income and savings. Households in rural areas also had a greater availability of cars/vans but were far more likely to express problems with the adequacy of public transport
- There are 8,419 households containing families in West Dorset. 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 market 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 housing market area (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 sub-market 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.

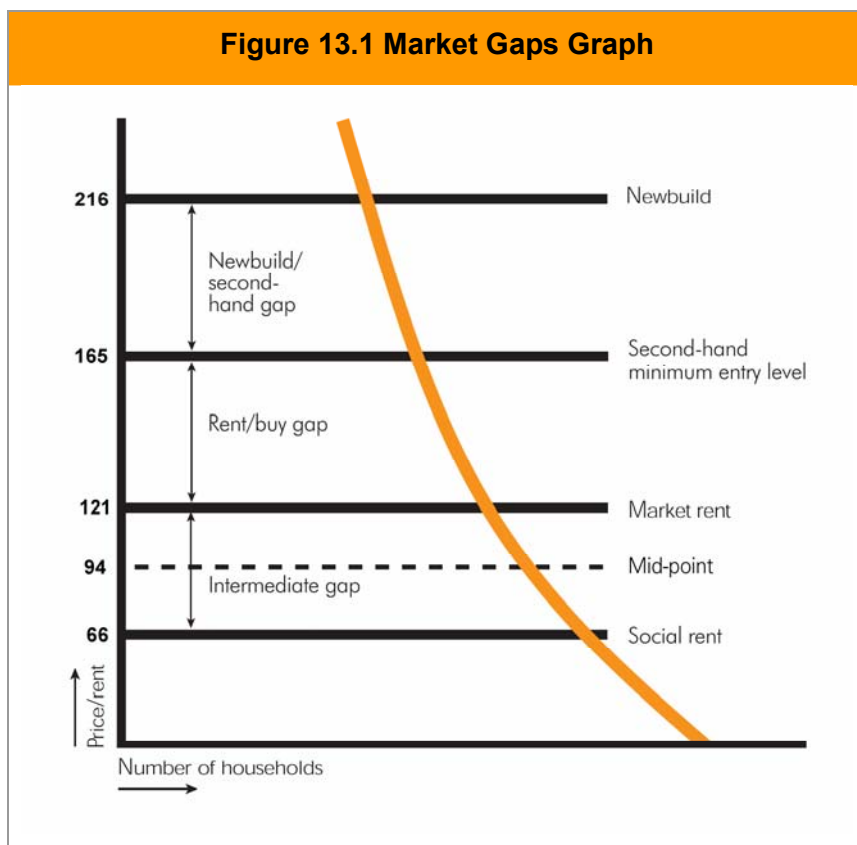
- 13.5 This may seem unrealistic, as a household may be long established in a given area (especially if that area is rural) and not easily accept the idea of a move to any other place, let alone across the entire market area. However that is not the practical likelihood. Any additional housing, whether 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 a 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 sub-area. 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 two-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.



Source: West Dorset HNDS Fordham Research 2007

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 house building industry and local authorities to increase this proportion. 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.

Table 13.1 Scale of key housing market gaps in West Dorset			
Area	Social rent/market entry private rent gap	Rent/buy gap	Social rent/newbuild gap
West Dorset	183%	136%	327%

Source: West Dorset HNDS Fordham Research 2007

Note that these percentages are calculated from the table below for two-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:

- i) 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.
- ii) 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>Usefully affordable</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	£59	<i>£76</i>	£92	£109	£134
2 bedrooms	£66	<i>£94</i>	£121	£165	£216
3 bedrooms	£77	<i>£103</i>	£129	£243	£309
4 bedrooms	£90	<i>£146</i>	£202	£331	£446

Sources: CORE, survey of estate and letting agents, Rightmove and other websites. Usefully Affordable costs are imputed (being halfway between social rent and market entry) and shown in italics to distinguish them from prices derived from surveys.

## How to fill the market gaps

13.14 The housing market gaps in West Dorset are not the largest 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 12.1 above, have to be provided with at least a 44% 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 West Dorset.
- 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 and 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 West Dorset 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 13.2 above. The following are the Reference Rents for Dorset, which vary across the county.

**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>“<b>Bournemouth</b>” 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>“<b>Mid Dorset</b>” 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>“<b>West Dorset</b>” BRMA includes Weymouth &amp; Portland District, the western fringes of Purbeck and North Dorset, and all of West Dorset except the Sherborne area.</p> <p>“<b>Yeovil</b>” 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 therefore 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 West Dorset**

	Social rented	Intermediate housing	Total
Annualised current need	182	2	184
Annualised available stock	91	9	100
Annual newly arising need	958	43	1,001
Future annual supply	337	11	348
Net shortfall or surplus	712	25	737
% of net shortfall	97%	3%	100%
Gross annual need	1,141	45	1,185
Gross annual supply	428	20	448
Net annual need	712	25	737

13.23 As can be seen, the proportion of need in West Dorset (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 just 3%.

## 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%	n/a
Poole	1,199	19	815	68%	45%	13% (159 dwgs pa)
W. Dorset	737	17	542	74%	52%	3% (25 dwgs pa)
Weymouth & Portland	800	28	282	35%	51%	n/a
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 West Dorset 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, although in relative terms the level of need is lower in West Dorset than many other districts, in particular the urban centres of Bournemouth and Weymouth & Portland.
- ii) As would be expected, the CLG needs assessment shows a much higher level of need than the BHM, but the annual requirement in both cases is far above any likely annual production of affordable housing.

- iii) In principle there is a role for intermediate housing, as defined by CLG (the range between social rent and market rent). However there are few signs of practical housing options within this gap, given that in West Dorset a discount of at least 44% on newbuild market value would be required for the resulting properties to be considered affordable.

13.27 The levels of social rented housing required, although high, are not a major issue when compared with the situation elsewhere: 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 house building completions in West Dorset and Dorset more widely are as follows:

<b>Table 13.6 Housing Completions in West Dorset over stated periods</b>							
<b>Gross</b>							
<b>Year</b>	<b>01/02</b>	<b>02/03</b>	<b>03/04</b>	<b>04/05</b>	<b>05/06</b>	<b>01 – 06</b>	<b>94 – 06</b>
Affordable	76	40	13	54	70	253	989
Private	499	527	502	510	531	2,569	5,488
<b>Total</b>	<b>575</b>	<b>567</b>	<b>515</b>	<b>564</b>	<b>601</b>	<b>2,822</b>	<b>6,477</b>
<b>Net</b>							
Affordable	72	37	13	54	70	246	949
Private	483	507	473	476	493	2,432	5,212
<b>Total</b>	<b>555</b>	<b>544</b>	<b>486</b>	<b>530</b>	<b>563</b>	<b>2,678</b>	<b>6,161</b>

Source: Dorset County Council 2007

**Table 13.7 Housing Completions in Dorset (inc. Bournemouth & Poole) over stated periods**

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

Source: Dorset County Council 2007

- 13.35 As can be seen, for the most recent year recorded (2005/6) for West Dorset, of the 563 dwellings completed, 70 (or 12%) were affordable (above the average of 9% across the period 2001-6). This is below the Dorset average, 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 at least 542 per annum (even on the BHM measure) there is still scope for improvement. It must be considered, though, that nationally the production of new affordable housing falls well below the need, however it is measured.
- 13.37 The same conclusion applies to market housing, where Table 11.1 shows that the overall annual requirement (from the BHM analysis) is 562; the average for West Dorset over the past five years from the table above is 486 per annum. Given the constraints on development in West Dorset this is a good performance. It is worth noting also, that a new Local Plan was adopted in 2006, and this included new housing sites which should mean that the rate of development rises in the future. Hence the degree of fulfilment of housing market demand is likely to improve.
- 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) West Dorset is, based on production of housing in the period 2001-06, well ahead of the levels suggested by RSS Table 4.1 (excerpt shown below) of 410 per annum.
  - (ii) In terms of affordable housing the 9% achieved (51 per annum) in the recent past is well below the minimum of 35% (144 per annum) required by the RSS.

