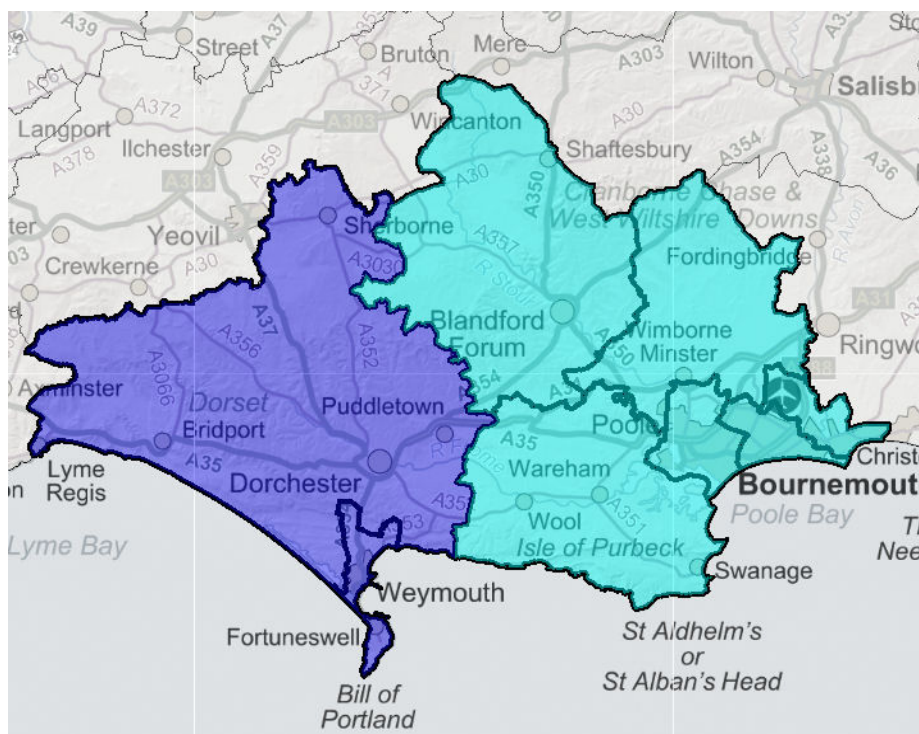


DORSET SURVEY OF HOUSING NEED AND DEMAND

Bournemouth & Poole Housing Market Assessment



June 2008



Fordham Research Group Ltd, 57-59 Goldney Road, London, W9 2AR
T. 020 7289 3988 F. 020 7289 3309 E. info@fordhamresearch.com
www.fordhamresearch.com

Table of Contents

Executive summary.....	1
SECTION A: CONTEXT	15
1. Introduction	17
2. Data collection.....	21
3. Population and household mobility	25
4. The local housing market	35
5. Key survey findings	41
SECTION B: HOUSING NEED	55
6. Guidance.....	57
7. Current need.....	59
8. Future need.....	65
SECTION C: CHARACTERISTICS OF HOUSING MARKET	71
9. Household mobility	71
10. Financial information	71
11. Balancing Housing Markets	71
SECTION D: PARTICULAR GROUPS	71
12. The needs of particular groups	71
Glossary.....	71
Appendix A1 Supporting information	71
Appendix A2 Balancing Housing Markets analysis	71
Appendix A3 Survey questionnaire	71

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 SHMA research and used to evidence revised, local, affordable housing policies and strategies.
- S2. This report presents the findings for the larger of the two Housing Market Areas within Dorset, the Bournemouth and Poole HMA. This is composed of the six easternmost local authorities and unitary authorities in Dorset, those being Bournemouth (UA), Christchurch, East Dorset, North Dorset, Poole (UA) and Purbeck.
- S3. 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. It also provides information on the housing needs and aspirations of different household groups which will feed into the Strategic Housing Market Assessment (SHMA) research to help define the different types of household requiring market housing as required by PPS3.
- S4. These reports do not constitute full scale Strategic Housing Market reports (SHMAs). However the information from the eight local authority reports and the two Housing Market Assessment reports does contain within it the full range of requirements for PPS3 para 22, which are the key outputs. The three key outputs are the proportions of market and affordable housing, the types of household requiring market housing and detailed breakdowns to types of affordable housing.
- S5. It should be noted that throughout the report figures are rounded. This is normal best practice in such work. Fractions are rounded up to the nearest whole number. This means that if tables are added it may be found that the total is slightly different (typically by 1) from the overall total, which itself has been rounded. A fuller description of the process will be found in the Glossary to this report.
- S6. The Glossary should be used whenever an unfamiliar term is found, as it should be defined there.

Data collection

- S7. A major part of the study process was the completion of the primary data collection via postal questionnaires with local households. In total 15,104 households took part in the survey within the HMA. 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
- S8. Information from the questionnaire survey was used throughout the report (along with secondary information) to make estimates about the future housing requirements in the HMA. The number of responses provided sufficient data to allow complete, accurate and detailed analysis of needs.
- S9. Overall it was estimated that there are 244,300 households in the HMA; of these around 77% are currently owner-occupiers with 11% living in the social rented sector and the remaining 12% in the private rented sector.

Table S1 Number of households in each tenure group

Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	98,289	40.2%	7,040	46.6%
Owner-occupied (with mortgage)	89,773	36.7%	5,122	33.9%
Social Rented	26,782	11.0%	1,550	10.3%
Private Rented	29,456	12.1%	1,392	9.2%
<i>of which Tied Accommodation</i>	<i>1,743</i>	<i>0.7%</i>	<i>184</i>	<i>1.2%</i>
TOTAL	244,300	100.0%	15,104	100.0%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

Population and household mobility

- S10. 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.
- S11. 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.

- S12. The role of Bournemouth and Poole within the housing market area is of interest. Nearly a quarter of all moves come from Bournemouth, accounting for large proportions of in-migrant households particularly into Christchurch, East Dorset and Poole. Bournemouth and Poole are also likely to attract future movers from the other local authorities within the HMA as the survey data shows the relatively large proportions of households expect to move into either of these local authorities.
- S13. 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

- S14. 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.
- S15. Latest Land Registry data suggests that the average property price in the HMA (at £243,433) is around 17% higher than the average for England and Wales; there is considerable variation within the HMA with the highest average prices being found in East Dorset. The rate of increase in property prices in the HMA over the past few years has been significant. Information from the Land Registry shows that between the 4th Quarter of 2001 and the 4th quarter of 2006 average property prices in the Bournemouth and Poole HMA rose by 67.5%. While this increase is lower than regional and national averages, there is considerable variation within the area with the largest increases occurring in Poole (74.5%) and the smallest in Christchurch (61.0%).
- S16. A survey of local estate and letting agents identified estimates of the minimum costs of housing to both buy and rent in the HMA for each local authority within the area. Overall, the survey suggested that entry level prices ranged from around £81,500 for a one bedroom property in North Dorset up to £323,000 for a four bedroom property in Christchurch. Entry-level weekly rents varied from £104 (one bed in North Dorset) to £254 (four bed in East Dorset).

Table S2 Entry-level market costs in Bournemouth and Poole HMA (to buy)

Bedrooms	Bournemouth	Christchurch	East Dorset	North Dorset	Poole	Purbeck
1	£110,000	£124,000	£142,000	£81,500	£110,000	£132,000
2	£159,000	£180,000	£190,000	£135,000	£176,000	£178,000
3	£218,000	£251,000	£243,000	£170,000	£220,000	£229,000
4	£290,000	£323,000	£318,000	£247,000	£285,000	£309,000

Source: Survey of Estate and Letting Agents - 2006

Table S3 Entry-level market costs in Bournemouth and Poole HMA (to rent, weekly cost)

Bedrooms	Bournemouth	Christchurch	East Dorset	North Dorset	Poole	Purbeck
1	£114	£125	£133	£104	£114	£104
2	£150	£160	£153	£115	£156	£132
3	£190	£180	£196	£138	£183	£162
4	£242	£230	£254	£173	£230	£196

Source: Survey of Estate and Letting Agents - 2006

S17. 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

S18. 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:

- In total 43.1% of households live in detached houses or bungalows, whilst 24.7% live in flatted accommodation. Households living in rented property are more likely to live in flats whilst those in owner-occupation are more likely to live in detached houses.
- Just under a third of all households are 'pensioner-only' and just over a fifth contain children. Lone parent households were found to be concentrated in the rented sectors, other families in owner-occupation with mortgages, and pensioners in owner-occupation without mortgages.
- Analysis of household moves in the last two years shows that private rented tenants are the most mobile. More than half of private renters had moved home in the past two years, compared to only 21.1% of social renters and 15.7% of owner-occupiers. There were more moves recorded within tenures than between them.

- Information on the source of moves into housing in Dorset revealed that pensioner households were the most likely to have moved into the HMA from outside Dorset, and that households with children were the most likely to have stayed within the county. 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.
- 3.2% of the population of the HMA were from an ethnic minority, including those who were white but not British or Irish, who totalled 2.0% of the overall population. There were no predominant ethnicities within the BME population, and the 'White Other' group appeared predominantly Western European in origins.
- The level of overcrowding recorded in the HMA, at just 1.5%, is lower than the national average. The proportion of under-occupied households was much higher, at 37.4%.
- The proportion of employed household heads varied significantly across the tenures. Some 82.2% of households with a mortgage are headed by an employed person, while 70.5% of those in owner-occupation without a mortgage are retired. Only 27.5% of household heads in the social rented sector are in employment.
- Households buying with a mortgage have the highest housing costs, and households in the social rented sector the lowest.

Future movers

- S19. 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.
- S20. The table below shows that around 20.2% 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, with over half expecting to move within two years, although more than three quarters of all moving households are currently owner-occupiers.

Table S4 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)	10,545	98,289	10.7%
Owner-occupied (with mortgage)	16,235	89,773	18.1%
Social rented	6,329	26,782	23.6%
Private rented	16,208	29,456	55.0%
Total	49,317	244,300	20.2%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

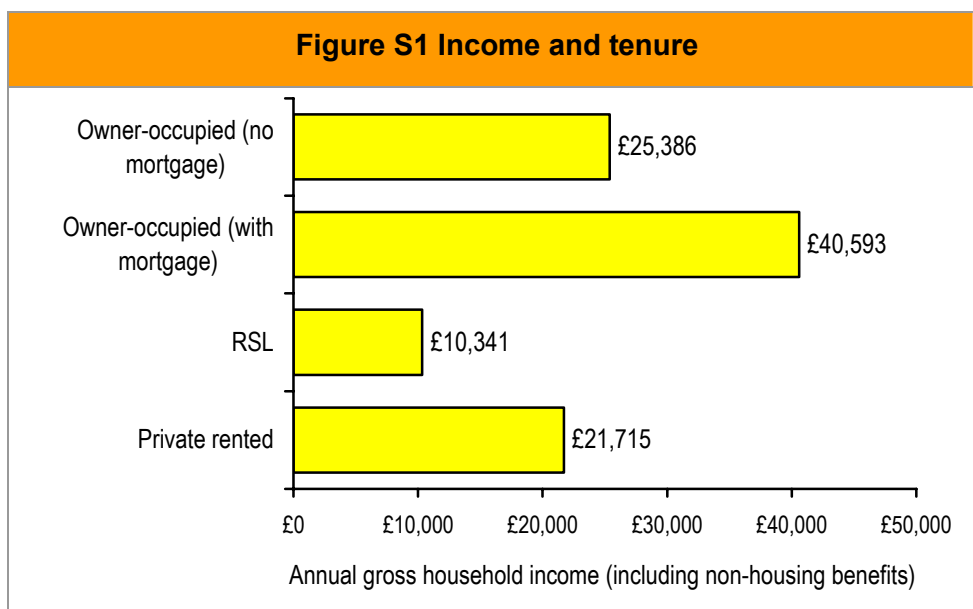
S21. In addition to the 49,317 existing households who need or are likely to move the survey estimates that there are around 15,599 households who need or are likely to form from households currently resident in the HMA over the next two years. Other key findings in relation to these moving households include:

- Some 70.6% of these households would like to remain in the District that they currently reside in, although only 66.3% expect to be able to do so.
- Significantly more moving households would like owner-occupied accommodation than expect it (this trend is particularly clear for newly forming households). Similarly, more households would like to live in a detached home than expect to do so.

Financial information

S22. 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).

S23. Survey results for household income in the Bournemouth and Poole HMA estimate the average (mean) gross household income level to be £28,883 per annum. The median income is noticeably lower than the mean (at £22,250 per annum). There were also wide variations by tenure; with households living in social rented housing having particularly low income levels.



Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

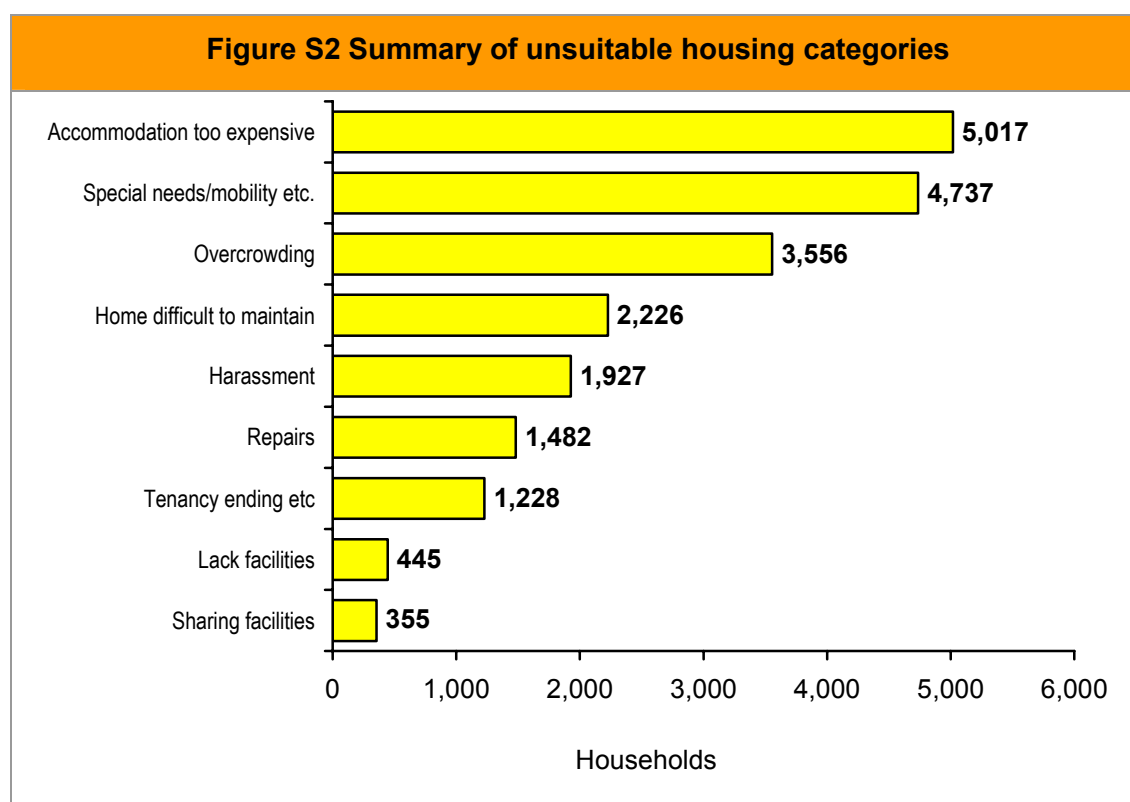
S24. The survey also collected data about households’ savings and equity levels. It is estimated that the mean level of savings for all households is £36,981, but that the median is much lower at just £4,500. The mean equity level is £221,530, with a median of £150,000.

Housing need - background

- S25. A key part of the study was to look at affordable housing requirements. To do this the report has closely followed guidance set out by CLG (Strategic Housing Market Assessments: Practice Guide March 2007). The Guide sets out methods for looking at both the backlog of need and future need and in this report each has been addressed separately.
- S26. 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:
- i) Current (backlog) need
 - ii) Available stock to offset need
 - iii) Newly arising (future) need
 - iv) Future supply of affordable units

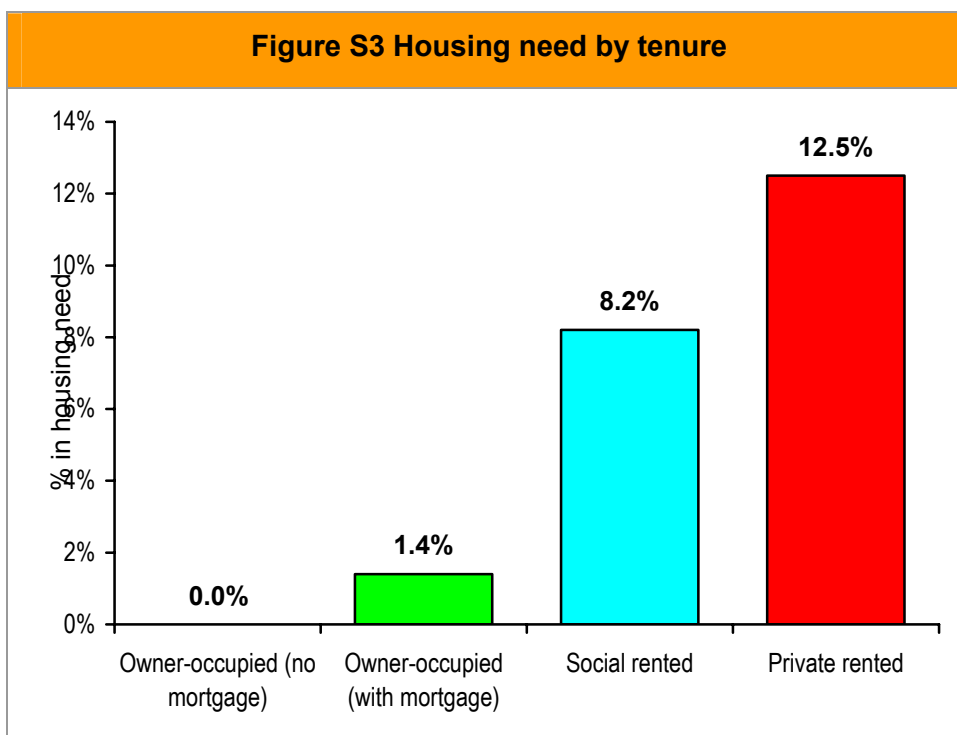
Current need

- S27. Survey data suggests that around 15,689 households in the HMA are currently living in unsuitable housing, the main reasons for this being the expense of the accommodation, followed by having a household member with a special need or mobility problem.



Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

- S28. 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 10,729 of the 15,689 households would need to move home to find a solution to the unsuitability.
- S29. Of these 10,729 households, an estimated 66.6% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (7,151 households). Households in the private rented sector were the most likely to be in housing need.



Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

- S30. There were 18 homeless households who were living in temporary accommodation and therefore would not have been picked up by the household-based survey; there were therefore an estimated 7,169 households in backlog need overall.
- S31. It is estimated that at the time of the survey there was a current stock of affordable housing of around 3,054 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 4,115 units (7,169 - 3,054). Annualised over 5 years (as recommended in the Practice Guidance) this becomes 823 households (4,115/5).

Future need

- S32. 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
- S33. The data suggests that on an annual basis there will be 1,993 newly forming households requiring affordable housing and a further 4,720 existing households falling into need. The total gross future need for affordable housing is therefore estimated to be 6,713 units per annum.
- S34. The supply of affordable housing to meet this need has also been estimated from both future proposed supply and past trends. This data suggests that the stock of affordable housing is likely to provide around 1,832 units (1,741 social rented and 91 intermediate units (i.e. shared ownership)) per annum. This generates a net need for affordable housing of approximately 4,881 units per annum (6,713 – 1,832).
- S35. Finally, the current need and backlog need must be combined. In order to meet the backlog of need over five years, 823 additional units of affordable housing will be needed (4,115 / 5). This brings the total net annual requirement for additional affordable housing in the Bournemouth and Poole HMA to 5,704 dwellings per annum.

Balancing Housing Markets

- S36. 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 future analysis has been carried out which looks at future demands across the whole housing market.
- S37. 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 indications of the shortages (and in some cases surpluses) of particular types of dwelling.

- S38. 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).
- S39. 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.
- S40. They should therefore be regarded as moves which, if suitable supply of housing is available, are capable of being fulfilled. Thus the BHM analysis, which seeks to reconcile the 'demands' of movers with the supply of vacant dwellings, works by repeated iterations through the stock, taking account of what properties would be made vacant by moves, and then matching them with the sizes/types of dwelling stated by expected movers. The table below shows the overall results of the BHM analysis.

Table S5 Balancing Housing Markets results for the Bournemouth and Poole HMA (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	168	808	630	351	1,957
Private rented	168	-60	-131	-75	-97
Intermediate	239	453	175	45	910
Social rented	259	447	362	259	1,324
TOTAL	832	1,646	1,038	579	4,095

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007

- S41. 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 4,095 dwellings per annum (excess demand over supply) of which 55% is for affordable housing. The above table also looks at demand shortfall and surpluses by tenure. The overall ratio of market to affordable housing overall in the table above is 45% market: 55% affordable housing.
- S42. 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.

S43. The following examines the results.

Housing tenure outcomes

Owner-occupation

S44. In the owner-occupied sector there is an apparent shortfall of 1,957 units per annum, making up 48% of the overall shortfall. A large proportion of this excess demand, 41%, is for two bedroom units; however there is also significant demand for all other sizes of dwelling.

Private rented sector

S45. Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is a little less than the overall supply. However, by size of dwelling we find that there are still potential shortages of one bedroom homes, although there are small surpluses of all other sizes of accommodation.

Intermediate housing

S46. The requirement for intermediate housing makes up around 22% of the net shortfall of housing in the HMA. Almost exactly half of the shortfall is for two bedroom homes. However it should be borne in mind that the results may not reflect a household's actual ability to pay for this type of accommodation.

