

SECTION G: HOUSING NEED

This section looks at estimates of the need for affordable housing in the Borough. To inform this section data has been taken from published sources (such as the HSSA) as well as from the Sefton SHMA household survey January 2008. The section aims to answer the following questions:

- What is the annual need for affordable housing according to the model proposed by the Practice Guidance?
- What types of affordable accommodation are likely to be suitable for households in need in Sefton?

This section contains five chapters:

24. Guidance on Housing Need

25. Current Need

26. Future Need

27. Affordable Housing Requirement

28. Intermediate housing

29. Impact of the market downturn

24. Guidance on housing need

Introduction

- 24.1 The Practice Guidance outlines some 16 steps spread across three separate stages, which must be followed to calculate the net annual need for affordable housing according to the Practice Guidance needs assessment model. The description of each of these steps in the Practice Guidance ensures that it is possible to produce a comparable estimate for the net annual need for affordable housing across all authorities in England. The chapters in this section demonstrate how the net annual need for affordable housing is calculated in Sefton using a range of data sources. This model is only concerned with the need for affordable housing as defined by the Practice Guidance and is therefore distinct from the Balancing Housing Markets model, presented in Chapter 19, which considers the future demand for housing across the whole market.
- 24.2 The two chapters following this one illustrate how each of these steps is calculated within Sefton both in terms of a current need and likely future need. 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 Practice Guidance of August 2007 and PPS3.

Housing need

- 24.3 Housing need is defined in PPS3 (page 27) as *'the quantity of housing required for households who are unable to access suitable housing without financial assistance.'* The Practice Guidance (on page 41) indicates that to calculate housing need in line with this definition it is necessary to *'estimate the number of households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market'*. The types of housing that should be considered unsuitable are listed in Table 5.1 of the Practice Guidance under four broad categories of 'Homeless households or insecure tenure', 'Mismatch of housing need and dwellings', 'Dwelling amenities and condition' and 'Social needs'. In this assessment we have fully followed the Practice Guidance's definition of unsuitable housing (further detail is provided in the following chapter). In addition we have considered those types of unsuitability which will require a move to a different dwelling prior to applying the affordability test (see below).

Current need

- 24.4 These are households whose housing circumstances are unsuitable at the time of the survey (as they fall below accepted minimum standards as described in the Practice Guidance) and they require to move home to resolve the housing unsuitability and they are unable to afford market housing using the criteria described above.
- 24.5 An estimate of the known stock of affordable housing available at the time of the survey to house those currently in need is also calculated. The current supply of affordable housing is subtracted from the current need to make an assessment of the net current need for affordable housing.

Newly arising need

- 24.6 Newly arising (or future) need is a measure of the number of households who are expected to have an affordable housing need at some point in the future (measured annually). In this assessment we have used survey data about past household moves along with affordability to estimate future needs. In line with the Practice Guidance we have split future needs into two groups – newly forming households and existing households.
- 24.7 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.

Affordability test

- 24.8 Affordability is assessed using survey data regarding the full range of financial information available along with an estimate of a household's size requirements and the cost of suitable market housing to either buy or rent. Separate tests are applied for home ownership and private renting and are summarised below. Both tests are fully in line with the advice given in the Practice Guidance.
- 24.9 **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. This is identical to the approach set out on page 42 of the August 2007 Practice Guidance. Allowance is also made for any access to capital that can be used towards home ownership (e.g. savings or equity), therefore the calculation assess the full financial capacity of the household.

24.10 **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. This is identical to the approach set out on page 42 of the August 2007 Practice Guidance.

Affordable housing

24.11 In line with PPS3 page 25 affordable housing is defined as follows.

'Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- *Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
- *Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision'.*

Summary

- i) 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 Practice Guidance of 2007 and PPS3. The following two chapters demonstrate the calculation of the various steps required to calculate housing need.

25. Current need

Introduction

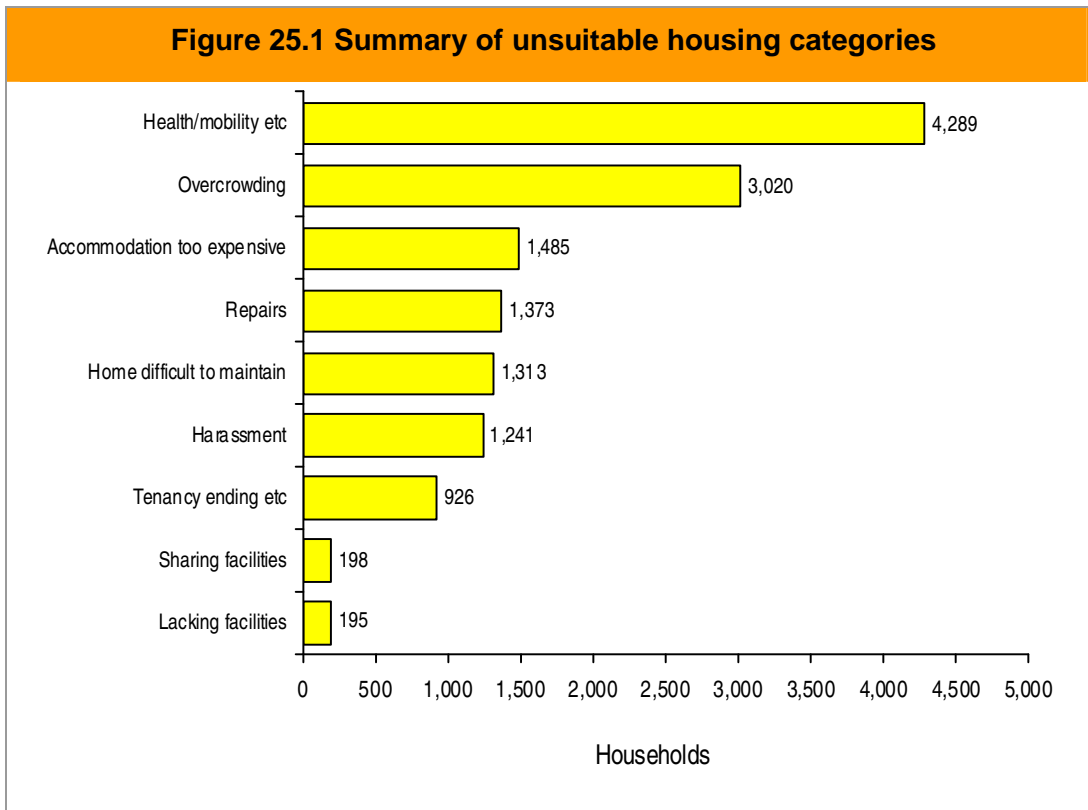
25.1 This chapter of the report assesses the first two stages of the Practice Guidance needs assessment model: Current Need. This begins with an assessment of housing suitability and affordability and also considers homeless households before arriving at a total current need estimate (gross). An assessment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

Unsuitable housing

25.2 A key element of housing need is an assessment of the suitability of a household's current housing. The Practice Guidance sets out a series of nine criteria for unsuitable housing - which has been followed in this report. In Sefton it is estimated that a total of 11,099 households are living in unsuitable housing, this represents 9.5% of all households in the Borough.

25.3 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 usually be greater than the total number of households with unsuitability, as some households have more than one reason for unsuitability.

25.4 The main reason for unsuitable housing is the category of health and/or mobility problems because of the condition of the home, followed by overcrowding.



Source: Sefton SHMA household survey January 2008

25.5 The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation are generally more likely to be in unsuitable housing than owner-occupiers. However, due to the fact that the majority of households are owner-occupiers the results show that a sizeable proportion (48.0%) of those in unsuitable housing are owner-occupiers.

25.6 It is estimated that 21.8% of households in private rented accommodation and 17.4% of households in the social rented sector are living in unsuitable housing. This compares with 5.1% and 7.1% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

Tenure	Unsuitable housing			
	Number of households in unsuitable housing	Number of h'holds in Borough	Unsuitable households as a % of total households	% of the number of households in unsuitable housing
Owner-occupied (no mortgage)	2,023	39,367	5.1%	18.2%
Owner-occupied (with mortgage)	3,306	46,758	7.1%	29.8%
RSL	3,198	18,423	17.4%	28.8%
Private rented	2,572	11,780	21.8%	23.2%
Total	11,099	116,328	9.5%	100.0%

Source: Sefton SHMA household survey January 2008

25.7 In terms of sub-area, it is estimated that 17.8% of households in Netherton and 14.9% of households in Bootle live in unsuitable housing. Just under half of all unsuitably housed households live in these two sub-areas.

Table 25.2 Unsuitable housing and sub-area

Tenure	Unsuitable housing			
	In unsuitable housing	Number of h'holds in Borough	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Southport	2,975	38,524	7.7%	26.8%
Formby	368	9,079	4.1%	3.3%
Maghull / Aintree	978	15,053	6.5%	8.8%
Crosby	1,357	20,353	6.7%	12.2%
Bootle	2,623	17,596	14.9%	23.6%
Netherton	2,798	15,723	17.8%	25.2%
Total	11,099	116,328	9.5%	100.0%

Source: Sefton SHMA household survey January 2008

25.8 The table below shows that lone parent households are most likely to reside in unsuitable housing, whilst pensioner households are the least likely.

Table 25.3 Unsuitable housing and household type

Household type	Unsuitable housing			
	In unsuitable housing	Number of h'holds in Borough	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Single pensioners	1,403	21,401	6.6%	12.6%
2 or more pensioners	701	13,114	5.3%	6.3%
Single non-pensioners	1,690	16,564	10.2%	15.2%
2 or more adults - no children	3,638	35,782	10.2%	32.8%
Lone parent	871	5,158	16.9%	7.8%
2+ adults 1 child	1,653	11,489	14.4%	14.9%
2+ adults 2+ children	1,144	12,820	8.9%	10.3%
Total	11,099	116,328	9.5%	100.0%

Source: Sefton SHMA household survey January 2008

'In-situ' solutions

25.9 The survey has highlighted that 11,099 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, as these categories cannot be resolved via modifications to the existing dwelling or the provision of additional services to the resident household.

25.10 The survey data therefore estimates that of the 11,099 households in unsuitable housing, 6,374 (or 57.4%) do not have an in-situ solution and therefore require a move to alternative accommodation.

Affordability

25.11 Using the affordability methodology set out in the previous chapter it is estimated that there are 4,161 existing households that cannot afford market housing and are living in unsuitable housing and require a move to alternative accommodation. This represents 3.6% of all existing households in the Borough – these households are considered to be in housing need.

25.12 The table below shows the tenure of the households currently estimated to be in housing need. The results show that private rented tenants are most likely to be in housing need (14.8% of households in the private rented sector are in housing need). Of all households in need, 34.7% currently live in social rented accommodation and 42.0% in private rented housing.

Table 25.4 Housing need and tenure

Tenure	Housing need			
	In need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Owner-occupied (no mortgage)	-	39,367	0.0%	0.0%
Owner-occupied (with mortgage)	970	46,758	2.1%	23.3%
RSL	1,445	18,423	7.8%	34.7%
Private rented	1,746	11,780	14.8%	42.0%
Total	4,161	116,328	3.6%	100.0%

Source: Sefton SHMA household survey January 2008

25.13 For the purposes of the Practice Guidance needs assessment model, 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. It is estimated that some 1,445 households in need currently live in affordable housing.

25.14 The table below shows households currently estimated to be in housing need by sub-area. The results show that households in Bootle and Netherton are most likely to be in housing need (around 7% of households). Of all households in need, more than half currently live in these two sub-areas.

Table 25.5 Housing need and sub-area				
Tenure	Housing need			
	In need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Southport	976	38,524	2.5%	23.5%
Formby	154	9,079	1.7%	3.7%
Maghull / Aintree	342	15,054	2.3%	8.2%
Crosby	500	20,352	2.5%	12.0%
Bootle	1,206	17,596	6.9%	29.0%
Netherton	984	15,723	6.3%	23.6%
Total	4,162	116,328	3.6%	100.0%

Source: Sefton SHMA household survey January 2008

Homeless households

25.15 The housing needs calculation 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 current need.

25.16 To assess the number of homeless households we have used information contained in the Council's P1(E) Homeless returns (see bibliography). The main source of information used is Section E6: Homeless households accommodated by your authority at the end of the quarter. The important point about this information is the note underneath. *"This should be a 'snapshot' of the numbers in accommodation on the last day of the quarter, not the numbers taking up accommodation during the quarter."* This is important given the snapshot nature of the survey. Data compiled from the fourth quarter of 2007 is shown in the table below.

Table 25.6 Homeless households accommodated by authority (Section E6, P1(E) form)	
Category	Number of households
<u>Bed and breakfast</u>	<u>4</u>
<u>Other nightly paid</u>	<u>0</u>
<u>Hostel</u>	<u>1</u>
Private sector accommodation leased by authority	0
Private sector accommodation leased by RSLs	0
Directly with a private sector landlord	0
Within Council's own stock	13
Within RSL stock	0
Other	0
Total	18

Source: Sefton Council P1(E) form (Quarter 4 2007)

25.17 Not all of the categories in the above table are added to our assessment of existing and newly forming households in need. This is because, in theory, they will be part of our sample for the Sefton SHMA household survey. For example, households housed in Local Authority accommodation should already be included as part of the housing need – such household addresses should appear on the Council Tax file from which the sample was drawn. After considering the various categories, we have decided there are three which should be included as part of the homeless element. These have been underlined in the table above. Therefore of the homeless households identified in the P1(E) form, five shall be considered as in housing need.

Total current need

25.18 The table below summarises the first stage of the Practice Guidance needs assessment model. The data shows that there are an estimated 4,166 households in need in Sefton.

Table 25.7 Current housing need		
Step	Notes	Number
1.1 Homeless households and those in temporary accommodation		5
1.2 Overcrowding and concealed households	Two steps taken together	4,161
1.3 Other groups		
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	4,166

Source: Sefton SHMA 2008 (combination of data sources)

Available stock to offset need

25.19 Stage 2 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.

25.20 Firstly, it is important when considering net need levels to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have an overall nil effect in terms of housing need. As stated in paragraph 25.13, there are currently 1,445 households in need already living in affordable housing.

Surplus stock

25.21 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The Practice Guidance suggests that if the vacancy rate in the affordable stock is in excess of 3% then some of the vacant units should be considered as surplus stock which can be included within the supply to offset needs. Sefton records a vacancy rate in the social rented sector of 3.3%; 60 vacant units would need to be brought back into use in order to lower the vacancy rate to 3%.

Committed supply of new affordable units

25.22 The Practice Guidance recommends that this part of the assessment includes '*new social rented and intermediate housing which are committed to be built over the period of the assessment*'. For the purpose of analysis we have taken HSSA (see bibliography) data showing the number of planned and proposed affordable units for the period 2007 - 2009 as a guide to new provision.

25.23 Overall the 2007 HSSA data suggests that there are 360 affordable dwellings planned or proposed for 2007/08 and 2008/2009, of which 240 are social rented and 120 are shared ownership.

Units to be taken out of management

25.24 The Practice Guidance 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

25.25 Having been through a number of detailed stages in order to assess the total available stock to offset need in the Borough we shall now bring together all pieces of data to complete this part of the Practice Guidance needs assessment model. The data (in the table below) shows that there are an estimated 1,865 properties available to offset the current need in Sefton.

Table 25.8 Current supply of affordable housing

Step	Notes	Number
3.1 Affordable dwellings occupied by households in need		1,445
3.2 Surplus stock		60
3.3 Committed supply of affordable housing		360
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3+3.4	1,865

Source: Sefton SHMA 2008 (combination of data sources)

Net current need

25.26 The data from the tables above is now combined to make an estimate of the net current housing need.

25.27 It is estimated that 4,166 units of affordable housing are required to meet the current need in Sefton. Current sources are estimated to be able to provide 1,865 of these units leaving an estimated shortfall of around 2,301 units of affordable housing.

Summary

- i) Survey data suggests that around 11,099 households in Sefton are currently living in unsuitable housing. It was estimated that 6,374 of these households would need to move home to find a solution to the unsuitability.
- ii) Of these households, it is estimated that around two-thirds cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (4,161 households). Households in the private rented sector were most likely to be in housing need, followed by households in the RSL sector.
- iii) Taking into account homeless households who would not have been picked up by the household-based survey (five additional households) makes for a total current need of 4,166 households.
- iv) It is estimated that at the time of the survey there was a current stock of affordable housing of around 1,865 units which could be used to meet this need (including dwellings becoming available as households in the affordable housing sector move to different dwellings).
- v) Taking the current need and supply figures together suggests that in Sefton there is a net current need for affordable housing of 2,301 units (4,166-1,865).

26. Future need

Introduction

26.1 In addition to the current need discussed in the previous chapter there is also future need. This is split, as per the Practice Guidance needs assessment model, into two main categories. These are as follows:

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

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

New household formation

26.3 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.

26.4 The table below shows details of the derivation of new household formation. The tables begin by establishing the number of newly forming households over the past two years – the affordability test described in Chapter 24, which takes account of the full financial capacity of the household, is then applied.

Table 26.1 Derivation of newly arising need from new household formation		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years		16,331
Minus households NOT forming in previous move	-12,336	3,995
Times proportion unable to afford		56.4%
ESTIMATE OF NEWLY ARISING NEED		2,254
ANNUAL ESTIMATE OF NEWLY ARISING NEED		1,127

Source: Sefton SHMA household survey January 2008

26.5 The table above shows that an estimated 3,995 households are newly formed within the Borough over the past two years (1,998 per annum). Of these it is estimated that 1,127 (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

26.6 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 the affordability test described in Chapter 24. A household will fall into need if it has to move home and is unable to afford to do this within the private sector, examples of such a move will be because of the end of a tenancy agreement. A household unable to afford market rent prices but moving to private rented accommodation may have to either claim Housing Benefit or spend more than a quarter of their gross income on housing, (or indeed a combination of both), which is considered unaffordable.

26.7 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.

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

Table 26.2 Derivation of Newly Arising Need from existing households		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years		16,331
Minus households forming in previous move	-3,995	12,336
Minus households transferring within affordable housing	-1,267	11,069
Times proportion unable to afford		38.0%
ESTIMATE OF NEWLY ARISING NEED		4,203
ANNUAL ESTIMATE OF NEWLY ARISING NEED		2,101

Source: Sefton SHMA household survey January 2008

26.9 The table above shows that a total of 11,069 existing households are considered as potentially in need (5,535 per annum). Using the standard affordability test for existing households described in Chapter 23 it is estimated that 38.0% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 4,203 households over the two-year period. Annualised this is 2,101 households per annum.

Total newly arising need

26.10 The data from each of the above sources can now be put into the Practice Guidance needs assessment model table below. It indicates that additional need will arise from a total of 3,229 households per annum.

Table 26.3 Future need (per annum)		
Step	Notes	Number
2.1 New household formation (gross per year)		1,998
2.2 Proportion of new households unable to buy or rent in the market		56.4%
2.3 Existing households falling into need		2,101
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	3,229

Source: Sefton SHMA household survey January 2008

26.11 The table below shows households in future need by sub-area. Households in Southport were most likely to be in need (3.7% of households) and comprised more than 40% of households in future need. Households in Maghull/Aintree and Formby were least likely to be in future need.

Table 26.4 Future need and sub-area				
Tenure	Future need			
	In need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Southport	1,415	38,524	3.7%	43.8%
Formby	138	9,079	1.5%	4.3%
Maghull / Aintree	199	15,054	1.3%	6.1%
Crosby	534	20,353	2.6%	16.5%
Bootle	557	17,596	3.2%	17.3%
Netherton	387	15,723	2.5%	12.0%
Total	3,229	116,329	2.8%	100.0%

Source: Sefton SHMA household survey January 2008

The future supply of social rented housing

26.12 The Guidance suggests that Step 3.6 of the estimate of likely future relets (see glossary for explanation of term) from the social rented stock should be based on past trend data which can be taken as a prediction for the future. Initially relets within the Local Authority-owned stock is presented before relets from RSL accommodation are considered.

26.13 The table below presents the figures for the supply of lettings (relets) from Local Authority - owned stock over the past two years contained within the 2007 HSSA. The average number of lettings over the two-year period was 623 per annum. The large discrepancy between 2005/06 and 2006/07 is due to the stock transfer, whereby ownership of dwellings belonging to the Local Authority were transferred to a housing association.

Table 26.5 Analysis of past housing supply (Local Authority rented sector)

Source of supply	2005/06	2006/07	Average
LA lettings to households not transferring within LA sector (Exclude transfers from RSL)	972 (104)	394 (16)	684 (60)
LA TOTAL EXCLUDING TRANSFERS	868	378	623

Source: Sefton Council HSSA 2007

26.14 For the RSL stock we can again look at HSSA information. Additionally, CORE data provides an indication of the number of lettings in the RSL sector. The table below shows the number of lettings (excluding RSL to RSL transfers) from each of these sources over the past two years. The average for the two-year period from both sources together is 631 per annum. Once again, the discrepancy shown between the two years is due to the stock transfer.

Table 26.6 Analysis of past housing supply (RSL sector)

	2005/06	2006/07	Average
HSSA data	420	921	671
CORE data	418	766	592
AVERAGE	419	844	631

Source: Sefton Council HSSA 2007

26.15 It should be noted that for the period 2005 to 2007 HSSA data shows that an average of seven households transferred from Local Authority to RSL dwellings within the Borough per annum. The estimated future supply of lettings from the social rented sector overall is therefore the sum of the average supply of relets within the Local Authority stock and the average supply of relets in the RSL sector minus the average number of households transferring from Local Authority to RSL dwellings. This equates to 1,247 dwellings per year (623+631-7).

Intermediate supply

- 26.16 In most local authorities the amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited, as is the case in Sefton. However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing.
- 26.17 Therefore we include an estimate of the number of shared ownership units that become available each year. Applying the relet rate for social rented housing to the estimated stock of shared ownership housing it is estimated that around 44 units of shared ownership housing will become available to meet housing needs from the existing stock of such housing.

Total future supply

- 26.18 The total future supply is estimated to be 1,291, comprised of 1,247 units of social relets and 44 units of intermediate housing (shared ownership).

Table 26.7 Future supply of affordable housing (per annum)		
Step	Notes	Number
3.6 Annual supply of social relets (net)		1,247
3.7 Annual supply of intermediate housing available for relet or resale at sub-market levels		44
3.8 Annual supply of affordable housing	4.1+4.2	1,291

Source: Sefton SHMA 2008 (combination of data sources)

Summary

- i) The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation.
- ii) The data suggests that on an annual basis there will be 1,127 newly forming households requiring affordable housing and a further 2,101 existing households. The total future need for affordable housing is therefore estimated to be 3,229 units per annum.
- iii) 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 1,291 units.

27. Affordable housing requirement

Introduction

- 27.1 The previous two chapters presented the calculation of each of the three stages of the Practice Guidance needs assessment model table – current need, future need and affordable housing supply. This chapter brings together these stages to present an estimated affordable housing requirement.
- 27.2 This chapter also looks at the sensitivity of assumptions regarding affordability to see how the housing need requirement changes if we take a different approach to affordability. In this case we have assumed that up to 35% of gross income could be spent on housing (up from 25%) and increased the mortgage multiple to 4x income for single earner households (from 3.5) and to 3.3x income for dual-income households (from 2.9).

Estimate of net annual housing need

- 27.3 The table below shows the final figures in the Practice Guidance needs assessment model. This brings together the 16 steps that were calculated in the preceding two chapters.

Table 27.1 Practice Guidance needs assessment model for Sefton

Stage and step in calculation	Notes	Number
STAGE 1: CURRENT NEED (Gross)		
1.1 Homeless households and those in temporary accommodation		5
1.2 Overcrowding and concealed households	Two steps taken	
1.3 Other groups	together	4,161
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	4,166
STAGE 2: FUTURE NEED		
2.1 New household formation (gross per year)		1,998
2.2 Proportion of new households unable to buy or rent in the market		56.4%
2.3 Existing households falling into need		2,101
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	3,229
STAGE 3: AFFORDABLE HOUSING SUPPLY		
3.1 Affordable dwellings occupied by households in need		1,445
3.2 Surplus stock		60
3.3 Committed supply of affordable housing		360
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3+3.4	1,865
3.6 Annual supply of social relets (net)		1,247
3.7 Annual supply of intermediate housing available for relet or resale at sub-market levels		44
3.8 Annual supply of affordable housing	3.6+3.7	1,291

Source: Sefton SHMA 2008 (combination of data sources)

- 27.4 The Practice Guidance states that these figures should 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 (step 3.5) from the gross current need (step 1.4). This produces a net current need figure of 2,301 (4,166-1,865) at the base date of the study ie January 2008.
- 27.5 The second step is to convert this net current need figure into an annual flow. The Practice Guidance acknowledges that this net current need 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 Practice Guidance 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 460 (2,301/5).
- 27.6 The next step is to subtract the future annual supply of affordable housing (step 3.8) sum from the total newly arising housing need (step 2.4). This leads to an annual newly arising need estimate of 1,938 (3,229-1,291). This figure is then summed to the estimate for the net annual quota of households who should have their needs addressed.

27.7 Adding together the two annual figures (current and newly arising) we are able to make an overall estimate of the need for affordable housing. The estimated annual need is for 2,398 affordable housing units over the next five years (460 + 1,938). These figures are summarised in the table below.

Table 27.2 Summary of housing needs situation in Sefton	
Element	Number
Current need (annual)	833
Current supply (annual)	373
Net current need (annual)	460
Future need (annual)	3,229
Future supply (annual)	1,291
Net future need (annual)	1,938
Total net annual need	2,398
Total gross annual need	4,062
Total gross annual supply	1,664
Total net annual need	2,398

Source: Sefton SHMA 2008 (combination of data sources)

27.8 This annual figure equates to a total requirement of 11,990 affordable dwellings over five years. The annual requirement for additional housing can be standardised by dividing it by the number of thousands of households in the Borough. This is presented in the table below.

Table 27.3 Standardised need for affordable housing			
Area	Annual net affordable need	Estimated number of households	Need per 1,000 households
Sefton	2,398	116,328	20.6

Source: Sefton SHMA 2008 (combination of data sources)

27.9 The Practice Guidance needs assessment model is a snapshot assessment as to the extent of housing need based at a particular point in time. These assessments usually have a maximum lifespan of five years due to the rapidly changing nature of housing costs. It is not advisable to project housing need beyond this length of time as it is subject to a much greater degree of inaccuracy. However the current assessment would suggest that the requirement for affordable housing beyond this five year period would be an additional 1,938 dwellings per year. This figure is the net annual future need calculated in paragraph 27.6 above.

Sub-area information

27.10 The table below shows gross housing need by sub-area within Sefton. In terms of the proportion of all households in gross need, both Bootle and Southport have relatively high proportions. It is also interesting to note that Southport accounts for nearly two-fifths of all the gross need in the Borough.

Table 27.4 Gross housing need and sub-area				
Sub-area	Housing need			
	In need	Number of h'holds in Borough	% of total h'holds in need	% of those in need
Southport	1,610	38,524	4.2%	39.6%
Formby	169	9,079	1.9%	4.2%
Maghull / Aintree	267	15,054	1.8%	6.6%
Crosby	634	20,352	3.1%	15.6%
Bootle	798	17,596	4.5%	19.7%
Netherton	584	15,723	3.7%	14.4%
Total	4,062	116,328	3.5%	100.0%

Source: Sefton SHMA household survey January 2008

27.11 However, knowing the variations in tenure profiles across the Borough we would expect the supply of affordable housing to vary considerably across Sefton. Using information from the survey data we are able to estimate how the gross supply in the Borough is apportioned between its different sub-areas. From this information we can ascertain a net housing needs figure for each of the six sub-areas in Sefton, as shown in the table below.

Table 27.5 Net housing need and sub-area							
Sub-area	Housing need						
	Gross annual need	Gross annual supply	Net annual housing need	% of net shortfall	Supply as % of need	Net need per 1,000 households	Total need over the 5-year period
Southport	1,610	374	1,236	51.6%	23.2%	32.1	6,180
Formby	169	16	153	6.4%	9.3%	16.9	765
Maghull / Aintree	267	96	171	7.1%	35.8%	11.4	855
Crosby	634	233	401	16.7%	36.8%	19.7	2,005
Bootle	798	521	277	11.6%	65.2%	15.7	1,385
Netherton	584	424	160	6.6%	72.7%	10.2	800
Total	4,062	1,664	2,398	100.0%	41.0%	20.6	11,990

Source: Sefton SHMA 2008 (combination of data sources)

- 27.12 As we can see from the table above, Southport accounts for more than half (51.6%) all the net need in the Borough and records the highest standardised need (net need per 1,000 households). The finding of a large net housing need in Southport accords with responses to the public consultation and correlates to the housing register information held by One Vision Housing, which indicates that whilst 21.4% of applicants request Southport, only 13.4% of the stock is located here. It is also interesting to note that although gross need in Bootle and Netherton is relatively high, when we account for supply we can see that the supply from these sub-areas accounts for significant amounts of their need (65.2% in Bootle and 72.7% in Netherton).
- 27.13 The high level of need in Southport (an additional 1,236 affordable homes per year) is a considerable challenge and one which is unlikely to be met within the town considering the issues around land availability raised by stakeholders. This issue will be discussed in more detail later in the report.

The private rented sector

- 19.35 The Practice Guidance needs assessment model requires the extent of the private rented sector (through the Housing Benefit system) to meet the needs of households in need to be estimated. We have therefore used survey data to look at the number of new Housing Benefit supported private rented housing lets over the past two years. In Sefton it is estimated that over the past two years 2,786 Housing Benefit supported lettings have been made (1,383 per annum). If these were to be considered as a supply of affordable housing then the net requirement for affordable housing reduces from 2,398 dwellings to 1,015.

Comparisons with previous needs surveys

- 27.14 Fordham Research carried out a Housing Needs Study for Sefton in 2003 which was then updated in 2005. Although the methodology for the needs calculations carried out in these studies has changed in the proceeding years a comparison is still of use. The changes to the methodology will have had the affect of reducing need.
- 27.15 The 2003 study estimated a net need for 617 affordable homes per year, with the 2005 update estimating that it had increased to 1,261. The significant increase that this survey has shown is likely to be due to a reduction in the supply of affordable housing and an increase in private rental costs across the Borough.

Affordability sensitivity

27.16 The table below looks at the impact on the need for affordable housing if we change the assumptions on affordability applied to survey data. The changed assumptions are described in the first table below.

Table 27.6 Sensitivity assumptions for Practice Guidance needs assessment model testing		
Affordability calculation	Main assumption (used for Practice Guidance needs assessment model)	Sensitivity assumption
Mortgage affordability	3.5x gross income (single earner households)	4x gross income (single earner households)
	2.9x gross income (dual income households)	3.3x gross income (dual income households)
Private rental affordability	No more than 25% of gross income to be spent on rent	No more than 35% of gross income to be spent on rent

Source: Fordham Research 2008

27.17 The table below shows the estimated overall level of affordable housing need. The data shows that under the changed affordability assumptions the total gross need drops by around 10% (from 4,062 to 3,628), however, the net need drops by around a sixth (from 2,398 to 1,977). This is due to the supply assumptions only slightly changing. Therefore, by adjusting the affordability assumptions we find that there is still a significant need for additional affordable housing.

Table 27.7 Social rented and intermediate housing requirements in Sefton – changed affordability assumptions		
	Original model	Model based on alternative affordability assumptions
Total gross annual need	4,062	3,628
Total gross annual supply	1,664	1,652
Net annual need	2,398	1,977

Source: Sefton SHMA 2008 (combination of data sources)

Community and stakeholder comments

- 27.18 Issues around affordability and housing need were discussed in both stakeholder and community consultation events. It was readily acknowledged that affordability was an issue in the Borough, particularly in the north.
- 27.19 A limited number of stakeholders suggested that Liverpool City Council might be able to meet some of the large need in Sefton, however the vast majority were concerned by this approach; particularly for households in need in the north of the Borough many of whom would not want to move away from family, friends and other support mechanisms.
- 27.20 Stakeholders in the RSL consultation recognised that the demand for affordable housing is increasing in the Borough. They also suggested that young single people were particularly unlikely to be able to access social housing.
- 27.21 Participants of the community consultation had some strong opinions regarding affordable housing in the Borough. Members of Group 1 had varying opinions, some of the younger members, not yet on the housing ladder, suggested that shared ownership housing is a good idea; other members suggested that social housing should be encouraged as a long-term alternative to owner-occupation, providing security of tenure and a home that you can call 'home'.

Summary

- i) The total net annual housing need in Sefton is calculated by annualising the net current need and adding this to the difference between the future need and supply. The total net annual housing need in Sefton is therefore for 2,398 affordable housing units. To meet the need over a five year period 11,990 new affordable dwellings should be built.
- ii) In both the stakeholder and community consultation events the issue of affordable housing was discussed; a need and demand for social rented housing and intermediate housing was identified by participants.

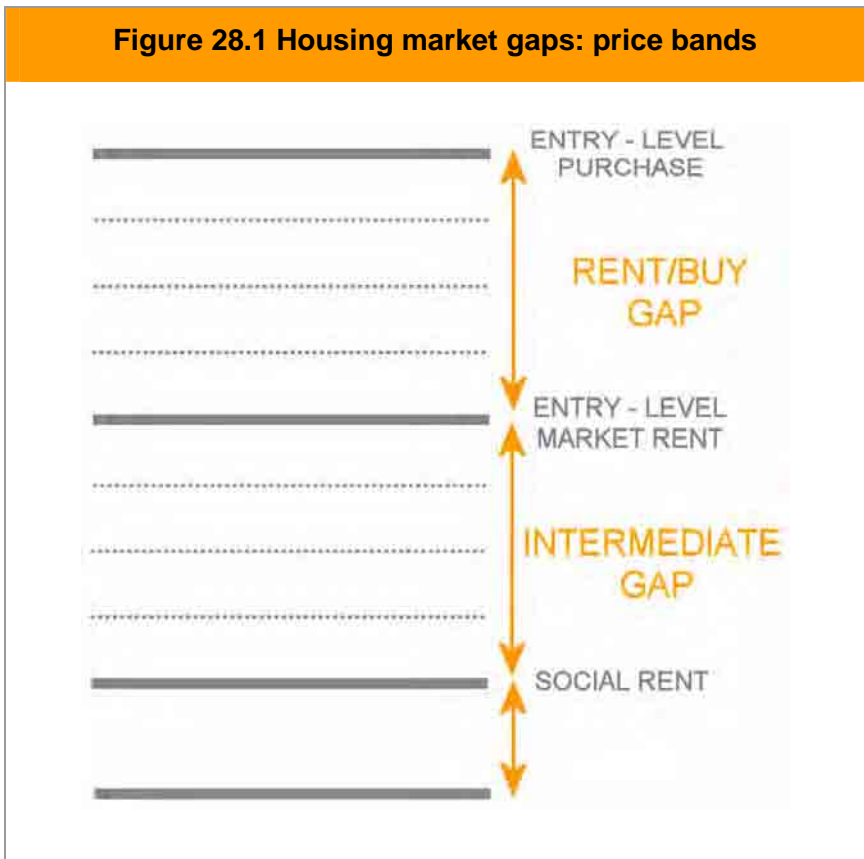
28. Intermediate housing

Introduction

- 28.1 This section of the report looks at the potential role intermediate housing can play in meeting affordable housing needs in Sefton. In particular the analysis shows the number of households in housing need who fall into the Housing Market Gaps identified earlier in this report (Chapter 11), and draws inferences about the types of housing they could afford.
- 28.2 The purpose of this chapter is to test the ability of households to afford various points within these gaps, not to test particular intermediate products. The consideration of the affordability within these gaps informs the Council as to the cost of intermediate housing it should seek to provide for the full range of households in housing need. The type of intermediate product pursued is irrelevant as long as it meets the cost identified, although suggestions are made as to what form of intermediate product are likely to meet the prices identified.
- 28.3 The analysis of intermediate housing presented in this chapter is based on the definition of intermediate housing set out in PPS3 and presented in the glossary.

Initial analysis of housing market gaps

- 28.4 To enable more detailed analysis of the ability of households to afford housing priced at different levels, the 'rent/buy gap' (i.e. the gap between entry-level market rental costs and owner-occupation) and the 'intermediate gap' (the gap between a social and market rent) have each been divided into four equal bands, as shown in the figure below.



Source: Fordham Research 2008

- 28.5 This chapter tests the ability of households to be able to afford housing priced within these gaps. Only households unable to afford market housing (either to rent or buy) are included in the analysis. The affordability assumptions are based on those set out in the Practice Guidance and discussed in Chapter 24 of this report; they take account of both capital available (in the case of the affordability of buying test) and income (for both the buying and renting tests).
- 28.6 Therefore, for the purposes of this analysis, households considered to be in the 'rent/buy' gap will include households with incomes too low to afford market rent but who have some equity, although not enough equity to buy market housing.
- 28.7 The table below shows the different groups of households that will be tested in terms of their ability to be able to afford housing priced at the levels identified in the figure above.

Table 28.1 Description of groups to be tested

Group studied	Rationale
All households unable to afford market housing	This group contains the largest sample of households from the household survey and is particularly useful as there are no potential issues with small sample sizes. This category also provides the affordability profile of the whole household population of the Borough.
Future moving households unable to afford market housing	This group also contains a substantial sample size and is a good category for analysis as it represents those households who are actually likely to move but are unable to afford market housing (and may well therefore present as having a requirement for some form of intermediate housing).
Households in housing need (current)	This group of households have been shown through the household survey to currently be in housing need and are therefore exactly the group where analysis shows an affordable housing option would be required. The sample size of this group is (when compared with the two above) relatively small and therefore subject to some sampling variation.
Projected future need	This is the group of households highlighted in the survey as likely to have a requirement for affordable housing in the near future (based on past trends). As with the current need this is a key group as the survey data suggests a need for affordable housing although the sample size of households will be relatively small when compared with the first two groups above.
Crude average	The crude average is simply the average of the four groups analysed. The use of 'crude' is to avoid sample size issues biasing the average towards those groups with larger samples (and which are the groups least directly the likely targets for affordable housing (the first two groups described in this table)).

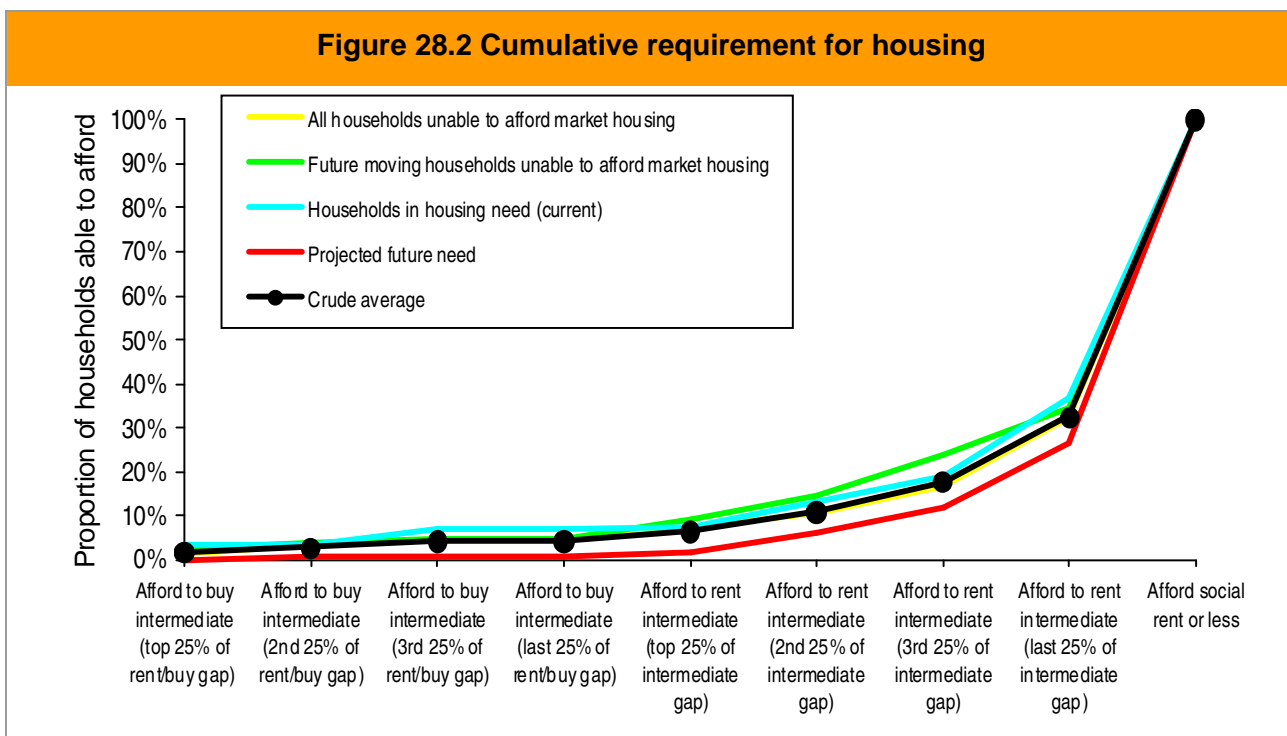
Source: Fordham Research 2008

28.8 The table below shows the results of the analysis. The data suggests that there are a notable proportion of households able to afford housing priced within the intermediate gap and a smaller proportion able to afford housing priced within the rent/buy gap, although in all cases the largest group by far are those able to afford social rented housing or less. In general, the proportions of households able to afford increases the further down the table we move (i.e. more households are only able to afford the 'cheapest' types of housing).

Table 28.2 Households able to afford different types of housing		All households unable to afford market housing	Future moving households unable to afford market housing	Households in housing need (current)	Projected future need	Crude average
Afford to buy intermediate housing priced at:	Top 25% of rent/buy gap	1.5%	2.8%	3.5%	0.0%	1.9%
	Second 25% of rent/buy gap	1.8%	1.2%	0.0%	0.7%	0.9%
	Third 25% of rent/buy gap	1.6%	0.9%	3.5%	0.0%	1.5%
	Bottom 25% of rent/buy gap	0.0%	0.0%	0.0%	0.0%	0.0%
Afford to rent intermediate housing priced at:	Top 25% of intermediate gap	2.6%	4.4%	0.7%	1.1%	2.2%
	Second 25% of intermediate gap	3.1%	5.1%	5.6%	4.3%	4.5%
	Third 25% of intermediate gap	6.2%	9.6%	5.7%	5.9%	6.9%
	Bottom 25% of intermediate gap	15.7%	10.6%	17.7%	14.7%	14.7%
Able to afford social rents or less		67.5%	65.5%	63.3%	73.3%	67.4%
Total		100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL NUMBER OF HOUSEHOLDS		33,280	5,614	4,161	6,457	-
SAMPLE SIZE		549	84	57	95	-

Source: Sefton SHMA household survey January 2008

28.9 The figure below shows this information graphically (in the form of cumulative frequencies). Each of the four groups studied has been plotted along with the 'crude' average figure. The data shows that there is not a great deal of variation between the different groups, therefore the inclusion of groups who may not technically be in need (for the purposes of boosting sample sizes) has not undermined the overall findings.



Source: Sefton SHMA household survey January 2008

Inferences from the results

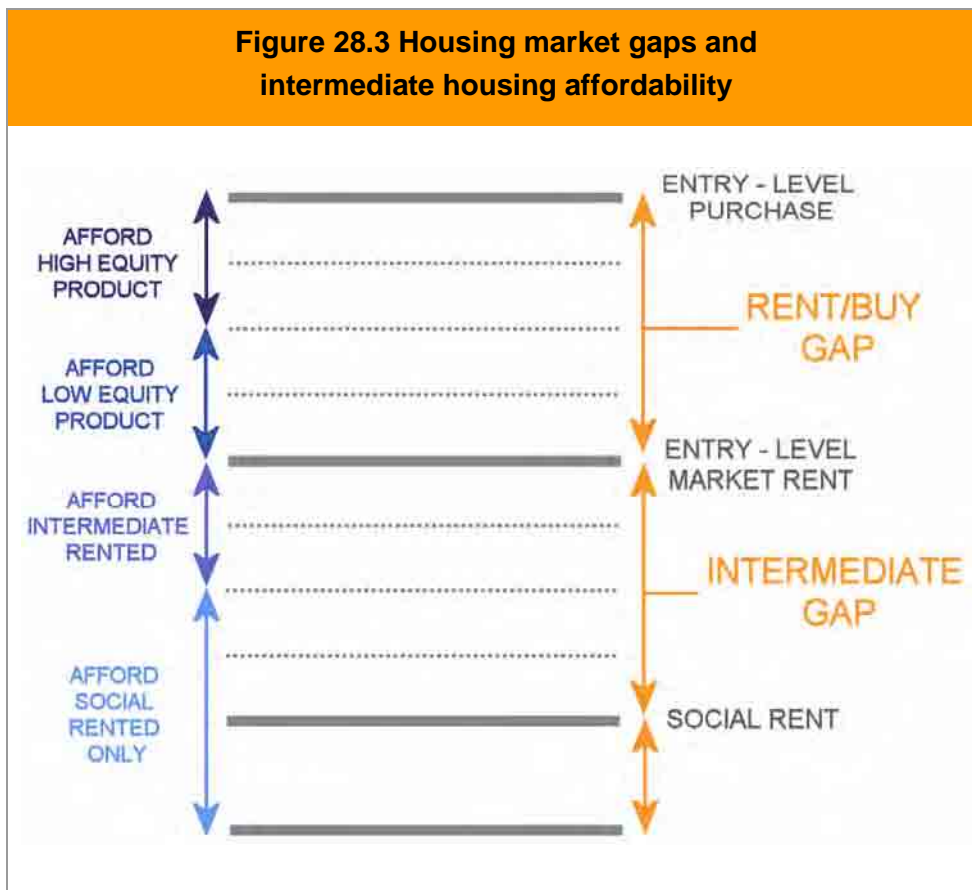
28.10 There are four broad types of affordable housing that may be appropriate to meet housing need in Sefton: high or low equity intermediate housing products, intermediate rented housing and social rented housing. Taking a pragmatic approach to the housing market gaps analysis above, we can regroup households into those who can afford as a maximum the following four broad groups of affordable housing. These are described below, and illustrated in the graph which follows.

