

Strategic Housing Research Project

Executive Summary
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Executive Summary

1. Local authorities have an obligation under the Housing Act 2004 to keep housing conditions in their area under review for all tenures, including private sector housing.
2. To meet this obligation, Rother District Council commissioned Opinion Research Services (ORS) to carry out a survey on a random sample of private sector housing within six designated sub-areas (the study area consists of Battle Urban, Battle Rural, Bexhill, Rye Urban, Rye Rural and Ticehurst Rural), referred to throughout this report as a Strategic Housing Research Project (SHRP). In parallel a resident's survey was carried out to establish housing need and aspiration across the district. This included social tenants, whereas the stock condition survey excluded these properties.

Methodology

3. This study was completed using a sample survey. A sample survey works by applying a weight to each dwelling surveyed. Put simply, by surveying 1,078 dwellings from a total of 38,800 dwellings, we would assign a weight of around 36 to each survey ($38,800/1,078 = 36$). In other words, each property surveyed would represent approximately 36 properties in the study area. By using as many as 1,078 surveys and choosing addresses randomly we can be confident that results are representative of the housing stock as a whole. It should be noted however that the distribution of surveys was increased for the Bexhill area at the request of the Council to ensure a more detailed picture for that particular locality.

Household Survey Information

Overcrowding

4. To assess potential overcrowding the number of rooms required by a household is assessed through analysing the household profile against a “bedroom & living room standard” derived from the 2004 Housing Act.
5. The household survey identified a total of 4.1% of households who are overcrowded in Rother.
 - » Sub-Area - Overcrowding was most prevalent in Battle Rural, reflecting a high number of multigenerational households.
 - » Household Characteristics: Overcrowding is more prevalent in households with mobility issues, and also in households with ethnicities other than white British.
 - » Tenure: Overcrowding is particularly high in rented properties, especially those that are socially rented

Moving Households

6. In total 6.7% of households want or need to move in the next year and another 8.3% households want or need to move within the next 3 years. Those who rent privately are far more likely to want or need to move.
7. Half of all moving households are planning to stay in the same town or village. Over a quarter are planning to leave Rother for the rest of the UK. Over 62% of those who want or need to move expect to be owner occupiers. 19.4% want to move to a social rented property and 17.7% expect to move to a privately rented dwelling.
8. Around a third of new households forming expect to be able to afford rent or mortgage payments between £250 and £374 per month (33.2%) with a further third able to afford between £375 and £499 per month. Just over a quarter (26.4%) can afford £500 to £749 per month.

Households with Specific Needs

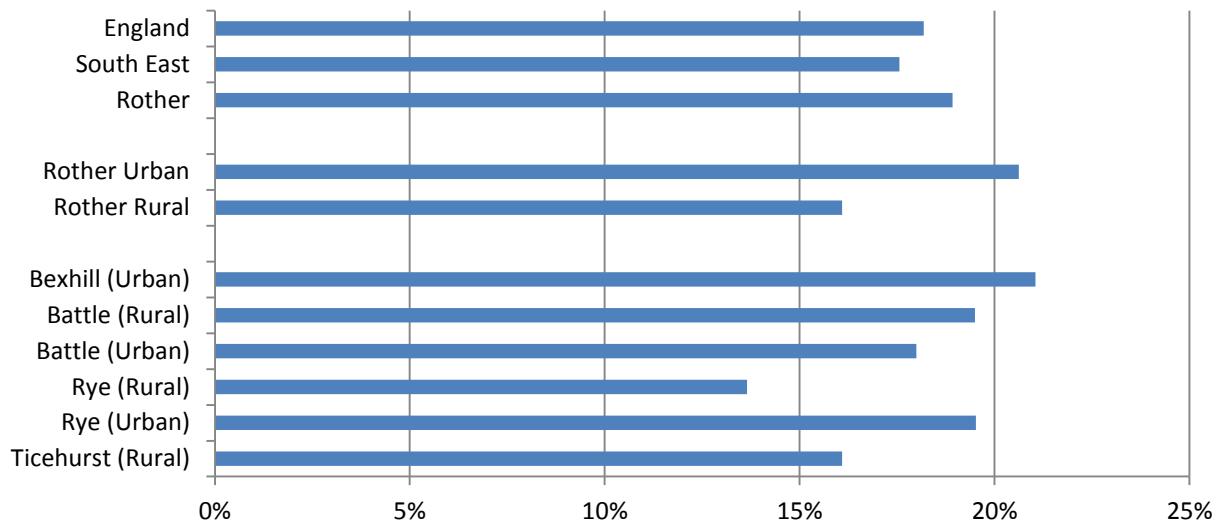
9. 17.5% of respondents said a member of the household has restricted mobility (representing approximately 7,300 households in Rother), and a further 3.7% (approximately 1,500 households) indicated that a member of the household has another health issue that affects their housing needs.
10. Amongst those who indicated a health limitation that affects housing needs (not just mobility issues), 72% do not anticipate the need for a wheelchair. Of those that did indicate wheelchair use (approximately 2,600 persons, of which 1,900 belong to households aged 65 and older) the majority do not require the use of a wheelchair within the home. 94% of the group feel that their home is suitable for their needs or could be adapted to be so.