Social rented housing

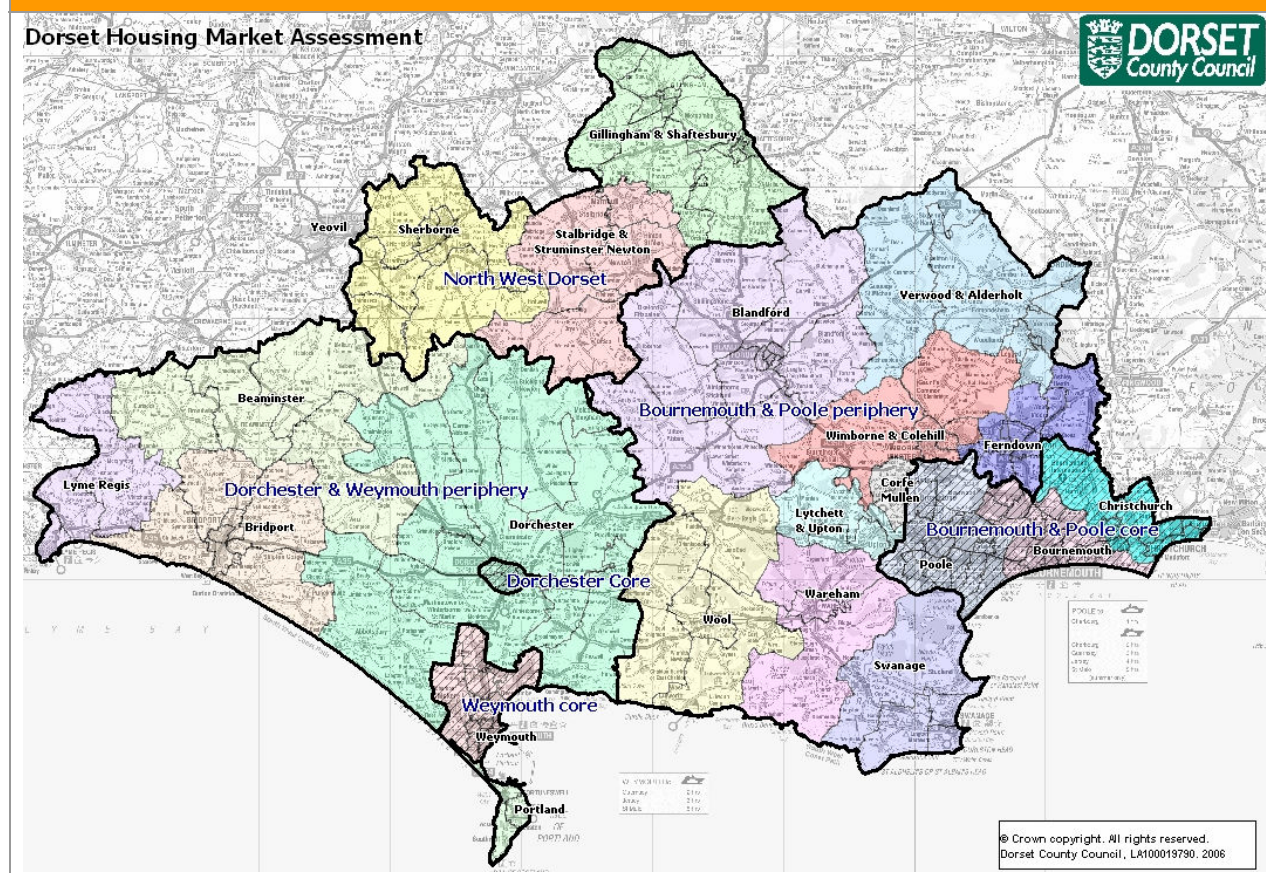
S47. The shortage of social rented housing makes up around 32% of the total shortfall of housing in the HMA. Although there is a demand for all sizes of property, demand for large four bedroom properties is particularly strong in relation to intermediate housing. This reflects a particularly low level of supply, however, rather than an unusually strong gross demand.

S48. When the BHM model results are compared with the more idealistic CLG Needs model, it is seen that the level of need for affordable housing is reduced in the BHM to about 40% of the CLG Needs figure. One of the reasons for the difference is households in housing need (therefore picked up by the CLG Needs model) but who (have to) move into the private rented sector on Housing Benefit and who therefore show up in the private rented sector in the BHM analysis.

Sub-market analysis

S49. The data has been used to provide information for sub-markets within the HMA. Across the whole of Dorset a total of six sub-HMA areas were identified through the wider County-wide SHMA work. Two of these sub-markets (Bournemouth and Poole core and Bournemouth and Poole periphery) are entirely within the Bournemouth and Poole HMA, whilst a third (North West Dorset) is partly in the HMA and partly within the Dorchester & Weymouth HMA. The map below shows the boundaries of the housing sub-markets.

Figure S4 Map of housing sub-markets in Dorset



Source: This appears as Figure 11.1 of the main text

- S50. Within the HMA core area 42.5% of the demand is for market homes with 57.5% for affordable housing. In the periphery there is also slightly higher demand for affordable as opposed to market housing whereas in North West Dorset, affordable housing makes up around 31% of the total demand.”

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 CLG 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 50,086 households in the HMA with one or more members in an identified special needs group, which represents 20.5% of all households. The most frequently requested improvement in accommodation or services by this group was for increased support in home maintenance.
- Just under a third of households in the Bournemouth and Poole HMA contain only older people (32.7%). These households are almost all comprised of one or two persons, yet over half reside in accommodation with three or more bedrooms. While 93.9% of older person households with more than two bedrooms live in owner-occupied properties, there are still 1,130 social rented properties which could present opportunities to reduce under-occupation.
- The survey estimates that 31,929 households in the HMA contain a key worker as either the households head or their partner. Key worker households are more likely than average to own their own homes, and they also record higher than average incomes and savings than other households in employment.
- While the HMA is largely urban, around 20% of households live in areas described as rural. There were some differences between households living in urban and rural areas; notably, households in rural areas typically showed higher levels of income and savings, and were slightly more likely to have a mortgage. Such households were however more likely to experience problems with the availability of public transport. The average for rural areas conceals a stratum of poorer households for whom the price levels and remoteness represents much more serious problems.
- There are 68,855 young people (age 21-35) living in the HMA of whom over 80% are in employment. Almost 30% live with their parents or others while over one third share a house with other young people. Although around 5,400 young households would like to become owner occupiers in the next two years, only around 22% would be able to afford to buy an appropriately sized home. Concealed households (those currently living with their parents/relatives) are even less likely to be able to afford to purchase a home if they were to move now.
- There are 49,526 families living in the HMA of which, 16% are lone parent families. Families with older children are least likely to wish to move in the next two years – 63% are happy to stay in their existing property. Of the families who do wish to move, about half of the lone parents would like social rented housing. The majority of two parent families would prefer owner occupied, detached housing with at least three bedrooms.

SECTION A: CONTEXT

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

1. Introduction

Introduction

- 1.1 This Bournemouth and Poole Housing Market Assessment 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 SHMA research and used to evidence revised, local, affordable housing policies and strategies.
- 1.2 This report presents the results for the Bournemouth and Poole HMA. This covers the Unitary Authorities of Bournemouth and Poole and the Local Authorities of Christchurch, East Dorset, North Dorset and Purbeck. An equivalent report has been produced for the other HMA area in Dorset, that of Dorchester and Weymouth.
- 1.3 The following table summarises key terms used in this report.

Table 1.1 Key terms used in the reports

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

Source: Fordham Research 2007

The Dorset-wide Strategic Housing Market Assessment (SHMA)

- 1.4 The Dorset-wide SHMA is already well advanced and a number of documents have been produced along with a series of consultation days (facilitated by the County Council). The main aims of the SHMA can be summarised as being to:
- Analyse primary and secondary data to produce a detailed understanding of the local housing market and sub-markets in the sub-region.
 - Enable the development of strategic views on the need and demand for both market and affordable housing across the (historic) 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 an SHMA report the data collected and analysed will provide an important source of information for many of the bullet points mentioned above, and to the overall process which is being managed by the Steering Group.

Key outputs from this document

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

Government Guidance

- 1.10 Although this report is only providing information which is to feed into the Dorset-wide SHMA it is important to briefly summarise key points from Government Guidance which are relevant to this assessment. These documents are of particular importance:
- Planning Policy Statement 3 (Housing) – PPS3 (November 2006)
 - Strategic Housing Market Assessments Practice Guidance – The Guide (March 2007)

- 1.11 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 as follows:

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*

- 1.12 The Practice Guidance (published in March and (slightly revised) in August 2007), referred to here for convenience as 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.

- 1.13 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).

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

Summary

- 1.15 This report details the findings of a survey of housing need and demand carried out across the HMA. The results of this survey will be fed into the wider Dorset-wide Housing Market Assessment work. This report presents the findings for the Bournemouth and Poole HMA.
- 1.16 In particular this report concentrates on the need for affordable housing and the supply and demand for housing across all tenure groups.
- 1.17 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 HMA.
- 2.2 In total 15,104 postal questionnaires were returned in the Bournemouth and Poole HMA. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the area and down to ward level. The sample size of 15,104 gives a maximum margin of error for HMA-wide data of 0.7% 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 the 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 Councils' Housing Strategy Statistical Appendices (HSSA) for 2006, Council Tax Registers and CLG household projection information. Using this information, it is estimated that the number of households resident in the Bournemouth and Poole HMA at the time of the survey was 244,300.

2.6 The table below shows an estimate of the current tenure split in the HMA along with the sample achieved in each group. An estimated 76.9% of households were owner occupiers, with 11.0% in the social rented sector and the remaining 12.1% in the private rented sector, including a small number of people living in tied accommodation. The private rented category also includes those living in accommodation owned by friends or relatives.

Table 2.1 Number of households in each tenure group				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	98,289	40.2%	7,040	46.6%
Owner-occupied (with mortgage)	89,773	36.7%	5,122	33.9%
Social Rented	26,782	11.0%	1,550	10.3%
Private Rented	29,456	12.1%	1,392	9.2%
<i>of which Tied Accommodation</i>	<i>1,743</i>	<i>0.7%</i>	<i>184</i>	<i>1.2%</i>
TOTAL	244,300	100.0%	15,104	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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

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

- Wards in all eight councils
- Council Tax Bands
- Numbers of people in household
- Household type
- Accommodation type
- Car ownership

2.9 Further information on this process is presented in Appendix A1.5.

Rounding

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

Summary

- 2.11 This Housing Market Assessment in the Bournemouth and Poole HMA is based on primary survey data collected via a postal questionnaire from 15,104 households. The survey data was grossed up to an estimated total of 244,300 households and weighted according to key characteristics so as to be representative of the county'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. The data refer, unless otherwise stated, to the historic county.
- 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. The 10,314 more people coming in to Dorset from within the UK than 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 Dorset (historic) County (60.3%) as there were from outside the borough (39.7%).

Table 3.1 Dorset: Total migration, domestic and international

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

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007: Census 2001 from NOMIS

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

Table 3.2 Dorset migration data (LA's outside of the study area)			
	Into Dorset	Out of Dorset	Net Migration
Basingstoke and Deane	280	138	142
Birmingham	211	207	4
Bristol, City of	284	299	-15
Ealing	212	109	103
East Devon	262	302	-40
Eastleigh	195	145	50
Hillingdon	247	107	140
Hounslow	249	115	134
Isle of Wight	218	213	5
New Forest	1,394	1,267	127
Plymouth	198	262	-64
Portsmouth	239	234	5
Richmond upon Thames	192	89	103
Salisbury	725	725	0
South Somerset	941	1,035	-94
Southampton	427	570	-143
Test Valley	329	127	202
Wandsworth	206	234	-28
Winchester	283	282	1
Wokingham	229	96	133

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007: Census 2001 from NOMIS

Movements within Dorset: Census

3.9 This analysis continues by looking at the 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 local authorities.

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

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

Source: Dorchester-Weymouth Housing Market Assessment Fordham Research 2007: Census 2001 from NOMIS

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

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

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007: Census 2001 from NOMIS

3.10 The tables above show varying levels of self containment for each of the local authorities. 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	11,925	661	531	1,040	122	151	0	0	4,716	19,146
Christchurch	514	1,604	43	109	54	0	29	0	1,270	3,622
East Dorset	635	191	2,537	531	50	150	43	0	1,727	5,864
Poole	1,064	232	614	6,371	368	101	85	30	2,752	11,617
Purbeck	123	11	71	367	1,816	46	109	22	995	3,559
North Dorset	87	15	224	193	126	3,162	159	33	2,185	6,184
West Dorset	104	38	34	41	92	251	4,081	507	2,935	8,083
Weymouth & Portland	37	14	36	57	17	14	360	3,953	1,301	5,788
TOTAL	14,490	2,765	4,089	8,709	2,645	3,877	4,865	4,545	17,880	63,864

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

Source: Bournemouth-Poole Housing Market Assessment 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 local authorities in Dorset. This suggests a degree of systematic change, which may have to do with the higher prices that now prevail.
- 3.14 Similarly, however, to the reported in-migration from Census data, household data from the survey shows a substantial proportion of households moving into Dorset from outside the area. 17,880 households accounting for 28% of all moves have come from outside of the study area.
- 3.15 For the sake of comparability, the following table shows the census data household position compared with the 2007 survey data equivalents:

Table 3.7 % self containment by Local Authority

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

Source: Bournemouth and Poole Housing Market Assessment 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 There are some interesting movements between the local authorities accounting for the Bournemouth and Poole HMA. Bournemouth plays a particularly significant role within many of these movements. Households moving from Bournemouth account for relatively high proportions of all in-migrant households particularly into Christchurch, East Dorset and Poole. Nearly a quarter of all moves come from Dorset.

Future expected movement patterns: survey based

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

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

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

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Table 3.9 Future household movement from and within Dorset (row percentages) (Survey)

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

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

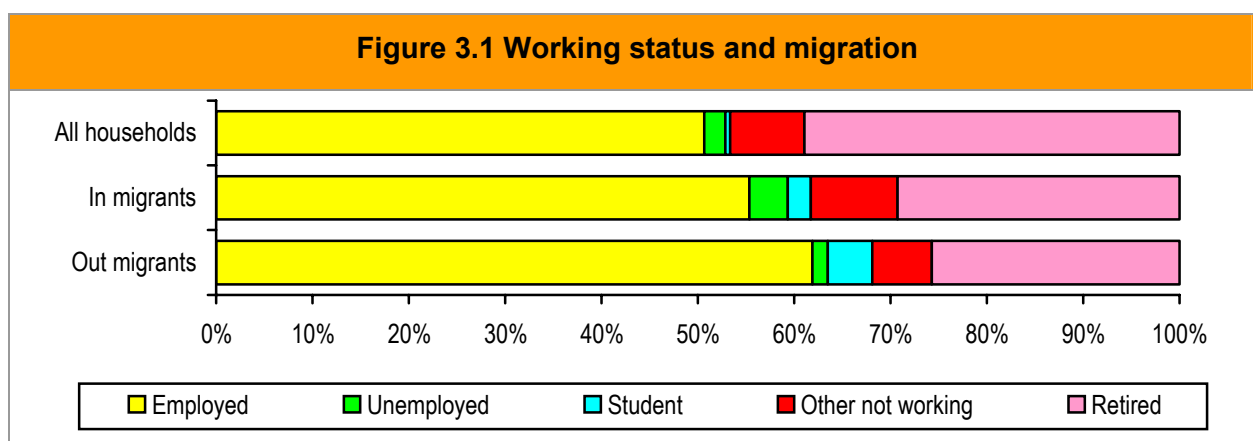
- 3.19 As can be seen from the percentage table immediately above, this shows higher levels of internal movement within the local authorities, just like the past survey based moves, and distinctly higher than the census 2001 figures.
- 3.20 Of the 61,799 households that expect to move in the next two years just 16.4% expect to move outside of Dorset, this compares to 28.0% who have moved into Dorset from outside the area in the previous two years. If you were to look at taking a net figure from the gross inflow and expected gross outflow it comes to 7,732 households coming into Dorset over a two year period. Although we are not comparing like with like in this situation and it is too simplistic to rely upon this as an accurate number, it is however informative and of interest.
- 3.21 It is also interesting to note that generally higher proportions of households expect to move within their district than actually achieve it. For example of all households in Christchurch that moved within the last two years into another Dorset authority, just 58.0% moved into a dwelling in Christchurch (the majority of the remainder moved to Bournemouth). When looking at households in Christchurch looking to move in the next two years within Dorset, we find that 79.5% expect to move within Christchurch.
- 3.22 It is interesting to note the high proportions of residents in Bournemouth and Poole HMA who expect to move into the local authorities of Bournemouth and Poole. North Dorset shows the highest proportions of households who expect to move out of Dorset.

Working status and migration (survey)

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

Table 3.10 Working status and migration			
Working status (survey respondent)	All households	In-migrants	Out-migrants
Employed	160,178	9,907	6,278
Unemployed	7,004	716	159
Student	1,669	421	471
Retired	123,177	5,231	2,612
Other not working	24,518	1,604	627
Total	316,545	17,880	10,148

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007



Source: Bournemouth-Poole Housing Market Assessment 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 The role of Bournemouth and Poole within the housing market area is of interest. Nearly a quarter of all moves come from Bournemouth, accounting for large proportions of in-migrant households particularly into Christchurch, East Dorset and Poole. Bournemouth and Poole are also likely to attract future movers from the other local authorities within the HMA as the survey data shows the relatively large proportions of households expect to move into either of these local authorities.
- 3.28 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 the Bournemouth and Poole HMA. It uses data from the Land Registry to compare the HMA with the sub-regional market and summarises information from a survey of estate and letting agents on the entry-level costs to the market.

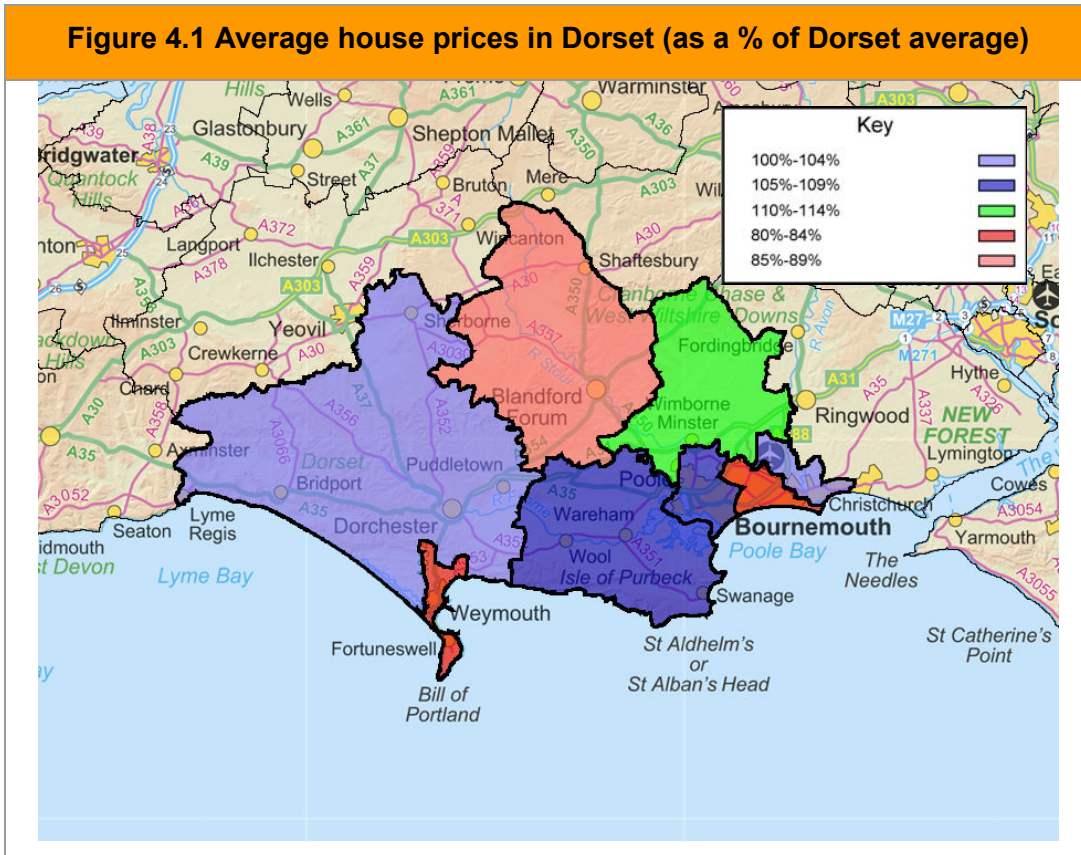
Sub-regional market position

- 4.2 The table below shows average prices in the fourth quarter of 2006 for each of England and Wales, the South West, and Dorset. The table shows that average prices in Dorset are 16.6% higher than the average for England & Wales and 11.5% higher than the average for the South West.

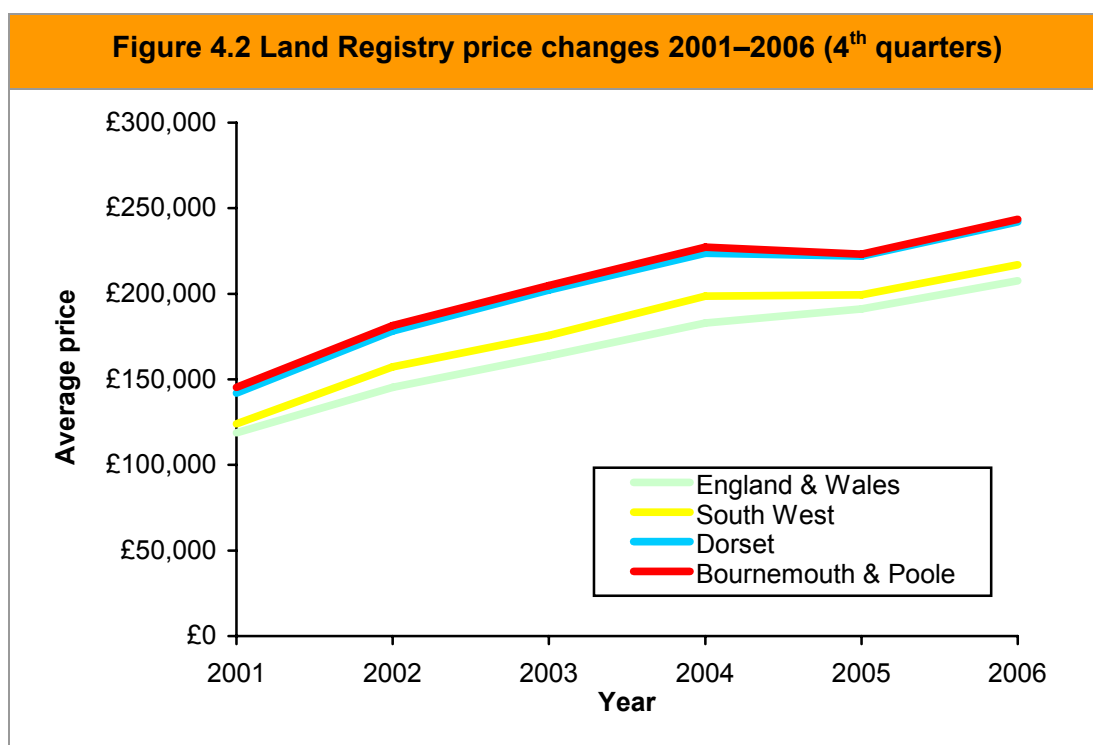
Table 4.1 Land Registry average prices (4 th quarter 2006)		
Area	Average price	As % of E & W
England & Wales	£207,573	100.0%
South West	£216,998	104.5%
Dorset (historic county)	£242,037	116.6%

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.



- 4.4 The figure below shows how the average house prices in the Bournemouth and Poole HMA have changed since 2001 compared with the averages for the South West and England and Wales. The data shows that the HMA recorded an increase of 67.5% in property prices over this period, lower than the comparable figures for the South West (75.1%) and across England and Wales (74.7%).
- 4.5 Within the HMA, the largest increase in prices was found in the Poole Council area, where prices have risen by 74.5%, compared to a more moderate 61.0% in the Christchurch Council area.
- 4.6 The figure however shows that despite the increase in house prices in this part of Dorset, the average prices in the HMA are now only just above the county average. It should be noted that 'county' here refers to the postcode analysis of Land Registry data for the entire historic county and so includes the now unitary Bournemouth and Poole authorities. Since the Bournemouth and Poole HMA includes most of the historic county it is not surprising that the prices are fairly close.