High equity intermediate housing products – This could be a discounted product for sale aimed at households with low incomes (hence being unable to afford a market rent) but with considerable equity, although not enough equity to buy outright. This is likely to include Low Cost Homes for Sale – the PPS3 name for intermediate housing available for discounted sale. The top two groups in the rent/buy gap are included as being able to afford a high equity intermediate housing product.

Low equity intermediate housing products – This could be a product for sale aimed at households with some income (although not enough to afford a market rent) and some equity (although not enough equity to buy outright). This is likely to include shared ownership and shared equity products. The bottom two groups would be considered able to afford a low equity intermediate housing product.

Intermediate rented housing – This is aimed at households without significant savings and with an income greater than that required for social rents but insufficient to be able to afford entry-level market rental costs. This is likely to be the Housing Corporation's intermediate rent product. The top two groups of households in the intermediate gap are included as being able to afford intermediate rented housing.

Social rented housing – This is the main affordable product currently in existence in Sefton and it is the cheapest form of housing available. This includes the bottom two groups in the intermediate gap (as this is below the usefully affordable point within the intermediate band) plus those who can only afford social rented housing. The first two groups are included as it is unlikely that there will be a product available which meets the requirements of those able to afford just above social rents.



Source: Fordham Research 2008

28.11 It is important to note that the three intermediate housing types described above cover the full range of options available within the ‘usefully affordable’ intermediate definition discussed in Chapter 11.

28.12 The table below shows the position when the data (from Table 28.2) is combined into these four categories. The data shows that on average, an estimated 2.8% of households requiring affordable housing are likely to be able to afford a high equity intermediate housing product, 1.5% could afford a low equity intermediate housing product and 6.7% could afford intermediate rented housing. The remainder, 89.0%, are estimated only to be able to afford a social rent.

Table 28.3 Summary of types of affordable housing

Type of affordable housing	All households unable to afford market housing	Future moving households unable to afford market housing	Households in housing need (current)	Projected future need	Crude average
High equity IH product	3.3%	4.0%	3.5%	0.7%	2.8%
Low equity IH product	1.6%	0.9%	3.5%	0.0%	1.5%
Intermediate rented housing	5.7%	9.5%	6.3%	5.4%	6.7%
Social rent	89.4%	85.7%	86.7%	93.9%	89.0%
Total	100.0%	100.1%	100.0%	100.0%	100.0%

Source: Sefton SHMA household survey January 2008

28.13 The data above on its own cannot be used as the suggested split of different types of affordable housing as we need to take into account the supply of affordable housing. As has previously been noted, the supply of social rented housing is well in excess of that of intermediate housing; intermediate products therefore represent a small fraction of the overall affordable housing supply. The supply of intermediate rented housing particularly tends to be low; the supply of high or low equity intermediate housing products (in the form of shared equity or shared ownership) tends to be slightly larger.

28.14 The main analysis of housing need, summarised in Chapter 27, suggested that in Sefton there was an overall annual need of 4,062 with a supply to meet this of 1,664 (hence a net need of 2,398). We can apportion the figures in Table 28.3 above to the gross needs figures presented in Table 28.2 and also take away the supply from each of the sources to make an estimate of a sensible split of types of affordable housing required in the Borough. The table below shows this estimate:

Table 28.4 Types of affordable housing required in Sefton

	High equity IH product	Low equity IH product	Intermediate rented housing	Social rent	Total
Total gross annual need	114	61	272	3,615	4,062
Total gross annual supply	40	28	0	1,596	1,664
Net annual need	74	33	272	2,019	2,398
% of net shortfall	3.1%	1.4%	11.3%	84.2%	100.0%

Source: Sefton SHMA household survey January 2008; various secondary data sources

28.15 The table suggests that of the total additional affordable housing to be provided in Sefton, 3.1% should be a high equity intermediate housing product, 1.4% a low equity intermediate housing product and 11.3% intermediate rented housing. The majority, 84.2%, would therefore need to be social rented housing.

Target costs of these intermediate products

28.16 The tables below show the cost at which the intermediate housing products described above should be priced if they are to meet the housing need identified in Table 28.4. This information is presented by bedroom size in each of the price areas in the Borough.

Table 28.5 Prices assumed for affordable housing types in Sefton - Southport

Affordable housing type	Number of bedrooms			
	1 bed	2 bed	3 bed	4 bed
High equity IH product	£87,800	£115,230	£137,130	£208,868
Low equity IH product	£75,600	£99,960	£116,760	£190,736
Intermediate rented housing	£79	£99	£113	£168

Source: Fordham Research 2008

Table 28.6 Prices assumed for affordable housing types in Sefton - Formby

Affordable housing type	Number of bedrooms			
	1 bed	2 bed	3 bed	4 bed
High equity IH product	£107,000	£126,450	£150,000	£259,300
Low equity IH product	£84,000	£92,400	£105,000	£236,600
Intermediate rented housing	£85	£93	£105	£199

Source: Fordham Research 2008

Table 28.7 Prices assumed for affordable housing types in Sefton – Crosby/Maghull

Affordable housing type	Number of bedrooms			
	1 bed	2 bed	3 bed	4 bed
High equity IH product	£89,900	£108,770	£129,390	£189,632
Low equity IH product	£79,800	£89,040	£98,280	£173,264
Intermediate rented housing	£82	£91	£101	£155

Source: Fordham Research 2008

Table 28.8 Prices assumed for affordable housing types in Sefton – Netherton/Bootle

Affordable housing type	Number of bedrooms			
	1 bed	2 bed	3 bed	4 bed
High equity IH product	£62,250	£70,950	£88,650	£110,846
Low equity IH product	£63,000	£71,400	£79,800	£101,192
Intermediate rented housing	£71	£79	£88	£106

Source: Fordham Research 2008

Summary

- i) The data presented throughout this chapter provides an indication of what might be a reasonable split between different types of affordable housing in the Borough. A crucial point to note when trying to actually deliver such housing is to ensure that the product being offered is genuinely affordable. For example, a discount on a newly built property does not necessarily make such housing affordable – this will only be the case where the discount is sufficient to take the product down to a genuinely affordable level (the same will apply to schemes such as shared ownership).
- ii) This chapter has shown that if provided at the appropriate cost a range of intermediate housing products can be used to meet housing need in Sefton. The data suggests that of the total additional affordable housing to be provided in Sefton, 5% should be high or low equity intermediate housing products and 11% intermediate rented housing. The majority, 84% would therefore need to be social rented housing.
- iii) In this chapter we have provided some guidance on the typical costs and outgoings required to make housing affordable (at current prices/rents) and we would urge the Council to consider these and keep them updated (using the approach described in Appendix A6) so as to be in a strong position to ensure that affordable housing provided can help households who genuinely cannot afford to access the housing market.

29. Impact of the market downturn

Introduction

29.1 The first draft of this report was produced in Spring 2008, since then it has become clear that the housing market has entered a sustained downturn. This chapter describes the downturn in the housing market that has been recorded nationally before examining the extent of the downturn in Sefton, including the latest data on the local labour market. Finally the chapter will assess the affect of the market downturn and associated borrowing conditions on the estimate of housing need.

The national housing market downturn

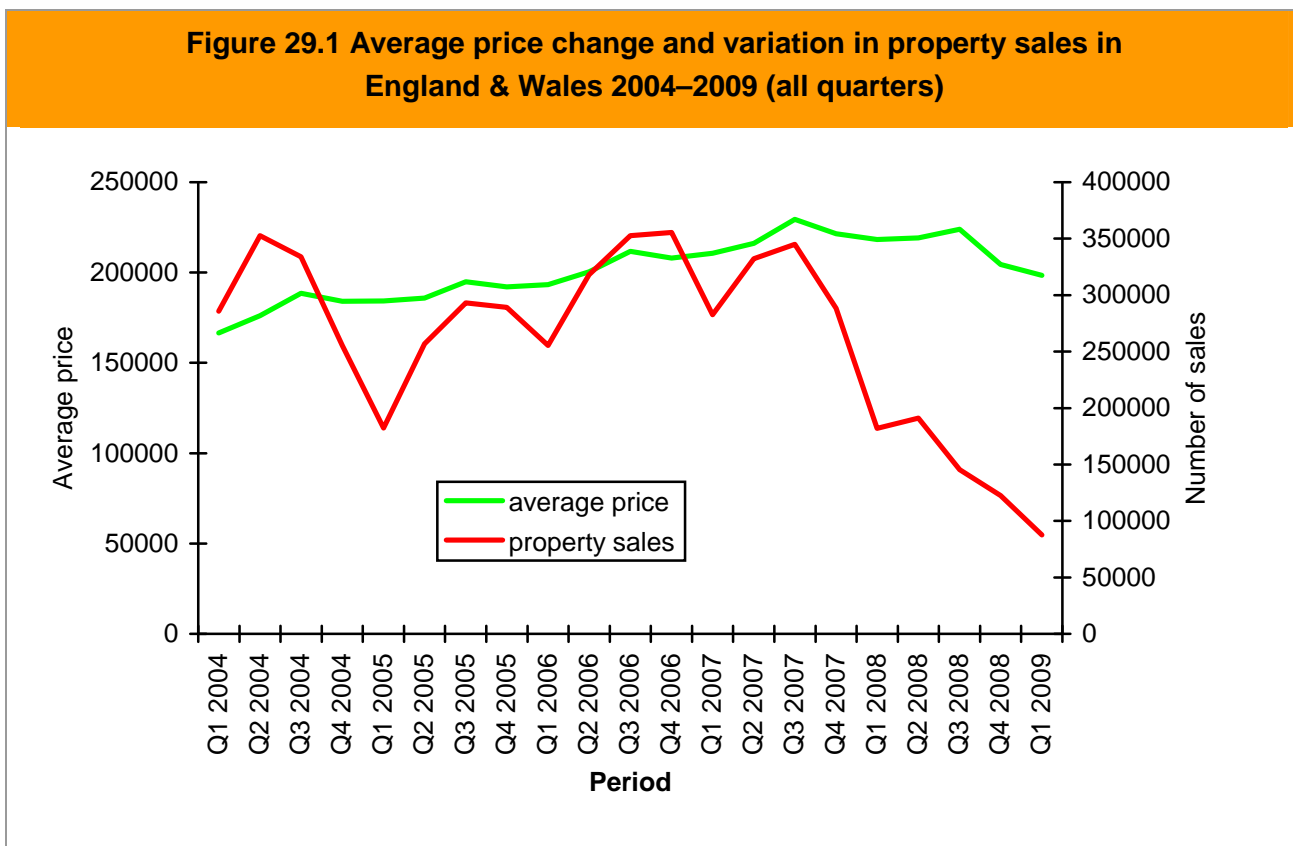
29.2 Although many people had been expecting a crash in house prices for some time, due to the historical trend of this occurring after a period of fast house price growth, the market downturn was principally triggered by the realisation of the scale of the bad debt that banks had. This caused banks to be much more cautious toward lending to one another as there was a greater risk of not being repaid.

29.3 This therefore limited the credit available for those potentially requiring a mortgage. In addition banks and building societies were more cautious in their lending practices to ensure they didn't create any further bad debts for themselves. This meant that the multiples of income that a mortgage was offered on were reduced and a greater proportion of the value of the home was required as a deposit.

29.4 This particularly affected first-time buyers, whom have less access to capital. The result was that in 2008, 194,000 home loans were granted to first-time buyers in England compared with 357,800 in 2007, while the average deposit put down by a new entrant to the market rose to 22% the highest level since 1974. The average multiple of income that first-time buyers borrowed in 2008 was 3.1 times their earnings compared with 3.4 times in 2007.

29.5 The reduction in first-time buyers had implications for the overall buoyancy of the market. The absence of new entrants to the market, reduced activity further up the housing ladder with the number of home mover loans dropping from 658,000 in 2007 to 322,200 in 2008.

29.6 The figure below shows the number of sales recorded across England and Wales for each quarter since Quarter 1 of 2004. The figure shows that whilst property sales levels have always been relatively volatile, a marked decrease has been recorded since quarter three of 2007. The figure also shows the change in average property prices over this period. This shows that there was a lag between the decline in property sales and the decline in property prices.



Source: Land Registry

29.7 Whilst the decline in property prices had been relatively modest until the summer 2008, the speculation of the total extent of the reduction of the value of housing that would occur in this downturn has also put off potential buyers concerned by the prospect of a continued fall in prices leaving them in negative equity. This perception of investment in housing now representing a risk allied to the difficulty of getting a mortgage is likely to see the recent housing market trends continue.

The situation in Sefton

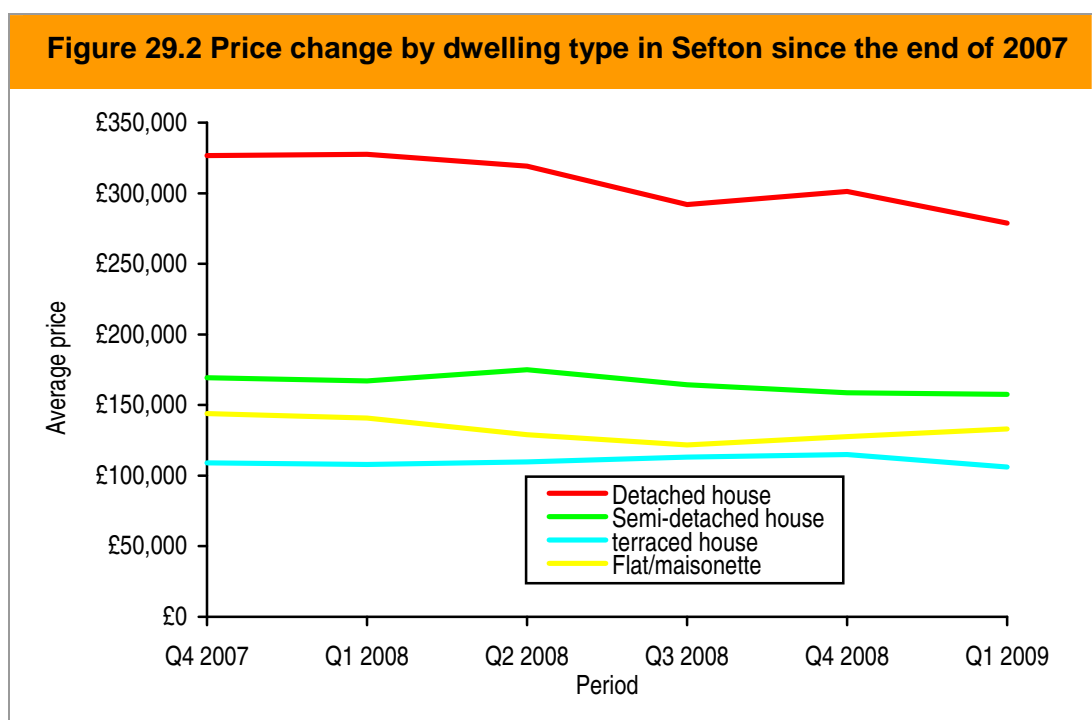
29.8 The most recent house price data available at the time of the first draft was from the fourth quarter of 2007. The Land Registry has now published data for the first quarter of 2009. It is therefore possible to assess the changes recorded in Sefton over this period, alongside national and regional equivalents.

29.9 The table below shows the change in average prices between the fourth quarter of 2007 and the first quarter of 2009 for each of England and Wales, the North West and Sefton. The table shows that over this period average prices in Sefton decreased by 5.1%, compared to a regional and national fall of over 10% during the period.

Table 29.1 Change in average property prices			
Area	Average price Oct-Dec 2007	Average price Jan - Mar 2009	Percentage change recorded
England & Wales	£222,256	£198,495	-10.7%
North West	£161,566	£144,450	-10.6%
Sefton	£170,986	£162,209	-5.1%

Source: Land Registry

29.10 The figure below shows how the change in prices over the last eighteen months varies by property type in Sefton. The figure shows that for all dwelling types, prices have recorded a decline since the fourth quarter of 2007. Overall detached houses have recorded the largest price fall between the fourth quarter of 2007 and the first quarter of 2009, at 14.7% followed by flats/maisonettes (7.6%) then semi-detached houses (6.9%) and terraced houses (2.8%).



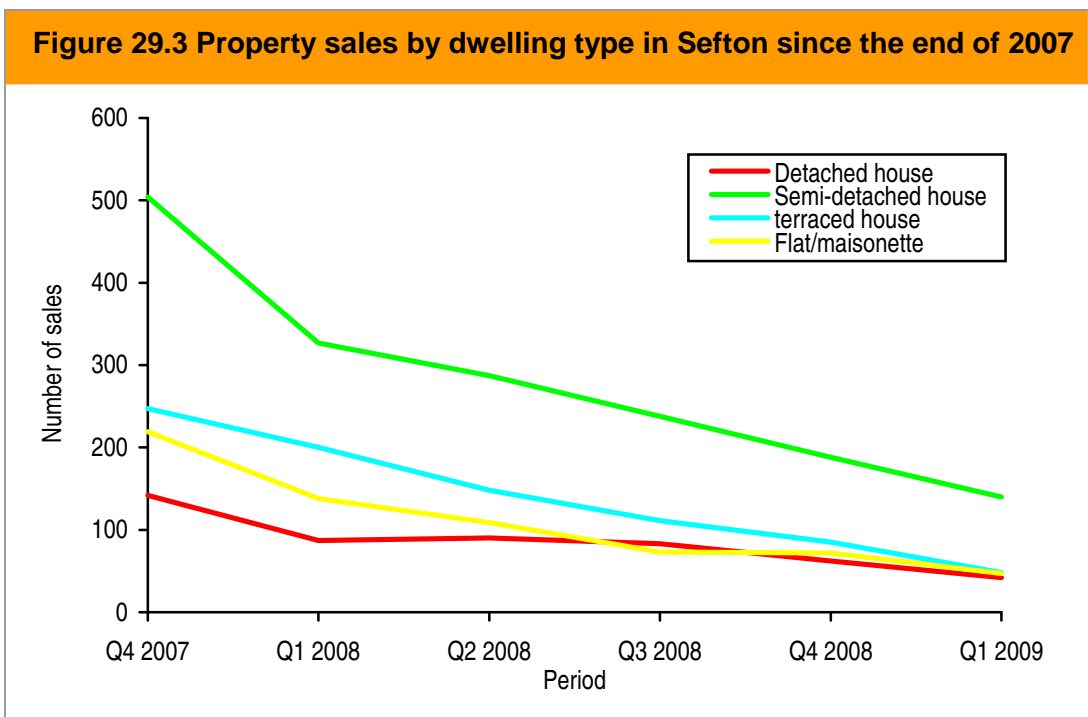
Source: Land Registry

29.11 The table below shows the change in the number of property sales between the fourth quarter of 2007 and the first quarter of 2009. The table indicates that whilst the change in property sales was similar in all areas, Sefton recorded the largest overall decrease, at 76.2%.

Table 29.2 Change in the number of property sales			
Area	Number of sales Oct-Dec 2007	Number of sales Jan-Mar 2009	Percentage change
England and Wales	282,548	87,646	-69.0%
North West	35,513	10,157	-71.4%
Sefton	1,205	287	-76.2%

Source: Land Registry

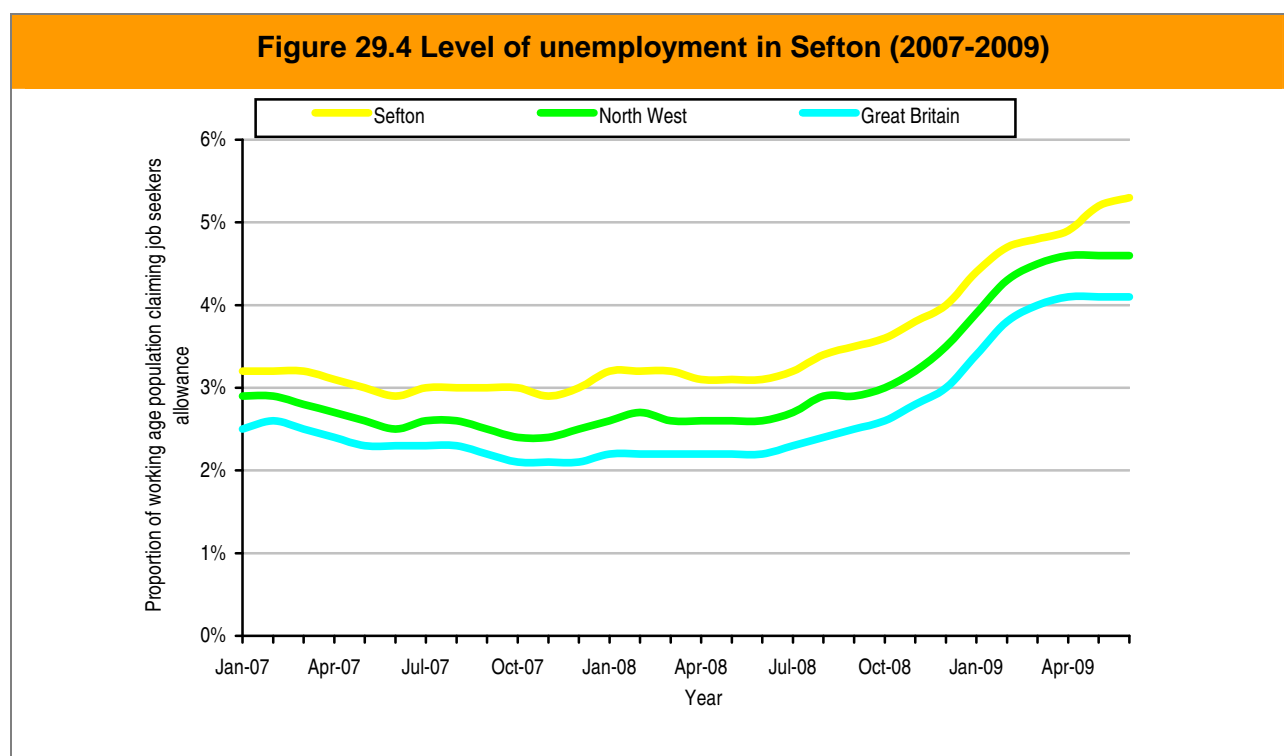
29.12 The figure below shows the change in sales levels over the last eighteen months by property type in Sefton. The figure shows that for all dwelling types the number of sales has recorded a continual decline since the fourth quarter of 2007. Overall terraced houses have recorded the largest decline in sales between the fourth quarter of 2007 and the first quarter of 2009 at 82.1% followed by detached houses (73.4%), then semi-detached houses (69.9%) and finally flats/maisonettes (67.1%).



Source: Land Registry

The impact on the labour market

29.13 The ONS publishes the number of people claiming job seekers allowance on a monthly basis. This provides a very up to date measure of the level of unemployment of residents in an area. The figure below shows the change in the proportion of the working age population claiming job seekers allowance in Sefton since January 2007. The figure indicates that historically Sefton has had a relatively high unemployment level, and since summer 2008 the rate of unemployment in the Borough has shown a notable increase, mirroring the national and regional trends. Overall the number of people claiming job seekers allowance in Sefton in June 2009 was 72.3% higher than was recorded in the same month in 2008.



Source: ONS Claimant count

Implications of the market downturn on the extent of housing need

29.14 The Practice Guidance Needs Assessment Model assess affordability based on housing costs and a household's financial capacity at a particular time. In this report the housing needs model is based at Spring 2008. It is possible however to examine how the model would be affected by the changes in the price of market housing recorded since this time. To do this the model is re-assessed, against entry-level prices 5.1% lower than those described in Chapter 8. It is assumed that the supply of affordable housing and the household's income and savings remained the same (equity values will be adjusted according to changes in house prices).

29.15 The following table shows how the model results are affected. The table indicates that as a consequence of the fall in property prices in Sefton the net annual need has decreased from 2,398 to 2,099.

Table 29.3 Impact on overall requirement estimate of changes in property prices		
	Original model	New entry-level costs
Annualised current need	833	803
Annualised available stock	373	373
Newly arising need	3,229	2,960
Future supply	1,291	1,291
Net shortfall or surplus	2,398	2,099

Source: Sefton SHMA 2008 (combination of data sources)

29.16 Although the reduction in the property prices, theoretically make it easier for a household to purchase a new home and therefore reduces housing need in Sefton, the change in the availability of credit has meant that this may not occur in reality. The Nationwide Building Society, one of the two biggest mortgage lenders in the country, currently requires a deposit of at least 15% to access a competitive interest rate.

29.17 It is possible to examine how the Practice Guidance needs assessment model would be affected by the requirement for households purchasing a property to have capital amounting to 15% of the price. This is presented in the table below. The table shows that even though entry-level prices have fallen in the last eighteen months, the change in the conditions to obtain a mortgage has resulted in the net annual need rising to 2,753 from 2,398

Table 29.4 Impact on overall requirement estimate of changes in property prices			
	Original model	New entry-level costs	Deposit requirement
Annualised current need	833	803	803
Annualised available stock	373	373	373
Newly arising need	3,229	2,960	3,614
Future supply	1,291	1,291	1,291
Net shortfall or surplus	2,398	2,099	2,753

Source: Sefton SHMA 2008 (combination of data sources)

Summary

- i) Dramatic changes have been recorded in the housing market since quarter four 2007 with average prices in the Borough having decreased by 5.1% and the number of property sales having fallen by 76.2%.
- ii) A consideration of the market changes on the extent of housing need shows that whilst the reduction in prices theoretically has reduced net annual need by around 300, the requirement for a deposit to purchase a home means that the net annual need has actually increased by around 350.

SECTION H: PARTICULAR HOUSEHOLD GROUPS

This section addresses particular groups of households. Some may have been disadvantaged, and some may not, but the additional detail upon them should be of value in considering policy options for them.

This section contains detailed analysis for the following particular groups:

30. Black and Minority Ethnic households (BME)

31. Households with support needs

32. Key worker households

33. Older person households

34. Families

30. Black and Minority Ethnic households

Introduction

- 30.1 One key group which is of interest to study are households from a Black or Minority Ethnic (BME) background. Such households, as a group, are quite often found to have distinct characteristics or may be disadvantaged in some way. This chapter therefore briefly considers information about BME households. Much of the information collected has come from the 2001 Census which allows comparative information to be provided across the Borough and for benchmark areas.
- 30.2 Additional information has been drawn from the Sefton SHMA household survey January 2008. For the purpose of analysis in a SHMA we are particularly interested in households, hence the majority of analysis uses information about the 'Household Reference Person' (HRP).
- 30.3 The housing situation of ethnic minority groups was also discussed during the consultation events and some key themes from the discussion will also be included in this chapter.

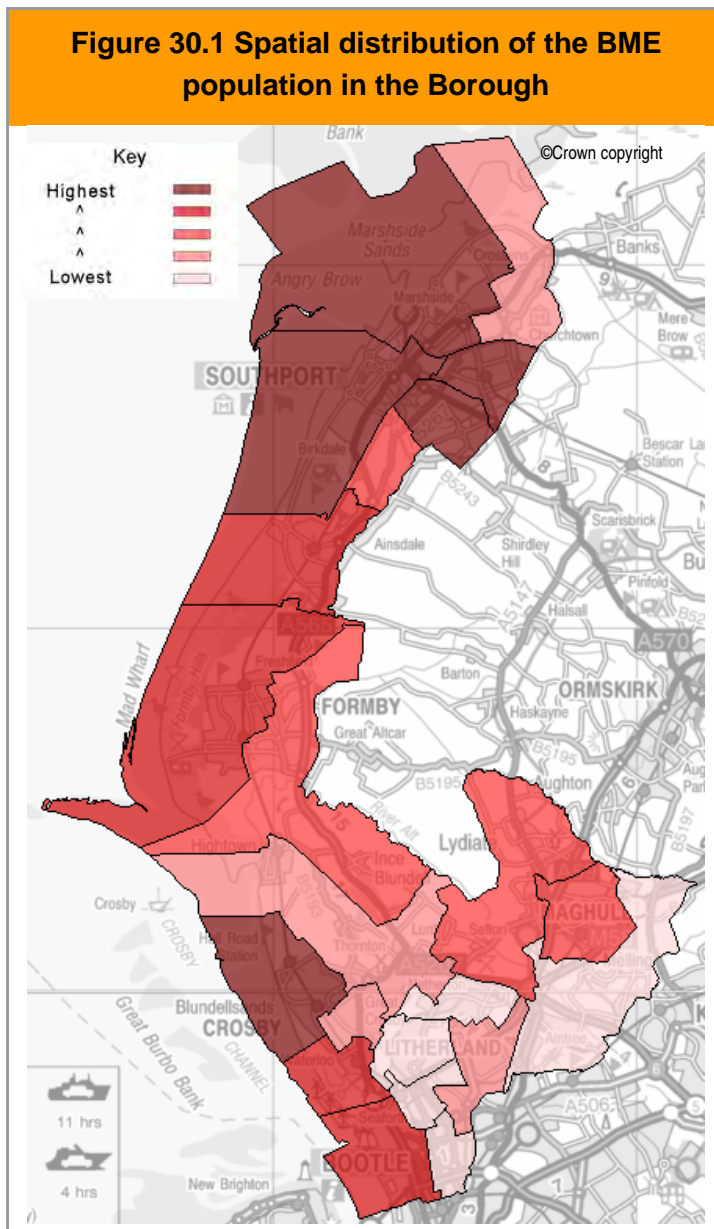
The BME household population

- 30.4 The table below shows the proportion of HRPs who are from each of various BME groups. The data shows that the proportion of non-White (British/Irish) HRPs is lower in the Borough than found regionally or nationally. In total in 2001 it was estimated that just 2.1% of HRPs in Sefton were from a non-White (British/Irish) background.

Table 30.1 Ethnic group of household reference person (2001)			
Ethnic group	Sefton	North West	England
White (British/Irish)	97.9%	95.0%	90.6%
White Other	0.9%	1.2%	2.6%
Mixed	0.3%	0.5%	0.7%
Asian	0.4%	2.1%	3.0%
Black	0.2%	0.7%	2.3%
Other	0.4%	0.5%	0.7%
Total	100.0%	100.0%	100.0%

Source: Office for National Statistics 2007 (from 2001 Census data)

30.5 The map below shows the spatial distribution of the non-White (British/Irish) population in the Borough at ward level. The data shows a concentration of BME households towards the north of the Borough, around Southport, while the wards with the lowest proportions of BME households are concentrated to the south of the Borough.

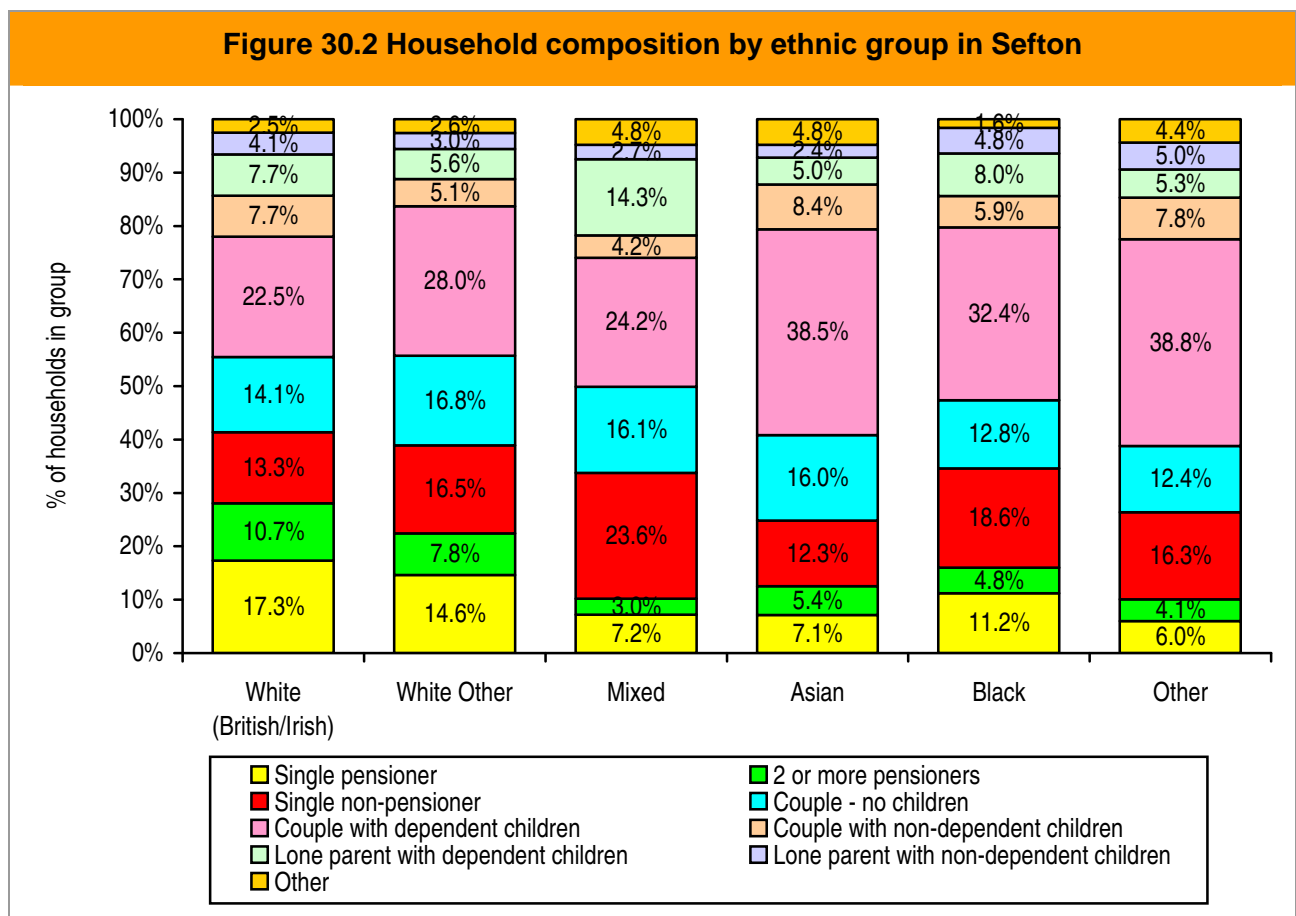


Source: Office for National Statistics 2007 (from 2001 Census data)

Household characteristics

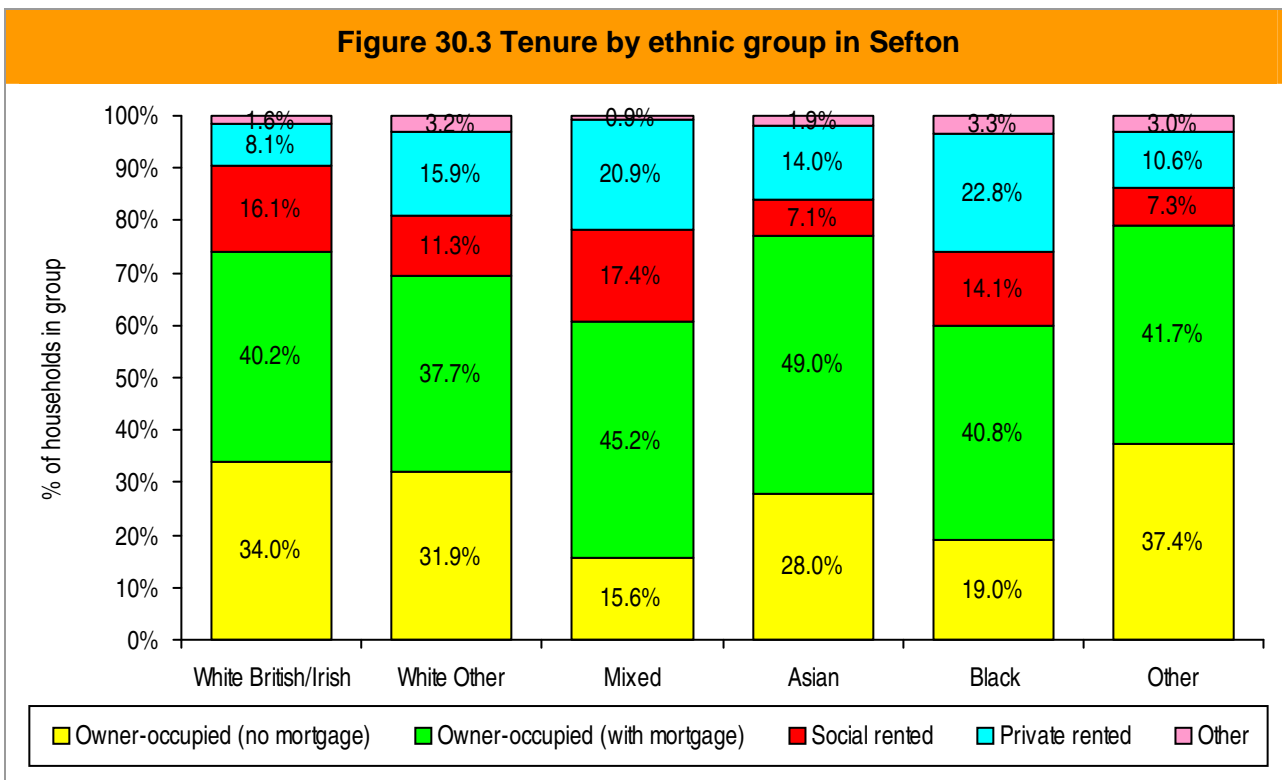
30.6 Census data can also be used to provide some broad information about the household and housing characteristics of the BME population in the study area. The figure below looks at the household composition of six broad groups using data from the 2001 Census.

- 30.7 The data clearly shows that there are notable differences between BME groups and the White (British/Irish) household population in terms of household composition as well as between the different BME groups. The data suggests that non-White households are less likely than White households to contain only people of pensionable age.
- 30.8 The Asian and Other groups are notable for the large proportion of households with dependent children. BME groups generally have a proportionally larger 'Other' group than White (British/Irish) households. This 'Other' group may contain extended families with several generations living together as one household. Mixed households were the most likely to contain lone parents with dependent children (14.3%).



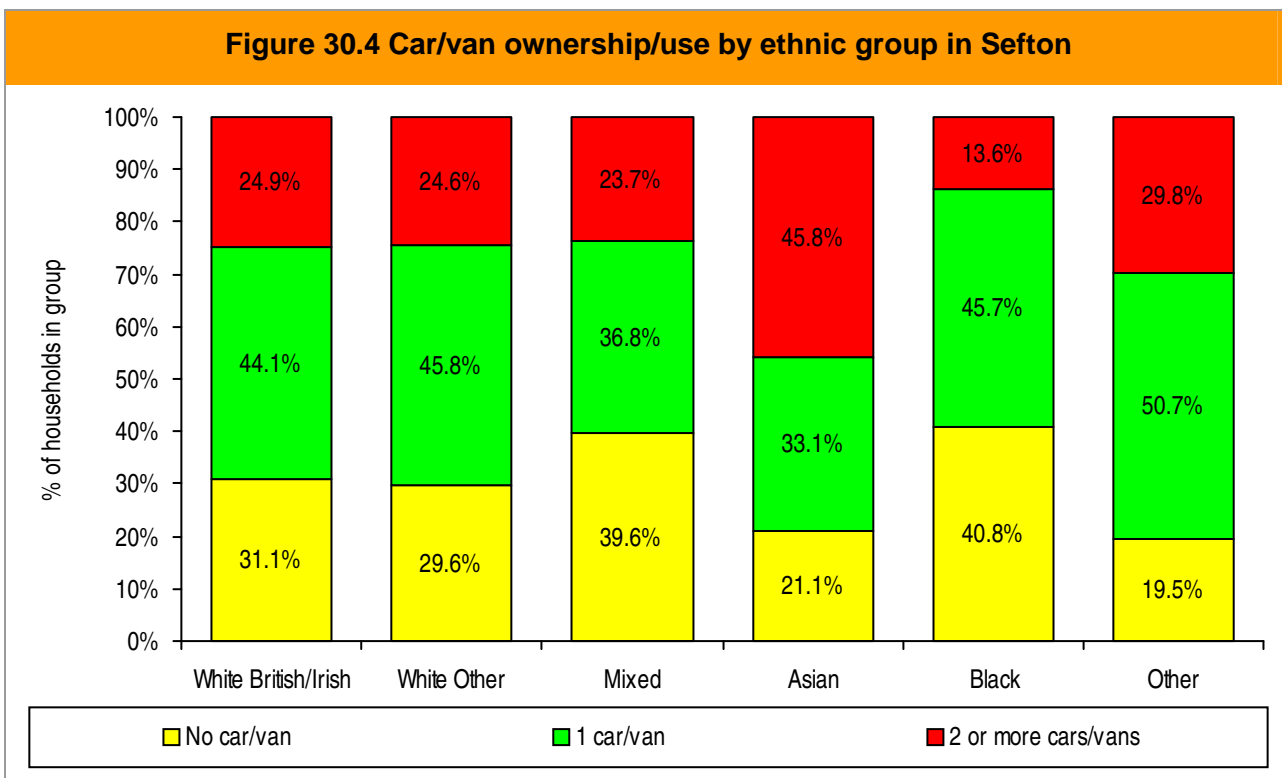
Source: 2001 Census data (from NOMIS)

- 30.9 The figure below shows the tenure split of households in each of six broad ethnic groups. The data shows that Other and White (British/Irish) households are the most likely to be owner-occupiers, although Asian households have the largest proportion of households buying with a mortgage. Black and Mixed households were the most likely to live in the private rented sector, whilst White (British/Irish) were least likely. Asian and Other households were the least likely to live in social rented accommodation.



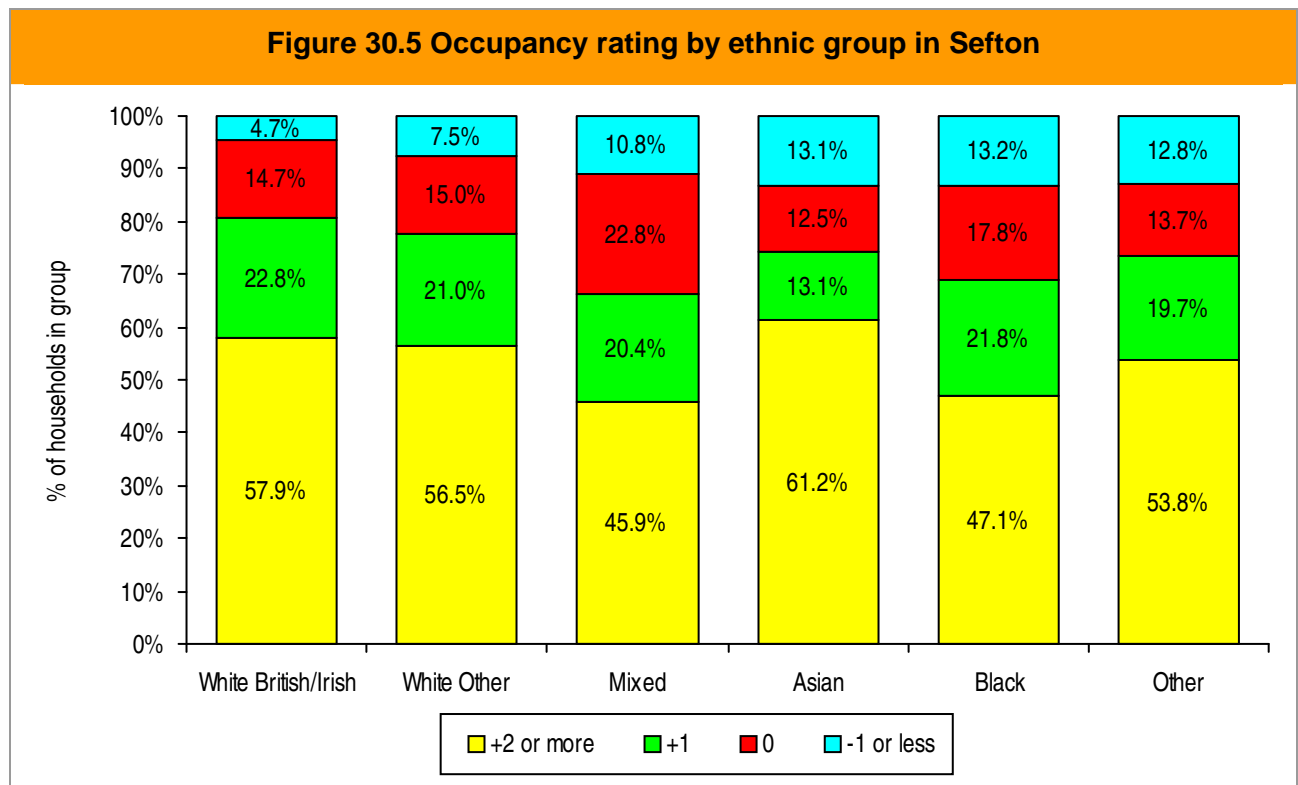
Source: 2001 Census data (from NOMIS)

30.10 Car ownership is another useful variable when looking at the characteristics of BME households. The data shows that Black and Mixed households are least likely to have access to a car or van. Asian households are the most likely to have access to two or more cars/vans.



Source: 2001 Census data (from NOMIS)

30.11 Earlier in this report we looked at overcrowding and under-occupation using the 'occupancy rating'. This information is also available by ethnic group and has been provided below. The data shows that all BME groups are more likely to be overcrowded (i.e. have a negative occupancy rating) than White (British/Irish) households. In particular the Census data suggests that Black and Asian households are most likely to be overcrowded (13.2% and 13.1% respectively). This figure compares with only 4.7% of the White (British/Irish) group.



Source: 2001 Census data (from NOMIS)

Survey data

30.12 Information was gathered in the Sefton SHMA household survey January 2008 to find out the ethnic origin of the survey respondent (and partner if applicable) for each sample household in the survey. The ethnic categories used on the survey forms were consistent with those used in the 2001 Census. For the analysis, the ethnic group of the survey respondent is taken to represent the head of household. Generally sample sizes for all ethnic groups are small and therefore care should be used in interpreting the results that follow.