**Table 13.8 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
<b>BOURNEMOUTH &amp; POOLE HOUSING MARKET AREA</b>	<b>1,925 – 2,090</b>	<b>2,285</b>	<b>1,565 – 1,895</b>
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
<b>WEYMOUTH &amp; DORCHESTER HOUSING MARKET AREA</b>	<b>690</b>	<b>690</b>	<b>690</b>
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: 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 West Dorset 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 many parts of the country.
- 13.41 At the two-bed level the overall gap in weekly costs from social rent to newbuild purchase is 327%: this gap is clearly 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 most commonly used option nationally. 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 in West Dorset, since a discount of 44% or more would be required, 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 West Dorset, it is seen that the results are mixed. Although the building of market housing in recent years has exceeded future RSS targets, and a substantial quantity of social housing has been provided, provision of affordable housing as a proportion of the total remains well below RSS targets (9% as compared to 35%) and the Dorset average. Clearly a sustained effort is still required.

# 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 14.2 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 25<sup>th</sup> percentile in each case: in other words the 25<sup>th</sup> from the cheapest. Hence if there were 200 properties in a given band, the 50<sup>th</sup> 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 14.3 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 table below, 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 sub-markets.



**Table 14.4 Comparative outgoings by tenure**

Dwelling size	Social rent	<i>Usefully affordable</i>	Tenure 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	£59	<i>£76</i>	£92	£109	£134
2 bedrooms	£66	<i>£94</i>	£121	£165	£216
3 bedrooms	£77	<i>£103</i>	£129	£243	£309
4 bedrooms	£90	<i>£146</i>	£202	£331	£446

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

### 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 a key 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.
- 14.18 Strategies are needed for regular monitoring and updating, and triggers may be added where rapid changes are noted.
- 14.19 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.

14.20 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.

### **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 201a) 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).

**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 Detailed Sub-Area Data

## Introduction

A1.1 This appendix provides details of the key survey findings at a more detailed sub-area level. There are 33 wards in the district and these have been grouped into 17 different areas. Some areas are single wards whilst others are made up of groups of wards. Although the sample sizes are generally good at sub-area level (and all are above the suggested figure of 100 in DCLG 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 district. The table below shows the wards contained within each of the seventeen sub-areas.

**Table A1.1 Wards contained within each sub-area**

Sub-area	Wards in sub-area
Beaminster	Beaminster
Broadwindsor & rural	Broadwindsor, Marshwood Vale
Maiden Newton & central rural	Halstock, Frome Valley, Maiden Newton
Bridport	Bradpole, Bridport North, Bridport South & Bothenhampton
Bridport rural	Chideock & Symondsburry, Loders, Netherbury
Burton Bradstock Chesil	Burton Bradstock
Chickerell Chesil	Chesil Bank, Chickerell
Charminster & Cerne	Charminster & Cerne
Dorchester rural	Winterbourne St Martin, Broadmayne
Crossways & rural	Owermoigne
Piddle Valley	Piddle Valley
Puddletown	Puddletown
Charmouth	Charmouth
Lyme Regis	Lyme Regis
Dorchester	Dorchester East, Dorchester North, Dorchester West, Dorchester South
Sherborne	Sherborne West, Sherborne East
Sherborne rural	Queen Thorne, Bradford Abbas, Cam Vale, Yetminster

Source: West Dorset HNDS Fordham Research 2007

## 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 sub-area in household terms is Dorchester (with 7,916 households) followed by Bridport. Three of the seventeen areas have a household population of less than 1,000. In terms of sample sizes it can be seen that these vary from 758 in Dorchester to 117 in Piddle Valley.

**Table A1.1 Number of households in each sub-area and sample size**

Sub-area	Number of households	% of households	Sample size	% of sample
Beaminster	1,819	4.2%	184	3.8%
Broadwindsor & rural	1,604	3.7%	220	4.5%
Maiden Newton & central rural	2,642	6.1%	346	7.1%
Bridport	5,793	13.3%	483	9.9%
Bridport rural	2,478	5.7%	341	7.0%
Burton Bradstock Chesil	900	2.1%	133	2.7%
Chickerell Chesil	3,299	7.6%	306	6.3%
Charminster & Cerne	1,905	4.4%	195	4.0%
Dorchester rural	1,693	3.9%	267	5.5%
Crossways & rural	1,529	3.5%	152	3.1%
Piddle Valley	862	2.0%	117	2.4%
Puddletown	1,028	2.4%	152	3.1%
Charmouth	836	1.9%	121	2.5%
Lyme Regis	1,880	4.3%	169	3.5%
Dorchester	7,916	18.2%	758	15.6%
Sherborne	4,163	9.6%	390	8.0%
Sherborne rural	3,198	7.3%	528	10.9%
Total	43,545	100.0%	4,862	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Tenure

A1.3 The table below shows the estimated tenure split in each of the 17 sub-areas. The results show significant differences in the tenure profile of households in different locations within the District. The proportion of owner-occupiers without a mortgage varies from 34.8% in Puddletown to 54.5% in Bridport Rural whilst the proportion of owners with a mortgage varies from 19.9% in Beaminster to 41.4% in Dorchester rural. In the rented sector the range of social renting tenants varies from 7.5% in Bridport rural to 25.5% in Charmouth whilst the private rented sector varies in proportion from 5.3% in Charmouth to 18.2% in Maiden Newton & central rural.

**Table A1.2 Tenure by sub-area**

Sub-area	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	857	47.1%	362	19.9%	403	22.2%	196	10.8%	1,819	100.0%
Broadwindsor & rural	816	50.9%	416	25.9%	148	9.2%	224	14.0%	1,604	100.0%
Maiden Newton & central rural	1,125	42.6%	835	31.6%	201	7.6%	480	18.2%	2,642	100.0%
Bridport	2,683	46.3%	1,324	22.9%	1,083	18.7%	704	12.1%	5,793	100.0%
Bridport rural	1,349	54.5%	666	26.9%	185	7.5%	277	11.2%	2,478	100.0%
Burton Bradstock	437	48.5%	275	30.6%	88	9.8%	100	11.1%	900	100.0%
Chesil	1,237	37.5%	1,292	39.2%	416	12.6%	354	10.7%	3,299	100.0%
Chickerell Chesil	793	41.6%	618	32.4%	267	14.0%	227	11.9%	1,905	100.0%
Charminster & Cerne	724	42.7%	701	41.4%	132	7.8%	137	8.1%	1,693	100.0%
Dorchester rural	645	42.2%	458	30.0%	260	17.0%	166	10.8%	1,529	100.0%
Crossways & rural	317	36.8%	267	31.0%	130	15.1%	148	17.1%	862	100.0%
Puddletown	358	34.8%	387	37.6%	98	9.5%	185	18.0%	1,028	100.0%
Charmouth	412	49.2%	167	20.0%	214	25.5%	44	5.3%	836	100.0%
Lyme Regis	961	51.1%	456	24.2%	280	14.9%	183	9.7%	1,880	100.0%
Dorchester	3,125	39.5%	2,615	33.0%	1,163	14.7%	1,013	12.8%	7,916	100.0%
Sherborne	1,928	46.3%	833	20.0%	769	18.5%	633	15.2%	4,163	100.0%
Sherborne rural	1,654	51.7%	901	28.2%	270	8.4%	372	11.6%	3,198	100.0%
Total	19,422	44.6%	12,574	28.9%	6,107	14.0%	5,442	12.5%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Dwelling types

A1.4 The tables below show how the type of accommodation in each sub-area varies across the District. The results indicate that the proportion of detached houses varies from 14.9% in Bridport to 48.8% in Sherborne rural. Lyme Regis records the highest proportion of flats at 29.2%, whilst five sub-areas contain less than 5% flats.