Source: Land Registry 2006

- 4.7 The information presented so far suggests that average property prices in Dorset are relatively high for the region and that the growth in prices in the Bournemouth and Poole HMA appears to be very similar to that of the county, although overall prices are slightly higher. 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 the HMA by dwelling type.
- 4.8 The table indicates that average prices for each dwelling type in Bournemouth and Poole are little different than for Dorset as a whole. There is no likely distortion when comparing this HMA with Dorset as a whole, as the various types of housing are all very similar in price when comparing the two. The overall average is fractionally higher for the HMA.

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

Dwelling type	Bournemouth and Poole HMA		Dorset	
	Average price	% of sales	Average price	% of sales
Detached	£329,448	36.2%	£332,595	36.4%
Semi-detached	£208,236	15.4%	£212,888	17.4%
Terraced	£191,355	14.6%	£190,365	18.2%
Flat/maisonette	£179,442	33.8%	£175,772	27.9%
All dwellings	£243,433	100.0%	£242,037	100.0%

Source: Land Registry 2006

Entry-level market costs

- 4.9 Interviews were conducted with estate and letting agents across the county to gain more information on the main characteristics of the housing market.
- 4.10 Within the main urban focus of the HMA (Bournemouth, Poole and Christchurch), there was considerable variation. Bournemouth, as the largest town, has a high level of internal variation. Estate agents identified a number of sub-markets within the town including Bournemouth Town Centre, East Cliff, West Cliff, Boscombe, Springbourne, Talbot Woods, Charminster and Winton. The town has a stronger rental market than either Poole or Christchurch, driven by demand from both students and professionals. The rate of price rise overall was considered to reflect a very buoyant market, although demand was lower for small flats due to high levels of supply.
- 4.11 Poole and Christchurch, while clearly closely linked to Bournemouth, were also felt to be distinct sub-markets. Poole was felt to have a more balanced market, with more family homes and a relatively small number of small properties. Christchurch was a highly desirable area due to the attractive waterfront and good schools, and as such had a particular shortage of housing for first time buyers.
- 4.12 The predominantly rural local authorities of the HMA (North Dorset, East Dorset and Purbeck) were equally varied, often with many sub-markets identified by estate agents.
- 4.13 East Dorset, while a mixed area, was strongly influenced by an influx of wealthier commuters, often travelling long distances, to Southampton or further afield. It was also thought to be a popular area for retirees from outside Dorset. Small property and rented property made up a very small proportion of the market.
- 4.14 Purbeck had some similarities; however here the external buyers coming into the area sought mainly second homes. This was considered to be causing affordability problems, forcing households into the rented sector, and there was reported to be a particular shortage of mid-size properties. The rental sector was considered to be relatively large in Purbeck.
- 4.15 North Dorset was a very different market; generally less expensive than the coastal areas, although still expensive for first time buyers. Commuting to Bournemouth and Poole was felt to be an increasing phenomenon. Property in Blandford Forum was in particular comparatively cheap, and there was a good supply of small properties in the town. Prices in Gillingham were also well below the county average.
- 4.16 The tables below show the cost of entry-level market housing in the HMA, as derived from discussions with estate and letting agents. The entry-level cost equates the cheapest cost of housing in good repair of which there is a reasonable supply.

Table 4.3 Entry-level market costs in Bournemouth and Poole HMA (to buy)

Bedrooms	Bournemouth	Christchurch	East Dorset	North Dorset	Poole	Purbeck
1	£110,000	£124,000	£142,000	£81,500	£110,000	£132,000
2	£159,000	£180,000	£190,000	£135,000	£176,000	£178,000
3	£218,000	£251,000	£243,000	£170,000	£220,000	£229,000
4	£290,000	£323,000	£318,000	£247,000	£285,000	£309,000

Source: Survey of Estate and Letting Agents - 2006

Table 4.4 Entry-level market costs in Bournemouth and Poole HMA (to rent, weekly cost)

Bedrooms	Bournemouth	Christchurch	East Dorset	North Dorset	Poole	Purbeck
1	£114	£125	£133	£104	£114	£104
2	£150	£160	£153	£115	£156	£132
3	£190	£180	£196	£138	£183	£162
4	£242	£230	£254	£173	£230	£196

Source: Survey of Estate and Letting Agents - 2006

- 4.17 The tables show that estimated entry-level prices ranged from £81,500 for a one bedroom property in North Dorset up to £323,000 for four bedroom properties in Christchurch. Overall, Purbeck and East Dorset appear to be the most expensive local authorities in terms of entry level prices, and North Dorset the cheapest. 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.
- 4.18 Entry-level rental prices show a similar pattern except that Christchurch and East Dorset are the most expensive for the smaller units, and North Dorset and Purbeck the cheapest.

Affordable housing

- 4.19 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.

Table 4.5 Social market rents in Bournemouth and Poole HMA (weekly cost)

Bedrooms	Bournemouth	Christchurch	East Dorset	North Dorset	Poole	Purbeck
1	£53	£67	£62	£64	£64	£60
2	£59	£75	£73	£74	£74	£69
3 or more	£70	£90	£87	£80	£80	£79

Source: CORE - 2006

Summary

- 4.20 Information from the Land Registry indicates average property prices in the Bournemouth and Poole HMA are significantly higher than the regional and national averages, and just above the countywide average.
- 4.21 It was found that entry-level prices ranged from £81,500 for a one bedroom property in North Dorset (Blandford Forum area) up to £323,000 for a four bedroom property in Christchurch. North Dorset was consistently the cheapest for all types of housing, with Christchurch, East Dorset and Purbeck having the higher entry level prices.
- 4.22 Entry-level weekly market rents in the HMA varied from £104 (one bed in North Dorset or Purbeck) to £254 (four beds in East Dorset), and showed a similar distribution to sale prices, although Purbeck showed a relatively large gap between rent and sale prices.

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 against tenure. Where possible figures are compared with information at a national and regional level from the Survey of English Housing (SEH).

Type of housing

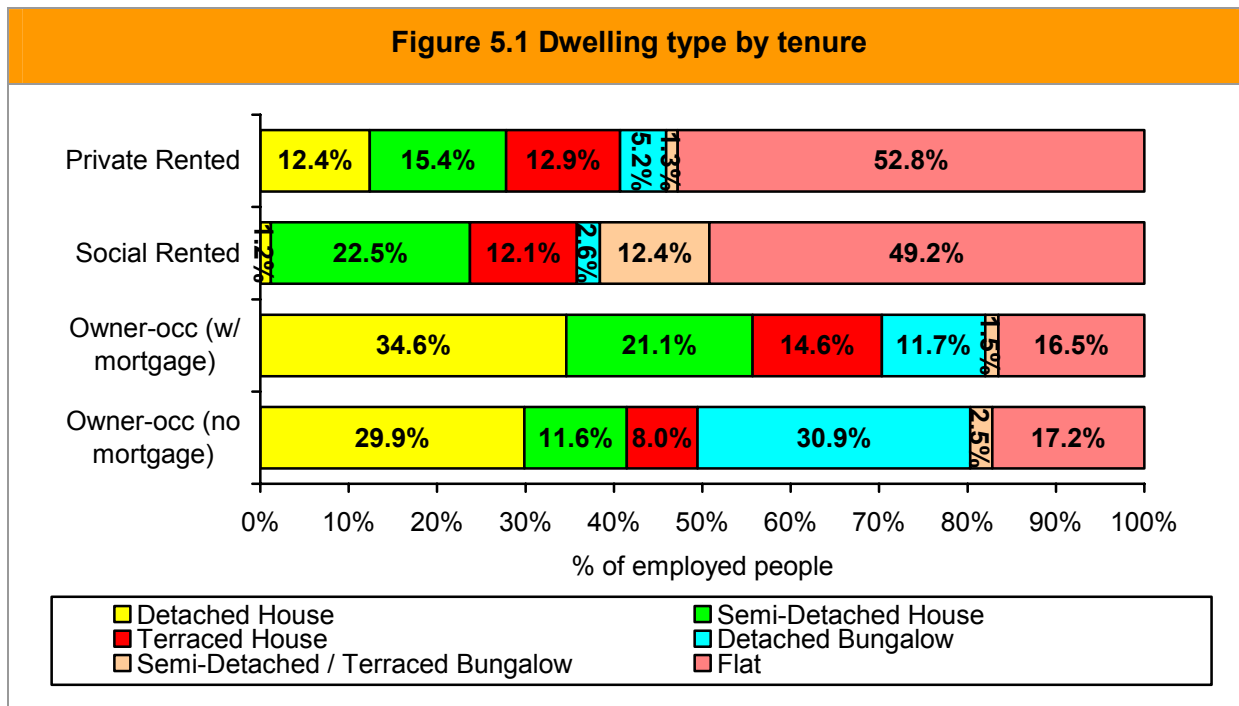
- 5.2 The table below shows current accommodation types in the HMA. The table shows that a large proportion of households live in detached or semi-detached houses (43.1%), and 19.8% live in bungalows. Terraced housing is relatively infrequently found in the Bournemouth and Poole HMA, at just 11.5% of the stock, compared to 14.5% in Dorset overall. The latest SEH suggests that nationally around 17% of households live in flats whilst the figure for the South West region is around 12%; in the Bournemouth and Poole HMA the overall figure is 24.7%, well above the national average.

Table 5.1 Dwelling type		
Dwelling type	Number of households	% of households
Detached house	64,410	26.4%
Semi detached house	40,913	16.7%
Terraced house	27,974	11.5%
Detached bungalow	40,825	16.7%
Semi or terraced bungalow	7,505	3.1%
Purpose-built flat	42,093	17.2%
Converted flat or shared house	16,157	6.6%
Flat in commercial building	2,221	0.9%
Caravan or temporary	2,203	0.9%
TOTAL	244,300	100.0%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data.

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

5.3 For the purposes of this analysis the three flat categories have been merged into one whilst mobile homes are merged with detached bungalows. By tenure, clear trends emerge with owner occupiers particularly likely to live in houses and 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 are around half composed of flats and maisonettes. Terraced or semi-detached bungalows are found most frequently in the social rented sector, while detached bungalows tend to be owned by those without mortgages, making up the single most frequently found housing type in this tenure.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

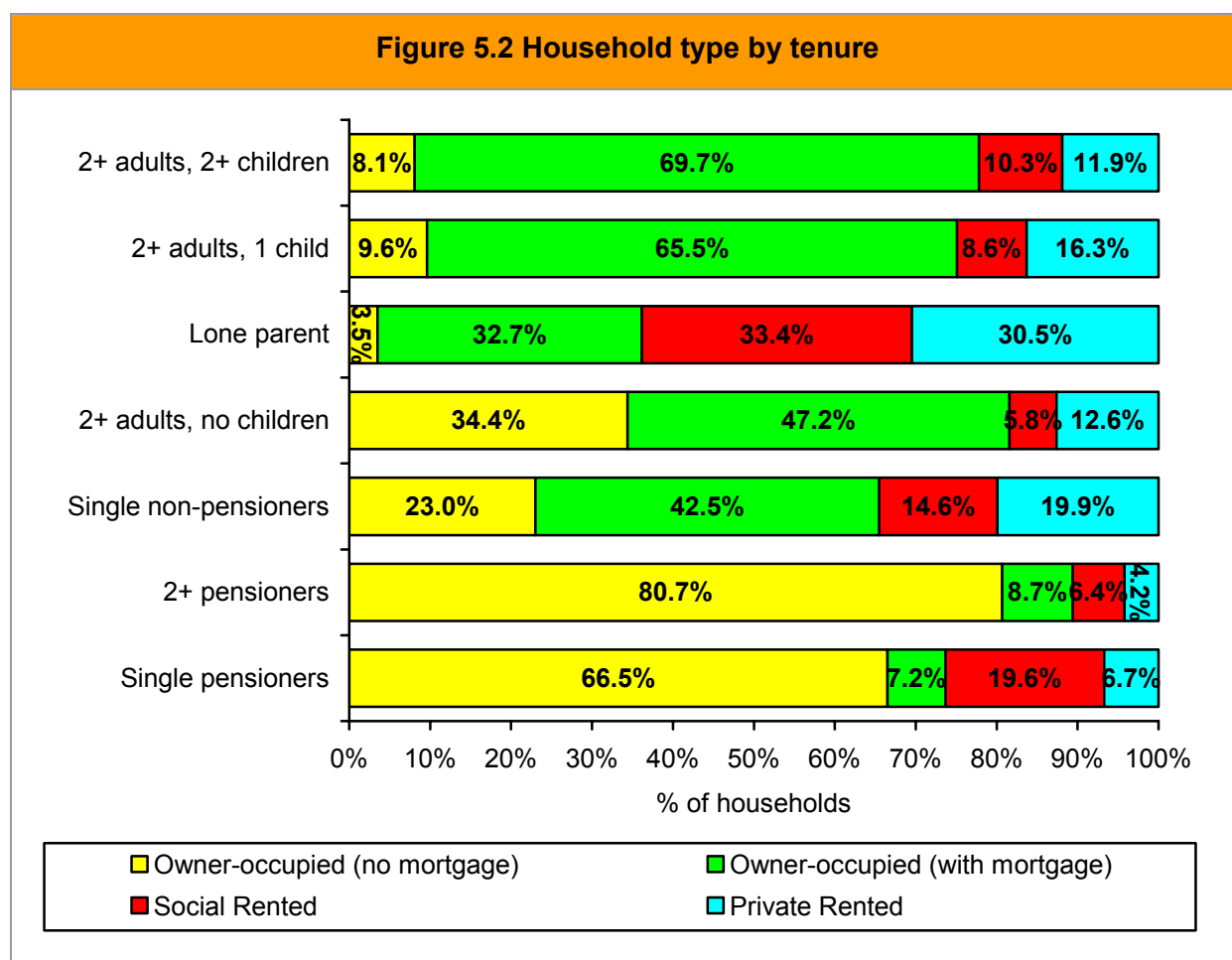
Household type and size

5.4 The table below shows the household type breakdown in the HMA. The survey estimates that 32.7% of households are pensioner only and that 20.3% of households contain children. 3.2% of households are lone parent households. Direct comparisons with the SEH are not possible for household types due to the different definitions used; however the 2001 Census data suggests that nationally around 24% of households were pensioner only with an equivalent figure of 27% in the South West region, indicating that the HMA is above average in this respect.

Table 5.2 Household type		
Household type	Number of households	% of households
Single pensioner	41,815	17.1%
2 or more pensioners	38,192	15.6%
Single non-pensioner	32,915	13.5%
2 or more adults, no children	81,853	33.5%
Lone parent	7,908	3.2%
2+ adults, 1 child	18,959	7.8%
2+ adults, 2+ children	22,659	9.3%
TOTAL	244,300	100.0%

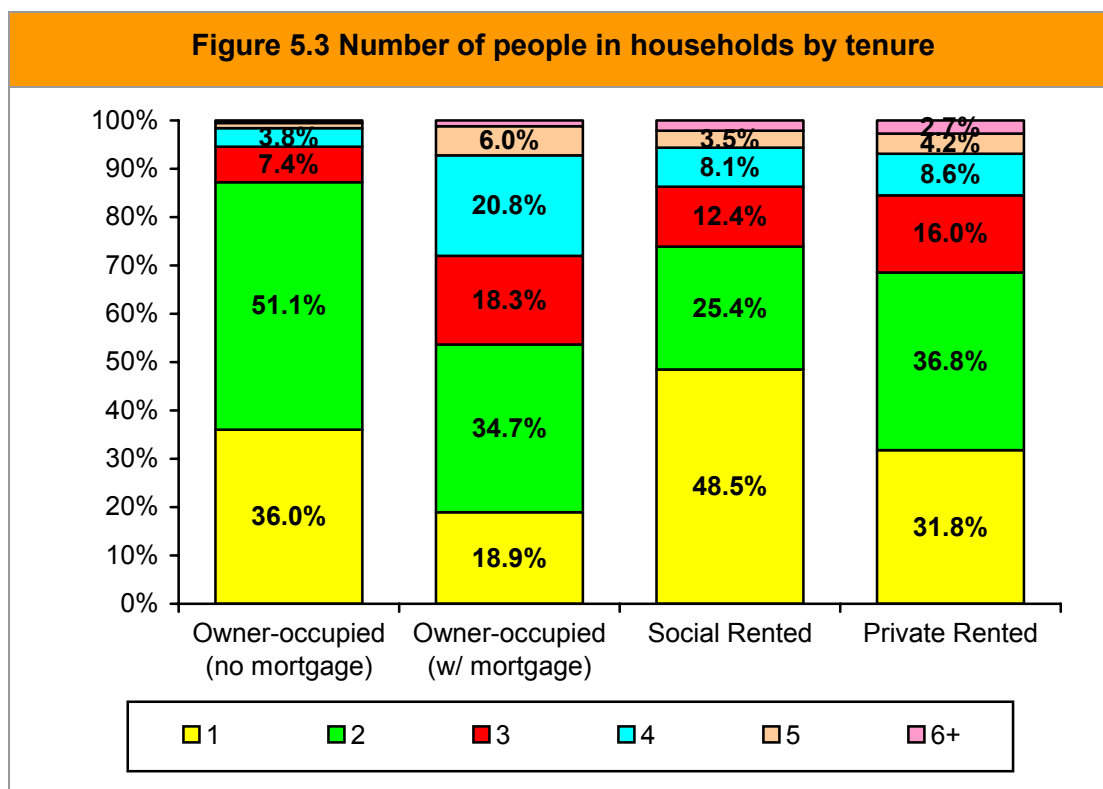
Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

- 5.5 The figure below shows household type by tenure. As with dwelling type there are clear differences between tenures. Almost three quarters of pensioner households (73.3%) live in owner-occupied housing without a mortgage, while two thirds of two parent households with children (67.8%) have a mortgage. The groups most likely to live in social rented housing are lone parents and single pensioners. Lone parents and single non-pensioners are the groups most likely to live in private rented accommodation.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

5.6 The average household size in the Bournemouth and Poole HMA 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.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

5.7 The smallest households were in the owner-occupied (no mortgage) category, where 87.1% of households contained one or two persons. The largest were in the owner-occupied (with mortgage) sub-group, with nearly half of households in this group (46.3%) containing three or more people. Social rented housing contained the largest concentration of one person households, at almost half of all households in this tenure.

5.8 The following table compares the age structure of those in the social rented sector who are single person households, with those in other tenures. It can be seen that the social rented tenant profile is noticeably more weighted towards older households.

Table 5.3 Age groups: single person households in social housing

Age Group	Social Housing		Other Tenures		Total
	Number	%age	Number	%age	
0-25	214	1.6%	687	1.1%	901
25-35	435	3.4%	5,584	9.0%	6,019
35-45	814	6.3%	6,110	9.9%	6,924
45-55	1,286	9.9%	7,872	12.7%	9,158
55-65	3,104	23.9%	12,907	20.9%	16,011
65-75	2,987	23.0%	11,026	17.9%	14,013
75+	4,144	31.9%	17,558	28.4%	21,702
Total	12,984	100.0%	61,744	100.0%	74,728

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Length of residence and recent movers

- 5.9 At the time of the survey an estimated 49,992 households (20.5%) in the HMA had been resident at their current address for less than two years, and 9.1% for less than one year. This figure is about the same as the most recent SEH data which suggests that 10% of households at any point in time will have been resident at their address for less than one year.
- 5.10 Of the households moving in the past two years, 29.6% were private renters, 59.0% owner-occupiers and 11.3% in the social rented sector. An estimated 50.2% of private renters had moved home in the past two years, compared to only 21.1% of social renters and 15.7% of owner-occupiers. Private tenants are therefore far more mobile than either social renters or owner-occupiers. This is an entirely normal pattern: private rental is the gateway to changes of tenure. Many newly forming households begin in the private rented sector and depending on financial capacity have aspirations to own or to social rent.
- 5.11 Nearly two-thirds of all households have lived in their home for more than five years. In the case of outright owners, over three-quarters (77.4%) have lived in their home for more than five years – this compares with only 25.3% of private tenants.

Table 5.4 Length of residence of household by tenure

Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	5,545	10,403	2,813	9,083	27,844
Owner-occupied (with mortgage)	4,175	9,411	2,845	5,717	22,149
Social rented	12,540	19,841	5,556	7,203	45,140
Private rented	76,029	50,119	15,567	7,452	149,167
Total	98,289	89,773	26,782	29,456	244,300
Owner-occupied (no mortgage)	19.9%	37.4%	10.1%	32.6%	100.0%
Owner-occupied (with mortgage)	18.9%	42.5%	12.8%	25.8%	100.0%
Social rented	27.8%	44.0%	12.3%	16.0%	100.0%
Private rented	51.0%	33.6%	10.4%	5.0%	100.0%
Total	40.2%	36.7%	11.0%	12.1%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

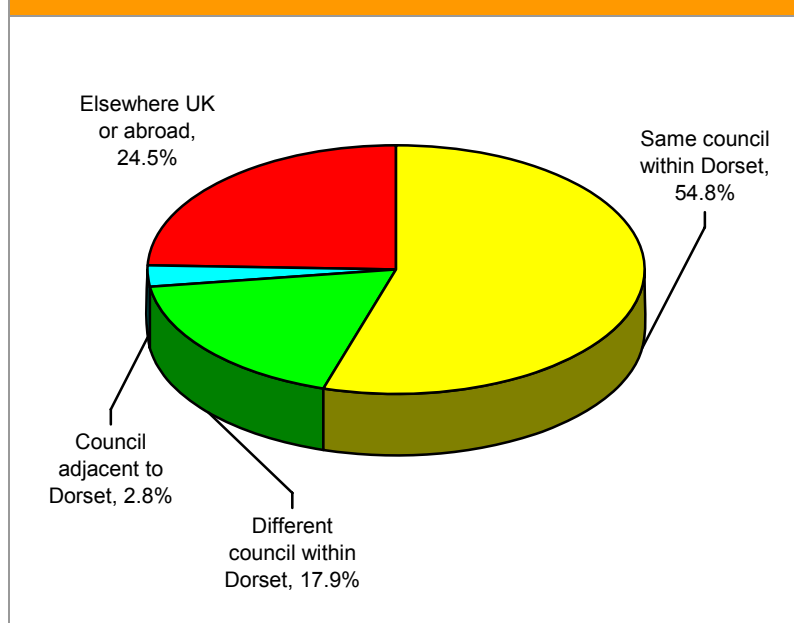
- 5.12 In terms of tenure mobility, the most common types of move were from one owner-occupied property to another (20,736 households) followed by moves within the private rented sector. There was also a fair degree of movement within the social rented sector. Overall, movement within sectors was more common than movement between them.
- 5.13 More than two fifths (41.2%) 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, despite its relatively small overall size. The private rented sector shows the highest turnover of any tenure in most local authorities: it is the ‘gateway’ to other tenures. It is estimated that only around 12.1% of all households currently live in the private rented sector. This is about the national average.
- 5.14 Newly formed households in about 44% of cases are shown from the table below to move into owner occupation, with almost the same fraction moving into private renting (43%). The remainder entered the social rented sector.