Table 30.2 BME household numbers and survey sample

Ethnic group	Number of households	% of households	Sample of households
White – British	111,286	95.7%	2,193
White – Irish	1,440	1.2%	42
White – Other	1,259	1.1%	24
Non-White	2,343	2.0%	29
Total	116,328	100.0%	2,288

Source: Sefton SHMA household survey January 2008

30.13 The main household survey records that 2.0% of households in Sefton are headed by someone that describes themselves as being from a non-White group with a further 1.2% described as White-Irish and 1.1% described as White-Other.

Characteristics of BME households

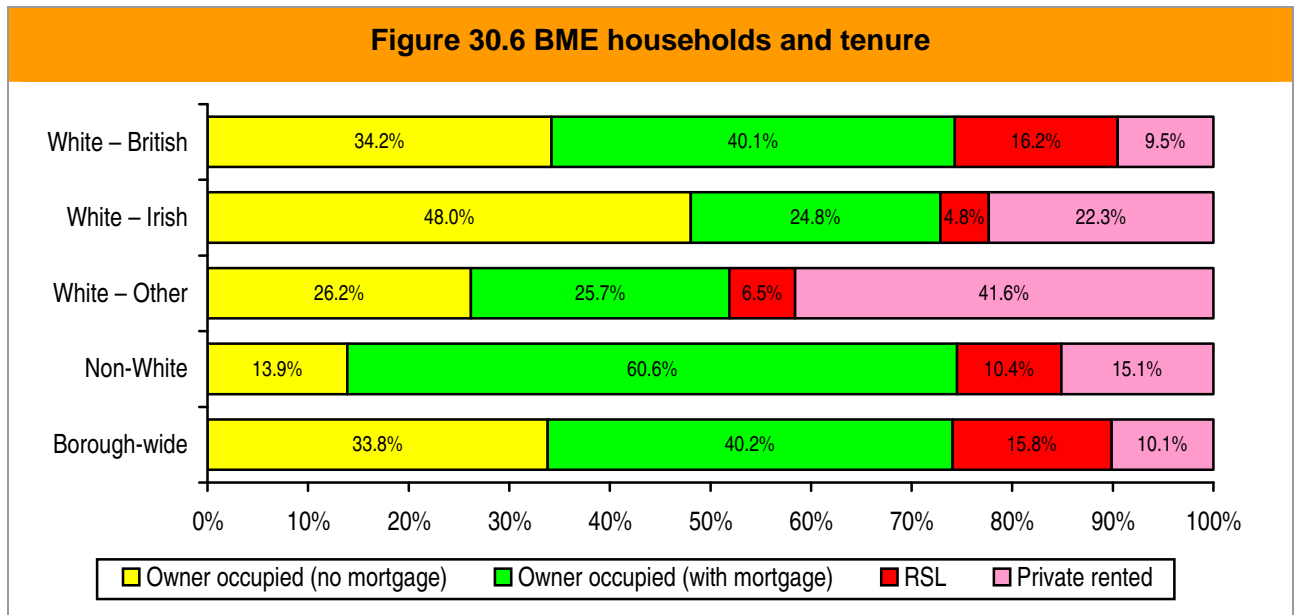
30.14 The table below shows household size by ethnic group. The data suggests some differences in the average household size between different ethnic groups with non-White households having by far the highest average number of persons per household (at 3.78). In contrast the average across the whole Borough was only 2.33.

Table 30.3 Size of BME households

Ethnic Group	Number of persons						Total	Average h'hld size
	1	2	3	4	5	6 or more		
White – British	33.2%	32.2%	14.3%	13.6%	5.0%	1.6%	100.0%	2.30
White – Irish	30.9%	44.0%	10.6%	10.3%	4.2%	0.0%	100.0%	2.13
White – Other	16.8%	33.5%	20.7%	28.9%	0.0%	0.0%	100.0%	2.62
Non-White	14.2%	22.0%	16.1%	19.0%	14.8%	13.7%	100.0%	3.78
Borough average	32.6%	32.2%	14.3%	13.9%	5.1%	1.8%	100.0%	2.33

Source: Sefton SHMA household survey January 2008

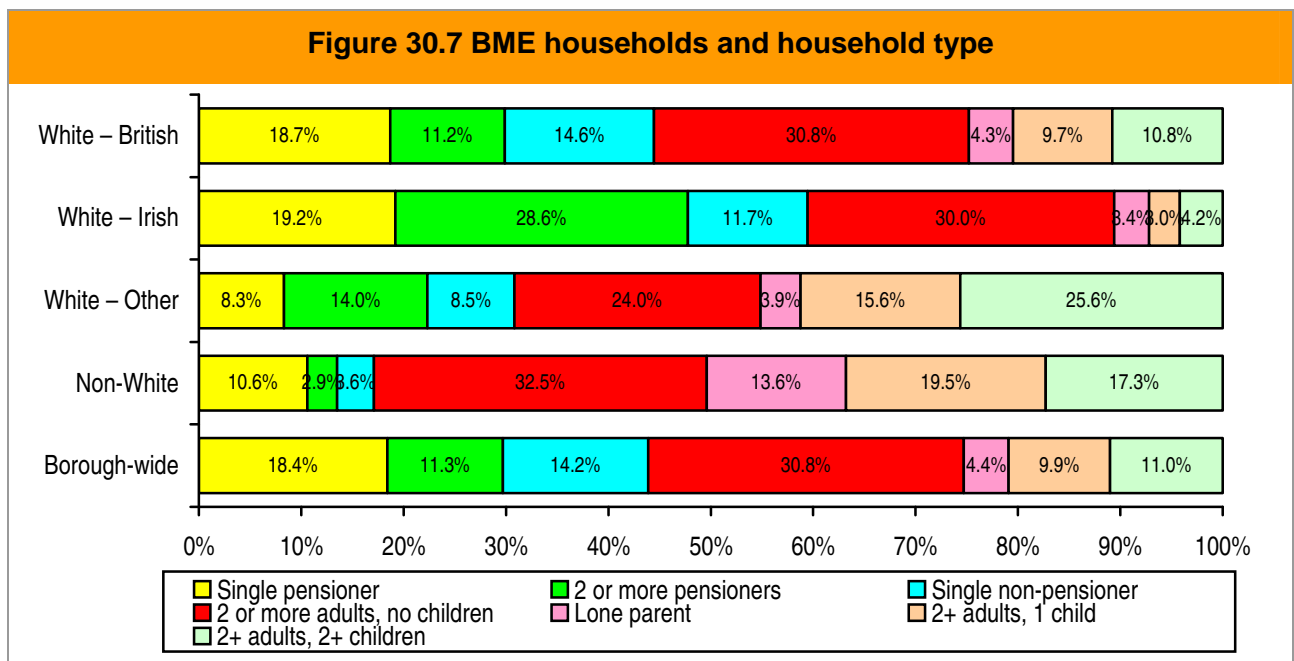
30.15 The figure below shows the variation in tenure by ethnic group. The data shows that White-Other households are the least likely to be owner-occupiers. White-Other households are particularly likely to live in private rented housing. White-British households are the group most likely to reside in the social rented sector. One Vision Housing's customer profiling data indicates that around 3% of RSL households are from a BME group.



Source: Sefton SHMA household survey January 2008

Household type and support needs

30.16 The figure below shows household type by ethnic group. The figure shows that White-Irish households are particularly likely to be pensioner only households and are generally less likely to contain children than the Borough averages. White-Other and non-White households are most likely to contain children.



Source: Sefton SHMA household survey January 2008

30.17 The table below shows support needs households by ethnic group. Results suggest that non-White households are slightly more likely than average to contain someone with a support need. White – Other households are the least likely to contain a member with a support need.

Table 30.4 Ethnic group and support needs				
Ethnic group	Support needs households			
	Support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
White – British	28,255	111,286	25.4%	95.5%
White – Irish	389	1,440	27.0%	1.3%
White – Other	238	1,259	18.9%	0.8%
Non-White	698	2,343	29.8%	2.4%
Total	29,579	116,328	25.4%	100.0%

Source: Sefton SHMA household survey January 2008

Income and savings levels

30.18 The table below shows average income and savings levels for the different ethnic groups. The table shows that overall the income levels of non-White households record the highest average household income at £36,457. This group also shows the highest level of household savings. White-Irish households have the lowest average income, whilst White-British households display the lowest average savings levels.

Table 30.5 Income and savings levels of ethnic minority households		
Ethnic group	Annual gross household income	Average household savings
White – British	£25,579	£15,789
White – Irish	£22,005	£23,332
White – Other	£26,439	£29,220
Non-White	£36,457	£33,880
Average	£25,763	£16,393

Source: Sefton SHMA household survey January 2008

Unsuitable housing

30.19 The table below shows the proportion of each ethnic group that is considered to be living in unsuitable housing. The data shows that the proportion of White – Irish and non-White households living in unsuitable housing is significantly higher than the Borough average. At the other end of the scale only 3.2% of White – Other households were found to be living in unsuitable housing.

Table 30.6 Ethnic group and unsuitable housing levels

Ethnic group	% in unsuitable housing
White – British	9.3%
White – Irish	19.1%
White – Other	3.2%
Non-White	16.7%
Borough average	9.5%

Source: Sefton SHMA household survey January 2008

Community and stakeholder consultation

30.20 Issues affecting ethnic minority groups were discussed during the community consultation (Group 1). There were differences of opinion in the group with some members feeling that ethnic minorities were experiencing the same problems as everybody else; others suggested that they were at a disadvantage in the housing market, often having to live in poor quality housing (particularly eastern European migrants). Some suggested that although it was not a problem in their particular area it was a problem in Southport where there were some communities that seemed to be excluded or 'isolated'.

Summary

- i) The BME population of the Borough is generally smaller than the national and regional averages (BME taken to be all groups other than White (British/Irish)); the largest BME group is White Other.
- ii) BME households show some distinct characteristics when compared with White (British/Irish) households. In general, BME households were found to be less likely to contain pensioners only, have a lower level of owner-occupation and a higher level of overcrowding. There were also found to be differences between individual ethnic groups.
- iii) The Sefton SHMA household survey January 2008 suggests that BME households are particularly likely to reside in unsuitable housing.

31. Households with specific needs

Introduction

- 31.1 This chapter concentrates on the housing situation of people and households that contain someone with some form of disability. Such disabilities include both those with medical needs (e.g. with a physical disability) and those with support needs (e.g. with a mental health problem).
- 31.2 In this chapter we have looked at Census data about households with a limiting long-term illness and also data from the Sefton SHMA household survey January 2008 to provide a broad overview of the character of households with some sort of specific need and the spatial variation of such households.

Limiting long-term illness – Census data

- 31.3 In the Census a limiting long-term illness (LLTI) is defined as a long-term illness, health problem or disability that limits daily activities or work. The table below shows the proportion of people with a LLTI and the proportion of households where at least one person has a LLTI. The data suggests that across the Borough around 40.6% of households contain someone with a LLTI. This figure is higher than the equivalent figure for both the North West region and England as a whole. The figures for the population with a LLTI show a similar trend when compared with regional and national figures (an estimated 22.2% of the population of the Borough have a LLTI).
- 31.4 The reason why the proportion of households with a LLTI is much higher than the proportion of the population with a LLTI is that many people with a LLTI are single pensioner households who constitute a larger section of the number of households in the Borough than the total population in the Borough.

Table 31.1 Households and people with limiting long-term illness (LLTI) (2001)

Area	Households containing someone with LLTI		Population with LLTI	
	%	Number	%	Number
Sefton	40.6%	47,405	22.2%	62,839
North West	38.4%	1,079,168	20.7%	1,394,609
England	33.6%	6,862,037	17.9%	8,809,194

Source: Office for National Statistics 2007 (from 2001 Census data)

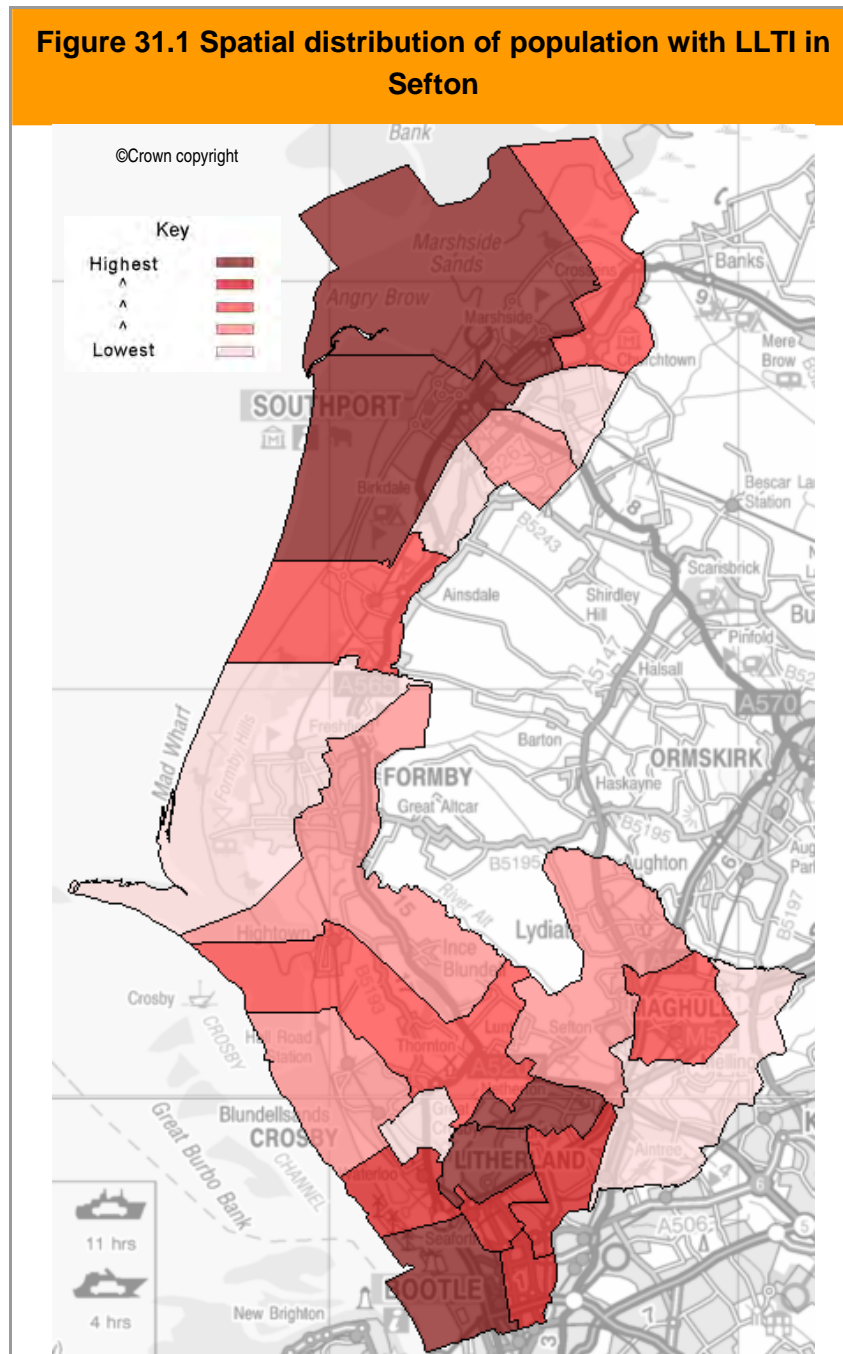
31.5 It is likely that the age profile of the area will heavily impact upon the numbers of people with a LLTI, as older people tend to be more likely to have a LLTI. Therefore the table below shows the age bands of people with a LLTI against those who do not. It is clear from this analysis that those people in the oldest age bands are more likely to have a LLTI. As there is a relatively large proportion of older people in Sefton this relationship is key to there being such a high proportion of households with a LLTI.

Table 31.2 Households and people with limiting long-term illness by age band (LLTI) (2001)

Age band	Population with LLTI	Population without a LLTI	Total
0-25	7.3%	36.4%	30.2%
25-50	21.0%	36.5%	33.3%
50-75	49.6%	23.1%	28.7%
75+	22.0%	4.0%	7.8%
All people	100.0%	100.0%	100.0%

Source: 2001 Census data (from NOMIS)

31.6 When we look at the spatial distribution of the population with a limiting long-term illness (LLTI) we can see that there is a strong pattern. There is a concentration of wards with high proportions of its population with LLTI to the north (Southport) and the south (Bootle) of the Borough.



Characteristics of population with LLTI

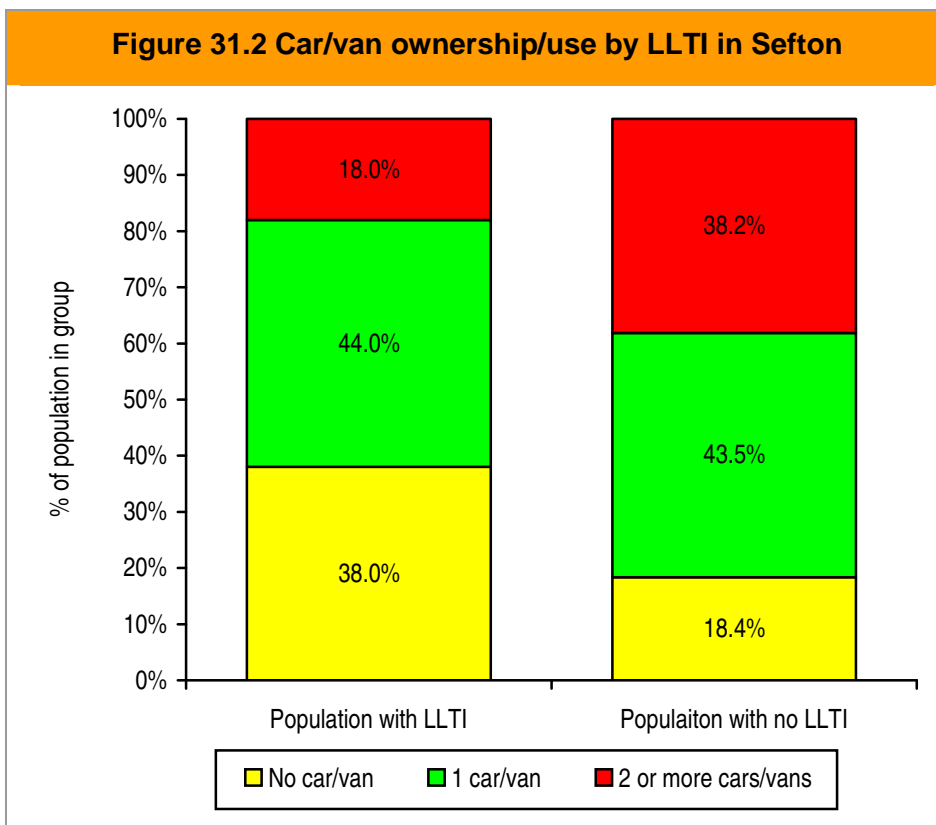
31.7 Below we look in some detail at the population with a LLTI. It should be noted that the figures are for population and not households and so will to a certain extent be influenced by different household sizes. The split between different groups (e.g. tenure or car ownership/use) will therefore not match the figures split for households (from the 2001 Census) provided at several points in this report.

31.8 The first of the tables below looks at the tenure profile of the population with a LLTI compared with that with no LLTI. The data shows that the population with a LLTI are particularly likely to live in social rented accommodation. Nearly a third of the population living in social rented accommodation has a LLTI.

Table 31.3 Tenure of population with LLTI in Sefton				
Tenure group	With LLTI	Total population	% of tenure group with LLTI	% of LLTI of each tenure group
Owned	40,278	215,862	18.7%	68.6%
Social rented	13,102	40,400	32.4%	22.3%
Private rented	5,371	21,797	24.6%	9.1%
Total	58,751	278,059	21.1%	100.0%

Source: 2001 Census data (from NOMIS)

31.9 We have also used Census data to look at car ownership. The Census suggests that people with a LLTI are far less likely to have access to a car or van than other households. The data is shown in the figure below.



Source: 2001 Census data (from NOMIS)

Household survey data

31.10 The Sefton SHMA household survey January 2008 collected information about households who said that one or more people suffered from one or more of the following disabilities/support needs:

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

31.11 Whilst these represent the larger client groups covered in the Council's Supporting People Strategy, they are not exhaustive. There are, for example, many groups for which it would not be possible to obtain results through the questionnaire type approach (either due to the small numbers or because of the nature of the support need).

31.12 It should also be noted that the finding of a household with a support need does not necessarily mean that the household needs to move to alternative accommodation. In many cases the support 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.

Support needs groups: overview

31.13 Overall there are an estimated 29,579 households in Sefton with one or more members in an identified support needs group - this represents 25.4% of all households. The table below shows the number of households with different types of support needs. The numbers of households in each category exceed the total number of support needs households because people can have more than one category of support need.

31.14 Households with a 'medical condition' are the predominant group. There are 18,920 households containing a person with a medical condition. The next largest group is 'physically disabled'. These two categories represent the majority of all support needs households.

Table 31.4 Support needs categories			
Category	Number of households	% of all households	% of support needs households
Frail elderly	6,614	5.2%	22.4%
Physical disability	14,441	11.3%	48.8%
Learning difficulty	1,830	1.4%	6.2%
Mental health problem	4,336	3.4%	14.7%
Severe sensory disability	2,185	1.7%	7.4%
Medical Condition	18,920	14.8%	64.0%
Other	1,414	1.1%	4.8%

Source: Sefton SHMA household survey January 2008

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

Table 31.5 Support needs households with and without older people				
Age group	Support needs households			
	Support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
No older people	13,075	70,212	18.6%	44.2%
Both older & non-older people	4,249	11,601	36.6%	14.4%
Older people only	12,255	34,515	35.5%	41.4%
Total	29,579	116,328	25.4%	100.0%

Source: Sefton SHMA household survey January 2008

31.16 The survey data shows that support needs households are also more likely to contain older persons. It is estimated that 41.4% of all support needs households contain only older people.

31.17 The table below indicates that support needs households are more likely to be living in social rented housing. Some 44.5% of households living in RSL housing contain a support needs member. This finding of 44.5% of RSL households containing a member with a support need, is very similar to One Vision Housing's customer profiling information, which indicates that 47% of residents have a support need. A relatively large proportion of private renters have a support needs member, most likely to be a physical disability or a mental health problem.

Table 31.6 Support needs households and tenure

Tenure	Support needs households			
	Support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
Owner-occupied (no mortgage)	10,333	39,367	26.2%	34.9%
Owner-occupied (with mortgage)	6,778	46,758	14.5%	22.9%
RSL	8,196	18,423	44.5%	27.7%
Private rented	4,272	11,780	36.3%	14.4%
Total	29,579	116,328	25.4%	100.0%

Source: Sefton SHMA household survey January 2008

31.18 The table below indicates that support needs households are over three times as likely to be living in unsuitable housing as non-support needs households. Around 19.7% of all support needs households are living in unsuitable housing, which compares with 9.5% of all households and only 6.1% of all non-support needs households.

Table 31.7 Support needs households and unsuitable housing

Support needs	Unsuitable housing			
	In unsuitable housing	Number of h'holds	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Support needs	5,838	29,579	19.7%	52.6%
No support needs	5,261	86,749	6.1%	47.4%
Total	11,099	116,328	9.5%	100.0%

Source: Sefton SHMA household survey January 2008

31.19 The table below shows the location of households with support needs. The table indicates that support needs households are particularly likely to live in the Bootle and Netherton sub-areas.

Table 31.8 Support needs households and sub-area

Sub-area	Support needs households			
	Support needs	Number of h'holds	% of total h'holds with support needs	% of those with a support need
Southport	8,934	38,524	23.2%	30.2%
Formby	1,574	9,079	17.3%	5.3%
Maghull / Aintree	3,844	15,053	25.5%	13.0%
Crosby	4,317	20,353	21.2%	14.6%
Bootle	5,806	17,596	33.0%	19.6%
Netherton	5,104	15,723	32.5%	17.3%
Total	29,579	116,328	25.4%	100.0%

Source: Sefton SHMA household survey January 2008

31.20 The table below shows the average income and savings levels for support needs households in comparison to other households. The table shows that support needs households have average income and savings levels noticeably below the average for non-support needs households.

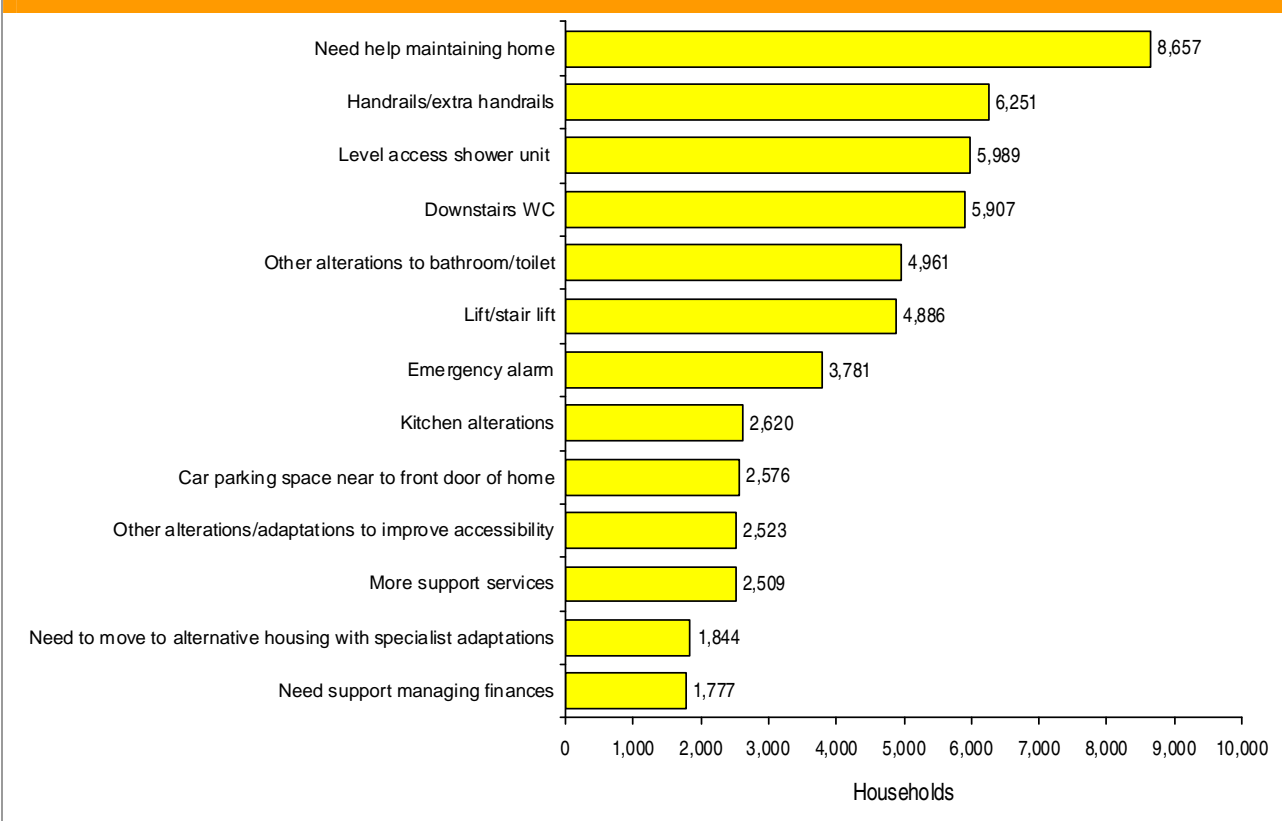
Table 31.9 Income and savings levels of support needs households		
Support needs	Annual gross household income (mean)	Average household savings (mean)
Support needs	£17,164	£13,360
No support needs	£28,695	£17,426
All households	£25,763	£16,393

Source: Sefton SHMA household survey January 2008

Requirements of support needs households

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

Figure 31.3 Support needs households: improvements to accommodation & services



Source: Sefton SHMA household survey January 2008

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

- Need help maintaining home
- Handrails/extra handrails
- Level access shower unit
- Downstairs WC

Summary

- i) Data from the 2001 Census suggests that 40.6% of households in the Borough contain someone with a limiting long-term illness (LLTI), compared with 38.4% in the North West and 33.6% in England, whilst 22.2% of the population have a LLTI.
- ii) The spatial distribution of the population with a LLTI is not even across Sefton, with notable concentrations of the population with a LLTI to the north (Southport) and the south (Bootle) of the Borough.
- iii) The population with a LLTI is particularly likely to reside in the social rented sector and appears to be somewhat disadvantaged (for example having a very low car/van ownership/use compared with other households).
- iv) The Sefton SHMA household survey January 2008 estimates that there are 29,579 households in Sefton with one or more members in an identified support needs group, this represents 25.4% of all households. Households with a 'medical condition' are the most common support needs group followed by 'physically disabled' households.
- v) Household survey data shows that households containing someone with a support need are more likely to be disadvantaged. The data shows high levels of housing unsuitability and generally low incomes amongst households with disability and support needs. Support needs households were most likely to state a requirement for help maintaining their home.

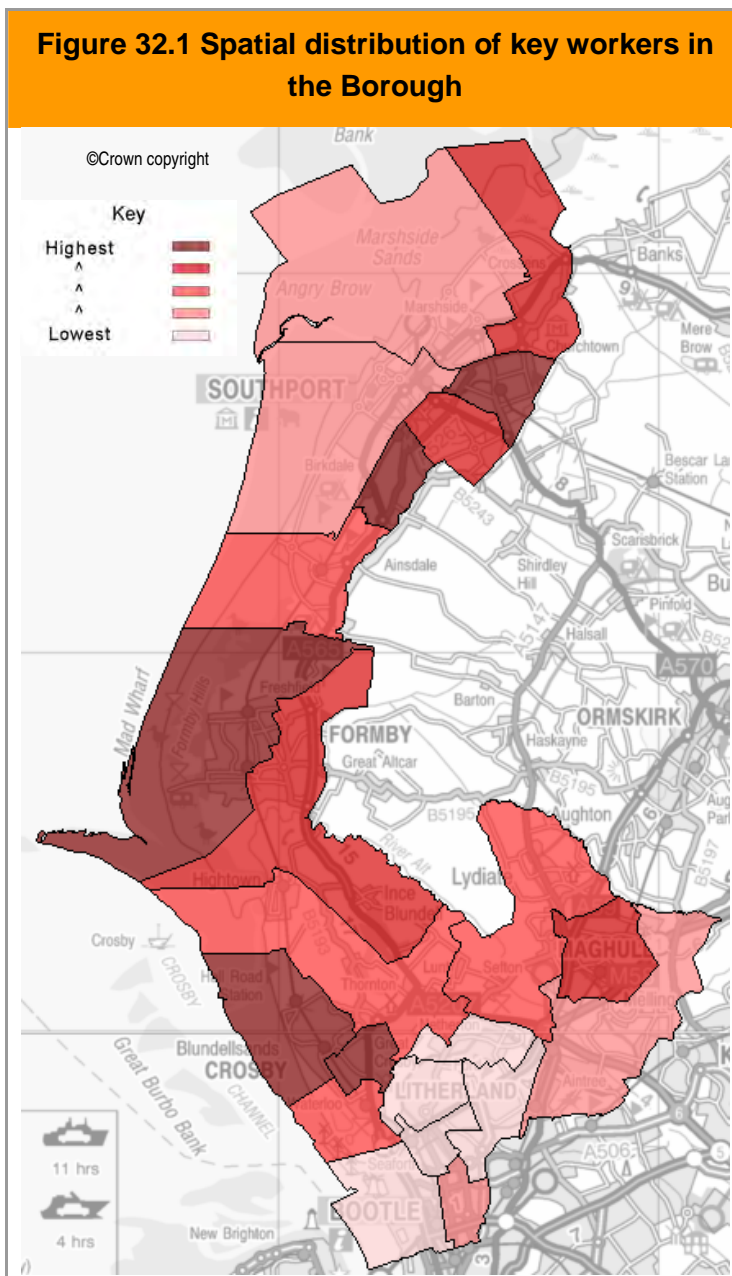
32. Key worker households

Introduction

- 32.1 The Practice Guidance identifies an analysis of key worker households as potentially an important area of study. Sefton Council currently have no definition for what constitutes a key worker within the authority, however it is generally agreed that key worker households are typically those working in the public sector.
- 32.2 Currently, government funded key worker housing schemes only operate in London and South-East England, however key workers are mentioned in the Sefton UDP Affordable Housing Policy, so it is useful to investigate the situation of key workers locally.
- 32.3 The Census provides some information about the population whose employment falls into the category of 'Public administration, education & health'. In addition the Sefton SHMA household survey January 2008 collected data on the category of employment of respondents in work, which includes public sector employees. Data from these two sources will be presented in this chapter to inform the situation of key workers in the Borough.

Census data

- 32.4 Census data suggests that across the whole study area, around 32.4% of people who are working are employed in public administration, education or health. This proportion is higher than equivalent figures for the region or for England as a whole (25.6% and 24.1% respectively).
- 32.5 The map below shows how this proportion varies by ward across the study area. There is no significant pattern although wards around Formby and Crosby have high proportions of key workers within them.



Character of key workers

- 32.6 The Census provides some additional data about the group of people working in public administration, education and health and below we have tabulated data about the ages of such people and the social group in which their employment falls.
- 32.7 The first table below shows that 'key workers' are typically older than other people in employment. Overall it is estimated that 15.8% of key workers are aged under 30, this compares with 25.2% of other working people.

Table 32.1 Age of 'key workers' in Sefton

Age group	Key worker	Non-key worker	All working people
Under 30	5,963	19,819	25,782
30 to 39	10,035	20,415	30,450
40-49	11,300	18,923	30,223
50 to 59	8,357	14,787	23,144
60 and over	1982	4,733	6,715
Total	37,637	78,677	116,314
Under 30	15.8%	25.2%	22.2%
30 to 39	26.7%	25.9%	26.2%
40-49	30.0%	24.1%	26.0%
50 to 59	22.2%	18.8%	19.9%
60 and over	5.3%	6.0%	5.8%
Total	100.0%	100.0%	100.0%

Source: 2001 Census data (from NOMIS)

32.8 The table below shows the social group in which the key workers' employment falls, based on the National Statistics Socio-economic Classification category as described in Chapter 6. The data suggests that key workers are much more likely to be within social groups 1 to 3 than other working people. Social group 1 to 3 is the highest classification and refers to large employers and higher managerial occupations, higher professional occupations and lower managerial and professional occupations. In total 50.6% of key worker employment is within groups 1 to 3 compared with just under a third of other working people. That said there are an estimated 6.8% of key workers whose employment falls into groups 8 and 9 and for whom pay levels are likely to be lower.

Table 32.2 Social group of 'key workers' in Sefton

Grade of employment (SOC)	Key worker	Non-key worker	All working people
SOC major group 1-3	19,061	25,541	44,602
SOC major group 4-5	8,185	22,153	30,338
SOC major group 6-7	7,817	13,151	20,968
SOC major group 8-9	2,574	17,851	20,425
Total	37,637	78,696	116,333
SOC major group 1-3	50.6%	32.5%	38.3%
SOC major group 4-5	21.7%	28.2%	26.1%
SOC major group 6-7	20.8%	16.7%	18.0%
SOC major group 8-9	6.8%	22.7%	17.6%
Total	100.0%	100.0%	100.0%

Source: 2001 Census data (from NOMIS)

Survey data

32.9 The primary household survey form collected information on the employment group of each employed member of the household. There were two categories of employment that could be considered as key workers:

- Education
- Health and social work

32.10 The nature of the primary household survey means that the key workers identified within the survey are those that are resident in the Borough. The data, therefore, includes key workers resident in the Borough who work outside its boundaries, and excludes key workers who work in Sefton but live outside. The analysis of key workers concentrates on their current housing situation, income and affordability.

32.11 In total it is estimated that 14,528 households contain a key worker, and of those 8,805 are headed by a key worker (the head of household was taken to be the survey respondent). These households are subject to further analysis in the section below.

32.12 The table below shows the tenure distribution of key worker households compared to other households containing an employed household member. The results indicate that key worker households are more likely to be owner-occupiers than non-key workers (91.5% compared to 84.5%). Key worker households are less likely than non-key worker households to be living in the social rented or private rented sectors.

Table 32.3 Tenure of key worker households

Tenure	Key worker household		Non-key worker household in employment	
	Number of households	% of households	Number of households	% of households
Owner-occupied (no mortgage)	1,449	16.5%	13,451	23.3%
Owner-occupied (with mortgage)	6,604	75.0%	35,384	61.2%
RSL	467	5.3%	4,747	8.2%
Private rented	285	3.2%	4,201	7.3%
Total	8,805	100.0%	57,783	100.0%

Source: Sefton SHMA household survey January 2008

Income and affordability of key worker households

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

32.14 The table suggests that generally key worker households have higher income levels than non-key worker households in employment, but lower savings levels. Households without an employed member tend to have low incomes (as might be expected) but high levels of savings, due to the large proportion of retired individuals in this group.

Table 32.4 Income and savings levels of key worker households

Category	Annual gross household income	Average household savings
All key worker household	£41,314	£8,516
All non-key worker (in employment)	£34,758	£11,976
All other households (no-one working)	£12,561	£22,918

Source: Sefton SHMA household survey January 2008

32.15 It is possible to consider the ability of key worker households to afford the range of housing options described in Chapter 28. This is presented in the table below for all key worker households and for non-key worker households in employment.

Table 32.5 Key worker households and ability to afford housing

Category	Key worker household		Non-key worker household in employment	
	Numbers	%age	Numbers	%age
Afford market housing	6,889	78.2%	41,918	72.5%
Afford low cost market housing	622	7.1%	3,933	6.8%
Afford intermediate housing	853	9.7%	7,700	13.3%
Social rent only	441	5.0%	4,233	7.3%
Total	8,805	100.0%	57,783	100.0%

Source: Sefton SHMA household survey January 2008

32.16 The table indicates that key worker households are more able to afford market housing than non-key worker households in employment at 78.2% compared with 72.5%. Slightly fewer key worker households are in a situation of only being able to afford social housing (5.0% compared to 7.3%). A higher proportion of key worker households are able to afford low cost market housing than non-key worker households in employment.

32.17 This analysis is based on key workers employed in the public sector, the traditional sector of key workers. As the affordability profile of these key worker households is better than other households in employment, a housing policy directed specifically to this group appears unnecessary. The Southport Housing and Labour Supply Study identified that the cost of market housing in Southport was threatening to cause the loss of tourism employees crucial to the local labour market, therefore a key worker policy addressing this group seems most appropriate.

Summary

- i) Census information about people working in 'public administration, education or health' has been used as a proxy for key workers. This data source suggests that 32.4% of employed people work in this industry across the Borough.
- ii) 'Key workers' tend to be slightly older and are generally employed in jobs which fall into the highest social groups.
- iii) Information from the Sefton SHMA household survey January 2008 generally suggests that key workers' income is slightly higher than non-key workers' in employment, although savings levels are slightly lower.
- iv) This analysis is based on key workers employed in the public sector, the traditional sector of key workers. As the affordability profile of these key worker households is better than other households in employment, a housing policy directed specifically to this group appears unnecessary. The Southport Housing and Labour Supply Study identified that the cost of market housing in Southport was threatening to cause the loss of tourism employees crucial to the local labour market, therefore a key worker policy addressing this group seems most appropriate.

33. Older person households

Introduction

- 33.1 Older people are defined as those over pensionable age (60 and over for females and 65 and over for males). The Guidance recognises the need to provide housing for older people as part of achieving a good mix of housing. Indeed as population projections show earlier in this document the number of older people in the population is expected to increase significantly over the next few years.
- 33.2 This chapter of the report therefore looks at the characteristics of households where all members are older people. Data is largely drawn from Census information although this is supplemented by information from the Sefton SHMA household survey January 2008. This chapter will help inform Sefton's Older Person's Housing Strategy.

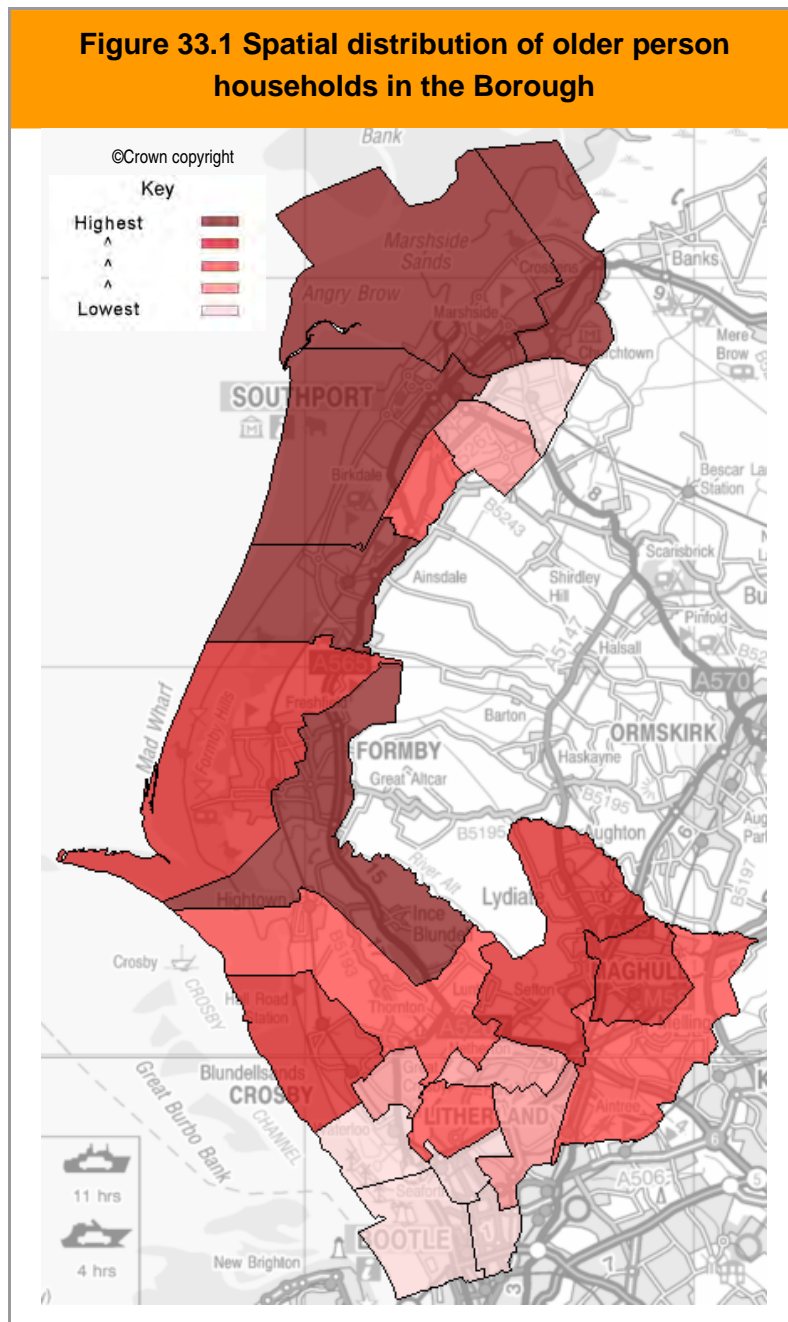
Census data

- 33.3 The table below shows the number and proportion of older person only households at the time of the 2001 Census. The data shows that overall the proportion of older person only households in the Borough is higher than both national and regional equivalents. At the time of the Census it was estimated that just over a quarter (27.8%) of households in Sefton contained only older people. This figure is made up of 17.2% single person households and 10.6% households with two or more older people.

Table 33.1 Older person only households (Census 2001)			
Older person only households	England	North West	Sefton
Single older person	2,939,465	423,623	20,084
Two or more older people	1,908,837	250,089	12,442
All households	20,451,427	2,812,789	116,847
Single older person	14.4%	15.1%	17.2%
Two or more older people	9.3%	8.9%	10.6%
Total % older person only	23.7%	24.0%	27.8%

Source: Office for National Statistics 2007 (from 2001 Census data)

- 33.4 The map below shows how the proportion of older person only households varies by ward. The map shows that older person households are clustered around the north of the Borough; this is expected within the resort nature of Southport attracting many retired people to the area. The wards to the south, around Bootle, have the lowest proportions of older person only households within them.