**Table A1.3 Dwelling type by sub-area (households)**

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Beaminster	469	443	262	239	147	259	1,819
Broadwindsor & rural	627	313	185	279	95	107	1,604
Maiden Newton & central rural	1,018	553	506	364	90	112	2,642
Bridport	862	1,150	1,355	979	150	1,299	5,793
Bridport rural	1,058	419	519	320	75	87	2,478
Burton Bradstock Chesil	298	148	187	177	21	68	900
Chickerell Chesil	1,182	656	795	259	224	183	3,299
Charminster & Cerne	638	414	337	180	128	209	1,905
Dorchester rural	545	322	421	302	70	33	1,693
Crossways & rural	443	304	214	319	144	105	1,529
Piddle Valley	349	286	58	85	56	28	862
Puddletown	257	353	157	124	81	56	1,028
Charmouth	262	119	133	122	26	175	836
Lyme Regis	508	282	192	279	69	550	1,880
Dorchester	1,610	1,625	2,524	343	241	1,573	7,916
Sherborne	951	746	1,291	257	317	601	4,163
Sherborne rural	1,560	716	200	556	124	42	3,198
Total	12,636	8,850	9,332	5,184	2,058	5,485	43,545

Source: West Dorset HNDS Fordham Research 2007



**Table A1.4 Dwelling type by sub-area (percentages)**

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Beaminster	25.8%	24.4%	14.4%	13.1%	8.1%	14.2%	100.0%
Broadwindsor & rural	39.0%	19.5%	11.5%	17.4%	5.9%	6.7%	100.0%
Maiden Newton & central rural	38.5%	20.9%	19.1%	13.8%	3.4%	4.2%	100.0%
Bridport	14.9%	19.8%	23.4%	16.9%	2.6%	22.4%	100.0%
Bridport rural	42.7%	16.9%	20.9%	12.9%	3.0%	3.5%	100.0%
Burton Bradstock Chesil	33.1%	16.5%	20.8%	19.7%	2.4%	7.5%	100.0%
Chickerell Chesil	35.8%	19.9%	24.1%	7.8%	6.8%	5.5%	100.0%
Charminster & Cerne	33.5%	21.7%	17.7%	9.4%	6.7%	11.0%	100.0%
Dorchester rural	32.2%	19.0%	24.9%	17.8%	4.1%	2.0%	100.0%
Crossways & rural	29.0%	19.9%	14.0%	20.9%	9.4%	6.9%	100.0%
Piddle Valley	40.5%	33.1%	6.7%	9.9%	6.5%	3.3%	100.0%
Puddletown	25.0%	34.3%	15.3%	12.1%	7.9%	5.4%	100.0%
Charmouth	31.3%	14.2%	15.9%	14.6%	3.1%	20.9%	100.0%
Lyme Regis	27.0%	15.0%	10.2%	14.9%	3.7%	29.2%	100.0%
Dorchester	20.3%	20.5%	31.9%	4.3%	3.0%	19.9%	100.0%
Sherborne	22.8%	17.9%	31.0%	6.2%	7.6%	14.4%	100.0%
Sherborne rural	48.8%	22.4%	6.2%	17.4%	3.9%	1.3%	100.0%
Total	29.0%	20.3%	21.4%	11.9%	4.7%	12.6%	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Household type

A1.5 The tables below show the variation in the type of household resident in each sub-area. The tables show that the proportion of pensioner households varies from 22.7% in Piddle Valley to 54.5% in Charmouth, whilst the proportion of households containing children varies from 12.3% in Charmouth to 30.5% in Puddletown.

**Table A1.5 Household type by sub-area (households)**

Sub-area	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
Beaminster	493	371	233	439	54	59	168	1,819
Broadwindsor & rural	243	335	187	610	18	121	90	1,604
Maiden Newton & central rural	349	457	290	1,007	69	199	272	2,642
Bridport	1,318	995	865	1,692	152	399	373	5,793
Bridport rural	408	485	193	863	91	216	222	2,478
Burton Bradstock Chesil	142	186	121	337	24	40	51	900
Chickerell Chesil	454	601	281	1,250	153	159	402	3,299
Charminster & Cerne	405	338	234	483	54	134	257	1,905
Dorchester rural	338	254	160	592	35	112	203	1,693
Crossways & rural	153	304	175	614	56	107	120	1,529
Piddle Valley	119	76	96	412	10	71	79	862
Puddletown	155	147	62	350	18	87	209	1,028
Charmouth	264	192	57	221	9	47	46	836
Lyme Regis	357	374	262	551	40	129	167	1,880
Dorchester	1,386	1,218	1,071	2,313	314	754	859	7,916
Sherborne	1,183	787	550	984	106	245	307	4,163
Sherborne rural	483	768	293	1,140	17	211	286	3,198
<b>Total</b>	<b>8,251</b>	<b>7,888</b>	<b>5,129</b>	<b>13,859</b>	<b>1,219</b>	<b>3,089</b>	<b>4,111</b>	<b>43,545</b>

Source: West Dorset HNDS Fordham Research 2007

**Table A1.6 Household type by sub-area (percentages)**

Sub-area	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
Beaminster	27.1%	20.4%	12.8%	24.1%	3.0%	3.3%	9.3%	100.0%
Broadwindsor & rural	15.2%	20.9%	11.7%	38.0%	1.1%	7.5%	5.6%	100.0%
Maiden Newton & central rural	13.2%	17.3%	11.0%	38.1%	2.6%	7.5%	10.3%	100.0%
Bridport	22.7%	17.2%	14.9%	29.2%	2.6%	6.9%	6.4%	100.0%
Bridport rural	16.5%	19.6%	7.8%	34.8%	3.7%	8.7%	9.0%	100.0%
Burton Bradstock	15.7%	20.7%	13.4%	37.4%	2.6%	4.5%	5.7%	100.0%
Chesil	13.8%	18.2%	8.5%	37.9%	4.7%	4.8%	12.2%	100.0%
Chickerell Chesil	13.8%	18.2%	8.5%	37.9%	4.7%	4.8%	12.2%	100.0%
Charminster & Cerne	21.3%	17.8%	12.3%	25.4%	2.8%	7.0%	13.5%	100.0%
Dorchester rural	20.0%	15.0%	9.4%	35.0%	2.0%	6.6%	12.0%	100.0%
Crossways & rural	10.0%	19.9%	11.5%	40.2%	3.6%	7.0%	7.9%	100.0%
Piddle Valley	13.9%	8.8%	11.1%	47.8%	1.1%	8.2%	9.1%	100.0%
Puddletown	15.0%	14.3%	6.0%	34.1%	1.8%	8.4%	20.3%	100.0%
Charmouth	31.6%	22.9%	6.8%	26.5%	1.1%	5.7%	5.5%	100.0%
Lyme Regis	19.0%	19.9%	13.9%	29.3%	2.1%	6.9%	8.9%	100.0%
Dorchester	17.5%	15.4%	13.5%	29.2%	4.0%	9.5%	10.9%	100.0%
Sherborne	28.4%	18.9%	13.2%	23.6%	2.5%	5.9%	7.4%	100.0%
Sherborne rural	15.1%	24.0%	9.2%	35.6%	0.5%	6.6%	8.9%	100.0%
Total	18.9%	18.1%	11.8%	31.8%	2.8%	7.1%	9.4%	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Household size