Table 5.5 Previous tenure by current tenure (households moving in past two years)

Tenure	Previous tenure				Total
	Newly formed	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	359	8,890	36	435	9,720
Owner-occupied (with mortgage)	3,700	11,846	107	4,161	19,814
Social rented	1,147	297	3,023	1,191	5,659
Private rented	3,919	2,750	977	7,154	14,800
Total	9,125	23,784	4,143	12,941	49,992
Owner-occupied (no mortgage)	3.7%	91.5%	0.4%	4.5%	100.0%
Owner-occupied (with mortgage)	18.7%	59.8%	0.5%	21.0%	100.0%
Social rented	20.3%	5.3%	53.4%	21.1%	100.0%
Private rented	26.5%	18.6%	6.6%	48.3%	100.0%
Total	18.3%	47.6%	8.3%	25.9%	100.0%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

- 5.15 It is also possible to look at the previous locations of households who have moved home into the Bournemouth and Poole HMA the past two years – this is shown in the figure below. 54.8% of all movers in the HMA stayed within the same district; 17.9% moved from one Dorset district to another, while 27.3% came from outside the county. In the Figure below ‘council’ means the same as ‘district’: it is derived from the term used in the questionnaire.

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

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

- 5.16 It is also of interest to look at the characteristics of households moving into and around the HMA. The tables below show the current tenure and household type of households moving into the Bournemouth and Poole HMA in the last two years.
- 5.17 The tables show that households moving into the county have a very different profile to those moving within it, based on moves taking place in the last two years. Nearly half (44.5%, or 4,325 households) of households without a mortgage had moved from outside the county. The distance of move was shorter for those with mortgages and private renters, although those with mortgages showed a higher proportion of inter-district moves within the county. Social renters had relatively rarely moved from outside a district (only 22.1%); it should be remembered that this statistic will be influenced by allocation policies.
- 5.18 In terms of household types, the most likely group to have moved from outside their home district were 2+ pensioner households. Both single and 2+ pensioner households are also the most likely to have come from outside the (historic) county. This is not surprising, given the character of Dorset, but it has implications for the pressure on infrastructure and services.

Table 5.6 Tenure and source of in-migrant households

Tenure	Total moves	% from outside county	% from other Dorset local authorities	% from same district
Owner-occupied (no mortgage)	9,720	44.5%	16.9%	38.6%
Owner-occupied (with mortgage)	19,814	22.1%	21.8%	56.1%
Social rented	5,659	11.2%	10.9%	77.9%
Private rented	14,800	29.1%	15.9%	55.0%
Total	49,992	27.3%	17.9%	54.8%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

Table 5.7 Household type and source of in-migrant households

Tenure	Total moves	% from outside county	% from other Dorset local authorities	% from same district
Single pensioner	4,391	34.0%	11.4%	54.6%
2+ pensioners	3,648	40.4%	17.6%	42.0%
Single non-pensioner	9,576	25.9%	18.9%	55.2%
2+ adults, no children	18,764	28.2%	21.1%	50.7%
Lone parent	3,017	12.4%	16.4%	71.2%
2+ adults, 1 child	5,440	21.8%	14.1%	64.1%
2+ adults, 2+ children	5,157	25.9%	14.8%	59.3%
Total	49,992	27.3%	17.9%	54.8%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

Car ownership

5.19 A further question asked in the survey was on car ownership and 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.

5.20 Almost half (49.6%) of all households in social rented housing have no access to a car or van; this compares with only 4.4% of owner-occupied (with mortgage) households. The average household has 1.28 cars/vans, varying from just 0.63 per household in the social rented sector to 1.65 for owner-occupiers with a mortgage. In this sector 12.2% have three or more cars.

Table 5.8 Car ownership and tenure					
Tenure	Number of cars/vans available for use				Average number of cars/vans
	None	One	Two	Three or more	
Owner-occupied (no mortgage)	15.6%	54.3%	23.8%	6.3%	1.21
Owner-occupied (with mortgage)	4.4%	38.5%	44.9%	12.2%	1.65
Social rented	49.6%	39.5%	9.1%	1.8%	0.63
Private rented	28.4%	51.3%	16.7%	3.6%	0.96
TOTAL	16.8%	46.5%	29.1%	7.7%	1.28

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

Ethnicity

5.21 The population of the Bournemouth and Poole HMA is predominantly white; survey data suggests 98.8% are in this grouping. The remaining 1.2% show no particularly strong ethnic distribution, with the data suggesting that no individual group makes up more than 0.4% of the population.

Table 5.9 Bournemouth and Poole HMA: Ethnicity

Ethnicity	Number	Percentage
White British	234,940	96.2%
White Irish	1,530	0.6%
White Other	4,933	2.0%
Mixed	970	0.4%
Asian or Asian British	896	0.4%
Black or Black British	227	0.1%
Other (including Chinese)	804	0.3%
<i>Total Non-White</i>	<i>2,897</i>	<i>1.2%</i>
<i>Total BME</i>	<i>7,830</i>	<i>3.2%</i>
Total	244,300	100.0%

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data



- 5.22 A further and larger group, 2.0% of the area's population, is classified as 'White Other' (not including Irish). This total BME population of 3.2% is higher than in the other areas of Dorset.
- 5.23 Data on citizenship was also gathered, enabling some tentative conclusions to be drawn on the nature of the 'White Other' group, although only for Dorset as a whole. Overall, 45% were current citizens of another country. By far the largest group within foreign nationals, making up around 40% of the total, were of Western European origin, with a further 20% from Eastern Europe.

Overcrowding and under-occupation

- 5.24 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.
- 5.25 The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households.

Table 5.10 Overcrowding and under-occupation

Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	28,130	59,432	53,031	21,433	162,027
2 bedrooms	910	14,442	24,892	13,924	54,168
3 bedrooms	88	1,291	13,230	9,972	24,582
4+ bedrooms	0	52	960	2,511	3,523
TOTAL	29,128	75,217	92,114	47,841	244,300

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: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

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

- **Overcrowded:** 1.5% of households = 3,556 households
- **Under-occupied:** 37.4% of households = 91,358 households

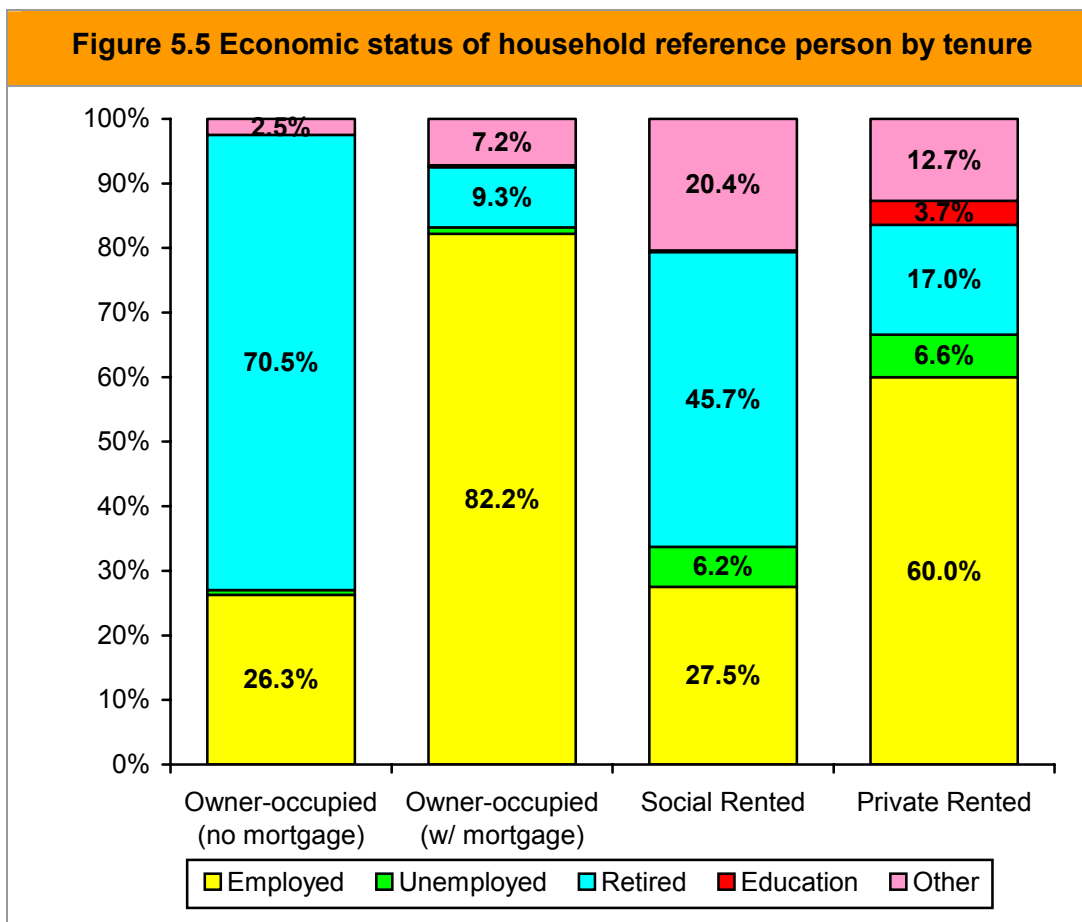
5.27 The latest SEH (national Survey of English Housing) data on overcrowding suggests that nationally around 2.5% of households are overcrowded, with the figure for the South West being 1.6%. The sample size of overcrowded households is relatively small and so further detailed analysis is not possible. However the data does suggest that overcrowded households are more likely than average to be living in social rented accommodation, around two thirds contain children, and around half state a need or likelihood of moving home over the next two years.

5.28 The high figure for underoccupation is typical, and is associated with the high level of owner occupation. Those who can afford ownership can in many cases afford to own more rooms than they technically require.

Economic status

5.29 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.

5.30 For the purposes of analysis of economic status the status of the survey respondent is taken to represent the household reference person. Owner-occupied (with mortgage) and private rented housing had the highest proportion of employed household reference persons, at 82.2% and 60.0% respectively. Retired people were particularly likely to live in owner-occupied housing without a mortgage, making up 70.5% of household reference persons for this tenure, as well as nearly half (45.7%) of social rented housing. The ‘other’ group, including those prevented from working due to care needs, illness or disability, is found mostly in the rented tenures, particularly social rented. Unemployed household reference persons are most likely to be found in private rented housing.



Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

Housing costs

5.31 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).

5.32 The table shows that households in the private rented sector and those buying with a mortgage have much higher housing costs than those in the social rented sector. The average private tenant pays £127 per week, compared to £65 for social housing tenants. The table shows that significant proportions of private tenants (5%) pay £210 or more per week, while hardly any social tenants do. Nearly a fifth (19.6%) of owner occupiers pay more than £210 per week.

Table 5.11 Housing costs by tenure				
Weekly housing cost	Owner-occ. (with mortgage)	Social rented	Private rented	TOTAL
Under £30	5.6%	16.8%	7.3%	8.1%
£30-£59	9.7%	19.4%	4.0%	10.3%
£60-£89	11.6%	48.6%	8.6%	17.8%
£90-£119	15.3%	12.1%	20.9%	15.8%
£120-£149	15.8%	1.5%	26.0%	15.3%
£150-£179	12.0%	0.6%	19.2%	11.4%
£180-£209	10.4%	0.4%	8.6%	8.2%
£210-£239	5.9%	0.0%	1.5%	4.0%
£240-£269	4.1%	0.1%	0.6%	2.6%
£270 or more	9.6%	0.5%	3.3%	6.6%
TOTAL	100.0%	100.0%	100.0%	100.0%
Average cost	£141	£65	£127	£124

Source: Fordham Research Housing Market Assessment for Bournemouth Poole 2007: Primary data

Summary

5.33 The household survey collected a significant amount of data about the resident household population in the Bournemouth and Poole HMA. Some of the main findings were:

- In total 43.1% of households live in detached or semi-detached houses, and 24.7% live in flatted accommodation. Flats are more likely to be rented than other dwelling types, whilst detached houses and bungalows are mostly owner-occupied.
- A third (32.7%) of all households are 'pensioner-only' and just over a fifth (20.3%) contain children. Lone parent households were found to be concentrated in the rented sectors, while families with children and older pensioner households tended to owner-occupy.
- Analysis of household moves in the last two years shows that private rented tenants are by far the most mobile. An estimated 50.2% of private renters had moved home in the past two years, compared to only 21.1% of social renters and 15.7% of owner-occupiers. There were generally more moves recorded within tenures than between them. Over 40% of moves involved the private sector.

- Movers from outside the county were disproportionately likely to be pensioners. The groups most likely to have moved within the county were families with children and, in particular, tenants of social rented housing, where 77.9% remained in the same district.
- Survey data suggests that the population of the HMA is 3.2% BME, including the 'White Other' group. The largest group within 'White Other' is likely to be Western European.
- The level of overcrowding recorded in the Bournemouth and Poole HMA is lower than the national average, at 1.5%. Under-occupation is much more common, affecting 37.4% of households.
- The proportion of employed household heads varied significantly across the tenures. 82.2% of households buying with a mortgage are headed by an employed person, compared to just 27.5% living in the social rented sector. 70.5% of owner-occupiers without a mortgage are retired.
- Households buying with a mortgage have the highest housing costs, while households in the social rented sector have 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 HMA (both in terms of a backlog of need and likely future needs). This initial chapter sets out some key definitions which are central to both of the following chapters. Where appropriate definitions have been drawn from the CLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3.

Housing need

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

Newly arising need

- 6.4 Newly arising (or future) need is a measure of the number 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 Government advice given in the Guide):

- i) 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).
- ii) 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 and staircasing in shared-ownership properties).

Summary

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

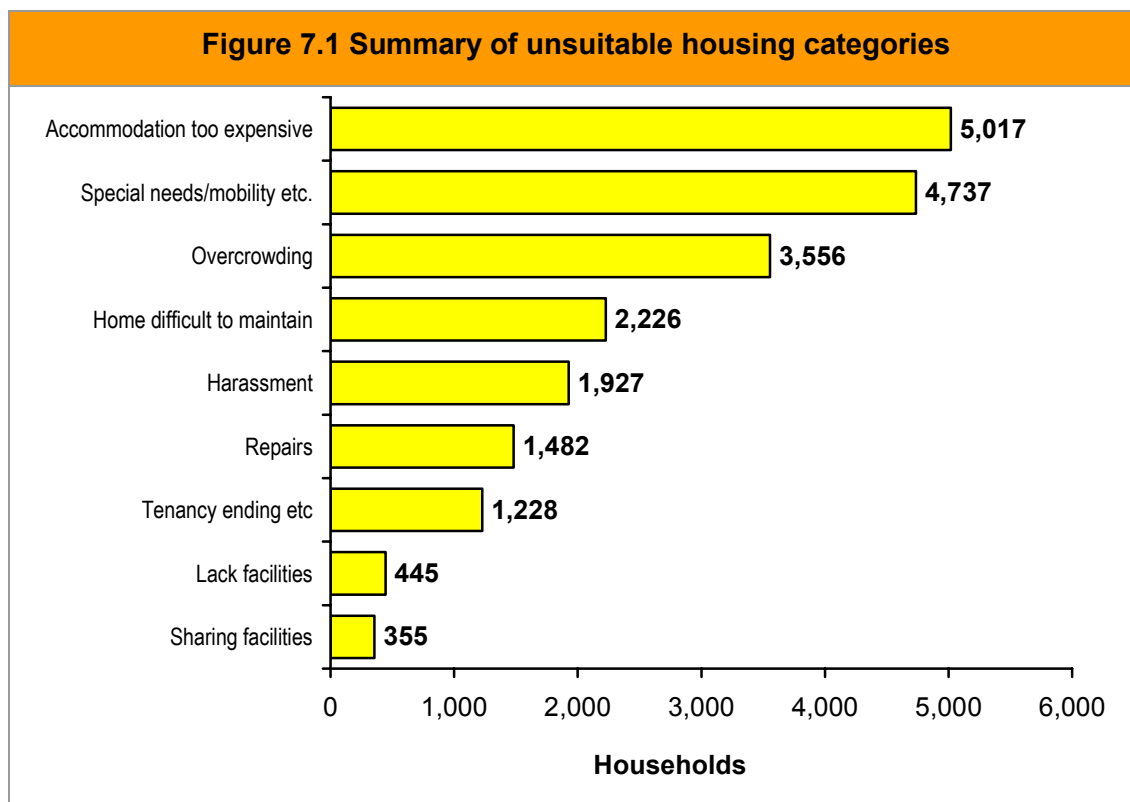
7. Current need

Introduction

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

Unsuitable housing

- 7.2 A key element of housing need is an assessment of the suitability of a household's current housing. The CLG Guide sets out a series of nine criteria for unsuitable housing - which has been followed in this report. It is estimated that a total of 15,689 households are living in unsuitable housing. This represents 6.4% of all households in the HMA.
- 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 living in unsuitable housing is the accommodation in question being too expensive, followed by having a household member with a special need or mobility problem.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

7.5 The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation, especially private rented accommodation, are much more likely to be in unsuitable housing than owner-occupiers. Very few owner-occupiers (just 7.3%) are in unsuitable housing.

Table 7.1 Unsuitable housing and tenure

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in HMA	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	2,876	95,413	98,289	2.9%	18.3%
Owner-occupied (with mortgage)	3,991	85,782	89,773	4.4%	25.4%
Social rented	3,556	23,226	26,782	13.3%	22.7%
Private rented	5,266	24,190	29,456	17.9%	33.6%
TOTAL	15,689	228,611	244,300	6.4%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

'In-situ' solutions

- 7.6 The survey has highlighted that 15,689 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 and harassment.
- 7.7 The survey data estimates that of the 15,689 households in unsuitable housing, 10,729 (68.3%) do not have an in-situ solution and therefore require a move to alternative accommodation.

Affordability

- 7.8 Using the affordability methodology set out in the previous chapter it is estimated that there are 7,151 existing households that cannot afford market housing and are living in unsuitable housing, requiring a move to alternative accommodation. This represents 2.9% of all existing households in the HMA.
- 7.9 The table below shows the tenure of the 7,151 households currently estimated to be in housing need. The results show that private and social tenants are the groups most likely to be in housing need, with 12.5% and 8.2% respectively in this category. Of all households in need, about one third (30.8%) currently live in social rented accommodation and more than half (51.5%) in private rented housing.

Table 7.2 Housing need and tenure					
Tenure	Housing need				
	In need	Not in need	Number of h'holds in HMA	% of tenure in need	% of all those in need
Owner-occupied (no mortgage)	46	98,243	98,289	0.0%	0.6%
Owner-occupied (with mortgage)	1,217	88,556	89,773	1.4%	17.0%
Social rented	2,204	24,578	26,782	8.2%	30.8%
Private rented	3,684	25,772	29,456	12.5%	51.5%
TOTAL	7,151	237,149	244,300	2.9%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 7.10 For the purposes of the housing needs assessment, households considered to be in housing need have been split into two categories: current occupiers of affordable housing in need (this includes occupiers of social rented and shared ownership accommodation), and households from other tenures in need. 2,302 households fall into the former category and 4,848 into the latter category.

Homeless households

- 7.11 The Housing Needs Assessment is a ‘snapshot’ survey that assesses housing need at a particular point in time. There will, in addition to the existing households in need, be some homeless households who were in need at the time of the survey and should also be included within any assessment of backlog need.
- 7.12 Such households will include those in temporary accommodation which would not have formed part of the survey sampling frame (i.e. in an address not registered on the residential Council Tax Register). In the Bournemouth and Poole HMA the number of such cases is low and the 2006 HSSA (Housing Strategy Statistical Appendix) suggested as of April 2006 that 18 households were living in bed and breakfast style accommodation.

Total current need

- 7.13 The table below summarises the first stage of the overall assessment of housing need as set out by the CLG. The data shows that there are an estimated 7,169 households in need.

Table 7.3 Backlog of housing need

Step	Notes	Output
1.1 Homeless households and those in temporary accommodation		18
1.2 Overcrowding and concealed households	Two steps	7,151
1.3 Other groups	taken together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	7,169

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Available stock to offset need

- 7.14 The next stage in the backlog considers the stock available to offset the current need. This includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and committed supply of new affordable units. Units to be taken out of management are removed from the calculation.
- 7.15 Firstly, it is important to take into account that some households are already living in affordable housing, so while they use an affordable dwelling when moving, they will at the same time release one as supply, having an overall nil effect in terms of housing need. Overall, 2,302 properties will fall into this category.

Surplus stock

- 7.16 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The CLG Guide suggests that if the vacancy rate in the affordable stock is in excess of 3% then these should be considered as surplus stock which can be included within the supply to offset needs. The HMA records a vacancy rate in the social rented sector of just 0.8% (the highest level within the area being 1.3% in Bournemouth), and therefore no adjustment needs to be made to the figures.

Committed supply of new affordable units

- 7.17 The CLG Guide recommends that this part of the assessment includes 'new social rented and intermediate housing which are committed to be built over the period of the assessment'. HSSA data showing the number of planned and proposed affordable units for the period 2006-2008 is taken to indicate new provision; for East Dorset this information is not available and therefore for this part of the HMA historical data for 2004-2006 is used, assuming provision continues at a constant rate.
- 7.18 Overall the data suggests that 752 new affordable dwellings will be provided between 2006 and 2008.

Units to be taken out of management

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

Total available stock to offset need

- 7.20 Having been through a number of detailed stages in order to assess the total available stock to offset need in the HMA 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 3,054 properties available to offset the current need.

Table 7.4 Current supply of affordable housing

Step	Notes	Output
3.1 Affordable dwellings occupied by households in need		2,302
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		752
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	3,054

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Total backlog need

7.21 In the tables above it is estimated that there is a current need to provide 7,169 units of affordable housing to meet the backlog of need. Current sources (to the end of the 2007/08 year) are estimated to be able to provide 3,054 of these units leaving an estimated shortfall of around 4,115 units of affordable housing.

Summary

7.22 Survey data suggests that around 15,689 households in the HMA are currently living in unsuitable housing. It is estimated that 10,729 of these households would need to move home to find a solution to the unsuitability.

7.23 Of these households, an estimated 66.6% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (7,151 households). Households in the private rented and social rented sectors are most likely to be in housing need.

7.24 HSSA data suggested that there were 18 additional homeless households (those in temporary accommodation which would not have formed part of the survey sample frame) and hence the total backlog need is estimated at 7,169 households.

7.25 It is estimated that at the time of the survey there is a current stock of affordable housing of around 3,054 which could be used to meet this need (including 2,302 dwellings becoming available as households in need already living in the social rented sector move to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 4,115 units (7,169 – 3,054).

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 CLG Guidance, into two main categories. These are as follows:

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

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

New household formation

8.3 The estimate of the number of newly forming households in need of affordable housing is based on an assessment of households that have formed over the past two years. Such an approach is preferred to studying households 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.

Table 8.1 Derivation of newly arising need from new household formation		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	49,992	
Minus households NOT forming in previous move	- 40,867	9,125
Times proportion unable to afford	43.7%	
ESTIMATE OF NEWLY ARISING NEED (2 years)	3,985	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	1,993	

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

8.5 The table above shows that an estimated 9,125 households are newly formed within the HMA over the past two years (3,985 per annum). Of these it is estimated that 1,993 (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 in moving to private rented accommodation may have to either claim Housing Benefit or spend more than a quarter of their gross income on housing, which is considered unaffordable (or indeed a combination of both).
- 8.7 Households previously living with parents, relatives or friends are excluded as these will double-count with the newly forming households already considered in the previous table. The data also excludes moves between social rented properties. Households falling into need in the social rented sector have their needs met through a transfer to another social rented property, hence releasing a social rented property for someone else in need. The number of households falling into need in the social rented sector should therefore, over a period of time, roughly equal the supply of 'transfers' and so the additional needs arising from within the social rented stock will be net zero.
- 8.8 The table below shows the derivation of existing households falling into need.