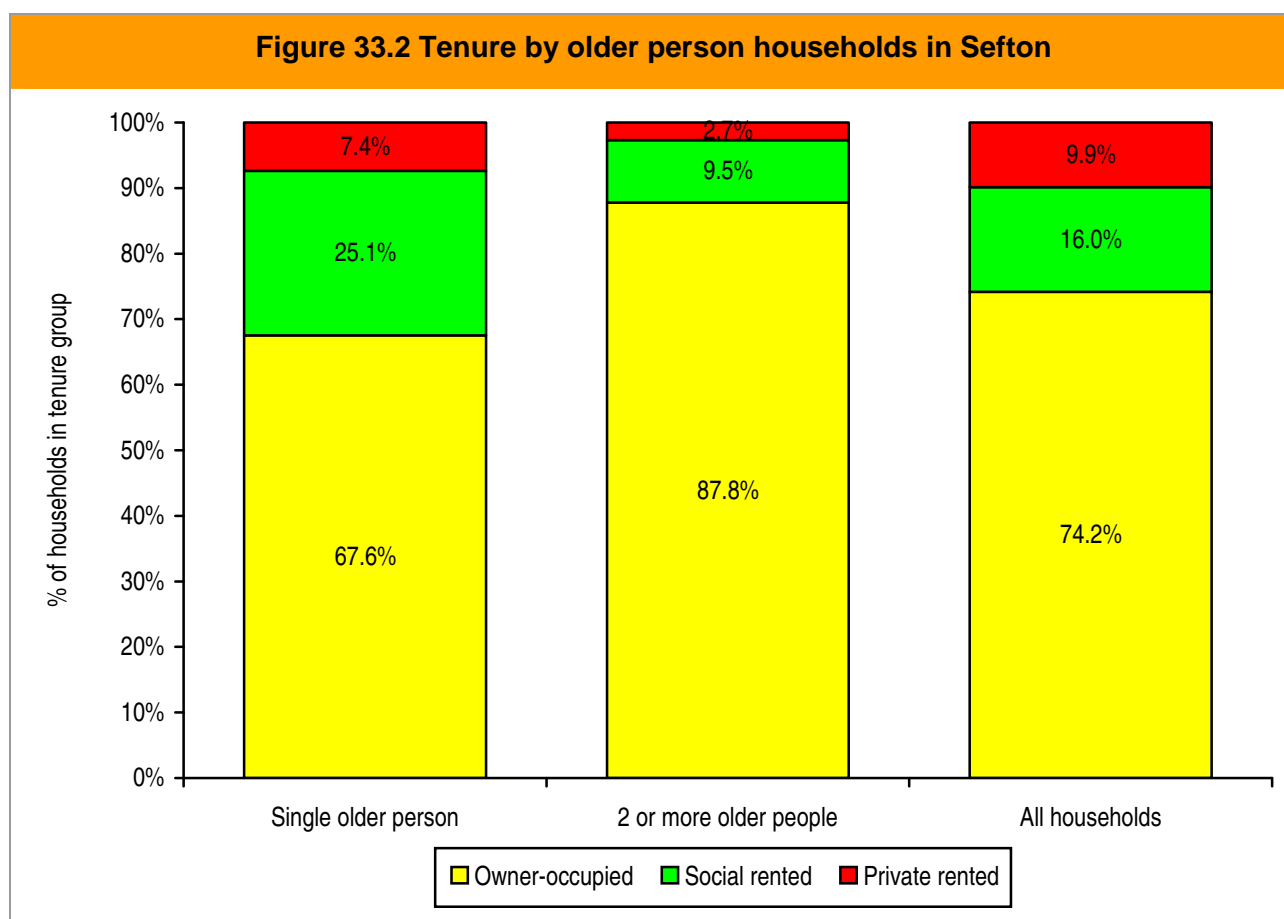


Source: Office for National Statistics 2007 (from 2001 Census data)

Character of older person households

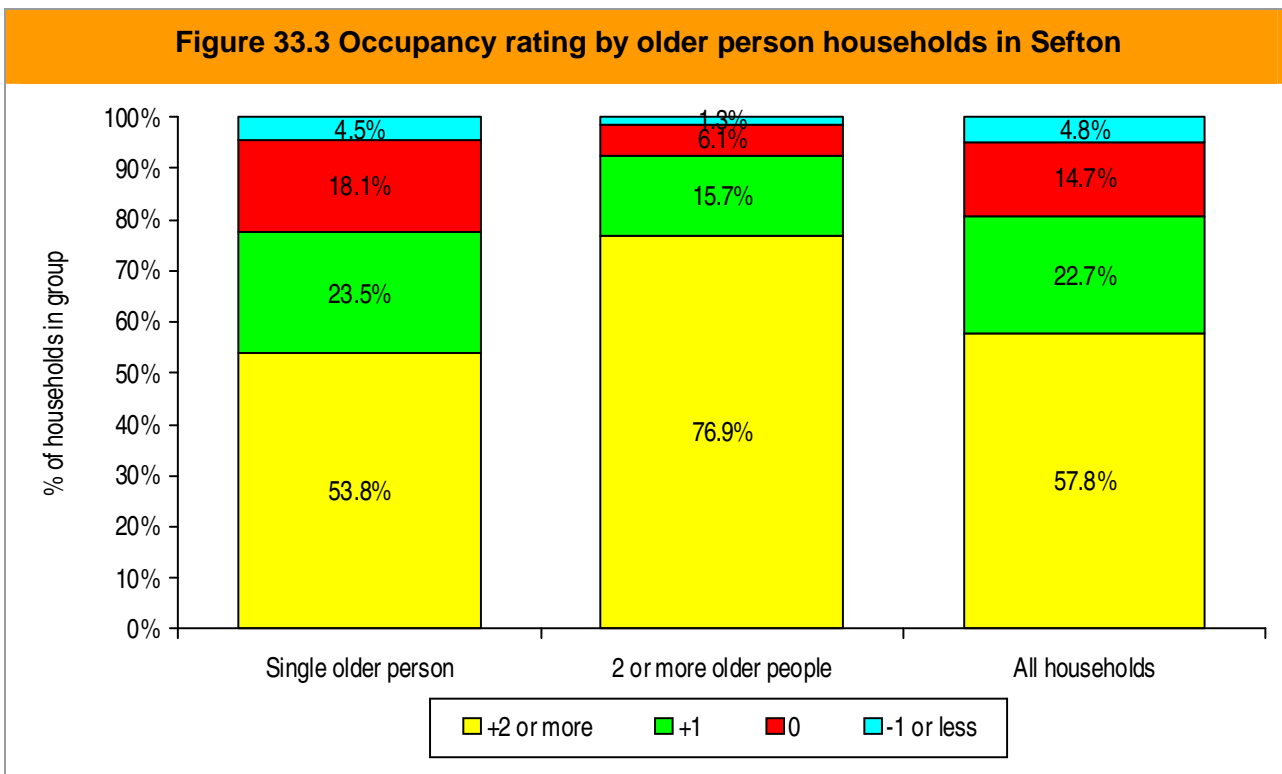
33.5 We have used Census data to explore in a bit more detail some characteristics of older person households. Where possible data has been split between single older person households and households with two or more older people (and no other people).

33.6 The figure below shows the broad tenure split of older person households in the Borough. The data shows a considerable difference between single older person households and households with two or more older people in terms of tenure split. Households with two or more older people are much more likely to be in owner-occupation than single older person households or all households. Single older person households are much more likely to be in social rented accommodation.



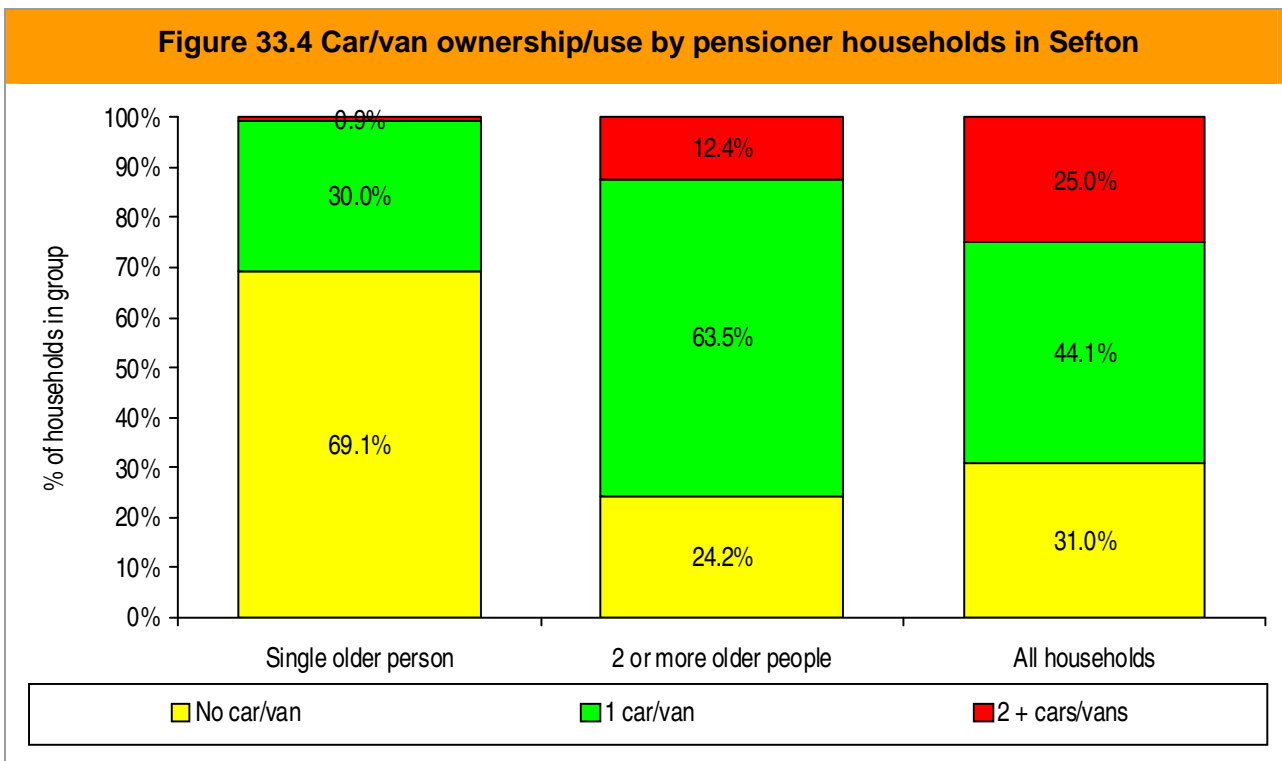
33.7 A key theme that is often brought out in SHMA work is the large proportion of older person households who under-occupy their dwellings. Data from the Census allows us to investigate this using the occupancy rating (the occupancy rating is discussed further in the glossary). The data is shown in the figure below. The data shows that older person households (particularly those with two or more older people) are particularly likely to be under-occupying their dwelling. In total it is estimated that more than three quarters (76.9%) of households with two or more older people have an occupancy rating of +2 or more (two or more spare rooms).

33.8 The primary household survey data is able to provide further information on this topic later in this chapter.



Source: 2001 Census data (from NOMIS)

33.9 The final piece of data from the Census that we have investigated is car/van ownership/use. This information is shown on the figure below. The data clearly shows that single older person households are far less likely than other households to have access to a car or van.



Source: 2001 Census data (from NOMIS)

Survey data

33.10 The Sefton SHMA household survey January 2008 estimates that 34,515 households in the Borough (29.7%) contain only older people and a further 11,601 (10.0%) contain both older and non-older people.

33.11 The number of occupants in older person households is shown in the table below. The data suggests that all households containing older persons only are comprised of one or two persons only. Some 56.4% of all single person households are older person households.

Table 33.2 Size of older person only households

Number of persons in household	Age group			
	Older persons only	Number of h'holds	% of total h'holds with older persons	% of those with older persons
One	21,401	37,965	56.4%	62.0%
Two	13,114	37,445	35.0%	38.0%
Three	0	16,687	0.0%	0.0%
Four	0	16,126	0.0%	0.0%
Five	0	5,982	0.0%	0.0%
Six or more	0	2,124	0.0%	0.0%
Total	34,515	116,328	29.7%	100.0%

Source: Sefton SHMA household survey January 2008

33.12 The table below shows the housing tenures of households with older persons. Almost three-quarters of older person only households are owner-occupiers. The overwhelming majority of these do not have a mortgage. This finding suggests that the potential for equity release schemes in the Borough may be significant.

33.13 Another significant finding is the relatively high proportion of social rented accommodation containing older people only. In Sefton 35.2% of social rented tenants contain only older people. This may have implications for future supply of and demand for specialised social rented accommodation.

Table 33.3 Older person only households and tenure

Tenure	Age group			
	Older persons only	Number of h'holds	% of total h'holds with older persons	% of those with older persons
Owner-occupied (no mortgage)	21,712	39,367	55.2%	62.9%
Owner-occupied (with mortgage)	3,531	46,758	7.6%	10.2%
RSL	6,493	18,423	35.2%	18.8%
Private rented	2,779	11,780	23.6%	8.1%
Total	34,515	116,328	29.7%	100.0%

Source: Sefton SHMA household survey January 2008

33.14 The table below shows that older person only households are more likely than non-older person households to be living in one and two bedroom properties. However, the results also show that well over half of all older person households are in three or four bedroom dwellings. Given that previous information has shown that all older person only households are comprised of 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 33.4 Size of dwellings (number of bedrooms) for older person only households

Number of bedrooms	Older person households		All other households	
	Households	%	Households	%
1 bedroom	6,086	17.6%	5,789	7.1%
2 bedrooms	10,236	29.7%	15,250	18.6%
3 bedrooms	15,094	43.7%	43,528	53.2%
4+ bedrooms	3,100	9.0%	17,245	21.1%
Total	34,515	100.0%	81,813	100.0%

Source: Sefton SHMA household survey January 2008

33.15 This information can be further broken down by tenure for older person households and this is shown in the tables below. The table indicates that whilst the majority of large (three or more bedrooms) properties are in the owner-occupied sector there are also over a thousand dwellings in the social rented sector which may therefore present some opportunity to reduce under-occupation.

Table 33.5 Older person only households' size of accommodation and tenure

Tenure	Size of accommodation				Total
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	1,123	5,892	12,044	2,653	21,712
Owner-occupied (with mortgage)	576	997	1,620	338	3,531
RSL	3,497	1,969	918	109	6,493
Private rented	890	1,378	512	0	2,779
Total	6,086	10,236	15,094	3,100	34,515

Source: Sefton SHMA household survey January 2008

Community and stakeholder comments

- 33.16 There were lengthy discussions around issues concerning the elderly population of the Borough in both the community and stakeholder consultation events.
- 33.17 The community group (Group 1) discussed the amount of older persons' accommodation in the area; there was a general agreement that there was too much accommodation for elderly people. It was suggested that although there was a surplus of private older persons accommodation there was a need for social rented accommodation.
- 33.18 Members of the community group also suggested that there should be developments that provide for both older and younger people. Interestingly this view was also raised in stakeholder consultation.
- 33.19 Stakeholders suggested that there are high proportions of the population in the Borough that live in residential care. It was suggested that this may be due to the lack of suitable homes for older people and those with support needs.
- 33.20 The potential for equity release for older home owners was discussed by stakeholders, it was pointed out that they are asset rich but earnings poor. It was suggested that there is only limited potential for equity release for those households with low incomes as they cannot afford the repayments; also people do not know how they can use their equity.
- 33.21 The poor condition of some of the housing occupied by older people is a major problem stakeholders suggested, with some properties containing multiple hazards. It was suggested that this may be a cause for some older persons falling and a possible link with moving into a residential care home.
- 33.22 It was also claimed that there is a massive surplus of spaces in residential care homes, and that many of the care homes do not meet the required standards.
- 33.23 Stakeholders pointed out that the Council has to improve the offer for older people to downsize and thus free up larger properties. They argued that the Council should be looking at providing life time homes, although they recognised that this only stimulates the owner-occupied market.

Summary

- i) Older person households make up a significantly higher proportion of the household population in the Borough to equivalent regional and national figures. Around 27.8% of all households in the Borough as of 2001 were comprised only of people of pensionable age. Pensioner only households are concentrated in the north of the Borough.
- ii) There is a significant difference in relative prosperity of single pensioner and multiple pensioner households. Single pensioners are over-represented within the social rented sector and tend to have limited use or ownership of a car or van whilst multiple older person households are more likely than average to be owner-occupiers and have a higher level of car or van availability.
- iii) Under-occupation is a key feature of the older person population and Census data suggests that a large proportion of older person households (particularly multiple older persons) have a high occupancy rating.
- iv) The Sefton SHMA household survey January 2008 indicates that within the social rented sector there are 1,027 older person households living in properties with at least three bedrooms and none of these households contain more than two people, indicating an opportunity to reduce under-occupation.

34. Families

Introduction

34.1 The Practice Guidance recognises the importance of providing housing for families to help create mixed communities. In this chapter of the report we have looked at Census data about the situation of households that contain children as well as information on this group from the Sefton SHMA household survey January 2008.

Census data

34.2 For the purpose of analysis of Census data we have concentrated on households containing dependent children. The Census defines a dependent child as a person in a household aged 0 to 15 (whether or not in a family) or a person aged 16 to 18 who is a full-time student in a family with parent(s). There are four broad groups of households with dependent children:

- i) Married couples with dependent children
- ii) Cohabiting couples with dependent children
- iii) Lone parents with dependent children
- iv) Other households with dependent children

Number of families

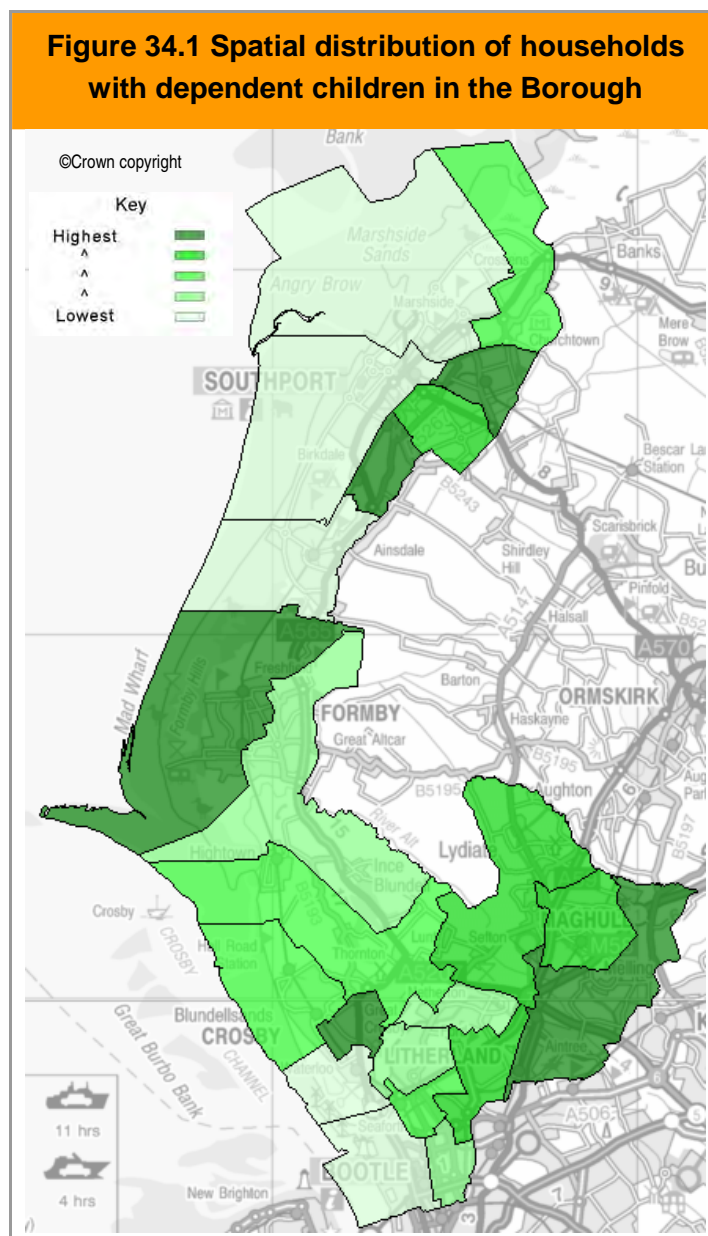
34.3 The table below shows the number of households with dependent children in the Borough and other associated areas. The data shows that across the Borough just under a third of households (30.3%) contained dependent children; this is broadly similar to the proportions found regionally and nationally.

Table 34.1 Households with dependent children (Census 2001)

Household type	Sefton	North West	England
Married couples with dependent children	20,218	480,977	3,591,335
Cohabiting couples with dependent children	3,300	96,870	661,073
Lone parents with dependent children	8,940	215,610	1,311,974
Other households with dependent children	2940	62728	458369
All households	116,847	2,812,789	20,451,427
Married couples with dependent children	17.3%	17.1%	17.6%
Cohabiting couples with dependent children	2.8%	3.4%	3.2%
Lone parents with dependent children	7.7%	7.7%	6.4%
Other households with dependent children	2.5%	2.2%	2.2%
All households	100.0%	100.0%	100.0%
Total % with dependent children	30.3%	30.4%	29.4%

Source: Office for National Statistics 2007 (from 2001 Census data)

34.4 The map below shows the proportion of households with dependent children in each ward. The data for the figures have been split into five broad categories (from the highest proportion of households with dependent children to the lowest). The data shows high proportions of dependent children towards Formby and Maghull as well as wards to the east of Southport town centre.



Characteristics of households with children

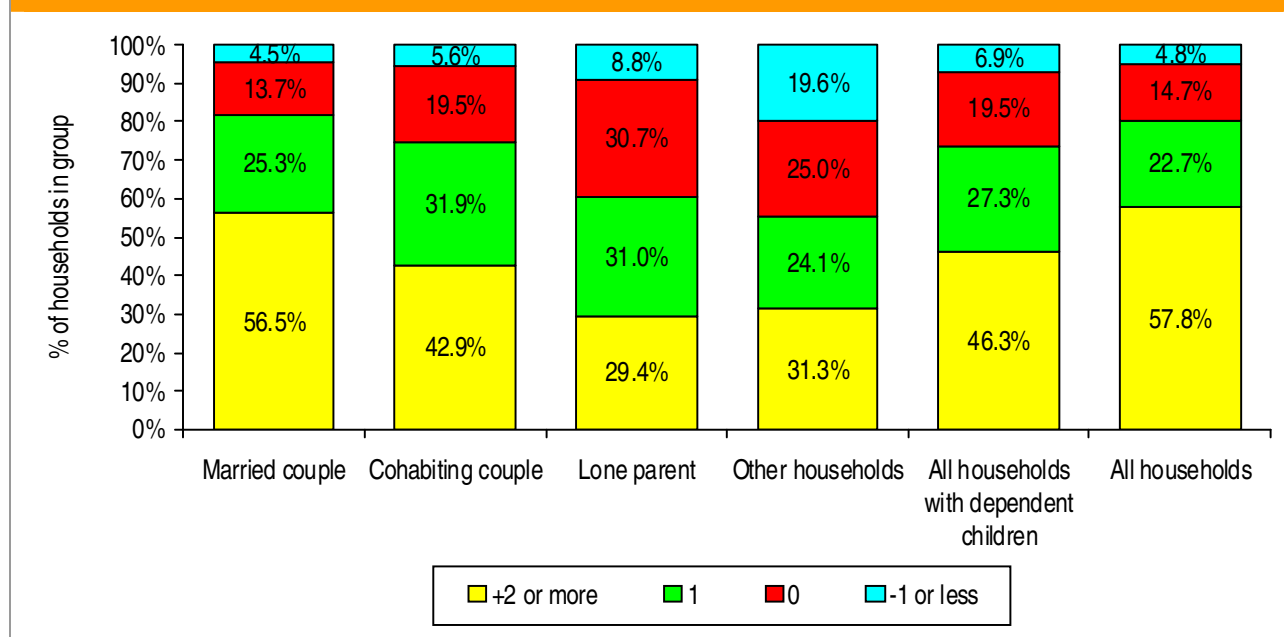
34.5 Using Census data we are able to provide some characteristics of households with dependent children. The data shows that the tenure profile of all households with dependent children does not vary much from the profile of all households in the Borough. However, there are considerable differences between the different groups of households with dependent children. Particularly of note are the higher number of married couples living in owner-occupied accommodation (89.6%) and the large proportion of lone parents in the private and social rented sectors (38.6% and 21.6% respectively).

Table 34.2 Tenure of households with children in Sefton

Tenure	Married couples with dependent children	Cohabiting couples with dependent children	Lone parents with dependent children	Other households with dependent children	All households with dependent children	All households
Owner-occupied	25,837	2,300	3,556	2,058	33,751	86,670
Social rented	2,131	624	3,453	642	6,850	18,645
Private rented	854	376	1,931	240	3,401	11,531
Total	28,822	3,300	8,940	2,940	44,002	116,846
Owner-occupied	89.6%	69.7%	39.8%	70.0%	76.7%	74.2%
Social rented	7.4%	18.9%	38.6%	21.8%	15.6%	16.0%
Private rented	3.0%	11.4%	21.6%	8.2%	7.7%	9.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

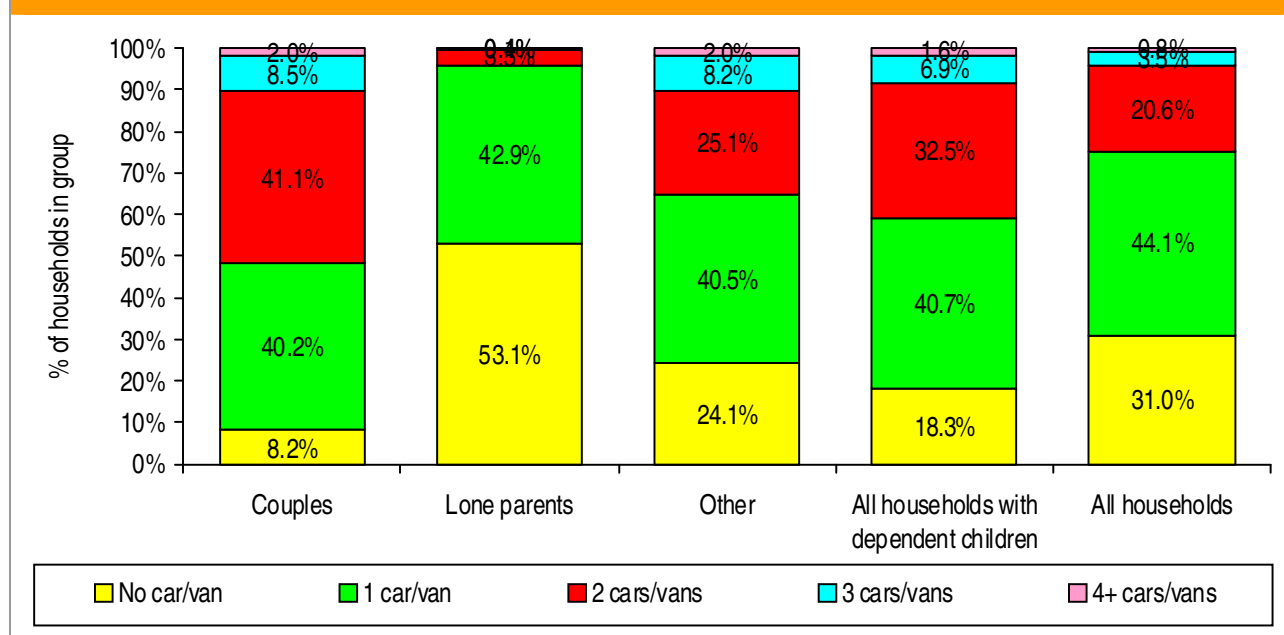
Source: Office for National Statistics 2007 (from 2001 Census data)

- 34.6 Overcrowding is a key theme when looking at the housing needs of households with children and again Census data can allow us to look at the numbers and proportions of households in each of the various groups who are overcrowded on the occupancy rating (having a negative occupancy rating). The figure below shows the occupancy rating for the various household groups and how this compares with all households in the study area.
- 34.7 The data shows that households with dependent children are slightly more likely than other households to be overcrowded (negative occupancy rating) although this varies tremendously for different household groups. The 'other' group of households contains a very high proportion of overcrowded households – this group is likely to be mainly larger households (and will often be extended family households). Other than this group, lone parents and co-habiting couples with dependent children are notably more likely to be overcrowded than married couples.

Figure 34.2 Occupancy rating by households with dependent children in Sefton

Source: Office for National Statistics 2007 (from 2001 Census data)

- 34.8 The final piece of data from the Census that we have investigated is car or van ownership or use. This information is shown on the figure below. The data shows that overall households with dependent children are more likely to have access to a car or van than all households. However, the data also clearly shows that lone parent households are far less likely than other households to have access to a car or van. It should be noted that for the purpose of this analysis the Census outputs do not differentiate between married and cohabiting couples with dependent children.

Figure 34.3 Car/van ownership/use by households with dependent children in Sefton

Source: Office for National Statistics 2007 (from 2001 Census data)

Survey data

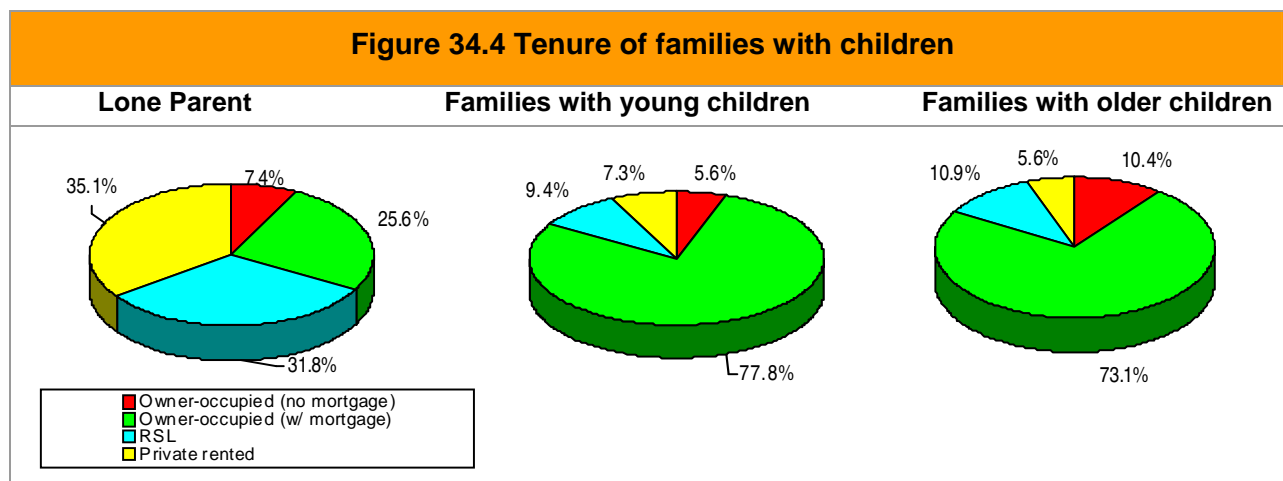
- 34.9 The Sefton SHMA household survey January 2008 provides information on three groups of households with children (where children are defined as those under the age of 16): lone parent households, households with young children and households with older children. Households with young children are those where the children's age is under eight or the average age of the children is under eight. Households with older children are those where the children's age is eight or over or the average age of the children is eight or over.
- 34.10 PPS3 acknowledges the importance of providing suitable housing for families, especially those with children, to ensure that communities are appropriately mixed. This section will briefly consider the current housing situation of families with children in Sefton 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.
- 34.11 The table below shows the number of each type of household with children. The survey estimates that there are 29,466 households with children in Sefton. Of these 5,158 households (17.5%) are lone parents, some 35.6% are families with young children with the remaining 46.9% families with older children.

Table 34.3 Number of families with children		
	Number of households	Percentage of households
Households with children		
Lone parent families	5,158	17.5%
Families with young children	10,477	35.6%
Families with older children	13,832	46.9%
Total	29,466	100.0%

Source: Sefton SHMA household survey January 2008

Housing circumstances of families with children

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



Source: Sefton SHMA household survey January 2008

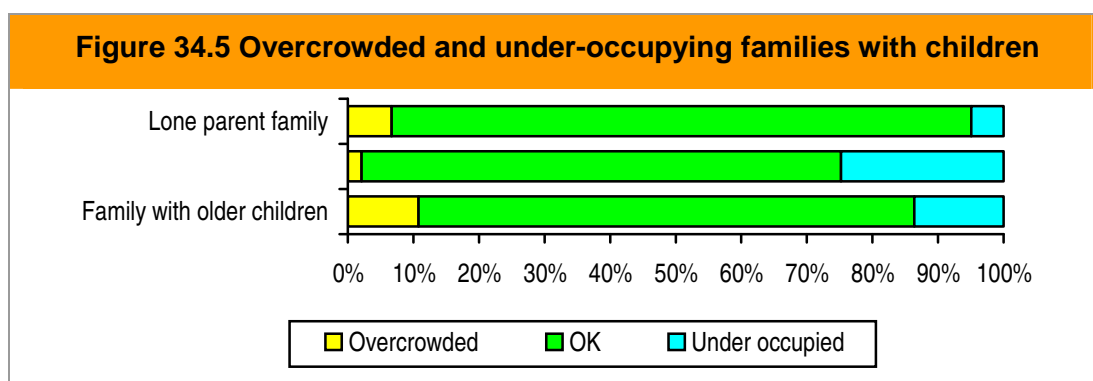
34.13 The table below presents the proportion of families with children living in unsuitable housing. The table indicates that families with older children and lone parent families are significantly more likely than families with young children to be living in unsuitable housing.

Table 34.4 Families with children in unsuitable housing

Unsuitable housing	Households with children		
	Lone parent families	Families with young children	Families with older children
In unsuitable housing	16.9%	4.2%	17.1%
Not in unsuitable housing	83.1%	95.8%	82.9%
Total	100.0%	100.0%	100.0%

Source: Sefton SHMA household survey January 2008

34.14 The figure below presents the level of overcrowding and under-occupation for families. The figure shows that families with older children are the most likely to be overcrowded whilst lone parent families are least likely to be under-occupying their property.



Source: Sefton SHMA household survey January 2008

Housing aspirations of families with children

34.15 The table below shows the propensity to move of family households. The table below indicates that lone parent families are the most likely to need/expect to move over the next two years. Families with older children are the most likely to have no need to move.

Table 34.5 Moving intentions of families with children			
When need/likely to move	Households with children		
	Lone parent families	Families with young children	Families with older children
Now	7.4%	1.3%	4.0%
Within a year	11.1%	8.3%	10.6%
1 to 2 years	16.4%	9.5%	4.7%
2 to 5 years	12.9%	15.4%	13.8%
No need/not likely to move	52.2%	65.6%	66.9%
Total	100.0%	100.0%	100.0%

Source: Sefton SHMA household survey January 2008

34.16 The survey collected further information on the future aspirations of households seeking to move within the next two years. The housing preferences in terms of tenure, type and size of these households are presented in the table below. The samples involved are quite small so the results should be treated with caution.

Table 34.6 Housing preferences of families seeking to move in the next two years

Housing preferences	Households with children		
	Lone parent families	Families with young children	Families with older children
Tenure			
Owner-occupation	27.5%	86.0%	72.4%
Council	42.4%	7.1%	17.0%
RSL	26.9%	2.7%	6.0%
Private rent	3.2%	4.1%	4.5%
Shared ownership	0.0%	0.0%	0.0%
Dwelling type			
Detached house	34.6%	75.6%	64.7%
Semi-detached house	47.4%	21.9%	30.2%
Terraced house	12.3%	0.0%	0.0%
Detached bungalow	0.0%	0.0%	0.0%
Semi-detached/terraced bungalow	5.8%	0.0%	0.0%
Flat/maisonette	0.0%	2.5%	5.0%
Dwelling size			
1 bedroom	0.0%	0.0%	0.0%
2 bedrooms	11.7%	4.1%	0.0%
3 bedrooms	60.1%	26.3%	36.2%
4+ bedrooms	28.2%	69.6%	63.8%
Total	100.0%	100.0%	100.0%
Total count	1,802	1,996	2,664

Source: Sefton SHMA household survey January 2008

34.17 The table indicates that owner-occupation is the preference for the majority of family households with two or more adults, whilst lone parent families would most commonly like to move to social rented accommodation. The majority of all family groups aspire to reside in a detached or semi-detached dwelling. Finally, all family households prefer larger (three or four bedroom) dwellings. This finding corresponds with One Vision Housing's exit survey data which indicates the main reason for families moving is to obtain a larger home.

Community and stakeholder comments

- 34.18 Participants in Group 2 in the community consultation pointed out that areas to the north and centre of Sefton, including Crosby and Formby, were very good places to raise a family with good schools and generally being safe places to live.
- 34.19 In contrast members from Group 1 suggested that they would not be happy bringing up a family in the south of the Borough, where problems with schools and anti-social behaviour were identified by both community groups.
- 34.20 When the group (Group 1) was discussing issues for first-time buyers one respondent (although acknowledging the problems for younger first-time buyers) suggested that those in the 25-35 age range with a family and more responsibilities had a more difficult time in the housing market. For households with children, security of tenure is even more important and if they cannot access social rented or owner-occupied housing they are often forced into an insecure private tenancy, which is not ideal. Those who are younger and have no children have the ability to be flexible and move more easily.

Summary

- i) Data from the Census suggests that around 30.3% of households in the Borough contain dependent children; this is very similar to what we find regionally and nationally.
- ii) Census data suggests that the overall characteristics of households with children are not much different to the household population as a whole. However, there are significant differences between the different groups. In particular, married couple households with dependent children show higher levels of owner-occupation and car or van ownership or use; lone parents are more likely to live in rented housing and have low car or van ownership or use.

SECTION I: POLICY IMPLICATIONS

The following chapters deal with the summary findings of the SHMA, and also the issues of updating the results in the future and demonstrating that they conform to Guidance. The Practice Guidance is quite clear that policies themselves must be a product of the evidence base and the opinions of stakeholders, but the SHMA can reasonably suggest what policy implications may follow from the results.

This section presents the policy suggestions resulting from the work of the SHMA. It does not consider what policies are already in Sefton. It is most probable that policies already exist in reaction to the key themes highlighted and the findings of this document may therefore help to support or enhance such policies.

The chapters cover the following topics:

- 35. Synopsis of findings**
- 36. Non-market policy implications**
- 37. Overall housing targets**
- 38. Housing policy in the HMRI area**

35. Synopsis of findings

Introduction

35.1 This chapter of the report sets out a broad overview of the findings of the SHMA. These are designed to pick up on some of the points coming out of the research such that some broad policy suggestions can be made in the chapters which follow. The headings used are broadly in line with the suggested outputs in the CLG SHMA Practice Guidance of 2007.

Theme 1: The Housing Market Area (based on information presented in Chapter 3)

Key findings:

- Previous research considered Sefton in the context of a wider housing market area for Liverpool North
- Evidence from the Census on migration flows indicates that Sefton is a distinct housing market area, as the self-containment level is above the 70% figure indicated in government advice
- Data from the Census on travel to work patterns also indicates that Sefton can be considered as an individual housing market area, as over 70% of Sefton's labour force resides in the Borough
- The consensus of the comments received from the public consultation was that it is appropriate to limit the SHMA to the Borough's boundaries as this represents a clear housing market area.
- Local level travel to work data and survey data on demand for housing suggest that there are differences between the sub-areas of the Borough in terms of commuting patterns, migration flows and demand for housing
- Qualitative information from discussions with stakeholders and estate agents suggested that Sefton contains two housing sub-markets within the Borough boundary
- The quantitative evidence also pointed to the existence of two housing markets within Sefton: the first in the north and centre consisting of the sub-areas of Southport, Formby, Crosby and Maghull/Aintree and the second in the south consisting of the sub-areas of Netherton and Bootle

35.2 Government guidance requires that a Strategic Housing Market Assessment (SHMA) should be carried out for functioning Housing Market Areas. A Housing Market Area can be defined as an area within which the majority of people choose to live and work. In the case of Sefton the statistics uncovered from both Census and survey data show high levels of self-containment. In particular the survey data suggested that the demand for housing from households in the sub-areas of Southport, Formby, Crosby and Maghull/Aintree was predominantly for housing within those areas of Sefton. This is strong evidence in favour of treating these sub-areas of Sefton as a separate housing market area to the sub-areas of Bootle and Netherton.

Key theme 2: Demographics (based on information presented in Chapter 4)

Key findings:

- Information from ONS population estimates suggests that the population of Sefton has actually decreased over the last 25 years, although at a slower rate than Merseyside as a whole
- Sefton has a higher proportion of older people than regional and national figures
- The Census records Sefton as having a relatively small ethnic minority population (2.4%) although more recent estimates from the Office of National Statistics in 2005 suggest that this has increased to 3.4%
- The ONS household projections indicate that the number of households in Sefton increased by over 2,000 between 2001 and 2006
- Population and household estimates for 2006 suggest that the average household size has fallen in Sefton since 2001 from 2.42 to 2.33
- Sefton has a higher proportion of pensioner households than regional and national averages
- Information from the Census tells us that Sefton has a larger owner-occupied sector but a smaller social rented sector when compared to regional and national figures

35.3 The current demographic profile of households in Sefton shows that Sefton has a higher proportion of older people than found regionally and nationally. This older population will affect the type of housing that is in demand in the Borough; this is particularly likely to have an effect in the northern area of Sefton, particularly Southport where there are a higher proportion of older person households than found in the southern parts of the Borough. The fall in household size over the last five years also has potential implications for planning and housing policy; forecasting how this might affect the demand for housing in future years is an important aspect for understanding the housing market.

Key theme 3: The economy (based on information presented in Chapter 6)

Key findings:

- Large employment growth over past ten years
- Relatively low levels of job density (defined in glossary) in the area
- Most common employment categories in Sefton are public administration and distribution
- Unemployment is concentrated in the south of the Borough, although moderate levels are found around Southport
- Qualification levels are comparable to regional and national figures

35.4 Data shows that employment growth across the Borough has been significant over the last ten years although the growth in VAT registered businesses has been low. The high proportion of pensioner households in the Borough has a significant impact upon the economy. Stakeholders considered the economy during the consultation events held in Sefton. Stakeholders suggested that residents in Bootle were not benefiting from the economic boom in Liverpool, they further suggested that this was needed to increase the incomes of households in the area. Others suggested that to the north of the Borough in Southport the economy is largely based on tourism, where the wages are often low paid. In Southport there are also a high proportion of residents employed in low paid care jobs. It was suggested that there is not enough affordable housing for these people to live in and this could have a detrimental effect on the local economy.

35.5 The data shows that when compared with regional and national data the economy in Sefton is not particularly strong. There is significant variation within the Borough in terms of unemployment and employment groups, with residents of Formby and Crosby showing lower levels of unemployment and higher proportions in the higher end jobs. Information on travel to work suggests that many of those in the higher end jobs commute to either Liverpool or Manchester for employment.

Key theme 4: The housing stock (based on information presented in Chapters 8 to 9)

Key findings:

- The latest HSSA estimates that there are 123,838 dwellings in the Borough
- Relatively small increase in housing stock across the Borough since 1996; decline in the social rented sector
- Large difference in profile of stock when compared with national position (significant semi-detached stock in the Borough)
- Significant difference in the distribution of dwelling types across the Borough, with high proportions of terraced housing to the south of the Borough
- Higher proportion of dwellings in the higher council tax bands than regional and national figures

- The recent Stock Condition Survey estimated that 23.1% (24,333) of homes in Sefton failed to meet the Decent Homes Standard; 6,731 showed a category 1 hazard

35.6 The stock of housing in the Borough has increased slightly over the past ten years, although we find that the number of social rented dwellings has decreased over the same period. The key issue appears to be one of balance. Whilst it appears that different parts of the Borough have different functions and as a result we would expect different areas to provide a different residential 'offer', it is possible that the limited availability of certain types of stock in certain areas may be acting against the notion of mixed and balanced communities. The distribution of the dwelling stock across the Borough also may not be contributing to the 'balance', with the areas to the south of the Borough dominated by terraced properties this significantly impacts upon the choices that people in the area are able to make in terms of housing.

Key theme 5: The current housing market (based on information presented in Chapter 11)

Key findings:

- Estate agents suggested that Sefton was composed of multiple housing markets, split principally between north and south
- Prices in the Borough are higher than the regional average although only 77% of the national average
- Large price increases over the past five years
- Variations in prices across the Borough: low prices in Bootle and Netherton, highest in Formby
- Typical entry-level prices (outside of Bootle and Netherton) now require a household income in the region of £40,000 - £45,000
- Private rented sector slightly more affordable but varying in scale across the Borough
- Average prices by postcode show significant variation across the Borough, with the areas of Bootle and Netherton to the south in the lowest price bands
- Large variation in entry level prices across the Borough: entry-level two bedroom dwelling (to buy) range from £70,500 in Bootle and Netherton to £160,500 in Formby
- Not such significant variation between the areas for private rented costs
- Significant gaps in the market across Sefton: Southport shows the largest intermediate gap, Formby the largest rent/buy gap

35.7 Increases in property prices and the added difficulty this brings for people, particularly first-time-buyers, to participate in the housing market is a national phenomenon and not specific to Sefton. House prices in Sefton are lower than the national average although slightly higher than other areas in the region – this means that buying a property is still out of the reach of many in the housing market.

35.8 There is significant variation in property prices across the Borough, with areas of high demand and high prices to the north, particularly Formby, and areas with little demand and low prices in parts of the south of the Borough, particularly Bootle and the rest of the HMRI area. The variation in property prices is likely to result in varying affordability issues across the Borough. The sub-areas to the north of the Borough (Formby and Southport) show some of the largest market gaps between levels on the housing ladder. In Southport the cost of private rent is 128% higher than the cost of social rent for a two bedroom property; in Formby the cost of entry level owner-occupation is 46% higher than the cost to private rent. These gaps are significant and emphasise the difficulty for households trying to climb the housing ladder.

Key theme 6: Spatial variation in Sefton (based on information presented in Chapter 15)

Key findings:

- Through a number of key indicators we could map the spatial variation of a number of factors affecting housing choices
- These indicators showed that the character of the sub-areas of Bootle and Netherton were significantly different from the other areas of Sefton
- Residents of the wards within Formby are likely to have the greatest choice within the market

35.9 Information across the research has pointed to a study area with great variation within it. There are areas in Sefton with great contrast. Formby shows the highest average incomes, the highest house prices and the lowest proportions of unemployed household reference persons. In contrast to the south of the Borough, there are wards with the highest levels of unemployment, lone parent households, the lowest incomes and the highest proportions of social rented households. This analysis further strengthens the argument of considering the housing market of Sefton as two distinct areas; formulation of policy must take account of the variation across the market and plan accordingly.

Key theme 7: Drivers of the housing market (based on information presented in Chapter 17)

Key findings:

- Household flow information from the household survey data shows that the housing market in the north and central part of Sefton has a net inflow of all household types, in south Sefton there is a net outflow of all household types (except single non-pensioner households)
- The largest net-inflow into Sefton are households with children
- The difference in number between births and deaths (household formation in excess of household dissolution) is a larger driver of household growth in the Borough than net in-migration
- The private rented sector is important in facilitating household mobility - 40% of all the moves in the last year involved the private rented sector

35.10 Survey information showing the flows of movement in and out of the Borough further emphasises the difference between the areas within Sefton. North and Central Sefton are expected to experience growth in all household types, particularly households with children. Qualitative information from discussions with stakeholders, estate agents and members of the community identified that parts of north Sefton were very popular places to bring up children. There are good schools in the area; it is seen as a safe place to bring up a family. This is consistent with the data, and suggests that the area's 'family friendly' character is a key driver of the market. The opposite is true for south Sefton; stakeholders and community members that do not live in the area perceived the area to be not as family friendly as the rest of the Borough.