Study Area Characteristics

Private Rented Sector

11. The private rented sector has grown in the study area in the last decade. At the time of the 2001 Census there were 4,393 households in the private rented sector, and the 2011 Census confirmed significant growth, indicating that this had risen to 6,356¹. The SHRP indicates that this number has further risen to 7,180.
12. Figure 1 compares the proportion of private renting households across the various sub-areas of Rother. It is clear that the urban study areas have a particularly large private rented sector overall compared to the rural areas of Rother (with Battle an anomaly in this respect); and also with comparison to the regional and national figures.

Figure 1: Proportion of Privately Renting Households by sub-area in Rother – As a Proportion of All Private Dwellings (Source: UK Census of Population 2011 and SHRP 2017)



Dwelling Type Profile

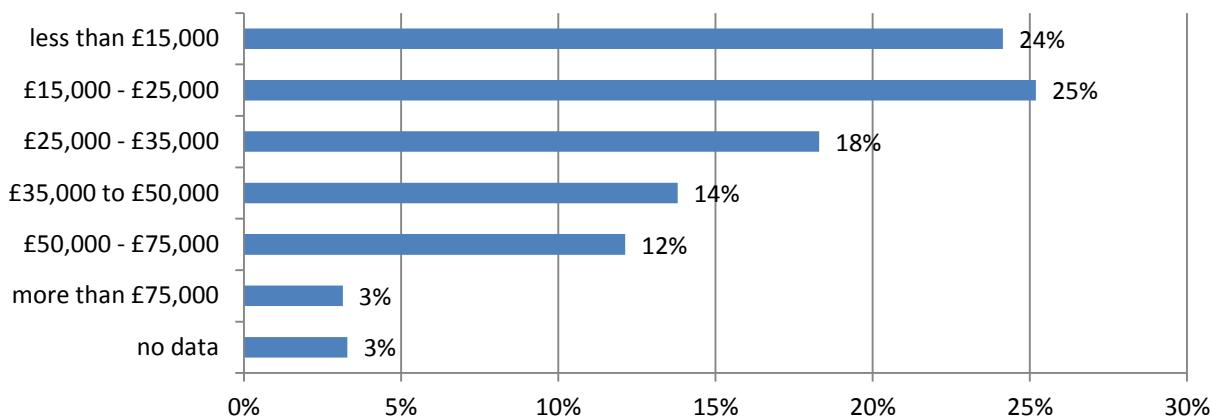
13. Bungalows are more than twice as common in the study area than in England as a whole. The proportion of semi-detached and terraced houses is almost half of the national average, and there are higher proportions of detached properties and purpose flats than across England as a whole.
14. Purpose built and converted flats are the most widespread property type in the study area in the privately rented tenure; these property types represent 16% of owner occupied and 49% of privately rented dwellings.
15. Detached houses (28%) are the most common owner occupied property type, followed by bungalows (26%).

¹ We would note that in the private rented households we have included any households who live rent free. This category often includes dwellings which are tied accommodation linked to workers, or households who are living in properties belonging to other family members.

Household Income

16. Figure 2 shows the distribution of gross household income in Rother (inclusive of investments, benefits and pensions). Almost a quarter of households have incomes below £15,000, and almost half below £25,000. The mean household income amongst respondents is approximately £28,500.