A1.6 The table below shows the variation in the size of household resident in each sub-area. The table shows that the proportion of one person households varies from 21.1% in Puddletown to 41.7% in Sherborne, whilst the proportion of households containing four or more people varies from 9.9% in Burton Bradstock Chesil to 24.7% in Puddletown.

**Table A1.7 Household size by sub-area**

Sub-area	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	727	40.0%	700	38.5%	150	8.2%	242	13.3%	1,819	100.0%
Broadwindsor & rural	431	26.8%	769	47.9%	185	11.5%	220	13.7%	1,604	100.0%
Maiden Newton & central rural	639	24.2%	1,233	46.6%	351	13.3%	421	15.9%	2,642	100.0%
Bridport	2,183	37.7%	2,377	41.0%	581	10.0%	652	11.3%	5,793	100.0%
Bridport rural	601	24.2%	1,262	50.9%	287	11.6%	327	13.2%	2,478	100.0%
Burton Bradstock Chesil	262	29.1%	462	51.3%	87	9.7%	89	9.9%	900	100.0%
Chickerell Chesil	735	22.3%	1,559	47.2%	474	14.4%	532	16.1%	3,299	100.0%
Charminster & Cerne	639	33.5%	674	35.4%	287	15.1%	305	16.0%	1,905	100.0%
Dorchester rural	498	29.4%	724	42.8%	140	8.3%	330	19.5%	1,693	100.0%
Crossways & rural	329	21.5%	786	51.4%	178	11.6%	237	15.5%	1,529	100.0%
Piddle Valley	215	25.0%	397	46.1%	126	14.6%	124	14.4%	862	100.0%
Puddletown	216	21.1%	455	44.3%	102	9.9%	254	24.7%	1,028	100.0%
Charmouth	321	38.4%	354	42.3%	69	8.3%	92	11.0%	836	100.0%
Lyme Regis	619	32.9%	868	46.2%	175	9.3%	218	11.6%	1,880	100.0%
Dorchester	2,457	31.0%	2,892	36.5%	1,152	14.6%	1,415	17.9%	7,916	100.0%
Sherborne	1,734	41.7%	1,540	37.0%	347	8.3%	542	13.0%	4,163	100.0%
Sherborne rural	775	24.2%	1,564	48.9%	370	11.6%	489	15.3%	3,198	100.0%
Total	13,380	30.7%	18,615	42.7%	5,060	11.6%	6,490	14.9%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

## Overcrowding and under-occupation

A1.7 It can be seen in the table below that overcrowding is relatively uncommon in West Dorset, and therefore figures for the number of overcrowded households should be treated with caution. The highest proportions of overcrowded households were in Crossways & rural, followed by Dorchester and Piddle Valley. Under-occupation was much more common; with households in Sherborne rural and Broadwindsor & rural showing particularly high levels of under-occupancy. Under-occupation was notably less common in Bridport and Dorchester.

**Table A1.8 Overcrowding/under-occupation by sub-area**

Sub-area	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Beaminster	27	1.5%	976	53.7%	815	44.8%	1,819	100.0%
Broadwindsor & rural	24	1.5%	634	39.5%	947	59.0%	1,604	100.0%
Maiden Newton & central rural	14	0.5%	1,210	45.8%	1,418	53.7%	2,642	100.0%
Bridport	87	1.5%	3,619	62.5%	2,087	36.0%	5,793	100.0%
Bridport rural	17	0.7%	1,128	45.5%	1,332	53.8%	2,478	100.0%
Burton Bradstock Chesil	9	1.0%	432	48.0%	459	51.0%	900	100.0%
Chickerell Chesil	42	1.3%	1,906	57.8%	1,351	41.0%	3,299	100.0%
Charminster & Cerne	0	0.0%	940	49.4%	965	50.6%	1,905	100.0%
Dorchester rural	31	1.8%	817	48.2%	845	49.9%	1,693	100.0%
Crossways & rural	52	3.4%	878	57.4%	599	39.2%	1,529	100.0%
Piddle Valley	21	2.4%	376	43.6%	466	54.0%	862	100.0%
Puddletown	8	0.8%	566	55.0%	454	44.2%	1,028	100.0%
Charmouth	0	0.0%	409	48.9%	427	51.1%	836	100.0%
Lyme Regis	40	2.1%	1,074	57.1%	766	40.7%	1,880	100.0%
Dorchester	189	2.4%	4,771	60.3%	2,956	37.3%	7,916	100.0%
Sherborne	57	1.4%	2,371	57.0%	1,734	41.7%	4,163	100.0%
Sherborne rural	14	0.4%	1,199	37.5%	1,985	62.1%	3,198	100.0%
Total	632	1.5%	23,306	53.5%	19,607	45.0%	43,545	100.0%

Source: West Dorset HNSD Fordham Research 2007

## Household mobility

A1.8 The table below shows household's length of residence in their current accommodation. Dorchester stands out as having a particularly mobile population with 22.9% of households having lived at their current address for less than two years. In contrast only 13.0% of households in Sherborne rural moved to their current address in the past two years.

**Table A1.9 Length of residence by sub-area**

Sub-area	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	140	7.7%	152	8.4%	405	22.3%	1,121	61.6%	1,819	100.0%
Broadwindsor & rural	123	7.7%	117	7.3%	318	19.8%	1,047	65.2%	1,604	100.0%
Maiden Newton & central rural	295	11.2%	167	6.3%	493	18.7%	1,687	63.9%	2,642	100.0%
Bridport	666	11.5%	490	8.5%	1,183	20.4%	3,454	59.6%	5,793	100.0%
Bridport rural	272	11.0%	185	7.5%	460	18.6%	1,560	63.0%	2,478	100.0%
Burton Bradstock Chesil	100	11.2%	75	8.4%	164	18.2%	560	62.3%	900	100.0%
Chickerell Chesil	355	10.8%	283	8.6%	645	19.6%	2,016	61.1%	3,299	100.0%
Charminster & Cerne	246	12.9%	81	4.3%	405	21.3%	1,173	61.6%	1,905	100.0%
Dorchester rural	138	8.2%	105	6.2%	216	12.8%	1,234	72.9%	1,693	100.0%
Crossways & rural	121	7.9%	106	6.9%	206	13.5%	1,096	71.7%	1,529	100.0%
Piddle Valley	59	6.9%	72	8.3%	200	23.1%	532	61.7%	862	100.0%
Puddletown	92	9.0%	71	6.9%	255	24.8%	610	59.3%	1,028	100.0%
Charmouth	84	10.1%	48	5.7%	185	22.1%	520	62.2%	836	100.0%
Lyme Regis	160	8.5%	196	10.4%	356	18.9%	1,167	62.1%	1,880	100.0%
Dorchester	1,006	12.7%	810	10.2%	1,440	18.2%	4,661	58.9%	7,916	100.0%
Sherborne	476	11.4%	374	9.0%	788	18.9%	2,525	60.7%	4,163	100.0%
Sherborne rural	211	6.6%	205	6.4%	482	15.1%	2,300	71.9%	3,198	100.0%
Total	4,546	10.4%	3,538	8.1%	8,199	18.8%	27,263	62.6%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007

### Moving intentions – existing households

A1.9 The table below shows the number and proportion of households who need or expect to move home in the next two years. Households living in Piddle Valley are particularly likely to be future movers with 20.1% of households in this area stating that they need or are likely to move in the next two years. At the other end of the scale the figure for Dorchester rural is only 13.4%.