Table 8.2 Derivation of newly arising need from existing households		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	49,992	
Minus households forming in previous move	-9,125	40,867
Minus households transferring within affordable housing	-2,225	38,642
Times proportion unable to afford	24.4%	
ESTIMATE OF NEWLY ARISING NEED	9,439	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	4,720	

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 8.9 The table above shows that a total of 38,642 existing households are considered as potentially in need (19,321 per annum). Using the standard affordability test for existing households it is estimated that 24.4% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 9,439 households ($38,642 \times 0.244$) over the two-year period. Annualised this is 4,720 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 6,713 households per annum.

Table 8.3 Future need (per annum)		
Step	Notes	Output
2.1 New household formation (gross per year)		4,563
2.2 Proportion of new households unable to buy or rent in the market	Leaves 1,993	43.7%
2.3 Existing households falling into need		4,720
2.4 Total newly arising housing need (gross per year)	$(2.1 \times 2.2) + 2.3$	6,713

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

The future supply of social rented housing

- 8.11 The table below shows an estimate of the supply of lettings from social rented stock (excluding RSL to RSL transfers) over the next 2 years, using data gathered through the individual district Housing Need and Demand Surveys. The average for the two-year period is 1,741 per annum.

Table 8.4 Analysis of future housing supply (social rented)			
	2006/07	2007/08	Annual Average
HNDS analyses	1,660	1,822	1,741

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Intermediate supply

- 8.12 In most local authorities the amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited. However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing.
- 8.13 Therefore we include an estimate of the number of intermediate units that become available each year, based on data gathered from the district Housing Need and Demand Surveys.

Table 8.5 Analysis of future housing supply (intermediate)	
	Annual Average
HNDS analyses	91

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Total future supply

8.14 The total future supply is estimated to be 1,832, comprised of 1,741 units of social re-lets and 91 units of shared ownership per annum. This is shown in the table below.

Net annual need estimate

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

Table 8.6 Housing needs assessment model for the Bournemouth and Poole HMA

Stage and step in calculation	Notes	Output
STAGE 1: CURRENT NEED (Gross)		
1.1 Homeless households and those in temporary accommodation		18
1.2 Overcrowding and concealed households	Two steps taken together	7,151
1.3 Other groups		
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	7,169
STAGE 2: FUTURE NEED		
2.1 New household formation (gross per year)		3,985
2.2 Proportion of new households unable to buy or rent in the market	Leaves 1,993	43.7%
2.3 Existing households falling into need		4,720
2.4 Total newly arising housing need (gross per year)	(2.1×2.2)+2.3	6,713
STAGE 3: AFFORDABLE HOUSING SUPPLY		
3.1 Affordable dwellings occupied by households in need		2,302
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		752
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	3,054
3.6 Annual supply of social re-lets (net)		1,741
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		91
3.8 Annual supply of affordable housing	4.1+4.2	1,832

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

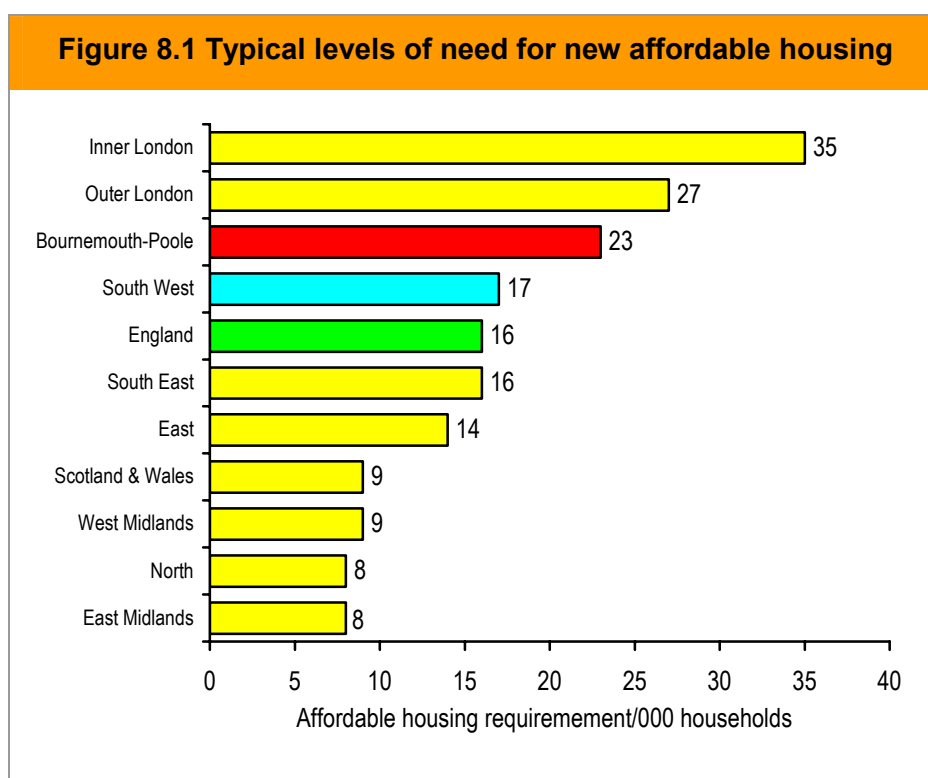
8.16 The Guide states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available of 3,054 (step 3.5) from the gross current need of 7,169 (step 1.4). This produces a net current need figure of 4,115.

- 8.17 The second step is to convert this net backlog need figure into an annual flow. The Guide acknowledges that this backlog can be addressed over any length of time although a period of less than five years should be avoided. For the purposes of this study the quota of five years proposed in the Guide will be used. Therefore to annualise the net current need figure it will be divided by five. This calculation results in a net annual quota of households who should have their needs addressed of 823 (4,115/5).
- 8.18 The final step is to sum the net annual quota of households who should have their needs addressed with the total newly arising housing need (step 2.4) and subtract the future annual supply of affordable housing (step 3.8). This leads to a total net annual housing need in the Bournemouth and Poole HMA of 5,704 (823+6,713-1,832).

Findings in context

- 8.19 The net shortfall of 5,704 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:

$$(5,704/244,300) \times 1,000 = 23$$



Source: Fordham Research 2007

8.20 This indexed figure is higher than the national average (of 16) and the figure for the South West (of 17). 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. Other research¹ has highlighted the difficulties faced by working age households seeking to acquire smaller properties. On this test households in all parts of Dorset have significant difficulties.

The private rented sector

8.21 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 4,035 new lets of Housing Benefit supported private rented housing have been made (2,018 per annum).

8.22 It is not however appropriate to take all this supply of housing from the overall annual housing needs estimate of 5,704 in the Bournemouth and Poole HMA 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 that households leaving this tenure are a notable source of homelessness. 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

8.23 The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation. The data suggests that on an annual basis there will be 1,993 newly forming households requiring affordable housing and a further 4,720 existing households. The future need for affordable housing is therefore estimated to be 6,713 units per annum.

8.24 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 1,832 units. Hence it is estimated that the net new need for additional affordable housing arising each year is in the region of 4,881 units per annum.

8.25 The process of reducing the current backlog of need for affordable housing, calculated in Chapter 6, generates further need, estimated at 4,115 units in total. Over five years this equates to a requirement for an additional 823 units, bringing the total requirement for additional affordable housing per annum to 5,704 units.

¹“The Geography of Affordable and Unaffordable Housing” Steve Wilcox. 2006 .

SECTION C: CHARACTERISTICS OF HOUSING MARKET

9. Household mobility

Introduction

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

Future moves – existing households

9.2 The table below shows estimates of the number and proportion of households who would consider themselves to need or expect to move home per annum over the next two years by tenure. The data shows that around 20.2% 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; over half (55.0%) expect to move within two years.

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)	10,545	98,289	10.7%
Owner-occupied (with mortgage)	16,235	89,773	18.1%
Social rented	6,329	26,782	23.6%
Private rented	16,208	29,456	55.0%
Total	49,317	244,300	20.2%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

9.3 The survey moved on to look at where households would both like and expect to move. The results of this analysis are shown in the table below. The table suggests that 84.5% of households would like to remain in the HMA, whilst a slightly lower proportion actually expect to remain (82.2%). In addition, a greater proportion of households expect to move away from Dorset completely than would like to.

Table 9.2 Where households would like and expect to move

Location of next home	Like	Expect
Within HMA	84.5%	82.2%
Elsewhere in Dorset	1.2%	1.4%
Elsewhere in UK or abroad	14.3%	16.4%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 9.4 Households were similarly asked about what tenure they would both like and expect to move to; the results are shown below. The results suggest that nearly three quarters (73.1%) of all households would like to move to owner-occupation, however, only 60.0% expect to be able to secure this type of accommodation. Many more households expect to rent (particularly in the private rented sector) than would like to; the gap between preference and expectation is not so large for the social rented sector.

Table 9.3 Housing tenure aspirations and expectations

Tenure	Like	Expect
Buy own home	73.1%	60.0%
Social rented	21.2%	21.7%
Private rented	5.7%	18.3%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 9.5 The tables below show cross-tabulations between current tenure and future tenure preference as well as future tenure expectations.
- 9.6 The first table shows that generally households would like to remain in the same tenure as they currently live. The exception to this is the private rented sector. The vast majority of households in this sector (87.5%) want to move to either owner-occupation or the social rented sector.
- 9.7 In terms of expectations (second table below) we find that the main difference is the greater number of private tenants who expect to live in rented housing when they would prefer owner-occupation. In total, 60.2% of private tenant movers would like to become owners but only 31.6% expect to do so, with most of the remainder expecting to stay in the private rented sector.
- 9.8 Of the group who do not expect to be able to obtain the tenure that they would like, well over half (62.2%) are private renters who expect to stay in the private rented sector.

Table 9.4 Current tenure and tenure preference

	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	9,355	845	345	10,545
Owner-occupied (with mortgage)	15,695	258	281	16,235
Social rented	1,232	4,946	151	6,329
Private rented	9,752	4,426	2,030	16,208
Total	36,034	10,475	2,808	49,317

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Table 9.5 Current tenure and tenure expectations

	Tenure expectation			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	9,212	877	456	10,545
Owner-occupied (with mortgage)	14,774	457	1,004	16,235
Social rented	462	5,620	247	6,329
Private rented	5,125	3,741	7,342	16,208
Total	29,572	10,696	9,049	49,317

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

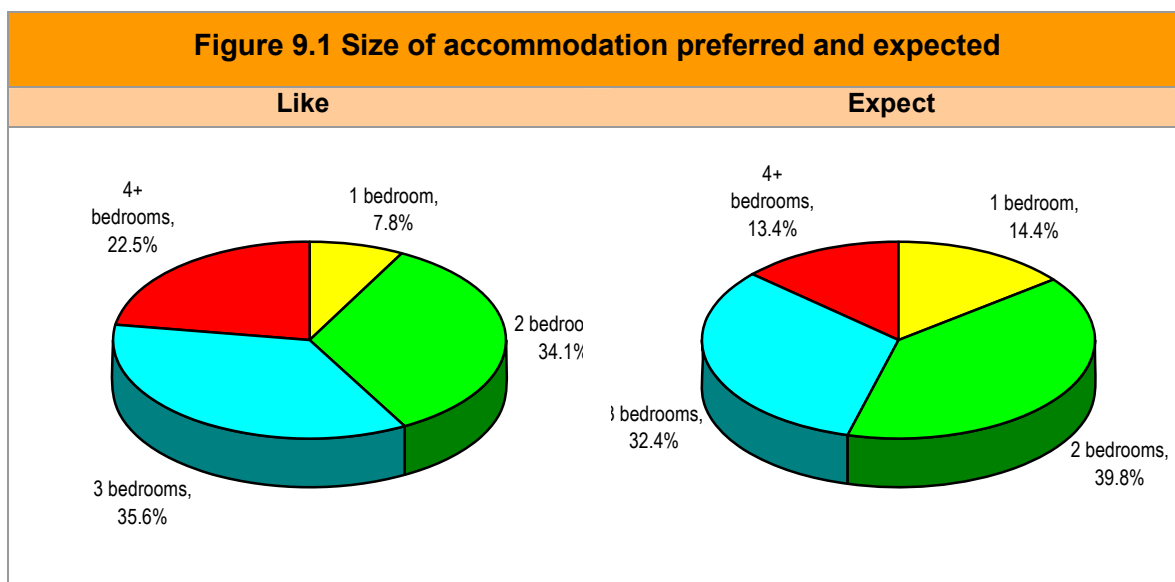
- 9.9 The table below shows the type of dwellings households would like and expect to move to. Unsurprisingly a large proportion of households would like detached accommodation (50.5%) but a much smaller proportion would expect to move to such accommodation (24.3%). Overall more households expect to move to all other dwelling types than is their preference. For example, whilst 15.1% of households would like a flat, almost double this proportion (29.1%) expect to move into that type of accommodation.

Table 9.6 Housing type aspirations and expectations

Type of home	Like	Expect
Detached house	50.5%	24.3%
Semi-detached house	11.2%	20.5%
Terraced house	4.4%	10.6%
Detached bungalow	15.7%	12.0%
Semi-detached/terraced bungalow	3.1%	3.6%
Flat/maisonette	15.1%	29.1%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

9.10 In terms of the sizes of accommodation required we find that the largest groups of households would like three bedroom (35.6%), or two bedroom accommodation (34.1%). In terms of expectations we find that more households expect to obtain two bedroom accommodation (39.8%) than expect three bedrooms (32.4%). 14.4% of households expect to secure a one bedroom home but only around 7.8% would actually like this size of accommodation.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

9.11 In addition, households were asked if they would like or expect to move to specialist accommodation. The vast majority of households would either like (91.4%) or expect (90.9%) ordinary residential accommodation. Where households have indicated either a preference or expectation for specialist accommodation the main form is sheltered housing with a warden, which would be preferred by 4.2% but is expected by slightly more, at 4.4%.

Future moves – newly forming households

9.12 A similar analysis can be carried out for newly forming households. The survey estimates that there are 15,599 households who need or are likely to form from households in the HMA over the next two years.

9.13 The table below suggests that newly forming households are less likely to want to remain in the area than existing households. In total 73.6% of potential households would like to remain in the area but only 70.0% expect to. A greater proportion of newly forming households expect to move away from Dorset completely than would like to.

Table 9.7 Where potential households would like and expect to move

Location of next home	Like	Expect
Within HMA	73.6%	70.0%
Elsewhere in Dorset	0.1%	0.3%
Elsewhere in UK or abroad	26.3%	29.8%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 9.14 In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 66.3% of newly forming households would like to move to owner-occupied accommodation, however, only 32.4% expect to secure such accommodation. Around 12% would like social rented housing but 14% expect to secure it. In total only 21.5% want to move to private rented accommodation but over half (53.4%) expect to do so.

Table 9.8 Housing tenure aspirations and expectations – newly forming households

Tenure	Like	Expect
Buy own home	66.3%	32.4%
Social rented	12.2%	14.2%
Private rented	21.5%	53.4%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

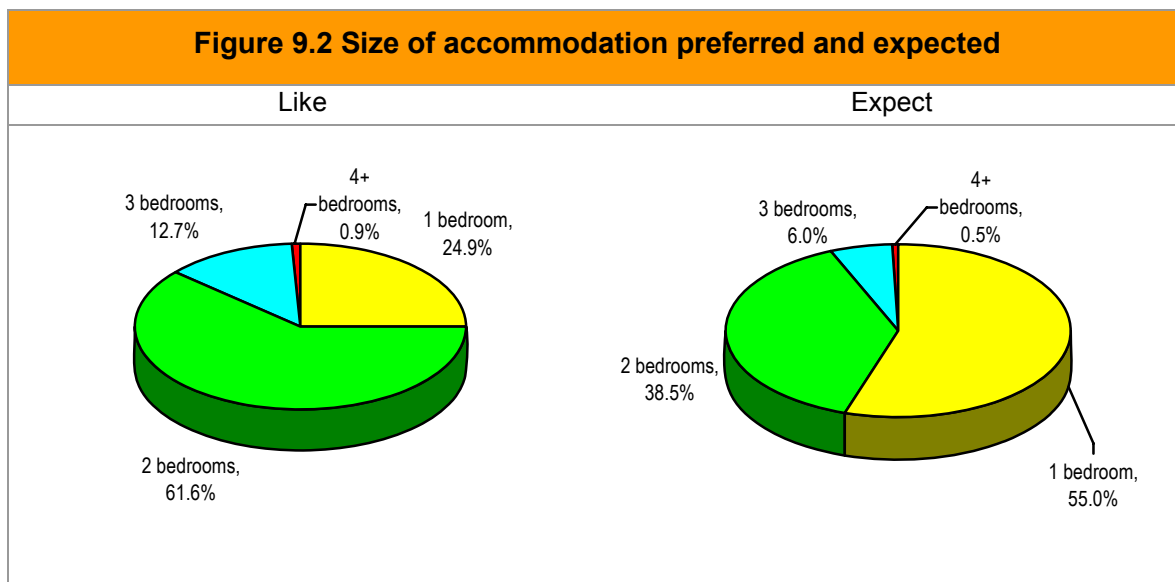
- 9.15 The table below shows the type of dwellings newly forming households would like and expect to move to. Compared with the results for existing households the figures show that there is a greater preference and expectation of flatted accommodation amongst newly forming households. In total 39.9% of newly forming households would like a flat (compared with 15.1% of existing households) whilst over two-thirds (68.3%) expect to secure this type of accommodation.

Table 9.9 Housing type aspirations and expectations of newly forming households

Type of home	Like	Expect
Detached house	29.6%	6.7%
Semi-detached house	16.6%	8.9%
Terraced house	11.0%	12.5%
Detached bungalow	1.1%	1.4%
Semi-detached/terraced bungalow	1.9%	2.1%
Flat/maisonette	39.9%	68.3%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

9.16 In terms of the sizes of accommodation required we find that the largest proportion of households would like two bedroom accommodation (61.6%). In addition just under a quarter (24.9%) would like a one bedroom home. In terms of expectations we find that the largest group is now one bedroom homes (55.0%) and fewer households expect to secure all other sizes of accommodation than would like to.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

9.17 In addition, newly forming households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (98.3%) or expect (96.8%) ordinary residential accommodation.

Summary

9.18 This chapter presented information on the future housing intentions of households in the Bournemouth-Poole HMA. The main findings were:

- Around a fifth (20.2%) of existing households state a need or likelihood of moving home over the next two years
- 84.5% of these households would like to remain living in the HMA, although a slightly lower proportion expect to be able to do so
- Significantly more moving households would like owner-occupied accommodation than expect it. Similarly, more moving households would like a detached home than expect to be able to live in one. The same is true of flats: more people expect them than want them
- The survey estimates that there are 15,599 households who need or are likely to form from households in the HMA over the next two years

- In total an estimated 66.3% of newly forming households would like to move to owner-occupied accommodation, however, much less than this proportion expect to secure such accommodation (32.4%).

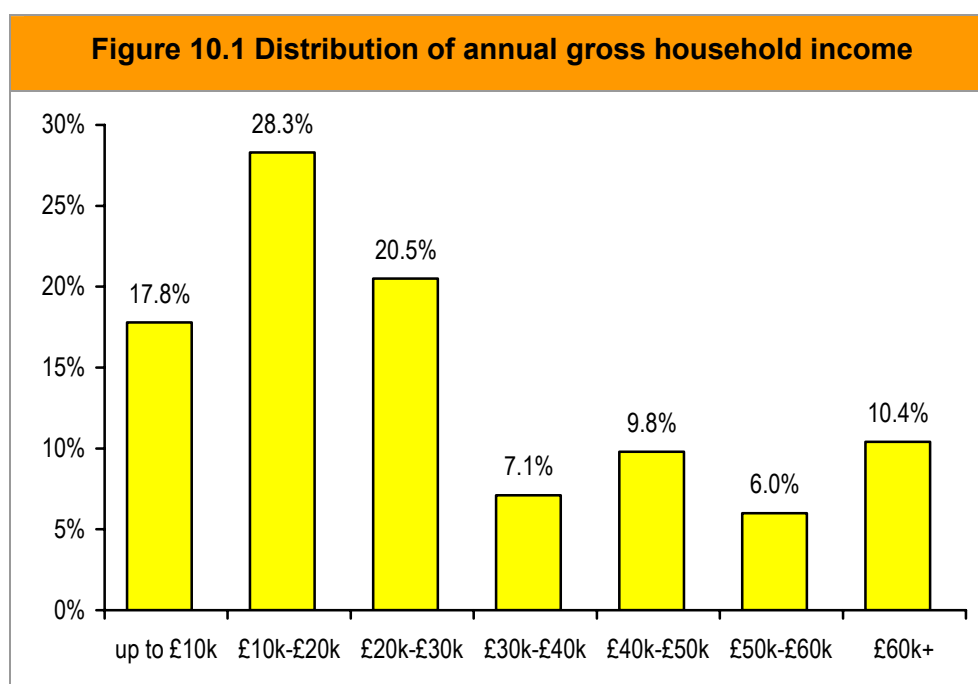
10. Financial information

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 households' financial situation.

Household income

10.2 The response to the survey income question was good with 83.7% of respondents answering this question. Survey results for household income in the Bournemouth and Poole HMA estimate the average (mean) gross household income level to be £28,883 per annum. The median income is noticeably lower than the mean, at £22,250 per annum. The figure below shows the distribution of income.

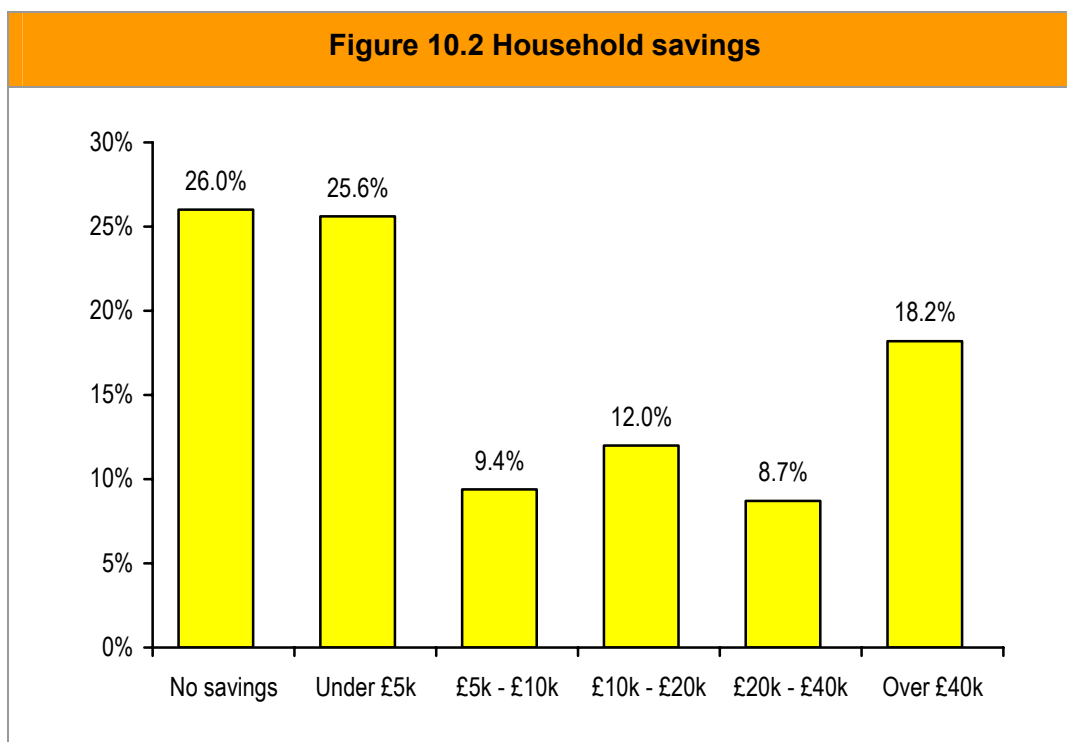


Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Household savings and equity

10.3 The response to the survey savings question was also good with 82.1% of respondents answering this question. The average (mean) household has £36,981 in savings. However there is a high level of inequality within this; the median level of savings is only £4,500.