Figure 2: Gross household Income inclusive of investments, benefits and pensions in Rother (Source: SHRP 2017)



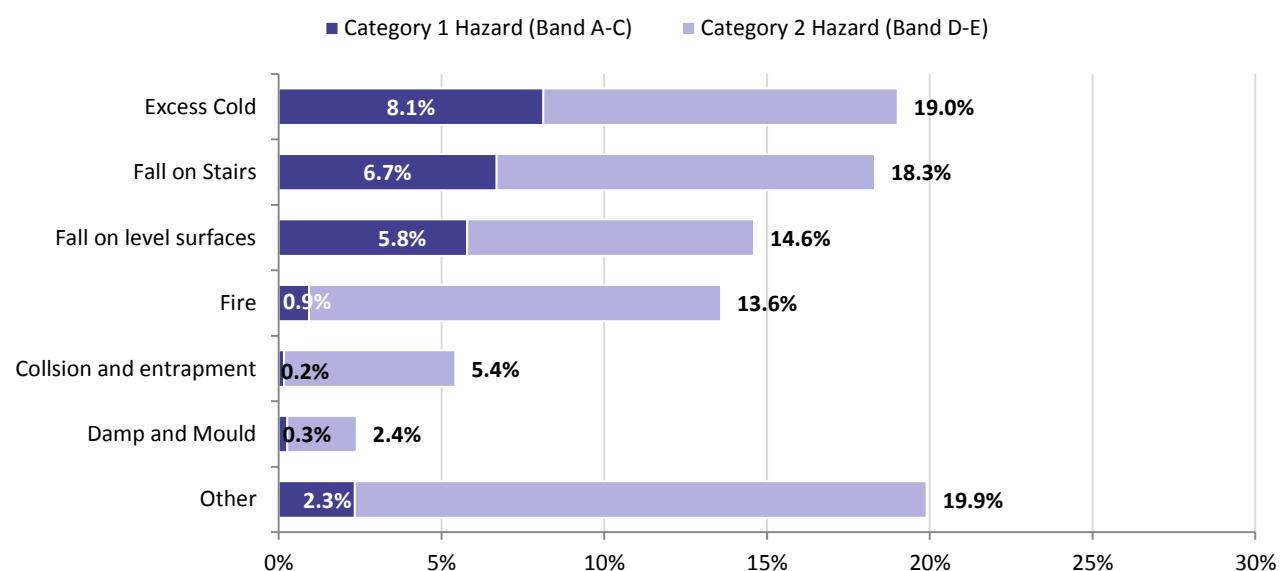
- » Age : Relatively low incomes were most common amongst the very young (under 24) and pensioners.
- » Tenure: The least wealthy group are social rent households, in which 91% of households earn less than £25,000, and 69% earn less than £15,000. The highest earners tend to be those who own with a mortgage, reflecting the number of pensioners who have paid off their mortgages but now have relatively low incomes.
- » Sub-Area: Residents of rural areas have significantly higher incomes than the urban population. The most affluent area is Battle Rural (34% over £50,000), whereas Rye Urban has the highest proportion of low earners (35% under 15,000).

Statutory Minimum Standards

Hazards Identified by the Survey

17. The overall proportion of dwellings with a Category 1 hazard in the study area is 18.5%, which represents a total of around 7,210 dwellings. This compares with 13.2% of dwellings across England (based most recently available EHS data). The most prominent Category 1 hazards identified are Excess Cold and Falls on Stairs (8.1% and 6.7% respectively) as illustrated in Figure 3.

Figure 3: Reasons for failure by Category 1 and Category 2 hazards (Source: SHRP 2017)



- » Tenure: private rented stock (23.8%) has relatively more Category 1 hazards than owner occupation (17.3%)
- » Location: much higher proportions of dwellings in Ticehurst Rural (31.8%) have Category 1 hazards compared to the remaining areas, of which Rye Rural and Battle Rural are also above the study area average.
- » Dwelling type: Converted flats, semi-detached houses and small terraced houses have the highest proportion of Category 1 hazards (27.3%, 27.5% and 25.2% respectively).

The Decent Homes Standard

Prevalence of Non-decency

18. The Decent Homes Standard contains 4 criteria against which compliance with the Standard is based. Nationally, tenure analysis shows there is a clear difference between the rates of non-decency found in private rented dwellings (which is higher) and owner occupied dwellings. This can also be seen in the study area, where the rate of non-decency for privately rented dwellings (41%) is higher than for owner occupied (27.7%).
19. In terms of how rates of non-decency vary by location within the local authority:
 - » The rate of non-decency is highest in Ticehurst Rural (41.9%);
 - » The rate of failure is close to the study area average (30.2%) in other areas, and lowest in Battle (21%).
20. In terms of rates of non-decency among dwellings by type:
 - » The highest levels of non-decency are found in converted flats (53.1%) along with purpose built flats (47%);
 - » The lowest levels of non-decency are found in detached houses (19.1%), with medium/large terraced houses and bungalows (23.4% and 24.2% respectively) also having rates of failure appreciably below the study area average (30.2%).