**Table A1.10 Moving intentions of existing households by sub-area**

Sub-area	Now		Within a year		1 to 2 years		Not moving with 2 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	23	1.3%	132	7.3%	118	6.5%	1,545	85.0%	1,819	100.0%
Broadwindsor & rural	7	0.4%	125	7.8%	108	6.7%	1,365	85.1%	1,604	100.0%
Maiden Newton & central rural	39	1.5%	235	8.9%	203	7.7%	2,166	82.0%	2,642	100.0%
Bridport	154	2.7%	388	6.7%	403	7.0%	4,848	83.7%	5,793	100.0%
Bridport rural	52	2.1%	183	7.4%	107	4.3%	2,136	86.2%	2,478	100.0%
Burton Bradstock Chesil	16	1.8%	68	7.6%	62	6.8%	754	83.8%	900	100.0%
Chickerell Chesil	113	3.4%	170	5.2%	295	8.9%	2,722	82.5%	3,299	100.0%
Charminster & Cerne	12	0.6%	63	3.3%	191	10.0%	1,639	86.0%	1,905	100.0%
Dorchester rural	30	1.8%	42	2.5%	120	7.1%	1,501	88.6%	1,693	100.0%
Crossways & rural	62	4.0%	107	7.0%	90	5.9%	1,271	83.1%	1,529	100.0%
Piddle Valley	19	2.2%	92	10.6%	63	7.3%	689	79.9%	862	100.0%
Puddletown	48	4.6%	48	4.7%	81	7.8%	851	82.8%	1,028	100.0%
Charmouth	0	0.0%	76	9.1%	49	5.9%	711	85.1%	836	100.0%
Lyme Regis	52	2.8%	145	7.7%	106	5.6%	1,576	83.9%	1,880	100.0%
Dorchester	303	3.8%	548	6.9%	632	8.0%	6,434	81.3%	7,916	100.0%
Sherborne	117	2.8%	297	7.1%	207	5.0%	3,542	85.1%	4,163	100.0%
Sherborne rural	71	2.2%	177	5.5%	189	5.9%	2,761	86.3%	3,198	100.0%
<b>Total</b>	<b>1,116</b>	<b>2.6%</b>	<b>2,895</b>	<b>6.6%</b>	<b>3,022</b>	<b>6.9%</b>	<b>36,511</b>	<b>83.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Newly forming households

A1.10 The table below shows the rate of intended future household formation by sub-area. It shows the highest rate was recorded in Maiden Newton & Central rural (3.9%) and the lowest in Burton Bradstock Chesil (1.6%).

**Table A1.11 Rate of new household formation by sub-area**

Sub-area	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Beaminster	120	1,819	3.3%
Broadwindsor & rural	119	1,604	3.7%
Maiden Newton & central rural	208	2,642	3.9%
Bridport	382	5,793	3.3%
Bridport rural	149	2,478	3.0%
Burton Bradstock			
Chesil	29	900	1.6%
Chickerell Chesil	185	3,299	2.8%
Charminster & Cerne	66	1,905	1.7%
Dorchester rural	93	1,693	2.8%
Crossways & rural	97	1,529	3.2%
Piddle Valley	53	862	3.1%
Puddletown	45	1,028	2.2%
Charmouth	49	836	2.9%
Lyme Regis	138	1,880	3.7%
Dorchester	534	7,916	3.4%
Sherborne	151	4,163	1.8%
Sherborne rural	167	3,198	2.6%
Total	2,584	43,545	3.0%

Source: West Dorset HNDS Fordham Research 2007

## Car ownership

A1.11 The table below considers variations in car ownership by sub-area. Dwellings with no car were more likely to be found in sub-areas in towns, particularly Bridport where 24.3% of households questioned had no car, only 5.3% of households in Sherborne rural had no use of a car or van. Multiple car ownership was most frequent in Piddle valley, where 58.3% of households had more than one car.



**Table A1.12 Car ownership by sub-area**

Sub-area	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	324	17.8%	963	53.0%	461	25.4%	70	3.9%	1,819	100.0%
Broadwindsor & rural	110	6.8%	640	39.9%	703	43.8%	153	9.5%	1,604	100.0%
Maiden Newton & central rural	159	6.0%	1,064	40.3%	1,152	43.6%	267	10.1%	2,642	100.0%
Bridport	1,410	24.3%	2,964	51.2%	1,152	19.9%	268	4.6%	5,793	100.0%
Bridport rural	209	8.4%	1,117	45.1%	891	35.9%	262	10.6%	2,478	100.0%
Burton Bradstock Chesil	76	8.5%	392	43.6%	300	33.4%	131	14.6%	900	100.0%
Chickerell Chesil	484	14.7%	1,466	44.4%	1,064	32.2%	285	8.6%	3,299	100.0%
Charminster & Cerne	191	10.0%	917	48.1%	663	34.8%	134	7.0%	1,905	100.0%
Dorchester rural	166	9.8%	788	46.5%	609	35.9%	131	7.7%	1,693	100.0%
Crossways & rural	120	7.9%	719	47.0%	519	33.9%	171	11.2%	1,529	100.0%
Piddle Valley	83	9.6%	277	32.1%	411	47.7%	91	10.6%	862	100.0%
Puddletown	72	7.0%	413	40.2%	421	40.9%	122	11.9%	1,028	100.0%
Charmouth	130	15.5%	444	53.1%	222	26.6%	40	4.7%	836	100.0%
Lyme Regis	320	17.0%	1,051	55.9%	437	23.2%	72	3.8%	1,880	100.0%
Dorchester	1,491	18.8%	4,237	53.5%	1,832	23.1%	356	4.5%	7,916	100.0%
Sherborne	989	23.8%	2,126	51.1%	802	19.3%	247	5.9%	4,163	100.0%
Sherborne rural	169	5.3%	1,330	41.6%	1,313	41.1%	385	12.0%	3,198	100.0%
<b>Total</b>	<b>6,502</b>	<b>14.9%</b>	<b>20,907</b>	<b>48.0%</b>	<b>12,951</b>	<b>29.7%</b>	<b>3,184</b>	<b>7.3%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Economic status

A1.12 Employment rates were also measured; the proportion of household heads in work was highest in Piddle Valley (59.7%), and lowest in Charmouth (28.4%), which also had the largest proportion of retired people in the area, at 65.5% of households. Unemployment figures were low, but unemployment was highest in Burton Bradstock Chesil (3.2%).