35.11 The private rented sector has also been shown to be a key driver and facilitator of the housing market in Sefton. Information from the survey has shown that although around 10% of households in Sefton live in the private rented sector, around 40% of all moves involved the private rented sector. The importance of this sector within housing markets should not be underestimated.

Key theme 8: Housing demand and market balance (based on information presented in Chapter 19)

Key findings:

- The Balancing Housing Markets model (presented in Chapter 19) analysed the imbalance between the projected demand for housing across all tenures and the likely supply of housing from the entire housing stock and identified demand for potentially over 900 additional units per annum (of all tenures) over the next two years (the outputs of the Practice Guidance needs assessment model, which has a different purpose is key theme 10)
- The Balancing Housing Market model found that 55% of demand is for market housing and 45% for affordable accommodation, of which 9% of the demand is for intermediate housing and 36% for social rented properties

- The demand is for mainly three bedroom dwellings, although there is also a demand for two and four bedroom accommodation
- In north and central Sefton 64% of the demand is for affordable housing, in south Sefton just 13% of the demand is for affordable housing

35.12 The study suggests that in Sefton there is annual demand for more than 900 additional units of housing. Across the Borough around 45% of this demand is for affordable housing, although when we consider the differences by area we find that the majority of the net demand for affordable accommodation is from the north and central part of Sefton – this is partly due to the greater supply in the south of Sefton. These results further emphasise the issues facing Sefton; the large requirement for affordable housing in the north and central part of the Borough is evident whilst at the same time there is demand in the south of the Borough for market housing. Providing affordable (and market) housing to meet the demands of the residents of north and central Sefton whilst providing predominantly market housing to help meet the demand, and to balance and rejuvenate the market in south Sefton, are key requirements for policy makers to tackle.

Key theme 9: Long-term socio-economic projections (based on information presented in Chapters 20 and 21)

Key findings:

- The population of Sefton is expected to fall by 1.0% between 2006 and 2026
- By age band, the number of over 60s is expected to increase significantly whilst the number of under 60s is expected to fall
- The number of households is expected to increase by 12,000 between 2006-2026
- The average household size is expected to drop from 2.35 to 2.11 between 2006-2026
- Single person households aged over 65 are expected to increase at the greatest proportional rate, lone parents and two or more adults with children are expected to decrease the most
- There is expected to be a decrease in the number of economically active residents in Sefton, whilst the number of jobs in the Borough is expected to increase
- Business services and the health and social work sectors are expected to see the largest increases

35.13 The increase of the older population and the expected decrease in household size are key issues for policy makers in Sefton. The likely need for more care as the population ages is an issue that the Council must be prepared for. As the average household size continues to decrease, the Council must consider how this is likely to impact upon the demand for housing: will smaller households require smaller dwellings?

35.14 The change in the economy and employment sectors in Sefton is likely to have an impact upon the demand for housing in the Borough. The projections from Oxford Economic Forecasting in 2005 suggest that in Sefton the employment sector expected to increase the most is 'business services'. Household survey data suggests that households headed by someone employed in the business service sector are likely to have the highest financial capacity. This information indicates that the workforce in Sefton is likely to become wealthier and as this happens the demand for housing is likely to change.

Key theme 10: Housing need (based on information presented in Chapters 24 to 29)

Key findings:

- According to the Practice Guidance needs assessment model (presented in Chapter 26 and distinct from the BHM model presented in key theme 8) there is an annual need for 2,398 additional affordable housing units per annum (11,990 affordable dwellings in total over five years)
- 21 households in every 1,000 are in housing need
- Largest net need is in Southport, comprising over 50% of all affordable housing need in the Borough
- Around 16% of need could be met by intermediate housing

35.15 Affordability and a lack of affordable housing is a key issue facing Sefton. As house prices and private rents have increased, households have struggled to afford market housing. The estimated level of need for an additional 2,398 affordable dwellings per annum over the next five years (11,990 affordable dwellings in total) is a significant one, and in reality will not be met through the planning system. However, targeting the affordable housing in the most appropriate areas, where it will have the greatest effect, is the challenge for the Council.

35.16 The sub-area of Southport shows the largest need, comprising over 50% of all affordable housing need in the Borough. Stakeholders acknowledged however that in Southport, as is the case across north Sefton, there is a shortage of suitable land for development, particularly large developments that will qualify for planning gain. It is a challenge for the Council and its partners to find alternative solutions to relieve the need.

Key theme 11: Black and Minority Ethnic Households (based on information presented in Chapter 30)

Key findings:

- A relatively small BME population is found in Sefton (2.1%), lower than regionally (5.0%) and nationally (9.4%)

- The largest BME group is White Other
- Significant concentrations of BME households in Southport
- BME households are more likely to live in unsuitable housing

35.17 The data in this report suggests that BME households are more likely to reside in unsuitable housing than White (British/Irish) households. Although it may be difficult to have specific policies to deal with minority groups within the Borough, it is clear that some assistance would be beneficial to many BME groups. In particular the dependence on the private rented sector would suggest some additional needs for larger and more secure accommodation to meet these households' requirements.

Key theme 12: Households with specific needs (based on information presented in Chapter 31)

Key findings:

- Notable proportion of the population have limiting long-term illnesses (LLTI), higher than found regionally or nationally
- Geographically the population with a LLTI are clustered in Southport, Netherton and Bootle
- The group with LLTI appear relatively disadvantaged in terms of tenure profile and car ownership
- A range of support and adaptations are required, with help maintaining home the most common

35.18 There are two main issues with regard to households with disabilities or support needs and these relate to both new provision of housing as well as improvements to current accommodation. The Council should consider both newbuild adapted housing as well as providing adaptations to peoples' current homes as a way of meeting such households' requirements. In addition, the data strongly suggests the need for more support for such households and it would be sensible to suggest that the provision of such support is reviewed. As the population ages (see below), the number of people with disabilities/support needs is likely to increase and this may therefore increase the requirements for specialised housing, adaptations and support.

Key theme 13: Key worker households (based on information presented in Chapter 32)

Key findings:

- Significant number of key workers in the Borough (32.4%); higher proportion than regionally (25.6%) and nationally (24.1%)

- There is little variation in spread of key workers across the Borough, although wards around Formby and Crosby have high proportions of key workers within them
- Key worker households are more likely to be owner-occupiers and record higher average incomes than other employed households

35.19 The findings of the study with regard to key workers suggest that the group are in general less disadvantaged than other households (e.g. a higher proportion of owner-occupiers and employment tending to fall into higher social groups). Household incomes are slightly higher than those found for other households in employment, although savings are lower. Evidence from the survey suggests that when compared to other households in employment, key worker households are more likely to be able to afford market housing. Generally the information available on the affordability situation of key workers suggests that a specific key worker housing programme does not appear necessary, although this analysis is based on key workers employed in the public sector, the traditional sector of key workers. There is evidence from other studies undertaken in the area that there is a requirement for affordable housing specifically for groups of households that work in sectors that are crucial to the local economy particularly in Southport, although these are leisure and care workers rather than general public sector employees.

Key theme 14: Older person households (based on information presented in Chapter 33)

Key findings:

- Some 23.7% of households in the Borough contain only older persons
- Older person households clustered to the north of the Borough, in Southport and Formby
- High levels of under-occupancy (76.9%) amongst households containing two or more older people
- Occupy around a third (35.2%) of all social rented dwellings in the Borough

35.20 Households containing pensioners represent a significant proportion of all households in the Borough, with concentrations towards the coastal resort of Southport, and this number is likely to rise significantly in the future. Pensioner households show a high level of under-occupation and the opportunity should be taken (where possible) to reduce this by providing accommodation better suited to these households' needs and in the process freeing-up accommodation which might be better suited to families. Stakeholders suggested that the Council should concentrate on improving the offer for older person households to downsize.

Key theme 15: Families (based on information presented in Chapter 34)

Key findings:

- Around 30% of households contain dependent children (where a dependent child is a person in a household aged 0 to 15 (whether or not in a family) or a person aged 16 to 18 who is a full-time student in a family with parent(s))
- Lone parents appear particularly disadvantaged

35.21 Family households (households with children) are seen as an important group in PPS3. Data in this assessment suggests that whilst married couples with children (the main group) are fairly advantaged, the lone parent group of households may well have significant needs. In particular, data suggests that lone parents are concentrated in urban areas and also within the social and private rented sectors. Providing opportunities for lone parent households to move out of private rented housing to housing with a more secure tenancy either in the social rented or intermediate sectors should be promoted, whilst providing housing opportunities across the whole Borough would help to improve the mix of households across the area.

Summary

- i) This chapter has set out a series of key themes based on the findings of the SHMA. The themes are a combination of wider housing market issues and issues relevant to specific groups.
- ii) It is clear that there are a range of areas in which the local authorities could consider applying policies to assist in the well-being of local households and to help achieve a better balance of housing across the whole market.
- iii) Before making policy decisions it is recommended that key stakeholders are consulted and that any policies or strategies formulated are realistic and focus on the areas and groups of households where particular issues have been highlighted.

36. Implications for affordable housing policy

Introduction

- 36.1 The requirement for rigorous housing needs assessments to underpin affordable housing policies has been an important part of housing strategy and planning policy ever since 1991. The latest Practice Guidance (August 2007) for PPS3 has further emphasised the need for rigour, and the PPS itself emphasises the need to specify the tenure (intermediate or social rented) as well as the size mix required.
- 36.2 The main objective of this study is to provide evidence as to the nature of housing required in the Borough in the future. The process that follows the SHMA will determine how this evidence is converted into policy outputs. This chapter reviews the non-market housing policy evidence produced by this study and comments on its implications.

Tenure of housing required

- 36.3 PPS3 makes it clear that when looking at the likely overall proportions of households that require market and affordable housing, a range of evidence should be considered:

'No one methodological approach or use of a particular dataset(s) will result in a definitive assessment of housing need and demand' (Strategic Housing Market Assessment Practice Guidance p 11)

- 36.4 In accordance, the overall tenure distribution recommended for new housing in Sefton was informed by a number of information sources. The relevant findings from the two main models presented in this report are initially summarised. Then the way in which the results of these models are used along with other evidence to determine the appropriate future tenure profile for new housing is illustrated.

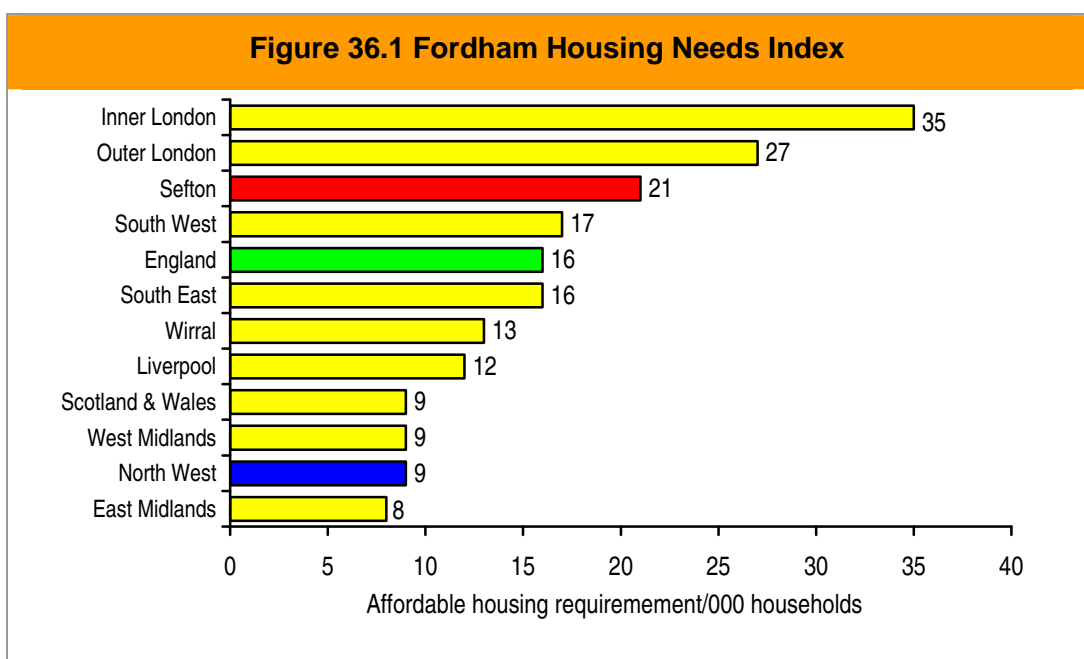
The Practice Guidance needs assessment model: scale of the housing needs problem

- 36.5 The Practice Guidance needs assessment 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. This is an important exercise for quantifying the extent of housing need in the Borough and producing a figure which can be compared across all authorities following the Practice Guidance methodology.
- 36.6 The table below shows the overall affordable housing requirement situation in Sefton. The Fordham Research Affordable Housing Index is the amount of affordable housing required per 1,000 households. It indicates the overall index and requirement for affordable housing:

Table 36.1 Overall affordable housing requirements		
Area	Annual net affordable need	Need per 1,000 households
Sefton	2,398	21

Source: Sefton SHMA 2008

36.7 The index numbers in the last column should be read in the context of the following regional and national data, drawn from a large number of Practice Guidance needs assessment models completed by Fordham Research across the country. As can be seen, the situation in Sefton is high when compared with regional and national averages. The level of need is also much higher than is recorded in Liverpool and the Wirral.



Source: Sefton SHMA 2008

36.8 The Practice Guidance needs assessment model however does not reflect how the market operates. There are principally two groups of households that move through the market that are technically in housing need, that in reality do not present as requiring affordable housing.

36.9 Firstly the Practice Guidance needs assessment model includes those that move to the private rented sector (via housing benefit) as in housing need as they are usually unable to afford entry-level market accommodation. However this tenure is used as substitute affordable housing and households resident in this sector in reality produce no net need (even if they were to require alternative accommodation they would make an affordable home available). In Sefton the supply of lettings in the private rented sector on housing benefit is 1,383 per annum, which reduces the net requirement for affordable housing from 2,398 dwellings to 1,015.

- 36.10 The second group are those that move to market accommodation (principally the private rented sector) that pay more than the recommended proportion (25%) of their gross household income on housing. These households are classified in housing need, however many choose to do this to achieve a particular type or location of housing. This group amounts to approximately 769 households a year. This would further reduce the net annual requirement for affordable housing from 1,015 dwellings to 246.
- 36.11 These two assumptions help explain why the actual amount of affordable housing required in Sefton is not the same as the amount of affordable housing needed according to the Practice Guidance needs assessment model. The Practice Guidance needs assessment model is geared to an ideal state of affairs, not the current reality. The Practice Guidance needs assessment model is a technical exercise that presents a local assessment of the requirement for affordable housing. It does therefore not easily relate to an RSS figure, which is dictated from a regional level considering a range of social, economic and infrastructure considerations.
- 36.12 The Practice Guidance needs assessment model also provides a detailed breakdown of the particular types of affordable housing suitable to meet households in need. This is presented in chapter 28 and replicated in the table below. The table suggests that of the total additional affordable housing to be provided in Sefton, 3.1% should be a high equity intermediate housing product, 1.4% a low equity intermediate housing product and 11.3% intermediate rented housing. The majority (84.2%) would therefore need to be social rented housing.

Table 36.2 Types of affordable housing required to meet housing need in Sefton

	High equity IH product	Low equity IH product	Intermediate rented housing	Social rent	Total
Total gross annual need	114	61	272	3,615	4,062
Total gross annual supply	40	28	0	1596	1664
Net annual need	74	33	272	2,019	2,398
% of net shortfall	3.1%	1.4%	11.3%	84.2%	100.0%

Source: Sefton SHMA household survey January 2008; various secondary data sources

The BHM perspective on affordable housing

- 36.13 As will be appreciated from the discussion at the beginning of Chapter 19, the Practice Guidance needs assessment model analysis measures the size of the problem, but does not provide a likely policy response as the affordable housing required each year exceeds the newbuild target. The BHM analysis aims to produce a more practical estimate of what actually could be done to reduce the housing needs problem.

36.14 Overall the BHM model indicates that 45% of the future demand in the Borough is for affordable housing. The future demand for affordable housing according to the BHM model (extracted from Table 19.7 of this report) is replicated in the table below.

Table 36.3 BHM estimates for affordable housing per annum					
Tenure	Size requirement				Total
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Intermediate	26	32	20	0	79
Social rented	-108	-68	326	180	330

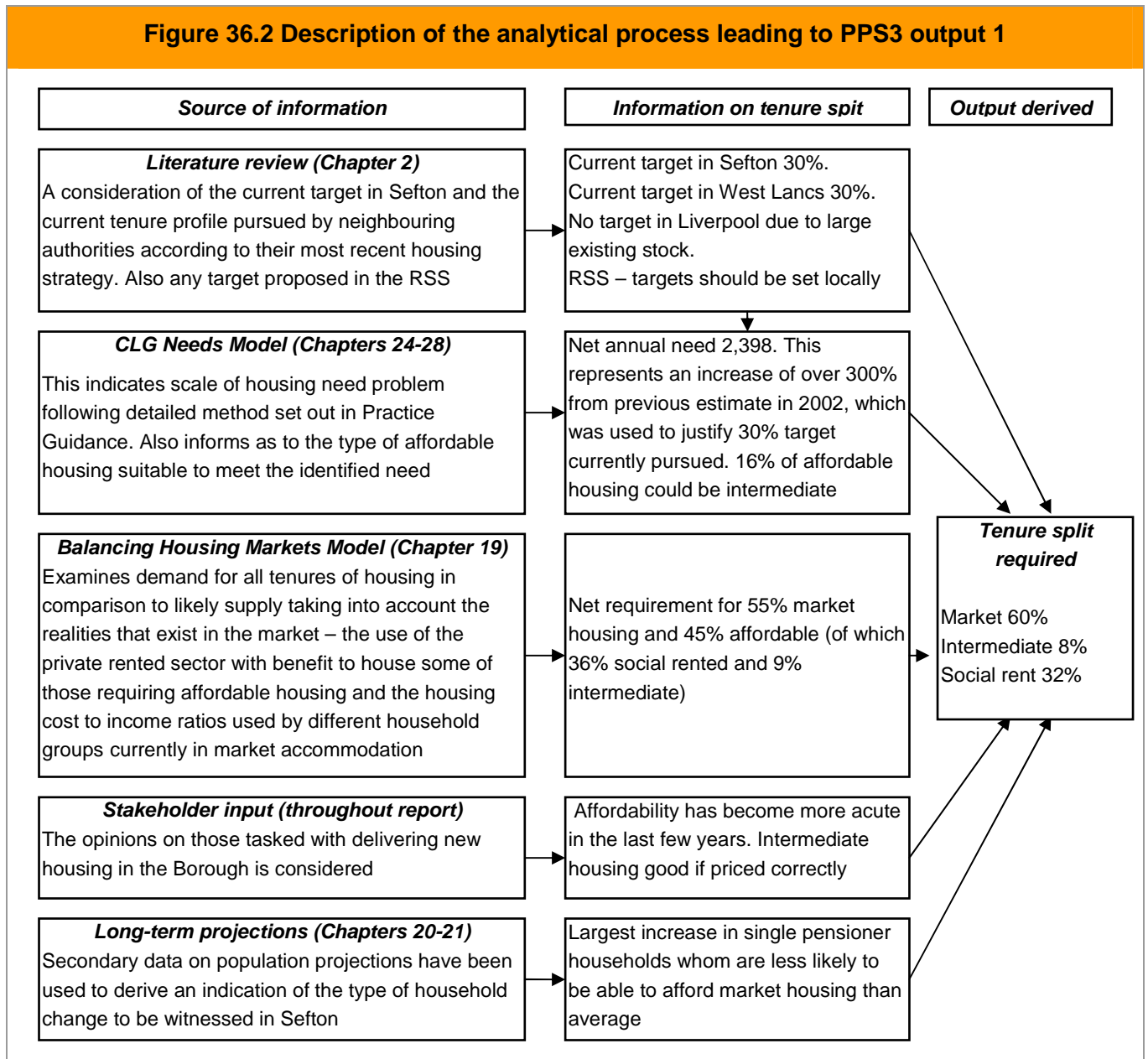
Source: Sefton SHMA 2008 (combination of data sources)

36.15 In size terms, it is clear that three and four bedroom social rented accommodation is required and there are shortages of one, two and three bedroom intermediate housing. Furthermore the BHM model suggests that intermediate housing comprises 19.3% of the affordable housing requirement.

The derivation of an appropriate target

36.16 The figure below demonstrates how the outputs of the two models have been used alongside other appropriate sources to derive an appropriate future tenure profile in the Borough.

Figure 36.2 Description of the analytical process leading to PPS3 output 1



36.17 Guidance, whether in PPS3 or any previous version back to Circular 7/91, has always fought shy of any attempt to relate levels of housing need to targets (whether numerical or percentage).

36.18 What has evolved, through the process of planning inquiries combined with the evidence, has been a system essentially based on percentage targets. These have been attributed to council areas based on a subjective judgement of the level of housing need in the area, combined with a substantial dose of experience based on past findings at Inquiry. Over the 15-year life of the process the levels of target (largely independent of levels of need) have increased largely as a result of experience and property price increases making higher proportions of affordable housing more viable.

- 36.19 It has been clear that the actual yield of a target is much lower than its face value: many sites escape the target, many others claim non-viability (whether correctly or not) and so the outturn of a 40% target is likely to be 20-30% of affordable housing when averaged across all newbuild.
- 36.20 The current affordable housing target in the Borough is 30% based on an estimated net annual housing need of 1,261 (with a five year requirement for 6,305) identified in the 2005 housing needs update. Considering all of the evidence in the figure above, including a large increase in the scale of housing need in the Borough since 2006, it would be sensible to consider a higher target level of affordable housing such as 40% provided this was viable and did not adversely affect the overall supply of housing in the Borough. PPS3 paragraph 29 states that any affordable housing targets can only be set following an informed assessment of the economic viability of any thresholds and proportions of affordable housing proposed, including their likely impact upon overall levels of housing delivery and creating mixed communities. The Council are shortly to commission a viability study in the Borough building on the evidence base provided by this report and the Strategic Housing Land Availability Assessment, which will examine whether this target is viable and practicable.
- 36.21 The evidence from both the Practice Guidance needs assessment model and the BHM analysis would support a target of 20% of affordable housing as being intermediate. This is an increase on the current target of 11% of affordable accommodation being intermediate. The majority of this intermediate housing should be intermediate rent; although there is also a requirement for both high and low equity based products. In their response to the public consultation, One Vision Housing noted their support for the majority of intermediate housing being intermediate rent rather than equity based, citing a large number of shared ownership flats across the south of the borough which are currently vacant. One Vision Housing also believe that within Southport/Formby there would be demand for all intermediate packages due to the high house prices in these areas.
- 36.22 The target for intermediate housing is subject to it being provided at the cost halfway between the cost of an equivalent sized social rented property in the local area and the cost of an equivalent sized entry-level market property in the local area. Market entry-level can be owner-occupation or private rental, whichever is the cheapest in terms of weekly cost. The current estimates of these costs are presented in Chapter 11. In Appendix A6 we describe how the costs can be kept up to date.

Geographical variation

- 36.23 Chapter 15 of this report identified that the Borough of Sefton contains two distinct parts; the south of the Borough centred around the HMRI area in Bootle and Netherton, and the rest of the Borough. Chapter 38 provides detail on the housing policy that would be most beneficial in the HMRI area in the south of the Borough, however it is worth briefly noting how the nature of the affordable requirement varies between these two parts of Sefton.
- 36.24 The results of the BHM analysis for the two separate parts of Sefton presented in Chapter 19 suggest that there is only a limited requirement for affordable housing in the south of the Borough (Bootle and Netherton) and the majority of future affordable housing provision in the Borough should be concentrated in the north and central part of Sefton. The BHM analysis also showed that whilst affordable housing in the south of the Borough should be predominantly intermediate, social rented housing should form 80% of new affordable accommodation in the north and central part of Sefton.
- 36.25 Data from the Practice Guidance needs assessment model on the location of the net requirement for housing need presented in Chapter 27 supports the findings of the BHM analysis. It shows that the largest net requirement for affordable housing in Sefton is found in the Southport sub-area. Formby records the most acute need (as existing supply is least likely to meet current need) however according to a response received to the public consultation there are limited sites within Formby for additional housing. In comparison, the large stock of affordable accommodation in Bootle and Netherton means that households in need within these sub-areas are the most likely to be housed by the stock currently available. Responses to the public consultation indicated that there was support for determining affordable housing policy and allocating new affordable housing in response to the spatial variation of relative housing need, although it is also acknowledged that provision is required in all sub-areas of the Borough.
- 36.26 Unfortunately it is not possible to present a geographical analysis of the reduced net annual requirement for affordable housing of 246 described in paragraphs 36.8 to 36.10.

Site threshold

- 36.27 PPS3 states that the national minimum site threshold is now 15 (reduced from 25). It also allows the Council to set a lower minimum size threshold such as down to ten dwellings, where viable and practicable, as this would potentially make a big difference to the amount of affordable housing produced. However, consistent with PPS3 advice, any such decision will need to be informed by an assessment of the economic viability of such a size threshold. The Council are shortly to commission a viability study in the Borough building on the evidence base provided by this report and the Strategic Housing Land Availability Assessment , which will examine whether this threshold is viable and practicable.

- 36.28 The current site threshold in the Council is 15. Evidence from the Council and stakeholders indicates that a lot of sites that are presented to the Council are below the current threshold, particularly in the north and central part of the Borough, where little affordable housing is currently being developed but is urgently needed.
- 36.29 The current threshold of 15 would be appropriate in the sub-areas of Bootle and Netherton, where the requirement for affordable housing is not so acute. Notwithstanding this, the evidence presented within this report would support the adoption of a site size threshold of ten, in the part of the Borough outside the sub-areas of Bootle and Netherton that are in the greatest need. A site size threshold of ten, outside the sub-areas of Bootle and Netherton was supported by One Vision Housing in their response to the public consultation. These proposed thresholds are subject to an informed assessment of site viability in the different parts of the Borough.

Commuted sums

- 36.30 From an early stage in the lifetime of affordable housing as a policy matter, that is since 1991, off-site provision of Affordable Housing using a commuted sum payment has been addressed in Guidance. The wording has varied over the three PPG/PPS's and three circulars, but the message has been the same: do not do it unless it is unavoidable. The current wording from PPS3: Housing (November 2006) is:

'In Local Development Documents, Local Authorities should set out the approach to seeking developer contributions to facilitate the provision of affordable housing. In seeking developer contributions, the presumption is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing. However, where it can be robustly justified, off-site provision or a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted as long as the agreed approach contributes to the creation of mixed communities in the local authority area' (para 29)

- 36.31 There are several reasons why developers may want to provide a commuted sum payment for off-site provision instead of on-site provision:
- i) They feel, whether rightly or wrongly, that the presence of affordable housing on their site will reduce the price and/or saleability of the market housing. This is especially true if the affordable housing is put there first, before the marketing of the site has established a profile and market position for the site.
 - ii) The developer may hope to provide a commuted sum that, whilst technically reflecting the build cost of the affordable housing on the site, is actually less than the cost of providing the equivalent housing on another site.

- 36.32 It is one of the strengths of the now 16 year history of affordable housing that the Guidance addresses both of these points, by in the first place requiring that the affordable housing be provided onsite, and if offsite then it should be of 'broadly equivalent value'. The latter may not always be easy to calculate, but it is useful that the national Guidance refers to it.
- 36.33 The PPS does not go into detail as to what a robust justification for a commuted sum might consist of. For the reasons listed above, however, it is recommended that a commuted sum should only be accepted in exceptional circumstances. If a commuted sum is unavoidable then it should be recycled to provide or support further affordable housing provision in the local area.

Target setting for low cost market housing

- 36.34 PPS3 (para 26) suggests that Councils should seek low cost market housing as part of the overall market housing total, however it does not provide a precise definition of what low cost market housing is other than to state that it should not be considered an affordable tenure. CLG have indicated that this flexible definition exists because they are encouraging house builders to be creative in the generation of new products within this framework.
- 36.35 It is however difficult to provide an exact recommendation for the amount of low cost housing that should be sought in the Borough as it is not possible to test the ability of local households to afford a particular product. If it is assumed that low cost market housing is newbuild housing at a discount sufficient to be priced within the rent-buy gap, then the analysis of the extent of housing market gaps in the Borough (presented in Chapter 11) would suggest that Sefton would benefit from this form of market accommodation within particular areas, notably Formby.

Accommodation with some form of support for older person households

- 36.36 Evidence presented in Chapter 20 showed that it is likely that the number of people over 50 in the Borough resident in medical or care establishments will increase notably over the next 20 years. Analysis of the SHMA household survey 2008 suggests that less than half (46.4%) of older person only households that would like to move to accommodation with some form of support in the near future expect this accommodation to be social rented. This suggests that whilst there needs to be provision for specialised accommodation within the affordable stock much of the demand will be met within the market.
- 36.37 During both the public and stakeholder consultations it was commented that there is a surplus of older person's accommodation, particularly in the private sector and in Southport. The condition of some of the residential homes was also questioned and it was believed that many did not meet required standards. Ensuring that the accommodation in the private sector is suitable for its residents may be something that the Council wishes to address.

36.38 Unfortunately the sample of older person households that intend to move within the Sefton SHMA household survey January 2008 is too small to provide an accurate indication of the future requirement for the different sorts of accommodation with some form of support. It is therefore suggested that the Council undertake more targeted research with the potential residents of these forms of accommodation to more precisely establish potential demand.

36.39 Responses to the public consultation suggested that current provision for older persons is largely sufficient at the moment and that the sub-groups of the population most requiring assistance in the housing market are those with specific needs, families and first-time buyers.

Other matters

36.40 PPS3 encourages the provision of 100% affordable housing sites, which might be particularly suitable in rural areas. PPS3 suggests that a Rural Exceptions Site Policy could be used to enable small sites to be used specifically for affordable housing in small rural communities which would not usually be used for housing because, for example, they are subject to policies of restraint. A Rural Exceptions Site Policy is not however applicable in Sefton, due to the small level of housing need in the rural areas and the close proximity of the rural areas to the urban areas in the Borough.

36.41 PPS3 also stresses the need for viability assessment, in suggesting that sites must be deliverable. The viability issues have been indirectly addressed in the choice of proposed target levels: such levels have been tested in similar situations and found to be viable by independent consultants, although each site is individual and circumstances will vary. On some sites there will be circumstances that make a given target unfeasible. The Council however has a system in place for assessing the viability of individual sites that come forward.

Summary

- i) The analysis suggests that there is substantial housing need in the Borough. It could warrant an affordable housing target of about 40% in Sefton subject to economic viability.
- ii) In terms of the type of affordable housing, about 80% should be social rented with 20% intermediate. The target for intermediate housing is subject to it being based upon the cost halfway between social rent and market entry as defined in the chapter.
- iii) It is recommended that a site size threshold of 15 units would be appropriate in the sub-areas of Bootle and Netherton, whilst a site size threshold of ten units would be suitable elsewhere in the Borough. These proposed thresholds are subject to an informed assessment of site viability in the different parts of the Borough.

37. Total housing target

Introduction

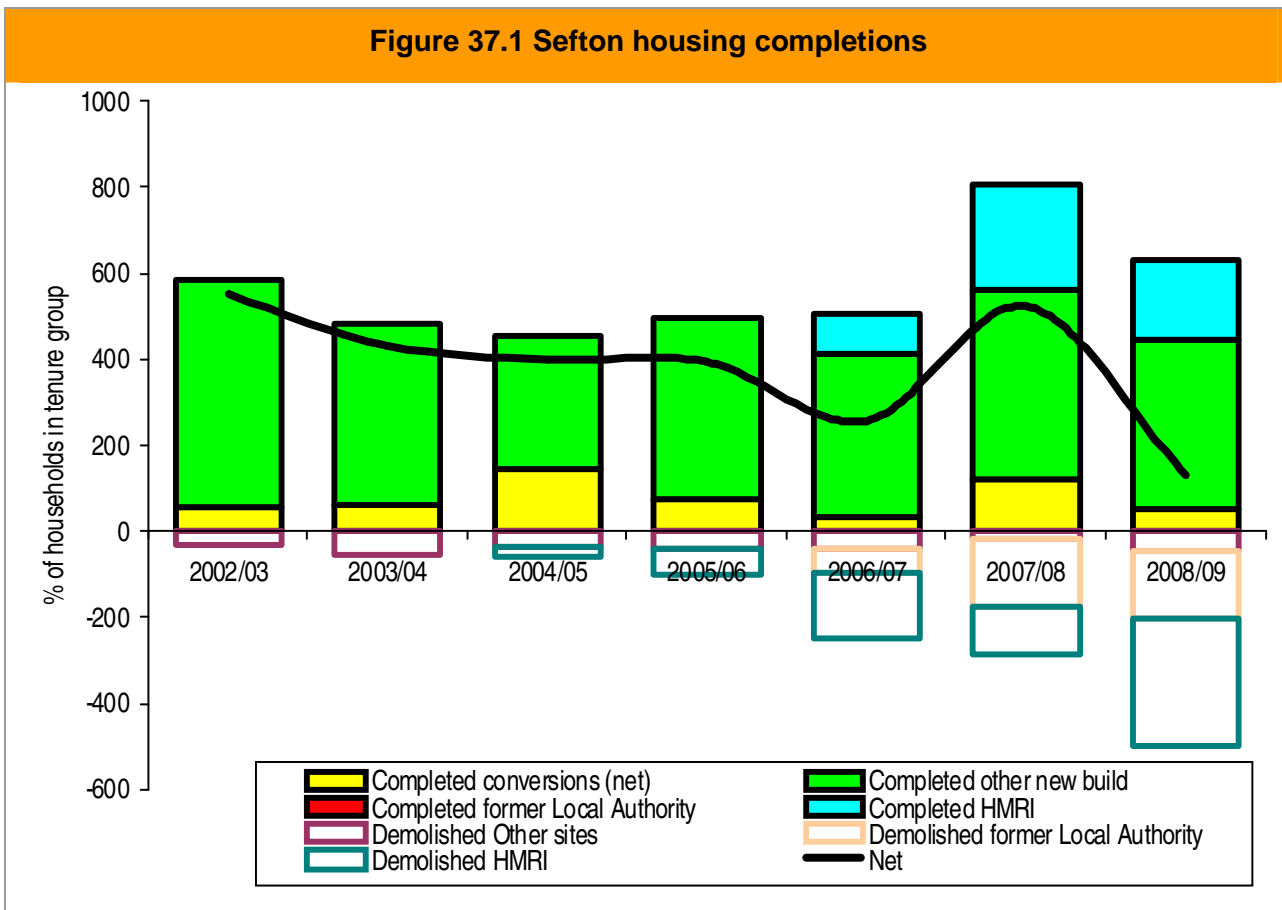
- 37.1 This brief chapter addresses the issue of overall demand for new housing in the Borough in relation to the RSS target. The chapter will look at current newbuild rates, projected household growth and modelled housing demand in Sefton.
- 37.2 It is important to note that the annual requirement for affordable housing of 2,398 identified within the Practice Guidance needs assessment model does not represent a target for new housing in the Borough. This is a measure of the scale of new affordable housing required to ensure that all households that move through the housing market in Sefton that technically require affordable housing reside in it. If this affordable housing was to be provided then there would be a dramatic increase in the number of vacant market sector dwellings particularly in the private rented sector, which currently houses many household technically in need (principally by providing accommodation with Housing Benefit). This would obviously not be a desirable policy outcome.
- 37.3 The Practice Guidance needs assessment model is therefore a standardised assessment of housing need, it does not recognise that other accommodation does exist to resolve the accommodation requirement of those in need. The Balancing Housing Market model attempts to understand how all households move through the whole housing market and the flexible relationship between affordability and tenure that exists in reality. This therefore provides a realistic estimate of the potential demand for new housing in Sefton.

Regional newbuild targets

- 37.4 Chapter 2 presents a summary of the future policy on new housing in the North West region including the figure for the amount of new housing planned in Sefton and the regional strategy that shapes this target.
- 37.5 The final Regional Spatial Strategy (RSS) for the North West published in September 2008 states that a minimum of 500 new dwellings should be provided each year, which equates to a minimum of 9,000 homes over the eighteen year plan period.

Current performance: Latest Council data

37.6 The Council has provided the latest data available on the net growth in additional dwellings that has been recorded in the Borough in the last six years. The figure below contains this information. The approximate build rate between 2002 and 2008 in Sefton has been 426 additional dwellings per year.



Source: Annual Monitoring Report for Sefton 2006/7

Projected household growth

37.7 Chapter 20 examined the projected rate of household growth in Sefton from secondary sources. The table below presents the overall results within a regional and national context. The total number of households in Sefton is projected to increase by around 12,000 over the next 20 years (10.1%). This growth rate represents an average of around 600 per year, which is lower than regionally and nationally, but still clearly significant for the Borough.

Table 37.1 Household projections				
Households ('000s)				
Date	Sefton	Merseyside	North West	England
2006	119	586	2,940	21,518
2011	122	604	3,074	22,646
2016	125	623	3,215	23,836
2021	128	639	3,345	24,973
2026	131	652	3,453	25,975
Change 2006-26	12	66	513	4,457
% change 2006-26	10.1%	11.3%	17.4%	20.7%

Source: Community and Local Government (CLG) household projections (2004 based)

(This table appears as Table 20.4 above)

37.8 There is not a direct link between extra households and extra dwellings, since dwellings can be subdivided. It is quite possible, given the high rates of increase of small older households (cf Figure 20.4) that this process will accelerate in future. Furthermore household growth estimates are a product of demographic trends and not an estimate of market demand.

Modelled housing demand

37.9 Chapter 19 presented the results of a Balancing Housing Markets (BHM) analysis based on SHMA household survey 2008 data. This analysis compares the future demand for housing in the Borough against the likely supply of housing. One of the outputs produced is a net annual requirement for housing in Sefton of 909 homes per annum.

Comparison between figures

37.10 The table below shows how these four figures that provide an indication for housing growth compare.

Table 37.2 Comparison of annual housing growth figures				
Council	RSS annual requirement	Approximate build rates 2002-2008	Projected household growth	BHM demand
Sefton	Minimum of 500	426	600	909

Source: Sefton SHMA 2008

37.11 The table shows that whilst the current net growth in dwellings is below the RSS target, the projected household growth is 60% higher and the demand for housing is over 80% higher. However if the Local Authority utilises its' Empty Property powers to bring more vacant market dwellings back into use as this may help meet some of this additional demand.

Implications for overall policy

- 37.12 The fact that demand and need substantially exceeds the RSS requirement is not necessarily a compelling argument for changing that requirement. Many other factors have to be borne in mind in setting an RSS requirement, including infrastructure constraints and the character of Sefton.
- 37.13 The appropriate response to the conflicting pressures experienced in Sefton will continue to be reviewed in the development of Sefton's Core Strategy in the LDF and the next draft of the RSS.

Size of market accommodation required

- 37.14 Information presented in Chapter 20 showed that the average household size in Sefton is projected to decrease in the future. This does not however mean that the new housing required is going to be smaller than the stock of housing that exists currently. A variety of other factors will influence the size of new housing required in Sefton. These are listed in the table below.

Table 37.3 Factors affecting future newbuild dwelling size

- Households consider that they need extra rooms to accommodate guests, carers, study, hobbies, and work from home. Therefore very few one bedroom dwellings should be added to the stock, even for single person households, as they are not flexible enough
- In high priced housing markets existing home owners will extend and convert their home rather than move
- The role of the dwelling is of considerable importance. It represents financial security for the household and future generations.

Source: Fordham Research Sefton SHMA 2008

- 37.15 The implications for the size mix of new market housing are an important policy output of this SHMA. This is provided within the BHM analysis presented in Table 19.7. The model identifies that there are requirements for two, three and four bedroom market dwellings in Sefton. The largest demand is for three bedroom accommodation. Responses to the public consultation identified a particular need for new homes designed specifically for first-time buyers – small but fairly priced.

Summary

- i) Evidence from the BHM model indicates that demand for housing in the Borough could exceed the RSS target.
- ii) The RSS has to take account of not only housing demand but infrastructure constraints so the demand data should only be considered as informing the wider policy debate on appropriate housing growth in Sefton.
- iii) There is a requirement for two, three and four bedroom market dwellings in Sefton.

38. Policy implications for the HMRI area

Introduction

- 38.1 NewHeartlands is one of the Government's Housing Market Renewal (HMR) pathfinders, charged with finding innovative solutions to the problem of low demand in neighbourhoods across Merseyside, including parts of the local authorities of Sefton, Liverpool and Wirral.
- 38.2 A major part of the programme focuses on improving the quality and diversity of the housing stock with a wider aim to improve economic prosperity, the environment, community safety, cohesion, educational attainment and health.
- 38.3 This chapter draws from a number of sources to bring some of the key policy issues together for the HMRI area. We look at existing policy documents and previous research that relate to the pathfinder area before drawing out some of the key findings from the SHMA research process. This chapter uses information from Chapter 16 of this report. The chapter also draws heavily on discussions from the stakeholder and community consultation events.

The policy context

- 38.4 The North West Plan acknowledges the importance of the pathfinder area in relation to the housing markets in Sefton, Liverpool and Wirral. It states that *'the development of the New Heartlands Housing Market Renewal Pathfinder [is] to revitalise housing in Liverpool, Sefton, and Wirral through comprehensive area based regeneration schemes'*. This regeneration is part of a wider plan for the Liverpool City Region with attempts to focus residential development in the inner areas around the City in an attempt to increase the population of these areas.
- 38.5 The North West Regional Housing Strategy suggests that urban regeneration will be the priority for the Liverpool City Region, with stock renewal and replacement and improved tenure mix key priorities. The Strategy also asks for planning policies to show an understanding of the inter-relationships between areas with high demand and those areas with low demand.

- 38.6 From the North West Plan and Regional Housing Strategy we are able to draw out a number of key issues that are relevant for the HMRI area in Sefton. The focus on the urban areas adjacent to Liverpool for development suggests that for Sefton the focus for new development should be in the HMRI area. The Regional Housing Strategy suggests that there should be attempts to improve the tenure mix in the HMRI area. Understanding the demand for different tenures and mechanisms for doing this will be crucial to an understanding of the area.
- 38.7 The South Sefton Supply and Demand Study (see Chapter 2) suggests that the planning restraint enacted in the areas of Sefton outside of the HMRI area is likely to result in more development in South Sefton. The study suggests that new developments should look to redress the market imbalances in South Sefton, in tenure terms increasing the proportion of owner-occupation, and encouraging a more balanced socio-economic mix.

Information from the survey

- 38.8 The analysis of the HMRI area in Chapter 16 compares the HMRI part of in Sefton with the rest of Sefton in a number of key areas. From this we can see how the housing market differs in the HMRI area and where it may be 'imbalanced'.
- 38.9 In terms of the current stock of housing the HMRI area is dominated by terraced properties; 51.8% of households in the HMRI area live in this property type compared with just 11.9% of households outside of the HMRI area. There is also a higher proportion of households in social rented accommodation; 37.6% in the HMRI area compared to 10.6% in the rest of Sefton.
- 38.10 A balancing housing markets (BHM) analysis was carried out in Chapter 19 of this report. The sample obtained for the HMRI area is not large enough for the analysis to be carried out just for the HMRI area, however, the South Sefton area of Bootle and Netherton covers more than 80% of the households in the area. It should be noted that the sub-areas of Bootle and Netherton, and in particular Netherton, include a number of households that are not part of the HMRI area. However the similarities in the character of the sub-areas would suggest that the general imbalances in the market shown below will also apply to the HMRI area.
- 38.11 As we can see from the table below in terms of tenure the vast majority of the requirement is for market housing. This finding is consistent with the data shown in Chapter 16 of this report where we found that when compared to the rest of Sefton the HMRI area has a lower proportion of households in owner-occupation.

- 38.12 The majority of the demand for market housing is for two bedroom properties, with a notable demand for three bedroom homes also displayed. The largest shortfall within the affordable sector is for four bedroom dwellings followed by three bedroom properties, with a surplus of two bedroom properties shown.
- 38.13 The majority of the demand for social rented housing is for four bedroom properties, with a notable demand for three bedroom homes also displayed.

Table 38.1 Balancing Housing Markets results for South Sefton (Bootle and Netherton) per annum

Tenure	Size requirement				Total
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Market housing	14	241	96	-59	292
Intermediate	26	-1	-1	0	31
Social rented	4	-206	52	162	11
Total	45	34	147	102	333

Source: Sefton SHMA 2008 (combination of data sources)

- 38.14 The HMRI analysis in Chapter 16 also draws out some key differences in household characteristics between the HMRI area and the rest of Sefton. The results show that the HMRI area has a higher proportion of single non-pensioner and lone parent households; there is also a higher proportion of households (survey respondent) unemployed, 8.7% in the HMRI compared to 3.6% in the rest of Sefton.
- 38.15 The financial information collected from the survey also highlights the difference between the HMRI area and the rest of Sefton. Incomes, savings and other finances that might be used for housing (including equity) are all lower in the HMRI than we find in the rest of Sefton.
- 38.16 The HMRI analysis chapter also looks at past and future movers and some very interesting findings came from reasons for moving from households who had moved in the past two years and reasons for moving from households who expect to move in the next two years. Looking at households expecting to move in the next two years the reasons for moving differ significantly between households resident in the HMRI area and those residents in the rest of Sefton; 41.7% of households in the HMRI are planning 'to move to a better environment' this compares with just 24.4% of households in the rest of Sefton that are planning to move. Households in the HMRI were more likely to move due to concerns over their safety; 24.8% for the HMRI compared with 12.4% from the rest of Sefton. Households in the HMRI were also notably more likely to move to be closer to friends and family and to live closer to employment or other facilities than households in the remainder of the Borough.