Costs to remedy Decent Homes Failures

21. Having determined the reasons for dwellings being classified as non-decent, it is possible to indicate what level of repairs or improvements would be needed to make all dwellings decent.
22. The total cost to remedy non-decency (across all tenures, excluding social housing) is estimated to be £49.5 million, with an average cost per dwelling of £3,190. The owner occupied sector accounts for £37 million of the total costs to remedy; the private rented sector accounts for a further £12.5 million (Figure 4).

Figure 4: Repair cost by tenure for non-decency reason (Source: SHRP 2017)

Reason	Tenure – Owned		Tenure – Private Rent		Overall	
	Total Cost (£ million)	Cost per dwelling (£)	Total Cost (£ million)	Cost per dwelling (£)	Total Cost (£ million)	Cost per dwelling (£)
Category 1 hazard dwellings	22.3	4,090	8.7	4,910	30.9	4,290
In need of repair	6.7	5,170	1.7	3,080	8.5	4,540
Poor degree of thermal comfort	11.0	2,450	4.6	2,390	15.6	2,430
Lacking modern facilities	0.2	10,030	0.2	10,030	0.3	10,030
Total (and average per dwelling)	37.0	3,280	12.5	2,940	49.5	3,190

Energy Performance

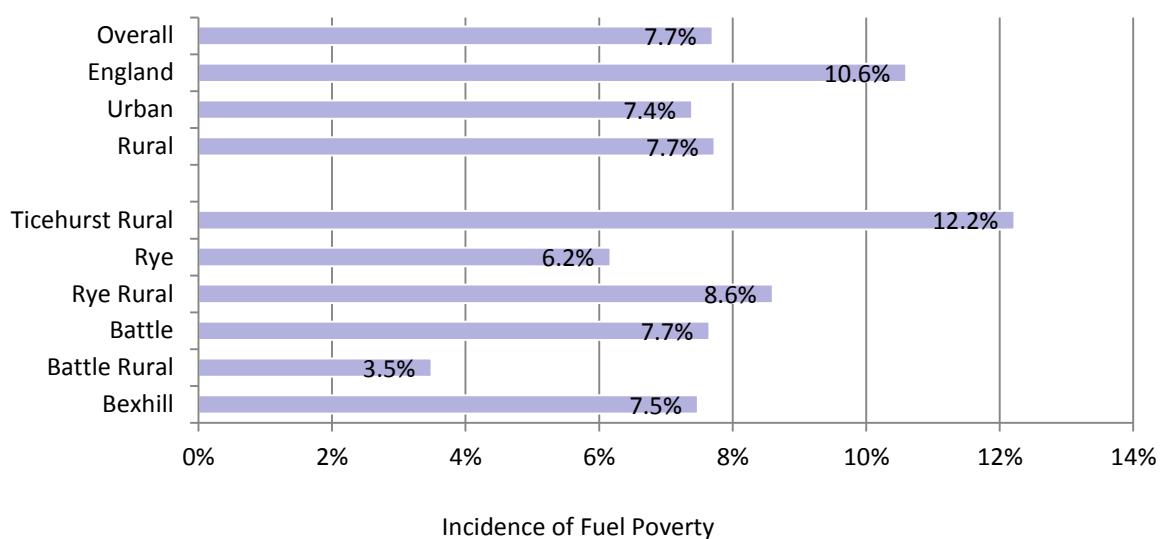
Distribution of SAP Ratings

23. Energy performance distribution by tenure was calculated, incorporating the same banding system used since the EHCS 2007:
- » Overall, the band which accounts for the highest proportion of stock is Band D (55-68) (43.7%). This is also the case nationally (52.6%).
 - » A slightly higher proportion of dwellings in the study area are in Bands A-C (69-100) (29.6%) relative to the whole of England (21.9%)
 - » 26.7% of dwellings are in the lowest Bands E-G, which is somewhat higher than the national result of 25.6% found by the EHS 2014.
 - » By comparing tenures within the study area, proportionally it can be seen that a significantly higher proportion of privately rented dwellings lie in Bands E to G (35.1%), relative to owner occupied dwellings (24.7%).
 - » The average SAP rating in the study area is 59 (Band D), compared to an average SAP rating of 60 (Band D) nationally based on the findings of the EHS 2013-14.
 - » Average SAP ratings by area range from 54 in Battle rural (Band E), to 61 in Bexhill and Battle (Band D).
 - » The average SAP rating for owner occupied dwellings (60; Band D) is higher than that for privately rented dwellings (55; bottom of Band D).