**Table A1.13 Economic status of household head by sub-area**

Sub-area	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Beaminster	677	37.2%	46	2.6%	945	51.9%	150	8.3%	1,819	100.0%
Broadwindsor & rural	838	52.2%	9	0.6%	643	40.1%	115	7.2%	1,604	100.0%
Maiden Newton & central rural	1,411	53.4%	26	1.0%	1,050	39.7%	155	5.9%	2,642	100.0%
Bridport	2,427	41.9%	158	2.7%	2,725	47.0%	483	8.3%	5,793	100.0%
Bridport rural	1,161	46.9%	65	2.6%	1,111	44.8%	141	5.7%	2,478	100.0%
Burton Bradstock Chesil	431	47.9%	29	3.2%	400	44.4%	40	4.4%	900	100.0%
Chickerell Chesil	1,758	53.3%	65	2.0%	1,269	38.5%	207	6.3%	3,299	100.0%
Charminster & Cerne	946	49.7%	24	1.3%	812	42.6%	123	6.5%	1,905	100.0%
Dorchester rural	915	54.1%	5	0.3%	679	40.1%	94	5.6%	1,693	100.0%
Crossways & rural	692	45.2%	9	0.6%	630	41.2%	199	13.0%	1,529	100.0%
Piddle Valley	515	59.7%	15	1.7%	269	31.2%	64	7.4%	862	100.0%
Puddletown	582	56.7%	0	0.0%	364	35.4%	81	7.9%	1,028	100.0%
Charmouth	238	28.4%	16	1.9%	548	65.5%	34	4.1%	836	100.0%
Lyme Regis	775	41.3%	28	1.5%	891	47.4%	185	9.8%	1,880	100.0%
Dorchester	4,322	54.6%	143	1.8%	2,840	35.9%	611	7.7%	7,916	100.0%
Sherborne	1,805	43.4%	60	1.5%	2,023	48.6%	275	6.6%	4,163	100.0%
Sherborne rural	1,593	49.8%	15	0.5%	1,439	45.0%	151	4.7%	3,198	100.0%
<b>Total</b>	<b>21,087</b>	<b>48.4%</b>	<b>714</b>	<b>1.6%</b>	<b>18,638</b>	<b>42.8%</b>	<b>3,106</b>	<b>7.1%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Income and savings

A1.13 Household incomes and savings varied significantly between sub-areas. The lowest average income was found in Bridport (at £21,005). The sub-area with the highest income, 68% higher than the lowest at £35,191, was Piddle Valley. 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 raises the average.

**Table A1.14 Average household income and savings by sub-area**

Sub-area	Average annual gross household income	Average savings
Beaminster	£24,492	£61,175
Broadwindsor & rural	£29,817	£63,772
Maiden Newton & central rural	£32,908	£62,067
Bridport	£21,005	£37,811
Bridport rural	£30,128	£53,092
Burton Bradstock	£29,304	£70,213
Chesil	£27,214	£35,665
Chickerell Chesil	£32,472	£53,656
Charminster & Cerne	£33,898	£57,198
Dorchester rural	£28,538	£45,940
Crossways & rural	£35,191	£73,553
Piddle Valley	£30,707	£48,426
Puddletown	£26,669	£67,061
Charmouth	£27,406	£64,878
Lyme Regis	£27,581	£34,909
Dorchester	£26,666	£55,193
Sherborne	£33,294	£67,329
Sherborne rural	£28,160	£50,314
Average		

Source: West Dorset HNDS Fordham Research 2007

## Unsuitable housing

A1.14 The table below shows the location of unsuitably housed households in West Dorset. The table indicates that the level of unsuitable housing varies from 0.7% in Charminster & Cerne to 10.4% in Piddle Valley.

**Table A1.15 Location of households in unsuitable housing**

Sub-area	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Beaminster	101	5.6%	1,717	94.4%	1,819	100.0%
Broadwindsor & rural	45	2.8%	1,559	97.2%	1,604	100.0%
Maiden Newton & central rural	90	3.4%	2,552	96.6%	2,642	100.0%
Bridport	340	5.9%	5,453	94.1%	5,793	100.0%
Bridport rural	132	5.3%	2,346	94.7%	2,478	100.0%
Burton Bradstock	37	4.1%	863	95.9%	900	100.0%
Chesil	156	4.7%	3,143	95.3%	3,299	100.0%
Chickerell Chesil	13	0.7%	1,892	99.3%	1,905	100.0%
Dorchester rural	57	3.4%	1,636	96.6%	1,693	100.0%
Crossways & rural	81	5.3%	1,448	94.7%	1,529	100.0%
Piddle Valley	89	10.4%	773	89.6%	862	100.0%
Puddletown	64	6.2%	964	93.8%	1,028	100.0%
Charmouth	23	2.7%	814	97.3%	836	100.0%
Lyme Regis	129	6.9%	1,750	93.1%	1,880	100.0%
Dorchester	563	7.1%	7,353	92.9%	7,916	100.0%
Sherborne	221	5.3%	3,941	94.7%	4,163	100.0%
Sherborne rural	122	3.8%	3,075	96.2%	3,198	100.0%
<b>Total</b>	<b>2,265</b>	<b>5.2%</b>	<b>41,280</b>	<b>94.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Housing need

A1.15 The table below shows the location of households currently in need in West Dorset. The table indicates that there is some housing need in all areas. The highest level of housing need was estimated to be in Piddle Valley (4.5% of households).

**Table A1.16 Location of households currently in need**

Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Beaminster	44	2.4%	1,774	97.6%	1,819	100.0%
Broadwindsor & rural	26	1.6%	1,578	98.4%	1,604	100.0%
Maiden Newton & central rural	9	0.3%	2,633	99.7%	2,642	100.0%
Bridport	169	2.9%	5,624	97.1%	5,793	100.0%
Bridport rural	34	1.4%	2,444	98.6%	2,478	100.0%
Burton Bradstock	9	1.0%	891	99.0%	900	100.0%
Chesil	43	1.3%	3,256	98.7%	3,299	100.0%
Chickerell Chesil	13	0.7%	1,892	99.3%	1,905	100.0%
Charminster & Cerne	23	1.3%	1,671	98.7%	1,693	100.0%
Dorchester rural	23	1.3%	1,671	98.7%	1,693	100.0%
Crossways & rural	52	3.4%	1,477	96.6%	1,529	100.0%
Piddle Valley	39	4.5%	823	95.5%	862	100.0%
Puddletown	24	2.4%	1,003	97.6%	1,028	100.0%
Charmouth	8	1.0%	828	99.0%	836	100.0%
Lyme Regis	43	2.3%	1,837	97.7%	1,880	100.0%
Dorchester	260	3.3%	7,656	96.7%	7,916	100.0%
Sherborne	75	1.8%	4,088	98.2%	4,163	100.0%
Sherborne rural	33	1.0%	3,164	99.0%	3,198	100.0%
Total	905	2.1%	42,640	97.9%	43,545	100.0%

Source: West Dorset 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 there are three sub-areas where the estimate of future need represents less than 1% of the household population; the highest level of future need is estimated to be in Chickerell Chesil where the future gross need per annum is estimated to be equivalent to 3.8% of the current number of households.