10.4 The figure below shows the distribution of savings in the HMA. An estimated 51.6% of households had less than £5,000 in savings whilst 18.2% had savings of over £40,000. Households with no savings also include those in debt.



Source: Bournemouth-Poole Housing Market Assessment 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 mean level of equity was estimated to be £221,530, with a significantly lower median of £150,000. It is estimated that about 0.2% of owner-occupiers (349 households) in the HMA are in negative equity. Negative equity is a ‘yes/no’ question in the questionnaire and so the exact amount is not determined. Based on general experience in other surveys, an assumption of -£5,000 is made where a respondent indicates negative equity.

Household characteristics and income

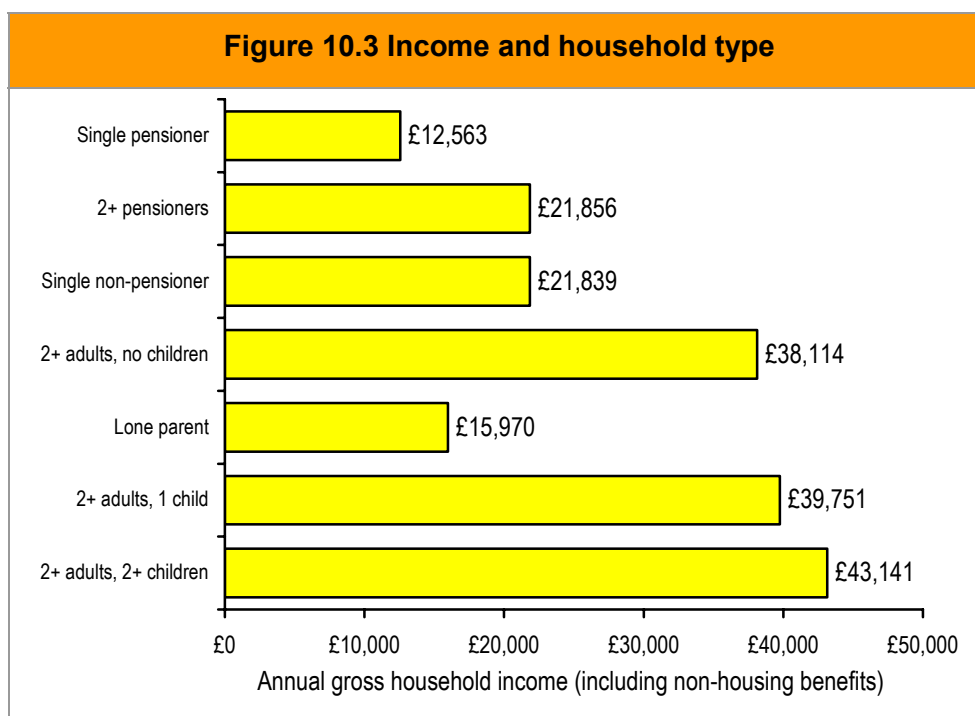
10.6 The table below shows average income, savings and equity by tenure. As might be expected, the households with the lowest average incomes (and savings) are those in the social rented sector. Whilst owner-occupiers with no mortgage have an average household income considerably lower than those with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

- 10.7 The income figures by tenure are generally slightly lower than the latest national estimates (from SEH 2005/06) in the two rented sectors and close to average for owner-occupiers. The latest national figures are: outright owners - £24,522, owners with a mortgage - £40,910, social renters - £12,185 and private tenants - £24,833.

Table 10.1 Financial information by tenure			
Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£25,386	£72,462	£284,793
Owner-occupied (with mortgage)	£40,593	£16,149	£152,265
Social rented	£10,341	£3,474	n/a
Private rented	£21,715	£12,538	n/a
All tenures	£28,882	£36,981	£221,530

Source: Bournemouth-Poole Housing Market Assessment 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 average, while households containing two or more non-pensioner adults show the highest average incomes.



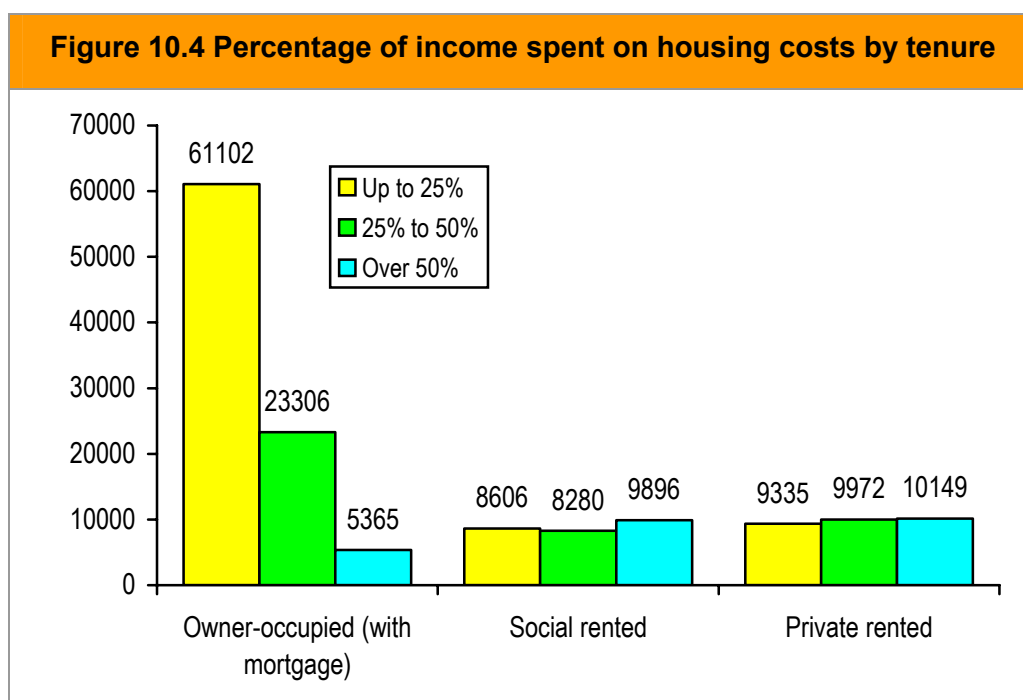
Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Other financial information

- 10.9 In addition to the information collected about income, savings and equity the survey form asked households whether they had access to any other financial resources which might be able to be used towards a deposit on a property (and if so – how much). The vast majority of households (84.7%) stated that they had no further access to financial resources other than those already analysed.
- 10.10 However, it is estimated that the average household among the 15.3% with such funds will have access to approximately £16,336. 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 subsidy.

Relationship of income to housing costs

- 10.11 It is of interest to consider the proportion of income that households are spending on their housing (either for rent or mortgage repayments). Apart from the obvious interest of knowing how far different types of households choose or are forced to go in spending on housing, the Practice Guidance of March 2007 was specifically republished in August 2007, with the main change being to relax statements about the limit of 25% of income being the rule for proportion of income to be spent on housing (in the CLG Guide model for housing need). Hence the issue is a prominent one in that context too.
- 10.12 The figure below shows the number of households in each tenure group by the proportion of their income spent on housing. The chart shows that there are significant numbers of households spending more than 25% and many cases in excess of 50%. Households paying more than 50% of their income for their housing are most likely to be found in the rented sectors.



Source: Bournemouth-Poole Housing Market Assessment 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, 3.7% are claiming Housing Benefit. This rises to nearly two thirds (61.4%) for those spending more than 50% of their income on housing. Whilst this finding shows that to a certain extent the benefit system is meeting the needs of low income households, the data does also suggest that a significant number of households in the HMA (9,801) are spending more than 50% of their income on housing and receiving no subsidy to help with the costs.

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

	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	2.0%	52.2%	9.5%	3.7%
Spend 25%-50%	2.9%	57.1%	21.7%	18.2%
Spend over 50%	20.4%	81.4%	63.6%	61.4%
Total	3.3%	64.5%	32.3%	12.2%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

10.15 It is useful to show the numbers of those not receiving Housing Benefit but nevertheless spending large proportions of their income on housing. This is shown in the table below. As can be seen, 19,946 residents in the Bournemouth and Poole HMA spend more than 50% of their income on housing and yet do not receive Housing Benefit. 57.7% of these are in rented accommodation.

Table 10.3 Proportion of income spent on housing by those not receiving Housing Benefit

	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	59,868	22,637	4,268	86,773
Spend 25%-50%	4,113	3,550	1,840	9,503
Spend over 50%	8,445	7,808	3,693	19,946
Total	72,426	33,995	9,801	116,222

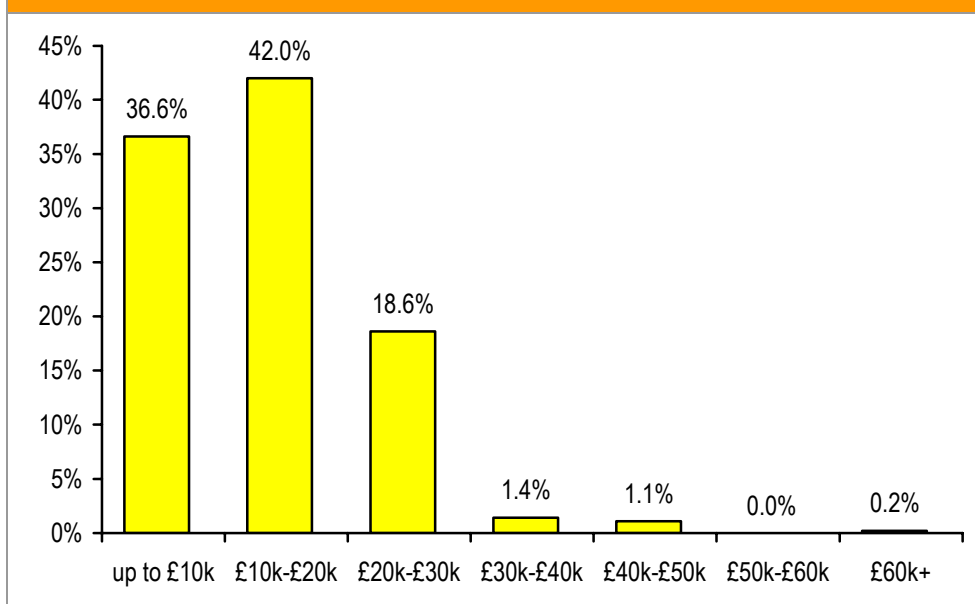
Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Newly forming households financial situation

10.16 The previous chapter highlighted that there are an estimated 15,599 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.

10.17 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 36.6% having an income of below £10,000 and 78.6% an income below £20,000. The average (mean) income of newly forming households is estimated to be £12,458 – significantly below the figure for all households of around £29,000.

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



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 10.18 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).
- 10.19 Taking these two categories together, it is estimated that the average newly forming household will have access to around £7,657 – over half of this (56.0%) 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 40.2% stating that they have no money to use as a deposit/bond and 12.1% having more than £20,000.
- 10.20 Given the level of income and savings shown for newly forming households from the survey data it is clear that many will have difficulty accessing the housing market without some form of subsidy. However, it is widely recognised that this group of households can have rapidly changing financial situations (for example households who have actually formed over the past two years show an average income of £25,600 per annum) and therefore to rely solely on the information provided here may not properly reflect the affordability of this important group.
- 10.21 Therefore the survey form also asked a 'subjective' question about future affordability. In response to this question 63.5% of newly forming households stated that they would not be able to afford market housing without some sort of subsidy (e.g. Housing Benefit).

Summary

10.22 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 the Bournemouth and Poole HMA is £28,882. The average conceals wide variations among different tenure groups with households in social rented housing showing average incomes significantly below the HMA 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 indications 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 households' 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 HMA 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 HMA 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 HMA.
 - **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 HMA.

- **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 HMA 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 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 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 subgroups of tenures and four sizes of dwelling cannot be made into a mechanical analysis without losing practical relevance to the market(s) in question.
- 11.11 The combination of quantitative and qualitative analysis in one calculation process is a novel one. It is prompted by the complexity of the task. As a result of its origin, the process cannot be made completely transparent (as can an arithmetic calculation) but enough cross checking can be done to reassure a detached observer. In most cases the obvious cross-check for the affordable sector is the CLG needs model discussed above. The market sector of the calculation is more easily checked against qualitative evidence.

Results

- 11.12 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 A2). 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 4,095 dwellings per annum (excess demand over supply).

Table 11.1 Balancing Housing Markets results for the Bournemouth and Poole HMA (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	168	808	630	351	1,957
Private rented	168	-60	-131	-75	-97
Intermediate	239	453	175	45	910
Social rented	259	447	362	259	1,324
TOTAL	832	1,646	1,038	579	4,095

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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

- i) **Private rented sector.** Where the figures show a surplus they do not imply that there will be empty rented flats. What the figures imply is that even viewed in terms of expectations, most people do not want the private rented sector. Viewed through the perspective of ‘aspirations’ very few want it. Many more expect it, but yet more will be obliged in practice to accept it. Household expectations are a realistic way to view the future market, but nothing is certain about the future, and as we have a much more detailed database on stock supply and turnover than any household is likely to have, this analysis can establish the ‘true’ position on overall supply and demand. A surplus shown for a particular size of private rented dwelling will only very rarely result in vacant private rented stock. In practice some households expecting to buy may be frustrated in achieving this. Such households will end up in private rented accommodation thus creating an overall demand for the sector. Similarly, but at the other end of the financial capacity range, some households only able to afford social rented housing will be unable to secure it as expected, and will enter the private rented sector on Housing Benefit.
- ii) **Social rented vs intermediate housing.** Since there is only a very limited supply of intermediate housing at present, the ‘expectations’ of households are not often directed towards this tenure. As a result we have taken those aspiring to something more than social renting and applied a means test to them. In this respect, the general approach to the BHM of using expectations is replaced by analysis of the ability to afford. Thus the numbers of households indicated to be in the intermediate band are those unable to afford market housing, but who can afford the mid-point of the intermediate range. The mid-point is taken because it represents the ‘average’ weekly cost of intermediate housing types.

11.14 The following section examines the results.

Housing tenure outcomes

Owner-occupation

11.15 In the owner-occupied sector there is an apparent shortfall of 1,957 units per annum, making up 48% of the overall shortfall. A large proportion of this excess demand, 41%, is for two bedroom units; however there is also significant demand for other sizes of dwelling.

Private rented sector

11.16 Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is a little less than the overall supply. However, by size of dwelling we find that there are still potential shortages of one bedroom homes, although there are small surpluses of all other sizes of accommodation.

Affordable housing

- 11.17 The CLG Needs model set out in Chapter 8 showed a very high level of need (an index of 23, and an annual need for 5,704 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 more likely to happen in the market, although this too does not take into account a households' ability to pay for the type of housing that it is seeking. The BHM model indicates a demand for some 2,234 new affordable dwellings per annum. This is still beyond the likely level of feasible provision, but is less than half the CLG Needs estimate.
- 11.18 This reflects the reality that many households in need will find a home in the private rented sector on Housing Benefit, which is the main alternative to affordable housing. It is by no means an adequate substitute in many cases, as it is both of poorer physical condition in many instances, and also does not provide security of tenure (six month shortholds). Nevertheless, this is the reality for many households in housing need. It is of note that over 54% of the demand in the HMA is for affordable housing. However both the CLG and BHM estimates indicate affordable housing needs well beyond the likely level of provision. The future housing target up to 2026, for the HMA, will be determined through the Regional Spatial Strategy (RSS) and set out in the Local Authority's forthcoming Core Strategy. The policy implications of these figures are discussed in more detail in the Local Authority reports.

Intermediate housing

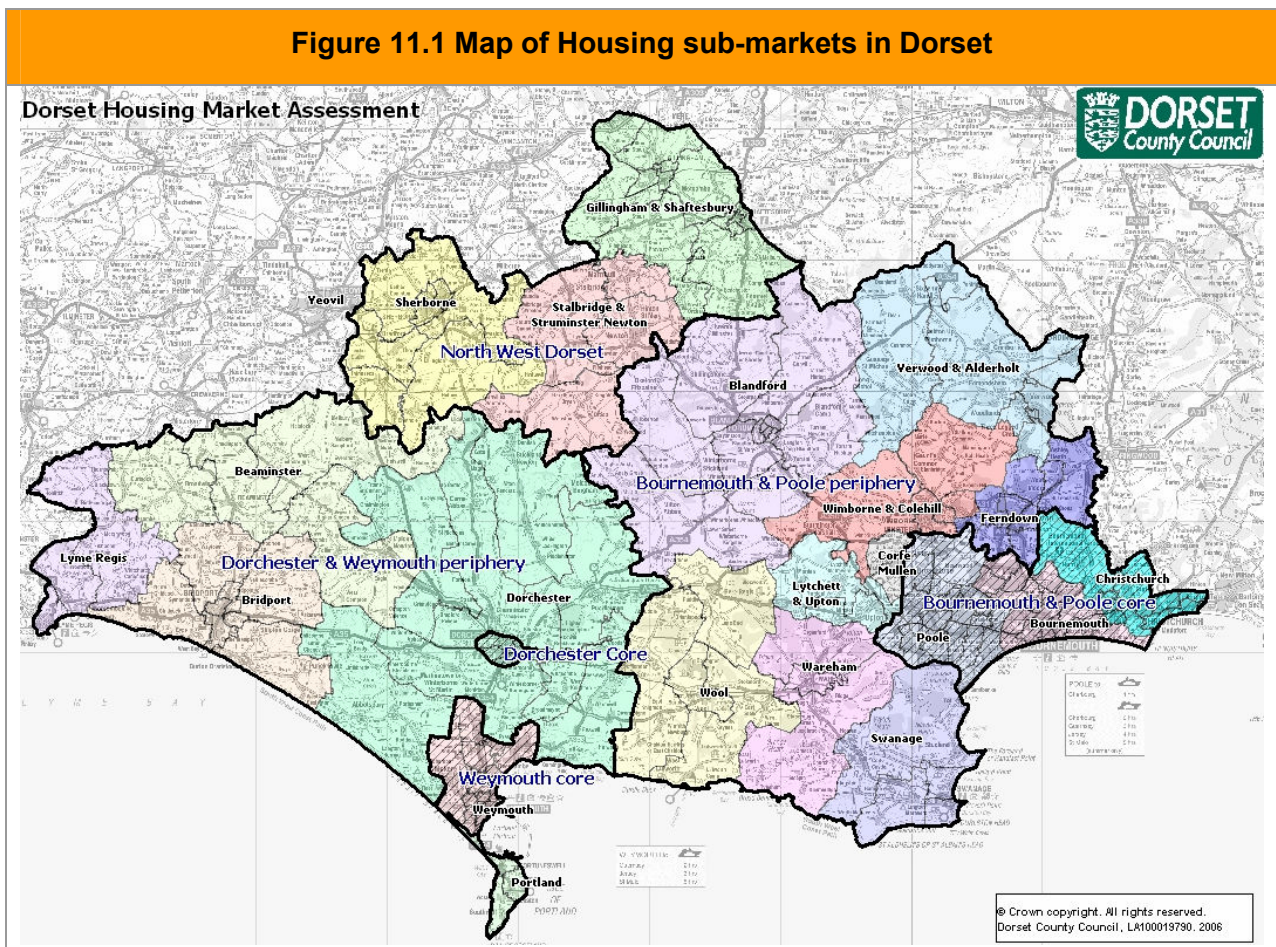
- 11.19 The requirement for intermediate housing makes up around 22% of the net shortfall of housing in the HMA. Almost exactly half of the shortfall is for two bedroom homes.

Social rented housing

- 11.20 The shortage of social rented housing makes up around 32% of the total shortfall of housing in the HMA. Although there is a demand for all sizes of property, demand for large four bedroom properties is particularly strong in relation to intermediate housing. This reflects a particularly low level of supply, however, rather than an unusually strong gross demand.

Sub-HMA level results

11.21 In addition to providing the BHM analysis for the whole HMA the data has been used to provide information for sub-markets within the HMA. Across the whole of Dorset, a total of six sub-HMA areas were identified through the wider County-wide SHMA work. Two of these sub-markets (Bournemouth and Poole core and Bournemouth and Poole periphery) are entirely within the Bournemouth and Poole HMA, whilst a third (North West Dorset) is partly in the HMA and partly within the Dorchester & Weymouth HMA. The map below shows the boundaries of the housing sub-markets.



Source: Bournemouth and Poole Housing Market Assessment Fordham Research 2007

11.22 The tables below show the BHM results for the Bournemouth and Poole core sub-market, the Bournemouth and Poole periphery sub-market and the North West Dorset sub-market. The fourth table below shows the part of the North West Dorset sub-market which is within the Bournemouth and Poole HMA.

Table 11.2 Balancing Housing Markets results for the Bournemouth and Poole core sub-market (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	197	614	359	141	1,312
Private rented	70	-63	-58	-6	-56
Intermediate	212	336	114	30	692
Social rented	207	387	211	200	1,004
TOTAL	687	1,274	627	365	2,952

Source: Bournemouth and Poole Housing Market Assessment Fordham Research 2007

Table 11.3 Balancing Housing Markets results for the Bournemouth and Poole periphery sub-market (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	-8	112	224	135	462
Private rented	36	-32	-41	-46	-83
Intermediate	20	82	43	14	158
Social rented	21	105	93	49	268
TOTAL	68	266	319	152	806

Source: Bournemouth and Poole Housing Market Assessment Fordham Research 2007

Table 11.4 Balancing Housing Markets results for the North West Dorset sub-market (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	-19	101	112	102	296
Private rented	62	39	-26	-32	44
Intermediate	17	47	27	0	91
Social rented	25	-22	44	14	62
TOTAL	85	165	157	85	492

Source: Bournemouth and Poole Housing Market Assessment Fordham Research 2007

Table 11.5 Balancing Housing Markets results for the North West Dorset sub-market (part) (per annum)

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	-21	82	46	74	181
Private rented	61	35	-31	-24	40
Intermediate	6	35	19	0	60
Social rented	30	-45	58	10	53
TOTAL	76	106	91	61	334

Source: Bournemouth and Poole Housing Market Assessment Fordham Research 2007

- 11.23 The data in the tables above shows a strong demand for both market and affordable housing in all parts of the HMA.
- 11.24 The Bournemouth and Poole core area shows the highest demand (although it should be borne in mind that this is by far the largest area in terms of households). Overall it is estimated that there is a net demand for an additional 2,952 dwellings in the Bournemouth and Poole core area, of this 42.5% of the demand is for market homes with the remaining 57.5% in the affordable sector. Within the affordable sector the data suggests that 41% of the net demand is for intermediate housing.
- 11.25 In the Bournemouth and Poole periphery area there is an estimated annual demand for 806 additional units (47.1% market and 52.9% affordable). The proportion of the affordable housing demand which is for intermediate housing is similar to that found in the Bournemouth and Poole core sub-market (37% of the affordable demand is for intermediate housing).
- 11.26 In the whole of the North West Dorset sub-market there is an estimated net demand for 492 additional units of which 31.0% is affordable housing. In the portion of this sub-market which is within the Bournemouth and Poole HMA the data suggests a demand for 334 additional units, of these an estimated 33.8% are affordable housing with over half of this (53%) being for some form of intermediate housing.