Tackling Fuel Poverty

- 24. A key issue in reducing energy consumption is tackling fuel poverty. Not only do dwellings where fuel poverty exists represent dwellings with poor energy efficiency, they are, by definition, occupied by residents with low incomes least likely to be able to afford improvements.
- 25. Using the “Low Income High Costs” definition of fuel poverty adopted by the government in 2013 and excluding social housing stock, overall the results show that 7.7% of households are in fuel poverty in the study area. This will present issues in terms of both energy efficiency and occupier health.

Figure 5: Incidence of fuel poverty by location (Source: SHRP 2017)



- 26. As can be seen in Figure 5, the highest incidence of fuel poverty is found in Ticehurst Rural. Overall, there is a slightly higher incidence of fuel poverty in rural than in urban areas.
- 27. There are two primary drivers of fuel poverty: the cost of heating, and income. The prevalence of fuel poverty in rural areas is likely due to the prevalence of large, old, expensive to heat dwellings (there are higher levels of category 1 excess cold, and lower average SAP ratings) in rural areas, along with a higher proportion of dwellings utilising less efficient fuel sources than mains gas, further increasing heating costs.
- 28. In terms of the difference between the areas, Ticehurst Rural has a relatively high proportion of low income households, which, in tandem with the higher cost of heating in rural areas, results in a higher incidence of fuel poverty. In contrast, Battle Rural has a similar profile of expensive to heat properties, but has a more affluent population who can more comfortably afford the high cost of heating, decreasing the incidence of fuel poverty markedly in comparison.

Affordable Housing Needs

Size and Tenure Mix

30. National policy contained in the NPPF requires that planning authorities identify the affordable housing needs of their area as a component of their overall objectively assessed needs. Rother has an adopted local plan which identifies a net need for up to 1,647 affordable homes over the period 2011-2028.
31. Under current definitions of affordable housing need and current guidance, there is a need for a range of affordable properties across Rother, with around 27% of the need being for 1 bed properties, 44% of the need for 2 bedrooms, 21% for 3 bedrooms and 7% for 4 bedrooms as set out in Figure 6:

Figure 6: Affordable housing mix by household affordability (25% of income) Assuming no Housing Benefit Support to Households (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

		Unable to afford Target Rent	Can afford Target Rent	Can afford Affordable Rent (80% of market median)	TOTAL
25% OF INCOME					
Flat	1 bedroom	329	4	28	361
	2+ bedrooms	180	31	31	241
House	2 bedrooms	264	45	45	354
	3 bedrooms	219	52	24	294
	4 bedrooms	43	14	4	61
	5+ bedrooms	27	9	2	38
	TOTAL	1,061	154	134	1,349

32. The predominant need for affordable housing is for households who would be unable to meet their own housing costs at Target Social Rent. However, there are also some households able to afford to cover their own rents on affordable properties and they would be suitable for intermediate housing schemes.

Low Cost Home Ownership

33. Many households are able to afford to cover their current housing costs in the private rented sector, but are unable to access home ownership. Some of these households may prefer to occupy shared ownership properties (where the appropriate eligibility criteria are met) even though they are excluded from the current definition of affordable housing need (as they are able to afford to meet their needs in the rental market). Therefore, the provision of a wider range of intermediate housing products could help these households to enter into home ownership.

The Private Rented Sector

34. The private rented sector in Rother has been growing in importance. Between 2001 and 2011 there was very little change in the number of households who own their own home (an increase of approximately 600 households), or who rented from a social provider (an increase of approximately 200 households). However, the number of private renters grew by 2,000 households. The current owner occupation rate in Rother is very close to its level in 1981 (72% in 1981 vs 74% in 2011), but around 60% of renters now do so in the private sector, up from 43% in 1981.

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