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

Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Beaminster	47	2.6%	1,772	97.4%	1,819	100.0%
Broadwindsor & rural	47	2.9%	1,557	97.1%	1,604	100.0%
Maiden Newton & central rural	33	1.3%	2,609	98.7%	2,642	100.0%
Bridport	198	3.4%	5,596	96.6%	5,793	100.0%
Bridport rural	28	1.1%	2,449	98.9%	2,478	100.0%
Burton Bradstock	4	0.5%	895	99.5%	900	100.0%
Chesil	124	3.8%	3,175	96.2%	3,299	100.0%
Chickerell Chesil	7	0.3%	1,898	99.7%	1,905	100.0%
Charminster & Cerne	7	0.3%	1,898	99.7%	1,905	100.0%
Dorchester rural	22	1.3%	1,672	98.7%	1,693	100.0%
Crossways & rural	18	1.2%	1,511	98.8%	1,529	100.0%
Piddle Valley	19	2.2%	844	97.8%	862	100.0%
Puddletown	24	2.3%	1,004	97.7%	1,028	100.0%
Charmouth	12	1.5%	824	98.5%	836	100.0%
Lyme Regis	33	1.8%	1,847	98.2%	1,880	100.0%
Dorchester	244	3.1%	7,672	96.9%	7,916	100.0%
Sherborne	113	2.7%	4,050	97.3%	4,163	100.0%
Sherborne rural	28	0.9%	3,170	99.1%	3,198	100.0%
<b>Total</b>	<b>1,002</b>	<b>2.3%</b>	<b>42,543</b>	<b>97.7%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Special needs households

A1.17 The table below shows the location of special needs households in West Dorset. The table indicates that the proportion of special needs households varies from 13.3% in Puddletown to 27.7% in Crossways & rural.

<b>Table A1.18 Location of special needs households</b>						
Sub-area	Special needs		Non-special needs		Total	
	No.	%	No.	%	No.	%
Beaminster	423	23.3%	1,395	76.7%	1,819	100.0%
Broadwindsor & rural	283	17.7%	1,321	82.3%	1,604	100.0%
Maiden Newton & central rural	438	16.6%	2,204	83.4%	2,642	100.0%
Bridport	1,208	20.9%	4,585	79.1%	5,793	100.0%
Bridport rural	418	16.9%	2,060	83.1%	2,478	100.0%
Burton Bradstock	152	16.9%	748	83.1%	900	100.0%
Chesil	588	17.8%	2,712	82.2%	3,299	100.0%
Chickerell Chesil	383	20.1%	1,522	79.9%	1,905	100.0%
Charminster & Cerne	284	16.8%	1,409	83.2%	1,693	100.0%
Dorchester rural	423	27.7%	1,106	72.3%	1,529	100.0%
Piddle Valley	151	17.6%	711	82.4%	862	100.0%
Puddletown	137	13.3%	891	86.7%	1,028	100.0%
Charmouth	177	21.1%	659	78.9%	836	100.0%
Lyme Regis	346	18.4%	1,534	81.6%	1,880	100.0%
Dorchester	1,507	19.0%	6,409	81.0%	7,916	100.0%
Sherborne	944	22.7%	3,219	77.3%	4,163	100.0%
Sherborne rural	483	15.1%	2,715	84.9%	3,198	100.0%
<b>Total</b>	<b>8,345</b>	<b>19.2%</b>	<b>35,200</b>	<b>80.8%</b>	<b>43,545</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

## Older person households

A1.18 The table below shows the location of older person only households in West Dorset. The table indicates that the proportion of older person only households varies from 22.7% in Piddle Valley to 54.5% in Charmouth.

**Table A1.19 Location of older person only households**

Sub-area	Older person only households		Other households		Total	
	No.	%	No.	%	No.	%
Beaminster	864	47.5%	954	52.5%	1,819	100.0%
Broadwindsor & rural	578	36.1%	1,026	63.9%	1,604	100.0%
Maiden Newton & central rural	806	30.5%	1,836	69.5%	2,642	100.0%
Bridport	2,313	39.9%	3,481	60.1%	5,793	100.0%
Bridport rural	893	36.0%	1,585	64.0%	2,478	100.0%
Burton Bradstock	328	36.4%	572	63.6%	900	100.0%
Chesil	1,055	32.0%	2,245	68.0%	3,299	100.0%
Chickerell Chesil	743	39.0%	1,162	61.0%	1,905	100.0%
Charminster & Cerne	592	34.9%	1,102	65.1%	1,693	100.0%
Dorchester rural	457	29.9%	1,072	70.1%	1,529	100.0%
Crossways & rural	196	22.7%	667	77.3%	862	100.0%
Piddle Valley	302	29.4%	726	70.6%	1,028	100.0%
Charmouth	456	54.5%	380	45.5%	836	100.0%
Lyme Regis	731	38.9%	1,149	61.1%	1,880	100.0%
Dorchester	2,604	32.9%	5,311	67.1%	7,916	100.0%
Sherborne	1,971	47.3%	2,192	52.7%	4,163	100.0%
Sherborne rural	1,251	39.1%	1,947	60.9%	3,198	100.0%
Total	16,138	37.1%	27,407	62.9%	43,545	100.0%

Source: West Dorset HNDS Fordham Research 2007



## Key workers

A1.19 The table below shows the location of households headed by a key worker in West Dorset. The table shows that the proportion of key worker households varies from 5.2% in Charmouth to 18.2% in Piddle Valley.

<b>Table A1.20 Location of key worker households</b>						
Sub-area	Key worker households		Non-key worker households		Total	
	No.	%	No.	%	No.	%
Beaminster	135	7.4%	1,684	92.6%	1,819	100.0%
Broadwindsor & rural	199	12.4%	1,406	87.6%	1,604	100.0%
Maiden Newton & central rural	323	12.2%	2,319	87.8%	2,642	100.0%
Bridport	382	6.6%	5,412	93.4%	5,793	100.0%
Bridport rural	249	10.0%	2,229	90.0%	2,478	100.0%
Burton Bradstock	105	11.7%	795	88.3%	900	100.0%
Chesil	575	17.4%	2,725	82.6%	3,299	100.0%
Chickerell Chesil	286	15.0%	1,619	85.0%	1,905	100.0%
Charminster & Cerne	260	15.4%	1,433	84.6%	1,693	100.0%
Dorchester rural	128	8.4%	1,401	91.6%	1,529	100.0%
Crossways & rural	157	18.2%	705	81.8%	862	100.0%
Piddle Valley	127	12.3%	901	87.7%	1,028	100.0%
Puddletown	43	5.2%	793	94.8%	836	100.0%
Charmouth	163	8.7%	1,717	91.3%	1,880	100.0%
Lyme Regis	1,266	16.0%	6,650	84.0%	7,916	100.0%
Dorchester	278	6.7%	3,885	93.3%	4,163	100.0%
Sherborne	319	10.0%	2,879	90.0%	3,198	100.0%
Sherborne rural	4,993	11.5%	38,552	88.5%	43,545	100.0%
Total						

Source: West Dorset 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 5 different variables) along with the number of actual survey responses (data for tenure can be found in Chapter 2 and data for sub-areas 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 West Dorset.