Stakeholder and community consultation

- 38.17 The HMRI area in Sefton and issues around it were discussed extensively during the stakeholder consultation events.
- 38.18 One stakeholder suggested that there was evidence that there had been speculative buying of properties in the HMRI area by investors. It was suggested that some investors believed that the price that they could be sold at/compulsory purchased would be higher than they paid. It was argued that this, along with the regeneration of the area had pushed property prices up.
- 38.19 Some stakeholders were optimistic about the effects of the regeneration, suggesting that *'early initiatives in the HMRI had made some local residents want to stay'*.
- 38.20 Stakeholders in the RSL consultation event considered the HMRI within the context of the whole of Sefton and surrounding areas. It was suggested that efforts should be concentrated on keeping people in Bootle and the HMRI area, rather than moving out when they can afford to.
- 38.21 The HMRI area was also considered in respect of the planning restraint in the rest of Sefton. One stakeholder argued that *'if large swathes of land were made available in the north of the Borough it would be the 'kiss of death' for the HMRI area'*. At the moment people from the neighbouring areas to Bootle are moving into the HMRI area as there is little new development and high prices outside of the HMRI; if significant development occurs outside of the HMRI people will stop moving into it and any progress will be lost. There was overall agreement from stakeholders with this view.
- 38.22 Stakeholders also emphasised that to help change the area, more needs to be addressed than just the housing. Stakeholders argued that the 'offer' of Bootle and the HMRI area needs to be improved; the 'offer' meaning improvements to the area as a whole to encourage people in, offering services to the residents and good schools as well as improving the local environment. Bootle does not have as good a reputation as some neighbouring areas such as Crosby, Litherland and Netherton.
- 38.23 Stakeholders also suggested that the growth of Liverpool needs to be connected to Sefton, particularly South Sefton. There is potential for Liverpool to provide jobs to the people of South Sefton to help increase the wages in the area.
- 38.24 During the community consultation we explored attitudes to the south of the Borough. When asked to consider what should be done to encourage people to move into Bootle, members of the community came to the same conclusion as some of the stakeholders by suggesting that the reputation of the area needs to be addressed, also that the quality of the schools in South Sefton is not as good as those in the north of the Borough.

Policy considerations and conclusions

- 38.25 This chapter has brought together information from a number of different sources to consider the likely policy considerations for the HMRI area. It should be read with reference to Chapter 16.
- 38.26 There are clearly imbalances in the housing market in the HMRI area, these imbalances exist particularly in terms of tenure and dwelling types in the area. The HMRI area when compared with the rest of Sefton has a higher proportion of households in social rented accommodation and in terraced properties. The dominance of social rented and terraced properties has implications on the mix of households in the area. In particular there are higher proportions of unemployed households than are found in the rest of Sefton and the average incomes and savings of households in the HMRI area are lower than the Borough average.
- 38.27 Adjusting the mix of housing in the area and offering more choice for residents and those looking to move into the area will help create a more mixed and balanced community in the area. The BHM analysis carried out for South Sefton showed a large demand for market housing, providing suitable housing for owner-occupation for these households will help adjust the mix in the area. It should be noted that there will be a need for at least replacement social housing stock as a consequence of the HMRI redevelopments. The BHM analysis also shows the requirement for housing in terms of the number of bedrooms. It suggests that in the market sector the requirement is for two bedroom dwellings where as in the social rented sector there is a large shortfall of four bedroom dwellings. The Council should look at providing suitable housing to meet these demands.
- 38.28 Through consultation with stakeholders and residents one of the key themes that arose was the need for the HMRI area to improve its offer, beyond the housing. Improving the reputation of the area and ensuring that the infrastructure and facilities in the area are suitable to encourage people to remain and to move into the area will be key to adjusting the mix of people in the area.

Summary

- i) This chapter has looked at the imbalances that exist in the housing market in the HMRI area of Sefton, using information from existing policy documents, new primary data and consultation with stakeholders and members of the community.
- ii) The research would suggest that the main requirement for housing in the area is for owner-occupied properties, although there is a large requirement for four bedroom social rented dwellings.
- iii) Information from the survey and stakeholders suggests that efforts should be made to improve the reputation of the area and improve the infrastructure and access to services.

Glossary

This Glossary aims to define terms used in the report. Where there is an existing definition, for example in Government Guidance reference is made to it. Otherwise the terms are defined simply in the way used in the report.

Adapted gross flows

The original gross flows approach was principally based on past trends so had no ‘normative’ value (it contained no element of judgement). This meant that, a gross flows approach as a forecasting method simply repeated what had happened and therefore provided no indication of what should happen in the future. For example, if the moves recorded in the recent past had an unbalancing effect on the market, the gross flows model would project the same moves as required in the future even though they may further imbalance the market. Thus a Gross Flows approach is not a useful part of any forecasting of the future of housing in an area.

The adapted gross flows approach uses information about households’ future preferences and expectations along with affordability information. This distinguishes it from conventional Gross Flows, and also permits the approach to inform on any rebalancing of the market required in the future. Whilst the model still expects households’ stated behaviour to be constrained by market realities, this revised approach is able to usefully inform as to requirements in the future.

Affordability test

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) once any available capital has been deducted from the purchase price. 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

According to PPS3 *“Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:*

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.”*

Annual need

The combination of the net future need plus an allowance to deal progressively with part of the net current need. The Practice Guidance recommends that the net current need be met over a five year period.

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 tenures and sizes of housing across an area in the short-term future. Chapter 19 provides a full description of the purpose of the model and the methodology used.

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.

Communal establishments

The 2001 Census defines a communal establishment as an establishment providing supervised residential accommodation.

Concealed household

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. Also known as a potential household.

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.

Decent home

A decent home is one that is warm, weatherproof and has reasonably modern facilities. The Government defines a home as 'decent' if it meets all of the following four criteria:

- It meets the current statutory minimum standard for housing (currently the HHSRS)
- Is in a reasonable state of repair
- It has reasonably modern facilities and services
- It provides a reasonable degree of thermal comfort

The 2006 CLG decent homes implementation guidance sets out what factors would be considered to make a dwelling 'non-decent'. This is presented in the table below.

Decent home criterion	Summary of Government guidance
Does it meet the current minimum standard?	Does dwelling contain any Category 1 hazards
Is it in reasonable state of repair?	Key components: external wall structure, wall finish/applied surface, chimney stacks, roof structure, roof covering, external doors, windows, gas system, electrical supply, heating boiler Non-key components: kitchen amenities, bathroom amenities, heating system
Has it reasonably modern facilities?	Kitchen: modern (<20 years old), adequate space and layout Bathroom: modern (<30 years old) Appropriately located bathroom and WC Adequate noise insulation Flats: common areas adequate size and layout
Does it provide a reasonable degree of thermal comfort?	For gas/oil heating: does it have a programmable heating system and cavity wall insulation and/or at least 50mm of roof insulation where appropriate? For electric storage heaters/LPG/programmable solid fuel central heating: does it have cavity wall insulation and at least 200mm of roof insulation where appropriate?

Decile

A decile is any of the nine values that divide the sorted data into ten equal parts, so that each part represents one tenth of the sample or population.

Demand (for housing)

According to PPS3 this is *"the quantity of housing that households are willing and able to buy or rent."* Within this report demand relates to the amount of housing required by all households moving within or into the housing market.

Disaggregation

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

Entry level market housing

In accordance with the Practice Guidance definition, entry-level market housing is *“approximated by lower-quartile house prices [or rents]. The cheapest available property prices [or rents] should not be used since these often reflect sub-standard quality or environmental factors.”*

Extra care housing

Extra care housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. It provides more services than sheltered housing but not as many services as a care home.

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, 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.

Homeless households

The Homelessness Code of Guidance for Local Authorities published by the CLG indicates *that 'a person is homeless if he or she has no accommodation in the UK or elsewhere which is available for his or her occupation and which that person has a legal right to occupy. A person is also homeless if he or she has accommodation but cannot secure entry to it, or the accommodation is a moveable structure, vehicle or vessel designed or adapted for human habitation (such as a caravan or house boat) and there is no place where it can be placed in order to provide accommodation. A person who has accommodation is to be treated as homeless where it would not be reasonable for him or her to continue to occupy that accommodation.'*

Housing Health and Safety Rating System (HHSRS)

The HHSRS is a means of identifying faults in dwellings and of evaluating the potential effect of any faults on the health and safety of occupants, visitors, neighbours and passers-by. The system grades the severity of any hazards present in the dwelling. It also provides a means of differentiating between dwellings that pose a low risk to health and safety and those which pose a higher risk such as an imminent threat of serious injury or death. The system concentrates on threats to health and safety and is not concerned with matters of quality, comfort and convenience.

The HHSRS is an evidence-based risk assessment system developed over several years by the Department for Communities and Local Government (CLG), which replaced the fitness standard as of April 2006.

All hazards that can be assessed using the HHSRS are listed in the following box.

Type of hazard	Hazard
Hygrothermal conditions	<ul style="list-style-type: none"> • Damp and mould growth • Excess cold • Excess heat
Pollutants (non-microbial)	<ul style="list-style-type: none"> • Asbestos (and MMFs) • Biocides • Carbon Monoxide and fuel combustion products • Lead • Radiation • Uncombusted fuel gas • Volatile Organic Compounds
Space, security, light & noise	<ul style="list-style-type: none"> • Crowding and space • Entry by intruders • Lighting • Noise
Hygiene, sanitation & water supply	<ul style="list-style-type: none"> • Domestic hygiene, pests and refuse • Food safety • Personal hygiene, sanitation and drainage • Water supply
Falls	<ul style="list-style-type: none"> • Falls associated with baths etc • Falls on the level • Falls associated with stairs and steps • Falls between levels
Electric shocks, fires, burns & scalds	<ul style="list-style-type: none"> • Electrical hazards • Fire • Hot surfaces and materials
Collisions, cuts & sprains	<ul style="list-style-type: none"> • Collision and entrapment • Explosions • Ergonomics • Structural collapse and falling elements

The scoring procedure, based on the surveyor's assessment of the dwelling, provides a numerical hazard score for each of the hazards identified at the property. The higher the score, the greater the severity of that hazard. The highest hazard score for an individual dwelling indicates the most serious hazard at that dwelling.

The hazard score is generated by looking at three factors:

- i) The likelihood expressed as a ratio – in effect this is a one in x chance of any particular hazard occurring in a one year period.
- ii) A weighting given to each class of harm – there are four classes used in the calculation Extreme, Severe, Serious and Moderate. In the case of falls these might represent a range from death to severe bruising.

- iii) A spread of health outcomes indicated as a percentage – if the hazard occurs what are the chances of it being in each of the classes of harm, for example. in the case of falls this might be no (or negligible) chance of death and 60% chance of severe bruising.

Once each dwelling has been assessed for each potential hazard the data is banded to provide more useful data. The bands suggested in CLG guidance are shown in the box below.

Band	Score	Equivalent annual risk of death	Response
A	5,000 or more	1 in 200 or more	Category 1
B	2,000 – 4,999	1 in 200 – 1 in 500	
C	1,000 – 1,999	1 in 500 – 1 in 1,000	
D	500 – 999	1 in 1,000 – 1 in 2,000	Category 2
E	200 – 499	1 in 2,000 – 1 in 5,000	
F	100 – 199	1 in 5,000 – 1 in 10,000	
G	50 – 99	1 in 10,000 – 1 in 20,000	
H	20 – 49	1 in 20,000 – 1 in 50,000	
I	10 – 19	1 in 50,000 – 1 in 100,000	
J	Less than 10	Less than 1 in 100,000	No hazards

A Category 1 hazard is one that is sufficiently serious to trigger the general duty on the local authority to take appropriate enforcement action.

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).

Household reference person

For the purposes of our study the survey respondent is taken to represent the household reference person (HRP).

Housing association

Housing Associations (also known as a Registered Social Landlord (RSL)) are independent not-for-profit bodies that provide affordable housing.

Housing Benefit

Housing Benefit is a means tested benefit that is intended to help households with low incomes and low savings pay for their rented accommodation. It is often used to accommodate people that technically require affordable housing within the private rented sector, principally due to a lack of capacity within the affordable sector.

Housing Corporation

Government Agency that allocates funding for Affordable Housing projects and regulates Registered Social Landlords.

Housing Market Area

The "Identifying sub-regional housing market areas - Advice note" published by CLG, March 2007 indicates that *'housing market areas are geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work. 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'* However it also states that *'for the purposes of developing evidence bases and policy, using a pragmatic approach that groups local authority administrative areas together as an approximation for functional sub-regional housing market areas [is appropriate]'*.

Housing Market Gaps

The boundaries between the entry-level cost of each tenure.

Housing need

Housing need is defined in PPS3 (page 27) as *'the quantity of housing required for households who are unable to access suitable housing without financial assistance.'* The Practice Guidance (on page 41) indicates that to calculate housing need in line with this definition it is necessary to *'estimate the number of households who lack their own housing or 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 type

Refers to the type of dwelling, for example, flat, house, specialised 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.'*

Job density

This is a measure of the number of jobs per person of working age.

Key worker

A key worker is someone whose employment is crucial to the local population. Generally this includes people employed in public services. Currently, government funded key worker housing schemes only operate in London and South-East England.

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.

Limiting long-term illness

A limiting long-term illness (LLTI) is defined as a long-term illness, health problem or disability that limits daily activities or work.

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.

Low cost market housing

This is defined by CLG as anything not affordable. In the Housing Gaps figure it is 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.

Market housing

This is defined by PPS3 as any housing that is not a form of Affordable Housing.

Mean

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

Median

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

Migration

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

Net need

The difference between need and the expected supply of available affordable housing units (e.g. from the reletting 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. For example 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.

Occupancy rating

The Occupancy Rating provides a measure of under-occupancy and over-crowding. For example a value of -1 implies that there is one room too few and that there is overcrowding in the household. It relates the actual number of rooms to the number of rooms 'required' by the members of the household (based on an assessment of the relationship between household members, their ages and gender). The room requirement is calculated as follows:

- a one person household is assumed to require three rooms (two common rooms and a bedroom)
- where there are two or more residents it is assumed that they require a minimum of two common rooms plus one bedroom for:
 - i. each couple (as determined by the relationship question)
 - ii. each lone parent
 - iii. any other person aged 16 or over
 - iv. each pair aged 10 to 15 of the same sex
 - v. each pair formed from a remaining person aged 10 to 15 with a child aged under 10 of the same sex
 - vi. each pair of children aged under 10 remaining
 - vii. each remaining person (either aged 10 to 15 or under 10).

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 (for example 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. Also known as a concealed 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.

Quartile

A quartile is any of the three values which divide the sorted data set into four equal parts, so that each part represents one fourth of the sampled population.

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.

Rent/buy gap

The gap between the price of entry-level market rented housing and entry-level market housing to purchase.

Residential care/nursing home

This is a place of residence for people who require constant nursing care and have significant deficiencies with activities of daily living.

Registered Social Landlord (RSL)

See Housing Association.

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

According to the Annex to the Practice guidance Shared equity is *“housing that is available part to buy (usually at market value) and part to rent.”*

Shared Housing

In the 2001 Census, a household space is considered to be in a shared dwelling if *‘it has accommodation type ‘part of a converted or shared house’, not all the rooms (including bathroom and toilet, if any) are behind a door that only that household can use and there is at least one other such household space at the same address with which it can be combined to form the shared dwelling.’* All of the conditions have to be met for the household space to form a shared dwelling.

Shared ownership

See Shared equity

Shelterd housing

Sheltered housing is a term covering a wide range of rented housing for older and/or disabled or other vulnerable people. Most commonly it refers to grouped housing such as a block or "scheme" of flats or bungalows with a scheme manager or "officer"; traditionally the manager has lived on-site.

SHLAA (Strategic Housing Land Availability Assessment)

The SHLAA is an assessment of land availability for housing within an authority over a 15 year period. It is required by PPS3.

SHMA (Strategic Housing Market Assessment)

SHMA derives 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.

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).

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.

Supported housing

Supported housing is a combination of housing and services intended as a cost-effective way to help people live more stable, productive lives.

Support needs

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

Supporting People

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

Under-occupation

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

Unsuitably housed households

All circumstances where households are living in housing which is in some way unsuitable, whether because of its size, type, design, location, condition or cost. Table 5.1 of the Practice Guidance provides a full list of the criteria under which a household can be considered unsuitably housed. 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

CORE - The Continuous Recording System (Published records on the RSL and local authority lettings/new tenants)

DETR - Department of the Environment, Transport and the Regions

GIS - Geographical Information Systems

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

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)

SEH - Survey of English Housing

TTWA - Travel to Work Area

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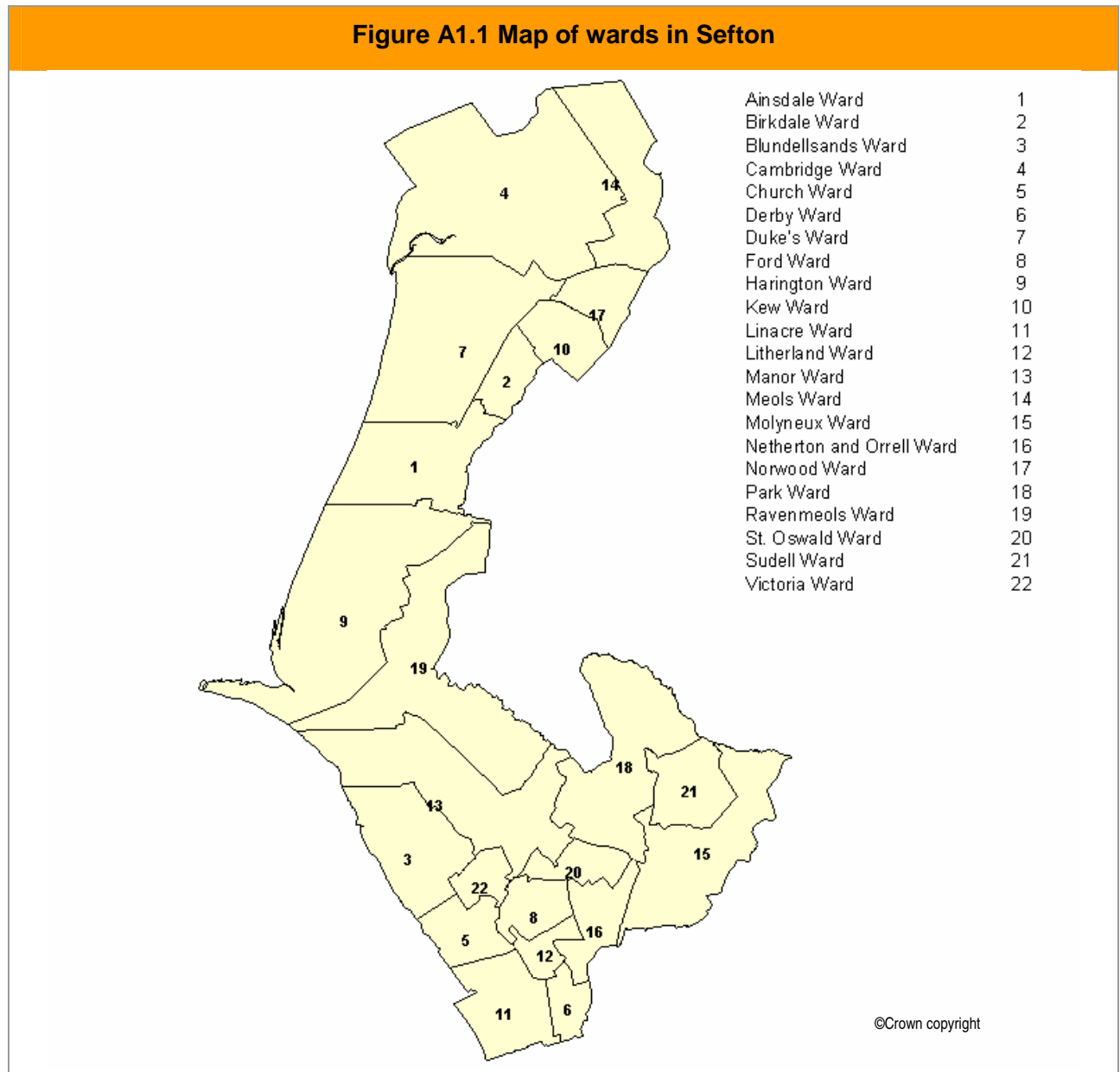
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Appendix A1 Ward level data

Introduction

- A1.1 This appendix provides details of the key survey findings at ward level. Although the survey sample was set up for robust analysis for six sub-areas (as shown throughout the report) a ward identifier was maintained on the survey database. Hence broad outputs have been possible at this lower level.
- A1.2 The sample sizes are reasonable at ward level (half are at or above the suggested figure of 100 in CLG Guidance). However, care should be taken when interpreting the results as the findings at this level are subject to a greater degree of 'error' when compared with the figures presented in the main body of the report for all households in the Borough (or indeed the six sub-areas).
- A1.3 The map below shows the position of the 22 wards within Sefton.

Figure A1.1 Map of wards in Sefton



Source: Sefton SHMA 2008

Number of households and sample size

Table A1.1 Number of households in each ward and sample size				
Ward	Number of households	% of households	Sample size	% of sample
Ainsdale	5,176	4.4%	98	4.3%
Birkdale	5,305	4.6%	109	4.8%
Blundellsands	4,225	3.6%	125	5.5%
Cambridge	5,852	5.0%	114	5.0%
Church	5,657	4.9%	95	4.2%
Derby	5,528	4.8%	95	4.2%
Dukes	6,045	5.2%	86	3.8%
Ford	5,466	4.7%	78	3.4%
Harington	4,189	3.6%	171	7.5%
Kew	5,222	4.5%	94	4.1%
Linacre	6,460	5.6%	103	4.5%
Litherland	5,609	4.8%	100	4.4%
Manor	5,064	4.4%	116	5.1%
Meols	5,247	4.5%	113	4.9%
Molyneux	5,092	4.4%	77	3.4%
Netherton & Orrell	5,036	4.3%	77	3.4%
Norwood	5,675	4.9%	82	3.6%
Park	4,815	4.1%	78	3.4%
Ravenmeols	4,889	4.2%	141	6.2%
St Oswald	5,221	4.5%	83	3.6%
Sudell	5,147	4.4%	118	5.2%
Victoria	5,407	4.6%	135	5.9%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Tenure

Table A1.2 Tenure by ward										
Ward	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	2,215	42.8%	2,450	47.3%	182	3.5%	328	6.3%	5,176	100.0%
Birkdale	1,751	33.0%	2,962	55.8%	273	5.2%	319	6.0%	5,305	100.0%
Blundellsands	1,786	42.3%	2,112	50.0%	69	1.6%	258	6.1%	4,225	100.0%
Cambridge	1,840	31.4%	2,285	39.0%	1,007	17.2%	721	12.3%	5,852	100.0%
Church	1,184	20.9%	1,962	34.7%	1,100	19.4%	1,410	24.9%	5,657	100.0%
Derby	1,485	26.9%	1,440	26.1%	2,085	37.7%	518	9.4%	5,528	100.0%
Dukes	2,202	36.4%	2,046	33.8%	288	4.8%	1,509	25.0%	6,045	100.0%
Ford	1,285	23.5%	1,510	27.6%	2,061	37.7%	610	11.2%	5,466	100.0%
Harington	2,048	48.9%	1,825	43.6%	98	2.4%	218	5.2%	4,189	100.0%
Kew	1,876	35.9%	2,351	45.0%	144	2.8%	851	16.3%	5,222	100.0%
Linacre	651	10.1%	1,723	26.7%	3,192	49.4%	894	13.8%	6,460	100.0%
Litherland	1,421	25.3%	2,347	41.8%	1,175	21.0%	667	11.9%	5,609	100.0%
Manor	1,560	30.8%	2,004	39.6%	1,239	24.5%	262	5.2%	5,064	100.0%
Meols	2,512	47.9%	1,996	38.0%	160	3.1%	578	11.0%	5,247	100.0%
Molyneux	2,489	48.9%	2,200	43.2%	63	1.2%	340	6.7%	5,092	100.0%
Netherton & Orrell	1,327	26.3%	1,772	35.2%	1,867	37.1%	71	1.4%	5,036	100.0%
Norwood	1,527	26.9%	2,712	47.8%	571	10.1%	865	15.2%	5,675	100.0%
Park	2,146	44.6%	1,992	41.4%	517	10.7%	160	3.3%	4,815	100.0%
Ravenmeols	2,279	46.6%	1,927	39.4%	254	5.2%	430	8.8%	4,889	100.0%
St Oswald	1,368	26.2%	2,113	40.5%	1,606	30.8%	133	2.6%	5,221	100.0%
Sudell	2,263	44.0%	2,207	42.9%	251	4.9%	425	8.3%	5,147	100.0%
Victoria	2,152	39.8%	2,823	52.2%	220	4.1%	211	3.9%	5,407	100.0%
Total	39,367	33.8%	46,758	40.2%	18,423	15.8%	11,780	10.1%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Dwelling types

Table A1.3 Dwelling type by ward

Ward	Detached		Semi-detached		Terraced		Flat/maisonette		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	2,327	45.0%	2,263	43.7%	222	4.3%	363	7.0%	5,176	100.0%
Birkdale	910	17.2%	3,774	71.1%	348	6.6%	273	5.1%	5,305	100.0%
Blundellsands	344	8.2%	2,188	51.8%	510	12.1%	1,182	28.0%	4,225	100.0%
Cambridge	1,504	25.7%	1,138	19.4%	191	3.3%	3,019	51.6%	5,852	100.0%
Church	123	2.2%	1,192	21.1%	2,369	41.9%	1,972	34.9%	5,657	100.0%
Derby	215	3.9%	1,148	20.8%	3,053	55.2%	1,111	20.1%	5,528	100.0%
Dukes	650	10.8%	1,376	22.8%	684	11.3%	3,334	55.2%	6,045	100.0%
Ford	324	5.9%	1,839	33.7%	2,049	37.5%	1,254	22.9%	5,466	100.0%
Harington	2,582	61.6%	1,138	27.2%	60	1.4%	409	9.8%	4,189	100.0%
Kew	1,353	25.9%	2,515	48.2%	435	8.3%	919	17.6%	5,222	100.0%
Linacre	378	5.9%	1,380	21.4%	2,831	43.8%	1,870	28.9%	6,460	100.0%
Litherland	149	2.7%	2,068	36.9%	2,671	47.6%	721	12.9%	5,609	100.0%
Manor	1,117	22.0%	2,715	53.6%	722	14.3%	511	10.1%	5,064	100.0%
Meols	1,158	22.1%	3,836	73.1%	114	2.2%	139	2.7%	5,247	100.0%
Molyneux	865	17.0%	3,995	78.5%	63	1.2%	170	3.3%	5,092	100.0%
Netherton & Orrell	346	6.9%	2,799	55.6%	1,592	31.6%	299	5.9%	5,036	100.0%
Norwood	345	6.1%	4,441	78.3%	351	6.2%	538	9.5%	5,675	100.0%
Park	718	14.9%	3,145	65.3%	285	5.9%	667	13.8%	4,815	100.0%
Ravenmeols	1,243	25.4%	3,011	61.6%	167	3.4%	469	9.6%	4,889	100.0%
St Oswald	395	7.6%	1,337	25.6%	2,563	49.1%	926	17.7%	5,221	100.0%
Sudell	570	11.1%	3,381	65.7%	387	7.5%	808	15.7%	5,147	100.0%
Victoria	423	7.8%	3,336	61.7%	1,175	21.7%	473	8.8%	5,407	100.0%
Total	18,042	15.5%	54,015	46.4%	22,843	19.6%	21,428	18.4%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Household type

Table A1.4 Household type by ward (households)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Ainsdale	768	943	348	1,851	48	479	739	5,176
Birkdale	592	613	503	2,066	101	565	865	5,305
Blundellsands	1,123	240	401	1,260	73	405	724	4,225
Cambridge	2,340	890	614	954	245	409	400	5,852
Church	641	199	1,458	1,998	432	425	504	5,657
Derby	1,352	369	1,349	1,291	648	275	244	5,528
Dukes	1,664	596	1,432	890	287	184	993	6,045
Ford	1,190	627	1,218	1,496	61	504	371	5,466
Harington	683	982	269	1,378	24	471	382	4,189
Kew	907	474	693	1,412	268	631	839	5,222
Linacre	949	296	1,867	1,885	440	657	364	6,460
Litherland	519	502	1,105	1,448	562	689	785	5,609
Manor	764	770	665	1,848	102	460	453	5,064
Meols	1,025	918	237	1,482	98	599	889	5,247
Molyneux	735	627	420	2,034	354	386	536	5,092
Netherton & Orrell	611	407	438	1,694	589	667	631	5,036
Norwood	736	439	679	1,865	276	996	682	5,675
Park	689	584	670	1,712	0	415	745	4,815
Ravenmeols	916	656	541	1,728	162	472	414	4,889
St Oswald	1,105	683	640	1,729	150	613	301	5,221
Sudell	1,273	657	332	2,179	50	403	253	5,147
Victoria	820	642	687	1,583	188	783	704	5,407
Total	21,401	13,114	16,564	35,782	5,158	11,489	12,820	116,328

Source: Sefton SHMA household survey January 2008

Table A1.5 Household type by ward (percentages)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Ainsdale	14.8%	18.2%	6.7%	35.8%	0.9%	9.3%	14.3%	100.0%
Birkdale	11.2%	11.6%	9.5%	39.0%	1.9%	10.6%	16.3%	100.0%
Blundellsands	26.6%	5.7%	9.5%	29.8%	1.7%	9.6%	17.1%	100.0%
Cambridge	40.0%	15.2%	10.5%	16.3%	4.2%	7.0%	6.8%	100.0%
Church	11.3%	3.5%	25.8%	35.3%	7.6%	7.5%	8.9%	100.0%
Derby	24.5%	6.7%	24.4%	23.4%	11.7%	5.0%	4.4%	100.0%
Dukes	27.5%	9.9%	23.7%	14.7%	4.8%	3.0%	16.4%	100.0%
Ford	21.8%	11.5%	22.3%	27.4%	1.1%	9.2%	6.8%	100.0%
Harington	16.3%	23.4%	6.4%	32.9%	0.6%	11.2%	9.1%	100.0%
Kew	17.4%	9.1%	13.3%	27.0%	5.1%	12.1%	16.1%	100.0%
Linacre	14.7%	4.6%	28.9%	29.2%	6.8%	10.2%	5.6%	100.0%
Litherland	9.3%	8.9%	19.7%	25.8%	10.0%	12.3%	14.0%	100.0%
Manor	15.1%	15.2%	13.1%	36.5%	2.0%	9.1%	9.0%	100.0%
Meols	19.5%	17.5%	4.5%	28.2%	1.9%	11.4%	16.9%	100.0%
Molyneux	14.4%	12.3%	8.2%	39.9%	7.0%	7.6%	10.5%	100.0%
Netherton & Orrell	12.1%	8.1%	8.7%	33.6%	11.7%	13.2%	12.5%	100.0%
Norwood	13.0%	7.7%	12.0%	32.9%	4.9%	17.6%	12.0%	100.0%
Park	14.3%	12.1%	13.9%	35.6%	0.0%	8.6%	15.5%	100.0%
Ravenmeols	18.7%	13.4%	11.1%	35.3%	3.3%	9.7%	8.5%	100.0%
St Oswald	21.2%	13.1%	12.2%	33.1%	2.9%	11.7%	5.8%	100.0%
Sudell	24.7%	12.8%	6.4%	42.3%	1.0%	7.8%	4.9%	100.0%
Victoria	15.2%	11.9%	12.7%	29.3%	3.5%	14.5%	13.0%	100.0%
Total	18.4%	11.3%	14.2%	30.8%	4.4%	9.9%	11.0%	100.0%

Source: Sefton SHMA household survey January 2008

Household size

Table A1.6 Household size by ward

Ward	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	1,116	21.6%	2,217	42.8%	748	14.5%	1,096	21.2%	5,176	100.0%
Birkdale	1,095	20.6%	1,788	33.7%	1,118	21.1%	1,304	24.6%	5,305	100.0%
Blundellsands	1,524	36.1%	1,037	24.5%	511	12.1%	1,154	27.3%	4,225	100.0%
Cambridge	2,954	50.5%	1,694	29.0%	385	6.6%	819	14.0%	5,852	100.0%
Church	2,100	37.1%	1,923	34.0%	662	11.7%	972	17.2%	5,657	100.0%
Derby	2,701	48.9%	1,404	25.4%	596	10.8%	827	15.0%	5,528	100.0%
Dukes	3,095	51.2%	1,278	21.1%	475	7.9%	1,197	19.8%	6,045	100.0%
Ford	2,407	44.0%	1,491	27.3%	486	8.9%	1,082	19.8%	5,466	100.0%
Harington	952	22.7%	1,829	43.7%	592	14.1%	817	19.5%	4,189	100.0%
Kew	1,600	30.6%	1,544	29.6%	463	8.9%	1,616	30.9%	5,222	100.0%
Linacre	2,816	43.6%	1,767	27.4%	1,076	16.7%	800	12.4%	6,460	100.0%
Litherland	1,623	28.9%	1,717	30.6%	625	11.1%	1,643	29.3%	5,609	100.0%
Manor	1,429	28.2%	1,663	32.8%	925	18.3%	1,047	20.7%	5,064	100.0%
Meols	1,262	24.0%	2,061	39.3%	691	13.2%	1,234	23.5%	5,247	100.0%
Molyneux	1,155	22.7%	2,236	43.9%	1,000	19.6%	701	13.8%	5,092	100.0%
Netherton & Orrell	1,049	20.8%	1,496	29.7%	1,078	21.4%	1,414	28.1%	5,036	100.0%
Norwood	1,415	24.9%	1,865	32.9%	1,089	19.2%	1,306	23.0%	5,675	100.0%
Park	1,359	28.2%	1,408	29.2%	843	17.5%	1,204	25.0%	4,815	100.0%
Ravenmeols	1,457	29.8%	1,727	35.3%	982	20.1%	724	14.8%	4,889	100.0%
St Oswald	1,745	33.4%	1,803	34.5%	660	12.6%	1,014	19.4%	5,221	100.0%
Sudell	1,605	31.2%	1,668	32.4%	801	15.6%	1,073	20.8%	5,147	100.0%
Victoria	1,507	27.9%	1,830	33.8%	881	16.3%	1,190	22.0%	5,407	100.0%
Total	37,965	32.6%	37,445	32.2%	16,687	14.3%	24,232	20.8%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Overcrowding and under-occupation

Table A1.7 Overcrowding/under-occupation by ward

Ward	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Ainsdale	111	2.1%	2,136	41.3%	2,929	56.6%	5,176	100.0%
Birkdale	193	3.6%	2,941	55.4%	2,171	40.9%	5,305	100.0%
Blundellsands	198	4.7%	2,185	51.7%	1,842	43.6%	4,225	100.0%
Cambridge	0	0.0%	4,616	78.9%	1,237	21.1%	5,852	100.0%
Church	63	1.1%	3,455	61.1%	2,139	37.8%	5,657	100.0%
Derby	0	0.0%	3,779	68.4%	1,748	31.6%	5,528	100.0%
Dukes	0	0.0%	4,378	72.4%	1,667	27.6%	6,045	100.0%
Ford	392	7.2%	3,121	57.1%	1,953	35.7%	5,466	100.0%
Harington	0	0.0%	1,475	35.2%	2,714	64.8%	4,189	100.0%
Kew	298	5.7%	2,977	57.0%	1,947	37.3%	5,222	100.0%
Linacre	257	4.0%	5,246	81.2%	957	14.8%	6,460	100.0%
Litherland	397	7.1%	3,666	65.4%	1,547	27.6%	5,609	100.0%
Manor	68	1.3%	2,802	55.3%	2,193	43.3%	5,064	100.0%
Meols	0	0.0%	3,112	59.3%	2,136	40.7%	5,247	100.0%
Molyneux	98	1.9%	2,176	42.7%	2,819	55.4%	5,092	100.0%
Netherton & Orrell	388	7.7%	3,001	59.6%	1,648	32.7%	5,036	100.0%
Norwood	254	4.5%	4,101	72.3%	1,319	23.3%	5,675	100.0%
Park	0	0.0%	2,498	51.9%	2,317	48.1%	4,815	100.0%
Ravenmeols	83	1.7%	2,340	47.9%	2,466	50.4%	4,889	100.0%
St Oswald	138	2.7%	2,867	54.9%	2,215	42.4%	5,221	100.0%
Sudell	83	1.6%	2,910	56.5%	2,154	41.9%	5,147	100.0%
Victoria	0	0.0%	2,657	49.1%	2,750	50.9%	5,407	100.0%
Total	3,020	2.6%	68,440	58.8%	44,868	38.6%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Household mobility

Table A1.8 Length of residence by ward

Ward	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	199	3.8%	395	7.6%	569	11.0%	4,013	77.5%	5,176	100.0%
Birkdale	323	6.1%	373	7.0%	328	6.2%	4,281	80.7%	5,305	100.0%
Blundellsands	297	7.0%	240	5.7%	654	15.5%	3,035	71.8%	4,225	100.0%
Cambridge	498	8.5%	593	10.1%	831	14.2%	3,931	67.2%	5,852	100.0%
Church	946	16.7%	385	6.8%	870	15.4%	3,456	61.1%	5,657	100.0%
Derby	334	6.0%	352	6.4%	591	10.7%	4,251	76.9%	5,528	100.0%
Dukes	906	15.0%	435	7.2%	1,320	21.8%	3,383	56.0%	6,045	100.0%
Ford	455	8.3%	363	6.6%	339	6.2%	4,309	78.8%	5,466	100.0%
Harington	301	7.2%	293	7.0%	542	12.9%	3,052	72.9%	4,189	100.0%
Kew	335	6.4%	711	13.6%	735	14.1%	3,441	65.9%	5,222	100.0%
Linacre	520	8.0%	674	10.4%	1,664	25.8%	3,601	55.8%	6,460	100.0%
Litherland	350	6.2%	420	7.5%	942	16.8%	3,898	69.5%	5,609	100.0%
Manor	379	7.5%	273	5.4%	590	11.7%	3,821	75.5%	5,064	100.0%
Meols	254	4.8%	325	6.2%	912	17.4%	3,756	71.6%	5,247	100.0%
Molyneux	247	4.9%	108	2.1%	397	7.8%	4,340	85.2%	5,092	100.0%
Netherton & Orrell	312	6.2%	289	5.7%	816	16.2%	3,620	71.9%	5,036	100.0%
Norwood	544	9.6%	495	8.7%	816	14.4%	3,820	67.3%	5,675	100.0%
Park	335	7.0%	54	1.1%	863	17.9%	3,563	74.0%	4,815	100.0%
Ravenmeols	406	8.3%	165	3.4%	477	9.8%	3,841	78.6%	4,889	100.0%
St Oswald	312	6.0%	253	4.9%	243	4.6%	4,413	84.5%	5,221	100.0%
Sudell	76	1.5%	120	2.3%	514	10.0%	4,437	86.2%	5,147	100.0%
Victoria	160	3.0%	526	9.7%	477	8.8%	4,245	78.5%	5,407	100.0%
Total	8,488	7.3%	7,843	6.7%	15,491	13.3%	84,506	72.6%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Moving intentions – existing households

Table A1.9 Moving intentions of existing households by ward

Ward	Within a year		1 to 2 years		2 to 5 years		Not moving with 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	199	3.8%	395	7.6%	569	11.0%	4,013	77.5%	5,176	100.0%
Birkdale	323	6.1%	373	7.0%	328	6.2%	4,281	80.7%	5,305	100.0%
Blundellsands	297	7.0%	240	5.7%	654	15.5%	3,035	71.8%	4,225	100.0%
Cambridge	498	8.5%	593	10.1%	831	14.2%	3,931	67.2%	5,852	100.0%
Church	946	16.7%	385	6.8%	870	15.4%	3,456	61.1%	5,657	100.0%
Derby	334	6.0%	352	6.4%	591	10.7%	4,251	76.9%	5,528	100.0%
Dukes	906	15.0%	435	7.2%	1,320	21.8%	3,383	56.0%	6,045	100.0%
Ford	455	8.3%	363	6.6%	339	6.2%	4,309	78.8%	5,466	100.0%
Harington	301	7.2%	293	7.0%	542	12.9%	3,052	72.9%	4,189	100.0%
Kew	335	6.4%	711	13.6%	735	14.1%	3,441	65.9%	5,222	100.0%
Linacre	520	8.0%	674	10.4%	1,664	25.8%	3,601	55.8%	6,460	100.0%
Litherland	350	6.2%	420	7.5%	942	16.8%	3,898	69.5%	5,609	100.0%
Manor	379	7.5%	273	5.4%	590	11.7%	3,821	75.5%	5,064	100.0%
Meols	254	4.8%	325	6.2%	912	17.4%	3,756	71.6%	5,247	100.0%
Molyneux	247	4.9%	108	2.1%	397	7.8%	4,340	85.2%	5,092	100.0%
Netherton & Orrell	312	6.2%	289	5.7%	816	16.2%	3,620	71.9%	5,036	100.0%
Norwood	544	9.6%	495	8.7%	816	14.4%	3,820	67.3%	5,675	100.0%
Park	335	7.0%	54	1.1%	863	17.9%	3,563	74.0%	4,815	100.0%
Ravenmeols	406	8.3%	165	3.4%	477	9.8%	3,841	78.6%	4,889	100.0%
St Oswald	312	6.0%	253	4.9%	243	4.6%	4,413	84.5%	5,221	100.0%
Sudell	76	1.5%	120	2.3%	514	10.0%	4,437	86.2%	5,147	100.0%
Victoria	160	3.0%	526	9.7%	477	8.8%	4,245	78.5%	5,407	100.0%
Total	8,488	7.3%	7,843	6.7%	15,491	13.3%	84,506	72.6%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Newly forming households

Table A1.10 Rate of new household formation by ward			
Ward	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Ainsdale	250	5,176	2.4%
Birkdale	156	5,305	1.5%
Blundellsands	352	4,225	4.2%
Cambridge	154	5,852	1.3%
Church	285	5,657	2.5%
Derby	407	5,528	3.7%
Dukes	223	6,045	1.8%
Ford	506	5,466	4.6%
Harington	422	4,189	5.0%
Kew	283	5,222	2.7%
Linacre	240	6,460	1.9%
Litherland	507	5,609	4.5%
Manor	404	5,064	4.0%
Meols	257	5,247	2.5%
Molyneux	502	5,092	4.9%
Netherton & Orrell	539	5,036	5.3%
Norwood	449	5,675	4.0%
Park	338	4,815	3.5%
Ravenmeols	507	4,889	5.2%
St Oswald	239	5,221	2.3%
Sudell	427	5,147	4.1%
Victoria	304	5,407	2.8%
Total	7,749	116,328	3.3%

Source: Sefton SHMA household survey January 2008

Car ownership

Table A1.11 Car ownership by ward

Ward	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	771	14.9%	2,347	45.3%	1,462	28.2%	597	11.5%	5,176	100.0%
Birkdale	650	12.3%	2,395	45.1%	1,992	37.6%	267	5.0%	5,305	100.0%
Blundellsands	703	16.6%	2,173	51.4%	1,024	24.2%	326	7.7%	4,225	100.0%
Cambridge	2,386	40.8%	2,456	42.0%	764	13.1%	246	4.2%	5,852	100.0%
Church	2,802	49.5%	2,028	35.9%	517	9.1%	309	5.5%	5,657	100.0%
Derby	2,641	47.8%	2,180	39.4%	376	6.8%	331	6.0%	5,528	100.0%
Dukes	2,323	38.4%	2,424	40.1%	1,095	18.1%	203	3.4%	6,045	100.0%
Ford	2,767	50.6%	2,031	37.2%	668	12.2%	0	0.0%	5,466	100.0%
Harington	485	11.6%	1,705	40.7%	1,663	39.7%	336	8.0%	4,189	100.0%
Kew	1,289	24.7%	2,263	43.3%	1,372	26.3%	298	5.7%	5,222	100.0%
Linacre	4,498	69.6%	1,779	27.5%	183	2.8%	0	0.0%	6,460	100.0%
Litherland	2,358	42.0%	1,882	33.6%	1,124	20.0%	245	4.4%	5,609	100.0%
Manor	1,129	22.3%	2,037	40.2%	1,547	30.6%	351	6.9%	5,064	100.0%
Meols	715	13.6%	2,708	51.6%	1,461	27.8%	363	6.9%	5,247	100.0%
Molyneux	783	15.4%	2,842	55.8%	1,393	27.4%	73	1.4%	5,092	100.0%
Netherton & Orrell	1,959	38.9%	2,070	41.1%	725	14.4%	283	5.6%	5,036	100.0%
Norwood	1,040	18.3%	2,653	46.7%	1,681	29.6%	301	5.3%	5,675	100.0%
Park	970	20.2%	1,469	30.5%	1,907	39.6%	468	9.7%	4,815	100.0%
Ravenmeols	841	17.2%	2,282	46.7%	1,406	28.8%	360	7.4%	4,889	100.0%
St Oswald	2,465	47.2%	1,923	36.8%	688	13.2%	145	2.8%	5,221	100.0%
Sudell	1,075	20.9%	2,049	39.8%	1,409	27.4%	613	11.9%	5,147	100.0%
Victoria	926	17.1%	2,648	49.0%	1,757	32.5%	76	1.4%	5,407	100.0%
Total	35,578	30.6%	48,344	41.6%	26,214	22.5%	6,193	5.3%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Economic status