Summary

- 11.27 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 for the whole HMA reveals that there is an ongoing requirement for owner-occupied accommodation and a potentially significant requirement for social rented and intermediate housing, although there is a slight oversupply of private rented accommodation, with the exception of one bedroom properties.
- 11.28 The size requirements overall are largely for two and three bedroom properties, together making up 66% of total demand. In the private sector there is a particular demand shown for two bedroom properties.
- 11.29 Within the HMA core area 42.5% of the demand is for market homes with 57.5% for affordable housing. In the periphery there is also slightly higher demand for affordable as opposed to market housing whereas in North West Dorset, affordable housing makes up around 31% of the total demand.

SECTION D: PARTICULAR GROUPS

12. The needs of particular groups

Introduction

12.1 This section addresses particular client groups that may have specific housing requirements. Although such groups do not necessarily represent households in need as defined by the CLG Guide, it is important for the councils within the HMA 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 strategies.

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 Strategies, 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 of because of the nature of the special need).

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

12.7 The groups covered were:

- Frail elderly
- Persons with a physical disability
- A learning disability
- A mental health problem
- A severe sensory disability
- Persons with a medical condition
- 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 50,086 households in the Bournemouth and Poole HMA area with one or more members in an identified special needs group. This represents 20.5% of all households. The table below shows the numbers of households with different types of special needs. The numbers of households in each category exceed the total number of special needs households because people can have more than one category of special need.

12.10 Households with a medical condition are the largest group. There are 27,972 households containing a person with a medical condition, representing 55.8% of all special needs households. The next largest groups were frail elderly and physical disability, with 22,830 (45.6%) and 22,653 (45.2%) households respectively having members in this category.

Table 12.1 Special needs categories			
Category	Number of households	% of all households	% of special needs households
Frail elderly	22,830	9.3%	45.6%
Physical disability	22,653	9.3%	45.2%
Learning difficulty	5,162	2.1%	10.3%
Mental health problem	6,690	2.7%	13.4%
Severe sensory disability	5,317	2.2%	10.6%
Medical condition	27,972	11.5%	55.8%
Other	2,986	1.2%	6.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.11 The tables below show the characteristics of special needs households in terms of age group; the majority (60.8%) of such households contain at least some older people.

Table 12.2 Special needs households with and without older people

Age group	Special needs households				
	Special needs	No special needs	Number of h'holds	% of age group with special needs	% of those with a special need
No older people	19,633	121,231	140,864	13.9%	39.2%
Both older & non older people	6,102	17,327	23,429	26.0%	12.2%
Older people only	24,351	55,656	80,007	30.4%	48.6%
TOTAL	50,086	194,214	244,300	20.5%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.12 The table below indicates that special needs households are more likely to be living in social rented housing. 41.8% of social rented households contain a special needs member, far more than any other tenure. However, the largest group of those with special needs (44.6%) live in owner-occupied housing without a mortgage; they make up 22.8% of households in this tenure.

Table 12.3 Special needs households and tenure

Tenure	Special needs households				
	Special needs	No special needs	Number of h'holds	% of tenure with special needs	% of those with a special need
Owner-occupied (no mortgage)	22,362	75,927	98,289	22.8%	44.6%
Owner-occupied (with mortgage)	10,032	79,741	89,773	11.2%	20.0%
Social Rented	11,189	15,593	26,782	41.8%	22.3%
Private Rented	6,504	22,952	29,456	22.1%	13.0%
TOTAL	50,086	194,214	244,300	20.5%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.13 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. 14.0% of all special needs households are living in unsuitable housing, which compares with 6.4% of all households and 4.5% of all non-special needs households.

Table 12.4 Special needs households and unsuitable housing

Special needs	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds	% of group in unsuitable housing	% of those in unsuitable housing
Special needs	43,098	6,988	50,086	14.0%	44.5%
No special needs	185,513	8,701	194,214	4.5%	55.5%
TOTAL	228,611	15,689	244,300	6.4%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

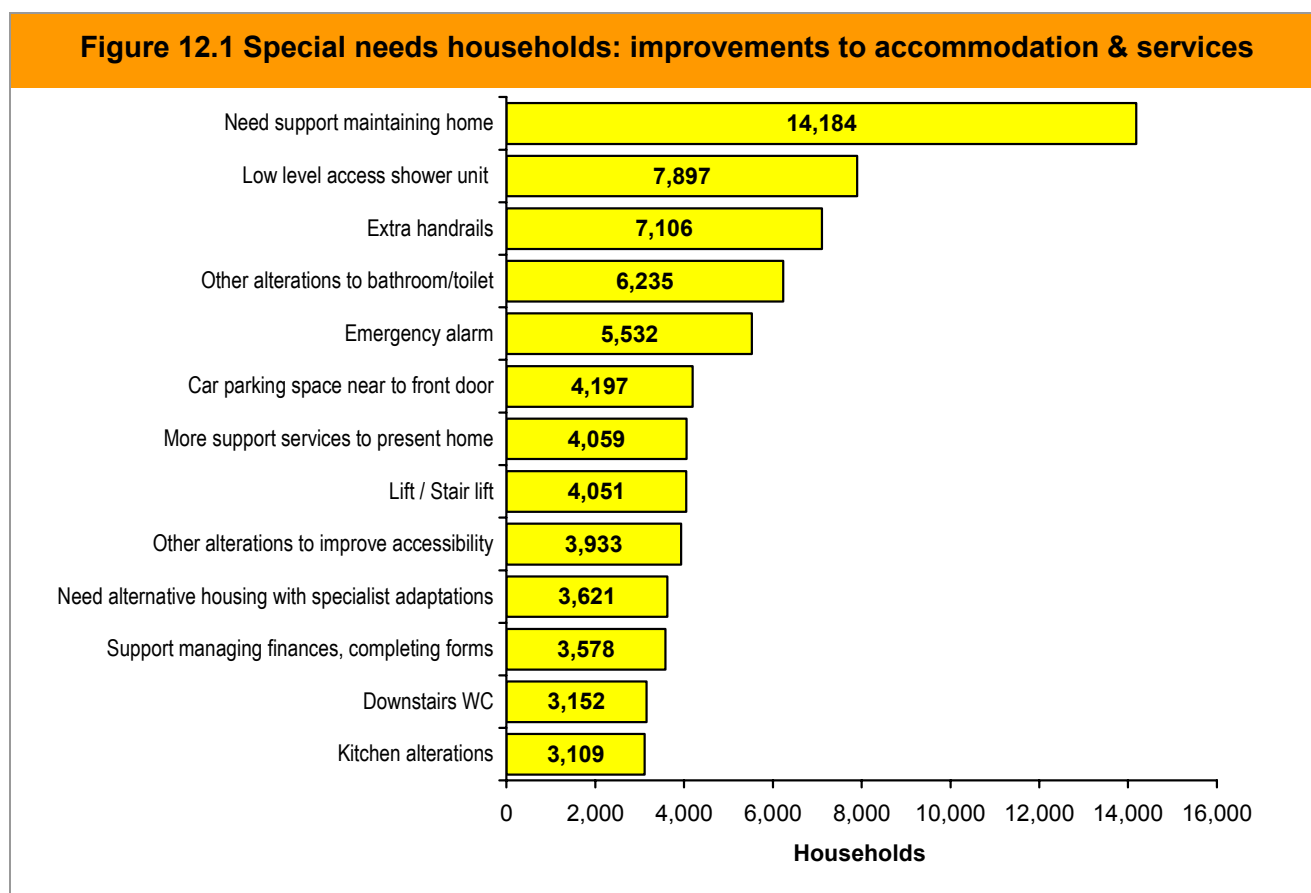
12.14 The figure below shows the average income and savings levels for special needs households in comparison to other households in the HMA. The figure shows that special needs groups have average income levels noticeably below the average for non-special needs households, and also lower savings levels, despite the high proportion of older people in this group.

Table 12.5 Income and savings levels of special needs households		
Special needs	Annual gross household income	Average household savings
Special needs	£19,075	£30,911
No special needs	£31,412	£38,546

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Requirements of special needs households

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



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.16 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 with home maintenance (14,184 households – 28.3% of all special needs households)
- Low level access shower unit (7,897 households – 15.8% of all special needs households)
- Extra handrails (7,106 households – 14.2% of all special needs households)

Older person households

12.17 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

12.18 Just under a third of all households in the Bournemouth and Poole HMA contain only older people (32.7%) and a further 9.6% contain both older and non-older people. The table below shows the number and percentage of households in each group.

Table 12.6 Older person households		
Categories	Number of households	% of all households
Households without older persons	140,864	57.7%
Households with both older and non-older persons	23,429	9.6%
Households with older persons only	80,007	32.7%
TOTAL	244,300	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Characteristics of older person households

12.19 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 338 older person households (0.4%) containing three or more people. More than half of all single person households are older person households.

Table 12.7 Size of older person only households

Number of persons in household	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of group with older persons	% of older person h'holds
One	41,815	32,915	74,730	56.0%	52.3%
Two	37,854	61,169	99,022	38.2%	47.3%
Three	293	31,541	31,834	0.9%	0.4%
Four	45	27,108	27,153	0.2%	0.1%
Five	0	8,623	8,623	0.0%	0.0%
Six or more	0	2,938	2,938	0.0%	0.0%
TOTAL	80,007	164,293	244,300	32.7%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.20 The table below shows the housing tenures of households with older persons. A clear majority (81.2%) of older person only households own their own homes. Most of these do not have a mortgage. This finding suggests that the potential for equity release schemes in the Bournemouth and Poole HMA area is quite high.

12.21 Another significant finding is the relatively high proportion of social rented accommodation containing older people only. Well over a third (39.7%) of social rented dwellings contain only older people. This may have implications for future supply of specialised social rented accommodation.

Table 12.8 Older person only households and tenure

Tenure	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of tenure with older persons	% of h'holds with older persons
Owner-occupied (no mortgage)	58,643	39,646	98,289	59.7%	73.3%
Owner-occupied (with mortgage)	6,325	83,448	89,773	7.0%	7.9%
Social rented	10,636	16,146	26,782	39.7%	13.3%
Private rented	4,403	25,053	29,456	14.9%	5.5%
TOTAL	80,007	164,293	244,300	32.7%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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

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

Number of bedrooms	% of older person households	% of non-older person households
1 bedroom	15.3%	10.3%
2 bedrooms	39.6%	26.5%
3 bedrooms	33.3%	39.9%
4+ bedrooms	11.8%	23.4%
TOTAL	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.23 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 occupied by older persons (93.9%) are in the owner-occupied sector there are 1,130 properties in the social rented sector which may therefore present some opportunity to reduce under-occupation.

Table 12.10 Older person only households: size of accommodation and tenure

Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	3,409	24,263	22,689	8,283	58,643
Owner-occupied (with mortgage)	579	2,822	2,122	802	6,325
Social rented	6,569	2,937	1,020	110	10,636
Private rented	1,647	1,684	809	263	4,403
TOTAL	12,203	31,705	26,640	9,458	80,007

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Key worker households

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

- Nurses and other NHS staff
- Prison/probation staff
- Teacher
- Junior and retained fire fighter
- Police officer
- Social worker, educational physiologist, therapists

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

12.26 In total it is estimated that 24,408 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.

12.27 The table below shows the tenure of key worker households. The results indicate that the majority of key worker households (85.5%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (78.6%). 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 12.11 Tenure of Key worker households				
Tenure	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Owner-occupied (no mortgage)	5,364	22.0%	20,504	20.5%
Owner-occupied (with mortgage)	15,508	63.5%	58,257	58.1%
Social Rented	576	2.4%	6,781	6.8%
Private rented	2,961	12.1%	14,719	14.7%
TOTAL	24,408	100.0%	100,261	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Income and affordability of key worker households

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

12.29 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 (in employment) households. In comparison with all households, income levels for both key worker and non-key worker households (in employment) are above the HMA average although savings levels are below. This reflects the fact that the HMA-wide figures include retired households who have no earned income but much higher levels of savings.

Table 12.12 Income and savings levels of key worker households

Category	Annual gross household income (including non-Housing Benefits)	Average household savings
All key worker household	£44,659	£27,260
All non-key worker (in employment)	£36,810	£25,675
All other households (no-one working)	£16,549	£49,958
All households	£28,883	£36,981

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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

Table 12.13 Key worker households and ability to afford housing

Category	Number of households	% of households
Afford market housing	20,970	85.9%
Afford intermediate housing	1,295	5.3%
Social rent only	2,143	8.8%
Total	24,408	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.31 The table indicates that 85.9% of all key worker households are able to afford entry-level prices in the market. It is interesting to note that of the 3,438 households unable to afford minimum market prices, 62.3% can only afford social rented housing, whilst 37.7% can afford intermediate housing.

Situation of younger people

12.32 For the purpose of this study younger people are defined as those aged between 21 and 35. The survey records that there are 68,855 younger people in the Bournemouth-Poole HMA.

12.33 The table below presents the working status of younger people in the HMA. The table indicates that over four-fifths of younger people are employed, with the overwhelming majority of these in full-time employment. However there are some 3.3% of younger people that are unemployed.

Table 12.14 Working status of younger people

Working status	Number of people	% of all people
Full-time employment	43,670	63.4%
Part-time employment	8,488	12.3%
Self-employed	4,452	6.5%
Unemployed	2,289	3.3%
Full-time student	1,997	2.9%
Looking after home/family	5,080	7.4%
Permanently sick/disabled	1,564	2.3%
Other	1,221	1.8%
TOTAL	68,855	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.34 The table below indicates the type of households these younger people live in. The table shows that some 26.2% of younger people live in a home as a family with their own children, over a third share their home with other younger people, 9.3% live alone and 29.8% live with their parents or others.

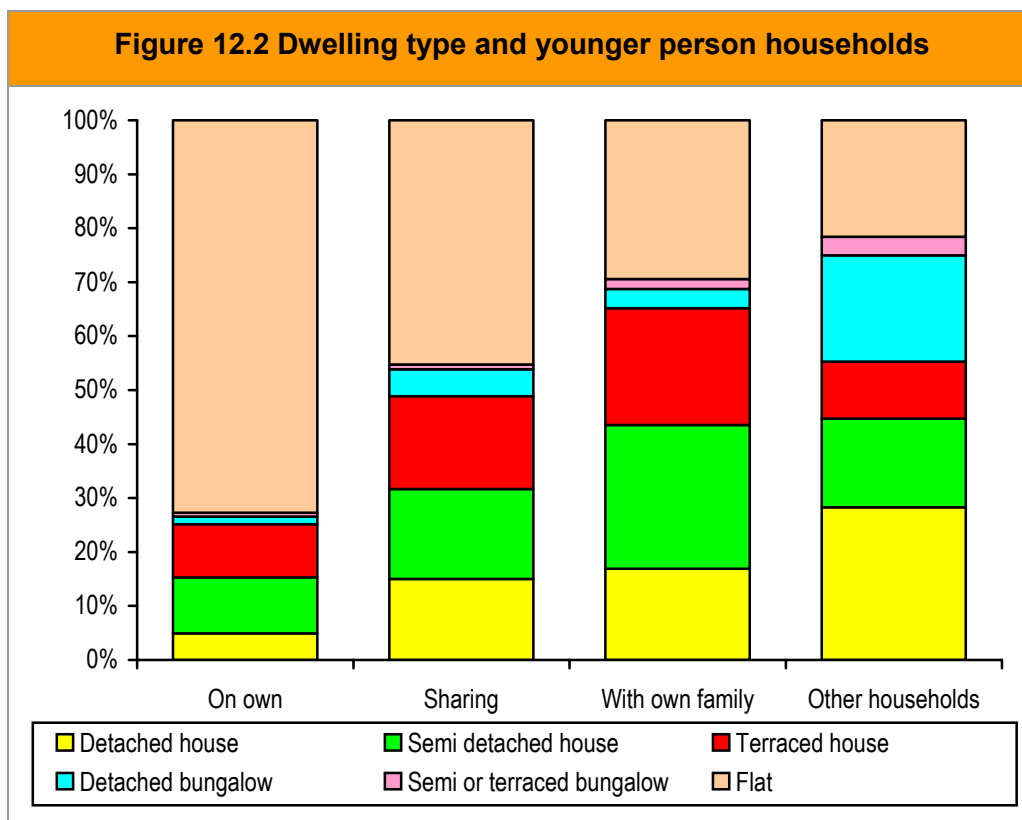
Table 12.15 Type of household younger people reside in

Type of household	Number of people	% of all people
On own	6,410	9.3%
Sharing house with others the same age	23,889	34.7%
Live in family with own children	18,069	26.2%
Live with parents/others	20,487	29.8%
TOTAL	68,855	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.35 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.

12.36 The figure below shows the types of properties in which the three groups of younger households live. The equivalent information is presented for all other households in the HMA for comparison. The figure indicates that younger households are less likely than other households in the HMA to live in detached houses or bungalows and are more likely to live in a flat.



12.37 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 that young single households are particularly likely to live in one bedroom accommodation with more than 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 the Bournemouth-Poole HMA.

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

Number of bedrooms	Household type			
	Young on own	Young sharing	Young with own family	Other households
1 bedroom	50.7%	15.7%	3.3%	10.9%
2 bedrooms	36.2%	47.2%	46.5%	28.7%
3 bedrooms	11.1%	28.7%	40.7%	39.0%
4+ bedrooms	2.0%	8.3%	9.5%	21.4%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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

Table 12.17 Tenure of younger households

Tenure	Household type			
	Young on own	Young sharing	Young with own family	Other households
Owner-occupied (no mortgage)	1.8%	2.7%	1.8%	46.1%
Owner-occupied (with mortgage)	59.4%	58.7%	44.9%	34.1%
Social rented	9.4%	2.9%	24.8%	10.8%
Private rented	29.4%	35.7%	28.5%	9.0%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Bournemouth-Poole Housing Market Assessment HNDS Fordham Research 2007

First time buyers

- 12.39 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.
- 12.40 This section considers the characteristics of recent first-time buyers in the HMA 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

- 12.41 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.
- 12.42 The survey records that there are 8,248 households that have become first-time buyers in the Bournemouth and Poole HMA in the last two years. The table below shows the age of the respondent in first-time buyer households. It shows that 45.5% of respondents are between 20 and 29, whilst 27.4% are between 30 and 39. The average (median) age of respondents in first-time buyer households is 30 years.

Table 12.18 Age of respondent in first-time buyer households

Respondent age	Number of households	% of all households
Up to 20	11	0.1%
20-29	3,753	45.5%
30-39	2,257	27.4%
40-49	1,074	13.0%
50 and over	1,153	14.0%
TOTAL	8,248	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 12.43 The average (mean) annual income of first-time buyer households is £37,236 which is significantly higher than the average for the HMA of £28,725. The financial situation of those households that have become first-time buyers suggests that households have to be on a high income before they can access owner-occupation and implies that the number of first-time buyers in Bournemouth-Poole may be being restricted by the cost of housing.
- 12.44 Finally the survey indicates that some 43.4% of first-time buyers are using a higher proportion of their income to pay for their housing costs than is recommended by CLG Guidance. This indicates that any 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

- 12.45 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 5,405 households that would like to become owner-occupiers in the next two years.
- 12.46 The survey suggests that these 5,405 households have an average annual income of £28,531, very close to the HMA average and average savings of £5,790, which is significantly lower than the average across the HMA.
- 12.47 The ability of these potential first-time buyer households to afford owner-occupation in the Bournemouth-Poole HMA is now examined. The data suggest that just 1,533 (28.4%) of these households would be able to purchase an appropriately sized home if they were to move now.

Concealed younger households aspiring to own

- 12.48 The survey data reveals that 11,531 younger households currently living with a host household (commonly parents/relatives) are likely to form within the Bournemouth and Poole HMA in the next two years. Some 7,984 of these households would like to become owner-occupiers in the next two years.
- 12.49 The survey indicates that these 7,984 concealed households have an average annual income of £14,224, which is significantly below the average across the HMA. Further analysis reveals that only 25.1% of these households would be able to afford to purchase a home in the Bournemouth-Poole HMA if they were to move now.

Rural households

- 12.50 In order to produce a meaningful database for analysis the HMA 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.
- 12.51 The table below indicates the urban and rural classification that each household in the Bournemouth and Poole HMA is recorded in. The data shows that a large majority of households are urban (80.3%), with just under a fifth being rural (19.7%).

Table 12.19 Population urban/rural (based on 4 categories)		
Classification	Number of households	Percentage of households
Urban	196,159	80.3%
Town and Fringe	23,644	9.7%
Village	16,564	6.8%
Hamlet	7,934	3.2%
Total	244,300	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

- 12.52 The table below shows the variation in the tenure profile by urban/rural classification. The data shows that households living in a village or hamlet are the most likely to be owner occupiers (no mortgage) although urban households are the most likely to be buying with a mortgage.

Table 12.20 Rural households and tenure

Tenure	Urban	Town and Fringe	Village	Hamlet	Total
Owner-occupied (no mortgage)	39.8%	38.8%	44.4%	45.1%	40.2%
Owner-occupied (with mortgage)	37.5%	36.9%	32.1%	28.4%	36.7%
Social rented	10.7%	15.3%	11.0%	5.0%	11.0%
Private rented	12.0%	8.9%	12.6%	21.4%	12.1%
Total %	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL	196,159	23,644	16,564	7,934	244,300

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.53 The table below shows how household types vary between urban and rural households. We find that single pensioners are more often found in the town and fringe although two or more pensioners are more likely in a hamlet. We find that families are more often found in the more rural areas, with single non-pensioners being in higher proportions in urban areas.

Table 12.21 Rural households and household type

Household type	Urban	Town and Fringe	Village	Hamlet	Total
Single pensioners	17.3%	18.7%	14.4%	13.4%	17.1%
2 or more pensioners	15.4%	15.6%	17.4%	18.5%	15.6%
Single non-pensioners	14.2%	12.3%	9.4%	8.5%	13.5%
2 or more adults - no children	33.3%	31.5%	36.8%	37.9%	33.5%
Lone parent	3.3%	3.6%	2.3%	1.4%	3.2%
2+ adults 1 child	7.6%	8.8%	8.4%	8.3%	7.8%
2+ adults 2+ children	9.0%	9.5%	11.3%	12.0%	9.3%
Total %	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL	196,159	23,644	16,564	7,934	244,300

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.54 The table below compares the incomes and savings levels of households in the four areas. The data clearly shows that households in the more rural areas are more affluent than those in urban areas as they record both a higher average annual household income and have significantly higher levels of savings.