**Table A2.1 Accommodation type profile**

Accommodation type	Estimated households	% of households	Number of returns	% of returns
Detached house/bungalow	18,285	42.0%	2,266	46.6%
Semi-detached house/bungalow	19,775	45.4%	2,107	43.3%
Flat	5,485	12.6%	489	10.1%
TOTAL	43,545	100.0%	4,862	100.0%

Source: West Dorset HNDS Fordham Research 2007

**Table A2.2 Car ownership**

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	6,502	14.9%	563	11.6%
One	20,907	48.0%	2,297	47.2%
Two	12,951	29.7%	1,629	33.5%
Three or more	3,184	7.3%	373	7.7%
TOTAL	43,545	100.0%	4,862	100.0%

Source: West Dorset HNDS Fordham Research 2007

**Table A2.3 Household type profile**

Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioner	8,251	18.9%	911	18.7%
2 or more pensioners	7,888	18.1%	1,011	20.8%
Single non-pensioner	5,129	11.8%	542	11.1%
Other households	22,278	51.2%	2,398	49.3%
TOTAL	43,545	100.0%	4,862	100.0%

Source: West Dorset HNDS Fordham Research 2007

<b>Table A2.4 Household size</b>				
Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	13,380	30.7%	1,453	29.9%
Two	18,615	42.7%	2,221	45.7%
Three	5,060	11.6%	513	10.6%
Four	4,560	10.5%	495	10.2%
Five	1,410	3.2%	126	2.6%
Six or more	521	1.2%	54	1.1%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>	<b>4,862</b>	<b>100.0%</b>

Source: West Dorset HNDS Fordham Research 2007

<b>Table A2.5 Council Tax Band</b>				
Council Tax Band	Estimated households	% of households	Number of returns	% of returns
A	4,666	10.7%	347	7.1%
B	7,517	17.3%	692	14.2%
C	10,120	23.2%	1,022	21.0%
D	8,633	19.8%	1,060	21.8%
E	6,470	14.9%	856	17.6%
F	3,820	8.8%	578	11.9%
G and H	2,320	5.3%	307	6.3%
<b>TOTAL</b>	<b>43,545</b>	<b>100.0%</b>	<b>4,862</b>	<b>100.0%</b>

Source: West Dorset 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 West Dorset 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 District along with estimates about affordability and stated size requirement. Any potential households who would both like and expect to move from the District are excluded from this analysis. Figures are annualised.

<b>Table A3.1 Demand I: Household formation by tenure and size required</b>					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	21	122	23	0	167
Private rented	156	105	2	0	262
Intermediate	27	44	22	0	93
Social rented	80	76	13	0	170
<b>TOTAL</b>	<b>284</b>	<b>347</b>	<b>61</b>	<b>0</b>	<b>692</b>

Source: West Dorset 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 District 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	62	355	526	292	1,235
Private rented	122	233	169	75	599
Intermediate	26	5	0	0	32
Social rented	90	12	20	14	136
<b>TOTAL</b>	<b>300</b>	<b>605</b>	<b>715</b>	<b>380</b>	<b>2,001</b>

Source: West Dorset 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	73	342	609	364	1,388
Private rented	29	165	155	29	378
Intermediate	7	95	48	12	162
Social rented	185	208	191	11	596
<b>TOTAL</b>	<b>294</b>	<b>811</b>	<b>1,002</b>	<b>416</b>	<b>2,524</b>

Source: West Dorset 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	156	819	1,158	656	2,790
Private rented	306	503	326	104	1,239
Intermediate	60	145	70	12	287
Social rented	356	296	225	25	901
<b>TOTAL</b>	<b>879</b>	<b>1,763</b>	<b>1,778</b>	<b>797</b>	<b>5,217</b>

Source: West Dorset 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.

<b>Table A3.5 Supply I: Supply from household dissolution</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	34	137	143	54	367
Private rented	8	14	9	4	35
Intermediate	0	1	1	0	2
Social rented	77	28	10	0	115
<b>TOTAL</b>	<b>119</b>	<b>180</b>	<b>163</b>	<b>58</b>	<b>519</b>

Source: West Dorset 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 District 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.

<b>Table A3.6 Supply II: Supply from out-migrant households</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	23	143	255	182	603
Private rented	69	128	98	40	335
Intermediate	0	0	0	0	0
Social rented	19	47	59	7	132
<b>TOTAL</b>	<b>111</b>	<b>318</b>	<b>412</b>	<b>229</b>	<b>1,070</b>

Source: West Dorset 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.

<b>Table A3.7 Supply III: Supply from existing households</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	98	277	535	327	1,237
Private rented	161	325	324	80	889
Intermediate	0	4	0	0	4
Social rented	153	131	109	0	394
<b>TOTAL</b>	<b>412</b>	<b>737</b>	<b>968</b>	<b>407</b>	<b>2,524</b>

Source: West Dorset 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.

<b>Table A3.8 Supply IV: Total supply</b>					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	156	557	933	563	2,208
Private rented	237	467	431	124	1,259
Intermediate	0	5	1	0	6
Social rented	249	206	178	7	640
<b>TOTAL</b>	<b>642</b>	<b>1,235</b>	<b>1,543</b>	<b>694</b>	<b>4,113</b>

Source: West Dorset 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 West Dorset 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 when inferring net housing needs figures at the ward, or groups of wards, level.

A4.5 It is also important to bear in mind 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 West Dorset**

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 West Dorset is  $(348/6,304) \times 100 = 5.5\%$ .

**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
Beaminster	56	1,819	3.1%	4.7%	293
Bradford Abbas	5	820	0.6%	0.4%	55
Bradpole	29	935	3.1%	2.4%	96
Bridport North	78	2,108	3.7%	6.6%	449
Bridport South and Bothenhampton	125	2,751	4.5%	10.6%	448
Broadmayne	8	781	1.0%	0.7%	84
Broadwindsor	16	794	2.0%	1.3%	82
Burton Bradstock	6	900	0.7%	0.5%	84
Carn Vale	14	764	1.8%	1.2%	59
Charminster and Cerne Valley	9	1,905	0.5%	0.8%	243
Charmouth	14	836	1.7%	1.2%	143
Chesil Bank	43	943	4.6%	3.7%	92
Chickerell	89	2,357	3.8%	7.6%	253
Chideock and Symondsburry	10	771	1.4%	0.9%	22
Dorchester East	70	2,159	3.3%	6.0%	476
Dorchester North	145	2,237	6.5%	12.3%	426
Dorchester South	11	1,687	0.7%	0.9%	66
Dorchester West	70	1,832	3.8%	5.9%	381
Frome Valley	13	920	1.4%	1.1%	80
Halstock	2	867	0.2%	0.2%	43
Loders	13	773	1.7%	1.1%	58
Lyme Regis	42	1,880	2.2%	3.5%	269
Maiden Newton	21	855	2.4%	1.7%	82
Marshwood Vale	37	811	4.5%	3.1%	56
Netherbury	12	934	1.2%	1.0%	113
Owermoigne	28	1,529	1.9%	2.4%	196
Piddle Valley	26	862	3.1%	2.2%	106
Puddletown	29	1,028	2.8%	2.4%	117
Queen Thorne	0	895	0.0%	0.0%	104
Sherborne East	68	2,085	3.2%	5.7%	373
Sherborne West	60	2,078	2.9%	5.1%	382
Winterborne St Martin	18	913	2.0%	1.6%	66
Yetminster	15	719	2.1%	1.3%	80
<b>Total</b>	<b>1,183</b>	<b>43,545</b>	<b>2.7%</b>	<b>100.0%</b>	<b>5,877</b>

Source: West Dorset HNDS Fordham Research 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