Table A1.12 Economic status of household head by ward										
Ward	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ainsdale	2,380	46.0%	207	4.0%	2,289	44.2%	300	5.8%	5,176	100.0%
Birkdale	2,940	55.4%	259	4.9%	1,522	28.7%	584	11.0%	5,305	100.0%
Blundellsands	2,301	54.5%	94	2.2%	1,607	38.0%	224	5.3%	4,225	100.0%
Cambridge	1,653	28.2%	269	4.6%	3,428	58.6%	502	8.6%	5,852	100.0%
Church	3,079	54.4%	490	8.7%	1,104	19.5%	985	17.4%	5,657	100.0%
Derby	2,252	40.7%	382	6.9%	1,874	33.9%	1,020	18.5%	5,528	100.0%
Dukes	2,138	35.4%	600	9.9%	2,564	42.4%	744	12.3%	6,045	100.0%
Ford	1,908	34.9%	219	4.0%	2,367	43.3%	972	17.8%	5,466	100.0%
Harington	1,961	46.8%	36	0.9%	2,043	48.8%	148	3.5%	4,189	100.0%
Kew	2,985	57.2%	58	1.1%	1,668	31.9%	512	9.8%	5,222	100.0%
Linacre	2,640	40.9%	855	13.2%	1,593	24.7%	1,372	21.2%	6,460	100.0%
Litherland	3,260	58.1%	468	8.3%	1,232	22.0%	650	11.6%	5,609	100.0%
Manor	2,392	47.2%	155	3.1%	1,938	38.3%	578	11.4%	5,064	100.0%
Meols	2,700	51.4%	44	0.8%	2,107	40.2%	396	7.6%	5,247	100.0%
Molyneux	2,999	58.9%	0	0.0%	1,634	32.1%	459	9.0%	5,092	100.0%
Netherton & Orrell	2,360	46.9%	337	6.7%	1,481	29.4%	858	17.0%	5,036	100.0%
Norwood	3,889	68.5%	203	3.6%	1,312	23.1%	271	4.8%	5,675	100.0%
Park	2,621	54.4%	157	3.3%	1,673	34.8%	363	7.5%	4,815	100.0%
Ravenmeols	2,344	47.9%	79	1.6%	2,103	43.0%	364	7.4%	4,889	100.0%
St Oswald	2,303	44.1%	184	3.5%	2,110	40.4%	623	11.9%	5,221	100.0%
Sudell	2,338	45.4%	100	1.9%	2,296	44.6%	413	8.0%	5,147	100.0%
Victoria	2,991	55.3%	138	2.6%	1,876	34.7%	402	7.4%	5,407	100.0%
Total	56,433	48.5%	5,334	4.6%	41,821	36.0%	12,740	11.0%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Income and savings

Table A1.13 Average household income and savings by ward

Ward	Average annual gross household income	Average savings
Ainsdale	£32,350	£20,764
Birkdale	£31,287	£24,141
Blundellsands	£33,564	£23,499
Cambridge	£21,309	£26,641
Church	£24,442	£14,840
Derby	£17,818	£10,800
Dukes	£27,116	£36,775
Ford	£17,882	£7,526
Harington	£36,947	£33,220
Kew	£27,367	£19,978
Linacre	£15,172	£2,536
Litherland	£23,647	£13,103
Manor	£28,638	£9,391
Meols	£25,258	£15,978
Molyneux	£29,539	£13,519
Netherton & Orrell	£20,599	£1,228
Norwood	£23,318	£6,145
Park	£31,631	£19,092
Ravenmeols	£28,316	£27,206
St Oswald	£20,200	£4,552
Sudell	£27,543	£11,744
Victoria	£31,116	£23,160
Average	£25,763	£16,393

Source: Sefton SHMA household survey January 2008

Unsuitable housing

Table A1.14 Location of households in unsuitable housing						
Ward	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Ainsdale	291	5.6%	4,886	94.4%	5,176	100.0%
Birkdale	380	7.2%	4,925	92.8%	5,305	100.0%
Blundellsands	395	9.3%	3,830	90.7%	4,225	100.0%
Cambridge	517	8.8%	5,336	91.2%	5,852	100.0%
Church	469	8.3%	5,188	91.7%	5,657	100.0%
Derby	321	5.8%	5,206	94.2%	5,528	100.0%
Dukes	242	4.0%	5,804	96.0%	6,045	100.0%
Ford	1,189	21.7%	4,277	78.3%	5,466	100.0%
Harington	150	3.6%	4,039	96.4%	4,189	100.0%
Kew	513	9.8%	4,710	90.2%	5,222	100.0%
Linacre	1,312	20.3%	5,147	79.7%	6,460	100.0%
Litherland	990	17.7%	4,619	82.3%	5,609	100.0%
Manor	300	5.9%	4,763	94.1%	5,064	100.0%
Meols	350	6.7%	4,897	93.3%	5,247	100.0%
Molyneux	477	9.4%	4,615	90.6%	5,092	100.0%
Netherton & Orrell	809	16.1%	4,228	83.9%	5,036	100.0%
Norwood	682	12.0%	4,992	88.0%	5,675	100.0%
Park	120	2.5%	4,694	97.5%	4,815	100.0%
Ravenmeols	218	4.5%	4,672	95.5%	4,889	100.0%
St Oswald	801	15.3%	4,420	84.7%	5,221	100.0%
Sudell	381	7.4%	4,766	92.6%	5,147	100.0%
Victoria	193	3.6%	5,215	96.4%	5,407	100.0%
Total	11,099	9.5%	105,229	90.5%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Support needs households

Table A1.15 Location of support needs households

Ward	Support needs		Non-support needs		Total	
	No.	%	No.	%	No.	%
Ainsdale	1,109	21.4%	4,068	78.6%	5,176	100.0%
Birkdale	1,062	20.0%	4,243	80.0%	5,305	100.0%
Blundellsands	930	22.0%	3,295	78.0%	4,225	100.0%
Cambridge	1,823	31.2%	4,029	68.8%	5,852	100.0%
Church	1,194	21.1%	4,463	78.9%	5,657	100.0%
Derby	1,804	32.6%	3,724	67.4%	5,528	100.0%
Dukes	1,706	28.2%	4,339	71.8%	6,045	100.0%
Ford	1,840	33.7%	3,626	66.3%	5,466	100.0%
Harington	673	16.1%	3,516	83.9%	4,189	100.0%
Kew	1,054	20.2%	4,168	79.8%	5,222	100.0%
Linacre	2,375	36.8%	4,084	63.2%	6,460	100.0%
Litherland	1,627	29.0%	3,982	71.0%	5,609	100.0%
Manor	1,083	21.4%	3,980	78.6%	5,064	100.0%
Meols	1,108	21.1%	4,139	78.9%	5,247	100.0%
Molyneux	1,223	24.0%	3,869	76.0%	5,092	100.0%
Netherton & Orrell	1,496	29.7%	3,541	70.3%	5,036	100.0%
Norwood	1,072	18.9%	4,603	81.1%	5,675	100.0%
Park	1,209	25.1%	3,606	74.9%	4,815	100.0%
Ravenmeols	901	18.4%	3,989	81.6%	4,889	100.0%
St Oswald	1,768	33.9%	3,453	66.1%	5,221	100.0%
Sudell	1,413	27.5%	3,734	72.5%	5,147	100.0%
Victoria	1,110	20.5%	4,297	79.5%	5,407	100.0%
Total	29,579	25.4%	86,749	74.6%	116,328	100.0%

Source: Sefton SHMA household survey January 2008

Appendix A2 Primary data collection and weighting

Introduction

- A2.1 The primary data was collected using postal questionnaires (a copy of the questionnaire is provided in Appendix A7). The sample for the survey was drawn, at random, from the Council Tax Register covering all areas and tenure groups in the Borough.
- A2.2 The survey was conducted over a six week period between 18th January and 29th February 2008. In total, 2,288 postal questionnaires were returned. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of need and demand across the Borough as a whole, and permits the presentation of data for a number of smaller sub-areas.
- A2.3 Although the response represents a small percentage of the total household population, this does not undermine the validity of the survey as paragraph 18 of Strategic Housing Market Assessment Practice Guidance Annex C states:

A common misconception when sampling is that it should be based on a certain percentage of the population being studied. In fact, it is the total number of cases sampled which is important. As the number of cases increase, the results become more reliable but at a decreasing rate... Approximately 1,500 responses should allow a reasonable level of analysis for a local authority area.

Non-response and missing data

- A2.4 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 (discussed below).
- A2.5 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 partner's income separately), may exhibit high levels of non-response

- If the amount of non-response substantially varies across sub-groups of the population this may lead to a bias of the results

A2.6 To overcome these problems missing data was 'imputed'. Imputation involves substituting for the missing value, a value given by a suitably defined 'similar' household, where the definition of similar varies depending on the actual item being imputed.

A2.7 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.

A2.8 The questions that usually show the highest level of non-response are information about the household's financial situation. In Sefton some 79.5% of respondents answered the question on income, whilst 72.1% of respondents answered the question on savings. This level of non-response for these questions is typical for this type of survey.

Base household figures and weighting procedures

A2.9 Prior to analysis, data must be weighted in order to take account of any measurable bias. The procedure for doing this to the SHMA household survey dataset is described below.

A2.10 Firstly, the total number of households is estimated. This is necessary in order to gross up the data to represent the entire household population. Following consultation with the Council, it was agreed that the 116,328 dwellings (excluding vacant dwellings) recorded on the Council's Housing Strategy Statistical Appendix (HSSA) 2006/2007 should be used as an estimate of the total number of households in the Borough at the time of the survey.

A2.11 The table below shows an estimate of the current tenure split in the Borough along with the sample achieved in each group. The data shows that around 74% of households were owner-occupiers with 16% in the social rented sector and the remaining 10% in the private rented sector. It should be noted that the private rented sector includes those renting from a friend/relative or living in accommodation tied to a job.

Table A2.1 Tenure				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	39,367	33.8%	940	41.1%
Owner-occupied (with mortgage)	46,758	40.2%	851	37.2%
RSL	18,423	15.8%	320	14.0%
Private rented	11,780	10.1%	177	7.7%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

A2.12 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 (e.g. private rented in the table above) the application of a sophisticated weighting process, as has been used in this survey, significantly reduces any bias.

A2.13 As just discussed it is necessary to 'rebalance' the data to correctly represent the population being analysed. 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 seven different variables) along with the number of actual survey responses (data for tenure is presented above and data for wards can be found in Appendix A1). Although in some cases it is clear that the proportion of survey responses is close to the 'expected' situation there are others where it is clear that the weighting of data was necessary to ensure that the results as presented are reflective of the household population in Sefton.

Table A2.2 Council tax band				
Council tax band	Estimated households	% of households	Number of returns	% of returns
A	37,145	31.9%	582	25.4%
B	24,703	21.2%	448	19.6%
C	28,655	24.6%	599	26.2%
D	14,225	12.2%	334	14.6%
E-H	11,601	10.0%	325	14.2%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.3 Accommodation type profile				
Accommodation type	Estimated households	% of households	Number of returns	% of returns
Detached house/bungalow	18,042	15.5%	409	17.9%
Semi-detached house/bungalow	54,015	46.4%	1,093	47.8%
Terraced house/bungalow	22,843	19.6%	412	18.0%
Flat	21,428	18.4%	374	16.3%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.4 Household type profile

Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioner	21,401	18.4%	431	18.8%
2 or more pensioners	13,114	11.3%	386	16.9%
Single non-pensioner	16,564	14.2%	289	12.6%
Other households	65,249	56.1%	1,182	51.7%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.5 Household size

Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	37,965	32.6%	720	31.5%
Two	37,445	32.2%	909	39.7%
Three	16,687	14.3%	309	13.5%
Four	16,126	13.9%	254	11.1%
Five	5,982	5.1%	69	3.0%
Six or more	2,124	1.8%	27	1.2%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.6 Car ownership

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	35,578	30.6%	599	26.2%
One	48,344	41.6%	1,026	44.8%
Two	26,214	22.5%	545	23.8%
Three or more	6,193	5.3%	118	5.2%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.7 Ethnic group

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	111,286	95.7%	2,193	95.8%
One	1,440	1.2%	42	1.8%
Two	1,259	1.1%	24	1.0%
Three or more	2,343	2.0%	29	1.3%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Table A2.8 HMRI area				
HMRI area	Estimated households	% of households	Number of returns	% of returns
Not in HMRI area	93,822	80.7%	1,896	82.9%
In HMRI area	22,506	19.3%	392	17.1%
Total	116,328	100.0%	2,288	100.0%

Source: Sefton SHMA household survey January 2008

Summary

- i) The Sefton SHMA household survey January 2008 in Sefton is based on primary survey data collected via postal questionnaires. In total 2,288 survey forms were completed across the Borough.
- ii) The survey data was grossed up to an estimated total of 116,328 households and weighted according to key characteristics so as to be representative of the household population of the Borough.

Appendix A3 Background data from the household survey

Introduction

A3.1 This chapter sets out some of the findings from the household survey. Throughout the analysis tabulations are made along with tenure. Where possible figures are compared with information at a national and regional level from the Survey of English Housing (SEH).

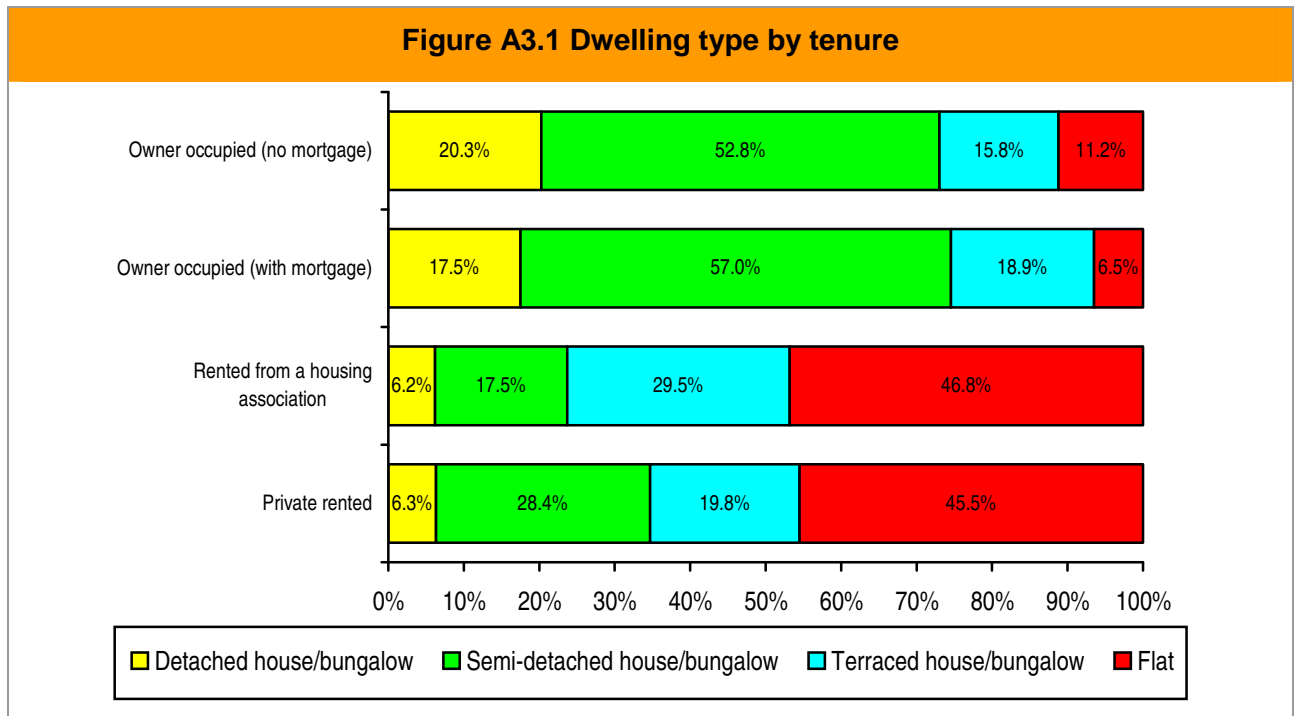
Type of housing

A3.2 The table below shows households' current accommodation type. The table shows that a large proportion of households live in semi-detached houses or bungalows (46.4%), this compares with a national average from the SEH of 33% (41% in the North West region). The latest SEH suggests that nationally around 17% of households live in flats whilst the figure for the North West region is around 9%. In Sefton it was estimated that around 18% of households live in flats.

Table A3.1 Dwelling type		
Dwelling type	Number of households	% of households
Detached house/bungalow	17,951	15.4%
Semi detached house/bungalow	54,015	46.4%
Terraced house/bungalow	22,843	19.6%
Purpose-built flat	15,526	13.3%
Converted flat or shared house	5,574	4.8%
Flat in commercial building	328	0.3%
Caravan or mobile home	91	0.1%
Total	116,328	100.0%

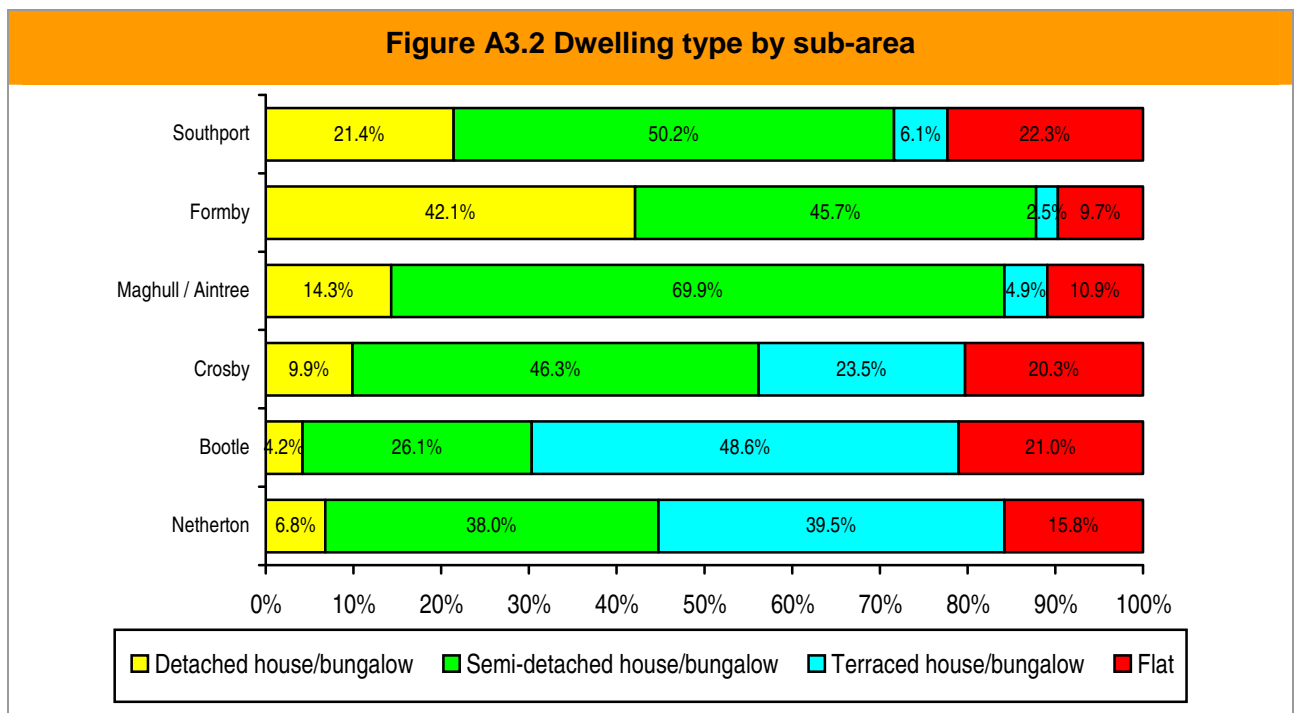
Source: Sefton SHMA household survey January 2008

A3.3 The figure below shows tenure and dwelling type information. Households living in owner-occupation are particularly likely to live in houses or bungalows, particularly semi-detached homes. The social and private rented sectors contain a large proportion of flats. For the purposes of this analysis the three flat categories have been merged into one whilst mobile homes are merged with detached houses or bungalows.



Source: Sefton SHMA household survey January 2008

A3.4 The figure below shows the dwelling type information by sub-area. Formby has the highest proportion of detached houses (more than 40%) and the lowest proportion of flats. Bootle and Netherton have the largest proportions of terraced housing and Southport the largest proportion of flats.



Source: Sefton SHMA household survey January 2008

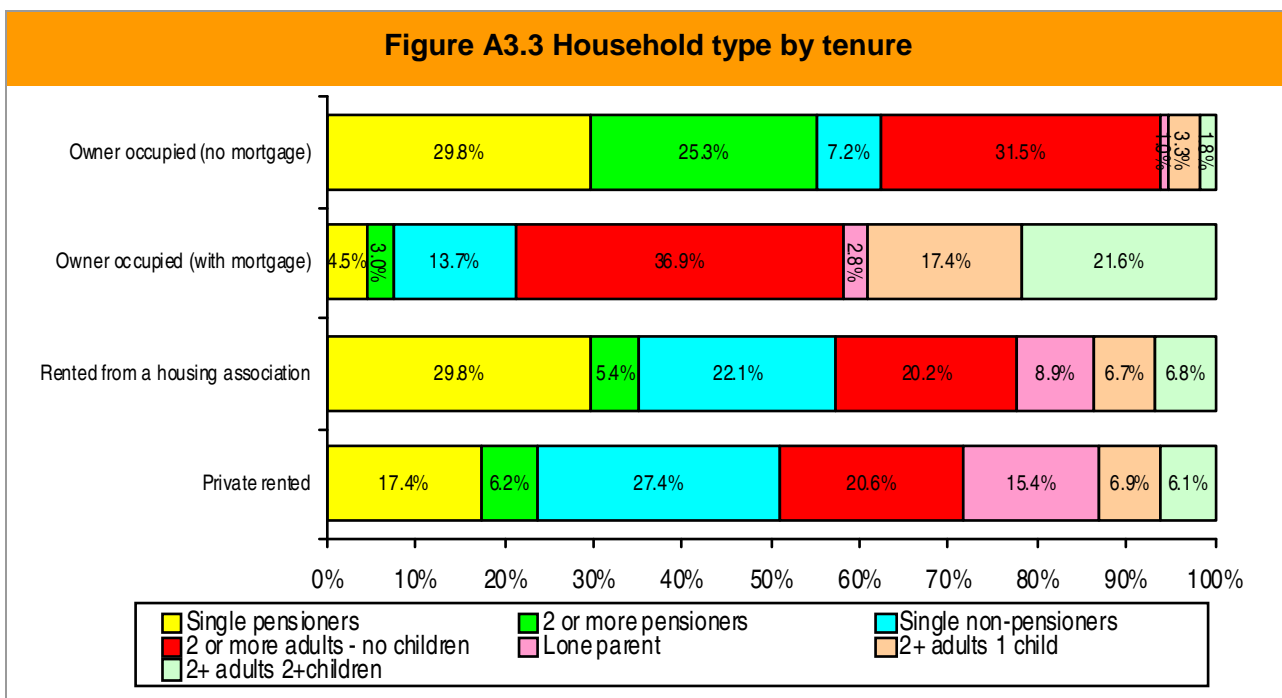
Household type and size

A3.5 The table below shows the household type breakdown in the Borough. The survey estimates that 30% of households are pensioner only and that around a quarter (25.3%) contain children. Direct comparisons with the SEH are not possible for household types due to the different definitions used, however 2001 Census data suggests that nationally around 24% of households were pensioner only.

Table A3.2 Household type		
Household type	Number of households	% of households
Single pensioner	21,401	18.4%
2 or more pensioners	13,114	11.3%
Single non-pensioner	16,564	14.2%
2 or more adults, no children	35,782	30.8%
Lone parent	5,158	4.4%
2+ adults, 1 child	11,489	9.9%
2+ adults, 2+ children	12,820	11.0%
Total	116,328	100.0%

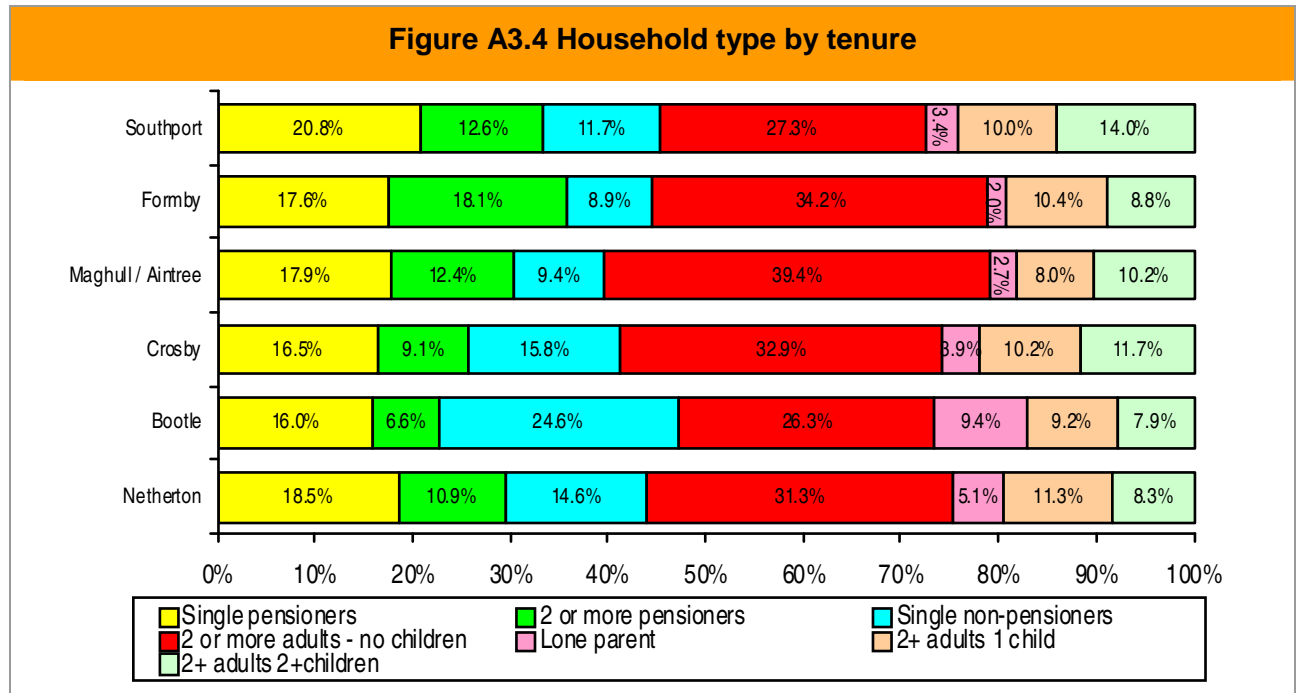
Source: Sefton SHMA household survey January 2008

A3.6 The figure below shows household type by tenure. As with dwelling type there are clear differences between the tenure groups. The owner-occupied (no mortgage) sector contains a large proportion of pensioner households whilst lone parent households appear to be concentrated in the social and private rented sectors. The owner-occupied (with mortgage) sector has the largest proportion of households with children.



Source: Sefton SHMA household survey January 2008

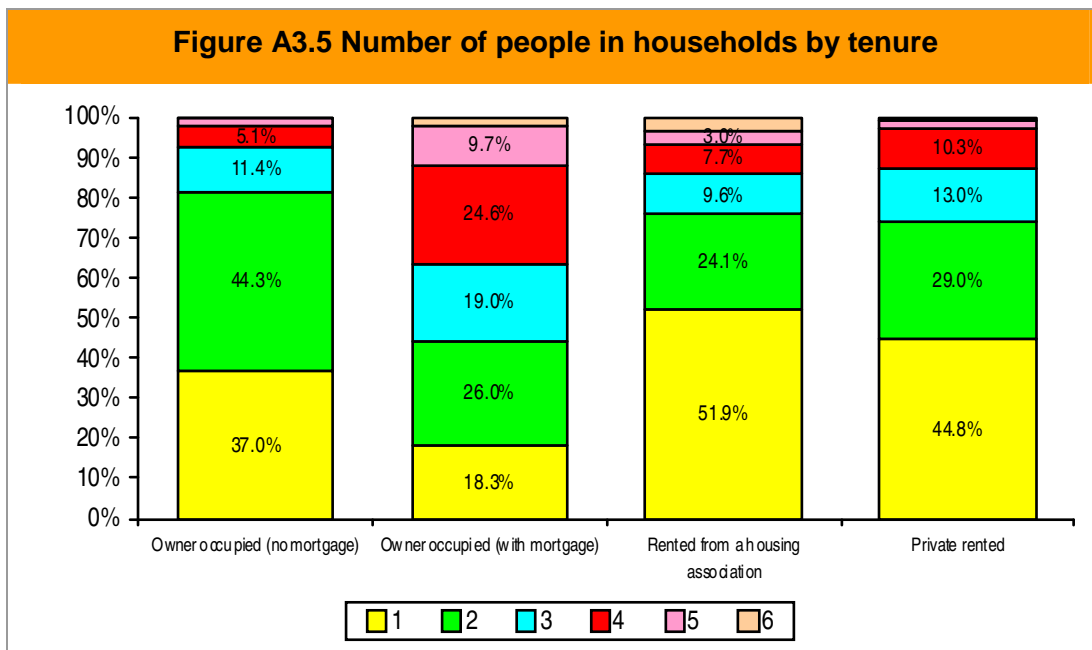
A3.7 The figure below shows the household type information by sub-area. Formby and Southport have the highest proportion of pensioner households; Bootle has the largest proportion of single non-pensioner households (almost a quarter) and also the highest proportion of lone parent households.



Source: Sefton SHMA household survey January 2008

A3.8 The average household size in the Borough was estimated from the survey to be 2.3 persons. This figure is in line with the most recent national estimate of around 2.4 persons per household (from the SEH). The figure below shows the number of people in households by tenure, this information is then summarised as average household sizes in the table that follows.

A3.9 The largest households were those buying with a mortgage (average 2.9) whilst the smallest were owner-occupiers without a mortgage. Around half of households in the RSL sector were found to be comprised of only one person.



Source: Sefton SHMA household survey January 2008

Table A3.3 Average household size by tenure

Tenure	Average household size
Owner-occupied (no mortgage)	1.9
Owner-occupied (with mortgage)	2.9
RSL	2.0
Private rented	2.0
Total	2.3

Source: Sefton SHMA household survey January 2008

A3.10 There was little variation in the average household size between sub-areas – Bootle had the smallest household size (2.2 persons) and Netherton the largest (2.4 persons).

Length of residence and recent movers

A3.11 At the time of the survey an estimated 14.0% of households (16,331) had been resident at their current address for less than two years. This figure suggests that households in Sefton are less likely to have moved recently than households nationally - recent SEH data suggests that 11% of households at a point in time will have been resident at their address for less than one year (approximately 21% over a two year period).

A3.12 The table below shows length of residence by tenure. Of the households moving in the past two years, 31% are private renters, 46% owner-occupiers and 23% live in the social rented sector. An estimated 43% of private renters had moved home in the past two years, compared to only 20% of social renters and 17% of owner-occupiers. Private tenants are therefore much more mobile than social renters or owner-occupiers. The least mobile group are outright owners, only 4% of whom moved in the previous two years.

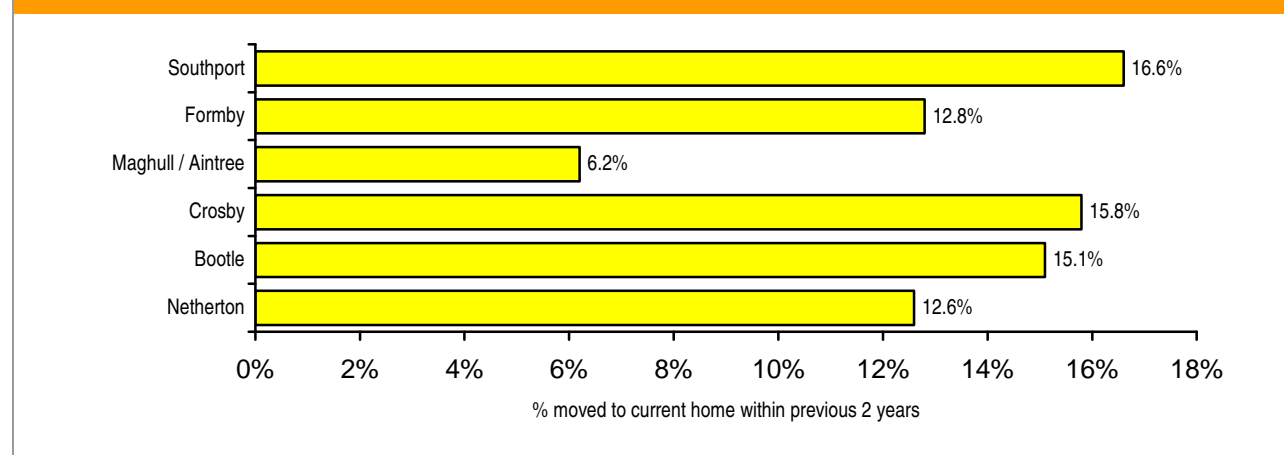
A3.13 At the other end of the spectrum, almost three-quarters (73%) of all households have lived in their home for more than five years. In the case of outright owners, 90% have lived in their home for more than five years – this compares with only 33% of private tenants.

Table A3.4 Length of residence of household by tenure					
Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	855	893	2,222	35,397	39,367
Owner-occupied (with mortgage)	2,297	3,479	6,802	34,180	46,758
RSL	2,008	1,677	3,735	11,002	18,422
Private rented	3,328	1,793	2,731	3,928	11,780
Total	8,488	7,842	15,490	84,507	116,327
Owner-occupied (no mortgage)	2.2%	2.3%	5.6%	89.9%	100.0%
Owner-occupied (with mortgage)	4.9%	7.4%	14.5%	73.1%	100.0%
RSL	10.9%	9.1%	20.3%	59.7%	100.0%
Private rented	28.3%	15.2%	23.2%	33.3%	100.0%
Total	7.3%	6.7%	13.3%	72.6%	100.0%

Source: Sefton SHMA household survey January 2008

A3.14 The figure below shows the percentage of households moving to their current home with the previous two years, by sub-area. Households residing in Maghull/Aintree were least likely to have moved within the previous two years.

Figure A3.6 Households who had moved to their current home within the previous two years by sub-area



Source: Sefton SHMA household survey January 2008

A3.15 In terms of tenure mobility, the most common types of move were from one owner-occupied property to another (9,240 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.

A3.16 Around 40% of all moves involved the private rented sector – households moving into it, out of it or within it – showing how important the sector is in providing mobility in the housing market. The private rented sector shows the highest turnover of any tenure. Overall it is estimated that around 10% of all households in Sefton currently live in the private rented sector.

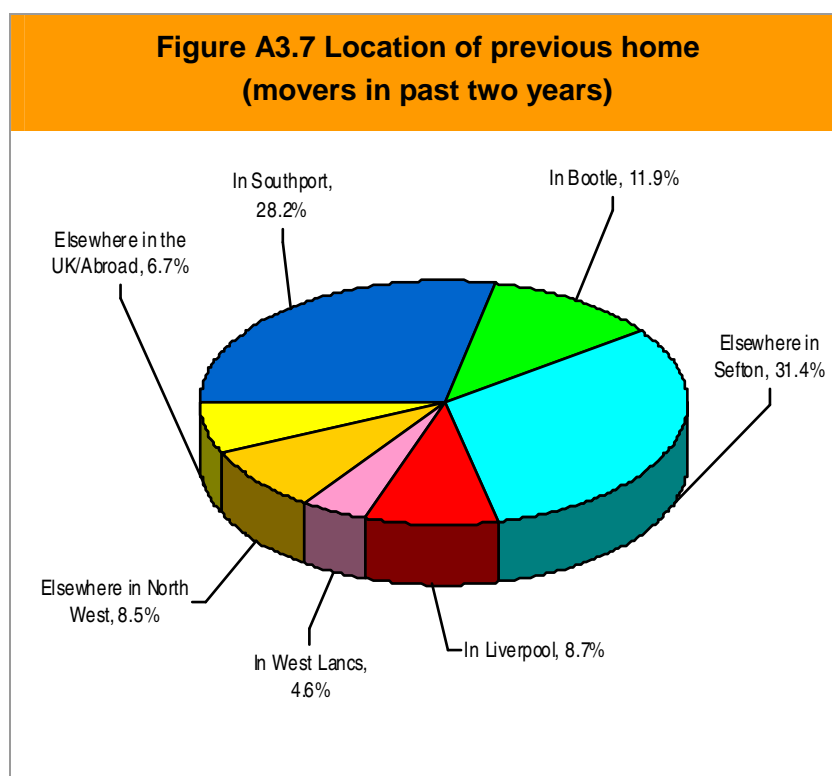
A3.17 Around 33% of newly-formed households moved into owner-occupation and a further 47% into private rented accommodation. Therefore around 21% of newly forming households moved into a socially rented dwelling (a figure similar to the national average of around 23%).

Table A3.5 Previous tenure by current tenure (households moving in past two years)

Tenure	Previous tenure				Total
	Newly formed household	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	0	1,670	0	78	1,748
Owner-occupied (with mortgage)	1,302	3,785	61	628	5,776
RSL	827	277	1,646	935	3,685
Private rented	1,865	344	551	2,361	5,121
Total	3,994	6,076	2,258	4,002	16,330
Owner-occupied (no mortgage)	0.0%	95.5%	0.0%	4.5%	100.0%
Owner-occupied (with mortgage)	22.5%	65.5%	1.1%	10.9%	100.0%
RSL	22.4%	7.5%	44.7%	25.4%	100.0%
Private rented	36.4%	6.7%	10.8%	46.1%	100.0%
Total	24.5%	37.2%	13.8%	24.5%	100.0%

Source: Sefton SHMA household survey January 2008

A3.18 It is also possible to look at the previous locations of households who have moved home in the past two years – this is shown in the figure below. The figure shows a large degree of self-containment within the Borough. In total it is estimated that almost three quarters (72%) of households had previously lived in the Borough.



Source: Sefton SHMA household survey January 2008

A3.19 When considering the location of previous home by sub-area, results suggest that two-thirds of Southport households had moved within Southport. Almost a third of households in Bootle and Netherton had previously lived in Bootle. Households in Maghull/Aintree were least likely to have moved within Sefton as a whole (only 40% of households). Formby contained the highest proportion of households moving from elsewhere in the UK/abroad (more than a sixth of previous movers).

Car ownership

A3.20 A further question asked in the survey was car ownership/availability. Although not directly linked to housing, this is a useful variable as it can provide some indication of wealth. The table below shows the number of cars households have available for use by tenure.

A3.21 In total, almost three-quarters of households in the RSL sector have no access to a car or van, this compares with 11% of owner-occupied (with mortgage) households. The average household has 1.03 cars/vans; this figure varies from 0.31 in the RSL sector to 1.46 for owner-occupiers with a mortgage.

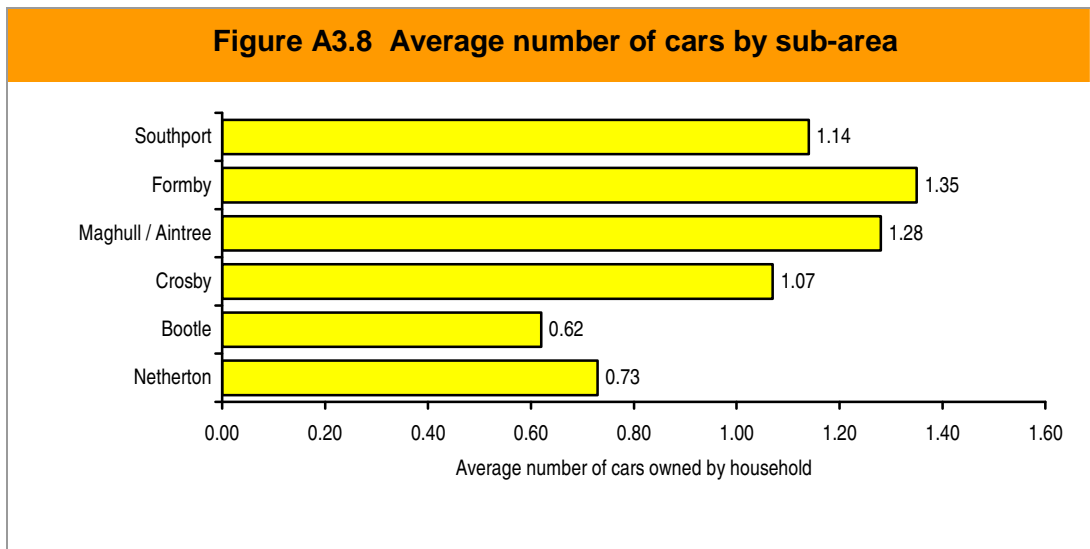
Table A3.6 Car ownership and tenure

Tenure	Number of cars/vans available for use				Average number of cars/vans
	0	1	2	3+	
Owner-occupied (no mortgage)	27.5%	50.3%	18.0%	4.2%	0.99
Owner-occupied (with mortgage)	10.6%	41.3%	39.1%	9.0%	1.46
RSL	73.3%	23.6%	2.3%	0.8%	0.31
Private rented	53.2%	41.7%	3.4%	1.8%	0.54
Total	27.5%	50.3%	18.0%	4.2%	1.03

Source: Sefton SHMA household survey January 2008

A3.22 There are marked differences in terms of car ownership by sub-area, as shown in the figure below. Households in Formby had an average of 1.35 cars compared to 0.62 and 0.73 in Bootle and Netherton respectively.

Figure A3.8 Average number of cars by sub-area



Source: Sefton SHMA household survey January 2008

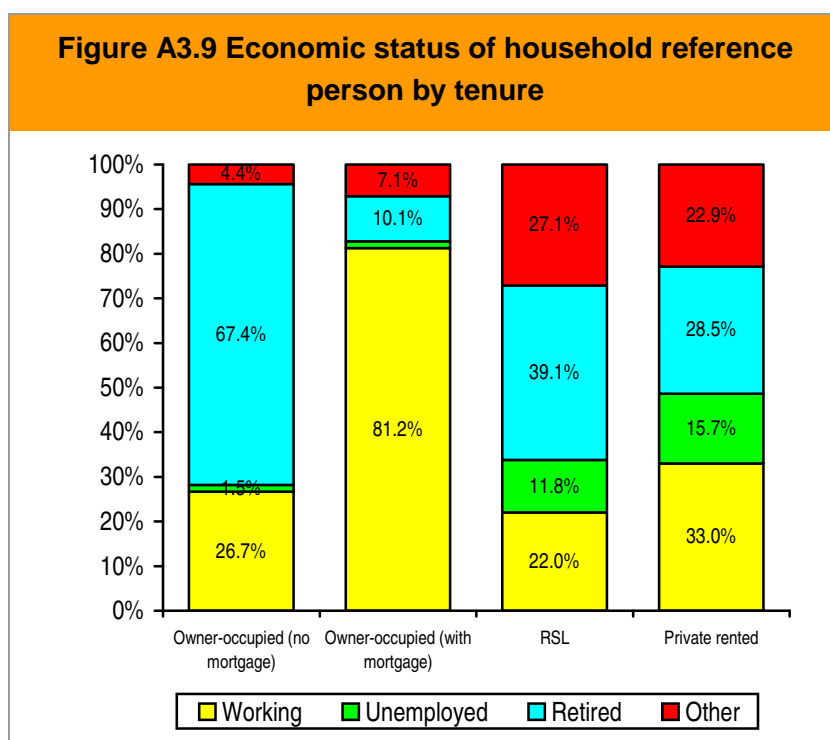
Economic status

A3.23 For the purposes of analysis of economic status the status of the survey respondent is taken to represent the household reference person (HRP). Almost half of all HRPs are in employment; over a third were retired. A number of HRPs are in the ‘other’ working status group, which is largely comprised of people describing themselves as either permanently sick/disabled or looking after home/family.

Table A3.7 Working status of household reference person		
Working status	Number of households	% of households
Working	56,433	48.5%
Unemployed	5,334	4.6%
Retired	41,821	36.0%
Other	12,740	11.0%
Total	116,328	100.0%

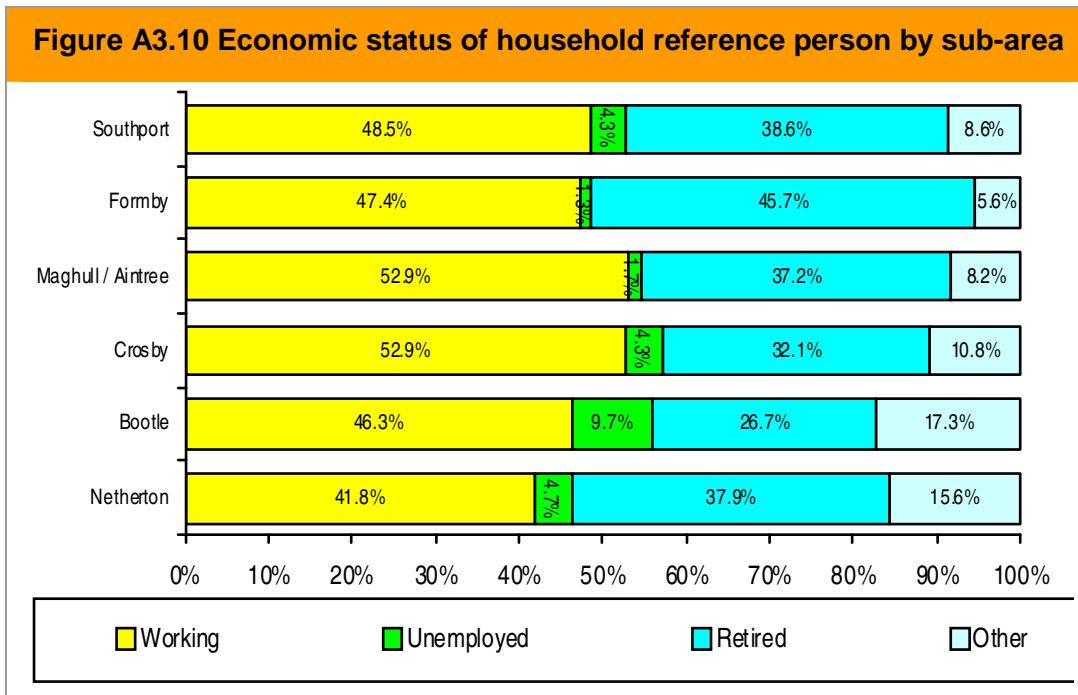
Source: Sefton SHMA household survey January 2008

A3.24 The figure below shows economic status by tenure. The data shows that more than three quarters of those buying with a mortgage were working. For private renters the figure was 33%, and for RSL tenants only 22%. For outright owners, 67% were retired.



Source: Sefton SHMA household survey January 2008

A3.25 The figure below shows economic status by sub-area. The data shows that households in Maghull/Aintree and Crosby were most likely to be headed by an employed person. Formby contained the highest proportion of retired households and Bootle the highest proportion of unemployed households.