Table 12.22 Income and savings levels of rural households

Categories	Annual gross household income	Average household savings
Urban	£28,338	£34,921
Town and Fringe	£27,170	£33,119
Village	£34,425	£56,312
Hamlet	£35,895	£59,060
Total	£28,883	£36,981

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Accessibility in rural areas

12.55 A further question asked in the survey was on the subject of car ownership/availability. Although not directly linked to housing, it influences the ability of household's to access necessary services.

12.56 18.1% of all households in the urban area have no access to a car or van, this compares with just 11.5% of rural households. The average household has 1.28 cars; this figure varies from 1.23 for urban households to 1.70 for households living in a hamlet.

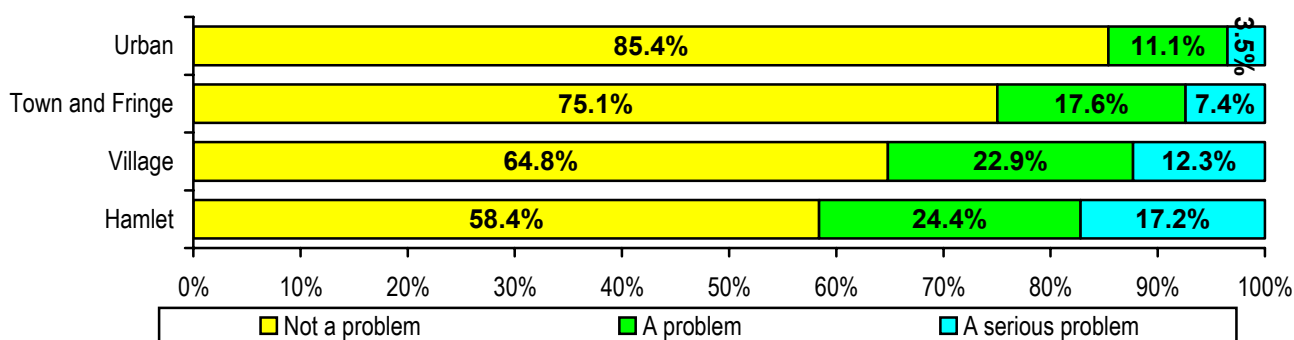
Table 12.23 Rural households and car ownership

Number of cars/vans available for use	Urban	Town and Fringe	Village	Hamlet	Total
0	18.1%	16.4%	7.3%	6.0%	16.8%
1	47.5%	46.6%	40.4%	34.9%	46.5%
2	27.5%	29.8%	40.4%	42.1%	29.1%
3+	7.0%	7.3%	12.0%	16.9%	7.7%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Total %	196,159	23,644	16,564	7,934	244,300
Average number of cars	1.23	1.28	1.57	1.70	1.28

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.57 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 the more rural areas were more likely to record public transport provision as being inadequate than households within urban areas. In the case of households in a hamlet 41.6% stated that there were problems with the adequacy of public transport, in urban areas the figure was only 14.6%.

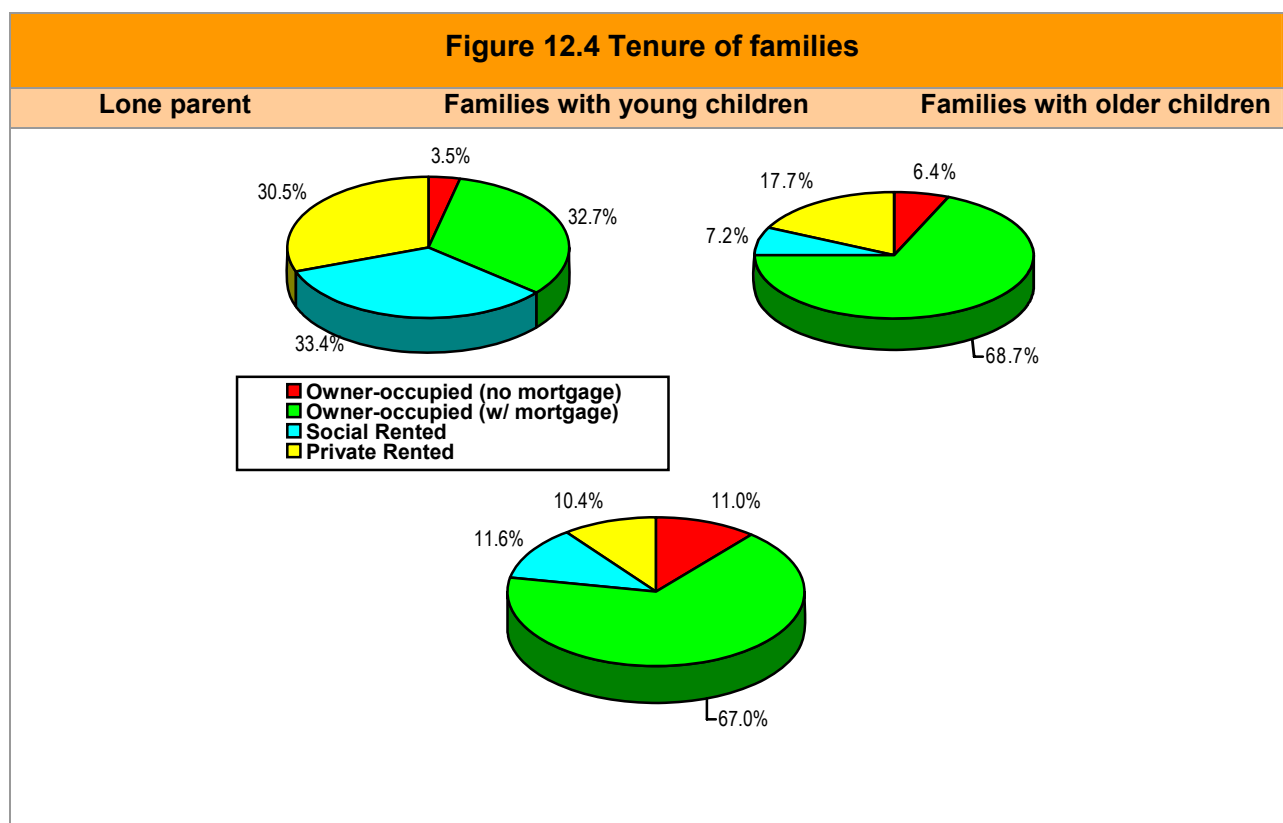
Figure 12.3 Opinions on adequacy of public transport provision near home



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Housing circumstances of families with children

- 12.58 PPS3 acknowledges the importance of providing suitable housing for families, especially those with children, to ensure that communities are appropriately mixed. The rest of this section will briefly consider the current housing situation of families with children in the Bournemouth and Poole HMA 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.
- 12.59 For the purposes of this analysis children are defined as those aged under 16 and the rest of this 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 nine or the average age of the children is under nine. Households with older children are those where the children's age is nine or over or the average age of the children is nine or over.
- 12.60 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 whereas two parent families are more likely to be owner-occupiers. Those families with young children are more likely to be living in private rented accommodation than those with older children.

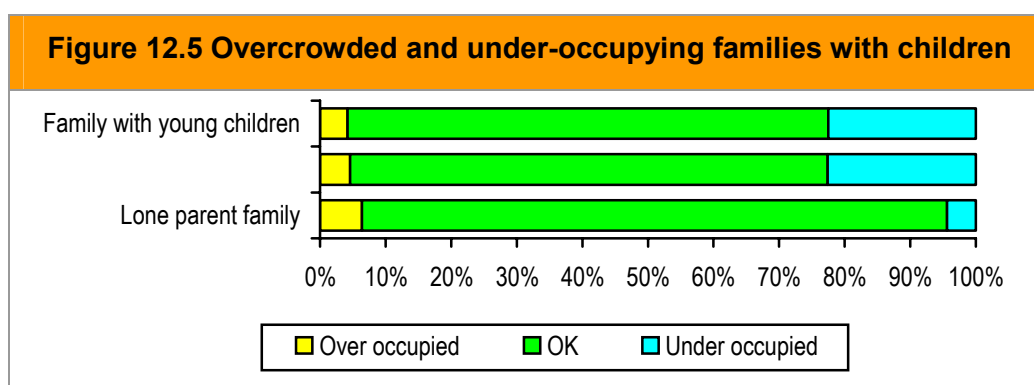


12.61 The table below presents the proportion of families with children living in unsuitable housing. The table indicates that lone parent families are significantly more likely than other family types to be living in unsuitable housing.

Table 12.24 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	20.7%	10.1%	10.1%
Not in unsuitable housing	79.3%	89.9%	89.9%
TOTAL	100.0%	100.0%	100.0%
Total count	7,908	21,573	20,045

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.62 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 although significantly less likely to be under occupying their property.



Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Housing preferences of families with children

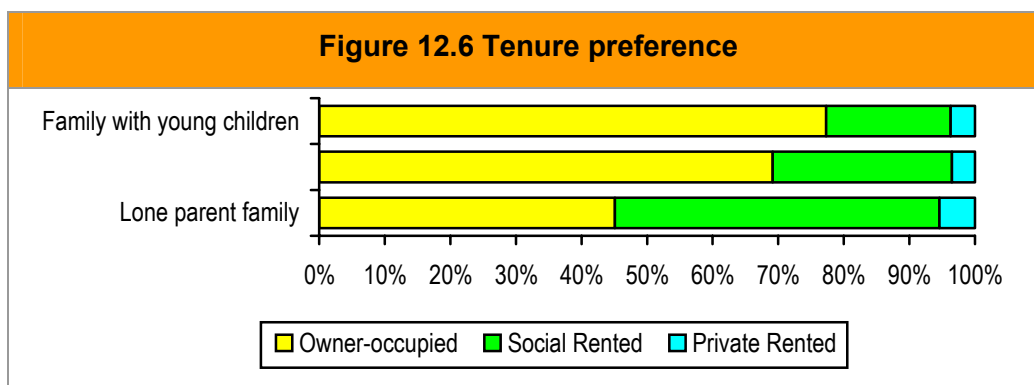
12.63 The table below indicates that a larger proportion of lone parent families are the most likely to need or to be likely to move within the next two years. The results suggest that families with older children are the most content to stay in the property for the long term, with more than 62.8% stating no need to move.

Table 12.25 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	12.8%	4.6%	8.0%
Within a year	15.8%	7.9%	12.4%
1 to 2 years	13.3%	7.7%	13.0%
2 to 5 years	13.3%	17.1%	20.8%
No need/not likely to move	44.8%	62.8%	45.8%
TOTAL	100.0%	100.0%	100.0%
Total count	7,909	21,573	20,044

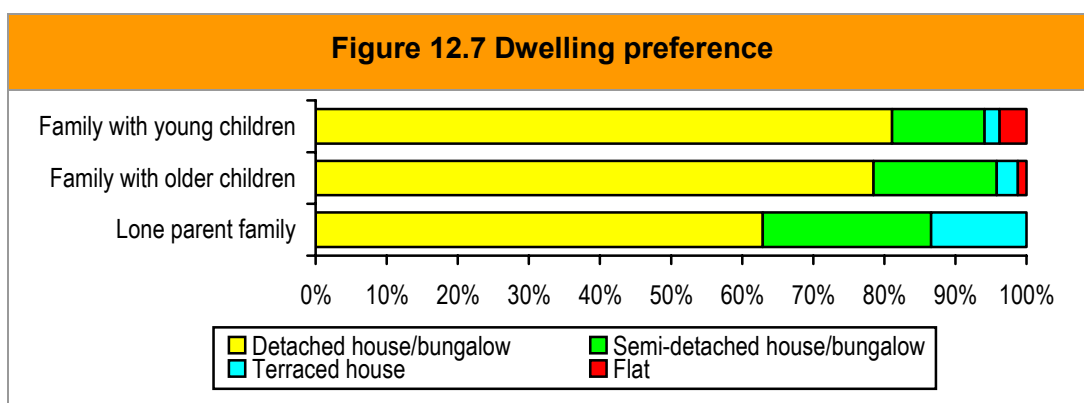
Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.64 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.

Figure 12.6 Tenure preference

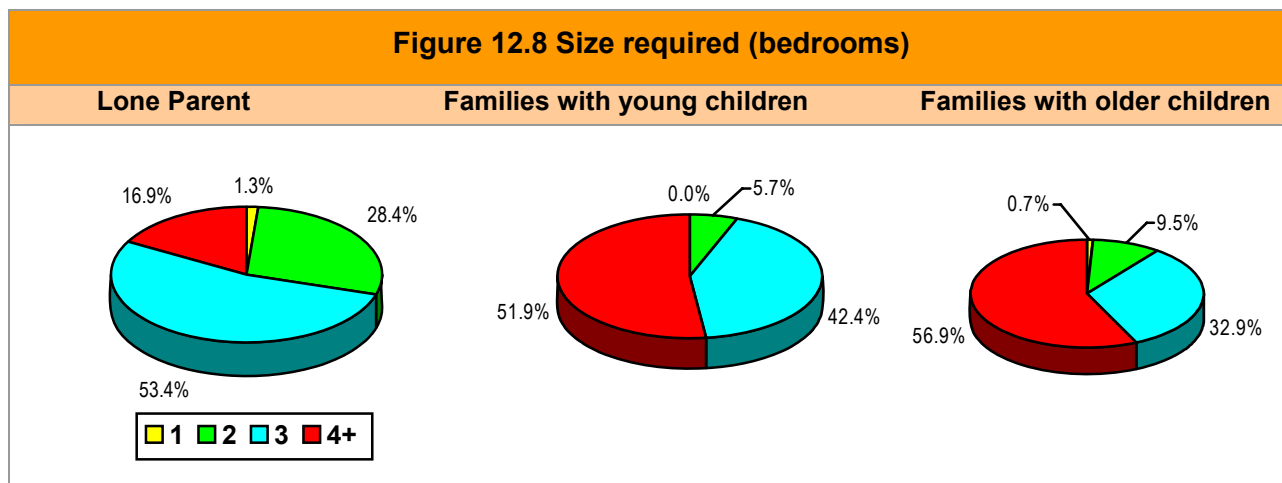
Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

12.65 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 renting.

Figure 12.7 Dwelling preference

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

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



12.67 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

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

- There are an estimated 50,086 households in the HMA with one or more members in an identified special needs group, which represents 20.5% of all households. These households were most likely to state a requirement for more support in maintaining their home
- Nearly a third of households in the HMA contain only older people (32.7%). These are almost all comprised of one or two persons, however close to half reside in accommodation with three or more bedrooms. Within the social rented sector there are 1,130 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation
- The survey estimates that 31,929 households in the HMA 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 Bournemouth and Poole HMA is largely urban although around a fifth of households live in areas described as rural (either in the town/fringe, a village or a hamlet). There were some noticeable differences between households living in urban and rural areas; notably, households in rural areas typically showed higher levels of income and savings and a greater availability of cars/vans. However, these households were more likely to express problems with the adequacy of public transport
- There are 68,855 young people (age 21-35) living in the HMA of whom over 80% are in employment. Almost 30% live with their parents or others while over one third share a house with other young people. Although around 5,400 young households would like to become owner-occupiers in the next two years, only around 22% would be able to afford to buy an appropriately sized home. Concealed households (those currently living with their parents/relatives) are even less likely to be able to afford to purchase a home if they were to move now
- There are 49,526 families living in the HMA of which, 16% are lone parent families. Families with older children are least likely to wish to move in the next two years – 63% are happy to stay in their existing property. Of the families who do wish to move, about half of the lone parents would like social rented housing. The majority of two parent families would prefer owner-occupied, detached housing with at least three bedrooms

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]

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.

County (historic and administrative)

Due to the creation of two unitary authorities (Bournemouth and Poole) the historic county of Dorset is now different from the administrative county, which excludes the two unitary councils. Where the analysis is not for the administrative county, the phrase 'historic county' is used throughout the report. The administrative county consists of the local authorities of Christchurch East Dorset, North Dorset, Purbeck, West Dorset, and Weymouth and Portland

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 case of (historic) Dorset, two HMA's are identified, as follows:

Bournemouth and Poole HMA: those two unitary authorities plus the local authorities of East Dorset, North Dorset, Purbeck, and Christchurch

Dorchester and Weymouth HMA: containing the local authorities of West Dorset and Weymouth and Portland

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 authorities. The rate of migration is usually measured as an annual number of households, living in the District at a point in time, who are not resident in that District one year earlier.

Net need

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

Newly arising need

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

Non-self-contained accommodation

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

Overcrowding

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

Primary data

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

Potential households

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

Projection

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

Random sample

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

Relets

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

Rounding error

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

Sample survey

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

Sampling frame

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

Secondary data

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

Shared equity schemes

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

SHMA (Strategic Housing Market Assessment)

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

Social rented housing

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

Special Needs

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

Stratified sample

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

Specialised housing

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

Supporting People

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

Under-occupation

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

Unsuitably housed households

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

Definitions

ABI - Annual Business Inquiry

BME - Black and Minority Ethnic

CBL - Choice Based Lettings

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

DETR - Department of the Environment, Transport and the Regions

GIS - Geographical Information Systems

HMO - Households in Multiple Occupation

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

LCHO - Low Cost Home Ownership

LDF - Local Development Framework

NeSS - Neighbourhood Statistics Service

NHSCR - National Health Service Central Register

NOMIS - National On-line Manpower Information System

NROSH - National Register of Social Housing

ODPM - Office of the Deputy Prime Minister

ONS - Office for National Statistics

PPS - Planning Policy Statement

RSL - Registered Social Landlord

RSR - Regulatory and Statistical Return (Housing Corporation)

RTB - Right to Buy

SEH - Survey of English Housing

TTWA - Travel to Work Area

Appendix A1 Supporting information

Non-response and missing data

A1.1 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.

A1.2 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

A1.3 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.

A1.4 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

A1.5 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 4 different variables) along with the number of actual survey responses (data for tenure can be found in Chapter 2 and data for wards can be found in individual reports provided to each local authority). 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 the Bournemouth-Poole HMA.

Table A1.1 Accommodation type profile

Accommodation type	Estimated households	% of households	Number of returns	% of returns
Detached house/bungalow	107,438	44.0%	7,696	51.0%
Semi-detached house/bungalow	76,392	31.3%	5,169	34.2%
Flat	60,470	24.8%	2,239	14.8%
TOTAL	244,300	100.0%	15,104	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Table A1.2 Car ownership

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	41,028	16.8%	1,787	11.8%
One	113,578	46.5%	6,841	45.3%
Two	71,005	29.1%	5,184	34.3%
Three or more	18,689	7.7%	1,292	8.6%
TOTAL	244,300	100.0%	15,104	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Table A1.3 Household type profile

Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioner	41,815	17.1%	2,538	16.8%
2 or more pensioners	38,192	15.6%	2,943	19.5%
Single non-pensioner	32,915	13.5%	1,721	11.4%
Other households	131,379	53.8%	7,902	52.3%
TOTAL	244,300	100.0%	15,104	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Table A1.4 Household size

Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	74,730	30.6%	4,259	28.2%
Two	99,022	40.5%	6,732	44.6%
Three	31,834	13.0%	1,839	12.2%
Four	27,153	11.1%	1,668	11.0%
Five	8,623	3.5%	459	3.0%
Six or more	2,938	1.2%	147	1.0%
TOTAL	244,300	100.0%	15,104	100.0%

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Appendix A2 Balancing Housing Markets analysis

Introduction

A2.1 The following tables show the detailed analysis for the six components contributing to the Balancing Housing Market Analysis presented in Chapter 11 of this report.

Analysis of Bournemouth and Poole data

A2.2 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 HMA along with estimates about affordability and stated size requirement. Any potential households who would both like and expect to move from the HMA are excluded from this analysis. Figures are annualised.

Table A2.1 Demand I: Household formation by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	469	535	184	16	1,204
Private rented	908	828	117	12	1,864
Intermediate	149	80	26	0	255
Social rented	356	371	39	6	770
TOTAL	1,881	1,813	365	34	4,094

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.3 The table below shows the estimated demand from in-migrant households. This is based on the profile of households who have moved into the HMA over the past two years (in terms of affordability and size/type of accommodation secured). Figures are again annualised.

Table A2.2 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	722	2,508	2,552	1,455	7,237
Private rented	699	1,504	796	330	3,330
Intermediate	19	48	31	10	108
Social rented	307	169	117	21	615
TOTAL	1,747	4,230	3,498	1,815	11,289

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.4 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 A2.3 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	246	2,842	3,724	2,218	9,030
Private rented	730	896	1,079	296	3,001
Intermediate	80	375	159	35	648
Social rented	1,001	1,379	1,009	270	3,660
TOTAL	2,057	5,493	5,974	2,816	16,340

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.5 The table below is an overall summary of the demand situation and is calculated as the sum of the three previous tables.

Table A2.4 Demand IV: Total demand by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	1,437	5,887	6,462	3,685	17,472
Private rented	2,336	3,228	1,993	638	8,195
Intermediate	248	503	217	45	1,011
Social rented	1,664	1,919	1,166	297	5,044
TOTAL	5,686	11,538	9,836	4,664	31,723

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.6 The table below provides an estimate of the likely future supply of accommodation (by tenure and size) from household dissolutions (i.e. death). The table is based on applying age specific national mortality statistics (2001) to the local population to estimate the proportion of households who are likely to wholly dissolve each year.

Table A2.5 Supply I: Supply from household dissolution					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	206	1,072	701	174	2,155
Private rented	62	59	32	6	160
Intermediate	9	1	1	0	11
Social rented	383	139	27	1	551
TOTAL	661	1,273	762	182	2,877

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.7 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 HMA do so. For example a household out-migrating from a four bedroom owner-occupied dwelling is assumed to free-up a four bedroom owner-occupied dwelling for use by another household. The data is annualised and based on moves over the next two years.

Table A2.6 Supply II: Supply from out-migrant households					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	430	1,661	1,858	1,263	5,214
Private rented	668	937	709	269	2,582
Intermediate	0	16	0	0	16
Social rented	274	213	112	0	600
TOTAL	1,373	2,827	2,678	1,533	8,411

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.8 The table below shows estimated future supply from existing households. As with the above data the figures are based on the type and size of accommodation that would become available if a household moved to alternative accommodation. Figures are annualised from data for two years.

Table A2.7 Supply III: Supply from existing households

Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	632	2,344	3,272	1,898	8,148
Private rented	1,439	2,291	1,381	439	5,551
Intermediate	0	33	40	0	73
Social rented	747	1,119	665	36	2,568
TOTAL	2,820	5,789	5,361	2,370	16,340

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

A2.9 The table below is the sum of the three previous tables and shows the overall estimated annual supply for each tenure and size group.

Table A2.8 Supply IV: Total supply

Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	1,269	5,080	5,832	3,335	15,514
Private rented	2,167	3,289	2,123	713	8,293
Intermediate	9	51	41	0	101
Social rented	1,405	1,472	803	37	3,719
TOTAL	4,853	9,891	8,799	4,086	27,628

Source: Bournemouth-Poole Housing Market Assessment Fordham Research 2007

Appendix A3 Survey questionnaire