Housing costs

A3.26 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 or mortgage paid by households by tenure (figures exclude households where there are no housing costs such as outright owners and households in tied accommodation).

A3.27 The table shows that households in the private rented sector and those buying with a mortgage have the highest housing costs. The average owner-occupier pays £134 per week, this compares with £68 for RSL tenants.

Table A3.8 Housing costs by tenure

Weekly housing cost	Owner-occupied (with mortgage)	RSL	Private rented	Total
Under £30	5.4%	7.6%	1.0%	5.3%
£30-£60	10.3%	21.8%	12.1%	13.3%
£60-£90	18.2%	64.3%	32.8%	31.4%
£90-£120	17.3%	5.6%	22.5%	15.2%
£120-£150	15.1%	0.7%	25.2%	13.1%
£150-£200	17.8%	0.0%	3.7%	11.5%
£200-£250	7.3%	0.0%	0.0%	4.5%
£250-£300	4.3%	0.0%	1.4%	2.8%
£300-£350	1.3%	0.0%	0.0%	0.8%
£350-£400	0.3%	0.0%	0.0%	0.2%
£400-£500	1.9%	0.0%	0.0%	1.2%
£500 or more	0.7%	0.0%	1.3%	0.7%
Total	100.0%	100.0%	100.0%	100.0%
Average cost	£134	£68	£104	£114

Source: Sefton SHMA household survey January 2008

Summary

- i) The household survey collected a significant amount of data about the resident household population. Some of the main findings were:
- In total almost half of all households live in semi-detached houses or bungalows. Some 18% live in flats, significantly higher than the regional average (9%). Households living in the RSL and private rented sectors are more likely to live in flats whilst those in owner-occupation (non-mortgage) are more likely to live in houses than other tenures.
 - Around 30% of all households are 'pensioner-only' and a quarter contained children.
 - Analysis of household moves in the last two years shows that private rented tenants are the most mobile. An estimated 43% of private renters had moved home in the past two years. This is more than double the figure for any other tenure group. There were more moves recorded within tenures than between them.
 - Car ownership data suggests that there is an average of 1.03 cars per household in the Borough. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.46 cars per household, this compares with an average of only 0.31 in the RSL sector.
 - The level of overcrowding recorded in Sefton (at 2.6%) is similar to the national average (2.5%) although higher than the regional average of 2.0%.
 - The proportion of employed household heads varied significantly across the tenures. More than three quarters of households buying with a mortgage are headed by an employed person compared to 22% of RSL tenants.
 - Households in the private rented sector and those buying with a mortgage have the highest housing costs, households in the social rented sector the lowest.

Appendix A4 Household survey data on household mobility

Introduction

A4.1 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.

Future moves – existing households

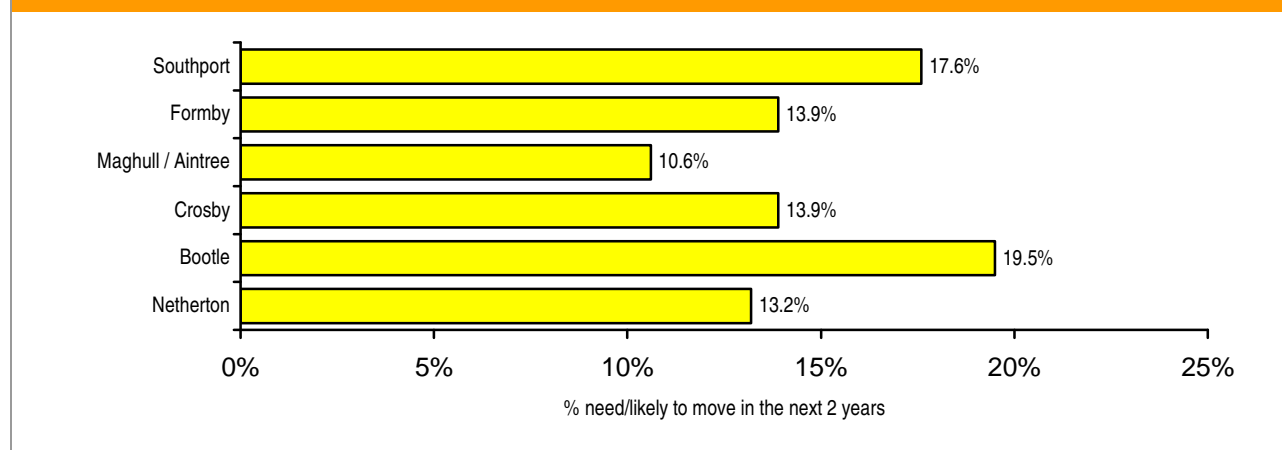
A4.2 The table below show estimates of the number and proportion of existing households who would consider themselves to need or expect to move home per annum over the next two years by tenure. The data shows that around 15.4% of households state a need or likelihood of moving home over the next two years. Households living in the private rented sector are particularly likely to be future movers.

Table A4.1 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)	2,357	39,367	6.0%
Owner-occupied (with mortgage)	7,543	46,758	16.1%
RSL	2,740	18,423	14.9%
Private rented	5,326	11,780	45.2%
Total	17,966	116,328	15.4%

Source: Sefton SHMA household survey January 2008

A4.3 The figure below shows the proportion of households in each sub-area of Sefton who need or are likely to move in the next two years. As we can see households in Bootle and Southport are the most likely to move. It is likely that this relationship will be linked with tenure as Bootle and Southport have the highest proportions of households in private rented accommodation. We therefore controlled the analysis by not including households in the private rented sector; interestingly the same relationship existed with Bootle and Southport having the highest proportions of households who are likely to move.

Figure A4.1 Households who need or are likely to move in next two years by sub-area



Source: Sefton SHMA household survey January 2008

A4.4 The survey moved on to look at where households would both like and expect to move. The results of this analysis are shown in the table below. 82% of households would like to remain in the Borough; the analysis shows that Southport is the most preferred destination of households, with slightly more households wanting to move to Southport than expect to do so. The same trend is also the case for households whose next home would be preferred elsewhere in Sefton. Bootle is the preferred destination for just 8.8% of future movers.

Table A4.2 Where households would like and expect to move

Location of next home	Like		Expect	
	Households	%	Households	%
Southport	6,880	38.3%	6,546	36.4%
Bootle	1,590	8.8%	2,303	12.8%
Elsewhere in Sefton	6,274	34.9%	5,655	31.5%
Liverpool	502	2.8%	567	3.2%
Knowsley	84	0.5%	120	0.7%
West Lancashire	782	4.4%	563	3.1%
Elsewhere in Merseyside	240	1.3%	304	1.7%
Elsewhere in the North West	252	1.4%	635	3.5%
Elsewhere in the UK/Abroad	1,363	7.6%	1,273	7.1%
Total	17,966	100.0%	17,966	100.0%

Source: Sefton SHMA household survey January 2008

A4.5 When considering the preferred location of next home by sub-area we find that our sample has not picked up any households outside of Bootle and Netherton who would like to move to Bootle. In terms of expectations just 1.8% of households outside of Bootle and Netherton expect to move into Bootle.

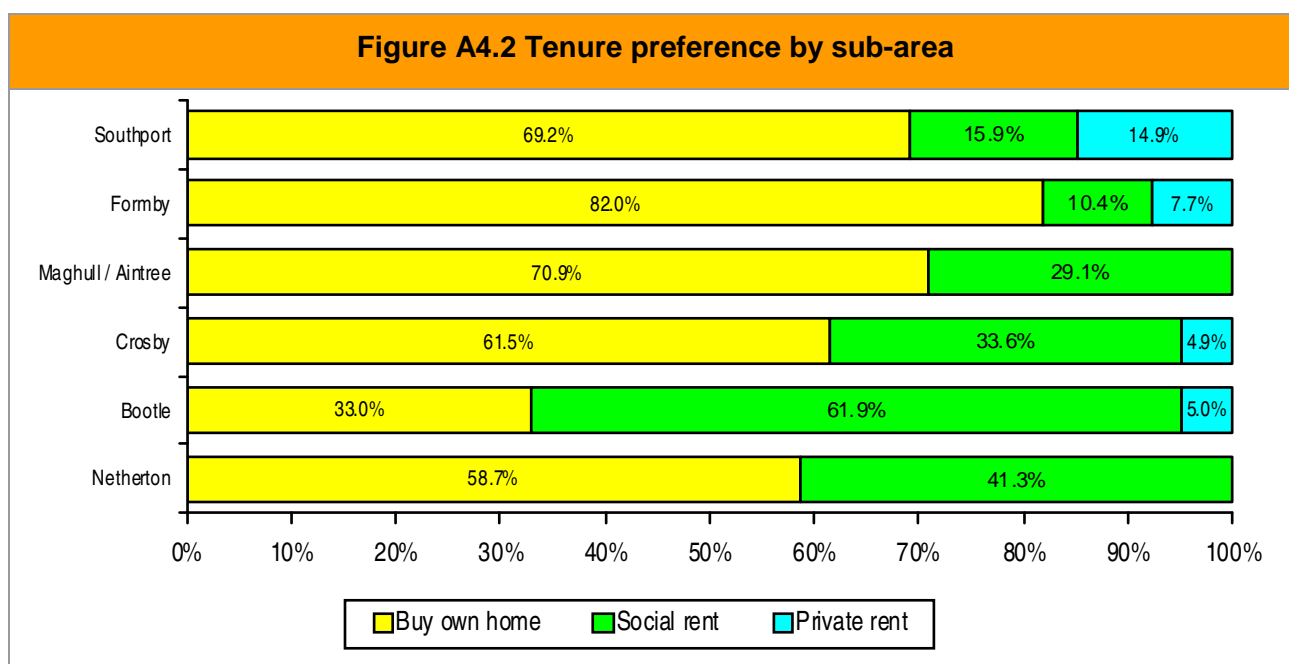
- A4.6 The migration and encouragement of migration into Bootle was discussed at both the community and stakeholder consultation events. In a discussion with residents living in the north and central part of the Borough (mainly Southport, Formby and Crosby), respondents were asked if they would consider moving into more southern areas of the Borough. Generally the younger residents in the group said that they would consider moving to Bootle as it was the only way to secure cheaper housing.
- A4.7 During a consultation exercise with representatives of RSLs operating in the area, stakeholders urged that more be done to improve the 'offer' in the south of the Borough. Problems with crime and anti-social behaviour as well as poor schools and facilities did not encourage people to stay or to move in.
- A4.8 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 the majority (59.9%) of all households would like to move to owner-occupation; however, only 51.4% expect to secure this type of accommodation. More households expect to rent privately than would like to.

Table A4.3 Housing tenure aspirations and expectations

Tenure	Like		Expect	
	Households	%	Households	%
Owner-occupied	10,762	59.9%	9,228	51.4%
Social rented	5,606	31.2%	6,165	34.3%
Intermediate housing	178	1.0%	263	1.5%
Private rented	1,419	7.9%	2,310	12.9%
Total	17,966	100.0%	17,966	100.0%

Source: Sefton SHMA household survey January 2008

- A4.9 The figure below shows tenure preference by sub-area. It is interesting to note the difference between Bootle and the other sub-areas in terms of the proportion of households preferring social rented accommodation. Around 62% of moving households in Bootle would like to move into social rented accommodation.



Source: Sefton SHMA household survey January 2008

A4.10 The tables below show cross-tabulations between current tenure and future tenure preference as well as future tenure expectations.

A4.11 The first table shows that generally households would like to remain in the same tenure as they currently live in. The exception to this is the private rented sector. The majority of households in this sector want to move to either owner-occupation or the social rented sector.

A4.12 In terms of expectations (second table below) we find that the main difference is the greater number of private rented tenants who expect to remain in the sector when they would prefer owner-occupation. In total, 27.3% of private tenant movers would like to become owners but only 15.7% expect to do so.

Table A4.4 Current tenure and tenure preference

Current tenure	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	2,013	188	157	2,357
Owner-occupied (with mortgage)	6,995	322	226	7,543
RSL	478	2,182	81	2,740
Private rented	1,455	2,915	956	5,326
Total	10,940	5,606	1,419	17,966

*The bold figures highlight moves within the same tenure

Source: Sefton SHMA household survey January 2008

Table A4.5 Current tenure and tenure expectations				
Current tenure	Tenure expectation			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	2,013	188	157	2,357
Owner-occupied (with mortgage)	6,585	433	525	7,543
RSL	59	2,413	268	2,740
Private rented	834	3,132	1,360	5,326
Total	9,491	6,165	2,310	17,966

*The bold figures highlight moves within the same tenure

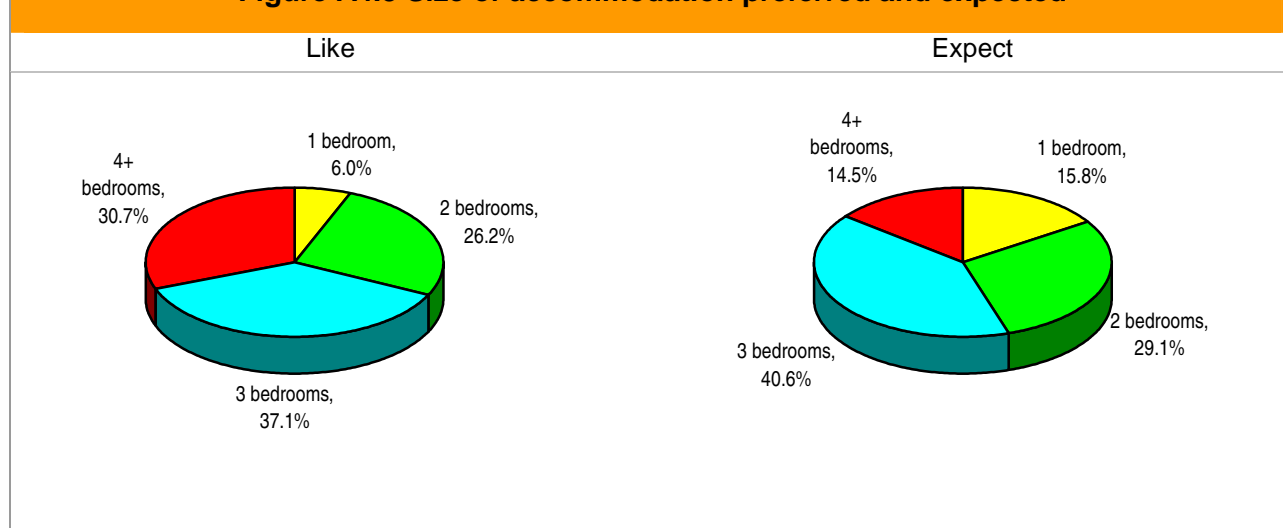
Source: Sefton SHMA household survey January 2008

A4.13 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 (41.8%) but a much smaller proportion would expect to move to such accommodation (10.0%).

Table A4.6 Accommodation type aspirations and expectations				
Type of home	Like		Expect	
	Households	%	Households	%
Detached house	7,516	41.8%	1,797	10.0%
Semi-detached house	4,695	26.1%	7,165	39.9%
Terraced house	713	4.0%	2,410	13.4%
Detached bungalow	2,106	11.7%	1,359	7.6%
Semi-detached/terraced bungalow	760	4.2%	1,120	6.2%
Flat/maisonette	2,176	12.1%	3,995	22.2%
Caravan/mobile home	0	0.0%	119	0.7%
Total	17,966	100.0%	17,966	100.0%

Source: Sefton SHMA household survey January 2008

A4.14 In terms of the sizes of accommodation required we find that the largest proportion of households would like three or four bedroom accommodation. In terms of expectations we find that fewer households expect four bedroom accommodation with a larger proportion expecting to secure a one bedroom home than would like to.

Figure A4.3 Size of accommodation preferred and expected

Source: Sefton SHMA household survey January 2008

A4.15 In addition, households were asked if they would like or expected to move to accommodation with some form of support available for the resident household. Although the vast majority of households would either like or expect ordinary residential accommodation there are a significant minority who would like or expect accommodation with some form of support available (mainly sheltered housing).

Table A4.7 Housing type aspirations and expectations

Type of home	Like		Expect	
	Households	%	Households	%
Sheltered housing with a warden	521	2.9%	495	2.8%
Sheltered housing without a warden	418	2.3%	658	3.7%
Supported housing	175	1.0%	105	0.6%
Extra care scheme	48	0.3%	74	0.4%
Residential care and/or nursing home	165	0.9%	165	0.9%
Ordinary accommodation	16,639	92.6%	16,469	91.7%
Total	17,966	100.0%	17,966	100.0%

Source: Sefton SHMA household survey January 2008

Newly forming households

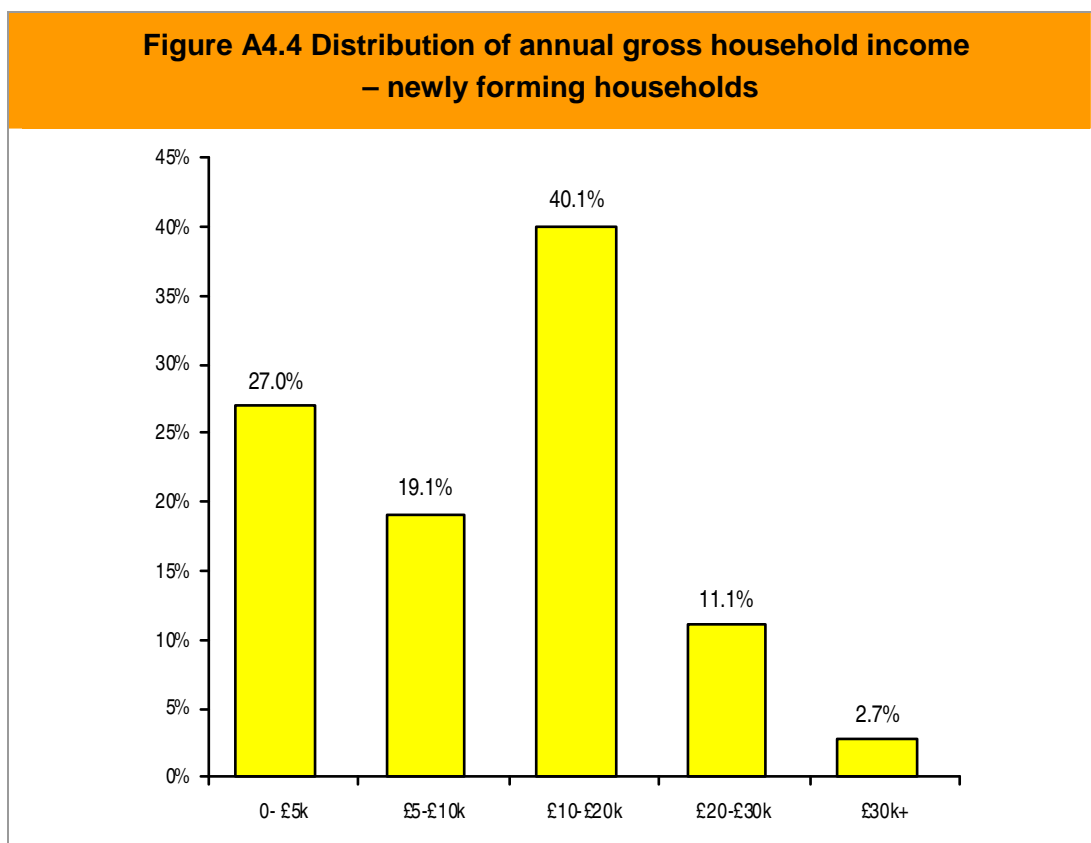
A4.16 From the survey data it is estimated that there are 7,749 households who need or are likely to form over the next two years. These households are individuals or families living as part of other households currently resident in the Borough, of which they are neither the head nor the partner of the head and who intend to move to separate accommodation within the next two years.

A4.17 The housing preferences and expectations of these households (in terms of location, tenure and type of dwelling) are discussed later in this section. Initially a series of data about these households' financial situation (including income and savings data) is presented. It is important to note that these households do not form the estimate for newly forming households within the Practice Guidance needs assessment model as aspirations are considered less reliable than trends, as is discussed in Chapter 25 of this report.

Newly forming households – Financial information

A4.18 The figure below shows the estimated income level for newly forming households. The figure shows that income distribution is heavily concentrated in the lower income brackets.

A4.19 Overall, it is estimated that just under half of newly forming households have an income of below £10,000 per annum and 86.2% an income below £20,000. The average (mean) income of newly forming households is estimated to be £11,390 (median: £10,136) – significantly below the figure for all households of around £25,763.



A4.20 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 (e.g. savings or money from parents). Nearly two thirds (63.5%) said that they had no access to funds for a deposit. Generally the amount of money available for a deposit was small; the average (mean) household is estimated to have access to around £3,690 (median: £1,021) - figures include those with no access to other financial resources. Overall, it is estimated that only 6.6% of newly forming households will have in excess of £10,000.

A4.21 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 (usually improving) financial situations. For example, households who have actually formed over the past two years show an average income of £17,988 per annum, and therefore to rely solely on the information provided here may not properly reflect the affordability of this important group.

A4.22 Therefore the survey form also asked a 'subjective' question about future affordability. In response to this question 51.0% of newly forming households stated that they would not be able to afford market housing without some sort of subsidy (e.g. Housing Benefit).

Future moves – newly forming households

A4.23 The table below shows where newly forming households would like and expect to move to. If we compare the results to the location preferences of existing households shown earlier in the chapter there are some interesting findings. Newly forming households are significantly less likely to like or expect to move to Southport, with much higher proportions wanting and expecting to move to Bootle. This finding is supported by information from consultation events, where respondents currently living with parents were much more inclined to move into Bootle and other southern areas of Sefton than older established residents.

Table A4.8 Where newly forming households would like and expect to move

Location of next home	Like		Expect	
	Households	%	Households	%
Southport	1,573	20.3%	1,422	18.4%
Bootle	1,422	18.3%	1,790	23.1%
Elsewhere in Sefton	2,470	31.9%	1,907	24.6%
Liverpool	410	5.3%	417	5.4%
Knowsley	47	0.6%	47	0.6%
West Lancashire	50	0.6%	62	0.8%
Elsewhere in Merseyside	116	1.5%	160	2.1%
Elsewhere in the North West	536	6.9%	679	8.8%
Elsewhere in the UK/Abroad	1,127	14.5%	1,264	16.3%
Total	7,749	100.0%	7,749	100.0%

Source: Sefton SHMA household survey January 2008

A4.24 In terms of tenure preferences and expectations, the table below shows some interesting results. In total it is estimated that around three-fifths of newly forming households would like to move to owner-occupied accommodation (58.0%). However notably fewer households than this expect to secure such accommodation (32.7%). Significantly more households expect to move into private rented accommodation than would prefer it.

Table A4.9 Housing tenure aspirations and expectations – newly forming households

Tenure	Like		Expect	
	Households	%	Households	%
Owner-occupied	4,496	58.0%	2,530	32.7%
Private rented	1,288	16.6%	2,879	37.2%
Intermediate housing	15	0.2%	80	1.0%
Social rented	1,949	25.2%	2,260	29.2%
Total	7,749	100.0%	7,749	100.0%

Source: Sefton SHMA household survey January 2008

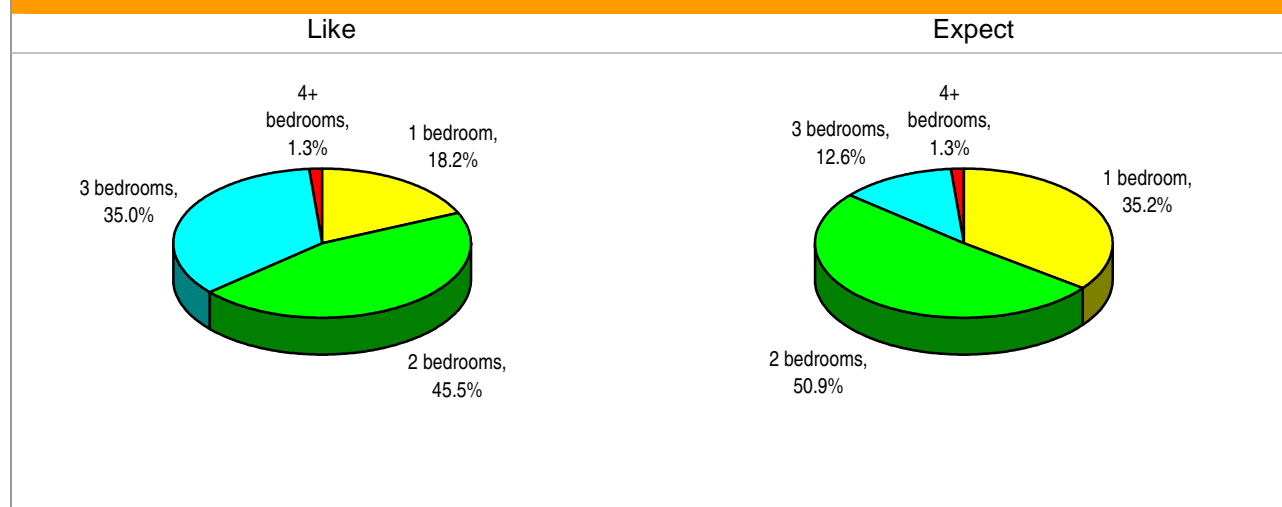
A4.25 The table below shows the type of dwellings newly forming households would like and expect to move to. Compared with the results for existing households the figures show that there is a greater preference and expectation for flatted and terraced accommodation amongst newly forming households. In total just under a third of newly forming households would like a flat or maisonette (30.0%) whilst over half (53.8%) expect to secure this type of accommodation.

Table A4.10 Housing type aspirations and expectations of newly forming households

Type of home	Like		Expect	
	Households	%	Households	%
Detached house	456	5.9%	121	1.6%
Semi-detached house	3,563	46.0%	1,352	17.4%
Terraced house	1,333	17.2%	2,034	26.3%
Semi-detached/terraced bungalow	75	1.0%	70	0.9%
Flat/maisonette	2,321	30.0%	4,171	53.8%
Total	7,749	100.0%	7,749	100.0%

Source: Sefton SHMA household survey January 2008

A4.26 In terms of the sizes of accommodation required we find that the largest proportion of households would like two bedroom accommodation (45.5%), with just 18.2% preferring a one bedroom dwelling. When looking at the bedroom expectations of newly forming households, a much higher proportion expect to move into a one bedroom dwelling with less expectation for larger dwellings.

Figure A4.5 Size of accommodation preferred and expected by newly forming households

Source: Sefton SHMA household survey January 2008

A4.27 In addition, newly forming households were asked if they would like or expected to move to accommodation with some form of support available for the resident household. The vast majority of households would either like or expect ordinary residential accommodation. Overall across the whole Borough only 4.0% of newly forming households would like accommodation with some form of support available for the resident household.

Summary

- i) This chapter presented information on the future housing intentions of households in Sefton. The main findings were:
- Just under a sixth of existing households state a need or likelihood of moving home over the next two years (15.4%). Households in Bootle and Southport are most likely to move.
 - Around four-fifths of households would like to remain living in the Borough, only slightly more than expect 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 it.
 - The survey estimates that there are 7,749 households who need or are likely to form from households in the Borough over the next two years.
 - Newly forming households show a large preference for owner-occupation but relatively few such households expect to be able to secure such tenure. Additionally, newly forming households are more likely to want or expect flatted accommodation than existing households.

Appendix A5 Compliance with guidance

Introduction

- A5.1 As discussed in the first chapter of this report, Guidance is now much more demanding and specific about what the evidence base should yield. It is therefore appropriate to provide an account of the output of the study in terms of the requirements.
- A5.2 The Practice Guidance sets out the processes required to conduct a SHMA and also lists the outputs a SHMA should produce. The outputs are dealt with below in relation to both the Practice Guidance requirements and PPS3 requirements. First, however, this chapter comments on fulfilment of the process requirements.

Process requirements

- A5.3 The Practice Guidance (in its Figure 1.2) provides a checklist of process requirements. The following list of seven items paraphrases the requirement, and then summarises the response.
- i) Approach to identifying the submarket: This work had already been carried out. However this report does check and discuss the validity of those findings.
 - ii) Housing market conditions to be assessed in the local context: The report contains local market information at many points.
 - iii) Involves stakeholders: There has been a full involvement of stakeholders in the process, partly managed by the Council and partly facilitated by Fordham Research.
 - iv) Full technical explanation: There are technical explanations at relevant points in the text.
 - v) Assumptions and judgements fully justified and transparent: A Glossary of key terms is provided, and where assumptions and judgements have been made, they are explained as clearly as possible.
 - vi) Uses and reports on quality control mechanism: This is reported on in the Appendices as regards the survey work, and via the transparent explanation of such processes as the BHM model and the Practice Guidance needs assessment model in the text.
 - vii) Explains about monitoring and updating: The subsequent chapter sets out the approach which is suggested.

Output requirements of guidance

A5.4 The Practice Guidance (in its Figure 1.1) provides a checklist of core outputs. The following table list the eight outputs and the part of the report in which they are dealt with.

Table A5.1 Sefton: meeting the Practice Guidance core outputs	
<i>Item</i>	<i>Source</i>
1) Estimates of current dwellings in terms of size, type, condition and tenure	Sections B-C
2) Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the market.	Sections D-E
3) Estimate of the total future number of households, broken down by age and type where possible	Section F
4) Estimate of current number of households in housing need	Section G
5) Estimate of future households that will require affordable housing	Section G
6) Estimate of future households requiring market housing	Section F
7) Estimate of size of affordable housing required	Section F
8) Estimate of household groups who have particular housing requirements e.g. families, older people, key workers black and ethnic minority groups, disabled people, young people etc	Section H

Source: Sefton SHMA 2008

Output requirements of PPS3

A5.5 For ease of reference the following are the key outputs of a SHMA as required by PPS3:

- The likely overall proportions of households that require market or affordable housing, for example, x% market housing and y% affordable housing.
- The likely profile of household types requiring market housing e.g. multi-person, including families and children (x%), single persons (y%), couples (z%).
- The size and type of affordable housing required

A5.6 These can be derived from the preceding material.

Table A5.2 Sefton: meeting the PPS3 Requirements

<i>Item</i>	<i>Source</i>	<i>Comment</i>
a) Proportion of market and affordable housing	Chapter 36	The recommended split is 60% market and 40% affordable, although this should vary by part of the Borough.
b) Profile of households requiring market housing	Table 19.5	The largest household group requiring market housing is multi-adult households without children, (a third of all demand) followed by households with children (about 30%)
c) Size and type of affordable housing required	Chapter 36	<p>A fifth of affordable housing could be intermediate although it should form the majority of new affordable accommodation in the south of the Borough.</p> <p>In size terms, it is clear that three and four bedroom social rented accommodation is required and there are shortages of one, two and three bedroom intermediate housing.</p>

Source: Sefton SHMA 2008: sources as shown in the middle column

Summary

- i) This chapter summarises the way in which the process and output requirements of Guidance have been met. This Sefton SHMA is robust both in terms of process and outputs.

Appendix A6 Monitoring and updating

Introduction

A6.1 One of the central features of the Practice Guidance is that SHMAs are collaborative and continuing processes, not just the production of a report. This requirement is implied by the Local Development Framework approach and the strong emphasis on flexibility in the response to changing housing market demands (e.g. para 60 of PPS3). This emphasis is mirrored in the Practice Guidance, where Figure 1.2 provides a checklist of the key processes within the overall SHMA, which includes the requirement to:

CLG Practice Guidance	'Explain how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken'. [SHMA Practice Guidance, Figure 1.2 (pp. 10)]
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A6.2 The rapid movement of prices and rents, and the key importance of the weekly costs of different tenures/sizes of dwellings provided in this SHMA, makes it evident that monitoring and updating is an essential part of the process.

A6.3 The essential practice to ensure that the report remains current is to update the weekly costs of different forms of housing: they are the key to most practical policy decisions on both planning and housing issues. This issue is dealt with last, after discussing the more general types of updating.

Scope of this discussion

A6.4 Monitoring and updating occurs at all levels from national to local. This SHMA is designed to apply at sub-Borough and Borough level, and so the comments in this chapter are directed to that level. However the principles involved apply generally.

A6.5 This section focuses upon updating rather than monitoring. Monitoring refers largely to the administrative issue of keeping change under review and developing a strategy for reviewing the SHMA and updating it, and considering what policy implications may flow from such updates. This is a matter which the SHMA Steering Group will want to discuss, but it does not raise technical issues and is therefore not addressed further here.

Guidance context

- A6.6 The SHMA exists to support a wide policy spectrum: both at the local authority and higher level (particularly the Regional Spatial Strategy and Regional Housing Strategy). In the past these strategies have tended to be almost entirely top down. However the emerging SHMAs have meant that RSSs are now taking aboard the local housing market results and being amended to respond to them. This process requires an updating procedure to be in place due to the periodic reviews that such policies undergo. At the same time the cycle of revision of such policies provides a key reference point for the updating of key SHMA information.
- A6.7 Apart from the major policy documents such as the RSS, there are regular productions such as Annual Monitoring Reports and statistical returns to CLG which will require updated key statistics from a SHMA.

Updating the general findings

- A6.8 There are a wide range of data sources from which the general (secondary data) findings of this SHMA can be updated. A useful list will be found in Annex B of the Strategic Housing Market Assessment Practice Guidance. That list is very comprehensive as to sources. The following table takes it a stage further by outlining the strengths and weaknesses of the key sources. This is something which the non-professional user may not know, and so it may be useful to provide some guidance.

Table A6.1 Secondary data sources: strengths and weaknesses

Topic and source	Frequency/scale	Strengths and Weaknesses
(1) Survey of English Housing. a wide range of socio-economic data on housing	Annual; national and regional (sample c 20,000)	Excellent contextual source on all aspects of housing. Its weakness is that no further cross-tabulation is possible and supply and demand issues are not covered. In addition its scale does not permit accurate analysis at SHMA level
(2) English House Condition Survey. Mainly useful for housing stock evidence. Due to be combined with (1).	Annual; national and regional (sample 10,000)	Very good for provision of housing stock numbers at regional scale; also provides much detail on the 'decency' and general state of housing. Not as directly relevant to housing market analysis as (1) but valuable for the overall evidence base
(3) 2001 Census	10 years; available at very local areas	The best source for many background purposes: e.g. migration as it shows everyone moving to and from everywhere. It is now somewhat out of date. The main weaknesses for SHMA purposes are that it contains neither financial capacity information (not even income) nor indications of movement intentions. It is therefore of little use in producing plausible modelling of a housing market
(4) General Household Survey (GHS).	Annual; down to regional scale	Excellent descriptive source. Of little practical use in SHMA analysis for similar reasons to the Census. It does not provide data for individual households containing housing and financial data, essential for modelling housing market behaviour
(5) NOMIS website. contains many other general data sources	Available all the time and at many scales	The best ready source for most secondary data; weaknesses are as per the above sources. It does not provide the analytical inputs to a SHMA process, but much valuable background.
(6) Population projections (ONS)	Annually updated; regional and Borough level	They are conveniently detailed, but are not of much direct use in SHMA analysis, since they are not based on households (see below)

(7) Household projections (CLG)	Due to be every two years; regional and usually Borough level availability; annual mid-year estimates are produced for Boroughs	Much more useful than population, and a vital background series. The only commonly available projections for 15-20 year horizons. The price of this long view is that the data does not reflect housing markets. Although sometimes wrongly referred to as a 'demand' forecast, it is not. It is based on assumptions about household formation drawn from the current socio-economic situation. This may change both nationally and locally if socio-economic situations change (as they normally do. Hence these projections must be treated as 'guesses' or 'policy led' (i.e. what it is hoped may happen, not as any guide to what the housing market may do).
(8) English Longitudinal Survey of Ageing (NCSR)	Bi-annual; national	Valuable background source. Useful for health; general economic situation and quality of life. Not of practical value for SHMA analysis due to scope and sample size
(9) National Health Service (NHS) Central Register	Quarterly or annual; national, regional and Borough	Extremely useful as it is the best source for migration in between the 10 year Censuses. Of very limited use for checking primary data, unfortunately, as it is biased by the fact that younger men and more mobile people are less likely to register. As it is collected at an individual rather than household level there are further limitations to its use in SHMA analysis.
(10) Inland Revenue income data	Annual; regional and Borough	Valuable as background; very limited usefulness in SHMA work as it is personal (not family) and cannot be correlated with other information (such as equity and household characteristics)
(11) Annual Survey of Hours and Earnings (ASHE)	Annual; regional and some Borough level data	The best source for individual income, but it is employment and individual, not home and household based. Moreover it is not possible to relate the data to housing and other financial data for SHMA analysis.
(12) CORE (U of St Andrews)	Annual; Borough	The best source for social rents
(13) Rightmove (and other similar websites)	Continuous; very local	By far the best source for both local house prices and rents. It is quicker to scan this than to look at other secondary sources and much more up to date
(14) Land Registry Sales of all housing	Quarterly; postcode sector	By far the best background source on value of dwellings. It does not contain information on size of property nor on repairs costs, and so it cannot be directly used in SHMA analysis. However it provides the only reliable dynamic source for past price changes

(15) Housing Strategy Statistical Annex (HSSA) (CLG)	Annual; Borough	A good source for current housing at borough level, especially figures for the Housing Register and newbuild affordable housing. It is dependent on forms returned by borough, and is of very variable accuracy. Many boroughs, when approached directly, produce different statistics to the HSSA.
(16) Annual survey of mortgage lenders	Annual; regional	The most comprehensive source for overall mortgage amounts and types. It does not (and nor do those of particular lenders) provide the full range of financial capacity for the households concerned, and so it cannot be used in SHMA analysis.
(17) Valuation Office Agency: value of properties sold	Quarterly; postcode sector	Excellent source, now subject to a charge though; it simply provides valuation for the stock of housing and again cannot be cross-tabulated reliably with other data.
(18) Council Tax Band data (from boroughs)	Annual; borough	The best source for value of properties in a borough; can be rendered of little value if there are wide areas of for example low priced housing, all in Band A
(19) Labour Force Survey (ONS)	Quarterly; borough	The best source for employment trends; cannot be related usefully to housing market statistics
(20) Index of multiple deprivation (CLG)	4-5 years; borough or lower	Key reference as a general description of the circumstance of the population, with obvious focus on deprivation (income, health, education, disabilities, barriers to housing.
(21) Economic forecasts Treasury and commercial sources	Regular; regional and borough	Forecasts exist (e.g. Oxford Economic Forecasting) in considerable detail at borough level showing changes in types of employment, and migration for decades ahead. They are highly speculative, but do provide useful background to a SHMA

Source: Annex B to the CLG Practice Guidance (August 2007); and Fordham Research 2008

A6.9 There are many other possible sources, and the list in Annex B of the Strategic Housing Market Assessment Practice Guidance is longer than this one. However the other sources are more minor, and are more readily accessed through such sites as NOMIS (by topic).

Primary dataset

A6.10 The key variable to update within the SHMA is the weekly costs, presented in Table A6.4 below. However local information on, for example, new variants of intermediate housing will no doubt be sought, and should be brought into the process. Similarly with new ideas from the press that seem capable of local application. Thus there are a wide range of informal updating processes which simply require initiative, rather than detailed analysis.

- A6.11 At the more formal level, a convincing SHMA requires a combination of secondary (existing) and primary (specifically gathered local survey) data. The sources listed above will help to update the secondary data. It is not readily possible to update the primary data without specialist analysis. That is because the dataset is very large (requiring an analytical programme called SPSS) and because the process of (re) analysing it involves a complex expertise which is not widely available.
- A6.12 Short-term market responses will be catered for by the procedures listed in this chapter. Longer-term structural changes are likely to require monitoring only at much longer intervals such as five yearly. In that longer perspective it is not unreasonable to expect to have to do a further household survey. Many of the households in the original survey will have changed by the time of a second one, and only new survey work can find out about them.

Updating weekly costs

- A6.13 We would recommend fairly frequent (at least quarterly) updating of the key tabulation of weekly costs. The rate of change in this will serve as a key indicator of how frequently the core data should be updated.
- A6.14 It has been emphasised through this report that the old focus on price/income ratios is not relevant to SHMA work. Financial capacity is the appropriate measure for the ability to afford. However it has been emphasised that the main focus should be upon comparative prices and rents: what are the housing market gaps and how are they changing? That is what governs the issue of how fast people can 'climb the housing ladder'.
- A6.15 The most fundamental set of data for monitoring and updating is therefore the tabulation of weekly cost equivalents for purchase and rental. That is the main focus of the updating suggestions here, as it is both (relatively) simple and central. As a first step a couple of related issues will be addressed, followed by specific instruction on the updating process.

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

- A6.16 The short answer is: because it is not relevant. There is no problem with updating incomes (indices exist for doing so) but it will not help with the question of affordability and policy for newbuild housing generally. Whether a household can afford social rent or outright purchase is a financial matter, but as shown in this report, income is only part of the answer to that question: affordability is also dependent on household savings and equity.

A6.17 From the point of view of planning and housing policy and practice the key updating issue is the relative costs of types/tenures of housing. The SHMA has indicated the ability to afford housing in general. The policy issues which will arise from day to day are of a different type, for example:

- i) A house builder offers what is stated to be affordable housing of two bedrooms at a cost of £X per week. Is it affordable? All that needs to be done is to ensure that the costs are on a comparable and complete weekly basis, and the answer takes a few moments when comparing it with the cost table below.
- ii) An RSL proposes shared ownership homes at a given price. Again when reduced to an overall weekly cost (including management/service charges) by making the purchase element into a weekly cost, the comparison with the table will soon show if the product is indeed intermediate or low cost market.
- iii) When negotiating S106 Agreements reference to updated versions of the weekly housing costs table will ensure that the housing really is affordable for the group it is targeted at.

How to calculate the updated prices

A6.18 Before putting the purchase and weekly rent costs on a common basis, as discussed in the next subsection, it is necessary to set out some points on the way in which a reasonable set of updated prices can be derived for a given (probably Borough) area. The following table sets out general principles.

Table A6.2 Establishing new minimum prices/rents

1. Prices for each size of dwelling will vary across a Borough, often within short distances. It is important therefore to identify the boundaries of the individual price markets that exist within the authority.
2. Once the appropriate price markets have been determined, it is necessary to establish the main settlements in the area and the estate or letting agents in operation in the area.
3. The Practice Guidance indicates entry-level prices should be approximated by the lower quartile value. For each settlement or estate/letting agent identified, it is possible to complete an internet search to identify the number of properties of each size available in that settlement. If the total number of properties of a particular size is quartered and then the properties are sorted by cost in ascending order, then the property at the quartered value is the lower quartile point.
4. This process is repeated for all property sizes and then for different settlements. The overall lower quartile cost for a particular dwelling size in a price market is the mean of the individual lower quartile prices identified in each constituent settlement.

Source: Fordham Research 2008

A6.19 The figures can, in the case of weekly costs like rents, be inserted straight into the table. In the case of prices and shared ownership (combination of price and rent) it is necessary to process the information further. The next section describes a procedure for doing this.

Putting purchase prices on a weekly cost basis

A6.20 The following table explains how to put purchase prices on a weekly basis, for insertion into the weekly costs table.

Table A6.3 Turning the purchase price for a house into a weekly cost

<i>Issue for calculation</i>	<i>Formula</i>	<i>Calculation</i>
*For interest only mortgage (which is preferable because it represents the cheapest method of entering the sector and therefore the entry level)		
Cost (price) of home = C (assumed here to be £125,500 for a 2-bed)		
Interest rate = I (currently 6.5%: Halifax Standard Variable Rate March 2008)		
Interest to be on mortgage to be paid per year = P		
Weekly Interest payment = W		
Interest only mortgage: calculation of interest	$C * I = P$	$£125,500 \times 0.065 = £8,164 \text{ pa}$
Make the annual figure into a weekly one	$P/52 = W$	$£8,164/52: £157 \text{ per week}$

Source: Fordham Research 2008

A6.21 The figure of £157 is then inserted into the relevant cell for two-bed entry level purchase cost.

Basic table for future updating

A6.22 For convenience the weekly costs table is reproduced here. It is the template for successive revisions as market conditions change. It represents the testing framework for a wide range of new housing. It can be inserted, together with the updating procedure, into S106 Agreements and the like, in order to ensure that the housing (especially affordable housing) does indeed meet the necessary criteria to address the relevant need.

Table A6.4 Comparative outgoings by tenure

Price market and property size	Social rent	Intermediate	Min private rent	Min price sale (second-hand)	Newbuild
	£ weekly	£ weekly	£ weekly	£ weekly	£ weekly
Southport					
1 bed	£55	£79	£104	£115	£150
2 bed	£60	£99	£137	£151	£196
3 bed	£66	£113	£160	£182	£236
4 bed	£73	£167	NA	£262	£340
Formby					
1 bed	£55	£85	£115	£150	£195
2 bed	£60	£93	£127	£185	£241
3 bed	£66	£105	£144	£225	£292
4 bed	£73	£325	NA	£325	£423
Crosby/Maghull					
1 bed	£55	£82	£110	£115	£150
2 bed	£60	£91	£122	£148	£193
3 bed	£66	£101	£135	£185	£241
4 bed	£73	£238	NA	£238	£309
Netherton/Bootle					
1 bed	£55	£63	£87	£71	£92
2 bed	£60	£71	£98	£81	£106
3 bed	£66	£88	£110	£112	£146
4 bed	£73	£106	NA	£139	£181

Source: Survey of Estate Agents in Sefton 2008

Policy use of the information

A6.23 The revised table can be referred to in policy documents as a basic tool for assessing affordability. As emphasised above, it is not necessary to add income or financial capacity information. If the housing is cheaper than a given threshold, then it is affordable to the groups in question (those who can afford intermediate housing, or low cost market housing for example).

A6.24 The revised table will, like that in this SHMA, represent a central policy tool both for the local authority to check the affordability of different types of housing (e.g. intermediate or low cost market) and for private sector bodies to check the affordability of what they are offering. This tabulation should provide a neutral basis for comparison of alternative packages whether of market or affordable housing.

Appendix A7 Survey questionnaire

